

COLLECTIVE METALS INC.
(formerly ARCTIC FOX MINERALS CORP.)

Management's Discussion and Analysis
For the three months ended March 31, 2024
(Expressed in Canadian Dollars)

**COLLECTIVE METALS INC. (FORMERLY ARCTIC FOX MINERALS CORP.)
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2024**

Introduction

The following Management Discussion and Analysis (“MD&A”) of Collective Metals Inc. (the “Company” or “Collective”) has been prepared by management, in accordance with the requirements of National Instrument 51-102 (“NI 51-102”) as of May 30, 2024 and should be read in conjunction with the condensed consolidated interim financial statements for the three month ended March 31, 2024 and the audited annual consolidated financial statements for the year ended December 31, 2023, and the related notes contained therein which have been prepared under IFRS Accounting Standards. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. Additional information relevant to the Company’s activities can be found on SEDAR at www.sedarplus.ca.

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

Overview

The Company was incorporated under the *Business Corporations Act* (Ontario) on March 23, 2018 under the name “Fish Purdy Holdings Corp.” to operate as a resource exploration company focused on the acquisition and exploration of mineral properties. The Company changed its name to “Melius Capital Corp.” on August 24, 2020. The Company changed its name to “Arctic Fox Minerals Corp.” on July 8, 2021, and changed its name to Collective Metals Inc. on March 8, 2023. On June 21, 2022, the Company listed on the Canadian Securities Exchange (“CSE”) under the ticker FOXY. Concurrent with the Company’s change of name on March 8, 2023, the Company’s ticker was amended to COMT. On April 27, 2023, the Company’s shares were listed on the Frankfurt Stock Exchange (“FSE”) under the symbol “TO1”. The Company’s head office is located at 409 – 22 Leader Lane, Toronto, Ontario, Canada, M5E 0B2, and its registered and records office is located at 409 – 22 Leader Lane, Toronto, Ontario, M5E 0B2. The Company is currently engaged in the business of mineral exploration of the Princeton Property, Landing Lakes project and the Whitemud project.

The Princeton project, a copper-gold project located in south-central British Columbia covering 70,570 acres. The project is approximately 10 kilometres west of Copper Mountain Corp.’s currently producing Copper Mountain mine, which hosts a proven and probable mineral reserve of 702 million tonnes (Mt) of 0.24 per cent copper (Cu). The project hosts potential for identification of one (or more) copper-gold alkalic porphyry occurrences similar in age and deposit type to the Copper Mountain mine. The project is easily accessible by road and is located immediately west of Highway 3 south of Princeton, B.C., in a well-established mining district with excellent infrastructure, a local work force and support services. British Columbia is known as a low-risk jurisdiction with high standards for environmental stewardship and community engagement.

The Landings Lake project, a lithium property in Ontario consisting of 154 cells comprising 3,147 hectares. The property is located 53 kilometres east of Ear Falls, Ont., with good highway and logging road access, and is in an area where numerous lithium deposits have been delineated to host significant reserves of lithium.

Whitemud Project, a lithium project in Ontario consisting of 381 single cell mining claims totaling 7,775 hectares. The property is located 53 kilometres east of Ear Falls, Ont., with good highway and logging road access, and is in an area where numerous lithium deposits have been delineated to host significant reserves of lithium.

Exploration Summary

Princeton Project

The exploration targets for the Project are multiple Alkalic Cu-Au porphyry associated with Triassic age diorite intrusions similar to that being currently mined at Copper Mountain, located approximately 10 km east which represents the deposit model for the Project. Our exploration model resembles the model used at Kodiak Copper’s MPD property, located approximately 30 km to the north-northeast. Documented mineralized occurrences are present within, and adjacent to, our Project, supported by a wealth of information acquired by previous operators, the BC Geological Survey Branch and Geoscience BC (see News Release dated July 5, 2023). During the year ended December 31, 2023, the

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Company commenced Phase Two Exploration Program on the Project. This Program is a regional reconnaissance soil program designed to evaluate 11 previously untested priority target areas across the Project.

Significant Events and Overall Performance

The Company is a natural resource company engaged in the acquisition and exploration of mineral properties. On June 21, 2022, the Company listed on the CSE under the ticker FOXY. On April 27, 2023, the Company's shares were listed on the Frankfurt Stock Exchange ("FSE") under the symbol "TO1".

On February 6, 2023, the Company issued 510,000 common shares with a fair value of \$76,500 to settle accounts payable with third parties of \$237,500 and the former CEO of \$17,500, totaling \$255,000 of amounts owed. The Company recognized a gain on debt settlement of \$178,500.

On February 6, 2023, the Company issued 100,000 common shares with a fair value of \$15,000 to the former CEO pursuant to an employment agreement between the Company and the former CEO.

Concurrent with the Company's change of name on March 8, 2023, the Company's ticker was amended to COMT. On March 13, 2023, the Company completed a share consolidation of ten (10) old shares for one (1) new share basis, all share and per share amounts in this MD&A have been retrospectively restated to reflect the consolidation.

On March 24, 2023, the Company closed a non-brokered private placement of units of the Company (the "Units") through the issuance of 8,840,000 Units at \$0.125 per Unit for gross proceeds of \$1,105,000 (the "Offering"). Each Unit consists of one common share of the Company (a "Share") and one whole common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional Share at a price of \$0.20 on or before March 23, 2025. In connection with the Offering, the Company incurred share issuance costs of \$11,948 and paid eligible finders a cash commission of \$74,235, and 593,600 share purchase warrants (the "Finder's Warrants"). Each Finder's Warrant entitles the holder thereof to purchase one Share at a price of \$0.20 per Share on the same terms as the Warrants.

On April 20, 2023, the Company completed the acquisition of all of the issued and outstanding shares of 1335025 B.C. Ltd. From the shareholders of 1335025 B.C. Ltd. (the "Vendors"). Pursuant to the Acquisition, the Company issued 7,700,000 common shares in the capital of the Company (each, a "Consideration Share") to the Vendors at a fair value of \$0.14 per Consideration Share, representing aggregate share consideration of \$1,078,000, in exchange for all of the outstanding common shares of 1335025 B.C. Ltd. In addition to the issuance of the Consideration Shares, the Company made a \$50,000 cash payment to a Vendor.

On May 9, 2023, the Company signed an option agreement to acquire 70% of the Princeton Project, a copper-gold project located in south-central BC covering 70,570 acres (the "Project") from Tulmeen Resources Corporation ("Tulmeen"). The terms of the agreement are as follows:

- a) paying Tulmeen an aggregate of \$500,000 in cash as follows:
 - i. \$50,000 on or before the date that is ten (10) calendar days after May 9, 2023 (the Effective Date) (paid);
 - ii. \$25,000 on or before: (A) the date that the Company consummates an equity investor financing providing not less than \$200,000 in gross cash proceeds to the Company; or (B) December 1, 2023, whichever is earlier (paid);
 - iii. \$100,000 on or before May 9, 2024;
 - iv. \$162,500 on or before May 9, 2025; and
 - v. \$162,500 on or before May 9, 2026;
- b) issuing to Tulmeen an aggregate of 7,000,000 common shares ("Shares") as follows:
 - vi. 1,000,000 Shares on or before the date that is ten (10) calendar days after the Effective Date (issued);
 - vii. 1,500,000 Shares on or before May 9, 2024;
 - viii. 2,000,000 Shares on or before May 9, 2025; and
 - ix. 2,500,000 Shares on or before May 9, 2026; and
- c) incurring a minimum of \$1,400,000 in exploration expenditures on the Project as follows:

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- i. \$300,000 on or before the September 9, 2024, \$85,000 of which must be incurred before June 30, 2023 (complete);
- ii. \$300,000 on or before May 9, 2025;
- iii. \$300,000 on or before May 9, 2026; and
- iv. \$500,000 on or before May 9, 2027

On May 10, 2023, the Company granted an aggregate of 2,475,000 incentive stock options under the Company's stock option plan, each with an exercise price of \$0.15 and expire on May 10, 2025, to officers, directors and consultants of the Company. Each option, upon payment of the exercise price, entitles the holder thereof to receive one Share of the Company.

On July 20, 2023, the Company completed the acquisition of all of the issued and outstanding shares of 1000587016 Ontario Ltd. From the shareholders of 1000587016 Ontario Ltd. (the "Whitemud Vendors"). Pursuant to the Acquisition, the Company issued 4,000,000 common shares in the capital of the Company (each, a "Consideration Share") to the Whitemud Vendors at a fair value of \$0.31 per Consideration Share, representing aggregate share consideration of \$1,240,000, in exchange for all of the outstanding common shares of 1000587016 Ontario Ltd. In addition to the issuance of the Consideration Shares, the Company made a \$40,000 cash payment to a Vendor.

On November 22, 2023, the Company closed a non-brokered private placement of up to 1,129,032 flow-through (FT) units of the company at a price of \$0.31 per FT unit for gross proceeds of \$350,000. Each FT Unit will be comprised of one common share of the Company issued on a flow-through basis (each, a "FT Share") and one-half of one share purchase warrant (each whole warrant, a "Warrant"), with each Warrant exercisable to acquire one half non-flow-through common share of the Company (each, a "Warrant Share") at a price of \$0.35 per Warrant Share for a period of 24 months from the date of issuance. In connection with the closing, an aggregate of \$24,500 was paid in cash and a total of 79,032 finder's warrants were issued as finder's fees. Each finder's warrant entitles the holder thereof to acquire one common share in the capital of the company at a price of 35 cents per finder's warrant share for a period of 24 months from the date of issuance.

Up Town Mineral Property

On August 9, 2023, the Uptown property option agreement pursuant to the assignment and assumption between Rover and SRR, was terminated. The Company accordingly wrote off the Uptown Mineral Property for the amount of \$990,546 during the year ended December 31, 2023.

Results of Operations

For the three months ended March 31, 2024

During the three months ended March 31, 2024 ("2024") the Company reported a net loss and comprehensive loss of \$242,429 compared to net income and comprehensive income of \$88,619 for the three months ended March 31, 2023 ("2023"), an increase in net loss of \$331,048. The net loss is primarily comprised of the following:

- (a) Non-cash gain on fair value of shares issued to settle accounts payable of \$Nil (2023 - \$178,500) relating to the shares issued on February 6, 2023. The Company issued 510,000 common shares at a fair value of \$76,500 to settle debt of \$255,000 and recorded a gain of \$178,500 on the settlement of accounts payable.
- (b) Filing expenses in of \$9,048 in 2023 (2023 - \$10,735).
- (c) Investor communications expense of \$184,772 in 2023 (2023 - \$160) and the Company focused on spreading awareness on newly acquired properties which has lead to an increase in investor communication costs.
- (d) Management fees of \$Nil in 2024 (2023 - \$30,000). The Company paid or accrued fees from the former CEOs on a monthly basis which was terminated during the year ended December 31, 2023.
- (e) Consulting fees of \$32,500 (2023 - \$Nil) which consists of fees paid to new management and board team.
- (f) Professional fees of \$15,866 in 2024 (2023 - \$48,027). Professional fees are in relation to accounting and legal fees and decreased during the current period as the Company had completed a name change and share consolidated in the prior period.
- (g) Office expenses of \$243 in 2024 (2023 - \$959).

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Cash Flow Analysis

Operating Activities

During the three months ended March 31, 2024, cash used in operating activities was \$445,448 (March 31, 2023 - \$100,069). Please refer to results of operations for details.

Investing Activities

During three months ended March 31, 2024, cash used in investing activities was \$26,412 (March 31, 2023 - \$Nil). The use of funds during the period is attributed to the expenditure of cash for exploration and evaluation assets.

Financing activities

During the three months ended March 31, 2024, cash provided by financing activities was \$150,000 (March 31, 2023 - \$1,018,817). The decrease is primarily attributed to the Company completing a private placement in the previous period.

Summary of Quarterly Results

	Three Months Ended March 31, 2024	Three Months Ended December 31, 2023	Three Months Ended September 30, 2023	Three Months Ended June 30, 2023
Total assets	\$ 4,042,024	\$ 4,117,138	\$ 4,309,042	\$ 5,039,678
Working capital	345,404	464,245	898,140	1,773,767
Income (loss) for the period	(242,429)	(628,738)	(1,621,287)	(470,338)
Income (loss) per share	(0.01)	(0.02)	(0.05)	(0.02)

	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Three Months Ended September 30, 2022	Three Months Ended June 30, 2022
Total assets	\$ 2,030,940	\$ 1,118,134	\$ 1,109,922	\$ 1,275,067
Working capital (deficiency)	882,967	(315,969)	77,887	235,531
Income (loss) for the period	88,619	(342,322)	(346,403)	(102,249)
Income (loss) per share	0.01	(0.05)	(0.05)	(0.01)

For the quarter ended June 30, 2022, net assets decreased as a result of cash expended for operations. Net loss for the quarter increased as the Company successfully listed on the CSE on June 21, 2022. The Company paid or accrued management fees of \$27,000 and various listing, accounting and legal fees associated with the Company's listing process.

For the quarter ended September 30, 2022, net assets decreased as a result of cash expended for operations. Net loss for the quarter increased as the Company successfully listed on the CSE on June 21, 2022. The Company paid or accrued management fees of \$9,000, consulting fees of \$259,500 and various listing, accounting and legal fees associated with the Company's listing process.

For the quarter ended December 31, 2022, net assets increased from the previous quarters as a result of cash expended for exploration. Net loss for the quarter slightly decreased. The Company paid or accrued consulting fees of \$214,000 and management fees of \$52,250 during the quarter which decreased working capital.

For the quarter ended March 31, 2023, net assets increased due to the receipt of \$1,018,817 from the issuance of common shares, net of share issuance costs. During the three months ended March 31, 2023, the Company had a net income of \$88,619, compared to a loss of \$342,322 in the previous quarter, which is primarily due to the gain of

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\$178,500 on the settlement of accounts payable.

For the quarter ended June 30, 2023, net assets increased due to the receipt of \$1,206,026 from the issuance of common shares, net of share issuance costs.

For the quarter ended September 30, 2023, net assets decreased as a result of cash expended for operations. Net loss increased due to the impairment of the Uptown Project for \$952,796.

For the quarter ended December 31, 2023, net assets decreased as a result of cash expended for operations. Net loss increased compared to the comparative prior year primarily due to the increase in marketing efforts and share based compensation recognized on the issuance of stock options.

For the quarter ended March 31, 2024, net assets decreased primarily due to the amortization of prepaid marketing costs and expenditures incurred in connection to operating activities. The net loss has decreased compared to previous periods as the Company aims to normalize operations .

Liquidity and Capital Resources

The Company is in the exploration stage and therefore has no cash flow from operations. Its only source of funds since incorporation has been from the sale of common shares and special warrants. During the three months ended March 31, 2024, the Company raised a total of \$150,000 from the exercise of stock options. At March 31, 2024, the Company had current liabilities of \$635,714 comprised mainly of accounts payable and accrued liabilities. At March 31, 2024, the Company had a working capital of \$345,404 comprised mainly of cash on hand of \$449,980, \$185,663 of taxes recoverable and prepaid expenses of \$345,475 offset by \$635,714 of current liabilities.

The Company is in the process of exploring its mineral property and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for resource properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

While the information included has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Risk, Uncertainties and Outlook

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company.

Limited Operating History

The Company has a limited operating history upon which an evaluation of the Company, its current business and its prospects can be based.

Uncertain Liquidity and Capital Resources

For the period from incorporation to March 31, 2024, the Company accumulated losses of \$4,583,543. The Company will need to raise additional capital by way of an offering of equity securities, an offering of debt securities, or by obtaining financing through a bank or other entity. In particular, the Company will not have sufficient funds to complete the recommended exploration program on its exploration assets. The Company has not established a limit as to the amount of debt it may incur, nor has it adopted a ratio of its equity to debt allowance. If the Company needs

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to obtain additional financing, there is no assurance that financing will be available from any source, that it will be available on terms acceptable to the Company, or that any future offering of securities will be successful. If additional funds are raised through the issuance of equity securities, there may be a significant dilution in the value of the Company's Common Shares. The Company could suffer adverse consequences if it is unable to obtain additional capital which would cast substantial doubt on its ability to continue its operations and growth.

No Known Economic Deposits

The Company is an exploration stage company and cannot give assurance that a commercially viable deposit, or "reserve," exists on any properties for which the Company currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Therefore, determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic, and environmental factors. If the Company fails to find a commercially viable deposit on any of its properties, its financial condition and results of operations will be materially adversely affected.

Fluctuations in Metal Prices

Factors beyond the Company's control may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the Company's exploration activities cannot be predicted. For example, gold prices are affected by numerous factors including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, global and regional demand and political and economic conditions. Worldwide gold production levels also affect gold prices. As well, the price of gold has on occasion been subject to rapid short-term changes due to speculative activities.

Title Risk

The Company cannot guarantee that title to its mineral properties will not be challenged. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. The Company's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. The Company has not conducted surveys of all of the claims in which it holds direct or indirect interests. A successful challenge to the precise area and location of these claims could result in the Company being unable to operate on its properties as permitted or being unable to enforce its rights with respect to its properties.

Land Use Approvals and Permits

The proposed exploration program described in the Technical Report is expected to include exploration work for which land use approvals or permits must be obtained from the British Columbia and Ontario government. The Company cannot guarantee that it will be able to obtain all such approvals or permits in a timely manner or at all, and any delay or failure to receive any required land use approvals or permits could negatively impact the Company's future exploration of the Whitemud, Princeton and Landings Lake projects.

Influence of Third-Party Stakeholders

The Properties or the roads or other means of access which the Company intends to utilize in carrying out its work programs or general business mandates on the Properties may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Company's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for the Company.

First Nations Land Claims

First Nations 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 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared First Nations title to lands outside of a reserve. The Company is not aware of any First Nations land claims having been asserted or any legal actions relating to native issues having been instituted with respect to any of the land which is covered by the Whitemud, Princeton and Landings Lake

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projects. The legal basis of a land claim is a matter of considerable legal complexity and the impact of a land claim settlement and self-government agreements cannot be predicted with certainty. In the event that First Nations title is asserted and proved on any of the Company's projects, provincial and federal laws will continue to be valid provided that any infringements of First Nations title, including mining and exploration, are either consented to by First Nations groups or are justified.

However, no assurance can be given that a broad recognition of First Nations rights by way of a negotiated settlement or judicial pronouncement would not have an adverse effect on the Company's activities. Such impact could be marked and, in certain circumstances, could delay or even prevent the Company's exploration or mining activities.

Uninsurable Risks

Exploration, development and production of mineral properties is subject to certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to insure fully against such risks and we may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have an adverse impact on our operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Exploration and Development Risk

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that funds required for development can be obtained on a timely basis. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Environmental Laws and Regulations

The Company's operations are subject to environmental regulations in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

The operations of the Company including exploration and any development activities or commencement of production on its properties, require permits from various federal, provincial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. To the extent that such approvals are required and not obtained, the Company may be delayed or prohibited from proceeding with planned exploration or development of its mineral

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properties.

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

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. The Company may be liable for environmental contamination and natural resource damages relating to the Properties that occurred before the Company owned the Properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

Competition

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire attractive mineral properties on terms it considers acceptable. The Company also competes with other companies for the recruitment and retention of qualified employees and other personnel.

Management

The Company's prospects depend in part on the ability of its senior management and directors to operate effectively and the loss of the services of such persons could have a material adverse effect on the Company. To manage its growth, the Company may have to attract and retain additional highly qualified management, financial and technical personnel and continue to implement and improve operational, financial and management information systems. The Company does not have key man insurance in place in respect of any of its directors or officers.

Option Agreement Obligations

The Amending Agreement provides that the Company must make a series of payments in cash over certain time periods and expend certain minimum amounts on the exploration of the Property. If the Company fails to make such payments or expenditures in a timely fashion, the Company may lose its interest in the Property.

Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

Dividends

The Company has not declared or paid any dividends on its common shares and does not currently have a policy on the payment of dividends. For the foreseeable future, the Company anticipates that it will retain future earnings and other cash resources for the operation and developments of its business. The payment of any future dividends will depend upon earnings and the Company's financial condition, current and anticipated cash needs and such other

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factors as the directors of the Company consider appropriate.

Estimates and Assumptions

Preparation of its financial statements requires the Company to use estimates and assumptions. Accounting for estimates requires the Company to use its judgment to determine the amount to be recorded on its financial statements in connection with these estimates. If the estimates and assumptions are inaccurate, the Company could be required to write down its recorded values. On an ongoing basis, the Company re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

Costs and Compliance Risks

Legal, accounting and other expenses associated with public company reporting requirements are significant. The Company anticipates that costs may increase with corporate governance related requirements, including, without limitation, requirements under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, National Instrument 52-110 – *Audit Committees* and National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

The Company also expects these rules and regulations may make it more difficult and more expensive for it to obtain director and officer liability insurance, and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for the Company to attract and retain qualified individuals to serve on its board of directors or as executive officers.

Contingencies

The Company has no contingencies as at the date of this MD&A.

Off-Balance Sheet Arrangements

The Company has no off-Balance Sheet arrangements as at the date of this MD&A.

Related Party Transactions

The officers and directors of the Company are as follows:

Christopher Huggins	CEO and Director
Navin Sandhu	CFO
Robert Gietl	Former CEO, President and Secretary
Michael Hudson	Former CFO and Director
Paul Chung	Director
Amanuel Bein	Director
Jessica Patterson	Former Director
Milos Masnikosa	Former CEO and Director
Robert Davies	Former Director

Included in promissory note at December 31, 2023 is \$2,050 (December 31, 2022 - \$2,050) owing to a shareholder and former Director of the Company.

On February 6, 2023, the Company issued 35,000 common shares with a fair value of \$5,250 to settle accounts payable with the former CEO of \$17,500. The Company recognized a gain on debt settlement of \$12,250.

On February 6, 2023, the Company issued 100,000 common shares with a fair value of \$15,000 to the former CEO pursuant to an employment agreement between the Company and the former CEO.

At March 31, 2024, amounts owing to the related parties of \$11,578 (December 31, 2023 - \$50,925) were included in accounts payable and accrued liabilities.

During the three months ended March 31, 2024, and 2023, the Company entered into the following transactions with key management personnel, which include the officers and directors, of the Company.

COLLECTIVE METALS INC. (FORMERLY ARCTIC FOX MINERALS CORP.)
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2024

For the period ended	March 31, 2024	March 31, 2023
	\$	\$
Management fees paid/accrued to the former CEO, President and Corporate Secretary	-	30,000
Consulting fees paid to a company controlled by the CEO	15,000	-
Consulting fees paid to a company controlled by the CFO	12,000	-
Consulting fees paid to a company controlled by Director	6,000	-
Consulting fees paid to a Director	1,030	-
Total	34,030	30,000

Proposed Transactions

There are no proposed transactions.

Critical accounting estimates

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to establish accounting policies and to make estimates that affect both the amount and timing of the recording of assets, liabilities and expenses. Some of these estimates require judgment about matters that are inherently uncertain.

Estimates and assumptions where there are significant risks of material adjustments to assets and liabilities in future accounting periods include share-based awards and payments and fair value measurements for financial instruments.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the inputs used in accounting for share-based payments; and the inputs used in determining the recoverable amount of assets that are considered impaired.

Changes in Accounting Policies including Initial Adoption

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Financial Instruments and Other Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments include cash, accounts payable and accrued liabilities, and promissory note. The carrying values of accounts payable and accrued liabilities and the promissory note approximate their respective fair values due to the short-term to maturity of these financial instruments. Cash is measured based on Level 1 of the fair value hierarchy. There were no transfers between levels in the fair value hierarchy.

The Company's financial instruments are exposed to certain financial risks and the risk exposure is summarized as follows:

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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 maximum exposure to credit risk is the carrying amount of cash. As at March 31, 2024 cash totaled \$449,980 (December 31, 2023 - \$771,840). As all of the Company's cash is held either in a trust bank account with the Company's legal firm or at a high-credit quality Canadian financial institution, management believes that there is minimal credit risk. The Company's exposure to and management of credit risk has not changed materially from the three month ended March 31, 2024.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of interest rate, foreign currency and other price risk.

Foreign Currency Risk

Foreign currency risk is the that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar. From time to time the Company may transact in foreign currencies, such as the Euro, however the Company does not partake in any hedging strategies to offset fluctuations in foreign currencies. The Company's cash is held in Canadian dollars. The Company's exposure to and management of foreign currency risk has not changed materially during the three months ended March 31, 2024.

Interest Rate Risk

Interest rate risk is the risk related to the fair value or future cash payments of interest-bearing financial instruments due to changes in interest rates. The Company had interest-bearing debt with fixed rates; therefore, management believes that the Company's exposure to interest rate risk is minimal. The Company's exposure to and management of interest rate risk has not changed materially during the three months ended March 31, 2024.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company's exposure to other price risk is not material. The Company's exposure to and management of other price risk has not changed materially during the three months ended March 31, 2024.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash balances, and raising funds through the issuance of debt or equity when the Company does not have sufficient cash balances. As at March 31, 2024, the Company's exposure to liquidity risk had changed from that of the prior year as the Company had cash of \$449,980 (December 31, 2023 - \$771,840) to cover current liabilities of \$635,714 (December 31, 2023 - \$618,399). The Company's management of liquidity risk has not changed materially during the three months ended March 31, 2024.

Outstanding Share Data

As of the date of this MD&A,

- a) 40,061,047 common shares outstanding;
- b) 975,000 stock options outstanding; and
- c) 15,145,532 share purchase warrants outstanding.

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Subsequent Events

On April 9, 2024, 260,000 warrants were exercised at \$0.20 per share for gross proceeds of \$52,000.

On May 8, 2024, the Company issued 1,500,000 common shares to the Optionor of the Princeton project in connection with the option agreement on the project.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedarplus.ca. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Forward-Looking Statements

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, amongst other things, regulatory compliance and the sufficiency of current working capital. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

The Company does not have a history of earnings. These statements represent management’s expectations or beliefs concerning, among other things, future performance and financial results and various components thereof. Readers are cautioned not to place undue reliance on forward-looking information because it is possible that predictions, forecasts, projections and other forms of forward-looking assumptions will not be achieved by the Company. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, including but not limited to: changes in business strategies; general economic and business conditions; the effects of competition; changes in laws and regulations, including environmental and regulatory laws; and various events that could disrupt operations. Actual performance and financial results in future periods may differ materially from any projections of future performance or results expressed or implied by forward-looking statements.

The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events or otherwise, or the foregoing list of factors affecting such information.