MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") is dated February 28,2024 and should be read in conjunction with the audited consolidated financial statements of Xcite Resources Inc. ("Xcite" or the "Company") for the year ended October 31, 2023 and 2022. Xcite prepares its audited financial statements in accordance with International Financial Reporting Standards ("IFRS"), as set out in Part 1 of the Handbook of the Canadian Institute of Chartered Professional Accountants.

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A that are not based on historical facts constitute forward-looking information. Forward-looking information is not a promise or guarantee of future performance but is only a prediction that relates to future events, conditions or circumstances or the Company's future results, performance, achievements or developments and is subject to substantial known and unknown risks, assumptions, uncertainties and other factors that could cause the Company's actual results, performance, achievements or developments in its business or industry to differ materially from those expressed, anticipated or implied by such forward-looking information. Forward-looking statements include statements regarding the outlook for the Company's future operations, plans and timing for the introduction or enhancement of its services and products, statements concerning strategies or developments, statements about future market conditions, supply conditions, end customer demand conditions, channel inventory and sell through, revenue, gross margin, operating expenses, profits, forecasts of future costs and expenditures, and other expectations, intentions and plans that are not historical fact. The forward-looking statements in this MD&A are based on certain factors and assumptions regarding expected growth, results of operations, performance and business prospects and opportunities. Specifically, management has assumed that the Company's performance will meet management's internal projections. While management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Readers are also advised to consider such forward-looking statements in light of the risk factors and uncertainties that may affect the Company's actual results, performance, achievements or developments.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable law. Further information concerning risks and uncertainties associated with these forward-looking statements and the Company's business may be found in the Company's other filings.

OVERVIEW

Xcite Resources Inc. is an exploration company incorporated on February 8, 2021 under the laws of the Province of British Columbia, Canada. The Company's head office and principal address is Suite 1910, 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3.

The Company is engaged in the investigation, acquisition and exploration of potentially economically viable mineral properties. The recoverability of the cost of the mineral properties is dependent upon the existence of economically recoverable resources, the ability to secure necessary financing to complete the exploration and development programs to generate future profitable production.

HIGHLIGHTS AND NOTABLE EVENTS

On April 12, 2021, the Company entered into a purchase and sale agreement to acquire a 100% interest in the Turgeon Lake Gold Property ("Turgeon Lake Property"), which was amended October 1, 2021 and November 24, 2021. The Turgeon Lake Property consists of 39 mineral claims covering 2,203.28 hectares.

To earn 100% interest, the Company must make cash payments totaling $250,000 as follows:

- $30,000 on execution of the agreement (paid);
- $35,000 on or before November 30, 2023 (paid)
- $35,000 earlier of the date of listing and February 28, 2023 (paid); and
- $150,000 3 years from execution of the agreement.

In addition, to earn a 100% interest the Company must issue 1,500,000 common shares to the vendor as follows:

- 250,000 shares on the closing of the transaction (issued).
- 750,000 shares earlier of the date of listing and February 28, 2023 (issued); and
- 500,000 shares 3 years from the date of execution.

Finally, to earn a 100% interest the Company must complete a minimum work commitment totaling $500,000 as follows:

- $200,000 on or before 2 years from the date of execution (outstanding); and
- $300,000 on or before 3 years from the date of execution (outstanding).

During 2023, the Company entered into a purchase and sale agreement with the vendor to acquire 100% working interest in the property by paying $20,000 (paid) of cash and the issuance of 600,000 (issued) common shares of the Company. Under this agreement, the remaining commitments listed above expired.

The Company has also agreed to grant a 2% Net Smelter Returns Royalty ("NSR") to the vendor. The NSR requires will require the Company to pay a 2% royalty on production and the Company will have the right to acquire 1% of the NSR by making a payment of $1,000,000 to the vendor. In addition, the Turgeon Lake Property is subject to an additional 2% NSR in favour of the prospectors who staked the property.

OVERALL PERFORMANCE

Key Performance Indicators

		2023		2022		2021
Revenue	$	-	$	-	$	-
Net loss	$	(339,645)	$	(142,291)	$	(91,215)
Loss per share	$	(0.03)	$	(0.01)	$	(0.01)
Total assets	$	429,749	$	100,428	$	189,122
Purchase of mineral properties	$	95,379	$	-	$	30,000

During the year ended October 31, 2023, the Company incurred a net loss of $339,645 compared to $142,291 for the year ended October 31, 2022. The increase in the net loss is attributed to an increase in management and consulting fees of $24,804, due to the addition of new management, increase of $27,586 in investor relations and filing fees resulting from the fees related to the Initial Public Offering, and an increase of $64,228 in professional fees due to additional legal fees for general corporate matters, the acquisition of the exploration property, and the analysis of potential property acquisitions. In addition, the Company had an increase of $22,819 in share-based compensation as a result of the issuance of stock options during the year and consulting fees of $99,049 resulting from the compensation to external consultants in the year. This was offset by a decrease of $31,397 in exploration and evaluation expenses as the amounts for the exploration and evaluation meet capitalization criteria. In addition, there was a decrease in general and administration expenses of $9,579 resulting from the reduction in investor meetings. The Company incurred a net loss of $142,291 for the year ended October 31, 2022 compared to $91,215 from the period at inception February 8, 2021 to October 31, 2021. The increase net loss is attributed to increase expenses incurred for management consulting fees of $19,400, investor relations and filing fees of $20,126 resulting from transfer agent fees and costs associated with listing application fees, general and administration expense of $13,438 attributed to rent and investor meetings, and share-based compensation of $14,875 resulting from the issuance of stock-options to management and directors. This was offset by decrease in professional fees of $12,886 due to lower legal expenses related to the application and filing of the prospectus. The Company has $429,749 of total assets as at October 31, 2023 compared to $100,428 at October 31, 2022. The increase in total assets is the result of the share issuance on the Initial Public Offering offset by cash expenses for the year. During the fiscal year of 2023, the Company spent $90,379 on exploration and evaluation activities. These costs include acquisition costs for the property and exploration activities. For the year ended October 31, 2022, the Company did not have any exploration costs. From the period of inception at February 8, 2021 to October 31, 2021, the Company purchased $30,000 of mineral properties resulting from the acquisition of the Turgeon Lake Property.

Results of Operations

		2023		2022
Consulting fees	$	99,049	$	-

For the year ended October 31, 2023, the Company incurred $99,049 of consulting fees compared to nil for the year ended October 31, 2022. During the year, the Company issued 1,200,000 share purchase warrants to an external consultant for services provided. The amount represents the value of the warrants using the Black-Scholes option pricing model.

		2023		2022
Exploration and evaluation expenses	$	-	$	31,397

For the year ended October 31, 2023, the Company incurred nil of exploration and evaluation expenses compared to $31,397 for the year ended October 31, 2022. During the year, the Company meet the criteria for capitalization. The expenses relate to the analysis and work performed on the Turgeon Lake Property.

		2023		2022
Management and consulting fees	$	69,000	$	44,900

For the year ended October 31, 2023, the Company incurred management and consulting fees of $69,000 compared to $44,900 for the year ended October 31, 2022. These expenses relate to the fees paid to management of the Company for the day-to-day management requirements. The increase relates to the increased fees paid to management contracted during the year.

		2023		2022
Professional fees	$	75,925	$	11,697

For the year ended October 31, 2023, the Company incurred $75,925 of professional fees compared to $11,697 for the year ended October 31, 2022. The increase in the fees relate to the agreements for the acquisition of Turgeon Lake Property, the analysis of potential acquisitions, and general corporate matters.

		2023		2022
General and administration expenses	$	9,157	$	18,735

General and administrative fees were $9,156 compared to $18,735 resulting from the decrease in office rent and investor meetings.

		2023		2022
Investor relations and filing fees	$	47,712	$	20,126

For the year ended October 31, 2023, the Company incurred $47,712 of professional fees compared to $20,126 for the year ended October 31, 2022. These expenses relate to the fees associated with the transfer agent and the listing application fees.

		2023		2022
Share-based compensation	$	37,694	$	14,875

For the year ended October 31, 2023, the Company incurred $37,694 of share-based compensation compared to $14,875 for the year ended October 31, 2022. These expenses relate to the fair value of the stock-options which were issued during the respective periods.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Management has determined that cash flows for operating, exploration and evaluation expenses, and general and administrative expenses will be funded by Xcite's existing cash on hand. Any expected short fall of cash required for these expenses will be funded by the issuance of common shares through private placements.

Cash Flow Summary

		2023		2022
Cash on hand, beginning of period	$	6,153	$	145,798
Cash flow from cash loss		(301,951)		(127,416)
Changes in non-cash working capital		150,287		(12,229)
Cash flow from financing activities		347,882		-
Cash flow used in investing activities		(95,379)		-
Cash on hand, October 31, 2021	$	106,992	$	6,153

Cash flow used in operations for the year ended October 31, 2023 was $301,951 resulting from the expenses incurred on the consulting fees, investor relations and filing fees, consulting fees, and professional fees. In addition, the Company had $150,287 of cash resulting from the change in non-cash working capital resulting from the timing of the payments of the expenses. Cash flow used in operations for the period ended October 31, 2022 was $127,416 resulting from the expenses incurred on the analysis and investigation of the mineral properties in addition to the general operating costs incurred for the day-to-day management of the Company. In addition, fluctuations from non-cash working capital resulted in cash outflow of $12,229 for the period ended October 31, 2022 resulting from the timing of payment of the accounts payable, the collection of the goods and service taxes, and the receipt of services from the prepaid expenses.

Xcite had $347,882 of cash flows from financing from the year ended October 31, 2023. During this period, the Company issued 5,470,000 common shares for gross proceeds of $547,000. There were no cash flows from financing in 2022.

From the year ended October 31, 2023, the Company incurred $90,379 of cash outflow from investing. This relates to the payment made for the acquisition of Turgeon Lake and the exploration of the property. There were no cash flows from investing in 2022.

The following table represents the net capital of the Company:

		2023		2022
Shareholders' equity	$	243,300	$	31,369
Net capital	$	243,300	$	31,369

Xcite uses net working capital to monitor leverage. The net capital is the result of the issuance of common shares offset by the operating loss of the Company in the current period.

Working Capital

The Company has working capital deficiency of $58,335 (2022 – $1,369) as at October 31, 2023. The working capital is comprised of current assets of $128,114 (2022 - $70,425) and current liabilities of $186,449 (2022 - $69,059).

Current assets is comprised of cash of $106,992 (2022 - $6,153) and goods and services tax receivable of $21,122 (2022 - $8,298).

Current liabilities is the result of accounts payable of $141,274 (2022 - $52,364) resulting from the timing of vendor payments and due to related parties of $45,175 (2022 - $16,695) representing outstanding payment of management fees and rent.

Contractual Obligations

There are no outstanding contractual obligations.

Contingencies

Contingent liabilities

The Company does not have any contingent liabilities.

Contingent assets

The Company does not have any contingent assets.

SELECTED QUARTERLY FINANCIAL INFORMATION

		Oct 31, 2023		July 31, 2023		April 30, 2023		Jan 31, 2023
Revenue	$	-	$	-	$	-	$	-
Net loss		(185,209)		(79,540)		(35,978)		(38,918)
Loss per share		(0.02)		(0.01)		(0.00)		(0.00)

		Oct 31, 2022		July 31, 2022		April 30, 2022		Jan 31, 2022
Revenue	$	-	$	-	$	-	$	-
Net loss		(35,257)		(13,761)		(37,683)		(44,273)
Loss per share		(0.00)		(0.00)		(0.00)		(0.01)

For the quarter ended October 31, 2023, Xcite incurred a net loss of $86,864 resulting from management and consulting fees of $38,767 for day-to-day operations of the Company, consulting fees of $99,049 for the issuance of share purchase warrants to a consultant for services, and professional fees of $13,876 for legal fees.

For the quarter ended July 31, 2023, the Company incurred a net loss of $79,540 resulting from the management and consulting fees of $4,500, for to manage day-to-day operations of the Company, professional fees consisting of legal fees of $65,525 for fees associated with potential transactions, and $7,770 resulting from filing fees resulting from transfer agent fees.

For the second quarter ended April 30, 2023, the Company incurred a net loss of $35,978 resulting from management consulting fees of $13,500 for the day-to-day management of the Company, filing fees of $20,119 due to annual filing fees, application fees and transfer agent fees.

For the three-months ended January 31, 2023, the Company incurred a net loss of $38,918. The loss was the result of management consulting fees of $13,500 for the day-to-day management of the Company, $14,269 of transfer agent and filing fees resulting from the application fees, listing fees, and public company document filing fees, professional fees of $6,651 resulting from legal and accounting fees for general corporate items, and general and administration expenses of $3,755 for rent and other day-to-day items.

For the quarter ended October 31, 2022, the Company incurred a net loss of $35,257 resulting from management and consulting fees of $12,500 for the day-to-day operations, professional fees of $1,373 due to expenses related to annual filing expenses, share-based compensation of $14,875 resulting from the issuance of stock-options, and $3,400 related to investor meetings.

For the three-months ended July 31, 2022, the Company incurred a net loss of $13,761 resulting from management and consulting fees of $9,450 due to day-to-day management of the Company, filing fees of $951 for the expenses related to the listing fee application and system fees, and general and administrative expenses of $3,758 resulting from rent and investor relation costs.

For the three-months ended April 30, 2022, the Company incurred a net loss of $37,683 resulting from management and consulting fees of $11,000 due to day-to-day management of the Company, filing fees of $19,161 for the expenses related to the listing fee application and system fees, professional fees of $2,097 related to legal fees for general corporate matters.

For the three-months ended January 31, 2022, the Company incurred a net loss of $44,273 resulting from exploration and evaluation expenses of $27,617 due to the analysis of the Turgeon Lake Property, management and consulting fees of $8,450 due to day-to-day management operations, and professional fees of $6,277 due to legal fees resulting from charges related to the initial public offering.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

Exploration and evaluation assets

The Company has acquired exploration and evaluation assets, which consists of mineral claims, for use in its business activities. Amortization is recognized using the unit of production basis, once available for use, based upon management's estimate of the useful life.

Taxes

The determination of taxes is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for taxes. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance. There is a material uncertainty regarding the Company's ability to continue as a going concern. The Company's principal source of cash is from private placements. The Company is dependent on raising funds in order to have sufficient capital to be able to identify, evaluate and then acquire an interest in assets or a business.

Impairment of non-current assets

To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. Actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

In addition, when determining the applicable discount rate, estimation is involved in determining the appropriate adjustments to market risk and asset-specific risk factors.

Decommissioning and restoration provision

The decommissioning and restoration provision is based on future cost estimates using information available at the reporting date. The decommissioning and restoration provision is adjusted at each reporting period for changes to factors such as the expected amount of cash flows required to discharge the liability, the timing of such cash flows, and the discount rate. The decommissioning and restoration provision requires other significant estimates and assumptions such as requirements of the relevant legal and regulatory framework, and the timing, extent, and costs of required decommissioning and restoration activities. Actual costs may differ from these estimates. As at October 31, 2023 and 2022, the Company has no material decommissioning and restoration provision

NEW ACCOUNTING PRONOUNCEMENTS

The Company has not applied the following amendments to standards that have been issued but are not yet effective:

The Company did not adopt any new accounting standard changes or amendments in the current year that had a material impact on the Company's financial statements.

The Company has not yet begun the process of assessing the impact of other new and amended standards that are effective for annual periods beginning on or after October 31, 2023 will have on its financial statements or whether to early adopt any of the new requirements. The Company does not expect the impact of such changed on the financial statements to be material., although additional disclosure may be required.

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Risk is inherent in all business activities and cannot be eliminated. However, shareholder value can be maintained and enhanced by identifying, mitigating, and where possible, insuring against these risks. The following section addresses some, but not all, risk factors that could affect Xcite's future results, as well as activities used to mitigate such risks. These risks do not occur in isolation but must be considered in conjunction with each other.

The Board of Directors have overall responsibility for the establishment and oversight of Xcite's risk management framework. The Board is responsible for developing and monitoring Xcite's compliance with risk management policies and procedures.

Xcite's risk management policies are established to identify and analyze the risks faced by Xcite, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Xcite's activities.

Financial risks and financial instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of cash and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

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

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

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 including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2023, the Company had a cash balance of $106,992 (2022 - $6,153) to settle current liabilities of $186,449 (2022 - $69,059). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. To maintain liquidity, the Company is currently investigating financing opportunities.

Mark Price risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at October 31, 2023 and 2022, the Company did not have any investments in investment-grade short-term deposit certificates.

Foreign currency risk

The Company is exposed to foreign currency risk to the extent expenditures incurred or funds received and balances maintained by the Company are denominated in currencies other than Canadian dollars. As at October 31, 2023 and 2022, the Company did not have foreign currency risk.

Commodity price risk

Commodity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in commodity prices. The ability of the Company to develop its mineral properties and the future profitability of the Company are directly related to the market price of gold. The Company has not hedged any of its future gold sales. The Company's input costs are also affected by the price of fuel. The Company closely monitors gold and fuel prices to determine the appropriate course of action to be taken from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk

RELATED PARTY TRANSACTIONS

	For the Year Ended October 31, 2023		For the Year Ended October 31, 2022		
	Management fees	Total	Management fees	Rent	Total
Former CEO and current Director	$ 18,000	$ 18,000	$ 35,000	$ 1,850	$ 36,850
CEO and Director	33,000	33,000	-	-	-
CFO and Director	18,000	18,000	9,900	-	9,900
	$ 69,000	**$ 69,000**	**$ 44,900**	**$ 1,850**	**$46,750**

As at October 31, 2023, $45,175 (2022 - $16,695) was owed to related parties for the above services.

Transactions with related parties are in the normal course of business and initially recorded at fair value.

SUBSEQUENT EVENTS

On December 14, 2023, the Company entered into six individual option agreements with Eagle Plains Resources Ltd. ("EPL"), whereby the Company may earn up to an 80% interest in six uranium projects totaling 5905 hectares in northern Saskatchewan. In order to maintain the option agreement in good standing, the Company must:

(a) pay to EPL on each of the individual option agreements, an aggregate of $55,000 in cash according to the following schedule:

- $5,000 in cash on the execution of the agreement (paid)
- an additional $10,000 in cash on or before December 31, 2024; and
- an additional $10,000 in cash on or before December 31, 2025; and
- an additional $10,000 in cash on or before December 31, 2026; and
- an additional $10,000 in cash on or before December 31, 2027; and

(b) issue to EPL on each of the individual option agreements an aggregate of 750,000 shares according to the following schedule:

- 50,000 shares on the execution of this agreement (issued), and
- an additional 100,000 shares on or before December 31, 2024;and
- an additional 150,000 shares on or before December 31, 2025; and
- an additional 200,000 shares on or before December 31, 2026; and
- an additional 250,000 shares on or before December 31, 2027; and

(c) incur aggregate exploration expenditures on the property on each of the individual option agreements of $3,200,000 according to the following schedule:

- $50,000 on or before December 31, 2024; and

- an additional $150,000 on or before December 31, 2025; and
- an additional $1,000,000 on or before December 31, 2026; and
- an additional $2,000,000 on or before December 31, 2027.

On January 10, 2024, the Company issued 500,000 shares when the former CEO exercised his option to purchase shares at $0.10 each.

On January 11, 2024, the Company issued 500,000 shares options to the new CEO. Each option allows the officer to purchase one common share at a price of $0.13 per share with an expiry date of 5 years.

Also on January 11, 2024, the Company issued 1,200,000 share purchase warrants to an arms-length party for services provided by that party for the period from March 1, 2023 to December 31, 2023. Each warrant is exercisable for one common share in the Company at a price of $0.13 for four years. The warrants will be subject to a 4-month hold period and are subject to contractual vesting as follows: 300,000 warrants vest on issuance, and an additional 300,000 warrants will vest three, six and nine months thereafter. (See Note 6 *Accounts payable and accrued liabilities.)*

On January 15 and January 17, 2024, a total of 216,600 common shares were issued upon the exercise of 216,600 warrants for proceeds of $21,660.

On February 21, 2024, 5,000 common shares were issued upon the exercise of 5,000 warrants for proceeds of $1,500.

On February 22, 2024, the outstanding balance of 2,095,000 warrants, exercisable at $0.30, expired.

OTHER INFORMATION

Outstanding share data:

Issued and outstanding shares at October 31, 2023	15,580,000
Issued and outstanding stock options at October 31, 2023	1,320,000
Issued and outstanding warrants at October 31, 2023	6,845,000
Issued and outstanding shares at February 28, 2024	23,745,000

INDUSTRY RISKS

The Company's principal business activities are the acquisition, exploration, and definition of potentially economically viable mineral resource deposits on mineral properties, which, by nature, are speculative. Companies in this industry are subject to many and varied kinds of risks, including but not limited to; environmental, fluctuating commodity prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable. Due to the high-risk nature of the Company's business and the present stage of the Company's various mineral properties, an investment in the Company's common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this MD&A, the risk factors discussed below, and the Company's other public disclosures, including the risks described in the "Risk Factors" section of the Company's MD&A for the year ended October 31, 2023 and 2022, prior to making any investment in the Company's common shares.

The risk factors described below do not necessarily comprise all of the risks and uncertainties that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also adversely affect the Company's business, results of operations, financial results, prospects and price of common shares. These risk factors could materially affect the Company’s future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Mineral property exploration and mining risk

Mineral exploration and development are highly speculative and are characterized by a number of significant inherent risks, which may result in the inability to successfully develop a project for commercial, technical, political, regulatory or financial reasons, or if successfully developed, may not remain economically viable for their mine life owing to any of the foregoing reasons.

The Company’s ability to identify Mineral Resources in sufficient quantity and quality to justify development activities and/or its ability to commence and complete development work and/or commence and/or sustain commercial mining operations at any of its projects will depend upon numerous factors, many of which are beyond its control, including exploration success, the obtaining of funding for all phases of exploration, development and commercial mining, the adequacy of infrastructure, geological characteristics, metallurgical characteristics of any deposit, the availability of processing and smelting capacity, the availability of storage capacity, the supply of and demand for silver and other metals, the availability of equipment and facilities necessary to commence and complete development, the cost of consumables and mining and processing equipment, technological and engineering problems, accidents or acts of sabotage or terrorism, civil unrest and protests, currency fluctuations, changes in regulations, the availability of water, the availability and productivity of skilled labour, the receipt of necessary consents, permits and licenses (including mining licenses), and political factors, including unexpected changes in governments or governmental policies towards exploration, development and commercial mining activities.

Furthermore, cost over-runs or unexpected changes in commodity prices in any future development could make the projects uneconomic, even if previously determined to be economic under feasibility studies. Accordingly, notwithstanding the positive results of one or more feasibility studies on the projects, there is a risk that the Company would be unable to complete development and commence commercial mining operations at one or more of the mineral properties which would have a material adverse effect on the Company’s business, financial condition, results of operations and prospects.

Key management

The success of the Company is dependent upon the ability, expertise, judgment, discretion, and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company’s business, operating results, or financial condition.

Limited operating history

The Company has no present prospect of generating revenue from the sale of products. The Company is therefore subject to many of the risks common to early-stage enterprises, including undercapitalization, cash shortages, limitations with respect to personnel, financial, and other resources, and lack of revenues. 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 considering the early stage of operations.

Ability to continue as a going concern

The Company’s auditors’ opinion on its October 31, 2023 financial statements includes an explanatory paragraph in respect of there being substantial doubt about its ability to continue as a going concern.

Financing and share price fluctuation risk

The Company has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its mineral properties. Future exploration and development of the Company’s mineral properties may be dependent upon the Company’s ability to obtain financing through equity, debt or other means. There can be no assurance that needed financing will be available in a timely or economically advantageous manner, or at all. Failure to obtain sufficient financing could result in delay or indefinite postponement of further exploration and development of on any or all of its mineral properties which could result in the loss of its property, in which case, the Company's ability to operate would be adversely affected. To obtain substantial additional financing, the Company may have to sell additional securities including, but not limited to, its Common Shares or some form of convertible securities, the effect of which may result in substantial dilution of the present equity interests of the Company's shareholders.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Commodity prices risk

The Company, along with all mineral exploration and development companies, is exposed to commodity price risk. A decline in the market price of gold, silver, base metals and other minerals may adversely affect the Company's ability to raise capital in order to fund its ongoing operations. Commodity price declines could also reduce the amount the Company would receive on the disposition of its mineral property to a third party.

Title risk

Title on mineral properties and mining rights involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mining properties. The Company has diligently investigated and continues to diligently investigate and validate title to its mineral claims; however, this should not be construed as a guarantee of title. The Company cannot give any assurance that title to properties it acquired will not be challenged or impugned and cannot guarantee that the Company will have or acquire valid title to these mineral properties

Insured and uninsurable risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and could cause a decline in the value of the securities of the Company.

Competition risk

Significant and increasing competition exists in the mining and mineral exploration industry. The Company faces strong competition from other mining and exploration companies in connection with the acquisition of properties producing, or capable of producing, minerals. Many of these companies are larger, more established, and have greater financial resources, operational experience and technical capabilities than the Company and make it difficult to compete for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. As a result of this competition, the Company may be unable to acquire additional attractive mining or exploration properties on terms it considers acceptable or at all. Consequently, the Company's business, results of operation, financial conditions and prospects could be adversely affected

Government regulations

Exploration and evaluation companies operate in a high-risk regulatory environment. The mining activities is governed by numerous statutes and regulations in the United States, Canada, and other countries where Xcite intends to market its products. The subject matter of such legislation includes approval of mining facilities and environmental regulations.

The process of completing exploration and evaluation activities and obtaining required approvals is likely to take several years and require the expenditure of substantial resources. Furthermore, there can be no assurance that the regulators will not require modification to any submissions which may result in delays or failure to obtain regulatory approvals. Any delay or failure to obtain regulatory approvals could adversely affect the ability of Xcite to utilize its assets, thereby adversely affecting operations. Further, there can be no assurance that Xcite's properties will achieve levels of sensitivity and specificity sufficient for regulatory approval or market acceptance. There is no assurance that Xcite will be able to timely and profitably produce its products while complying with all the applicable regulatory requirements. Foreign markets, other than the United States and Canada, generally impose similar restrictions.

Conflicts of interest risk

Certain of the Company's directors and officers do, and may in the future, serve as directors, officers, promoters and members of management of other mineral exploration and development companies and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of the Company's management team and their duties as a director, officer, promoter or member of management of such other companies. The Company's directors and officers are aware of the laws establishing the fiduciary duties of directors and officers including the requirement that directors act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict is required under the Business Corporations Act (British Columbia) to disclose their interest.

Environmental risk

All phases of the Company's operations are subject to extensive environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, mitigation of impact of activities to wildlife and plant life, and provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of these regulations may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental-related permits and/or environmental impact assessments. 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. The cost of compliance with changes in governmental regulations has a potential to impact the timing of execution of work pans and reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which the Company holds its interests or on properties that will be acquired which are unknown to the Company at present and which have been caused by previous or existing owners or operators of those properties.

Community relations risk

The Company's relationships with the communities in which it operates, and other stakeholders are critical to ensure the future success of the development of its properties. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Company, its operations or extractive industries generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to the Company's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views in regard to the Company and its activities, whether true or not. While the Company strives to uphold and maintain a positive image and reputation, the Company does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing, maintaining community relations and advancing its projects and decreased investor confidence, all of which may have a material adverse impact on the financial performance and growth of the Company.

Litigation risk

All industries, including the mining industry, may be made subject to legal claims and proceedings, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. The Company may also in the future become the subject of a legal claim or proceeding at any time, and without advance notice of the commencement of the proceeding. To the extent the Company becomes subject to any such claim or proceeding, it may materially impact management's time and the Company's financial resources to defend, even if it is without merit. As well, due to the inherent uncertainty of the litigation process, the resolution of any particular legal claim or proceeding could have a material adverse effect on the Company's business, results of operations, financial condition (including its cash position) and prospects.

Climate change risk

The potential physical impacts of climate change on the Company's exploration projects is highly uncertain and are particular to the geographic circumstances. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. The Company's future exploration programs in the United States may require water and a lack of necessary water could disrupt exploration programs and adversely impact future development and mining activities. Climate change is an international concern and as a result poses the risk of changes in government policy including introducing climate change legislation and treaties at all levels of government that could result in increased costs. The trend towards more stringent regulations and carbon-pricing mechanisms aimed at reducing the effects of climate change could impact the Company's decision to pursue future opportunities, or maintain our existing exploration programs, which could have an adverse effect on our business.

No Anticipated Dividends

The Company does not intend to pay dividends on any investment in the shares of stock of the Company. The Company has never paid any cash dividends and currently do not intend to pay any dividends for the foreseeable future. To the extent that the Company requires additional funding currently not provided for in its financing plan, its funding sources may prohibit the payment of a dividend. Because the Company does not intend to declare dividends, any gain on an investment in the Company will need to come through an increase in the stock's price. This may never happen, and investors may lose all their investment in the Company.