

STEADRIGHT CRITICAL MINERALS INC.

Management's Discussion & Analysis

For the years ended March 31, 2023 and 2022

Dated July 28, 2023

IN ACCORDANCE WITH SECTION 6 OF NATIONAL INSTRUMENT 13-103 SYSTEM FOR ELECTRONIC DATA ANALYSIS AND RETRIEVAL ("SEDAR+"), THIS FORM MD&A IS BEING FILED OR DELIVERED OUTSIDE OF SEDAR+ UNDER A TEMPORARY HARDSHIP EXEMPTION

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| (in Canadian dollars unless otherwise noted) | |
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Forward-Looking Statements

This Management's Discussion and Analysis ("MD&A") contains certain statements that may be deemed "forward-looking statements," within the meaning of certain securities laws. Forward-looking statements relate to management's expectations or beliefs about future performance, events, or circumstances that include, but are not limited to, reserve or resource potential, exploration and operational activities, and events or developments that the Company expects or targets. Forward-looking statements can usually be identified by words such as: "future", "plans", "scheduled", "expects", "intends", "estimates", "forecasts", "will", "may", "could", "would", and variations thereof. Although the Company believes that these statements are based on reasonable assumptions, all forward-looking statements involve known and unknown risks and uncertainties that may cause the actual performance, events, or circumstances of the Company to be materially different than anticipated. The forward-looking information in this MD&A describes the Company's expectations as of the date of this MD&A.

The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. The Company and its operations are also subject to a large number of risks, including: the Company's liquidity and financing capability, fluctuations in gold prices, market conditions, results of current exploration activities, the possibility of a labor stoppage or shortage, delays in obtaining government permits and approvals and such other risks as discussed herein and in other publicly filed disclosure documents. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in such forward-looking statements, there may be other factors that cause performance, events, or circumstances to differ materially from those described in forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate. Accordingly, readers should not try to place undue reliance on forward-looking statements contained in this MD&A.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also been assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and Steadright does not undertake any obligation to update forward-looking statements should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by law.

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Recent Developments, Exploration Properties, Outlook and Strategy

RECENT DEVELOPMENTS

Financings:

Private Placements:

There have been two financings during the year, one on May 18, 2022 in which Company closed private placements at \$0.10 per unit for proceeds of \$200,756 and issued 2,007,560 units. Each unit consists of 1 common share and ½ common share purchase warrant. Each warrant is exercisable at \$0.15 for a period of 24 months from the date of issuance. In connection with the closing, the Company received \$58,550 in proceeds prior to March 30, 2022 which have been classified as shares to be issued as at March 31, 2022. The fair value of the 1,003,780 warrants resulted in a value ascribed of \$43,731 which was estimated using the Black-Scholes option pricing model and based on the following average assumptions: expected life – 2 years, risk-free interest rate – 2.70%, Expected Volatility – 100%.

The other occurred February 1, 2023, in which Company closed a private placement at \$0.27 per unit for proceeds of \$138,510 and issued 513,000 units. Each unit consists of 1 common share and ½ common share purchase warrant. Each warrant is exercisable at \$0.37 for a period of 24 months from the date of issuance. The fair value of the 256,500 warrants resulted in a value ascribed of \$33,885 which was estimated using the Black-Scholes option pricing model and based on the following average assumptions: expected life – 2 years, risk-free interest rate – 3.83%, Expected Volatility – 100%.

Settlement of debt:

During the year ended March 31, 2023, the Company settled total debts of \$190,197 by issuing 1,901,974 shares at \$0.10 per share.

Shares issued for properties:

In November 2021, the Company issued 500,000 shares to Contigo as part of the option agreement. The Company also issued 500,000 shares with a value of \$37,000 in connection with the purchase of its interest in the RAM property.

Warrants Exercised:

On January 13, 2023, the Company issued 20,000 common shares pursuant to exercise of warrants for total gross proceeds of \$3,000

Mineral Properties

Contigo Agreement:

On July 31, 2021, the Company entered into an Option Agreement with Contigo Resources Ltd. ("Contigo") whereby Contigo has agreed to grant the Company an exclusive option to acquire a one hundred percent (100%) undivided right, title, ownership and beneficial interest in and to the property, free and clear of any encumbrance (the "**Option**"); (the "RAM Project").

Under the terms of the definitive agreement, the Company will have an option to acquire a 100% undivided interest in the RAM Project by completing the following:

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- Total cash payments of \$165,000 payable as follows:
 - \$80,000 (\$80,000 paid) due on or prior to 90 days from signing of the agreement ("Effective Date");
 - \$35,000 due on or prior to 12 months from the date that the common shares of the Company become listed for trading on a Canadian stock exchange (the "Listing Date"); and
 - \$50,000 due on or prior to 24 months from the Listing Date.
- Issuing common shares as follows:
 - 500,000 common shares on or before November 1, 2021 (issued);
 - 500,000 common shares on or prior to the second day following the Listing Date (issued subsequent to quarter end);
 - 500,000 common shares on or prior to 12 months following the Listing Date; and
 - 1,000,000 common shares on or prior to 24 months following the Listing Date.
- Issuing to Contigo a 2% net smelter return royalty ("NSR") subject to the Company retaining an option to acquire 1% of the NSR for a cash payment of \$1,500,000 for a period of five years after commencement of commercial production.

Bergeron Agreement:

On December 20, 2021, the Company entered into an Option Agreement with Frederic Bergeron ("Bergeron") whereby Bergeron has agreed to grant the Company an exclusive option to acquire a one hundred percent (100%) undivided right, title, ownership and beneficial interest in and to the property, free and clear of any encumbrance (the "**Option**"); (the "B2 Project").

Under the terms of the definitive agreement, the Company will have an option to acquire a 100% undivided interest in the B2 Project by completing the following:

- Total cash payments of \$15,000 payable as follows:
 - \$15,000 (paid) due on or prior to 90 days from signing of the agreement ("Effective Date");
- Issuing common shares as follows:
 - Common shares with a value of \$50,000 three months following listing on a stock exchange ("October 6, 2022") (issued);
 - Common shares with a value of \$100,000 on or prior to 12 months following October 6, 2022
 - Common shares with a value of \$100,000 on or prior to 24 months following October 6, 2022.

Issuing to Bergeron a 2% net smelter return royalty ("NSR") subject to the Company retaining an option to acquire 1% of the NSR for a cash payment of \$1,500,000 for a period of two years after commencement of commercial production.

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PROPERTIES

Ram Property

Current events

Subsequent to year end the Company's shareholders passed special meeting resolutions which allowed the Company to purchase 94 additional claims, which are contiguous to the RAM Property in consideration of a payment to the seller of 2,100,000 common shares of the Company and also the payment to the seller of \$11,000 in staking costs.

Summary

The Property is roughly 29 km southwest of Port-Cartier, Québec, Canada within NTS Map Sheet 22G14, with the following coordinates 637014mE / 5539084mN. Port-Cartier is a city in the Côte-Nord region of Québec. It is located on the north shore of the Saint Lawrence River at the mouth of the Aux-Rochers River, 63 km southwest of Sept-Îles, Québec.

The Property can be accessed by driving 18 km south of Port-Cartier along Route 138 (Rte. Jacques Cartier) and then turning northwest onto a series of logging roads and driving an additional 11 km to reach the Property. These logging roads provide access to the central portion of the Property. Port-Cartier has a variety of services, lodging and transportation. Sept-Îles has an airport located 89 km to the northeast of the Property.

Baie-Comeau, Québec was used as a jumping off point for the author's site visit. It is 128 km southwest of the Property through Route 138.

Exploration activities over the Property area have been carried out intermittently since the 1970s, and work has consisted of prospecting, geochemical sampling, mapping, trenching, drilling, and geophysical surveys.

Historical drilling carried out over the Ram Property has, reportedly, intersected consistent Ni-Cu-Co mineralization, including 35 DDH from the early 2000s which returned core assays of up to 0.15% Co, 2.2% Ni, and 1.2% Cu; surface samples which returned assays of up to 0.3% Co, 3.3% Ni, and 1.1% Cu; and trench samples which returned assays of up to 0.27% Co, 1.1% Ni, and 1.2% Cu.

B2 Optioned Mineral Claims

Current events

During the year there was progress of the on-going initial independent NI 43-101 on the B2 mineral property, north of Saguenay Quebec. The final B2 Maiden NI 43-101 is expected to be completed in April 2023.

Recent surface grab bag samples, taken independently, in October of 2022 on the B2 property as part of the on-going initial NI 43-101 has yielded results with individual grades up to 3.19% Copper, 0.71% Nickel, 0.08% Cobalt and 7.25 g/t Silver.

Summary

- Type of project : Grass Roots Ni-Cu-Co, Cu-Ag-Au, Fe
- Claims : 12
- Hectares : 670 (6.7 km²)
- The Property contains new showings for Ni-Cu-Co, Cu-Ag-Au that were discovered in August 2019

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- The Property is located in the Saguenay-Lac-St-Jean region, Québec
- The property is easily accessed by well-maintained logging roads and forest trails from the KM92 of the Road Activity in the Area

Geology

The B2 Project is located in the core of the Lac-Saint-Jean Anorthosite Massif in the geological Grenville Province.

The B2 Project presents typical facies of Anorthosite Complex borders composed of anorthosite in contact with a package of anorthositic leuco-gabbro, gabbro-norite, norite and pyroxenite locally associated with dismembered, massive oxide layers (magnetite); the whole being injected along a mylonitic deformation zone by late monzogranitic pegmatites associated with pegmatitic quartz veins.

OUTLOOK AND STRATEGY

Steadright is focused on discovering quality critical minerals and expanding and converting its projects, all of which are located in Quebec. Steadright will use its systematic scientific and phase-based exploration program to advance all of its projects over the next few years subject to obtaining the necessary permits. For the early projects, Steadright will take a first pass at target definition work consisting of soil and rock samples, mapping and some geophysics.

Summarized Financial Results

RESULTS OF OPERATIONS

Expenses

For the year ended March 31, 2023 and 2022:

Expenses of \$585,838 for the year ended March 31, 2023, increased in comparison with the expenses of \$326,666 for the year ended March 31, 2022. The Company was incorporated on March 6, 2019, and had minimal operations in the prior two years. During the previous year, the Company primarily incurred consulting and professional fees as it brought together a land package and began exploration activities at its RAM Property.

- Exploration and evaluation expenditures decreased from \$165,521 for the year ended March 31, 2022 to \$132,207 for the year ended March 31, 2023. The decrease is due to the partial completion of exploration work on the Company's RAM Property.
- Consulting fees increased from \$104,750 for the year ended March 31, 2022 to \$122,872 for the year ended March 31, 2023. The increase is due to consulting fees relating to corporate management and operations as the Company increased its activity.
- Professional fees increased to \$123,524 for the year ended March 31, 2023 from \$38,509 for the year ended March 31, 2022. The increase is due to increased activity in corporate and legal, as well as accounting and audit fees.
- Office and general expenses increased from \$483 for the year period ended March 31, 2022 to \$68,220 for the year ended March 31, 2023. Costs during the periods increased due to the increased

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office and administrative work at the corporate head office due to increased activity as the Company became active.

- Promotion and travel expenses increased from \$26,003 for the year ended March 31, 2022 to \$32,410 for the year ended March 31, 2023. The increase is mainly in relation to an increase in travel to sites as well as corporate head office increased travel.
- Share based payments consist of the Company granting incentive stock options to certain directors, officers, and consultants of the Company to acquire an aggregate of 1,225,000 common shares in the capital of the Company at an exercise price of \$0.105 in accordance with the Company's 10% rolling incentive stock option plan. The options are exercisable for a five-year term expiring October 21, 2027

SELECTED FINANCIAL INFORMATION

The information below should be read in conjunction with the financial statements and related notes and other financial information. The following is for the periods ended:

| | Year Ended Mar 31, 2023 | Year Ended Mar 31, 2022 | Year Ended Mar 31, 2021 |
|-----------------------------|----------------------------|----------------------------|----------------------------|
| | | \$ | \$ |
| Income (Loss) | (585,838) | (326,666) | (13,837) |
| Income (Loss) per share | (0.05) | (0.07) | (0.006) |
| Total assets at end of year | 281,580 | 330,725 | 4,812 |

SUMMARY OF QUARTERLY RESULTS

The following tables set forth selected financial information for each of the Company's eight most recently completed quarters:

| | Q4 2023 \$ | Q3 2022 \$ | Q2 2022 \$ | Q1 2022 \$ |
|-------------------------------|------------------|------------------|------------------|------------------|
| Expenses | (260,853) | (232,884) | (77,577) | (14,524) |
| Net loss | (260,853) | (232,884) | (77,577) | (14,524) |
| Basic income (loss) per share | (0.02) | (0.2) | (0.01) | (0,01) |

| | Q4 2022 \$ | Q3 2021 \$ | Q2 2021 \$ | Q1 2021 \$ |
|-------------------------------|------------------|------------------|------------------|------------------|
| Expenses | (78,422) | (146,713) | (92,101) | (9,430) |
| Net loss | (78,422) | (146,713) | (92,101) | (9,430) |
| Basic income (loss) per share | (0.02) | (0.03) | (0.02) | (0.000) |

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The Company was incorporated in 2019 and had limited activity until 2020 when the Company commenced financing activities and arranging its land package, incurring consulting and professional fees related to these activities and began exploration activities during the year ended March 31, 2021.

Disclosure of Outstanding Share Data as of July 28, 2023

| | Authorized | Outstanding |
|--|------------|--|
| Voting or equity securities issued and outstanding | Unlimited | 13,545,534 common shares |
| Securities convertible or exercisable into voting or equity shares | | a) 1,225,000 Options to acquire up to 1,225,000 common shares b) 3,215,280 Warrants exercisable to acquire common shares of the Company |

After year end the following share capital was issued;

1. Common shares - 20,000 common shares were issued
2. Warrants and Options - 20,000 warrants were exercised

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair values of these financial instruments approximate their carrying values.

Dividends

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its common shares in the foreseeable future.

LIQUIDITY AND CASH FLOWS

The Company ended the year ended March 31, 2023 with cash of \$218,608, compared to \$305,552 as at March 31, 2022. The Company had a working capital (current assets – current liabilities) of \$212,829 as at March 31, 2023 compared to a working capital of \$159,221 as at March 31, 2022.

Cash used by operating activities was \$363,114 for the year ended March 31, 2023, compared to cash used by operating activities of \$119,810 for the year ended March 31, 2022. Cash flows used by operating activities increased during the current year compared to the March 31, 2022 year, mainly due to an increase of administration and office expense activities on its listing procedure.

Cash flows provided by financing activities were \$276,170 for the year ended March 31, 2023, compared to \$420,550 for the year ended March 31, 2022. .

It is not possible to predict if or when the Company will achieve profitable levels of operations. As at

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March 31, 2023, the Company had a working capital of \$212,829 (March 31, 2022 - \$159,221 working capital).

The financial statements have been prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company incurred a net loss during the year ended March 31, 2023 of \$585,838 and an accumulated deficit of \$936,642.

The Company's ability to continue as a going concern is dependent upon attaining profitable operations, and, if required, the ability to raise funds through public equity financings to meet expenditure commitments. There is no assurance that these activities will be successful. The combination of the circumstances set out above represents a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern. However, the Company is confident that it will have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used that would be necessary if the going concern assumptions were not appropriate. These adjustments would be material to the financial statements.

TRANSACTIONS WITH RELATED PARTIES

Compensation of Key Management Personnel of the Company

Key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee.

The remuneration of directors and other members of key management personnel during the year ended March 31, 2023 and 2022 as follows:

| | March 31, 2023 | March 31, 2022 |
|---|-------------------|------------------|
| Short term employee benefits, director fees | \$ 115,660 | \$ 72,500 |
| Share-based payments | 103,329 | - |
| | <u>\$ 218,989</u> | <u>\$ 72,500</u> |

As at March 31, 2023, an amount of \$20,672 (March 31, 2022 - \$77,467) due to key management personnel, was included in accounts payable and accrued liabilities. This amount is unsecured, non-interest bearing and without fixed terms of repayment

RISK FACTORS

The Company's Board of Directors has overall responsibility for the oversight of the Company's risk management policies. In carrying on its business, the Company is exposed to a variety of risks, including the risks described elsewhere in this MD&A. The Company can neither predict nor identify all such risks nor can it accurately predict the impact, if any, of such risks on its business, operations or the extent to which one or more risks or events may materially change future results of financial position from those reported or projected in any forward looking statements. Accordingly, the Company cautions the reader not to rely on reported financial information and forward-looking statements to predict actual future

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results. The Company has policies and practices mandated by the Board of Directors to manage the Company's risks which include the risks described elsewhere in this MD&A and below.

The Company's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. The risk factors listed on the annual report could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Financial assets and financial liabilities as at March 31, 2023 and March 31, 2022:

| | Assets at fair value through profit of loss | Amortized cost | Other financial liabilities | Total |
|--|--|-------------------|-----------------------------------|------------|
| As at March 31, 2023 | | | | |
| Cash | \$ - | \$ 218,608 | \$ - | \$ 218,608 |
| Accounts payable and accrued liabilities | - | - | 68,751 | 68,751 |
| As at March 31, 2022 | | | | |
| Cash | \$ - | \$ 305,552 | \$ - | \$ 305,552 |
| Accounts payable and accrued liabilities | - | - | 171,504 | 171,504 |

The Company classifies financial instruments in accordance with a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;
- Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The carrying value of cash, and accounts payable and accrued liabilities approximate fair value because of the limited terms of these instruments.

SUBSEQUENT EVENTS

On May 23, 2023, the shareholders of the Company passed special meeting resolutions which allowed the Company to

a) purchase 94 additional claims, which are contiguous to the RAM Property in consideration of a payment to the seller of 2,100,000 common shares of the Company and also the payment to the seller of \$11,000 in staking costs;

b) sell its optioned B2 Mineral Claims in Saguenay-Lac-St-Jean Region of Québec, to Critical Foundation Metals Inc., which is a private Ontario company, for compensation of 6.2 million shares of Critical Foundation Metals Inc. and a cash payment of \$10,000.

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On May 31, 2023, the Company issued 20,000 common shares pursuant to exercise of warrants for total gross proceeds of \$3,000

MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this report. The financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Audit Committee has reviewed the financial statements with management. The Board of Directors has approved the financial statements on the recommendation of the Audit Committee.