

**HIGHROCK RESOURCES LTD.**

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED  
OCTOBER 31, 2024  
(EXPRESSED IN CANADIAN DOLLARS)**

**Highrock Resources Ltd.**  
**Interim Management's Discussion & Analysis**  
**Three and Nine Months Ended October 31, 2024**  
**Discussion dated: December 23, 2024**

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The following Interim Management's Discussion & Analysis ("Interim MD&A") of Highrock Resources Ltd. ("Highrock" or the "Company") for the three and nine months ended October 31, 2024 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended January 31, 2024. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended January 31, 2024, and January 31, 2023, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and nine months ended October 31, 2024, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of December 23, 2024, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Information about the Company and its operations can be obtained from the offices of the Company or on the System for Electronic Documents Analysis and Retrieval ("SEDAR+") and is available for review under the Company's profile on the SEDAR+ website ([www.sedarplus.ca](http://www.sedarplus.ca)).

## **FORWARD LOOKING STATEMENTS**

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

## **OVERALL PERFORMANCE**

The Company is engaged in the business of mineral exploration.

The Company's head office is located at #82 Richmond St E 1<sup>st</sup> Floor, Toronto, Ontario, M5C 1P1, and its registered and records office is located at #600 – 890 West Pender Street, Vancouver, British Columbia, V6C 1J9. The Company was incorporated under the *Business Corporations Act* (British Columbia) on August 3, 2021.

On September 6, 2024, the Company entered into a loan agreement in the amount of \$100,000 with Atikokan Resources Ltd ("Holder"). The loan is unsecured and does not bear interest.

## RESULTS OF OPERATIONS

As at October 31, 2024, the Company had total assets of \$673,298 and current liabilities of \$278,531.

### Three months ended October 31, 2024

Three months ended October 31, 2024, the Company reported a net loss of \$116,591 (2023 - \$25,735). The loss for the three months ended October 31, 2024 comprised of bank and interest charges of \$2,505 (2023 - \$176), consulting fees of \$52,635 (2023 - \$5,000), filing and transfer agent fees of \$4,798 (2023 - \$2,950), management fees of \$11,703 (2023 - \$7,500), professional fees of \$25,153 (2023 - \$11,882), rent of \$nil (2023 - \$250), office and administration of \$12,037 (2023 - \$nil), shareholder information of \$2,031 (2023 - \$315), travel and promotion of \$5,044 (2023 - \$269), IPO fees of \$nil (2023 - recovery of \$2,607) and foreign exchange loss of \$685 (2023 - \$nil).

### Nine months ended October 31, 2024

Nine months ended October 31, 2024, the Company reported a net loss of \$406,008 (2023 - \$180,648). The loss for the nine months ended October 31, 2024 comprised of bank and interest charges of \$8,055 (2023 - \$309), consulting fees of \$210,905 (2023 - \$55,000), filing and transfer agent fees of \$18,631 (2023 - \$24,403), management fees of \$45,165 (2023 - \$22,500), professional fees of \$75,513 (2023 - \$32,557), rent of \$nil (2023 - \$850), office and administration of \$24,666 (2023 - \$3,000), shareholder information of \$3,301 (2023 - \$2,440), IPO fees of \$nil (2023 - \$32,290) and travel and promotion of \$19,087 (2023 - \$7,299) and foreign exchange loss of \$685 (2023 - \$nil).

## SUMMARY OF QUARTERLY RESULTS

	Q3	Q2	Q1	Q4
	October 31, 2024	July 31, 2024	April 30, 2024	January 31, 2024
Net Loss for the Period	\$(116,591)	\$(143,232)	\$(146,185)	\$(36,285)
Loss per Share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.00)
	Q3	Q2	Q1	Q4
	October 31, 2023	July 31, 2023	April 30, 2023	January 31, 2023
Net Loss for the Period	\$(25,735)	\$(44,369)	\$(110,544)	\$(59,548)
Loss per Share	\$ (0.00)	\$ (0.00)	\$(0.01)	\$ (0.00)

For the nine months ended October 31, 2024, July 31, 2024 and April 30, 2024, variations in the quarterly net loss were caused by fluctuations in corporate activities. The increase in expenditures in the period ended April 30, 2023 compared to the periods ended October 30, 2023, January 31, 2023, and July 31, 2023 were due to increased expenditures related to the completion of the initial public offering in February 2023.

## EXPLORATION AND PROJECTS

The principal assets of the Company is its option to acquire up to a 75% interest in the Pathfinder Property, a gold prospect. As well as 100% ownership of The Dry Creek Property, a uranium prospect.

### **Pathfinder Property**

On August 26, 2021 the Company entered into an agreement to acquire up to a 75% interest in five mining claims in the Greenwood Mining Division, British Columbia. To acquire a 51% interest, the Company issued 100,000 common shares (issued for \$2,000) and made a cash payment of \$5,000 (paid) to the optionor.

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To earn a further 24% (for a total of 75%), the Company must pay the optionor \$10,000 on or before August 26, 2022 (paid), issue 100,000 common shares on or before six months from February 27, 2023 (issued), and incur aggregate exploration expenditures of \$200,000 of which \$75,000 must be incurred before August 26, 2022 (incurred) and \$125,000 on or before February 28, 2023 (incurred \$114,196 as at January 31, 2024) for a total \$189,196. In February 2022, the Company also remitted a \$15,700 bond to the Government of British Columbia to acquire a multi-year permit under the Mines Act which is valid until April 30, 2027. The Company has thereby earned its 75% interest in the property.

The Property is located in the Greenwood Mining Division approximately 18 kilometers north of Grand Forks in the southern interior of British Columbia. The Property consists of three mineral claims covering an area of 296 hectares.

The Property is situated within the Boundary District which is a highly mineralized region straddling the Canada-USA border. The area has historical past producing mines in Canada and the US.

An independent geological report (the "Technical Report") prepared by Linda Caron, M.Sc., P. Eng. who is a "Qualified Person" as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), was completed in relation to the Property on February 22, 2022. The Technical Report recommends that the Company conduct further data compilation and geophysical analysis and a surface exploration and trenching program.

**Exploration Expenditures**

Highrock has incurred the following exploration expenditures, capitalized as incurred to October 31, 2024:

Assays and testing	\$ 8,974
Acquisition costs	24,500
Geological consulting	19,423
Reports and administration	70,905
Mapping and surveying	63,955
Travel, accommodation, and supplies	1,439
	<u>\$ 189,196</u>

**Dry Creek Property**

On September 6, 2024, the Company entered into an agreement to acquire 100% interest in 73 mining claims covering an area of 1500 acres in the Uravan mining belt, Colorado. To acquire 100% interest, the Company: (i) issued the Vendor an aggregate of 6,000,000 common shares (ascribed a fair value of \$300,000) in the capital of the Company; and (ii) made a cash payment of \$100,000 evidenced by an unsecured promissory note in that amount in favour of the Vendor.

The Property is located approximately 60 miles northeast of the White Mesa Mill, located near Blanding in Utah.

The Property has all the characteristics of areas elsewhere in the region that are host to multi-million pound uranium-vanadium resources. This assessment is based on the Property's location, favourable sandstone characteristics, and proximity to an inferred major redox boundary.

Historic and 2008 exploration drilling in the area confirm the presence of U-V mineralization and favourable channel sandstones. Several exceptionally high vanadium mineral intercepts (13-22% V<sub>2</sub>O<sub>5</sub>) exist in the area based on historical data.

Historic drill hole data within the Property includes over 20 holes drilled by Petro Nuclear and Union Carbide Corporation in the 1970s and early 1980s, and an additional 30 holes nearby. In 2008, a Homeland Uranium Inc. drill program reported the presence of uranium grading between 0.12-0.20% U<sub>3</sub>O<sub>8</sub> with accompanying, exceptionally high, vanadium at over 13% V<sub>2</sub>O<sub>5</sub> within a sandstone channel complex in the Salt Wash Member of the late Jurassic age Morrison Formation.

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There are numerous historical small mines and prospects along the nearby faulted ridgeline to the south-southwest. The Dry Creek claims area, especially the northern part near the redox boundary, remains relatively underexplored, presenting significant exploration upside.

Exploration Expenditures

Highrock has incurred the following exploration expenditures with regards to the Property that were capitalized as incurred to October 31, 2024:

Staking	\$ 47,762
	<u>\$ 47,762</u>

Future Plans - Pathfinder Property

In relation to the Property, the Company currently plans to follow recommendations made in the Technical Report. The Technical Report recommends that the Company undertake a two-phase; \$355,000 program to further explore the property. The Phase 1 program (\$125,000) recommends additional soil geochemistry, mineralogical studies and 3D modelling in conjunction with detailed structural mapping. Phase 2 (\$230,000) includes diamond drilling to targets generated by the recommended Phase 1 program and is contingent on the results of the Phase 1 program.

Future Plans – The Dry Creek Property

Preliminary fieldwork on the Property is currently on hold until a financing can be completed.

**LIQUIDITY AND CAPITAL RESOURCES**

The Company reported working capital deficiency of \$257,891 (January 31, 2024 - \$23,171) including cash of \$11,317 at October 31, 2024 (January 31, 2024 - \$89,945). Current liabilities as at October 31, 2024 consisted of accounts payable and accrued liabilities of \$70,040 (January 31, 2024 - \$18,171) and note payable including accrued interest of \$108,491 (January 31, 2024 - \$101,277) and promissory note of \$100,000 (January 31, 2024 - \$nil).

**To October 31, 2024**

On September 6, 2024 the Company completed the acquisition of Liberty Uranium for gross cost of \$400,000 of which \$300,000 was funded through the issuance of 6,000,000 units in the capital of the Company at a price of \$0.05 per unit.

On April 12, 2024 the Company completed a non-brokered private placement financing for gross proceeds of \$325,000 through the issuance of 6,500,000 units in the capital of the Company at a price of \$0.05 per unit.

Each unit comprises one common share in the capital of the Company and one whole Common Share purchase warrant. Each Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.075 per Common Share until two years from the date of issuance. In connection with the offering, the Company paid certain eligible persons: (i) a cash commission in the aggregate of \$5,950; and (ii) an aggregate of 112,000 finder warrants each finder warrant is exercisable at a price of \$0.075 per Common Share until April 12, 2026.

The estimated fair value of the 6,500,000 warrants was \$166,400 which was determined by the Black-Scholes Option Pricing Model with the following assumptions: an annualized volatility of 100%; an expected life of 2 years; a dividend yield of 0%; and a risk-free rate of 4.17%.

And the estimated fair value of the 112,000 broker warrants was \$2,900 which was determined by the Black-Scholes Option Pricing Model with the following assumptions: an annualized volatility of 100%; an expected life of 2 years; a dividend yield of 0%; and a risk-free rate of 4.17%.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not utilize off-balance sheet arrangements.

## **RELATED PARTY TRANSACTIONS**

Effective August 15, 2021 the Company entered into a management services agreement with a company controlled by a director and former senior officer. Terms include a monthly fee of \$2,500, monthly rent of \$100, and automatic renewal every six months unless terminated by either the Company or the service provider. The Company incurred rent expense of \$nil for the three and nine months ended October 31, 2024 (three and nine months ended October 31, 2023 - \$250 and \$850, respectively). This agreement was mutually terminated on October 31, 2023.

During the three and nine months ended October 31, 2024, the Company paid consulting fees totaling to \$36,000 and \$120,500 respectively to Nucleus Capital Pte, controlled by Derrick Dao, the CEO of the Company (October 31, 2023 - \$nil) and \$50,000 to Greencastle Resources Ltd. ("Greencastle") (October 31, 2023 - \$nil).

During the three and nine months ended October 31, 2024, the Company paid professional fees, office and general totaling \$3,558 and \$29,033, respectively (2023 - \$nil) to Marrelli Support Services Inc., and certain of its affiliates, together known as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the CFO of the Company, and (ii) bookkeeping and regulatory filing services. The Marrelli Group was owed \$4,122 (October 31, 2023 - \$nil) and these amounts were included in amounts payable and accrued liabilities. The Marrelli Group was also paid a retainer fee of \$3,000 included in prepaids.

The optionor under the Company's option agreement to acquire the Pathfinder Property (Note 4), Belmont Resources Inc., has two directors in common with the Company.

On November 30, 2023, the Company issued to an non-arm's length creditor of the Company, Greencastle an interest bearing promissory note in the principal amount of \$100,000. Greencastle is a significant shareholder and has a director in common with the Company. Interest on the outstanding Principal Amount of the Note will accrue from time to time of the Principal Amount until the Principal Amount is repaid in full at the rate per annum equal to the Prime Rate plus two per cent, calculated monthly, as well after as before maturity and both before and after default. The Principal Amount and any accrued and unpaid interest owing shall become due and be paid in full on December 31, 2024. For the period ended October 31, 2024, the Company accrued interest of \$7,214 in connection with this loan (Note 7). Total accrued interest at October 31, 2024 amount to \$8,490 (October 31, 2023 - \$nil).

## **FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

The carrying amounts of cash and accounts payable approximate fair value because of the short-term maturity of these items.

## **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The information provided in this report as referenced from the Company's financial statements for the referenced reporting period is the sole responsibility of management. In the preparation of the information along with related and accompanying statements and estimates contained herein, management uses careful judgement in assessing the values (or future values) of certain assets or liabilities. It is the opinion of management that such estimates are fair and accurate as presented.

## **OTHER REQUIREMENTS**

### ***Summary of Outstanding Securities as at December 23, 2024***

- Authorized: Unlimited number of common shares without par value.
- Issued and outstanding: 25,805,001 Common Shares.
- A total of 600,000 stock options exercisable at a price of \$0.10 per share expiring January 28, 2025.
- A total of 6,962,000 warrants. Of which 350,000 warrants exercisable at a price of \$0.10 per share expiring February 28, 2025 and 6,612,000 warrants exercisable at a price of \$0.075 per share expiring April 12, 2026.

## **RISKS AND UNCERTAINTIES**

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical. The Company has no producing properties, no significant source of operating cash flow and consequently no sales or revenue from operations. The Company has either not yet determined whether its mineral properties contain mineral reserves that are economically recoverable or where reserves have been determined, mining operations have not yet commenced. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

The property interests in whom the Company has an option to earn an interest are in the exploration stages only, are without and may not result in any discoveries of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines, the result being the Company will be forced to look for other exploration projects. The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters.

*Additional disclosures pertaining to the Company's technical report, management information circulars, material change reports, press releases and other information are available on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).*