

**March 31, 2024**

**Management Discussion and Analysis**  
**First Quarter, 2024**

This Management's Discussion and Analysis ("MD&A") of Eagle Royalties Ltd. ("Eagle Royalties", "ER", or the "Company") is dated May 22, 2024 and provides a discussion of the Company's financial and operating results for the quarter ended March 31, 2024. The MD&A should be read in conjunction with the most recently published annual audited financial statements and notes.

**Business Overview**

Eagle Royalties Ltd. ("Eagle Royalties" or the "Company" or "ER") was incorporated on January 21, 2022 under the laws of the province of Alberta as a wholly-owned subsidiary of Eagle Plains Resources Ltd. ("Eagle Plains" or "EPL"). The Company was incorporated to manage the royalty portfolio of Eagle Plains. On February 28, 2023, Eagle Plains entered into an arrangement agreement with ER, and ER entered into an amalgamation agreement with 2513756 Alberta Ltd., formerly 1386884 BC Ltd. ("138") whereby, among other things EPL transferred a majority of its portfolio of royalty interests (the "Royalties") to its wholly-owned subsidiary, Eagle Royalties, in exchange for certain shares of Eagle Royalties (the "Spin-out Shares") and thereafter, ER and 138 amalgamated, and the resulting issuer, Eagle Royalties Ltd. was listed on the Canadian Securities Exchange under the symbol "ER".

Eagle Royalties is a growth-focused company seeking to develop its existing portfolio of royalty assets, acquire additional royalties from third-parties that have advanced stage development projects and identifying further investment opportunities.

**Summary of Quarterly Results**

Year Quarter	2024 Mar 31	2023 Dec31	2023 Sep 30	2023 Jun 30	2023 Mar 31	2022 Dec31	2022 Sep 30	2022 Jun 30
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Profit (Loss)	(178,387)	(168,465)	(121,061)	(691,758)	(93,285)	(97,698)	(51,371)	(59,672)
Earnings (Loss) per Share - Basic	(0.00)	(0.00)	(0.00)	(0.04)	(932.85)	(976.98)	(513.71)	(596.72)
Diluted earnings (loss) per share	(0.00)	(0.00)	(0.00)	(0.04)	(932.85)	(976.98)	(513.71)	(596.72)
Assets	1,900,545	2,172,348	2,300,147	2,696,654	75,650	108,714	92,550	50,217

For the quarter ended March 31, 2024, the Company recorded net loss of \$178,387 (2023 - \$93,285).

**Expenditures**

Office and administration costs of \$13,017 (2023 - \$3,611) consist of office operating costs of \$4,890, interest costs of \$3,740 and insurance of \$4,387

Professional fees of \$40,254 (2023 - \$11,106) consist of legal fees of \$29,754 and CFO fees of \$10,500.

Public company costs of \$6,822 (2023 - \$5,000) consist of reporting and issuing costs.

Wages and consulting fees of \$74,304 (2023 - \$65,396) consist of salaries and CEO fees.

Tradeshows, travel and promotion costs of \$43,990 (2023 - \$8,172) consist of marketing promotional costs of \$6,221, tradeshow costs of \$30,259 and travel costs of \$7,510.

**Royalty Portfolio**

Eagle Royalties assets include mineral royalties overlying gold, critical-metal, uranium, lithium, rare earth element and industrial mineral exploration projects. These royalties provide shareholder exposure to mineral exploration that other companies conduct on properties that had been vended to them previously by Eagle Plains Resources. Eagle Royalties holds royalties on over 50 such projects owned by senior to junior mining and exploration companies. For the most part these royalties are 2% Net Smelter Return (NSRs) whereby 1% may be purchased from Eagle Royalties for \$1m prior to production. Eagle Royalties flagship is the AurMac/McQuesten royalty, a 0.5% - 2% NSR at Banyan Gold's AurMac property located in the central Yukon where a 6.18m oz gold resource was announced in May 2023 (no buydown option exists for this royalty).

Eagle Plains historically held potentially valuable royalty interests on a large number of projects in western Canada targeting a broad spectrum of metals and industrial mineral projects including gold, silver, base-metals, uranium, diamonds and gypsum. It is these royalties which were transferred to Eagle Royalties. One royalty of particular interest is on claims formerly known as "McQuesten", underlying the "AurMac" property, currently operated by Banyan Gold Corp. ("Banyan"). Beginning in 1997, Eagle Plains and predecessor company Miner River Resources Ltd. jointly acquired an interest in claims which are now the target of aggressive drilling and development activity by Banyan. Through a series of subsequent transactions Eagle Plains became the holder of royalty interests ranging from 0.5% to 2% (with no buy-down provisions) on certain claims which comprise part of the AurMac property. On June 29, 2022 Banyan published a N.I.43-101 compliant report which outlined an inferred mineral resource of 3.99 million ounces of gold, a portion of which appear to be situated on claims subject to EPL NSR's. On May 24, 2023, a significant increase in the inferred resource was announced by Banyan Gold Corp.

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**Royalty Portfolio - continued**

(see ER news release June 1, 2023) The updated Mineral Resource Estimate comprises a total Inferred Mineral Resource (as defined in the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Definition Standards for Mineral Resources & Mineral Reserves incorporated by reference into NI 43-101) of 6.2 million ounces of gold on the near-surface, road accessible AurMac Property. A formal NI 43-101 compliant report was released by Banyan on July 7, 2023 which indicates a modest increase in inferred resource estimate pit extent over certain claims subject to the various Eagle Royalties’ NSR’s.

In January 2024, the Company learned of encouraging drill hole intercepts, including visible gold, at the AurMac Project in central Yukon in a public announcement made by Banyan Gold Corp. on January 15, 2024.

On April 18, 2024, Banyan announced plans at AurMac to carry out “further metallurgical work, and engineering and environmental baseline programs to advance the project to support future economic studies and permit applications”. Banyan further reported plans to carry out diamond drilling in the Powerline and Airstrip deposit areas, which have potential to enhance the value of ER’s royalty interests.

**Transactions with Related Parties**

The Company was involved in the following related party transactions during the period:

- (a) The Company is related to Eagle Plains through common directors starting May 19, 2023. During the period ended March 31, 2024 the Company had the following transactions with the related company:

	<b>2024</b>	<b>2023</b>
Administrative services provided by EPL	<b>\$ 3,153</b>	\$ 3,153
Costs reimbursed to EPL	<b>15,001</b>	5,736
Interest paid to EPL	<b>3,740</b>	-
Payment to EPL	<b>100,000</b>	-
	<b>\$ 121,894</b>	\$ 8,889

At March 31, 2024, \$4,191 is included in accounts payable and accrued liabilities.

At March 31, 2024, \$428,637 is included in due to related company.

- (b) Compensation to key management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company’s executive officers and Board of Director members. The aggregate amount of expenditures paid or payable to key management personnel in the periods was as follows:

	<b>2024</b>	<b>2023</b>
Consulting fees	<b>\$ 24,480</b>	\$ 24,480
Professional fees	<b>10,500</b>	10,500
Wages	<b>21,000</b>	12,000
	<b>\$ 55,980</b>	\$46,980

- (c) Included in wages and consulting fees is \$24,480 (2023 - \$24,480) paid or accrued for management services to a company owned by a director and officer of the Company.
- (d) Included in professional fees is \$10,500 (2023 - \$10,500) paid or accrued for accounting services to an officer of the Company.
- (e) Included in wages and consulting fees is \$21,000 (2023 - \$12,000) paid or accrued for services to officers of the Company who are also directors.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment unless otherwise specified.

**Disclosure of Management Compensation**

The Company has standard compensation agreements with certain Officers to pay for services as an officer of the Company. Payments totaling \$55,980 (2023 - \$46,980) were paid out in the quarter ended March 31, 2024.

**Critical Accounting Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and

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### **Critical Accounting Estimates - continued**

various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

Areas of significant judgment include the assessment of going concern assumption.

### **Financial Instruments**

The Company holds cash and term deposits and it is management's opinion that the Company is not exposed to significant risks arising from these financial instruments. Substantially all of the Company's cash and term deposits are held at one recognized Canadian national financial institution. As a result, the Company is exposed to all of the risks associated with this institution.

### **Disclosure of Outstanding Share Data**

The Company has an unlimited number of common shares without nominal or par value authorized for issuance.

At May 22, 2024, the Company has 57,060,310 (December 31, 2023 – 57,060,310) common shares issued and outstanding. There are no other classes of shares outstanding.

- 41,998,333 shares were issued in May 2023 to Eagle Plains shareholders and Eagle Plains as part of the spin-out transaction (these shares are subject to escrow provisions for a period of one year).
- 15,011,978 shares were issued in May 2023 to 138 shareholders as part of the amalgamation (10,011,978 shares are subject to escrow provisions for a period of one year).
- 16,666 shares were issued in May 2023 on the exercise of Eagle Plains warrants for proceeds of \$3,750.
- 33,333 shares were issued in June 2023 on the exercise of Eagle Plains options for proceeds of \$3,750.

At May 1, 2024, the Company has 5,562,404 (December 31, 2023 – 5,562,404) warrants outstanding with an expiry date of May 18, 2025.

- 5,562,404 warrants were issued in May 2023, exercisable at \$0.50 for 2 years to 138 shareholders as part of the amalgamation.

Under the Arrangement Agreement, for every Eagle Plains warrant or option outstanding as of Spin-out Transaction completion date that is exercised subsequently, the Company has to issue 1/3 of a common share and will receive 1/3 proceeds from the warrant or option exercise. As at March 31, 2024, the total commitment is for 10,812,000 options exercisable at \$0.15 - \$0.24 with expiry dates of July 4, 2024 to January 6, 2028 and 5,261,529 warrants exercisable at \$0.25 - \$0.30 with expiry dates of July 11, 2024 to September 25, 2024.

### **Accounting Policies**

The condensed interim financial statements for the Company for the period ending March 31, 2024 are prepared in accordance with International Financial Reporting Standard 34 ("IAS 34"), Interim Financial Reporting, using accounting policies which are consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Refer to Note 3 to the condensed interim financial statements for information pertaining to accounting standards and amendments effective for future years.

### **Risk Factors**

#### **Financial Capability and Additional Financing**

The Company has limited financial resources. There can be no assurance that it will be able to obtain sufficient financing in the future to continue operations and to acquire royalties. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Company.

#### **Mining Titles**

There is no guarantee that the Company's title to or interests in the Company's royalty interests will not be challenged or impugned. Title to the area of mineral properties may be disputed. There is no guarantee of title to any of the Company's royalties. The Company's royalties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. With the exception of certain Crown Granted Mineral Claims and legacy tenures, the Company has not surveyed the boundaries of its properties and consequently the boundaries may be disputed. There can be no assurance that the Company's rights will not be challenged by third parties claiming an interest in the properties.

#### **Management**

The success of the Company is currently largely dependent on the performance of its officers. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the

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**Risk Factors - continued**

services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

**Conflicts of Interest**

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

**History of Losses and No Assurance of Profitable Operations**

The Company has incurred a loss since inception. There can be no assurance that the Company will be able to operate profitably during future periods. If the Company is unable to operate profitably during future periods, and is not successful in obtaining additional financing, the Company could be forced to cease its plans as a result of lacking sufficient cash resources.

The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

**Price Volatility of Publicly Traded Securities**

Following the completion of the amalgamation, the Company listed its common shares on the Canadian Securities Exchange. In recent years, the securities markets in the United States and Canada have experienced high levels of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

**Commodity Prices**

The price of the Company's common shares and the Company's financial results may be significantly affected by a decline in the price of commodities. The price of commodities fluctuates widely, especially in recent years, and is affected by numerous factors beyond the Company's control, including but not limited to, interest rates, exchange rates, inflation or deflation, global and regional supply and demand and the political and economic conditions throughout the world.

**Environmental**

All phases of mining and exploration operations are subject to environmental regulation pursuant to a variety of government laws and regulations and First Nations claims. Environmental legislation is becoming stricter and there can be no assurance that possible future changes in environmental regulation will not adversely affect operations at mines, and consequently, the Company's operations.

**Risks and Uncertainties**

Management's estimates of mineral prices, mineral resources and operating costs are subject to certain risks and uncertainties which may affect the Company's operation. Although management has made its best estimate of these factors, it is possible that material changes could occur which may adversely affect management's estimate of operating requirements. The Company's success will be dependent upon the extent to which it can acquire additional royalties and the economic viability of developing its royalties. Substantially all of the Company's operating funding must be derived from external financing. Should changes in equity market conditions prevent the Company from obtaining additional external financing; the Company will need to review its future planning.

**Other MD & A Requirements**

Additional information relating to the Company is available on the SEDAR+ website: [www.sedarplus.com](http://www.sedarplus.com) under "Company Profiles" and "Eagle Royalties".

**Forward Looking Statements**

"All statements other than those of a historical nature are 'forward-looking statements' that may involve a number of unknown risks, uncertainties and other factors. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements."

**Subsequent Events**

There are no subsequent events.

**Outlook**

The past year has been an exciting and transformative period for Eagle Royalties. With the spin-out transaction from parent company Eagle Plains, amalgamation with a well-funded private company and successful listing on the Canadian Securities Exchange ("CSE") concluded, Eagle Royalties' management is now focused on maximizing value for its' enviable royalty portfolio. Despite challenging financial markets, management is confident that the completed transactions will be beneficial to all shareholders and will serve to unlock the significant value

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**Outlook - continued**

of the various diverse royalty assets. Additionally, management is vigilant in identifying and assessing opportunities that may arise. We thank our shareholders for their continuing support and look optimistically to the future.

**On behalf of the Board of Directors**

*“Timothy J. Termuende”*

Timothy J. Termuende, P.Geo.  
President and CEO