ARCHON MINERALS LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE-MONTH PERIOD ENDED AUGUST 31, 2025

Introduction

This management's discussion and analysis is intended to supplement the unaudited interim financial statements and the financial condition and operating results of Archon Minerals Limited (the Company or "Archon") for the three months ended August 31, 2025. The discussion should be read in conjunction with the unaudited condensed interim financial statements of the Company and the notes thereto for three months ended August 31, 2025 and the year ended May 31, 2025. The unaudited condensed interim financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") and include the operating results of the Company. Unless expressly stated otherwise, all financial information is presented in Canadian dollars. This information is current to October 30, 2025.

Operations

The Company holds interests in mineral properties in the Northwest Territories ("NWT"). The common shares of the Company are listed on the TSX Venture Exchange under the symbol ACS.

The following is a summary of the Company's exploration projects:

1) Buffer Zone, NWT

The Buffer Zone refers to the area forming an outer ring around the core diamond-producing pipes in the Ekati diamond mine owned by Burgundy Diamond Mines Limited (ASX:BDM). The Company holds a 2.3% gross production royalty with respect to the Buffer Zone mineral claims and leases owned by Burgundy.

In July 2025, Burgundy announced that due to the depressed diamond prices, it has temporarily suspended mining at its kimberlite pipe at Point Lake and accordingly laid off some of its employees. (Point Lake is part of the Ekati property but not in the Buffer Zone.) Other pipes at Ekati remain in operation.

The Company previously held an 100% interest in mineral claims located west of the Buffer Zone, in a property often referred to as the "Western Buffer Zone". Due to limited finances and the early-stage nature of the property, the Company has let the property lapse.

2) WO Block Project, NWT

The Company held an interest in the WO Block Project via a joint venture with De Beers Canada and DHK Diamonds Inc. On April 4, 2025, Arctic Blue Diamonds Ltd. acquired De Beers Canada's interest in the WO Block Project. On June 2025, the Company decided to relinquish its interest in the WO Block Project.

3) Monument Project, NWT.

The Company holds an interest in the Monument Project via a joint venture with Equity Metals Corp. and Chris and Jeanne Jennings. The operator, Equity Metals Corp., did not conduct any activity in the most recently ended fiscal year.

Summary of Quarterly Results

The following table sets forth selected (unaudited) quarterly financial information for each of the last eight most recently completed quarters:

	Quarters Ended			
	August 31, 2025	**May 31, 2025**	**February 28, 2025**	**November 30, 2024**
Net (Loss)/Income	($164,274)	($174,095)	($160,785)	($145,779)
(Loss)/Income Per Share	($0.00)	($0.00)	($0.00)	($0.00)
	August 31, 2024	**May 31, 2024**	**February 29, 2024**	**November 30, 2023**
Net (Loss)/Income	($145,502)	($146,233)	($142,421)	($747,732)
(Loss)/Income Per Share	($0.00)	($0.00)	($0.00)	($0.01)

Financial and Operational Performance

The Company's net loss for the three months ended August 31, 2025 was $164,274 as compared to a net loss of $145,502 for the same period in 2024. The change in net loss was due to the increase of interest on convertible debentures.

The Company currently has working capital deficiency of $13,415,898 (May 31, 2025 – $13,260,519).

Capital Resources and Liability

During the three months ended August 31, 2025, the president and director of the Company incurred $8,895 (May 31, 2025 - $39,278) for mineral property costs and administration expenses.

The Company has an outstanding amount of $1,422 included in Accounts Payable on August 31, 2025 to a firm which is controlled by a director of the Company.

The Company relies mainly on cash advances from its President to provide working capital. There is, however, no assurance that any future funding can be accomplished as it would be wholly dependent on the state of the capital markets for junior exploration companies. The Company does not anticipate the payment of dividends in the near future.

Commitments

None noted

Outstanding Share Data

As at the current date, the following securities were outstanding:

Common shares: 54,416,758

Stock options: 2,400,000

No warrants outstanding

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

A detailed summary of all the Company's related party transactions is included in Note 6 of the Company's August 31, 2025 unaudited condensed interim financial statements.

Critical Accounting Estimates

A detailed summary of all the Company’s material accounting policy information is included in Note 2 of the Company's August 31, 2025 unaudited condensed interim financial statements.

Future Changes in accounting policies

A detailed summary of all the Company’s future changes in accounting policies is included in note 2 of the Company's August 31, 2025 unaudited condensed interim financial statements. The accounting policy for the Company’s royalty interest is described in note 4 of the current quarterly financial statements.

Financial Instrument Risks

The Company’s financial instruments are exposed to the following risks:

Credit Risk

The Company’s primary exposure to credit risk is the risk of illiquidity of cash and cash equivalents, amounting to $1 at August 31, 2025 (May 31, 2024 - $1). As the Company’s policy is to limit cash holdings to instruments issued by major Canadian banks, the credit risk is considered by management to be negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company’s only liquidity risk from financial instruments is its need to meet operating accounts payable requirements. The Company has maintained sufficient current asset balances and financing from related parties to meet these needs at August 31, 2025.

Foreign Exchange Risk

The Company has virtually no foreign exchange risk as all its activities are carried out in Canada and all its financial assets and liabilities are denominated in Canadian dollars.

Interest Rate Risk

The Company has been exposed to interest rate risk on its cash and short-term deposits. The majority of these deposits have been in discounted instruments with pre-determined fixed yields. Interest rate movements will affect the fair value of these instruments so the Company manages maturity dates of these instruments to match cash flow needs, enabling realization at no loss in almost all cases. Unrealized gains and losses are reported in other comprehensive income.

At August 31, 2025, the Company maintained all of its cash balance on deposit in a chequing account or in short-term deposits with a major Canadian bank.

Fair Value of Financial Instruments

The fair value classification of the Company’s financial instruments as at August 31, 2025 and May 31, 2025 are as follows:

		August 31, 2025		May 31, 2025	
	Fair value level	Fair value through profit or loss	Amortized cost	Fair value through profit or loss	Amortized cost
		$	$	$	$
Financial assets:					
Cash and cash equivalents	1	1	-	1	-
Reclamation bond		-	31,000	-	31,000

	1	31,000	1	31,000
Financial liabilities:				
Accounts payable and accrued liabilities	-	43,348	-	49,965
Due to related parties	-	54,786,078	-	54,777,183
Convertible debenture	-	8,000,000	-	8,000,000
	-	62,829,426	-	62,827,148

During the periods ended August 31, 2025 and 2024, there were no transfers between level 1, level 2 and level 3 classified assets.

Risk and Uncertainties

Risks of the Company's business include the following:

Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as commodity prices, which are highly cyclical, and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of minerals/metals, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The Company's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of commercial quantities of ore. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Permits and Licenses

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, which have been caused, by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability.

Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

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

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

Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water the environment, the Company may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of metals and minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in commodity prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of metals and minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable. Depending on the price of metals and minerals, cash flow from mining operations may not be sufficient. Any figures for reserves presented by the Company will be estimates, and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of metals and other minerals may render reserves uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Uninsured Risks

The Company carries insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Land Title

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

Aboriginal Land Claims

No assurance can be given that aboriginal land claims will not be asserted in the future in which event the Company's operations and title to its properties may potentially be seriously adversely affected.
Additional information relating to the Company is available on www.sedarplus.ca.

"Stewart Blusson"
Stewart Blusson
Chief Executive Officer

October 30, 2025