

R e s s o u r c e s  
**1844**  
R e s o u r c e s

## **MANAGEMENT DISCUSSION & ANALYSIS**

**For the Year Ended**

**April 30, 2025**

### **Management's Discussion and Analysis**

This management's discussion and analysis (MD&A) for 1844 Resources Inc. (the "Corporation") should be read in conjunction with the audited annual financial statements of April 30, 2025. The Corporation's financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Corporation presents its results in Canadian (CDN) dollars. All amounts in this MD&A are in Canadian dollars unless otherwise indicated.

### **Forward Looking Statements**

Certain statements in this document that are not supported by historical facts are forward-looking, which means that they are subject to risks, uncertainties and other factors that may result in actual results differing from those anticipated or implied by such forward-looking statements. There are many factors that may cause such a disparity, notably unstable metal prices, the impact of fluctuations in foreign exchange markets and interest rates, inaccurate resources estimates, environmental risks (more stringent regulations), unexpected geological events, unfavourable mining conditions, political risks arising from mining in developing countries, changing regulations and government policies (laws or policies), failure to obtain required permits and approval from government authorities, or any other risk related to mining and development.

Even though the Corporation believes that the assumptions relating to the forward-looking statements are plausible, readers are cautioned to not place undue reliance on such statements, which are valid only as of the date of this document.

Additional information about the Corporation can be found under the 1844 Resources Inc. profile on the SEDAR+ website (sedarplus.ca).

## **Date**

This MD&A was prepared as of August 28, 2025.

## **Description of the Business**

The Corporation was incorporated under the laws of British Columbia on May 31, 2006 and is listed on the TSX Venture Exchange (“TSX-V”). The principal business of the Corporation is the identification, exploration and development of mineral properties.

The Corporation is focusing on exploring and developing its copper mineral claims in the Gaspé region of Quebec, with a view to developing mineral occurrences and discovering economically viable mineral deposits.

The financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operation. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The use of these principles may not be appropriate.

To date, the Corporation has not earned significant revenue and is considered to be in the identification and exploration stage.

The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Corporation’s assets. Mineral exploration and development is highly speculative and involves inherent risks. Realization of the Corporation’s investment in these assets is dependent upon the renewed legal ownership of the claims, and whether an economically viable operation can be established.

In addition, it has not yet been determined whether the Corporation’s properties contain ore reserves that are economically recoverable. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

As at April 30, 2025, the Corporation’s current committed cash resources is insufficient to cover expected expenditures in fiscal 2025. The Corporation’s ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurances that management will be successful in securing adequate financing.

The Corporation reported net losses in fiscal 2025 and 2024 of \$1,446,615 and \$779,666 respectively, has an accumulated deficit of \$17,139,046 (April 30, 2024 - \$15,692,431) and has working capital deficiency of \$1,093,369 (2024 – working capital deficiency of \$676,969). These circumstances and the need for continued financing to further successful exploration may cast significant doubt as to the Corporation’s ability to continue as a going concern.

The financial statements do not include any adjustments to the carrying values of asset and liabilities that might be necessary, if the Corporation is unable to continue as a going concern. Such adjustments could be material.

The technical disclosure contained in this MD&A was prepared by Bernard-Olivier Martel, P.Geo, a consultant to the Corporation. Mr. Martel is a “qualified person” within the meaning of National Instrument 43-101.

### **Outlook:**

With a focus on copper, nickel, gold and platinum group metals, the Corporation is well positioned to take advantage of current market dynamics which are showing rapidly growing demand. The electrification of the developed world continues to be on the largest global economic trends in recent history. The growing carbon economy is putting continual strain on the supply of the so-called “electric metals” and, specifically, electric metals and electric metals project located in stable and safe jurisdictions like Quebec, Canada.

This surging demand for these metals has come at the same time as a significant slow down in exploration activities for these same metals globally as funds raised and expended by junior natural resource explorers has been in a multi-year decline. Additionally, the growing concern over nationalization of resource projects in known and producing districts in South America have led to a material concern of metal security into the future.

The Corporation remains steadfastly focused on defining and developing copper and other electric metals in Quebec, Canada. While continuing work on existing projects in our portfolio, management also is continually searching for high quality projects to add into the portfolio, as they are found.

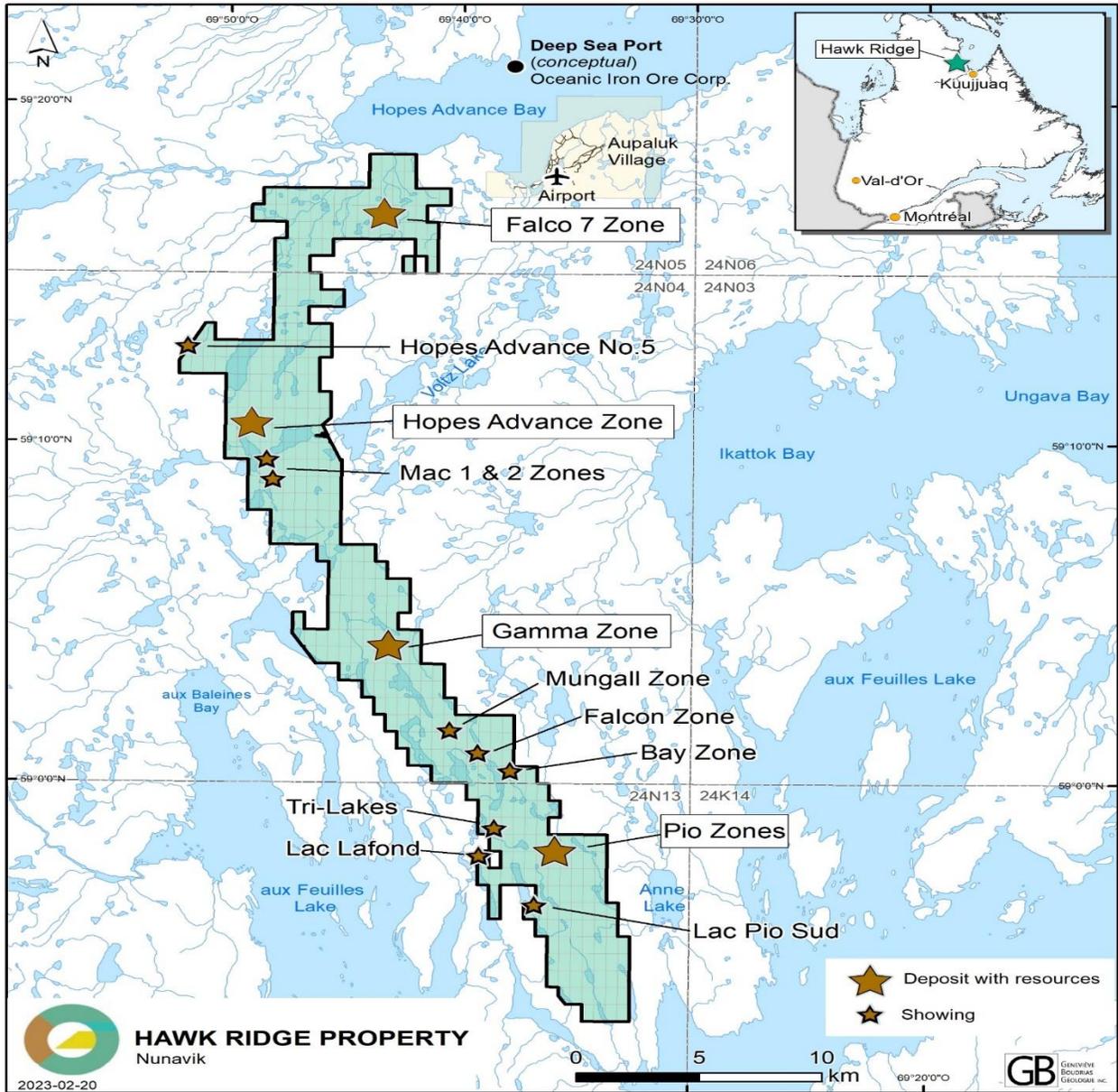
The Corporation announced on August 13, 2024 that it had entered into a letter of intent (the “LOI”) with Nickel North Exploration for the option of the Hawk Ridge project in Nunavik, Northern Quebec. Hawk Ridge is a copper-nickel sulphide and platinum group metals project with an existing historical 43-101 (July 5, 2022) inferred resource already in place, reporting:

- 34.66M tonnes inferred mineral resource
- 0.22% Nickel
- 0.56% Copper
- 0.013% Cobalt
- 0.19 g/t Lead
- 0.05% Platinum
- 

Hawk Ridge is a 179 square kilometer land package comprised of multiple high-grade exploration targets along a highly prospective 50-kilometer defined trend in the Circum Superior nickel belt, which boasts some of the largest nickel-copper mines in North America, including the Thompson District in Manitoba, the Raglan District in northern Quebec and Voisey’s Bay in Labrador.

Hawk Ridge has the potential to become a district scale polymetallic deposit located adjacent to tide water in Ungava Bay.

# Hawk Ridge



The Corporation signed an option agreement with Nicke North Exploration in December of 2024, with a view to financing and completing the initial exploration program at Hawk Ridge in the beginning of calendar 2025.

In accordance with the option agreement, the agreement will include the following option terms:

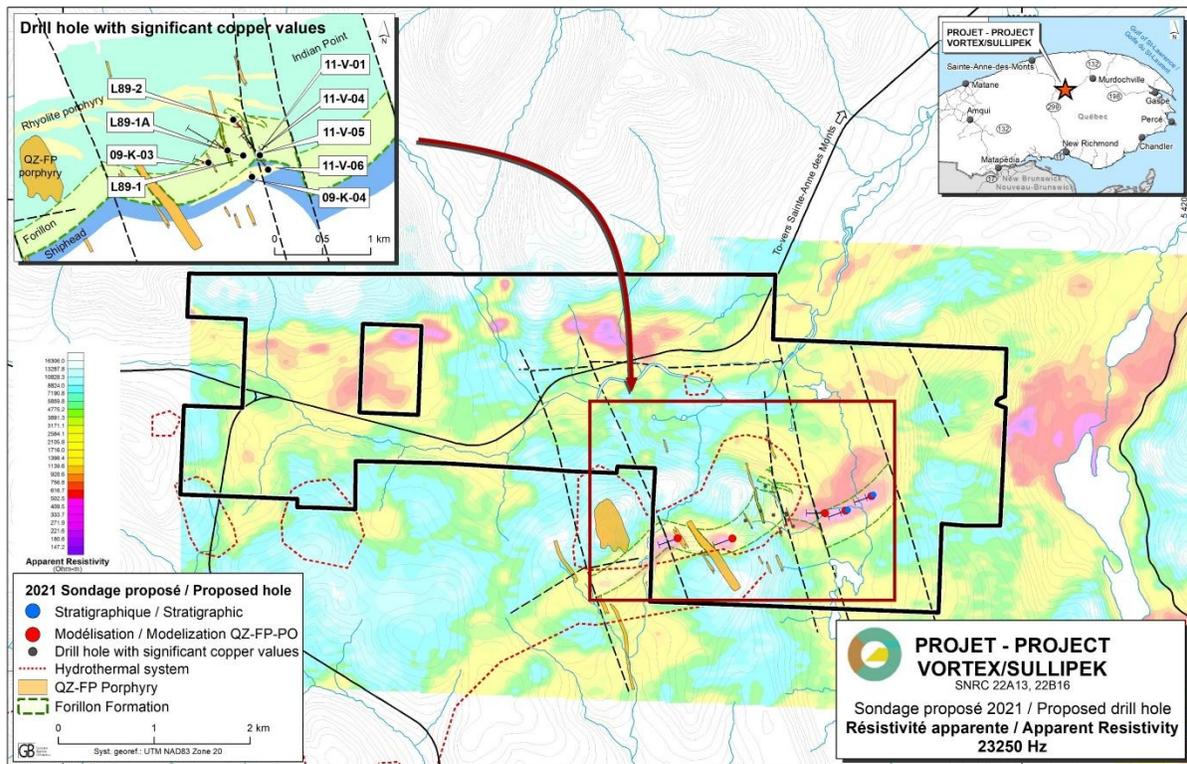
Option 1	Cash	Shares issued	Exploration (\$)	% Earned
On signing (paid)	\$12,000	-	-	-
TSXV approval	\$200,000	5,000,000	-	10%
1 <sup>st</sup> anniversary	\$250,000	3,000,000	\$500,000	20%
2 <sup>nd</sup> anniversary	\$250,000	3,000,000	\$1,000,000	30%
3 <sup>rd</sup> anniversary	\$250,000	3,000,000	\$1,500,000	40%
4 <sup>th</sup> anniversary	\$250,000	3,000,000	\$1,500,000	60%
5 <sup>th</sup> anniversary	\$300,000	4,000,000	\$1,500,000	80%
Total	\$1,512,000	21,000,000	\$6,000,000	80%

**Option 2** Acquire the remaining 20% for a one-time payment of \$2,000,000

This option agreement is subject to a number of approvals including, but not limited to, the Corporation shareholder approval, Nickel North Exploration shareholder approval and TSX Venture approval. The Corporation will report all updates on this transaction, as they occur.

In addition to the Hawk Ridge acquisition, the Corporation continues to advance its flagship property on the Gaspé Peninsula. The Vortex project is a copper molybdenum exploration opportunity in the Gaspé region of Quebec and is the site of the former Gaspé Copper mine and smelter. The project encompasses 80 sq. km.

### Vortex



Located 25km to the west of the historic Murdochville Mine, which was once the largest copper mine in North America, the property boundary of the Vortex project adjoins the greater Murdochville land package, currently owned jointly by Glencore and Soquem and has been the site of multiple drill programs over the past 15 years.

The Company completed ~4,700 meters of drilling on the Vortex project since 2009 with positive results, including the discovery from 2012 which reported 0.94% Cu over a 29-meter drill intercept. In 2017, the Company completed a National Instrument 43-101 Compliant resource estimate for the Vortex project showing 2.24 million tonnes grading 1.09% copper. When combined with the Glencore/Soquem portion of the property, the resource increases to 5.5 million tonnes grading 0.88% copper.

The Corporation has a 3,000-meter drill program fully planned at Vortex and awaiting approval and execution.

### Selected Financial Information

<b>For the periods ended</b>	<b>April 30, 2025</b>	<b>April 30, 2024</b>	<b>April 30, 2023</b>
Cash	\$ 335,200	\$ 189,192	\$ 66,597
Exploration and evaluation assets	\$ 28,214	\$ 640,226	\$ 734,599
Total assets	\$ 762,478	\$ 1,358,166	\$ 1,371,360
Total liabilities	\$ 1,447,240	\$ 884,516	\$ 455,661
Shareholders' (deficiency) equity	\$ (684,762)	\$ 473,650	\$ 915,699
Total operating expenses	\$ 676,648	\$ 676,120	\$ 693,131
Other income on settlement of flow-through premium liability	\$ 11,875	\$ 44,206	\$ 95,794
Other income on derecognition of account payable	\$ 10,000	\$ -	\$ -
Unrealized loss on common shares	\$ (130,000)	\$ -	\$ -
Impairment of account receivable	\$ -	\$ -	\$ (12,745)
Impairment of exploration and evaluation asset	\$ (661,842)	\$ (147,752)	\$ -
Loss on disposal of exploration and evaluation asset	\$ -	\$ -	\$ (119,254)
Income tax expense (recovery)	\$ -	\$ -	\$ -
Net loss	\$ (1,446,615)	\$ (779,666)	\$ (729,336)
Loss per share, basic	\$ (0.01)	\$ (0.01)	\$ (0.01)
Loss per share, diluted	\$ (0.01)	\$ (0.01)	\$ (0.01)

**Quarterly Results of Operations (unaudited)**

	<b>Three Months Ended</b>			
	<b>April 30, 2025</b>	<b>January 31, 2025</b>	<b>October 31, 2024</b>	<b>July 31, 2024</b>
Total operating expenses	\$327,726	\$125,622	\$121,708	\$101,593
Net income (loss) for the period	\$1,109,567	\$113,747	\$121,708	\$101,593
Loss per share	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00
	<b>April 30, 2024</b>	<b>January 31, 2024</b>	<b>October 31, 2023</b>	<b>July 31, 2023</b>
Total operating expenses	\$243,330	\$148,992	\$164,062	\$119,736
Net income (loss) for the period	\$391,082	\$138,500	\$131,179	\$118,905
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

***Three month period ended April 30, 2025 and 2024:***

For the three months ended April 30, 2025, the Corporation recorded net loss of \$1,109,567 (\$0.01 per share), compared to net loss of \$391,082 (\$0.00 per share) in the three months ended April 30, 2024. The primary difference between the two periods are the increase in impairment of exploration and evaluation assets, and the unrealized loss on common shares investments.

**Years Ended April 30, 2025 and 2024:**

For the year ended April 30, 2025, the Corporation recorded a net loss of \$1,446,615 compared to a loss of \$779,666 in fiscal 2024.

	Years Ended April 30	
	2025	2024
General and administration <sup>1</sup>	\$ 195,680	\$ 226,021
Management fees <sup>1</sup>	150,000	150,000
Property investigation costs <sup>2</sup>	154,450	114,089
Professional fees <sup>3</sup>	156,088	149,129
Share-based compensation <sup>4</sup>	-	12,200
Transfer agent and filing fees <sup>5</sup>	20,430	24,681
	<b>\$676,648</b>	<b>\$676,120</b>

**Notes:**

1. General and administration and management fees totalled \$195,680 in the year ended April 30, 2025 compared to \$226,021 for 2024. The slight decrease relates to the Corporation decreasing corporate activities including marketing programs and office expenses in fiscal 2025.
2. Property investigation costs are generally non-recurring and are incurred when the Corporation is performing geological due diligence on potential new properties. The expenses incurred in 2024 and 2025 related to the Hawkridge project and the KM50 project, of which the transaction to purchase the Hawkridge project has not closed and continued to be extended.
3. Professional fees for the year were \$156,088, an increase of \$6,959 from 2024. The increase is attributable to the timing of the Corporation's activities which require professional services, including legal and bookkeeping services.
4. Share-based compensation is related to the issuance of stock options, which were issued in 2024 but not in 2025.
5. The transfer agent and filing fees for the year were \$20,430 compared to \$24,681 in 2024. The decrease in cost is related to lower fees paid due to fewer corporation transactions in fiscal 2025. Transfer agent and filing fees fluctuate with the timing of the Corporation's transaction activities and the number of shares issued and outstanding during the period.

## Cash Flow:

### *Year Ended April 30, 2025 and 2024:*

Net cash used in operating activities in the year was \$241,789 compared to \$170,073 net cash used in 2024, an increase in cash used of \$71,716. The increase year-over-year relates to the timing of accounts payables payments and collection of tax credits and a changes in other receivables and prepaid expenses.

Net cash used in investing activities in the year was \$30,832 compared to \$44,624 in 2024, a decrease in cash used of \$13,792. The change in investing activity is effected by the timing of exploration programs based on the availability of funds in the Corporation and the timing of resource input credits received from the Quebec government.

Net cash generated in financing activities was \$418,629 in the year and \$337,292 in the comparative period. The cash generated in financing activities is subject to junior market conditions and the Corporation's need for cash based on planned exploration programs.

For the year ended April 30, 2025 the Corporation had an overall increase in cash of \$146,008 compared to a \$122,595 increase in the comparative period.

## Exploration

During the year ended April 30, 2025, the Corporation incurred \$49,830 exploration expenditures (2024 - \$53,379).

## Analysis of Acquisition and Exploration Costs

	Balance as at May 1, 2023		Additions	Impairment/ Disposals		Balance as at April 30, 2024
Vortex	\$ 26,269	\$	17,821	\$ (44,090)	\$	-
Davidson	46,781		-	(46,781)		-
Native Copper	604,668		35,558	-		640,226
Lac Crystal	56,881		-	(56,881)		-
	\$ 734,599	\$	53,379	\$ (147,752)	\$	640,226

	Balance as at May 1, 2024		Additions	Impairment/ Disposals		Balance as at April 30, 2025
Vortex	\$ -	\$	28,214	\$ -	\$	28,214
Davidson	-					-
Native Copper	640,226		21,616	(661,842)		-
	\$ 640,226	\$	49,830	\$ (681,842)	\$	28,214

## Vortex

The Vortex project is a copper molybdenum exploration opportunity in the Gaspé region of Quebec and is the site of the former Gaspé Copper mine and smelter.

As part of the acquisition of the Vortex claims, the Corporation entered into an agreement with 49 North Resources Inc. to grant a 2% net smelter return “NSR” royalty from the sale of all copper-molybdenum lands portion of the property. The Corporation may, at any time reduce the NSR from 2% to 0.5%, by making a cash payment of \$1,000,000 to 49 North Resources Inc. During the year end April 30, 2024, the Corporation impaired the property value to \$nil, based on uncertainty regarding the approvals of the proposed drill program. During the year ended April 30, 2025, the Corporation has determined that it would continue with the project and remains committed to advancing this project.

## Hawkridge

On December 11, 2024, the Corporation signed an option agreement to acquire up to 100% of the Hawk Ridge project from Nickel North Exploration Corp. (“NNX”) As consideration the Corporation would issue cash payments, share issuances and financings in phases, as follows:

At signing – \$12,000 (paid)

At approval – paying \$200,000 and issuing 5,000,000 common shares to earn a 10% undivided interest (not paid and not issued)

1<sup>st</sup> anniversary – paying \$250,000 and issuing 3,000,000 common shares and incurring \$500,000 of exploration expenditures before the first anniversary date to earn an additional 10% undivided interest

2<sup>nd</sup> anniversary – paying \$250,000 and issuing 3,000,000 common shares and incurring \$1,000,000 of exploration expenditures before the second anniversary date to earn an additional 10% undivided interest

3<sup>rd</sup> anniversary – paying \$250,000 and issuing 3,000,000 common shares and incurring \$1,500,000 of exploration expenditures before the third anniversary date to earn an additional 10% undivided interest

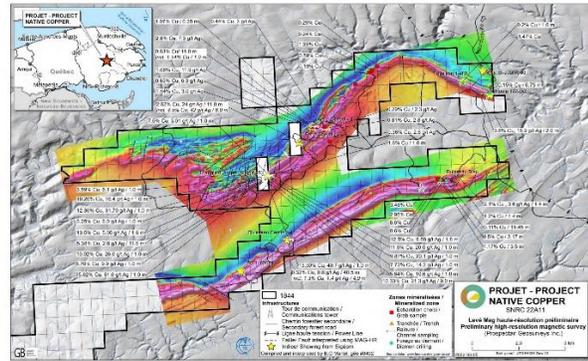
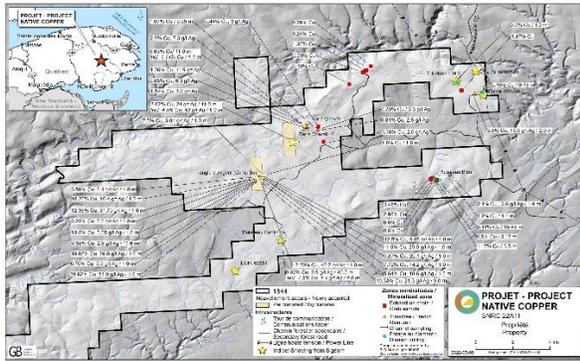
4<sup>th</sup> anniversary – paying \$250,000 and issuing 3,000,000 common shares and incurring \$1,500,000 of exploration expenditures before the fourth anniversary date to earn an additional 20% undivided interest

5<sup>th</sup> anniversary – paying \$300,000 and issuing 4,000,000 common shares and incurring \$1,500,000 of exploration expenditures before the fifth anniversary date to earn an additional 20% undivided interest

The remaining 20% interest can be acquired by the Corporation for a one time payment of \$2,000,000. If the remaining 20% interest is acquired by the Corporation a 2% NSR will be granted to NNX, which can be reduced by to 1% by issuing a one time payment of \$1,000,000.

## Native Copper

The Native Copper Project, situated west of the Municipality of Chandler, Quebec, is comprised of 318 claims covering over 127 square kilometers. Located within the Gaspé greenstone belt, the property lends itself to Michigan Keweenaw Peninsula mineralization model.



The Native Copper project remains a greenfield copper exploration project, which boasts a strong history of positive exploration results over relatively small-scale drilling programs and surface prospecting, remains a high priority project for the Company. The historical results include:

- 10.33% Cu and 21.3 grams/tonne Ag over 9 meters.
- 5.38% Cu and 2.8 grams/tonne Ag over 11 meters.
- 2.62% Cu and 24 grammes/tonne Ag over 6 meters.
- 0.32% Cu and 0.8 grams/tonne Ag over 40.5 meters.

Additional larger scale drill programs will be required on the Native Copper project in the coming years to ensure previous results are repeatable, and for the development of a maiden resource calculation on the project

On October 4, 2021, the Corporation acquired additional claims through the issuance of 400,000 common shares at a fair value of \$32,000, and granted a 2% NSR, which 1% can be purchased for \$500,000.

On February 17, 2022, the Corporation acquired additional claims through the issuance of 400,000 common shares at a fair value of \$36,000, and granted a 2% NSR, which 1% can be purchased for \$500,000.

On May 24, 2022, the Corporation entered into an agreement to acquire additional claims to the Native Copper project. As consideration the Corporation must pay \$5,000 cash (not paid), issue 500,000 common shares (issued) and grant a 2% NSR, which 1% can be purchased for \$750,000.

On June 20, 2022, the Corporation entered into an agreement to acquire additional claims to the Native Copper project. As consideration the Corporation must pay \$5,000 cash (not paid), issue 500,000 common shares (issued) and grant a 2% NSR, which 1% can be purchased for \$750,000.

During the year ended April 30, 2025, the Corporation determined that it will allow the claims to lapse as they come due and has written down the property to \$nil.

## Lac Crystal

During the year ended April 30, 2022 the Corporation entered into an agreement to acquire mining claims in the Gaspé Peninsula, Quebec in exchange for 400,000 common shares of the Corporation (issued at a fair value of \$38,000), and 625,000 shares that will be issued at the second anniversary. The vendor retained a 2% NSR. The parties have agreed that 1% NSR could be acquired for \$500,000. Prior to the acquisition the Corporation staked an additional 34 claims for a total of 46 claims. During the year end April 30, 2024, the Corporation allowed the claims to lapse, and has written down the property to nil.

## Davidson

The Davidson project is situated in the Chibougamau Region and is part of a 50/50% Joint Venture with J.A MacLeod Exploration. The project is grassroots and mainly for base metal exploration (Copper, Zinc, Cobalt). During the year end April 30, 2024, the Corporation determined that it would allow the claims to lapse as they came due, and has wrote down the property to \$nil.

## **Financing**

Issuance of common shares:

On December 29, 2023 the Corporation issued 3,587,500 flow-through common share units at a price of \$0.03 per unit for total proceeds of \$107,625. Each unit consists of one flow-through common share and one half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Corporation at a price of \$0.05 for a period of 36 months. The Corporation paid cash commissions totaling \$4,860, other share issue costs totaling \$22,983, and issued 162,000 broker compensation warrants with a value of \$1,620.

On March 27, 2024 the Corporation issued 14,117,500 non-flow-through common share units at a price of \$0.02 per unit for total proceeds of \$282,350. Each unit consists of one non-flow-through common share and one half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Corporation at a price of \$0.05 for a period of 36 months. Share issue costs totaled \$24,840.

On December 30, 2024 the Corporation issued 13,042,928 flow-through common share units at a price of \$0.035 per unit for total proceeds of \$456,500. Each unit consists of one flow-through common share and one half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Corporation at a price of \$0.05 for a period of 24 months. The Corporation paid cash commissions totaling \$15,040, other share issue costs totaling \$22,831, and issued 429,720 broker compensation warrants with a value of \$6,446.

## **Share-based compensation**

The directors of the Corporation have adopted, and the shareholders have approved a stock option plan (the "Option Plan"), pursuant to which the directors may from time to time grant options for up to 10% of its issued and outstanding shares. The purpose of the Option Plan is to attract, retain and motivate directors, employees and consultants of the Corporation and to advance the interests of the Corporation by providing such persons with the opportunity, through stock options, to acquire an equity interest in the Corporation.

A summary of the outstanding and exercisable stock options is as follows:

	April 30, 2025		April 30, 2024	
	Options	Price	Options	Price
<b>Outstanding and exercisable, beginning of year</b>	5,400,000	\$ 0.09	5,000,000	\$ 0.09
Options granted	-	-	400,000	0.05
<b>Outstanding and exercisable, end of year</b>	<b>5,400,000</b>	<b>\$ 0.09</b>	<b>5,400,000</b>	<b>\$ 0.09</b>

\*After the reporting period, 2,000,000 options, exercisable at \$0.08 per option, expired unexercised.

At April 30, 2025, the weighted-average remaining contractual life of stock options was 1.01 years (2024 – 2.01 years).

On May 16, 2023, the Board of Directors of the Corporation approved the grant of 200,000 stock options pursuant to the Corporation's 2022 Option Plan. 200,000 of the options were granted to consultants of the Corporation.

The options are exercisable at \$0.05 per share, vest immediately and, if not exercised, expire May 16, 2028, subject to earlier expiration in accordance with the 2022 Option Plan and applicable policies of the TSX-V.

Using the Black-Scholes option pricing model, the value of the stock options was estimated to be \$5,600, which was recorded as share-based compensation expense with a corresponding increase in contributed surplus. Assumptions used in the pricing model for the year are as follows: risk-free interest rate of 3.06%, expected life of options 5 years, annualized volatility 178.54% and dividend rate of nil.

On June 13, 2023, the Board of Directors of the Corporation approved the grant of 200,000 stock options pursuant to the Corporation's 2022 Option Plan. 200,000 of the options were granted to consultants of the Corporation.

The options are exercisable at \$0.05 per share, vest immediately and, if not exercised, expire June 13, 2028, subject to earlier expiration in accordance with the 2022 Option Plan and applicable policies of the TSX-V.

Using the Black-Scholes option pricing model, the value of the stock options was estimated to be \$6,600, which was recorded as share-based compensation expense with a corresponding increase in contributed surplus. Assumptions used in the pricing model for the year are as follows: risk-free interest rate of 3.52%, expected life of options 5 years, annualized volatility 178.81% and dividend rate of nil.

### **Related party transactions**

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Corporation as a whole. The Corporation has determined that key management personnel consist of executive and non-executive members of the Corporation's Board of Directors and corporate officers and companies controlled by them. The compensation that was paid or accrued to the directors and other members of key management personnel during the years ended April 30, 2025 and 2024 was as follows:

Compensation of key executive personnel:

	2025	2024
Consulting fees to officers	\$ 150,000	\$ 150,000
	\$ 150,000	\$ 150,000

Consulting fees paid or accrued to directors and officers or companies controlled by directors and officers are recorded in management fees, general and administrative or, as applicable, capitalized to the exploration and evaluation assets.

Sylvain Laberge, a director and officer of the Corporation provided consulting services to the Corporation. Fees accrued during the year ended April 30, 2025 were \$90,000 (2024 - \$90,000) expense was recorded in management fees. As at April 30, 2025 the Corporation owed \$275,163 (April 30, 2024 - \$184,542) related to such services and expenses incurred on behalf of the Corporation, which is included in accounts payable and accrued liabilities.

Andrew Davidson, a director and officer of the Corporation provided consulting services to the Corporation. Fees accrued during the year ended April 30, 2025 were \$60,000 (2024 - \$60,000) expense was recorded in management fees. As at April 30, 2024 the Corporation owed \$131,450 (April 31, 2024 - \$94,500) related to such services, which is included in accounts payable and accrued liabilities.

During the year ended April 30, 2025, 49 North Resources Inc, advanced \$40,000 to the Corporation. The advance is due on demand, non-interest bearing and no repayment terms.

**Additional Disclosure for Venture Issuers Without Significant Revenue**

	2025	2024
Investor relations	\$ 105,625	\$ 159,824
Insurance	14,938	14,912
Office and other expenses	75,117	51,285
	\$ 195,680	\$ 226,021

**Events After The Reporting Period**

On June 23, 2025, the Corporation announced the extension of the Hawk Ridge option agreement with Nickel North Exploration Corp. (“NNX”) agreeing to extend the outside date from June 20, 2025 to July 31, 2025. All other terms and conditions remain unchanged. At the date of this MD&A, the July 31, 2025 outside date has passed and a new outside date is currently being negotiated. All other terms and conditions remain unchanged.

**Off-Balance Sheet Arrangements**

None.

## **Critical Accounting Estimates**

The Corporation's financial statements have been prepared in accordance with IFRS. The preparation of financial statements in accordance with IFRS required management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements. Actual results could differ from these estimates. The significant accounting policies used by the Corporation in this regard are discussed in detail in the notes to the 2025 annual audited financial statements. See Note 2 of the financial statements.

## **Financial Instruments**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Corporation's cash, other receivables and accounts payable and accrued liabilities approximate their carrying values due to their short term nature. Investment in common shares is measured using level 1 inputs.

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized as follows:

### *Credit Risk*

The Corporation's credit risk is primarily attributable to cash. The Corporation has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote.

### *Liquidity Risk*

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2025, the Corporation had a cash balance of \$335,200 to settle accounts payable and accrued liabilities of \$1,302,814.

The Corporation has historically relied on equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital and debt to finance its activities. There can be no assurance the Corporation will be able to obtain the required financing in the future on acceptable terms.

### Interest rate risk

The Corporation is not exposed to risk in the event of interest rate fluctuations. The Corporation has not entered into any interest rate swaps or other financial arrangements that mitigate the exposure to interest rate fluctuations.

### Price risk

The Corporation's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. At April 30, 2025, the exposure to investments at fair value was \$370,000.

## **Capital Management**

The Corporation's objectives when managing capital are:

- a. to allow the Corporation to respond to changes in economic and/or marketplace conditions by maintaining the Corporation's ability to continue its exploration programs;
- b. to provide sustained growth and value by increasing equity; and
- c. to maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk.

The Corporation considers its capital structure to consist of shareholders' equity (deficiency).

The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. The Corporation maintains or adjusts its capital level to enable it to meet its objectives by:

- a. raising capital through equity financings; and
- b. borrowing funds in the form of advances from related parties.

The Corporation is not subject to any capital requirements imposed by a regulator. There were no changes in the Corporation's approach to capital management during the current year. The Corporation's management is responsible for the management of capital and monitors the Corporation's use of various forms of leverage on a daily basis.

## **Risks and Uncertainties**

The following discussion outlines a number of risks that management believes could impact the Corporation's business.

## **Financial Risk**

Additional funds may be required in the future to finance exploration and development work. The Corporation has access to funds through the issuance of additional equity and borrowing. There can be no assurance that such funding will be available to the Corporation under current economic conditions. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Corporation or that it will provide the Corporation with sufficient funds to meet its objectives, which could adversely affect the Corporation's business and financial condition.

## **Title to Properties**

Although the Corporation has taken reasonable measures to ensure proper title to its properties, there is no guarantee that titles to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Corporation's interests.

## **Industry Conditions**

Mineral resource exploration and development involves a high degree of risk that even a combination of careful assessment, experience and know-how cannot eliminate. While the discovery of a deposit may prove extremely lucrative, few properties that undergo prospecting ever generate a producing mine. Substantial amounts may be required to establish ore reserves, develop metallurgical processes and build mining and processing facilities at a given site. There can be no assurance that the exploration and development programs planned by the Corporation will result in a profitable mining operation. The economic viability of a mineral deposit depends on a number of factors, some of which relate to the particular characteristics of the deposit, particularly its size, grade and proximity to infrastructure, as well as the cyclical nature of metal prices and government regulations, including those regarding prices, royalties, production limits, importation and exportation of minerals, and environmental protection. The impact of such factors cannot be precisely assessed but may prevent the Corporation from providing an adequate return on investment.

## **Government Regulation**

The Corporation's activities must comply with the applicable legislation on exploration and development, environmental protection, obtaining of permits, and authorization of mining operations in general. The Corporation believes that it is in compliance in all material respects with such laws. Changing government regulations could have an adverse impact on the Corporation's operations.

## **Outlook**

Management will continue to manage its funds very rigorously, its primary objective being to optimize return on investment for its shareholders. Its development strategy is focused on the discovery of economically viable deposits that will generate profits from mining and ensure the Corporation's survival. In applying its development strategy, management will take into account the global exploration context, stock market trends and the prices of copper and other metals.

**Outstanding Share Data:**

The Corporation is authorized to issue an unlimited number of common shares.

As of August 28, 2025, the number of common shares of the Corporation outstanding or reserved for issue under convertible securities is as follows:

<b>Common shares</b>	<b>Number</b>
Outstanding	110,431,186
Issuable under warrants and broker warrants	16,778,804
Issuable under stock options	3,400,000
<b>Total diluted common shares</b>	<b>130,609,990</b>