

CENTENARIO GOLD CORP.
(formerly AADIRECTION CAPITAL CORP.)
(the “Company”)

MANAGEMENT DISCUSSION AND ANALYSIS

For the Nine Months Ended September 30, 2024

This management’s discussion and analysis (“MD&A”) focuses on significant factors that affected Centenario Gold Corp. (formerly AADirection Capital Corp.) and its subsidiaries (collectively, “Centenario” or the “Company”) during the relevant reporting period and to the date of this report. The MD&A supplements, but does not form part of, the unaudited condensed interim financial statements for the period ended September 30, 2024. This MD&A of the financial condition of the Company should be read in conjunction with the unaudited condensed interim financial statements for the period ended September 30, 2024 and the audited financial statements for the year ended December 31, 2023. The financial statements have been prepared in accordance with International Financial Reporting Standards with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The information contained within this MD&A is current to November 29, 2024.

Company Overview

Centenario Gold Corp. (formerly AADirection Capital Corp.) (the “Company” or “CTG”) was incorporated under the Business Corporations Act of British Columbia on December 1, 2020 and was a capital pool company as defined by TSX Venture Exchange (“TSXV”) Policy 2.4 (the “Policy”). The Company completed its initial public offering (“IPO”) on August 17, 2021 and its shares commenced trading on the TSXV under the symbol AAD.P.

On October 26, 2023, the Company completed its qualifying transaction (the “Transaction”) under TSXV Policy 2.4 – Capital Pool Companies, and it concurrently changed its name from AADirection Capital Corp. to Centenario Gold Corp. Following completion of the Transaction, the Company now operates as a Tier 2 exploration issuer listed on the TSXV under the trading symbol CTG. Its principal business is to acquire, explore, and develop interests in mineral projects in Mexico.

The Company’s head office address and registered office address is Suite 615 – 800 West Pender Street, Vancouver, BC, V6C 2V6.

Reverse Takeover

The Transaction was completed pursuant to a plan of arrangement (the “Arrangement”) dated October 26, 2023 between AADirection Capital Corp. (the “CPC”) and Centenario Gold Corp. (the “Legal Acquiree” or “CGC”) whereby the former issued 35,499,156 of its common shares for 100% of the issued and outstanding common shares of the latter on a one-for-one basis. The Transaction resulted in a reverse takeover (“RTO”) of the CPC by the Legal Acquiree as, immediately after the completion of the Transaction, the shareholders of the Legal Acquiree owned 86% of the Company.

Pursuant to the Arrangement, the Legal Acquiree and a wholly-owned subsidiary of the CPC amalgamated to form a new company under the corporate name 1403285 B.C. Ltd. which will carry on the business previously carried on by the Legal Acquiree.

Pursuant to the term of the Arrangement, prior to the completion of the Transaction, in October 2023, the Legal Acquiree completed a private placement financing of 11,703,672 subscription receipts (the "Subscription Receipts") at \$0.15 per subscription receipt. Immediately prior to the closing of the Transaction, each Subscription Receipt automatically converted, without payment of additional consideration or further action by the holder thereof, into one unit (each, a "Unit") of the Legal Acquiree just prior to the amalgamation. Each Unit was comprised of one common share (each, a "Common Share") in the capital of the Legal Acquiree and one half of one common share purchase warrant (each whole warrant, a "Warrant"), exercisable at \$0.30 per Warrant share for a period of two (2) years from issuance which securities were immediately exchanged 1:1 for securities of the CPC. Immediately prior to the RTO, the capital structure of the legal acquiree comprised the following: (i) 35,499,156 issued and outstanding common shares; (ii) warrants exercisable for 1,268,992 common shares at \$0.20 per share; (iii) warrants exercisable for 5,851,834 common shares at \$0.30 per share; and (iv) finders' warrants exercisable for 784,986 common shares at \$0.15 per share.

Upon completion of the Transaction, the shareholders of the Legal Acquiree owned approximately 86% of the issued and outstanding common shares of the Company. For accounting purposes, the Transaction is considered as a "reverse takeover". A reverse takeover transaction involving a non-public operating entity and non-operating public company is in substance a capital transaction, rather than a business combination. These financial statements are presented as a continuation of the Legal Acquiree but are issued in the name of the Company as a legal parent. The Transaction has been measured at the fair value of the shares and warrants that are deemed to have been issued to the Company's historical shareholders. Accordingly, the transaction has been recorded in these financial statements using a basis of accounting as summarized below:

- a) The historical equity of the CPC has been eliminated and the excess of the fair value of deemed issuance of the equity instruments over the fair value of the net assets acquired has been recorded as listing expense in comprehensive loss for the period;
- b) The retained earnings (deficit) and other equity balances presented in these financial statements are those of the Legal Acquiree;
- c) The assets and liabilities of the Legal Acquiree are included in these Financial Statements on pre-transaction basis of accounting;
- d) The net assets of the CPC were measured at their estimated fair value on the date of the Transaction; and
- e) Comparative information presented in these financial statements is that the Legal Acquiree.

Pursuant to the terms of the QT, the CPC advanced \$150,000 to the Legal Acquiree to pay the annual Eden property option payment and towards other expenses in connection with the closing of the Transaction.

The total purchase price has been allocated as follows:

Consideration given up:

6,000,000 common shares - \$0.15/share	\$ 900,000
	<u>900,000</u>

Net Assets Acquired:

Cash	252,936
GST receivable	4,374
	<u>257,310</u>

Listing expense	<u>\$ 642,690</u>
-----------------	-------------------

In connection with the Qualifying Transaction, certain members of the board of directors have resigned from the Company. The board of directors and management is now comprised of:

Douglas Fulcher (President, Corporate Secretary and Director)
 Alain Charest (Chief Executive Officer, VP Exploration and Director)
 Jonathan Younie (Chief Financial Officer)
 Kevin Milledge (Director)
 Pablo Mendez (Director)
 Xiao Qin (Mary) Ma (Director)

Mineral Property

Eden Property, Durango/Sinaloa, Mexico

On March 24, 2021, and subsequently amended on January 26, 2023 and March 22, 2024, the Company entered into an option agreement (the “Eden Agreement”) with Dr. Eduardo Alfonso Navarro Contreras, Ing. Antonio Bonaficio Flores Martinez and Ing. Ignacio Martinez Dominguez (the “Optionors”) pursuant to which the Company has the sole and exclusive option to acquire 100% of the rights and interests in the Eden Property on the border of Durango and Sinaloa states, Mexico subject to a 1.0% net smelter return (“NSR”). The Eden Property consists of two (2) contiguous and titled mineral concessions named El Eden and El Eden 1 covering approximately 2,489 hectares.

The Company’s option to acquire the rights and interests in the Eden Property is exercisable by making aggregate cash payments of US \$710,000 over five years and by incurring minimum exploration expenditures totaling US \$3,000,000 over four years.

The cash payments and minimum exploration expenditures (the “expenditures”) schedule is as follows:

- i. US \$50,000 upon signing the Eden Agreement (paid);
- ii. US \$50,000 on or before March 24, 2022 (paid);
- iii. US \$75,000 on or before March 24, 2023 (paid);
- iv. US \$50,000 (paid) and US \$1,000,000 cumulative expenditures (incurred) on or before March 24, 2024;
- v. US \$60,000 on or before December 23, 2024;

- vi. US \$60,000 on or before June 23, 2025;
- vii. US \$60,000 on or before December 23, 2025;
- viii. US \$75,000 on or before June 23, 2026;
- ix. US \$75,000 on or before December 23, 2026; and
- x. US \$155,000 and US \$3,000,000 cumulative expenditures on or before June 23, 2027.

If the Company defines a proven and probable resource in excess of 500,000 oz of gold equivalent on the property on or before March 24, 2027, the Company will make a one-time payment of US \$1,000,000 to the Optionors.

The Company also has the right at any time to purchase the 1.0% NSR from the Optionors for US \$1,000,000.

The Eden Property is located in southeastern Sinaloa and western Durango States, Mexico, in the southwestern foothills of the Sierra Madre Occidental. The southern part of the Property can be accessed from Cosala, following a moderately-good dirt road east for 37 kilometres. Offering all the essential services and amenities for supporting an exploration program, Cosala is a small town of about 17,000 inhabitants, located approximately 160 kilometres north of the port city of Mazatlan and 160 kilometres southeast of Culiacan, the capital of Sinaloa State.

The road from Cosala to the Eden Property (2.5 hour drive) passes through the small towns of Palo Verde and Tasajeras where the Company's exploration basecamp is located. From Tasajeras, it's 14 km further to the E-NE to connect with a recently rehabilitated north trending road that goes for 2.5 km and connects with the Buenavista prospect. The mineral concessions are located 10 km north of the historical 'Guadalupe de Los Reyes' Mining District which represents the core of Prime Mining Corp's 'Los Reyes' advanced mining project. To the northwest, the Eden Property is bounded by Americas Gold & Silver's 'Nuestra Señora/San Rafael' producing mine. Most of the land on the Eden Property belongs to the 'Ejido' of Tamazula, state of Durango, where the surface rights are held by a local agrarian association, or 'Nucleo Agrario', named 'San Antonio del Cerro'.

In January 2022, the Company and representatives of the community of 'San Antonio del Cerro' signed a formal exploration and right-of-way agreement allowing the Company to move freely anywhere across the property and to do any kind of mineral exploration and project development work, including drilling. The Company and the community of 'San Antonio del Cerro' recently signed a letter of consent allowing the Company to undergo and complete the initial drilling program.

The Eden project is located along the lower western flank of the Sierra Madre Occidental ("SMO"), a prominent NW-trending volcanic belt that extends from one end of Mexico to the other on the Pacific side of the country.

The Late Cretaceous - Lower Tertiary volcanic package that formed the SMO is composed of a sequence of andesitic rocks, mainly tuffs, flows and agglomerates, also referred to as the Lower Volcanic Sequence ("LVS"), overlain unconformably by a thick sequence of rhyolitic and dacitic rocks composed mainly of tuffs, ash-tuffs and ignimbrites, referred to as the Upper Volcanic Sequence ("UVS"). The general regional structural features include a series of prominent NW-SE trending faults and lithological contacts.

The dominant volcanic rock type seen at Eden consists of andesitic tuffs, which also represents the host-rock for the vein-breccia structures. Older carbonaceous sediments and limestones outcrop in a small portion of the Property to the northwest. In the centre of the Property there is a granodiorite intrusive body that outcrops over an area of 600m by 900m.

The Au and Ag mineralization found at Eden, like at Prime Mining's Guadalupe de Los Reyes project to the south, occurs in a series of quartz rich vein-breccia-stockwork structures, 10m to 20m wide which consist of high-grade, narrow veins, and intercalated zones of highly oxidized, lower grade breccias and quartz stockworks.

Host rocks at Eden are coffee-coloured andesite tuffs, ash-tuffs and agglomerates of the Lower Volcanic Sequence. Both Eden and Prime Mining's Guadalupe de Los Reyes are spatially related to nearby intrusive bodies. The mineralized vein-breccias-stockworks systems extend for more than 2 kms and, at Eden, dip moderately to the east. Pre-mineral dacitic dikes are occasionally seen along the footwall of the mineralized structures. Seen both at Eden and Guadalupe de Los Reyes, an earlier volcanic event of rhyolite domes, and rhyolite-dacite dikes and sills, created the plumbing system which served as the main conduit for the migrating mineralized fluids.

Sugary and bladed lattice boiling textures were observed in some of the vein showings. The common occurrence of 'green quartz', a gold indicator in the SMO, and visible gold (VG) in most, if not all, of the oxidized veins in old mine workings that have been examined and sampled, suggest that these structures may contain high-grade zones.

From west to east, the mineralized veins at the Eden Property include the 'El Eden-Guadalupe', 'Buenavista', 'La Paloma' and 'La Providora' N-NE trending veins, and to the east, a W-NW-trending, low angle, north-dipping high grade polymetallic vein called 'La Republicana'.

In early May 2021, the Company initiated the 1st Phase exploration program on the Eden Property, a program that included regional reconnaissance, rock sampling, and semi-detailed mapping across the main prospect showings.

Since then, very little follow-up exploration work has been done on the 'El Eden-Guadalupe', 'La Paloma' and 'La Providora' prospects due to overburden cover and the difficulty in accessing the old mining workings. Most of the exploration work completed to date was done on and around the 'Buenavista' prospect which has more rock outcroppings and less overburden cover.

A total of 220 rock samples were collected on the Eden Property during the initial part of the First Phase exploration program which was completed in December of 2021. Most of these samples were collected along a 300m-long portion of the 'Buenavista' mineralized corridor where 35 samples (or 22%) returned gold grades greater than 1.0 g/t. In 2022, an additional 105 rock samples were collected on the northern extension of the 'Buenavista' mineralized corridor and across other prospects such as la Paloma and La Providora.

Au and Ag assay results from a set of select rock samples taken at the 'Buenavista' Prospect

<u>Sample No.</u>	<u>Prospect</u>	<u>Collected on</u>	<u>Width (m)</u>	<u>Au (g/t)</u>	<u>Ag (g/t)</u>
ED-06	Buenavista	surface	2.40	2.21	36.00
ED-08	Buenavista	surface	1.30	6.64	159.40
ED-09	Buenavista	surface	1.30	2.65	63.00
ED-10	Buenavista	surface	1.30	6.78	110.77
ED-19	Buenavista	underground	1.20	25.03	664.93
ED-20	Buenavista	underground	1.70	29.87	396.16
ED-22	Buenavista	underground	1.30	8.34	166.81
ED-40	Buenavista	surface	0.65	4.45	97.28
ED-41	Buenavista	underground	0.70	4.53	245.98
ED-44	Buenavista	underground	0.60	8.91	211.40
ED-47	Buenavista	underground	0.65	2.87	77.00
ED-50	Buenavista	underground	0.60	239.94	1389.91
ED-52	Buenavista	underground	0.50	13.72	240.11
ED-54	Buenavista	underground	0.40	2.40	58.00
ED-56	Buenavista	underground	0.80	3.91	45.00
ED-57	Buenavista	underground	0.50	5.32	168.97
ED-66	Buenavista	underground	0.60	9.85	220.21
ED-67	Buenavista	surface	0.30	24.61	548.96
ED-72	Buenavista	surface	1.20	4.74	92.00
ED-86	Buenavista	underground	1.20	6.22	218.32
ED-90	Buenavista	surface	0.80	3.24	149.27

Based on the analytical results received by the Company, the Au and Ag contents of the 'Buenavista' core zone vary from 1 g/t to 239 g/t Au and from 20 g/t to 1390 g/t Ag. Specks of visible gold are often present along oxidized fractures within the vein.

The initial work program was followed with a semi-detailed regional mapping and sampling program along both the S-SE and N-NE extensions of Buenavista's old mine workings area. Results confirm that the 'Buenavista' mineralized structural corridor extends for more than 1.2 km to the N-NE and 1.6 km to the S-SE of the old mining workings.

From late 2021 to early 2022, a program of soil sampling and IP geophysics was completed over the 'Buenavista' prospect's, N-S trending, 2.8 km long structural corridor, and over the core of the 'La Providora' prospect, 2 km E-SE of 'Buenavista'. Soil assay results received to date cover a 1 km long portion of the corridor going north of the old mine workings area. Anomalous Au, Ag and Ba values were consistent along trend.

Results from the geophysical IP/Resistivity survey, especially the resistivity contrast that coincides with the corridor, indicate that the mineralized structural system at 'Buenavista' is continuous for 2.8 km along trend. Based on the geophysical cross-sections obtained over the Buenavista old mine workings area, where the mineralized structure is better exposed, it clearly shows that the mineralized system is wide, (>20 m thick) and that it dips moderately to the East.

The geophysical results obtained at 'La Provedora' prospect confirm the presence and continuity of the mineralized structural system for 400 meters along trend.

In January 2024, the first phase drill program was completed which tested the strike and down-dip extensions of Eden's Buenavista vein-breccia mineralized corridor E-NE and S-SW of the old mining workings area. This maiden drill program consisted of 11 HQ core holes totaling 1,506 metres which tested the strike and down-dip extensions of the mineralized structure along a 650m section of the 'Buenavista' corridor. This portion of the Buenavista vein-breccia structure was sampled at surface and underground during the last sampling program and returned a number of high-grade gold and silver intervals with assays as high as 239.9 g/t Au and 1390 g/t Ag. Most of the underground channel rock samples taken in level 1 (collected every 10 meters along the entire ~100-metre-long adit) and levels 2 and 3 have returned high grade Au and Ag results.

Drill pads were located along a N-NE trending line on the east, southeast side of the Buenavista underground mine workings. Drill holes varied between 100 m and 150 m in depth and were spread out across eight drill pads, three of which hosted a pair of holes. All eleven (11) holes intersected the 'Buenavista' vein-breccia structure at depths ranging between 50 to 110 m. Hole ED23-01 on the other hand, also intersected a second parallel quartz - rich structure, 50 m further to the W-NW.

Although the 'Buenavista' vein-breccia structures returned only anomalous gold and silver values, the drilling program confirmed the continuity of the strike, and down-dip extensions of the mineralized 'Buenavista' system. The low-temperature quartz textures found on surface, such as amethyst and chalcedonic quartz, are also abundant across the structures intersected at depth (down to 110 meters). This occurrence, found both at surface and at depth, suggest that we are still at a high level in the epithermal column and that a gold and silver system could exist further down-dip.

Moreover, the interpretation results from the semi-detailed geological mapping and geophysical survey that were completed in 2022 across the 1.3 km long, N-NE extension of the 'Buenavista' corridor, show that the quartz-rich (resistive) mineralized zone found across the old mine workings area, is continuous to the N-NE, and dipping gently along strike.

The geological information obtained from the maiden drilling program completed in February 2024, has greatly improved the understanding of the mineralized systems found on the Eden property. The lithological, mineralogical, alteration and structural characteristics and zoning patterns observed in the drill core represent an additional, and important, component to the evolving geological model that was based on previous exploration work.

During March and April 2024, the Centenario geological team processed the new information and outlined several new targets to drill-test across the Eden property. For one, the northern structurally-controlled extension, and the upper and deeper portions of the Buenavista epithermal system have yet to be tested. There are also important drilling targets across the other sub-parallel mineralized structures, especially

the La Provedora prospect, located 1.5 km east of Buenavista. Subject to completion of an equity financing, the Company hopes to initiate a phase 2 drill program in the first quarter of 2025.

Financing activity during the nine months ended September 30, 2024

In January 2024, the Company closed a non-brokered private placement financing (the "Private Placement") for a total \$50,000 through the issuance of 333,333 units (the "Units") at a price of \$0.15 per Unit. Each Unit was comprised of one common share (each, a "Common Share") in the capital of the Company and one half of one common share purchase warrant (each whole warrant, a "Warrant"), whereby each whole Warrant is exercisable at \$0.30 per Warrant share for a period of two (2) years from the date of issuance. All securities issued were subject to a four month hold period that expired on May 12, 2024. No Finder's fees were paid in connection with the Private Placement.

Incentive Stock Options

At September 30, 2024, the Company had the following incentive stock options outstanding enabling holders to acquire the following common shares of the Company:

Number of Options	Exercise Price	Expiry Date
600,000	\$0.10	August 16, 2026
3,100,000	\$0.15	October 30, 2028
3,700,000		

Share Purchase Warrants

At September 30, 2024, the Company had the following share purchase warrants outstanding enabling holders to acquire the following common shares of the Company:

Number of Warrants	Exercise Price	Expiry Date
1,268,992	\$0.20	January 30, 2025
5,851,834	\$0.30	October 26, 2025
166,666	\$0.30	January 11, 2026
7,287,492		

Agent's and Finder's Warrants

At September 30, 2024, the Company had the following share purchase warrants outstanding enabling holders to acquire the following common shares of the Company:

Number of Warrants	Exercise Price	Expiry Date
400,000	\$0.10	August 16, 2026
784,986	\$0.15	October 26, 2025
1,184,986		

Results of Operations

Summary of Quarterly Results (unaudited)

Three months ended:	30-Sep-24	30-Jun-24	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23	31-Mar-23	31-Dec-22
Basis of preparation	IFRS							
Revenue	\$ Nil							
Loss for the period	(182,040)	(243,373)	(526,665)	(159,174)	(159,174)	(217,574)	(227,326)	(154,754)
Basic and diluted loss per share	\$ -	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)

Financial Results of Operations - For the three months ended September 30, 2024

During the three months ended September 30, 2024, the Company incurred a net loss of \$182,040 (2023 - \$159,174) comprised of operating expenses of \$182,094 (2023 - \$159,174) and income of \$54 (2023 - \$Nil) from other items. The operating expenses were mainly comprised investor relations and marketing expenses of \$121,117 (2023 - \$Nil) and management and consulting fees of \$27,000 (2023 - \$40,964). These increases were partially offset by a reduction in exploration and evaluation expenditures. The timing of the next phase of work on the Eden property is unknown at this time.

Other items for the three months ended September 30, 2024 was comprised of \$54 (2023 - \$Nil) in interest income.

During the nine months ended September 30, 2024, cash decreased by \$402,231 (2023 – decrease of \$111,675). Cash used by operations during the nine months ended September 30, 2024 was \$388,477 (2023 – \$671,279). This was mainly due to the net loss of \$952,078 (2023 - \$604,074) which was partially offset by a decrease of \$517,536 (2023 – increase of \$3,870) in prepaid expenses, a decrease of \$7,760 (2023 - \$26) in accounts receivable and an increase of \$38,437 (2023 – decrease of \$44,013) in accounts payable and accrued liabilities. There was no increase or decrease (2023 - increase of \$28,134) in value added tax (“VAT”) receivable as the Company elected to expense VAT going forward from December 31, 2023.

During the nine months ended September 30, 2024, cash used by investing activities was \$62,472 (2023 – cash used of \$102,076). This was comprised of \$64,717 (2023 - \$102,076) for the option payment paid per the Eden Property option agreement and \$2,245 (2023 - \$Nil) received on the sale of equipment.

During the nine months ended September 30, 2024, cash provided by financing activities was \$48,718 comprised entirely of net proceeds received upon the completion of a private placement financing.

For the nine months ended September 30, 2023, cash provided by financing activities was \$661,680. This was comprised of \$388,199 received upon closing a private placement financing, \$131,333 received upon the exercise of share purchase warrants and \$150,000 loan received from AADirection Capital Corp. prior to completion of the RTO which were partially offset by \$7,852 in principal payments paid towards the office lease.

Liquidity and Capital Resources

As at September 30, 2024, the Company had cash of \$24,776 and a working capital of \$155,082. As the Company will not generate funds from operations for the foreseeable future, the Company is primarily reliant upon the sale of equity securities in order to fund operations. Since inception, the Company has funded operations through the issuance of equity securities on a private placement basis.

The Company is expected to experience negative cash flows indefinitely. The Company cannot offer any assurances that expenses will not exceed management's expectations. The Company will require additional funds and will be dependent upon its ability to secure equity and/or debt financing, the availability of which cannot be assured.

Contractual Obligations

The Company is subject to certain contractual obligations associated with the Eden Property Option Agreement as described in the Mineral Property section above. The future cash obligations related to the agreement are summarized as follows:

1. US \$60,000 plus US\$9,600 in IVA taxes for a total of US \$69,600 on or before December 23, 2024;
2. US \$60,000 plus US\$9,600 in IVA taxes for a total of US \$69,600 on or before June 23, 2025;
3. US \$60,000 plus US \$9,600 in IVA taxes for a total of US \$69,600 on or before December 23, 2025;
4. US \$75,000 plus US \$12,000 in IVA taxes for a total of US \$87,000 on or before June 23, 2026;
5. US \$75,000 plus US \$12,000 in IVA taxes for a total of US \$87,000 on or before December 23, 2026;
6. US \$155,000 plus US \$24,800 in IVA taxes for a total of US \$179,800 on or before June 23, 2027.

In addition to the cash payments, the Company must incur US\$3,000,000 in cumulative expenditures on or before June 23, 2027.

Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The Company had the following transactions with related parties during the nine months ended September 30, 2024:

1. Paid or accrued fees of \$46,500 (2023 - \$67,500) for management and geological services to Alain Charest, the CEO of the Company which were included in exploration costs and project generation expenses;
2. Paid or accrued management fees of \$38,500 (2023 - \$45,000) to Digga Holdings, a private company controlled by Douglas Fulcher, the President of the Company;
3. Paid or accrued management fees of \$19,000 (2023 - \$22,500) to Copsewood Capital Corp., a private company controlled by Jonathan Younie, the CFO of the Company; and
4. Paid or accrued rent and office administration expenses of \$28,880 (2023 - \$41,067) to Pamicon Development Corp., a private company 10% owned by Douglas Fulcher, the sole director of the Company and 90% owned by Kevin Milledge, a director of the Company.

There was \$52,214 owing to related parties as at September 30, 2024 (December 31, 2023 - \$21,890). These amounts are unsecured, non-interest bearing, and due on demand.

Off Balance Sheet Arrangements

The Company has not entered into any off balance sheet arrangements, other than previously disclosed, that have, or are reasonably likely to have, an impact on the current or future results of operations or the financial condition of our Company.

Accounting Policies

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amount of assets, liabilities, revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgement on matters which are inherently uncertain. Details of the material accounting policies can be found in Note 3 of the audited financial statements for the year ended December 31, 2023.

Outstanding Share Data – as at November 29, 2024

	Number	Weighted Average	
		Price	Remaining Life in Years
Common shares, issued and outstanding	41,832,489		
Stock options	3,700,000	\$0.14	3.56
Share purchase warrants	7,287,492	\$0.28	0.78
Agent's/Finder's warrants	1,184,986	\$0.13	1.18
Fully Diluted	54,004,967		

At November 29, 2024, 7,041,499 common shares and 53,499 warrants with an exercise price of \$0.20 are being held in escrow with Odyssey Trust Company pursuant to a Tier 2 value security escrow agreement. These shares and warrants will be released from escrow every six months in four equal instalments commencing on April 27, 2025. An additional 500,000 common shares remain subject to a capital pool company escrow agreement. These shares will be released from escrow on April 27, 2025.

Additional Disclosure for Junior Issuers

Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's financial statements, which are available on SEDAR+ (www.sedarplus.ca).

Risks and Uncertainties

The Company's principal activity is mineral exploration. As such, the Company is exposed to a number of risks, including the financial risks associated with the fact that it has no operating cash flow and must access the capital markets to finance its activities. There can be no assurances the Company will continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs.

Other risks include, but are not limited to fluctuating metal prices, and environmental, political and economic issues. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The Company has a small management team and the loss of a key individual or the inability to attract suitably qualified personnel in the future could materially and adversely affect the Company's business.

Although the Company has taken steps to verify the title to its mineral property, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish ore reserves. The Company's mineral property is in the exploration stage only, and has no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. Exploration of the Company's mineral property may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

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 material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. The risks and uncertainties described in this section are not inclusive of all the risks and uncertainties the Company may be subject to.

The Company will be subject to normal market risks including fluctuations in foreign exchange rates. While the Company expects to manage its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Going Concern of Operations

The Company has prepared its financial statements in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

As of September 30, 2024, the Company has not generated any revenues and has incurred losses of \$4,668,696 since incorporation. The Company's continued existence and plans for future growth depend on its ability to obtain additional capital.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

The above material uncertainties raise significant doubt about the Company's ability to continue as a going concern. Although the Company's financial statements have been prepared on a going concern basis, the Company's continuing operations are dependent upon its ability to obtain adequate financing through debt or equity issuance.

Forward-Looking Statements

This report contains forward-looking statements, including statements regarding the future success of our business, exploration and development strategies and future opportunities. Forward-looking statements include, but are not limited to, statements concerning estimates of expected capital expenditures, statements relating to expected future production and cash flows, statements relating to the continued advancement of the Company's exploration, and development projects, and other statements which are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Important factors that can cause actual results to differ from these forward-looking statements include the potential that the Company's projects will experience technological and mechanical problems, changes in political conditions, changes in the availability to obtain project financings and other risks. Forward-looking statements are based on the opinions and estimates of management at the date that the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in forward-looking statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.