

POWER ONE RESOURCES CORP.
Management's Discussion & Analysis
for the year ended August 31, 2024
(and containing information as at December 27, 2024)

OVERVIEW

The following Management Discussion and Analysis ("MD&A") is a review of the operations, current financial position and outlook for Power One Resources Corp., ("Power One" or the "Company") and should be read in conjunction with the audited financial statements for the years ended August 31, 2024 and 2023 and the related notes thereto, copies of which are filed on the SEDAR+ website: www.sedarplus.com. The Company's year-end is August 31.

The Company prepares its financial statements in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar figures included herein and in the following discussion and analysis are quoted in Canadian dollars unless otherwise noted. The financial information in the MD&A is derived from the Company's financial statements prepared in accordance with IFRS.

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.

Forward-looking Statements and Information

This MD&A contains certain forward-looking statements and information relating to Power One Resources Corp., that are based on the beliefs of its management as well as assumptions made by and information currently available to Power One. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this MD&A include statements about the Company's business plans, the costs and timing of its developments; its future investments and allocation of capital resources; success of exploration activities; requirements for additional capital; and government regulation of mining operations. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: general economic and business conditions, fluctuations in worldwide prices and demand for minerals; our lack of operating history; the actual results of current exploration activities; conclusions or economic evaluations; changes in project parameters as plans continue to be refined; possible variations in grade and or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes or other risks of the mining industry; delays in obtaining government approvals or financing or incompleteness of development or construction activities, any of which may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of the Company's business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of Canada, the Company does not intend to update any of the forward-looking statements to confirm these statements to actual results.

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources. This discussion may use the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulators, the U.S. Securities and Exchange Commission does not recognize them. **Investors are cautioned not to assume that any part or all of mineral deposits in**

these categories will ever be converted into reserves.

DESCRIPTION OF THE COMPANY'S BUSINESS

The Company was incorporated March 23, 2021 under the laws of the Province of British Columbia as a wholly-owned subsidiary of Marvel Discovery Corp. ("Marvel"). On May 13, 2021, a Plan of Arrangement (the "Plan of Arrangement") was approved by the shareholders of Marvel whereby Marvel distributed 100% of its interest in certain properties (the "Spin-out Properties") to the Company with the assumption of \$140,000 in debt. Per the Plan of Arrangement, Marvel holds 5,000,000 common shares of the Company and the Marvel shareholders at the date of the Plan of Arrangement hold the balance of common shares of the Company. On January 18, 2024, the Company listed its common shares on the TSX Venture Exchange as a Tier 2 Mining Issuer under the trading symbol PWRO.

The Company principal activity is the acquisition and exploration of mineral properties in Canada.

The corporate office and principal place of business of the Company is Suite 1100 – 1111 Melville St. Vancouver, BC, V6E 3V6.

The Company is in the business of exploring its mineral exploration assets and has not yet determined whether these properties contain ore reserves that are economically recoverable. At August 31, 2024, the Company was in the exploration stage and had interests in properties in Canada.

The Company's long-term objectives will be to:

- (a) Continue exploration and development work on its existing mineral properties;
- (b) Determine if an economic mineral deposit exists on the mineral properties;
- (c) Find one or more economic mineral deposits and bring them to commercial production;
- (d) Acquire and evaluate additional complementary mineral properties to expand the Company's portfolio; and
- (e) Deliver a return on capitalization to shareholders.

OVERALL PERFORMANCE AND MINERAL INTERESTS

Serpent River/Pecors Project (Ontario)

On May 13, 2021, the Company completed a plan of arrangement with Marvel and acquired 100% interest in ten mining claims in the Sault Ste. Marie Mining Division, Elliot Lake area, in Northern Ontario. The original agreement included a 2.0% net smelter return ("NSR") relating to the original acquisition by Marvel. The Company may at any time purchase 1.0% of the NSR for \$1.5 million.

The Company currently holds 126 claim cells located in Joubin and Gaiashk Townships in the Elliot Lake area of Ontario. During an airborne electromagnetic – magnetic survey in 2008 a large, strong magnetic anomaly was detected in the northwest corner of the property. A subsequent 3D inversion model of the magnetic data outlined a source that appeared to lie beneath the sediments that could be attributed to a mafic-ultramafic intrusion. This discovery highlighted the potential of the gabbro and a deep penetrating airborne survey (ZTEM) was undertaken to explore the area. A deep-seated conductive source was detected within the modelled gabbro intrusion. It was concluded that continued exploration for Cu, Ni, PGE mineralization has been demonstrated and additional work to explore for these commodities is recommended.

During the year ended August 31, 2024, and to the date of this MD&A, the Company completed three diamond drilling holes (see News Release dated September 11, 2024).

Wicheeda North Property (British Columbia)

On May 13, 2021, the Company completed a plan of arrangement with Marvel and acquired a 100% interest in four mineral claims located in the Cariboo Mining Division northeast of Prince George, British Columbia. The original agreement requires a payment of 2% Net Smelter Return Royalty ("NSR"). The Company may acquire one-half of the NSR for \$1 million within five years of the agreement date.

The Wicheeda North property is located in British Columbia's Cariboo mining division, approximately 80km northeast of the city of Prince George and 50km east of Bear Lake. The property is accessible via an all-weather gravel road and is close to vital infrastructure, such as power lines, railways, and highways.

In 2010, an Airborne Geophysical Survey was conducted over portions of the Wicheeda North property. The assessment report at the time states that "the electromagnetic data suggests that there may be an un-mapped fault in the center of the block. The magnetic data shows a subtle feature in the center of the block, slightly offset from the interpreted fault. It is recommended that the airborne survey be followed up by a geochemical survey and property scale mapping."

The Wicheeda North property is at an early stage of exploration. The property has the potential to host, and should continue to be explored for, Rare Earth Element (REE) mineralization because it occurs within a favourable geological belt known to contain carbonatite-hosted REE mineralization such as the Main Zone on the Wicheeda property. The recommended future work program would require a minimum budget of approximately \$120,000.

During the fiscal year ended August 31, 2024, the Company determined that due to current market conditions, that it would maintain the Wicheeda property but not carry out exploration and evaluation activities for the foreseeable future. As a result, the carrying value of \$298,604, less an amount of \$10,053 for BCMETC, was recorded as impairment in connection with the Wicheeda property.

Selected Annual Information

	Year-ended August 31, 2024	Year-ended August 31, 2023	Year-ended August 31, 2022
Net sales or total revenues	\$Nil	\$Nil	\$Nil
Net loss and comprehensive loss for the period	(\$677,263)	(\$149,756)	(\$346,007)
Net income or (loss) per fully diluted share basis	(\$0.02)	(\$0.00)	(\$0.01)
Total assets	\$2,721,183	\$3,484,363	\$3,556,197
Total long-term financial liabilities	\$Nil	\$153,000	\$Nil
Cash dividends declared per share	N/A	N/A	N/A

Results of Operations

The Company reports its financial statements in accordance with IFRS. The Company's MD&A are presented in Canadian dollars and are intended to provide a reasonable basis for the investor to evaluate the Company's development and financial situation. A significant part of the Company's value is in Resource Property Interests relating to the Serpent River/Pecors-Ontario project and Wicheeda North –British Columbia project which was spun out of Marvel to the Company.

The Company has no producing properties, and consequently no sales or revenues during the year ended August 31, 2024 and incurred a net loss of \$677,263 as compared to \$149,756 for the comparable year ended August 31, 2023.

Total expenses have increased to \$395,933 for the current year as compared to \$137,913 for the comparable year ended August 31, 2023 for an increase of approximately \$258,020 as follows:

Consulting and management fees have increased to \$186,842 in the current year as compared to \$60,425 for the comparable period. Included in the consulting and management fees are fees paid to the CEO. See Transactions with Related Parties for details.

Professional fees have increased to \$98,795 in the current year as compared to \$63,748 for the comparable period. The increase in professional fees include audit fees and legal fees which are related to the preparation of its listing statement for trading on TSX Venture Exchange.

During the year ended August 31, 2023, the Company raised \$111,300 in flow-through funds to fund its future exploration program. As at August 31, 2024, the deadline to incur the qualifying expenditures has passed and the Company did not fulfill its obligations of approximately \$105,000. An amount totaling \$69,861 has been accrued for the indemnification of the shareholders for taxes and penalties related to the unspent portion of the commitment and for Part XII.6 taxes and related interest and penalties.

During the fiscal year ended August 31, 2024, the Company determined that due to current market conditions, that it would maintain the Wicheeda property but not carry out exploration and evaluation activities for the foreseeable future. As a result, the carrying value of \$298,604 less an amount of \$10,053 for BCMETC, was recorded as impairment in connection with the Wicheeda property.

Fourth Quarter

During the fourth quarter ended August 31, 2024, the Company recorded a net loss of \$482,364 compared to \$21,889 for the comparable quarter ended August 31, 2023. The operating expenses included \$12,000 in professional fees associated with year end audit fee accrual and accounting fees accrual for work done during the quarter, consulting fees of \$36,637, management fees of \$30,000, impairment of mineral property in the amount of \$288,551, and provision for indemnification of flow-through investors including Part XII.6 tax in the amount of \$69,861.

Summary of Quarterly Results:

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

For the quarterly periods ending on	August 31, 2024	May 31, 2024	February 29, 2024	November 30, 2023
Total revenues	\$Nil	\$Nil	\$Nil	\$Nil
Net loss and comprehensive loss per quarter	(\$482,364)	(\$158,000)	(\$19,556)	(\$17,343)
Basic and diluted net (loss) per share	(\$0.01)	(\$0.00)	(\$0.00)	(\$0.00)

For the quarterly periods ending on	August 31, 2023	May 31, 2023	February 28, 2023	November 30, 2022
Total revenues	\$Nil	\$Nil	\$Nil	\$Nil
Net loss and comprehensive loss per quarter	(\$21,889)	(\$38,557)	(\$44,525)	(\$44,785)
Basic and diluted net (loss) per share	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)

Liquidity:

At August 31, 2024, the Company had a working capital deficit of \$11,232 (2023 – working capital of \$869,202) with a cash balance of \$159,544 (2023– \$1,000,215).

The Company believes that the current capital resources is not sufficient to pay overhead expenses and its exploration expenditure commitment for the next twelve months and will need to seek additional funding for overhead expenses and any future commitments. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares, shares for debt, loans and related party loans to fund ongoing operations and investments. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

On October 1, 2023, the Company entered into a second debt amendment agreement with R7 Capital Ventures Ltd ("Lender") controlled by the CEO. The Lender has agreed to not seek repayment of the debt of \$153,000 prior to 15 months from the date the shares of the Company commenced trading on the TSX Venture Exchange, being January 18, 2024. No interest will be accrued on the debt unless it is not repaid by the payment date, in which

case retroactive interest at a rate of 7.5% per annum will apply from the date of the agreement.

Capital Resources:

The Company manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Management considers the items included in shareholders' equity (deficit) and working capital as capital. The Company manages the capital structure and makes adjustments in response to changes in economic conditions, including the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

There were no changes to the Company's approach to capital management during the year ended August 31, 2024.

Off-Balance Sheet Arrangements:

N/A

Transactions with Related Parties:

Related party balances

The following amount is included in due from related parties and accounts payable and accrued liabilities:

	August 31, 2024	August 31, 2023
<u>Due from related parties</u>		
Marvel Discovery Corp. controlled by common directors and officers ⁽²⁾	\$ 7,645	\$ -
	<u>\$ 7,645</u>	<u>\$ -</u>
<u>Current accounts payable and accrued liabilities</u>		
R7 Capital Ventures Ltd. controlled by the former CEO ⁽¹⁾	\$ 63,800	\$ -
Marvel Discovery Corp. controlled by common directors and officers ⁽²⁾	-	6,801
<u>Non-current accounts payable and accrued liabilities</u>		
R7 Capital Ventures Ltd. controlled by the former CEO ⁽¹⁾	-	153,000
	<u>\$ 63,800</u>	<u>\$ 159,801</u>

On April 1, 2023, the Company entered into a debt amendment agreement with the lender, modified by a second debt amendment agreement on October 1, 2023. The Lender has agreed to not seek repayment of the debt of \$153,000 repayable 15-months following the date the Company's common shares begin trading on the TSXV. The Company was listed on the TSXV on January 18, 2024. Accordingly, the amount has been reclassified from non-current to current. No interest will be accrued on the debt unless it is not repaid by the payment date, in which case retroactive interest at a rate of 7.5% per annum will apply from the date of the agreement.

Key management personnel compensation

The Company's related parties include key management personnel, which includes Officers and Directors of the Company, and companies related by way of directors or shareholders in common: During the years ended August 31, 2024 and 2023 are as follows:

	For the year ended August 31, 2024	For the year ended August 31, 2023
Consulting and management fees to R7 Capital Ventures Ltd. controlled by the former CEO	\$ 120,000	\$ 60,000
Rent expenses recorded in office and miscellaneous to R7 Capital Ventures Ltd. controlled by the former CEO	12,000	-
Professional fees to Brant Capital Partners Inc. controlled by the CFO	21,000	-
	\$ 153,000	\$ 60,000

Proposed Transaction:

N/A

Critical Accounting Estimates:

Our financial statements have been prepared in conformity with IFRS and form the basis for discussion and analysis of critical accounting policies and estimates. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant financial statement areas requiring the use of management judgment relate to the determination of impairment of assets and resource property interests and going concern assessment. Financial results as determined by actual events could differ materially from those estimates.

Risk Management:

The Company's mineral property holdings and exploration activities create potential exposure to environmental liabilities, including site reclamation. The Company is currently in the initial exploration stages on its Canadian property interests and management has not determined whether significant site reclamation costs will be required. The Company records liability for site reclamation when determinable on a systematic accrual basis in the period in which such costs can be reasonably determined.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they come due. Due to current economic conditions in capital markets the Company has a high risk associated with liquidity. The Company does not hold complex financial instruments or significant long-term assets other than exploration and evaluation assets.

Changes in Accounting Policies including Initial Adoption:

The Company adopted the following accounting standards during the year ended August 31, 2024:

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and

examples on applying materiality to accounting policy disclosures. The implementation of these amendments reduced disclosures in the notes to the financial statements.

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods are as follows:

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024 and are not expected to have a material impact on the Company.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued this new standard which will replace IAS 1. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. IFRS 18 is effective January 1, 2027, with early adoption permitted. The Company is in the process of assessing the impact of the adoption of these standards and amendments in the Company's financial statements.

Financial & Other Instruments:

The Company's financial instruments consist of cash, marketable securities, due from related parties, loan receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments.

Going Concern:

The ability of the Company to continue as a going concern and the recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof. There is significant uncertainty regarding the outcome of these matters. The Company has sustained losses from operations and has an ongoing requirement for capital investment to explore its exploration and evaluation assets. As at August 31, 2024, the Company had working capital deficiency of \$11,232 (2023 – working capital of \$869,202) and accumulated deficit of \$1,251,209 (2023 - \$573,946). Based on its current plans, budgeted expenditures, and cash requirements, the Company does not have sufficient cash to finance its current plans. The Company expects that it will need to raise substantial additional capital to accomplish its business plan over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Other MD&A Requirements:

Additional disclosure of the Company's material documents, information circulars, material change reports, news releases, and other information related to the Company can be obtained on SEDAR+ at www.sedarplus.com.

Outstanding Share Data:

As at August 31, 2024 and at the date of this MD&A, the Company has the following shares or equities that are convertible to the Company's share capital on a one-to-one basis:

Security description	As at	
	August 31, 2024	MD&A
Common shares – issued and outstanding	33,218,597	33,218,597
Share purchase warrants	13,983,846	13,983,846
Stock options	1,900,000	1,900,000
Common shares – fully diluted	49,102,443	49,102,443