MAGNUM GOLDCORP INC.

Management's Discussion and Analysis

For the year ended May 31, 2025

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DESCRIPTION OF BUSINESS AND OVERVIEW OF OPERATIONS AND FINANCIAL CONDITION

The following is management's discussion and analysis ("MD&A"), prepared as of August 28, 2025. This MD&A should be read in conjunction with the audited Financial Statements for the years ended May 31, 2025 and 2024, and the accompanying notes thereto, as prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are stated in Canadian dollars unless otherwise indicated.

Forward looking statements

This report includes certain statements that may be deemed "forward-looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical facts that address such matters as future events or developments that the Company expects, are forward looking statements and, as such, are subject to risks, uncertainties, assumptions and other factors of which are beyond the reasonable control of the Company. You can identify these statements by forward-looking words such as "expects", "does not expect", "plans", "anticipates", "does not anticipate", "believes", "intends", "estimated", "projects", "potential", "scheduled", forecast", "budget", and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or "might" occur and similar words. Such statements give the Company's current expectations or forecasts of future events and are not guarantees of future performance and actual results or developments may differ materially from those expressed in, or implied by, this forward-looking information. With respect to forward-looking statements and information contained herein, we have made numerous assumptions including among other things anticipated costs and expenditures and the Company's ability to achieve its goals. Although management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that a forward-looking statement or information herein will prove to be accurate. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Factors that could cause actual results to differ materially from those in forward-looking statements include, for example, such matters as continued availability of capital and financing and general economic, market or business conditions. Although we have attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. Any forward-looking statements are expressly qualified in their entirety by this cautionary statement. The information contained herein is stated as of the current date and subject to change after that date and the Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Additional information related to the Company is available for view on SEDAR+ at www.sedarplus.ca.

Description of Business

Magnum Goldcorp Inc. (the "Company") was incorporated under the Alberta Business Corporations Act on April 4, 2011. On July 25, 2014, the Company continued into the Province of British Columbia under the provisions of the Business Corporations Act (British Columbia). The Company is primarily engaged in the acquisition and exploration of mineral resource properties and currently trades on the TSX Venture Exchange under the symbol "MGI".

Going Concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Management believes the Company will be successful at securing additional funding so that its capital resources will be sufficient to carry its operations through the next twelve months and intends to continue the programs on its exploration and evaluation assets. However, there are several conditions that cast significant doubt on the Company's ability to continue as a going concern, including that the Company has incurred significant operating losses in the year ended May 31, 2025 - $3,723,070 (2024 - $76,837). The Company is unable to self-finance operations in the long term, has a working capital deficit of $6,057 (May 31, 2024 - working capital deficit of $$93,499), has a deficit of $5,711,765 (May 31, 2024 - $$1,988,695), has limited resources, no source of operating cash flows and no assurances that sufficient funding will be available to conduct

further exploration and development of its exploration and evaluation assets. These factors indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. Management is actively engaged in the review and due diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that the management's plan will be successful. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead and maintain its mineral interests. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets.

EXPLORATION AND EVALUATION ASSETS

Realization of assets

Realization of the Company's investment in and expenditures on mineral properties is dependent upon the confirmation of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Environmental

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. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of the exploration and the development of a mineral property, the potential for production on the property may be diminished or negated.

As at May 31, 2025, the Company estimated that the fair value of the asset retirement obligation was $54,000 (May 31, 2024 - $54,000). The fair value of the liability was determined to be equal to the estimated remediation costs. The Company is still in the early stages of developing a remediation plan, which will then require approval from the relevant governmental authorities. Due to the early stages of the remediation plan, the Company is unable to predict with any precision the timing of the cash flow related to the reclamation activities. The Company anticipates the reclamation activities and related costs to occur beyond 12 months from the reporting date.

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing. However, such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.

The Company has entered into agreements to acquire, explore and develop certain mineral properties located in various regions of Canada. Numerous aboriginal groups are claiming inextinguishable aboriginal title to the lands and resources in these

regions, which may include one or more of the mineral claims beneficially owned by the Company. The extent to which any successful aboriginal claim would materially affect the ability of the Company to exploit its mineral properties is not determinable at this time.

Exploration programs

A summary of the Company's current exploration programs is set out below, however, for additional information and details regarding such matters, reference is made to the Company's news releases and related filings that can be viewed on www.sedarplus.ca..

The technical information regarding the Company's current projects referred to herein has been reviewed and approved by Rick Walker, P. Geo., who was acting as the Company's Qualified Person, in accordance with regulations under NI 43-101. With respect to the technical information disclosed prior to Rick Walker becoming the Company's Qualified Person, such technical information was reviewed and approved by John Kowalchuk, Bsc., P. Geo, and/or Gordon Gibson, P. Geo.

The Company's continuity of exploration and evaluation assets are as follows:

		LH Property
Balance, May 31, 2023	**$**	**3,582,737**
Changes during the year:		
Deferred costs:		
Geological and labour		5,875
Storage		4,377
Mining tax credits received		(15,287)
Balance, May 31, 2024		**3,577,702**
Changes during the year:		
Deferred costs:		
Storage		4,756
Impairment		(3,582,457)
Balance, May 31, 2025	**$**	**1**

LH Property

On March 1, 2016, the Company acquired 100% of the LH Property, consisting of 19 contiguous crown-granted claims and 7 mineral claims, located near Silverton, British Columbia, on the east side of Slocan Lake. There are two net smelter return ("NSR") royalties connected with the LH Property. The first is a 1% NSR royalty on the 19 crown-granted claims, wherein once royalties of $350,000 have been paid, the NSR royalty will reduce to 0.5%. The second is a 1% NSR royalty on four of the LH Property mineral claims wherein once royalties of $500,000 have been paid, the NSR royalty will reduce to 0.5%.

Summary of Past Drill Results:

On November 25, 2019, the Company announced encouraging analytical results from the Company's helicopter-supported drill program recently completed on its gold exploration property. The Company completed the helicopter supported drill program (see News Release dated September 12, 2019) to confirm high grade gold mineralization reported from both the Company's previous drilling (see News Releases dated August 18, 2015 and February 8, 2018) and underground chip sampling by previous operators. Previous work was interpreted to suggest gold-bearing mineralized zones associated with intervals having elevated pyrrhotite (a magnetic sulphide mineral) and/or arsenopyrite.

A total of 4 short diamond drill holes were completed from a single pad for a total of 250 metres. The holes were drilled in a vertical fan to target high grade gold mineralization previously identified in the 2015 drill program, underlying the "LH Underground Workings" (see News Release dated August 18, 2015).

Collar information for the holes are as follows:

Drill Hole	Azimuth	Inclination	Depth (m)
LH19-46	150°	-45°	61.87
LH19-47	150°	-55°	46.33
LH19-48	150°	-65°	68.27
LH19-48	150°	-75°	74.06

Analytical results for the 2019 drill holes are presented in the following table:

	Interval[1]				**Ag**	**Gold (Au)**	
Drill Hole	**From (meters)**	**To (meters)**	**Thickness (meters)**	**Estimated True Thickness (m)**	**(g/t)**	**ICP (g/t)**	**Gravimetric (g/t)**
LH19-46							
	24.53	**33.16**	**8.63**	**6.90**	**0.441**	**0.986**	**1.370**
Including	**24.53**	**27.10**	**2.57**	**2.01**	**0.585**	**1.950**	**2.633**
	50.30	51.00	0.70	0.56	0.370	0.489	
LH19-47							
	10.49	**14.97**	**4.48**	**3.58**	**0.380**	**1.113**	**1.311**
Including	**10.49**	**13.93**	**3.44**	**2.75**	**0.437**	**1.374**	**1.632**
Including	10.49	10.72	0.23	0.18	1.600	6.12	7.31
Including	12.27	13.01	0.74	0.59	0.400	2.92	3.63
Including	13.41	13.93	0.52	0.42	0.84	1.86	2.03
	28.65	**39.57**	**10.92**	**8.74**	**0.389**	**1.861**	**2.012**
Including	28.65	29.24	0.59	0.47	1.29	18.3	18.4
Including	36.26	37.08	0.82	0.66	0.780	4.89	6.07
LH19-48							
	13.53	13.61	0.08	0.07	1.54	22.9	26.3
	29.28	**35.62**	**6.34**	**5.58**	**0.680**	**4.068**	**5.150**
Including	29.28	29.64	0.36	0.32	3.34	13.5	20.5
Including	33.00	33.93	0.93	0.82	0.72	10.3	11.7
Including	33.93	34.24	0.31	0.27	1.99	22.8	31.5
Including	**34.24**	**35.62**	**1.38**	**1.21**	**0.63**	**2.06**	**2.06**
	43.89	**45.20**	**1.31**	**1.15**	**0.64**		**1.13**
LH19-49							
	21.92	22.43	0.51	0.45	0.66	3.08	3.63
	42.42	43.01	0.59	0.52	0.85	4.81	5.62
	56.15	56.31	0.16	0.14	3.32		42.7

Notes: 1 – Highlighted intervals are those greater than 1.0 m having in excess of 1.0 g/t gold (Au).

The Company considers the results of its 2019 program to be very significant, particularly with respect to high grade results reported from the 2015 program (see News Release dated August 18, 2015) and results from underground sampling reported by a previous operator (Noranda Exploration Ltd, internal report dated 1985). The results of the Company's drilling to date document multiple high grade, gold-bearing intervals, at least two of which have thicknesses in excess of 1 metre and up to at least 8.75 m. Sections document the currently identified horizons extending to at least 100 m below surface along a line of section between the 2015 and 2018 drill pads. In contrast, drill hole LH96-06 (drilled previously by Noranda Exploration Ltd, internal report dated 1986) documents two mineralized intervals, the first grading 1.46 g/t over 10.65 m and the second grading 1.46 g/t over 13.20 m, with the second estimated to be 150 m below surface at the eastern end of the surface projection of the LH Underground Workings.

The holes completed in a June 2022 diamond drill program on the LH Property continue to document multiple, pyrrhotite mineralized, variably gold-bearing zones, including high-grade, gold-bearing intervals, consistent with previous programs. Very high-grade intercepts, arbitrarily defined as those above 10 g/t Au, are comparatively small, however, they are contained within much larger mineralized intervals and, when composited over the width of those intervals, return respectable average grades over encouraging widths. Furthermore, the strong correlation between prominent magnetic anomalies and well mineralized, gold-bearing intervals has been extended to both depth and farther south, beyond immediate proximity to the LH Underground workings. More specifically, shallow intercepts in both holes LH22-55 and 56 are located approximately 160 m south of the surface trace of the underground workings.

Cumulatively, results to date document multiple high-grade, gold-bearing intervals, varying in thickness from at least 1 metre to in excess of 8.75 m thick. Sections document mineralized zones extending to at least 100 m below surface and approximately 160 m south of the underground workings. In addition, drill hole LH86-06 (drilled previously by Noranda Exploration Ltd, internal report dated 1986) documents two mineralized intervals, the first grading 1.46 g/t over 10.65 m and the second grading 1.46 g/t over 13.20 m, with the second located 150 m below surface at the eastern end of the surface projection of the LH Underground Workings.

Underground sampling confirms that variable, moderate to high-grade gold (≤154.08 g/t) has been documented throughout Levels 1 and 2, from east to west (approximately 100 m) and north to south (approximately 40 m). Drilling by the Company continues to document high-grade, gold-bearing mineralization, extending to a depth of at least 100 m below surface, with previous drill-hole LH86-06 documenting mineralization extending to a depth of at least 150 m below surface at the east end of the underground workings. Taken together, these data are interpreted to indicate strong potential to delineate a mineral resource spatially associated with the LH Underground Workings.

Previously tested pyrrhotite-bearing mineralized zones are spatially associated with prominent magnetic signatures in the immediate vicinity of the underground workings. Gold-bearing intercepts documented from within, and adjacent to, the underground workings are strongly correlated with pyrrhotite mineralization, with the intensity of pyrrhotite mineralization strongly correlated with gold content. Therefore, high intensity magnetic anomalies are interpreted to represent potential high-grade gold-bearing zones within the mineralized system and comprised the targets for the 2022 drill program. Furthermore, additional prominent, high intensity magnetic anomalies evident in the Fingland Creek drainage are interpreted to be similarly correlated with gold-bearing pyrrhotite mineralization.

A total of 7 diamond drill holes, totaling 1,248 m, were completed from 2 pads, one 47 m north of the underground workings, intended to test the down-dip extension of the mineralized system with depth, and the second 160 m south of the underground workings, intended to test a prominent magnetic lobe extending from a larger magnetic anomaly northwest toward the underground workings. The following table provides details of the orientations of the drill holes from each pad.

Hole	Pad	Azimuth	Inclination	Depth (m)
LH 22-50	1	170°	-47°	120.3
LH 22-51	1	170°	-70°	90.3
LH 22-52	1	140°	-47°	90.8
LH 22-53	2	330°	-55°	251
LH 22-54	2	334°	-51°	215.4
LH 22-55	2	338°	-48°	250
LH 22-56	2	170°	-45°	230.4

Visually defined high-grade pyrrhotite mineralized intervals were selected for initial analysis. The holes also include numerous low to moderate grade pyrrhotite mineralized intervals which may be analyzed at a future date. Select analytical results from the 2022 drill program are presented in the following table:

Drill Hole	From (m)	To (m)	Width (m)	Au (g/t)	Ag (g/t)
LH-22-53	34.57	41.40	6.83	1.60	0.43

includes	40.50	41.40	0.90	5.35	1.19
LH22-55	12.59	14.16	1.57	15.92	1.93
	26.84	27.88	1.04	2.38	0.64
	230.31	244.10	13.79	0.67	0.30
includes	230.31	231.40	1.09	3.23	0.62
includes	234.95	236.00	1.05	1.05	0.38
LH22-56	11.28	14.75	3.47	13.90	1.53
includes	11.66	13.26	1.60	19.31	2.27
	20.40	21.83	1.43	2.81	0.93
includes	20.76	21.07	0.31	10.60	3.57
	27.28	28.95	1.67	3.01	0.47
	215.50	224.80	9.30	4.51	0.72
includes	215.50	216.13	0.63	1.87	1.18
includes	222.22	223.36	1.14	32.00	3.54

Core submitted for analysis was limited to visually identified mineralized intervals having at least 2% sulphide content (comprising pyrrhotite and/or arsenopyrite), generally over intervals greater than 1 metre. Several shorter intervals, having a higher proportion of sulphides (i.e. semi-massive to massive sulphides), were also sampled. Drill core was split at approximately 1 metre intervals, with one half sent to the ALS Chemex lab in Kamloops, BC for initial preparation. The remaining core was returned to the core box and stored, together with core from previous programs, in Crescent Valley, BC.

Samples were crushed to 70% passing 2 mm and a 250 gram sub-sample then pulverized to 85% passing 75 microns. Samples were initially analyzed using the ME-MS61 package (four acid digestion followed by Inductively Coupled Plasma – Mass Spectrometry (ICP-MS) analysis). Arsenic over-limits were analyzed using the ME-OG62 package (four acid digestion followed by Inductively Coupled Plasma Atomic Emission Spectroscopy (ICP-AES)). Gold was analyzed using the AuAA23 package (Fire Assay on a 30 g separate and analyzed using Atomic Absorption). Gold over-limits were analyzed using the Au-GRA21 package (Fire Assay on a 30 g separate with a Gravimetric finish).

Results are consistent with previous interpretation of multiple, structurally controlled, gold-bearing, pyrrhotite mineralized zones. These zones are interpreted to be moderately to steeply north dipping, with gold content correlated to the tenor of pyrrhotite ± arsenopyrite-bearing mineralization.

All holes intersected intervals of pyrrhotite mineralization, with only two holes LH22-51 and 54 having low-grade mineralized intervals considered too low (i.e. weakly to moderately disseminated pyrrhotite), based on visual examination, to justify sampling. The remainder of the holes contain multiple pyrrhotite mineralized intervals, with those having significant semi-massive to massive pyrrhotite mineralization submitted for quantitative analysis at this time. Intervals having low to moderate grade mineralization will be considered for analysis at a future time to provide potentially valuable information regarding the full extent of mineralized intervals in each hole. Similar weakly to moderately mineralized intervals are interpreted to have coalesced into well mineralized, high-grade gold-bearing intervals over relatively short distances between previous holes. The true thickness of the mineralized intercepts documented in the 2022 program is unknown at this time.

Current status:

As noted in the Company's news release of May 1, 2023, the Company had planned to further its exploration efforts on its LH Property in 2023. However, given the state of the market, along with the state of emergency in British Columbia caused by wildfires, the exploration program was delayed. Magnum held an approved 2-year Multi-Year Area Based (MYAB) work permit for its LH Property which came due in October 2023. The Company received an extension to the MYAB work permit from the Ministry of Energy and Mines on March 7, 2025, which permit ends October 31, 2026.

During the year ended May 31, 2025, the Company impaired the property resulting in an impairment of $3,582,457 as the Company had no immediate plans for any significant exploration activities on the property.

PERFORMANCE SUMMARY

The following is a summary of the significant events and transactions that occurred during the year ended May 31, 2025 and for the subsequent period to the report date:

a) On May 30, 2025 the Company closed a private placement raising a total of $150,000 through the issuance of 3,000,000 units at $0.05 per unit. Each unit consists of one common share and one share purchase warrant, with each warrant entitling the holder to purchase an additional common share for a period of 2 years at an exercise price of $0.20. No finders' fees were paid in connection with the private placement.

b) On May 20, 2025, the Company's common shares were consolidated on a basis of one (1) post-consolidated common share for every two (2) pre-consolidated common shares. The number of shares, options and warrants presented have been adjusted to reflect the impact of this share consolidation. The issued and outstanding issuance post-consolidation was 6,010,511. The Company name and symbol did not change.

c) On April 25, 2025 the Company settled with certain creditors in the aggregate amount of $118,301 in debts through the issuance of 1,183,042 post consolidated (2,366,030 pre-consolidated) common shares of the Company valued at $82,811 resulting in a gain of $35,490 on settlement.

d) On November 15, 2024, the Company's common shares were consolidated on a basis of one (1) post-consolidated common share for every four (4) pre-consolidated common shares. The number of shares, options and warrants presented have been adjusted to reflect the impact of this share consolidation. The issued and outstanding issuance post-consolidation was 9,654,938 as at November 15, 2024 (May 20, 2025 post 2 old for 1 new consolidation of 4,827,469). The Company name and symbol did not change.

e) On October 24, 2024, the Company announced the appointment of David Smith as a Director of the Company, effective October 22, 2024.

SELECTED ANNUAL INFORMATION

	Year Ended May 31, 2025	Year Ended May 31, 2024	Year Ended May 31, 2023
Total assets	$ 191,060	$ 3,613,472	$ 3,630,833
Total liabilities	220,324	152,477	93,001
Total shareholders' equity (deficiency)	(29,264)	3,460,995	3,537,832
Other income (expense) items	(3,687,133)	625	42,370
Expenses	176,550	77,462	128,249
Loss and comprehensive loss	3,723,070	76,837	85,879
Weighted average number of shares outstanding	4,958,830	4,819,229	4,577,469
Basic and diluted loss per share	(0.75)	(0.02)	(0.02)

SUMMARY OF QUARTERLY RESULTS

	May 31, 2025	February 28, 2025	November 30, 2024	August 31, 2024
Total assets	$ 191,060	$ 3,624,625	$ 3,615,933	$ 3,613,535
Total liabilities	220,324	313,535	197,322	166,602
Total shareholders' equity (deficiency)	(29,264)	3,311,090	3,418,611	3,446,933
Other income (expense) items	(3,547,279)	476	130	153
Expenses	25,886	107,997	28,452	14,215
Loss and comprehensive loss	(3,573,165)	(107,521)	(28,322)	(14,062)
Weighted average number of shares outstanding	5,348,693	4,827,469	4,829,469	4,827,469
Basic and diluted loss per share	(0.67)	(0.02)	(0.01)	(0.00)

	May 31, 2024	February 29, 2024	November 30, 2023	August 31, 2023
Total assets	$ 3,613,472	$ 3,614,826	$ 3,626,098	$ 3,624,861
Total liabilities	152,477	138,441	127,835	104,567
Total shareholders' equity	3,460,995	3,476,385	3,498,263	3,520,294
Other income (expense) items	115	335	38	137
Expenses	15,505	22,213	22,432	17,312
Loss and comprehensive loss	(15,390)	(21,878)	(22,394)	(17,175)
Weighted average number of shares outstanding	4,827,469	4,827,469	4,827,469	4,542,122
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

Results of Operations

The following discussion addresses the operating results and financial condition of the Company for the twelve-months and three-months ended May 31, 2025. The Management Discussion and Analysis should be read in conjunction with the Company's audited financial statements and the accompanying notes for the year ended May 31, 2025.

For the three-month period ended May 31, 2025:

Operating expenses and net loss for the period

The Company had net loss for the three-months ended May 31, 2025 of $3,573,165 (2024 – $15,390). The net increase in the net loss of $3,557,775 from the three months ended May 31, 2025 compared to the same period in 2024 was primarily due to an increase in general and administration expenses of $10,381 as detailed below and an increase in the impairment of LH Property in the amount of $3,582,457.

General and administration expenses of $25,886 (2024 - $15,505) are primarily comprised of office expenses, professional fees, interest, consulting fees, regulatory and transfer agent fees. The increase of $10,381 from the same period in 2024 was due largely to the following:

- Consulting fees of $nil (2024 - $750) due to fees for consulting services forgiven (not charged) for the period.
- Directors' fees of $1,500 (2024 - $2,000) decreased by $500 due to a reduction in Directors in the period.
- Interest of $1,870 (2024 - $253) increased by $1,617 mainly due to interest at a rate of 1% per month (12% per annum) on loan agreements.
- Investor relations of $1,741 (2024 - $782) increased by $959 mainly due to the recent communications of the share consolidations and financing.
- Office and miscellaneous expenses of $1,707 (2024 - $1,380) remained fairly consistant.
- Professional fees of $10,039 (2024 – $8,250) increased by $1,789 due to legal fees on the recent communications on share consolidations and financings.
- Regulatory and transfer agent fees of $9,029 (2024 -$2,090) increased by $6,939 mainly due to costs of the Company's recent share consolidations and financing.
- Interest charge of $312 (2024 income - $115) remained constant and is due to the Company's reclamation deposit held.
- Gain on settlement of debt of $35,490 (2024 - $Nil) is due to a settlement with certain creditors in the aggregate amount of $118,301 in debts through the issuance of 1,183,042 post consolidated common shares of the Company valued at $82,811 at $0.07 per share with a deemed price of $0.10 resulting in a gain.
- Impairment of exploration and evaluation assets of $3,582,457 (2024 - $Nil) is due to the Company impairing its LH Property during the period.

For the twelve-month period ended May 31, 2025:

Operating expenses and net loss

The Company had a net loss for the twelve-month period ended May 31, 2025 of $3,723,070 (2024 - $76,837). The increase in the net loss of $3,646,233 from the twelve-months ended May 31, 2025 compared to the same period in 2024 was primarily due to an increase in general and administration expenses of $99,088 as detailed below and an increase in the impairment of LH Property in the amount of $3,582,457.

General and administration expenses of $176,550 (2024 - $77,462) are primarily comprised of office expenses, professional fees, rent, consulting fees, share-based payments, and regulatory and transfer agent fees. The increase of $99,088 from the same period in 2024 was due largely to the following:

- Consulting fees of $65,500 (2024 - $3,000) increased by $62,500 mainly due to an increase in external consulting services and for fees under contract forgiven (not charged) for the comparative period but not forgiven in the current period.
- Directors' fees of $7,407 (2024 - $8,000) decreased by $593 due to a reduction in Directors in the period.
- Interest of $4,949 (2024 - $253) increased by $4,696 mainly due to interest at a rate of 1% per month (12% per annum) on loans agreements.
- Office and miscellaneous expenses of $4,640 (2024 - $4,615) remained fairly consistent.
- Professional fees of $61,169 (2024 - $39,400) increased by $21,679 mainly due to legal fees on the recent communications on share consolidations and financings.
- Regulatory and transfer agent fees of $28,373 (2024 - $20,721) increased by $7,652 mainly due to costs recent share consolidations and financing.
- Interest income of $447 (2024 - $625) remained constant and is due to the Company's reclamation deposit held.
- Gain on settlement of debt of $35,490 (2024 - $Nil) is due to a settlement with certain creditors in the aggregate amount of $118,301 in debts through the issuance of 1,183,042 post consolidated common shares of the Company valued at $82,811 at $0.07 per share with a deemed price of $0.10 resulting in a gain.
- Impairment of exploration and evaluation assets of $3,582,457 (2024 - $Nil) is due to the Company impairing its LH Property during the period.

LIQUIDITY AND CAPITAL RESOURCES

The Company's mineral exploration activities have been funded primarily through the issuance of common shares, and the Company expects that it will continue to be able to utilize this source of financing until it develops cash flow from its mining operations. Other than as discussed herein, the Company is not aware of any trends, demands, commitments, events or uncertainties that may result in its liquidity either materially increasing or decreasing at present or in the foreseeable future.

Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration programs on its properties, as well as its continued ability to raise capital.

The Company assesses its financing requirements and its ability to access equity or debt markets on an ongoing basis. The assessment considers: the stage and success of the Company's evaluation activities to date; the continued participation of the Company's investors; and financial market conditions. It is possible that future economic events and global conditions may result in further volatility in the financial markets which could negatively impact on the Company's ability to access equity or debt markets in the future.

As of May 31, 2025, the Company had a working capital deficit of $6,057 compared to a working capital deficit of $93,499 as at May 31, 2024. As of May 31, 2025, the Company had cash of $150,331 compared to cash of $16 as at May 31, 2024. The net increase of $150,315 in cash during the period was primarily related to the change in non-cash items and cash used in investing activities offset by cash provided by financing activities.

Net cash used in operating activities for the year ended May 31, 2025 was $59,629 compared to $23,746 during the year ended May 31, 2024.

Net cash used in investing activities for the year ended May 31, 2025 was $4,756 compared to cash of $11,204 provided in investing activities during the year ended May 31, 2024 consisting of exploration and evaluation assets expenditures and a recovery of Mineral Exploration Tax Credits.

Net cash provided by financing activities for the year ended May 31, 2025 was $214,700 compared to $3,000 during the year ended May 31, 2024, consisting of loan proceeds of $87,450 (2024 - $3,000), less repayments of $22,750 (2024 - $Nil) and proceeds of share capital of $150,000 (2024 - $Nil).

The Company's deficit as of May 31, 2025 was $5,711,765 as compared to a deficit of $1,988,695 as of May 31, 2024.

At present, the Company's operations does not generate cash flow, and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. Management believes the Company will be successful at securing additional funding so that its capital resources will be sufficient to carry its operations through the next twelve months and intends to continue the exploration of its mineral properties.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales and from the exercise of convertible securities. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term but recognizes there will be risks involved that may be beyond their control.

OFF BALANCE SHEET ARRANGEMENTS

The Company is not a party to any off-balance sheet arrangements or transactions.

PROPOSED TRANSACTIONS

The Company was actively seeking new business opportunities to raise capital in the past several months.

On June 23, 2025, the Company announced that it has entered into a Letter of Intent ("LOI") dated June 19, 2025 with Atlantico Energy Metals Inc. ("Atlantico") to acquire all of the outstanding shares of Atlantico (the "Transaction"). The Transaction is subject to TSX Venture Exchange (the "TSXV") approval pursuant to TSXV Policy 5.2 – Changes of Business and Reverse Takeovers and will be considered a Reverse Takeover under TSXV policies.

Pursuant to the terms of the LOI, the Company will acquire all of the outstanding shares in the capital of Atlantico (the "Atlantico Shares") which are issued and outstanding immediately prior to the closing of the Transaction (the "Closing") in consideration for units of the Company (each a "Consideration Unit") at a deemed price equal to the greater of $0.10 per Consideration Unit and the minimum price permitted by the TSXV. Each Consideration Unit will consist of one common share in the capital of the Company and one transferrable warrant (each a "Warrant"). Each Warrant will entitle the holder to acquire an additional Share (a "Warrant Share") at a price of $0.20 for a period of 24 months from the date of Closing (the "Closing Date").

Prior to Closing, Atlantico intends to complete a private placement to raise gross proceeds of up to $1,380,000 (the "Offering") by issuing up to 13,780,000 Atlantico Shares (the "Atlantico Financing Shares") at a price of $0.10 per Atlantico Financing Share. The proceeds of the Offering will be used for the Transaction expenses, exploration expenses, for investor relations and marketing expenses and for general and administrative expenses before and after the Transaction. The Atlantico Financing may be closed in one or more tranches and the Atlantico Financing Shares will be exchanged for Consideration Units in the Transaction. Finder's fees may be paid in connection with the Atlantico Financing and in connection with the Transaction.

Completion of the Transaction remains subject to a number of conditions including without limitation entry into a definitive transaction agreement, completion of the parties' respective due diligence, receipt of all necessary approvals from the shareholders of the parties and all applicable stock exchanges and regulatory authorities, and such other conditions as are customary in transactions of this nature.

Atlantico is a British Columbia incorporated company which has entered into an option agreement with arm's length third party (the "Optionor) to acquire a 100% interest in the Novo Cruzeiro Lithium Project (the "Project") located in Brazil. In order to exercise the option and to acquire an 100% interest in the Project Atlantico has issued 15,000,000 common shares to the Optionor and must pay a total of $200,000 in cash to the Optionor prior to September 2, 2025 ($100,000 of which has been paid), and an additional $150,000 in cash prior to March 3, 2026. The Project is an early-stage lithium exploration project located in the East Brazilian Pegmatite Belt, near the town of Novo Cruzeiro, in northeastern Minas Gerais, Brazil. The Project comprises 15 contiguous exploration permits, covering 24,427.28 hectares across the municipalities of Itaipé, Ladainha, and Novo Cruzeiro. The granted exploration permits (2023) are in good standing with the Brazilian authorities.

TRANSACTIONS WITH RELATED PARTIES

Included in accounts payable and accrued liabilities as of May 31, 2025 is $25,051 (May 31, 2024 - $35,911) owing to officers and directors, companies controlled by directors, or companies having directors in common:

Name of Company or Director	Directors/Officers	May 31, 2025	May 31, 2024
Andrzej Kowalski	A former director	$ -	$ 2,500
1455020 BC Ltd.	A company with a director in common, namely, David Smith	621	-
David Smith	A director	774	-
Beachfront Enterprises LP	A limited partnership, a majority interest of which is owned by a director, namely, Douglas L. Mason	-	14,360
Waterfront Capital Partners Inc. (formerly Criterion Capital Corporation)	A company with a director in common, namely, Douglas L. Mason	-	1,575
Douglas L. Mason	A CEO and director	500	2,500
David H. Evans	A former director	-	2,500
Daniel B. Evans	A director	500	2,500
Kennedy Hill Financial Group	A company with a director in common, namely, Daniel B. Evans	-	-
Waterfront Communications Inc.	A company with a director in common, namely, Douglas L. Mason	22,656	9,976
		$ 25,051	$ 35,911

The Company incurred the following transactions with officers and directors, companies controlled by directors, or companies having common directors during the years ended:

Name of Company or Director	Directors/Officers		May 31, 2025		May 31, 2024
Expenses:					
Andrzej Kowalski (Director fees)	A former director	$	1,500	$	2,000
David Smith (Director fees)	A director		1,220		-
Douglas L. Mason (Director fees)	A director		2,000		2,000
Waterfront Capital Partners Inc. (Consulting fees)	A company with a director in common, namely, Douglas L. Mason		25,000		-
Waterfront Communications Inc. (Expense reimbursement)	A company with a director in common, namely, Douglas L. Mason		6,369		6,372
Daniel B. Evans (Director fees)	A director		2,000		2,000
Kennedy-Hill Financial Gorup Inc. (Consulting fees)	A company with a director in common, namely, Daniel B. Evans		25,000		-
David H. Evans (Director fees)	A former director		687		2,000
		$	63,776	$	14,372

The Company reimbursed Waterfront Communications Inc. (a company with a director in common) on a cost basis to cover expense reimbursement in the amount of $6,369 (2024 -$6,372).

On April 25, 2025, the Company settled with certain related parties in the aggregate amount of $71,471 in debts through the issuance of 714,707 common shares of the Company.

These transactions were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the parties. Amounts due to (from) related parties are unsecured and have no stated terms of repayment and/or interest unless otherwise stated.

COMMITMENTS

The Company has previously entered into two 5-year term renewable agreements with companies controlled by two directors for the provision of consulting services at a cost of $2,500 per month ($30,000 per annum) for each of the two agreements. Beginning January 1, 2020 through May 31, 2024, and for the 2 months of April and May 2025, the payments under the two above-mentioned agreements were voluntarily reduced to $nil per month and were not paid or accrued. If either of such agreements are terminated without cause or if there is a change in control of the Company, the Company is required to pay an amount equal to three times the annual fee payable under the agreements. These agreements will be voluntarily voided subject to closing of the subsequent proposed transactions.

CAPITAL MANAGEMENT

The Company's shareholders' equity comprises its capital under management. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable level of risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In order to maximize on-going development efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities of 365 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

There have been no changes to the Company's approach to capital management during the year ended May 31, 2025. The Company is not subject to externally imposed capital requirements.

FINANCIAL INSTRUMENTS

Fair value

The Company classifies its cash, reclamation deposits, loans payable and accounts payable and accrued liabilities as at amortized cost.

The carrying values of cash, loans payable and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its payment obligations. The Company is exposed to credit risk with respect to its cash and reclamation deposits. Management believes that the credit risk concentration with respect to cash and reclamation deposits is remote as it maintains accounts with highly rated financial institutions. Overall, the Company is not subject to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. As at May 31, 2025, the Company had a working capital deficit of $6,057. The Company will need to raise additional money through share issuance.

The amounts listed below are the remaining contractual maturities for financial liabilities held by the Company:

	0 to 90 days	91 to 365 days	Total
May 31, 2025			
Accounts payable and accrued liabilities	$ 98,624	$ -	$ 98,624
Loans payable	$ 67,700	$ -	$ 67,700
May 31, 2024			
Accounts payable and accrued liabilities	$ 95,477	$ -	$ 95,477
Loans payable	$ -	$ 3,000	$ 3,000

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

To the extent that changes in prevailing market rates differ from the interest rate on the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk. The Company's cash consists of cash held in bank accounts and a reclamation deposit of $30,792 (May 31, 2024 - $30,792) at the prime rate minus 2.95% (May 31, 2024 – 2.80%) held as per instructions on the Safekeeping Agreement from the Ministry of Energy and Mines. Due to the short-term nature of the Company's financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values.

For the balance of the cash, any fluctuations in the interest rate would lead to an immaterial change in the profit or loss.

(ii) Foreign currency risk

The Company is not exposed to foreign currency risk.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from these estimates. These estimates and assumptions are disclosed in Note 2 of the financial statements.

NEW ACCOUNTING STANDARDS AND AMENDMENTS

Effective June 1, 2024, the Company adopted the following new and amended standards:

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.

There were no significant impact on the financial statements upon adoption.

The following accounting standards and amendments are effective for future periods:

Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.

2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.

3. Enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact on the future financial statements.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

OUTSTANDING SHARE DATA as of August 28, 2025:

a) Authorized:
Unlimited number of common shares, without par value

b) Issued and outstanding:
9,010,511 common shares

c) Outstanding incentive stock options:

Number of Options	Exercise Price	Expiry Date
400,000	$ 0.40	April 7, 2027

d) Outstanding warrants:

Number of Warrants	Exercise Price	Expiry Date
1,532,500	$ 0.40	October 7, 2026
375,000	$ 0.80	May 3, 2027
3,000,000	$ 0.20	May 30, 2027
4,907,500		

e) Shares in escrow pooling agreements:
None

OFFICERS AND DIRECTORS

Douglas L. Mason, President, CEO and Director (Chairman)
Daniel B. Evans, CFO and Director
David Smith, Director