



Management's Discussion and Analysis

Fidelity Minerals Corp.

Year ended July 31, 2025

(Expressed in Canadian dollars, unless otherwise noted)

November 28, 2025

For further information on the Company, reference should be made to its public filings on SEDAR at www.sedarplus.ca. Information is also available on the Company's website at www.fidelityminerals.com. This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements for the year ended July 31, 2025, and related notes thereto which have been prepared in accordance with IFRS Accounting Standards (IFRS). This MD&A contains certain Forward Looking Statements which is described at the end of this MD&A.

OVERVIEW

The Company is a TSX-Venture Exchange, Frankfurt and Santiago listed company devoted exclusively to mineral exploration and development in Peru.

The Company is in the process of exploring its resource properties and has not determined whether these properties contain mineral reserves which are economically recoverable. The recoverability of amounts shown for exploration and evaluation expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production from the property or proceeds from its disposition.

OUTLOOK

The Company is positioned to take advantage of opportunities in Peru based on an established Peru-based team experienced in small to medium sized projects in the country. The Company has assembled a portfolio of high-quality mining assets in Peru targeting large scale copper and gold and aims to delineate major deposits on these properties that could attract the interest of mid-tier and major mining companies.

The Company's medium-term objectives include:

- Advancing and enlarging the gold, copper and silver resources at its Las Huaqillas project in Peru;
- Commercializing the Florina Greensand Project in Australia; and
- Opportunistically expand the project portfolio, with accretive acquisitions.

Going concern

At July 31, 2025, the Company had a working capital deficit of \$1,198,092 and had not yet achieved profitable operations. In addition the Company had accumulated losses of \$16,979,409 since its inception and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to conduct its planned work program on its mineral properties, meet its on-going levels of corporate overhead and commitments, keep its properties in good standing and discharge its liabilities as they come due. These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge liabilities in the normal course of business. In the past, the Company has been successful in obtaining financing, although there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in these consolidated financial statements.

GREATER LAS HUAQUILLAS, PERU

Overview

On February 11, 2019, the Company completed the acquisition of a 44.5% interest in a portfolio of mineral concessions which collectively constitute part of the Core Las Huaquillas (CLH) project; a highly prospective precious and base metal project in northern Peru. The concessions are located to the immediate south of the border with Ecuador, where recent exploration success and corporate activity in the Ecuadorian mining sector, highlights the increasing interest in this historically underexplored region. The Project is interpreted by the Company to be located within a key north-south trending mineralised belt that extends through southern Ecuador into northern Peru.

Based on historical exploration, 5 mineralised zones consisting of 4 mineralisation types including epithermal and porphyry style mineralisation types have been identified at the GLH project. The most advanced of these mineralised zones, the Los Socavones Zone, was partially appraised by a previous operator (Sulliden 1996-1999).

On December 22, 2020, the Company announced that it had acquired and re-processed significant historical induced polarization and ground magnetic data, with the newly re-processed geophysical data demonstrating remarkable correlation between the modelled chargeability and disseminated copper mineralization known from 1997 historical drilling. Reprocessed ground magnetics suggests structural control of the San Antonio and Cementerio porphyry zones. The qualitative correlation of chargeability with historical drilling indicating copper mineralization is well illustrated which supports future application of deep IP for effective drill targeting. The Company has expanded the land position around the Las Huaquillas acquisition through the claiming of additional concessions which are 100% owned by Fidelity Minerals.

On December 2, 2021, the Company announced results from confirmatory sampling of nine (9) rock and outcrop exposures from the Core Las Huaquillas precious and base metal property, and for which Fidelity holds a 44.5% interest and holds an option to acquire an additional 5.5%. The confirmatory sampling was completed as part of a site visit by Luc Pigeon B.Sc., M.Sc., P.Geol who is authored a NI 43-101 technical report on the Project as announced by the Company on October 7, 2021. The best result obtained was a grab sample collected from quartz veins exposed at the entrance of one of the underground working portals within the Los Socavones zone that returned a result of 9.653 g/t Au, 126 g/t Ag and 1.08 % Pb.

Samples were shipped to the SGS laboratories in Lima for major and trace elements determination (PRP93, FAA313 Au and ICP14B analytical methods).

The CLH Project features extensive historical exploration completed by Sulliden Exploration Inc. (“Sulliden”) and others through 1999. This work included soil sampling, geophysics and over 5,700m of diamond drilling (26 drill holes), and the excavation of approx. 1,200m of underground development on three levels in the Los Socavones Zone. This work defined five (5) mineralised zones, consisting of four (4) mineralisation types including epithermal Au-Ag (Los Socavones), and porphyry Cu style mineralisation (Cementerio and San Antonio) at the Project.

The confirmatory sampling was completed by the Author as part of a site visit required to support the writing of the new NI 43-101 technical report. This included limited verification of geologic mapping, alteration, and geochemical sampling completed by Sulliden in 1999. The Author collected a total of nine (9) grab samples: three (3) north of the San Antonio zone, four (4) along road cuts within the Los Socavones and SanAntonio zones, and two (2) from exposed veins at the entrance portal of two (2) underground workings within the Los Socavones zone. The Author had previously visited the Cementario zone in 2011 and verified the geology and alteration at that time for another issuer. The Author confirms the following:

- Significant alteration occurs within both the Cementerio and San Antonio zones. Furthermore, the location of the diorite and alteration mapped by the Author concurs with the historical geological mapping.

- Two (2) underground working portal locations were measured using a hand-held GPS with a reported accuracy of 2m. The PSAD56 portal locations reported in the historical maps and reports are accurate with their transformed WGS84 X, Y values falling within the GPS error radius. This confirms that the locations reported by Sulliden were of excellent quality and must have been acquired by a sub-metre accuracy differential GPS or surveyed using benchmarks and a total station.
- Grab samples C001437 and C001438 collected from quartz veins exposed at two (2) underground working portals within the Los Socavones zone returned 1.062 g/t Au and 9.653 g/t Au respectively. Sample C001438 is also characterized by 126 g/t Ag and 1.08 % Pb.
- Sample C001437 is composed of dark grey quartz with 6-7 percent disseminated and veinlet pyrite. A minor amount of iron oxides are also present.
- Sample C001438 is composed of a milky quartz matrix cross-cut by grey quartz veinlets. The rock contains approximately 6% disseminated pyrite and up 15% fracture- and vug-controlled iron oxides.
- Sample C001436 collected within the San Antonio zone is characterized by an anomalous Au content of 0.504 g/t Au and with an elevated Cu content reaching up to 0.547 % Cu.

Table 1 presents the results from all nine samples collected as part of the Authors site visit.

Sample	Datum	Easting	Northing	Elev m	Au ppm	Ag ppm	As ppm	Cu %	Fe %	Mn ppm	Mo ppm	Pb %	S %	Sb ppm	W ppm	Zn ppm
C001430	WGS84-17s	714131	9435488	1441	0.01	0.9	15	0.004	2.23	579	-1	0.001	0.01	16	-10	76.7
C001431	WGS84-17s	714034	9435575	1469	0.35	6.1	318	0.031	6.83	>10000	6	0.029	0.05	8	-10	874
C001432	WGS84-17s	713944	9435439	1479	0.81	0.7	157	0.003	14.4	175	-1	0.013	0.35	5	-10	23.1
C001433	WGS84-17s	713295	9437146	1041	0.1	0.8	-3	0.068	4.71	516	-1	0.000	0.01	-5	-10	46.3
C001434	WGS84-17s	713255	9437109	1040	0.05	0.6	3	0.014	5.81	232	1	0.000	0.09	-5	-10	12.2
C001435	WGS84-17s	713481	9436699	1134	0.02	0.5	4	0.037	5.89	70	14	0.000	0.04	-5	-10	11.7
C001436	WGS84-17s	713667	9436138	1333	0.5	2.5	-3	0.547	2.87	917	-1	0.001	0.04	-5	-10	37.9
C001437	WGS84-17s	714333	9435656	1337	1.06	12.1	842	0.005	5.36	85	-1	0.050	3.19	8	-10	151
C001438	WGS84-17s	714385	9435651	1313	9.65	126	245	0.069	4.62	106	2	1.08	1.00	34	11	309

Table 1: Geochemical sample results from the CLH Project

On January 4, 2022, the Company filed a National Instrument 43-101 Technical Report for the Las Huaquillas Project in Northern Peru. The NI 43-101 report titled “NI 43-101 Technical Report on the Las Huaquillas Au, Ag, Cu Property, Cajamarca, Peru”, with an effective date of December 18, 2021, was authored by Luc Pigeon, B.Sc., M. Sc., P. Geo., who is an independent and qualified person under National Instrument 43-101.

The NI 43-101 technical report summarizes Project’s Location, Ownership, Geological Setting, Mineralization, Historical Exploration, Historical Resource Estimates, Conclusions, and Recommendations for future work.

The project has not been the subject of a current resource estimate compliant with NI 43-101.

The project features extensive historical exploration completed by Sulliden Exploration Inc. and others through 1999. This work included soil sampling, geophysics and over 5,700 metres of diamond drilling (26 drill holes), and the excavation of approximately 1,200 m of underground development on three levels in the Los Socavones zone. This work defined five mineralized zones, consisting of four mineralization types including epithermal Au-Ag (Los Socavones), and porphyry copper-style mineralization (Cementerio and San Antonio) at the project.

The most recent historical resource estimate completed on the project was prepared by Sulliden's geologists Garipey & Vachon (1999) who disclose what they call "geological resource," which is not a category accepted under Section 2.2 of NI 43-101. It best corresponds to an inferred resource in today's nomenclature. The estimate was performed using the vertical longitudinal section method using 17 mineralized intersections obtained through drilling. The parameters used were a specific gravity of 2.8 grams/cubic centimetres and a cut-off grade of one g/t Au over a minimum width of three metres. Garipey & Vachon (1999) estimated that the Los Socavones zone hosts 6.57 million metric tonnes grading 2.12 g/t Au and 25.2 g/t Ag; equivalent to 446,000 ounces of gold and 5.3 million ounces of silver. **A qualified person has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves. Fidelity is not treating the historical estimates as current mineral resources. The company has not conducted any work to establish the relevance and reliability of the historical resource estimate.**

The author recommended that a phase one exploration program be completed that includes the following activities;

- Community relations program and obtain surface access to exploration areas
- In-fill soil sampling surveys over anomalous areas
- IP geophysical survey over the Property with a focus on Cementerio and San Antonio zones.
- The historic underground workings within the Los Socavones zones are recommended to be re-opened by an experienced mining engineering company to allow safe sampling. The new sampling should be precisely surveyed to 10cm accuracy using WGS84 17S coordinate system. Metallurgical test samples should also be performed to support a future resource estimate.
- A 5000m drilling program is recommended to be carried out at Los Socavones where historical drilling suggest that significant gold mineralization occurs at depth. A similar amount of drilling should also be carried out at the Cementerio zone where significant Cu mineralization was intersected by Sulliden however Fidelity's current priority is the gold mineralized Los Socavones zone. The drilling project consists of twenty (20) platforms; nineteen (19) located within the Los Socavones zone and one (1) within the Cementerio zone. The Los Socavones main zone proposed drilling includes sixteen (16) platforms with seventeen (17) DDH totalling 4560m to confirm the best historical results and also to confirm the lateral and down dip continuity of the mineralization. The main zone drilling is designed to allow carrying out an inferred resource estimate once the drilling is completed. Three (3) platforms containing three (3) DDH total 580m will also be drilled to confirm the Los Socavones mineralization's northwest continuity.
- Issuance of an updated NI 43-101 Technical report at the conclusion of the phase one exploration program reporting results from the exploration activities and drilling. An inferred resource estimate compliant with NI 43-101 would be included in this updated technical report.

There has not been sufficient drilling and/or sufficient previous exploration at Las Huaquillas upon which to base a mineral resource or mineral reserve estimate compliant to the standards of National Instrument 43-101. It should be noted that the historical resource related information outlined has been derived from: "NI 43-101 Technical Report on the Las Huaquillas Au, Ag, Cu Property, Cajamarca, Peru", with an effective date of December 18, 2021, authored by Luc Pigeon, B.Sc., M. Sc., P. Geo, who is an independent and qualified person under National Instrument 43-101. The historical estimate is based upon Gariepy and Vachon (both registered in 1999) and the estimate was performed using the vertical longitudinal section method including seventeen mineralized intersections where a specific gravity of 2.8 g/cm³ and a cut-off grade of 1.0 g/t Au over a minimum width of 3 metres were applied. Gariepy & Vachon (1999) disclosed what they call a "geological resource" which is not a category accepted by prevailing disclosure standards, and at best corresponds to an Inferred Resource in today's nomenclature. The work did not estimate the zinc, lead or copper contained within the Socavones zone. No more recent estimates or data is available to the issuer; at a minimum, several holes would need to be twinned, and certain historical intercepts re-assayed, to verify the historical estimate as a current mineral resource. For clarity, a qualified person has not done sufficient work to classify the historical estimate as a current mineral resources or mineral reserve, and the Company is not treating the historical estimate as a current mineral resource or mineral reserve.

SUNSETS PROJECT, CANADA

On October 10, 2024, the Company entered into an Option Agreement (the “Agreement”) with Standard Drilling & Engineering Ltd. (“Standard”) pursuant to which Standard has granted the Company the sole and exclusive right and option (the “Option”) to acquire a 50% interest, with a right to increase to 100%, in the El Toro East project (the “Project” or “Sunsets Project”) located in British Columbia (“BC”).

Under the terms of the Agreement, the Company can acquire 100% of the Sunsets Project in two stages with each stage increasing the Company’s interest by 50%. The Company can acquire an initial 50% stake by (i) paying Standard an aggregate of \$300,000 (\$25,000 on signing (Paid), \$125,000 on completion of due diligence (November 15, 2024) (Paid) and \$150,000 on or by October 10, 2025); and (ii) incurring \$1,000,000 in Exploration Expenditures (\$500,000 by September 30, 2025; and \$500,000 by September 30, 2026); and (iii) issuing to Standard 5,000,000 shares of Fidelity by December 15, 2024. The Company is in the process of obtaining TSX-V approval to issue the shares.

Upon the Company earning the initial 50% interest, the parties will enter into a participating joint venture (“JV”) with respect to the Sunsets Project, with the Company as the initial operator of the JV. Under the JV, the Company will have the right to earn Standard’s remaining interest in the JV by: (i) paying to Standard an aggregate of \$300,000 (\$150,000 within three (3) months of the notice to Standard to earn-in to 100% of the JV (the “Notice”); and \$150,000 on or before fifteen (15) months after the Notice); and (ii) incurring \$1,000,000 in Exploration Expenditures over the 24-month period after the Notice; and (iii) within 60 days of the Notice issuing to Standard \$250,000 in shares of Fidelity (valued on the 20-day VWAP directly following the Notice).

Standard will retain a 2% net smelter return royalty (“NSR”) on the Sunsets Project and will be entitled to receive advance royalty payments under the NSR commencing two years after the first month after the JV has been formed (being \$25,000 for the first two (2) years and \$50,000 for each year thereafter). The Company can buy-down half of the NSR for \$1,000,000 at any time prior to the commencement of commercial production; the remaining portion of the Royalty retained by Standard can be purchased by the Company during the ensuing three-year period for \$4,000,000, less any monies previously paid by the Company toward the Royalty including advance Royalty payments.

During the year ended July 31, 2025, management determined they would not proceed with the option and took an impairment charge of \$151,392. Subsequent to July 31, 2025, the Company gave its termination notice to Standard.

FLORINA GREENSAND PROJECT, AUSTRALIA

On March 22, 2023, the Company entered into an agreement to purchase seventy-five per cent (75%) of Greensands Australia Pty Ltd (GAL). The other 25 per cent is being acquired by Lions Bay Capital Inc. (“Lions Bay”).

Under the terms of the agreement with GAL, the Company will:

- Issue 3,000,000 ordinary common shares (Issued)
- Agree to fund its seventy-five per cent share of Stage 1 costs estimated to be AUD \$250,000 (the Company’s share AUD \$187,500);
- Agree to fund its seventy-five per share of Stage 2 costs estimated to be AUD \$1,000,000 including a scoping study (the Company’s share estimated to be AUD \$750,000);
- Upon completion of the scoping study, issue an additional 3 million ordinary common shares
- Should the scoping study show a pre-tax IRR of over 19 per cent then the vendors will be entitled to a bonus payment of AUD \$1,000,000 to be satisfied by cash and shares (with a minimum fifty per cent cash) (the Company’s share estimated to be AUD \$750,000). Any shares issued would be issued at a floor price of \$0.06.
- GAL must pay a royalty of the lesser of AUD \$4 per tonne or 5% of the net sale price of products sold on the first 250,000 tonnes of production from the project (the “Royalty”). The Royalty will be reduced to AUD \$2 per tonne after the initial 250,000 tonnes. The Royalty cannot exceed 5% of the sales price of the product. Otherwise, the Royalty shall be paid on industry standard terms and conditions, to be documented within a formal Royalty Agreement.

The Florina Greensand Project is comprised of a large, surficial deposit of the mineral glauconite, located 70 km west of the regional town of Katherine, a regional centre 260 km SSE of the port city of Darwin that services well-developed horticulture, agriculture and cattle ranching. Katherine is serviced by major highway and railway infrastructure connecting the state capitals of Darwin and Adelaide.

Previous test work has shown the project to contain significant concentrations of potassium and phosphorous, the major chemical elementals for the production of potash and phosphate fertilizers. Greensands Australia has also filed patent applications covering a process to “activate” glauconite, which has the effect of greatly increasing glauconite solubility. The Company believes this process has high strategic potential to render glauconite as feedstock for the production of organic potassium and phosphate fertilizers.

LIQUIDITY AND CAPITAL RESOURCES

	Year ended July 31		
	2025	2024	2023
Cash outflows from operating activities	(381,454)	(180,421)	(147,715)
Cash inflows from financing activities	500,660	602,082	421,975
Cash inflow (outflows) from investing activities	(243,326)	(345,113)	(545,375)
Net cash inflows (outflow)	(124,120)	76,548	(271,115)
Cash balance	2,106	120,177	1,582

As at July 31, 2025, the Company’s net working capital deficit was \$1,198,092 compared to net working capital deficits of \$975,896 as at July 31, 2024, and \$1,137,362 in July 31, 2023.

Cash outflow from operating activities was \$381,454 in the year ended July 31, 2025, which was higher than the outflows in 2024 and higher than the outflows in 2023 and relates to the change working capital items, net of corporate expenses.

Cash inflow from financing activities was \$500,660 in the year ended July 31, 2025, which was lower than 2024 and higher than 2023. During the current year the Company closed a private placement and received additional loan funds from Lions Bay Capital Inc.

Cash outflow from investing activities was \$243,326 in the year ended July 31, 2025, which was lower than the comparative periods in 2024 and 2023. The outflow related to expanded exploration on the Company’s exploration properties

The Company’s ability to continue as a going concern is dependent on the Company’s ability to raise funds.

SUMMARY OF CONSOLIDATED PROFIT AND LOSS

	Year ended July 30		
	2025	2024	2023
Revenue	\$ -	\$ -	\$ -
Loss before other items	(658,855)	(606,493)	(1,053,340)
Net loss	(810,247)	(569,196)	(1,847,622)
Loss and comprehensive loss	(804,198)	(517,094)	(1,811,575)
Net loss attributable to owners	(782,524)	(569,196)	-
Other comprehensive loss attributable to owners	4,708	-	-
Basic and diluted – loss per share	(0.04)	(0.03)	(0.10)
Total assets	6,750,731	6,777,045	6,324,978

Revenue was \$nil in all periods as the Company has not yet begun operations or monetized any of its assets.

Net loss in the current year ended July 31, 2025, was higher than 2024 and lower than 2023. The increase from 2024 was related to an increase in consulting fees during the year related to increased activity on the Company's projects with the addition and evaluation of the Sunsets project which was abandoned subsequent to year end and an impairment recorded netted by no share-based compensation expense recorded in the current year. The decrease from 2023, was the result of the Company recording a \$794,282 impairment charge in 2023 where the impairment charge in 2025 was only \$151,392.

Total assets as at July 31, 2025 are consistent with 2024 and have increased since 2023 the years as the Company continues to capitalize expenses related to its flagship property Las Huaquillas and its recently added the Greensands property.

QUARTERLY RESULTS	July 31, 2025	April 30, 2025	January 31, 2025	October 31, 2024	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss and comprehensive loss	(438,564)	(111,008)	(129,889)	(130,125)	(369,677)	(13,347)	(82,923)	(103,249)
Basic & diluted loss per share	(0.02)	(0.00)	(0.00)	(0.01)	(0.02)	(0.00)	(0.00)	(0.01)
Total assets	6,750,731	6,586,099	6,837,790	6,710,812	6,777,045	6,489,551	6,451,720	6,356,815

Three months ended July 31, 2025 compared to historical quarters in 2025 & 2024

Net loss in the current quarter was higher than all comparative quarters as the Company recorded an impairment charge on its Sunsets project in the current quarter in addition to increased corporate activity with the Company planning an exploration program at Las Huaquillas.

Change in total assets

Total assets as at July 31, 2025, have fluctuated over the years as the Company continues to capitalize costs to its portfolio of projects netted by the impairment charge recorded on its exploration portfolio.

SHAREHOLDERS' EQUITY

The Company's authorized capital stock consists of an unlimited number of common shares without par value. As at July 31, 2025, the Company had 21,730,562 common shares, 2,135,000 stock options and 334,000 share purchase warrants outstanding. As at the date of this report, the Company had 38,591,906 common shares, 1,955,000 stock options and 7,421,750 share purchase warrants outstanding

On June 26, 2025, the Company completed a share consolidation on the basis of one (1) new share for every five (5) previously outstanding shares. All share, per share, stock option, and warrant information has been retrospectively restated in these consolidated financial statements to reflect this share consolidation.

On December 20, 2024, the Company issued a total of 334,000 flow-through units (each, a "FT Unit") at a price of \$0.30 per FT Unit for aggregate gross proceeds of \$100,200. Each FT Unit consists of one flow-through common share (each, a "FT Share") in the capital of the Company and one non-flow-through warrant (each, a "Warrant"), with each Warrant exercisable into one additional non-flow-through common share (each, a "Warrant Share") at a price of \$0.45 until December 20, 2026.

Subsequent to year end, on October 7, 2025, the Company closed the first tranche of a non-brokered private placement which comprised a total of 13,500,000 units at \$0.10 per unit for gross proceeds of \$1,350,000. Each unit consists of one common share in the capital of the Company and one-half transferable common share purchase warrant, with each full warrant exercisable into one additional common share at a price of \$0.20 until October 7, 2027.

The Company paid cash finder's fees of \$33,775 and issued 337,750 finder's warrants to finders in connection with the first tranche. Each warrant being exercisable to purchase one common share at a price of \$0.20 until October 7, 2027.

Subsequent to year end, on November 20, 2025, the Company settled debt in the amount of approximately \$436,975 by the issuance of 3,361,344 common shares at a price of \$0.13 per share.

The following is a summary of the stock options outstanding as at the date of this report:

Number of stock options outstanding	Number of stock options outstanding and vested	Exercise price per stock option	Expiry date
50,000	50,000	\$0.75	March 9, 2026
845,000	845,000	\$0.55	March 10, 2027
50,000	50,000	\$0.55	March 28, 2027
1,010,000	1,010,000	\$0.55	April 12, 2028
1,955,000	1,955,000	\$0.56	

The following is a summary of share purchase warrants outstanding as at the date of this report:

Number of warrants	Exercise price per warrant	Expiry date
334,000	\$0.45	December 20, 2026
7,087,750	\$0.20	October 7, 2027
7,421,750		

REGULATORY DISCLOSURES

Off balance sheet arrangements

The Company does not have any off-balance sheet arrangements.

Proposed Transactions

The Company does not have any proposed transactions as at July 31, 2025, other than as disclosed elsewhere in this document.

Financial instruments

The Company's financial instruments consist of cash, other receivables, accounts payable and accrued liabilities, advances from related party and promissory notes. The fair value of these financial instruments approximates the carrying value due to the short maturity or current market rate associated with these instruments.

Financial instruments disclosure requires a statement of the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of fair value are:

- Level 1 Unadjusted quoted prices in active markets for identical assets and liabilities
- Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and;
- Level 3 Inputs that are not based on observable market data

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and cash equivalents, and marketable securities. The Company's cash is held through large Canadian financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. The accounts payable and income taxes payable is due within the current operating period.

Market Risk

The Company's financial instruments include investments which are publicly traded and therefore subject to the risks related to the fluctuation in market prices of publicly traded securities. Some of these investments have been acquired as a result of property transactions and, to a large extent, represent strategic investments in related mining companies and their properties. The Company closely monitors market values to determine the most appropriate course of action.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company is exposed from time to time to interest rate risk as a result of holding fixed income cash equivalents and investments, of varying maturities. A 1% change in market interest rates would result in no significant change in value of cash and cash equivalents or fixed income securities. The risk that the Company will realize a loss as a result of a decline in the fair value of these assets is limited as they are generally held to maturity.

Foreign Exchange Risk

Currency risk is the risk of a loss due to the fluctuation of foreign exchange rates and the effects of those fluctuations on the Company's foreign currency denominated monetary assets and liabilities. The Company currently operates in

the Canada, Australia and Peru. Certain costs and expenses are incurred in US dollars and Peruvian sol. The Company attempts to mitigate currency risk through the preparation of short and long term expenditure budgets in the foreign currencies and planning for the conversion of Canadian dollars into foreign currencies whenever exchange rates are favourable.

The Company's financial assets and liabilities as at July 31, 2025 are denominated in United States Dollars, Canadian Dollars, and Australian Dollars, and are set out in the following table:

	Canadian Dollars	US Dollars	AUD Dollars	Total
Financial assets				
Cash	\$ 13	\$ 2,093	\$ -	\$ 2,106
Other receivables	5,705	-	-	5,705
	5,718	2,093	-	7,811
Financial liabilities				
Accounts payables and accrued liabilities	(315,466)	(79,992)	(101,851)	(497,309)
Advances from related parties	(717,262)	-	-	(717,262)
Promissory notes	(575,236)	-	-	(575,236)
Net financial (liabilities) assets	\$ (1,602,246)	\$ (77,899)	\$ (101,851)	\$ (1,781,996)

The Company's financial assets and liabilities as at July 31, 2024 are denominated in United States Dollars, Canadian Dollars, and Peruvian Soles, and are set out in the following table:

	Canadian Dollars	US Dollars	AUD Dollars	Total
Financial assets				
Cash	\$ 116,061	\$ 4,116	\$ -	\$ 120,177
Other receivables	2,550	-	-	2,550
	118,611	4,116	-	122,727
Financial liabilities				
Accounts payables and accrued liabilities	(634,077)	(82,608)	(78,636)	(795,321)
Advances from related parties	(315,302)	-	-	(315,302)
Net financial (liabilities) assets	\$ (830,768)	\$ (78,492)	\$ (78,636)	\$ (987,896)

The Company's reported results will be affected by changes in the US dollar to Canadian dollar and Canadian dollar to Peruvian Sol and Canadian dollar to Australian dollar exchange rates. As of July 31, 2025, a 10% appreciation of the Canadian dollar relative to the US dollar would have decreased net financial liabilities by approximately \$7,790 (July 31, 2024 - \$7,849). A 10% appreciation of the US Dollar relative to the Canadian dollar would have had the equal but opposite effect. A 10% appreciation of the Australian dollar relative to the Canadian dollar would have increased net financial liability by approximately \$10,185 (July 31, 2024 - \$7,864) and a 10% depreciation of the Australian dollar would have had an equal but opposite effect. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risk.

Related Party Transactions

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers, directors or companies with common directors of the Company.

The remuneration of the Company's directors and other key management personnel during the years ended July 31, 2025 and 2024 are as follows:

	July 31, 2025	July 31, 2024
Consulting fees	\$ 210,000	\$ 210,000
Share-based payments	-	129,674

As at July 31, 2025 the Company had amounts payable of \$166,070 (July 31, 2024 - \$546,002) to these parties. These amounts are unsecured and non-interest bearing.

As at July 31, 2025, the Company has \$717,262 (July 31, 2024 - \$315,302) in advances from LBI, which is a related party due to common CFO and directors. The advances are unsecured, non-interest bearing with no repayment terms. During the period ended July 31, 2025, LBI advanced \$401,960 (2024 - \$394,582) to the Company, settled \$nil (2024 - \$425,000 in debt for 8,500,000 common shares of the Company) and forgave \$nil (2024 - \$18,085) in debt.

On July 31, 2025, the Company entered into promissory notes with key management of the Company converting accounts payable of \$575,236 into promissory notes which are payable on December 31, 2026, are unsecured and bear interest at 6% per annum.

Capital Risk Management

The Company's objective of capital management is to ensure that it will be able to continue as a going concern, continue the exploration of mineral properties, and identify, evaluate, and acquire additional resource properties. The capital of the Company consists of shareholders' equity. The Company is meeting its capital risk objectives by successfully raising, from time to time, the required funds through debt and equity.

Internal controls and procedures

During the year ended July 31, 2025, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's annual financial statements for the year ended July 31, 2025 (together the "Annual Filings"). The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR at <http://www.sedarplus.ca>.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

Accounting estimates

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could materially differ from these estimates.

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

(i) Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model based on estimated fair values of all share-based awards at the date of grant and is expensed to profit or loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

For asset acquisitions, contingent share consideration is an estimate of the fair value of the contingent amounts expected to be payable in the future. The fair value is based on number of contingent shares, the share price of the Company on the date of acquisition and management's expectations of probability.

(ii) Deferred taxes

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Forecasted cash flows from operations are based on life of mine projections internally developed and reviewed by management. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. At the end of each reporting period, the Company reassesses unrecognized income tax assets

Significant judgments in applying accounting policies

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognized in the Company's consolidated financial statements are as follows:

(i) Functional currency

The functional currency for each of the Company's subsidiaries, is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

(ii) Impairment of exploration and evaluation properties

The carrying value of exploration and evaluation properties is reviewed each reporting period to determine whether there is any indication of impairment. If the carrying amount of an asset exceeds its

recoverable amount, the asset is impaired and an impairment loss is recognized in profit or loss. The assessment of fair values, including those of the cash-generating units, require the use of estimates and assumptions for recoverable production, long-term commodity prices, discount rates, foreign exchange rates, future capital requirements and operating performance. Changes in any of the assumptions or estimates used in determining the fair value of assets could impact the impairment analysis.

Accounting policies

Please refer to the audited annual financial statements for the year ended July 31, 2025 for the Company's significant accounting policies, which was filed on SEDAR.

Risk and uncertainties

The operations of the Company are speculative due to the nature of its business which is the investment in the exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Operating Hazards and Risks

Exploration and development of natural resources involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Although the Company has or will obtain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Title to Assets

Although the Company has or will receive title options for any concessions in which it has or will acquire a material interest, there is no guarantee that title to such concessions will be not challenged or impugned. In some countries, the system for recording title to the rights to explore, develop and mine natural resources is such that a title opinion provides only minimal comfort that the holder has title. Also, in many countries, claims have been made and new claims are being made by aboriginal peoples that call into question the rights granted by the governments of those countries.

The successful exploration and development of the Company's properties is dependent on support from local communities. A community agreement may be required to permit the Company to conduct exploration activities on its projects. There is no assurance that such an agreement can be reached or, if reached, subsequently renewed or extended. The Company is committed to working in partnership with its local communities in a manner which fosters active participation and mutual respect. The Company works towards minimizing negative project impacts, encouraging certain joint consultation processes, addressing certain decision making processes and towards maintaining meaningful ongoing dialogue. The Company regularly consults with the communities close to its exploration and development activities.

Management

The Company is dependent on a relatively small number of key employees, the loss of any of whom could have an adverse effect on the Company.

Requirement of New Capital

As an early exploration/development company, the Company typically needs more capital than it has available to it or can expect to generate through the sale of its products. In the past, the Company has had to raise, by way of debt and equity financing, considerable funds to meet its capital needs. There is no guarantee that the Company will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion will limit the

Company's growth. It is the intention of the company to invest in cash-flowing assets, to migrate the business into a situation where the need to raise capital on the markets for continued operation is reduced over time.

Metals Pricing Risk

The feasibility of the Company's mineral exploration and development is significantly affected by changes in the market price of gold, copper and silver. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control. The level of interest rates, the rate of inflation, world supply of gold and stability of exchange rates can all cause significant fluctuations in gold prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

Risk of Foreign Operations

In Peru, the jurisdiction in which the Company has its operations and mineral properties, the Company is subject to various political, economic and other uncertainties, including the risks of civil unrest, expropriation, nationalization, renegotiation or nullification of existing concessions, licenses, permits, approvals and contracts, and changing political conditions. In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. It is not possible for the Corporation to accurately predict such developments or changes in laws or policy or to what extent any such changes may have a material adverse effect on the Company's operations.

Other Significant Risks

In addition to the foregoing, the Company's business risks include operating hazards, environmental and other government regulations, competition in the marketplace, and the market for our securities. Its properties are located in Peru and are subject to the laws and regulations of that country. The Company carries on its exploration activity outside of Canada. Accordingly, it is subject to the risks associated with the fluctuation of the rate of exchange of the Canadian dollar and foreign currencies, in particular the US dollar and the Peruvian soles. Such fluctuations may materially affect the Company's financial position and results.

Forward-Looking Statements

This MD&A contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors discussed in filings made by us with the Canadian securities regulatory authorities. Should one or more of these risks and uncertainties, such as the actual results of current exploration and development programs, the general risks associated with the mining industry, the price of gold and other metals, reduced funding, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward-looking financial statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated or expected. We do not intend and do not assume any obligation to update these forward-looking statements, except as required by law. Shareholders are cautioned not to put undue reliance on such forward-looking statements.

The technical information in this report relating to the Greater Las Huaquillas project has been derived from: NI 43-101 Technical Report (the "Technical Report") on the Las Huaquillas Au, Ag, Cu Property, Cajamarca, Peru (15 August 2011) prepared by Luc Pigeon, P.Geo., of Gateway Solutions SAC, a Qualified Person under NI 43-101. The Company has not sought any form of consent from either the Qualified Person, or the Issuer which commissioned the Technical Report, but rather references this Technical Report in an historical context as the report was originally submitted for exchange approval on August 15, 2011. It should be noted that there has not been sufficient drilling and/or sufficient previous exploration at Las Huaquillas upon which to base a mineral resource or mineral reserve estimate compliant to the current standards of National Instrument 43-101, and the Company has not undertaken any independent verification of the data contained in that report by a Qualified Person or Persons acting for the Company. There has been no additional or independent verification site visits, sampling or analytical work undertaken

by the Company with respect to the Las Huaquillas property. The Company has relied entirely upon historic disclosure relating to the Las Huaquillas project in preparing this report.

This MD&A has been approved by the Board of Directors of the Company, and contains certain information that is current to the date of this report. Events occurring after that date could render the information contained herein inaccurate or misleading in a material respect. The Company may, but is not obligated to, provide updates to forward-looking statements, including in subsequent news releases and its interim MD&A as filed with regulatory authorities. Additional information relating to the Company is available on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at <http://www.sedarplus.ca>.

Qualified person

The technical information in this Management Discussion and Analysis has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed on behalf of the Company by Luc Pigeon B.Sc., M.Sc., P.Geo. and Jean Pautler, P.Geo. of JP Exploration Services Inc., Whitehorse, YK.

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