



Management's Discussion and Analysis

**For the three and nine months ended July 31, 2025 and 2024
(Expressed in United States dollars)**

ARRAS MINERALS CORP.

Management's Discussion and Analysis

For the three and nine months ended July 31, 2025 and 2024

(Expressed in United States Dollars, except as noted)

INTRODUCTION

This management's discussion and analysis ("**MD&A**") has been prepared by management in accordance with the requirement of NI 51-102 as of September 25, 2025, reviews and summarizes the activities of Arras Minerals Corp. (the "**Company**" or "**Arras**") for the three and nine month periods ended July 31, 2025 and 2024 and was prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. This MD&A is intended to supplement the Company's unaudited condensed interim consolidated financial statements for the three and nine month period ended July 31, 2025 and the Company's audited consolidated financial statements for the year ended October 31, 2024, and the related notes contained respectively therein which have been prepared under IFRS. All amounts are in United States dollars ("**\$USD**") unless otherwise specified.

Management is responsible for the preparation and integrity of the condensed interim consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

GENERAL BUSINESS OVERVIEW

Arras Minerals Corp. ("**Arras**") is a Canadian exploration and development company advancing a portfolio of copper and gold assets in northeastern Kazakhstan, including the Elemes copper-gold porphyry project. The Company has secured one of the largest license packages in the country prospective for copper and gold.

Arras was incorporated on February 5, 2021, under the *Business Corporations Act* (British Columbia) as a wholly owned subsidiary of Silver Bull Resources, Inc. ("**SVB**" or "**Silver Bull**"). Arras was formed to hold SVB's interests in the Beskauga property located in Kazakhstan (the "**Beskauga Property**"), which consists of the Beskauga Main project (the "**Beskauga Main Project**") and the Beskauga South project (the "**Beskauga South Project**" and together with the Beskauga Main Project, the "**Beskauga Project**"). On September 24, 2021, SVB completed the Spin Out (as defined below). The Company's head office is located at Suite 1605, 777 Dunsmuir Street, Vancouver, British Columbia, Canada, V7Y 1K4 and its registered and records office is located at Suite 2600, 1066 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3X1.

On March 19, 2021, SVB transferred its Kazakh assets to the Company pursuant to the terms of an Asset Purchase Agreement (the "**APA**") in exchange for the issuance of 36,000,000 common shares in the capital of the Company (each a "Common Share") to SVB (the "**Asset Transfer**"). The transferred assets included an option agreement with respect to the Beskauga Property (the "**Beskauga Option Agreement**"), a joint venture agreement with respect to the Stepnoe and Ekidos properties and loans payable by Ekidos Minerals LLP ("**Ekidos LLP**") to SVB. Subsequently, on September 24, 2021, SVB distributed 34,547,838 Common Shares issued to SVB in respect of the Asset Transfer to its shareholders by way of a special dividend, on the basis of one Common Share for each common share in the capital of SVB (the "**Distribution**" and, together with the Asset Transfer, the "**Spin Out**"). Prior to completion of the Spin Out, the Company entered into a Separation and Distribution Agreement (the "**Separation and Distribution Agreement**") with Silver Bull. The Separation and Distribution Agreement set forth the Company's agreements with Silver Bull regarding the principal actions to be taken in connection with the Distribution and the Spin Out.

On February 3, 2022, the Company purchased 100% of the issued and outstanding shares of Ekidos LLP and Ekidos LLP became a wholly owned subsidiary of the Company. The total consideration was \$1,000.

On February 10, 2023, Arras Metals Ltd. was incorporated at the Astana International Financial Centre in Astana, Republic of Kazakhstan, as a wholly owned subsidiary of the Company, for the purpose of holding mineral exploration investments.

On December 6, 2023, the Company entered into an Alliance Agreement (the "**Teck Alliance Agreement**") with Teck Resources Limited ("**Teck**") as described in the "Discussion of Operations" section below.

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OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

The following selected information has been derived from the Company's condensed interim consolidated financial statements for the three and nine months ended July 31, 2025 and 2024 and should be read in conjunction with the Company's condensed interim consolidated financial statements, which are available at www.sedarplus.com:

SUMMARY OF FINANCIAL RESULTS

	July 31, 2025	October 31, 2024
	\$	\$
Cash and cash equivalents	12,416,938	1,727,459
Mineral properties	1,415,956	5,035,259
Total assets	15,419,049	8,419,108
Current liabilities	668,579	1,645,387
Total liabilities	668,579	1,683,947
Working capital (excluding warrant derivative liability)	12,834,373	2,027,419

	For the three months ended July 31, 2025	For the three months ended July 31, 2024	For the nine months ended July 31, 2025	For the nine months ended July 31, 2024
	\$	\$	\$	\$
Expenses				
Exploration	1,330,561	113,277	2,682,192	769,564
Personnel	238,178	177,633	805,237	604,769
Marketing and shareholders' communication	86,846	100,097	199,629	203,852
Directors' fees	64,030	33,809	211,168	110,780
Professional services	26,361	11,013	106,717	111,580
Office and administrative	6,487	13,339	36,070	39,726
Depreciation	19,970	20,577	60,720	61,731
Loss from operations	(1,772,433)	(469,745)	(4,101,733)	(1,902,002)
Management fee	45,817	101,430	124,398	101,430
Foreign currency translation (loss) gain	(84,831)	(38,228)	153,490	60,266
Mineral property impairment	(3,619,303)	-	(3,619,303)	-
Interest income	101,774	12,987	126,190	19,321
Other income	-	1,094	-	1,001,094
Change of fair value of warrant derivative	-	(299,946)	(2,179,405)	(299,946)
Other income (loss)	(3,556,543)	(222,663)	(5,394,630)	882,165
Net and Comprehensive Loss for the Period	(5,328,976)	(692,408)	(9,496,363)	(1,019,837)
Basic and Diluted Loss Per Common Share	(0.04)	(0.01)	(0.09)	(0.01)
Weighted Average Number of Common Shares Outstanding	120,253,702	81,036,519	103,597,891	72,783,448

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Results of Operations

For the three months ended July 31, 2025 and 2024

For the three months ended July 31, 2025, the Company had no revenue and incurred a net loss of \$5,329,000 compared to a net loss of \$692,000 for the same period last year.

Exploration costs and Related Costs

Exploration costs increased \$1,127,000 to \$1,331,000 for the three months ended July 31, 2025 as compared to \$113,000 for the same period last year. The increase was primarily due to an increase in exploration activities, site operation, personnel and travel costs, which were offset by \$761,000 of funding received to cover project expenditures pursuant to the Teck Alliance Agreement.

A summary of the material components of the Company's exploration expenses during the three months ended July 31, 2025 and 2024 are as follows:

	For the three months ended July 31, 2025	For the three months ended July 31, 2024
Drilling and sampling	\$ 1,315,896	\$ 406,389
Personnel	339,725	291,909
Stock-based compensation	38,862	-
Site operations	190,561	145,982
Target generation	180,000	-
Professional services	4,200	-
Insurance	3,888	3,753
Travel	6,040	776
Depreciation	12,137	6,769
Teck Alliance Agreement funding	(760,748)	(742,301)
Total Exploration and Related Costs	\$ 1,330,561	\$ 113,277

Corporate General and Administrative Expenses

A summary of the material components of the Company's general and administrative expenses during the three months ended July 31, 2025 and 2024 are as follows:

	For the three months ended July 31, 2025	For the three months ended July 31, 2024
Personnel	\$ 180,221	\$ 177,633
Personnel – stock-based compensation	57,957	-
Directors' fees	31,968	31,787
Directors' fees – stock-based compensation	32,062	2,022
Professional services	26,361	11,013
Marketing and shareholders' communication	86,846	100,097
Office and administrative	6,487	13,339
Depreciation	19,970	20,577
Total Corporate Costs	\$ 441,872	\$ 356,468

Personnel

Personnel costs increased \$60,000 to \$238,000 for the three months ended July 31, 2025 as compared to \$178,000 for the same period last year. The increase was mainly due to \$58,000 in stock-based compensation expenses

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recorded in three months ended July 31, 2025 compared to \$nil stock-based compensation in the same period last year.

Directors' fees

Directors' fees increased \$30,000 to \$64,000 for the three months ended July 31, 2025 as compared to the \$34,000 for the same period last year. The increase was entirely due to a \$30,000 increase in stock-based compensation expenses compared to the same period last year.

Professional services

Professional fees increased \$15,000 to \$26,000 for the three months ended July 31, 2025 as compared to \$11,000 for the same period last year. The increase was mainly due to an increase in legal costs during the current period.

Marketing and shareholder's communication

Marketing and shareholders' communication decreased \$13,000 to \$87,000 for the three months ended July 31, 2025 as compared to \$100,000 for the same period last year. The decrease was mainly due to decreased promotional activities in the current period.

Office and administrative

Office and administrative costs decreased \$7,000 to \$6,000 for the three months ended July 31, 2025 as compared to \$13,000 for the same period last year. The decrease was mainly due to a decrease in travel costs during the current period.

Stock-based compensation

Stock-based compensation was a factor in the fluctuations in general and administrative expenses. Overall stock-based compensation included in general and administrative expense increased to \$90,000 for the three months ended July 31, 2025 from \$2,000 for the same period last year. This was mainly due to stock options vesting in the three months ended July 31, 2025 having a higher fair value than stock options vesting in the comparable period.

Depreciation

Depreciation costs in the three months ended July 31, 2025 were the same as last year.

Other income (loss)

The Company recorded other loss of \$3,557,000 for the three months ended July 31, 2025, as compared to other loss of \$223,000 for the comparable period last year. The significant factors contributing to other income in the three months ended July 31, 2025 were primarily due to a \$3,619,000 mineral property impairment relating to the termination of the Beskauga option agreement, \$102,000 of interest income and \$45,000 in management fees from Teck pursuant to Teck Alliance Agreement, as described in the "Discussion of Operations" section below, which was offset by \$85,000 in foreign currency exchange loss. The significant factors contributing to other loss in the three months ended July 31, 2024 were primarily the \$300,000 from change in fair value of the warrant derivative liability due to an increase in the fair value of warrants with a \$CDN exercise price from June 6, 2024 to July 31, 2024 and a \$38,000 foreign currency exchange loss, which was offset by \$13,000 of interest income and \$101,000 in management fees from Teck pursuant to Teck Alliance Agreement, as described in the "Discussion of Operations" section below.

For the nine months ended July 31, 2025 and 2024

For the nine months ended July 31, 2025, the Company had no revenue and incurred a net loss of \$9,496,000 compared to a net loss of \$1,020,000 for the same period last year.

Exploration costs

Exploration costs increased \$1,912,000 to \$2,682,000 for the nine months ended July 31, 2025 as compared to \$770,000 for the same period last year. The increase was primarily due to an increase in exploration activities, site operation, personnel and travel costs, which was offset by \$1,784,000 of funding received to cover project expenditures pursuant to the Teck Alliance Agreement.

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A summary of the material components of the Company's exploration expenses during the nine months ended July 31, 2025 and 2024 are as follows:

	For the nine months ended July 31, 2025		For the nine months ended July 31, 2024	
Drilling and sampling	\$	2,608,467	\$	1,097,741
Personnel		947,017		876,558
Stock-based compensation		137,602		690
Site operations		504,465		400,963
Target generation		180,000		-
Professional services		10,200		11,680
Insurance		11,664		11,259
Travel		32,868		2,886
Depreciation		33,584		31,003
Teck Alliance Agreement funding		(1,783,675)		(1,663,216)
Total Exploration and Related Costs	\$	2,682,192	\$	769,564

Corporate General and Administrative Expenses

A summary of the material components of the Company's general and administrative expenses during the nine months ended July 31, 2025 and 2024 are as follows:

	For the nine months ended July 31, 2025		For the nine months ended July 31, 2024	
Personnel	\$	593,376	\$	604,769
Personnel – stock-based compensation		211,861		-
Directors' fees		93,968		96,410
Directors' fees – stock-based compensation		117,200		14,370
Professional services		106,717		111,580
Marketing and shareholders' communication		199,629		203,852
Office and administrative		36,070		39,726
Depreciation		60,720		61,731
Total Corporate Costs	\$	1,419,541	\$	1,132,438

Personnel

Personnel costs increased \$200,000 to \$805,000 for the nine months ended July 31, 2025 as compared to \$605,000 for the same period last year. The increase was mainly due to a \$212,000 increase in stock-based compensation expense, which was offset by an \$11,000 decrease in Canadian dollar salary costs due to the strengthening of the USD.

Professional services

Professional fees decreased \$5,000 to \$107,000 for the nine months ended July 31, 2025 as compared to \$112,000 for the same period last year. The decrease was mainly due to other professional fees related to the compensation analysis during the same period last year, which was offset by increased legal costs in the current period.

Marketing and shareholder's communication

Marketing and shareholders' communication costs of \$200,000 for the nine months ended July 31, 2025 were similar to the \$204,000 in such costs for the comparable period last year.

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Directors' fees

Directors' fees increased \$100,000 to \$211,000 for the nine months ended July 31, 2025 as compared to the \$111,000 for the same period last year. The increase was mainly due to a \$103,000 increase in stock-based compensation.

Office and administrative

Office and administrative costs of \$36,000 for the nine months ended July 31, 2025 were similar to the \$40,000 in such costs for the comparable period last year.

Stock-based compensation

Stock-based compensation was a factor in the fluctuations in general and administrative expenses. Overall stock-based compensation included in general and administrative expense increased to \$329,000 for the nine months ended July 31, 2025 from \$14,000 for the same period last year. This was mainly due to stock options vesting in the nine months ended July 31, 2025 having a higher fair value than stock options vesting in the comparable period.

Depreciation

Depreciation costs in the nine months ended July 31, 2025 were similar to last year.

Other (loss) income

The Company recorded other losses of \$1,775,000 for the nine months ended July 31, 2025, as compared to other income of \$882,000 for the comparable period last year. Other losses in the current period were primarily due to a \$3,619,000 mineral property impairment relating to the termination of the Beskauga option agreement, a \$2,179,000 change in the fair value of the warrant derivative liability which was due to an increase in the fair value of warrants with a \$CDN exercise price from October 31, 2024 to April 30, 2025. This was offset by a \$153,000 foreign currency exchange gain, \$126,000 of interest income and \$124,000 in management fees from Teck pursuant to Teck Alliance Agreement. The significant factors contributing to other income for the nine months ended July 31, 2024 were primarily the \$1,000,000 paid by Teck and \$101,000 in management fees from Teck, both pursuant to Teck Alliance Agreement, as described in the "Discussion of Operations" section below. These were offset by \$300,000 from a change in fair value of the warrant derivative liability, which was due to an increase in the fair value of warrants with a \$CDN exercise price from June 6, 2024 (the issuance date) to July 31, 2024. Additionally, the Company recorded a \$60,000 foreign currency exchange gain and \$19,000 in interest income for the nine months ended July 31, 2024.

DISCUSSION OF OPERATIONS

Beskauga Option Agreement

On June 10, 2025, the Company announced that it had elected not to exercise the purchase option for the Beskauga property, and the Beskauga Option Agreement was mutually terminated by Copperbelt AG and the Company. As a result, the Company recorded a \$3,619,303 capitalized property concession balance relating to Beskauga, as described in the "Exploration and Evaluation Assets" section below.

Teck Alliance Agreement

On December 7, 2023, the Company entered into the Teck Alliance Agreement and received \$1,497,668 cash, including \$1 million for the reimbursement of certain related expenses made by the Company prior to the Teck Alliance Agreement and \$497,668 for exploration activities expected to be committed to or completed by December 31, 2023. Upon the terms and subject to the conditions set forth in the Teck Alliance Agreement, in order for Teck to earn and maintain its option, Teck must incur \$5 million in exploration expenditures on two licenses packages totaling approximately 1,736 square kilometres located in Pavlodar, Kazakhstan by December 31, 2025 (the "Initial Exploration Period"). Of this, \$2 million is a firm commitment to be completed in calendar year 2024. Arras is initially acting as manager of the projects under the Teck Alliance Agreement and Teck is expected to fund the projects on a quarterly basis based on an agreed upon project budget.

On the completion of the Initial Exploration Period, Teck may exercise an option in the Teck Alliance Agreement by selecting up to four designated properties up to 120 square kilometres each. Teck must pay \$500,000 for each

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designated property to the Company as an additional reimbursement for the previously invested exploration expenditures. Teck agrees to pay to the Company a management fee for administrative services between 5% to 10% of certain exploration expenditures, excluding capital asset purchases.

Teck will have three options to earn and maintain its option:

- "First Option": Teck may elect to solely fund \$5.5 million over the next two years (\$2.5 million committed in Year 1) and on completion will be deemed to own 51% of the designated property,
- "Second Option": Teck may elect to solely fund \$18 million over the next three years (\$5 million committed in Year 1) to earn an additional 14% (total of 65%) of the designated property,
- "Third Option": Teck may elect to solely fund \$24 million over four years (\$6 million committed in Year 1) to earn an additional 10% (total of 75%) of the designated property.

If Teck elects not to continue with the Teck Alliance Agreement before December 31, 2025, the licenses will remain 100% owned by the Company. If the Teck Alliance Agreement is terminated by Teck without cause at the Initial Exploration Period, the Company is under no obligation to reimburse Teck for amounts contributed under the Teck Alliance Agreement.

Package "A" licenses include: Maisor, Aktasty, Bozshakol South, Azhe – 1, Karatol – 1, Karatol – 2 and Karatol – 3. Package "B" licenses include: Akkuduk, Nogurbek and Besshoky.

As of July 31, 2025, Teck had funded \$4.70 million of the Initial Exploration Period funding requirement, and \$320,639 other liability was recorded in relation to the Teck Alliance Agreement which had not yet been expensed by the Company.

Exploration Licenses

On May 20, 2021, Ekidos LLP entered into the Maikain Joint Venture Agreement (the "**Maikain JV Agreement**") with Orogen LLP, a company incorporated under the laws of Kazakhstan, in connection with, among other things, mineral license applications for, and further exploration and evaluation of, certain properties in an area of interest, including the Akkuduk, Nogurbek, Maisor, Elemes, Aktasty, Besshoky, Aimandai and South Bosshakol properties located in Kazakhstan. The Maikain JV Agreement expired on May 20, 2024, so any new licenses entered into by Ekidos will not be subject to this agreement after this date. However, the Maikain JV Agreement does not terminate and continues in full force and effect with respect to any mineral licenses held by or on behalf of the Maikain joint venture as of the date of expiry.

As of July 31, 2025, Arras's wholly-owned subsidiary, Ekidos LLP, has been granted 17 exploration licenses in Kazakhstan. These exploration licenses have been granted for an initial 6-year period, with the possibility of a 5-year extension.

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Property	Exploration License	Year Granted	Exploration Blocks
Ekidos	875-EL	2020	118
Stepnoe	876-EL	2020	174
Akkuduk	1178-EL	2021	116
Nogurbek	1413-EL	2021	141
Maisor	1471-EL	2021	200
Elemes	1555-EL	2022	198
Aktasty	1675-EL	2022	197
Besshoky	1819-EL	2022	37
Aimandai	1840-EL	2022	50
South Bozshakol	1866-EL	2022	86
Azhe - 1	2207-EL	2023	58
Karatol - 2	2208-EL	2023	24
Tay	2241-EL	2023	56
Beskauga West	2345-EL	2024	8
Beskauga East	2346-EL	2024	8
Karatol - 3	2367-EL	2024	45
Karatol - 1	2608-EL	2024	44

Each exploration block is approximately 2.1 square kilometres.

Exploration Plan for 2025

At the Company's exploration licenses, building on the significant exploration progress in 2024, Arras is continuing its aggressive exploration efforts in 2025, focusing on its 100%-controlled Elemes license as well as the Arras-Teck Alliance properties.

The 2025 work program includes:

- At least 5,000 metres of drilling within the Arras-Teck Alliance license packages.
- 10,000 metres of drilling at Elemes (Phase 2 drill program of 20,000 metres for 2025 & 2026), following up on the copper-gold drill results announced in 2024.

The location of all Licenses mentioned are shown in the map below.

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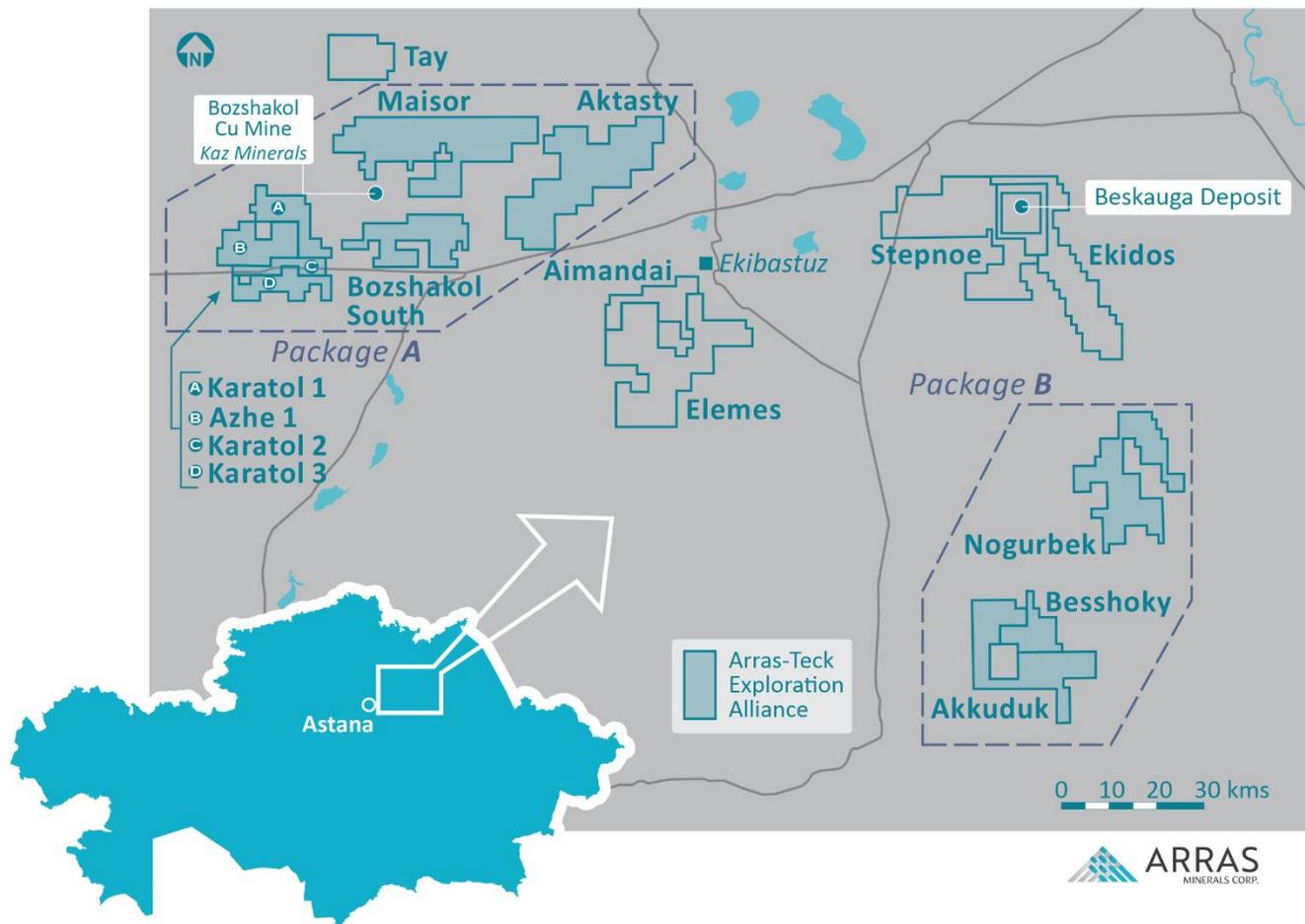


FIGURE 1. Map showing Arras’s mineral licence situation. Package A & Package B fall under the Strategic Alliance agreement with Teck Resources. Elemes, Amandai, Tay, Stepnoe and Ekidos are licences controlled by Arras.

Exploration and Evaluation Assets

As of October 31, 2024, a balance of \$5,035,259 was recorded as mineral property assets. This balance primarily consists of \$327,690 in relation to the acquisition of the Beskauga Option Agreement and other Kazakh assets from Silver Bull in March 2021, \$323,913 in relation to the issuance of common shares as a finder’s fee for the introduction of the owners of the Beskauga project to the Company and \$4,383,656 in relation to the acquisition of Ekidos LLP on February 3, 2022.

On June 10, 2025, the Company announced that it had elected not to exercise the purchase option for the Beskauga Property, and the Beskauga Option Agreement was mutually terminated by Copperbelt and the Company. As a result, the Company wrote off the capitalized property concession balance relating to Beskauga of \$3,619,303.

Property concessions – October 31, 2024	\$ 5,035,259
Impairment	(3,619,303)
Property concessions – July 31, 2025	<u>\$ 1,415,956</u>

The remaining capitalized balance represents expenditures in Ekidos Minerals LLP at Ekidos, Stepnoe, Akkuduk, Norgubek, Maisor and Elemes exploration licenses as of acquisition date of Ekidos Minerals LLP.

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Share Capital Highlights

During the nine months ended July 31, 2025

On April 17, 2025, the Company completed a private placement, issuing a total of 18,941,177 common shares at a price of \$CDN 0.85 per common share for gross proceeds of \$CDN 16,100,000 (\$11,487,692). The Company paid finder's fees totaling \$CDN 771,105 (\$550,200) to agents with respect to certain purchasers who were introduced to the Company. The Company incurred other offering costs associated with this private placement in the amount of \$174,257.

On April 17, 2025, options to acquire 300,000 common shares were exercised for options exercised at \$CDN 0.50 per common share for aggregate gross proceeds of \$105,381.

From March 17, 2025 to July 4, 2025, Silver Bull Warrants to acquire 245,00 common shares were exercised at an exercise price of \$0.25 per common share (exercise price per Arras share issuable). The Company received gross proceeds of \$61,250. The Company incurred other costs associated with this warrant exercise in the amount of \$916.

On March 14, 2025, options to acquire 100,000 common shares were exercised by way of a cashless exercise whereby the recipient elected to receive 47,435 common shares without payment of the exercise price and the remaining options for 52,565 common shares were surrendered.

On March 14, 2025, 1,495,484 RSUs that were granted in 2024 were settled as common shares of the Company.

From January 20, 2025 to March 14, 2025, warrants to acquire 10,134,332 common shares were exercised at an exercise price of \$CDN 0.40 per common share for aggregate gross proceeds of \$CDN 4,053,733 (\$2,834,418).

During the nine months ended July 31, 2024

On June 6, 2024, the Company completed a private placement for 20,268,662 units at an issuance price of \$CDN 0.26 per unit (the "\$CDN 0.26 Unit") for gross proceeds of \$3,850,542 (\$CDN 5,269,852). Each \$CDN 0.26 Unit consists of one common share and one half of one transferable common share purchase warrant (each whole warrant, a "\$CDN 0.40 Warrant"). Each \$CDN 0.40 Warrant entitles the holder thereof to acquire one common share at a price of \$CDN 0.40 for a period of 36 months from the closing of the private placement. In the event the volume weighted average trading price of the Company's common shares on the TSXV meets or exceeds C\$0.60 for fifteen (15) consecutive trading days at any time after four months and one day following closing of the offering, the Company shall have the option, but not the obligation, at any time thereafter to accelerate the expiry date to a date that is thirty (30) days following the date of issuance of a news release by the Company announcing the acceleration of the expiry date. The Company paid finders' fees totaling \$60,110 to agents with respect to certain purchasers who were introduced by these agents. In addition, the Company incurred other offering costs of approximately \$48,252.

On March 14, 2024, 414,984 RSUs that were granted in 2023 were settled as common shares of the Company.

SUBSEQUENT EVENTS

Effective September 8, 2025, Mr. Christian Milau stepped down from the Board of Directors in order to meet new commitments he had taken on in his new role as President of Eldorado Gold Corporation. In his place, the Company announced the appointment of Mr. Scott Heffernan.

On September 8, 2025, the Company granted options to acquire 300,000 common shares with an exercise price of \$CDN 0.82 per common share. One-thirds vested immediately, one-third vested one year from grant date and the remaining one-third vests two years from grant date.

Subsequent to July 31, 2025 to the date of this MD&A, Silver Bull Warrants to acquire 271,300 common shares were exercised at an exercise price of \$0.25 per common share (exercise price per Arras share issuable). The

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Company received gross proceeds of \$67,825.

SUMMARY OF SELECTED HIGHLIGHTS OF QUARTERLY INFORMATION

The following tables contain quarterly information for the last eight quarters of the Company from August 1, 2023 through July 31, 2025:

	July 31, 2025	April 30, 2025	January 31, 2025	October 31, 2024
	\$	\$	\$	\$
Balance Sheet				
Current assets	13,502,952	14,699,585	1,613,645	2,711,032
Current liabilities	668,579	460,105	2,456,064	1,645,387
Working capital, excluding warrant derivative liability	12,834,373	14,230,480	950,452	2,027,419
Shareholders' Equity	14,750,470	19,840,584	4,775,375	6,735,161
Operations				
Total revenue	-	-	-	-
Net loss	(5,328,976)	(2,127,669)	(2,039,715)	(1,202,913)
	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023
	\$	\$	\$	\$
Balance Sheet				
Current assets	4,224,357	948,362	1,127,760	520,153
Current liabilities	2,293,290	1,424,072	1,056,633	654,161
Working capital (deficit), excluding warrant derivative liability	2,112,620	(475,710)	71,127	(134,008)
Shareholders' Equity	7,827,890	5,409,232	6,729,724	5,640,780
Operations				
Total revenue	-	-	-	-
Net (loss) income	(692,408)	(501,160)	173,729	(1,138,340)

The Company is focused on the exploration and development of its portfolio of exploration licenses in northeastern Kazakhstan and does not yet generate any revenue. The Company's changes in net income and loss from one period to another depends largely on exploration activities, corporate and administrative expenditure, strategic initiatives, such as the Teck Alliance Agreement, granting of stock options and the timing of the relevant vesting schedules, which are offset by any other expenses and income accrued in the period.

The fluctuations in working capital from quarter to quarter are dependent upon financing of the Company's operations.

LIQUIDITY AND CAPITAL RESOURCES

The net working capital of the Company at July 31, 2025 was \$12,834,000 (October 31, 2024: \$2,027,000, excluding warrant derivative liability).

For the nine months ended July 31, 2025, the Company used \$2,977,000 in cash for operating activities compared to \$537,000 generated for the same period last year. The significant increase was mainly the result of the Company increasing exploration activities in the current period and received \$2.3 million from Teck pursuant to Teck Alliance Agreement in the comparable period last year. The Company's cash flows from operations are negative as it is an exploration-stage company.

For the nine months ended July 31, 2025, the Company had net cash provided by financing activities of

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\$13,694,000, which were the net proceeds of the private placement completed, the net proceeds of warrant exercised and the net proceeds from stock option exercised, which was offset by \$71,000 in repayment of the lease liability. For the nine months ended July 31, 2024, the Company had net cash provided by financing activities of \$3,671,000, which were the net proceeds of the private placements completed in June 2024 and was offset by \$71,000 repayment of the lease liability.

Cash flows used in investing activity for the nine months ended July 31, 2025 was \$28,000 for the purchase of mining equipment. Cash flows used in investing activity for the nine months ended July 31, 2024 was \$6,000 for the purchase of equipment.

Liquidity Outlook

At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits and raise cash through financings. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

As of July 31, 2025, the Company has \$6.85 million in exploration expenditure commitments (to be spent over the next 4 years) mandated by relevant Kazakh government authorities to keep its exploration licenses in good standing, and \$58,000 in lease commitments relating to future contractually obligated payments of its corporate office.

	< 1 year (\$)	1-2 years (\$)	2-3 years (\$)	3-4 years (\$)	Total (\$)
Lease commitments	58,000	-	-	-	58,000
Exploration licenses expenditure commitments	2,134,000	2,275,000	1,740,000	697,000	6,846,000
	2,192,000	2,275,000	1,740,000	697,000	6,904,000

In order to finance the Company's operations, future exploration programs, make payments and undertake expenditures to maintain the effectiveness of the expenditure commitments and to cover administrative and overhead expenses, the Company will need to raise funds through equity issuances, from the exercise of warrant, debt, deferral of payments to related parties, or other forms of raising capital. Many factors influence the Company's ability to raise funds, including the health of the resources 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 short and long term but recognizes that there will be risks involved which may be beyond its control.

Going Concern

The Company's interim consolidated financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at July 31, 2025, the Company has not yet achieved profitable operations. This condition indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance the Company's operations, future exploration programs and to cover administrative and overhead expenses. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values. The interim consolidated financial statements of the Company for the nine months ended July 31, 2025 do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

OFF- BALANCE SHEET TRANSACTIONS

The Company has no off-balance sheet arrangements as at July 31, 2025 or at the date of this MD&A.

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RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

At July 31, 2025, and October 31, 2024, accounts payable and accrued liabilities, excluding unvested RSUs, contained the following amounts due to related parties:

	July 31, 2025		October 31, 2024	
CEO ⁽¹⁾	\$	-	\$	97,676
President ⁽²⁾		-		98,674
CFO ⁽³⁾		-		46,630
Directors' fees ⁽⁴⁾		-		9,343
Directors' fees ⁽⁴⁾		-		5,036
Directors' fees ⁽⁴⁾		-		4,520
Directors' fees ⁽⁴⁾		3,799		4,189
Directors' fees ⁽⁴⁾		4,496		4,851
Total	\$	8,295	\$	270,919

⁽¹⁾ Includes a bonus accrual and accrued payroll for 2024

⁽²⁾ Includes a bonus accrual and accrued payroll for 2024, and expense reimbursements.

⁽³⁾ Includes a bonus accrual for 2024.

⁽⁴⁾ For directors' fees.

During the nine months ended July 31, 2025, expenses totalling \$205,484 (July 31, 2024 - \$195,630) were incurred by Silver Bull on the Company's behalf pursuant to the Separation and Distribution Agreement, which provides for a framework for the relationship between the parties during and after the Distribution. If specific identification of expenses is not practicable, a proportional cost allocation based on management's estimation is applied. As at July 31, 2025, \$20,315 (October 31, 2024 - \$22,095) due to related party consists of amounts due to Silver Bull for office related costs and salaries reimbursements. The balance of due from and due to related party is interest free and is to be repaid on demand.

Silver Bull continues to incur the salaries of its employees and other office-related overhead costs and charge Arras for a portion of these costs on a pro-rata cost-recovery basis.

	July 31, 2025		July 31, 2024	
Personnel	\$	232,217	\$	215,716
Office and administrative		8,215		15,365
Office rent reimbursement		(34,948)		(35,451)
	\$	205,484	\$	195,630

During the nine months ended July 31, 2025 and 2024, the Company paid or accrued the following amounts to officers, directors or companies controlled by officers and/or directors:

	July 31, 2025		July 31, 2024	
Share-based payments	\$	314,773	\$	14,371

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CEO	201,944		204,745	
President	202,429		204,745	
CFO	109,409		122,847	
Directors' fees	32,539		33,191	
Directors' fees	14,715		15,212	
Directors' fees	14,715		15,212	
Directors' fees	15,184		13,829	
Directors' fees	15,149		16,595	
	\$	920,857	\$	640,747

PROPOSED TRANSACTIONS

The Company has no proposed transactions that have not been disclosed herein as at July 31, 2025 or as at the date of this MD&A.

FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, accounts payables and accrued liabilities, lease liability, due from related party and other liability. The carrying values of these financial instruments approximate their respective fair values due to the term of these instruments.

The Company's financial instruments classified as Level 1 in the fair value hierarchy are cash and cash equivalents, accounts payable and accrued liabilities and due to related party. The lease liability is classified as Level 3 financial instruments.

The warrant liability derivative is not traded in an active market, and the fair value is determined using valuation techniques. The estimates may be significantly different from those recorded in the consolidated financial statements because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market. All changes in the fair value are recorded in the consolidated statement of operations and comprehensive loss each reporting period. This is considered to be a Level 3 financial instrument.

The carrying values approximate the fair values due to the short-term maturity of these instruments. There were no transfers between fair value levels during the nine months ended July 31, 2025.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's credit risk on other receivables is negligible.

The Company's primary exposure to credit risk is its cash and cash equivalents of \$12,417,000 as at July 31, 2025. Management believes that the credit risk concentration with respect to cash and cash equivalents is remote as it maintains accounts with highly rated financial institutions. Cash and cash equivalents are denominated in \$USD, \$CDN and Kazakh Tenge, and consist of guaranteed investment certificates for the terms between 30 to 272 days acquired from a Canadian financial institution.

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Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating investing and financing activities. As at July 31, 2025, the Company had net working capital of \$12,834,373 (October 31, 2024 – \$2,027,419, excluding warrant derivative liability) and cash and cash equivalents of \$12,416,938 (October 31, 2024 - \$1,727,459), and is exposed to significant liquidity risk at this time. Furthermore, as the Company is in the exploration stage, it will periodically have to raise funds to continue operations and intends to raise further financing through equity offerings.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. The Company is not currently exposed to any significant interest rate risk or other price risk. The Company is exposed to foreign currency risk with respect to cash denominated in Canadian dollars. As at July 31, 2025 and October 31, 2024, a 10% strengthening (weakening) of the Canadian dollar against the United States dollar would have increased (decreased) the Company's comprehensive loss by approximately \$806,000 for the nine months ended July 31, 2025 (October 31, 2024 - \$81,000).

The Company also maintains a minimum cash balance of local currency in bank account in Kazakhstan and the Company assessed such foreign currency risk as low.

The Company has not hedged any of its foreign currency risks.

Commodity Price Risk

The ability of the Company to raise funds to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of copper and gold. The Company monitors copper and gold prices to determine the appropriate course of action to be taken.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities, revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgment on matters which are inherently uncertain. Details of the Company's significant accounting policies can be found in note 3 of the condensed interim consolidated financial statements for the three and nine months ended July 31, 2025 and note 3 of the Company's annual consolidated financial statements for the year ended October 31, 2024 filed on SEDAR on February 27, 2025.

OUTSTANDING SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of Common Shares without par value. As of the date of this MD&A, the Company had 120,622,774 Common Shares, 7,610,000 stock options and 1,454,989 SVB warrants issued and outstanding.

QUALIFIED PERSON AND INFORMATION CONCERNING ESTIMATES OF MINERAL PROJECTS

All of the scientific and technical information contained in this MD&A has been reviewed and/or approved by Matthew Booth, Vice President of Exploration of Arras Minerals Corp., a member of the American Institute of Professional Geologists, and a "Qualified Person" for the purposes of National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

RISKS AND UNCERTAINTIES

The Company's business, operations and future prospects are subject to significant risks. For details of these risks,

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refer to the risk factors set forth in the Company's final long form prospectus ("**Final Long Form Prospectus**"), filed on SEDAR on May 31, 2022.

Management is not aware of any significant changes to the risks identified in the Final Long Form Prospectus. Such risk factors could materially affect the Company's business, operations, prospects and share price and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations, prospects and share price of the Company. If any of the risks actually occur, the business of the Company may be harmed, and its financial condition and results of operations may suffer significantly.

FORWARD-LOOKING STATEMENTS

Certain statements, other than statements of historical fact, contained in this MD&A constitute "forward-looking information" within the meaning of certain securities laws, including the *Securities Act* (British Columbia) and are based on expectations, estimates and projections as of the date on which the statements are made in this MD&A. Forward-looking statements include, without limitation, statements with respect to:

- The sufficiency of our existing cash resources to enable us to continue our operations as a going concern;
- future payments that may be made by Teck under the terms of the Teck Alliance Agreement;
- the Company's planned activities at its exploration licenses in 2025 and beyond;
- the potential acquisition of additional mineral properties or property concessions;
- the impact of recent accounting pronouncements on the Company's financial position, results of operations or cash flows and disclosures;
- the Company's ability to raise additional capital and/or pursue additional strategic options, and the potential impact on its business, financial condition and results of operations of doing so or not; and
- the impact of changing foreign currency exchange rates on the Company's financial condition.

The words "plans", "expects", "scheduled", "budgeted", "projected", "estimated", "timeline", "forecasts", "anticipates", "suggests", "indicative", "intend", "guidance", "outlook", "potential", "prospects", "seek", "strategy", "targets" or "believes", or variations of such words and phrases or statements that certain future conditions, actions, events or results "will", "may", "could", "would", "should", "might" or "can", or negative versions thereof, "be taken", "occur", "continue" or "be achieved", and other similar expressions, identify forward-looking statements. Forward-looking statements are necessarily based upon management's perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management as of the date on which the statements are made in this MD&A, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect.

In addition to the various factors and assumptions set forth in this MD&A, the material factors and assumptions used to develop the forward-looking information include, but are not limited to:

- The continued funding by Teck of amounts required under the Teck Alliance Agreement;
- the future prices of metals and other commodities;
- the ability to raise any necessary additional capital on reasonable terms to advance exploration and development of the Company's exploration licenses;
- the demand for and stable or improving price of metals and other commodities;
- general business and economic conditions will not change in a material adverse manner;
- the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the accuracy of budgeted exploration costs and expenditures;
- future currency exchange rates and interest rates;
- operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner;

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- the Company's ability to attract and retain skilled personnel and directors;
- political and regulatory stability;
- the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms;
- obtaining required renewals for existing approvals, licenses and permits on favourable terms;
- requirements under applicable laws;
- sustained labour stability;
- stability in financial and capital markets; and
- availability of equipment.

By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. Known and unknown risk factors, many of which are beyond the control of the Company, could cause actual results to differ materially from the forward-looking information in this MD&A. Such factors, without limitation, the following, which are discussed in greater detail in the "Risk Factors" section of the Final Long Form Prospectus:

- the Company's ability to continue as a going concern;
- uncertain whether the Company's will be able to maintain sufficient cash to accomplish our business objectives;
- exploration activities require significant amounts of capital that may not be recovered;
- the Company's ability to meet its current and future capital requirements on favorable terms or at all;
- the Company being an exploration stage mining company with no history of operations;
- the Company having no commercially mineable ore body;
- the reliability of Mineral Resource estimates;
- the Company's ability to acquire additional mineral properties or property concessions;
- inherent risks in the mineral exploration industry;
- risks relating to fluctuations of metal prices;
- risks relating to competition in the mining industry;
- risks relating to the title to the Company's properties;
- risks relating to the Company's option and joint venture agreements;
- risks associated with joint ventures;
- ability to obtain required permits;
- timing of receipt and maintenance of government approvals;
- compliance with laws is costly and may result in unexpected liabilities;
- success depends on developing and maintaining relationships with local communities and other stakeholders;
- risks relating to social and environmental activism;
- risks relating to evolving corporate governance and public disclosure regulations;
- risks relating to foreign operations;
- risks relating to worldwide economic and political events;
- risk of political and economic instability in Kazakhstan;
- the Company's financial condition could be adversely affected by changes in currency exchange rates;
- risks relating the Company's "foreign private issuer" status;
- risks relating to the Company's possible status as a passive foreign investment company;
- risks relating to volatility in the Company's share value;
- further equity financings leading to the dilution of the Company's Common Shares;
- the Company's Common Shares continuing not to pay dividends;
- risks relating to information systems and cybersecurity;
- the Company's ability to retain key management, consultants and experts necessary to successfully operate and grow its business;
- the Company's overlapping officers and directors with Silver Bull may give rise to conflicts of interest;
- the Company's reliance on international advisors and consultants;

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- risks relating to changes in tax laws; and
- risks relating to changes in regulatory frameworks or regulations affecting the Company's activities.

These risk factors are not intended to represent a complete list of the factors that could affect the Company and investors are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.