



Management's Discussion and Analysis

For the years ended October 31, 2025 and 2024

(Expressed in United States dollars)

ARRAS MINERALS CORP.

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INTRODUCTION

This management's discussion and analysis ("**MD&A**") has been prepared by management, in accordance with the requirements of NI 51-102 as of February 26, 2026, and should be read in conjunction with the audited annual consolidated financial statements for the years ended October 31, 2025 and 2024, and the related notes contained respectively therein which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. All amounts are in United States dollars ("**\$USD**") unless otherwise specified.

Management is responsible for the preparation and integrity of the 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.

The Company's common shares are traded on the TSX Venture Exchange (the "**TSXV**") under the symbol "ARK" and on the OTC Markets under the symbol "ARRKF". Its most recent filings are available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and can be accessed at www.sedarplus.ca.

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.

Arras was incorporated on February 5, 2021, under the *Business Corporations Act* (British Columbia). 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 February 3, 2022, the Company purchased 100% of the issued and outstanding shares of Ekidos Minerals LLP ("**Ekidos**") and Ekidos became a wholly-owned subsidiary of the Company. Ekidos is in the business of the exploration and evaluation of mineral properties.

The Company's assets consist of a number of exploration licenses located in northeastern Kazakhstan, including the Elemes copper-gold porphyry project. Operations are conducted through Ekidos.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

The following selected information has been derived from the Company's consolidated financial statements for years ended October 31, 2025 and 2024, and should be read in conjunction with the Company's consolidated financial statements, which are available at www.sedarplus.ca:

SUMMARY OF FINANCIAL RESULTS

	October 31, 2025	October 31, 2024
	\$	\$
Cash and cash equivalents	10,401,194	1,727,459
Mineral properties	1,415,956	5,035,259
Total assets	14,515,818	8,419,108
Current liabilities	652,390	1,645,387
Total liabilities	652,390	1,683,947
Working capital	12,022,581	1,065,645

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	Three months		Year ended	
	October 31, 2025	October 31, 2024	October 31, 2025	October 31, 2024
Expenses	\$	\$	\$	\$
Exploration	825,537	693,194	3,507,727	1,462,757
Personnel	490,363	423,162	1,295,600	1,027,931
Marketing and shareholders' communication	50,259	50,068	249,888	253,920
Directors' fees	93,376	33,474	304,544	144,956
Professional services	20,216	29,375	126,933	140,956
Office and administrative	11,682	11,056	47,751	50,782
Depreciation	19,970	20,577	82,690	82,308
Loss from operations	(1,511,403)	(1,260,906)	(5,613,133)	(3,162,908)
Foreign currency exchange (loss) gain	(58,527)	(7,981)	94,963	52,285
Interest income	80,748	15,847	206,938	35,167
Management fee	28,583	38,747	152,981	140,177
Other income	396	3,622	396	1,004,716
Changes of fair value of warrant derivative	-	7,759	(2,179,405)	(292,187)
Mineral property impairment	-	-	(3,619,303)	-
Other income (loss)	51,200	57,994	(5,343,430)	940,158
Net and Comprehensive Loss for the Period	(1,460,203)	(1,202,912)	(10,956,563)	(2,222,750)
Basic and Diluted Loss Per Common Share	(0.01)	(0.01)	(0.10)	(0.03)
Weighted Average Number of Common Shares Outstanding	120,681,151	89,188,046	107,903,809	76,907,008

RESULTS OF OPERATIONS**Year Ended October 31, 2025**

For the year ended October 31, 2025, the Company had no revenue and incurred a net loss of \$10,957,000 compared to a net loss of \$2,223,000 for the year ended October 31, 2024.

Exploration and Related Costs

Arras incurred \$3,508,000 (2024 – \$1,463,000) for the year ended October 31, 2025 in exploration expenditure, net of \$2,189,000 (2024 – \$2,474,000) funded by Teck, pursuant to the Teck Alliance Agreement. These were mainly due to drilling and sampling costs, geological experts' costs, stock-based compensation, travel costs and other activities relating to the exploration program in Northeastern Kazakhstan.

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

	2025		2024	
Drilling and sampling	\$	3,218,074	\$	2,074,463
Personnel		1,317,904		1,181,607
Site operations		685,771		527,535
Target generation		180,000		-
Stock-based compensation		171,930		54,986
Professional services		10,200		13,380
Travel		45,209		3,912
Insurance		15,535		15,057
Depreciation		46,002		65,459
Other		6,319		91
Teck Alliance Agreement Funding		(2,189,217)		(2,473,733)
Total Exploration and Related Costs	\$	3,507,727	\$	1,462,757

Corporate General and Administrative Expenses

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

	2025		2024	
Personnel	\$	1,025,782	\$	1,027,931
Personnel – stock-based compensation		269,818		-
Directors' fees		125,549		128,536
Directors' fees – stock-based compensation		178,995		15,718
Marketing and shareholders' communication		249,888		253,920
Professional services		126,933		140,956
Office and administrative		47,751		50,782
Depreciation		80,690		82,308
Total Corporate Costs	\$	2,105,406	\$	1,700,151

Twelve Months Ended October 31, 2025 and 2024**Personnel**

Personnel costs for the year ended October 31, 2025 were \$1,296,000 compared to \$1,028,000 for the year ended October 31, 2024. The increase was mainly due to a \$270,000 increase in stock-based compensation expense.

Directors' fees

Directors' fees increased \$161,000 to \$305,000 for the year ended October 31, 2025 as compared to the \$144,000 for the year ended October 31, 2024. The increase was entirely due to an increase in stock-based compensation expense.

Marketing and shareholder's communication

Marketing and shareholders' communication expenses in the year ended October 31, 2025 were similar to the comparative period.

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Professional services

Professional fees decreased \$14,000 to \$127,000 for the year ended October 31, 2025 as compared to \$141,000 for year ended October 31, 2024. The decrease was mainly due to other professional fees related to a compensation analysis incurred in the prior year, which was offset by increased legal costs in the current year.

Office and administrative

Office and administrative costs decreased \$3,000 to \$48,000 for the year ended October 31, 2025 as compared to \$51,000 for the year ended October 31, 2024. The decrease was mainly due to a decrease in travel costs.

Depreciation

Depreciation costs of \$81,000 in the year ended October 31, 2025 were the similar to 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 \$449,000 for the year ended October 31, 2025 from \$16,000 for the year ended October 31, 2024. This was mainly due to stock options vesting in the year ended October 31, 2025 having a higher fair value than stock options vesting in the prior year.

Other (expense) income

The Company recorded other expense of \$5,343,000 for the year ended October 31, 2025, as compared to other income of \$940,000 for the year ended October 31, 2024. The significant factors contributing to other expense in the current year were a \$3,619,000 mineral property impairment charge 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 \$94,000 foreign currency exchange gain, \$207,000 of interest income and \$153,000 in management fees from Teck pursuant to Teck Alliance Agreement. The significant factor contributing to other income in the prior year were primarily the \$1,000,000 paid by Teck and \$140,000 in management fees from Teck, both pursuant to Teck Alliance Agreement, as described in the "Discussion of Operations" section below. These were offset by \$292,000 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 October 31, 2024. Additionally, the Company recorded a \$52,000 foreign currency exchange gain and \$35,000 in interest income for the year ended October 31, 2024.

Three Months Ended October 31, 2025 and 2024

For the three months ended October 31, 2025, the Company had no revenue and incurred a net loss of \$1,460,000 compared to a net loss of \$1,203,000 for the three months ended October 31, 2024.

Exploration costs

Exploration costs increased \$133,000 to \$826,000 for the three months ended October 31, 2025 as compared to \$693,000 for the three months ended October 31, 2024 due to increased exploration activities at the Company's Elemes project.

Personnel

Personnel costs for the three months ended October 31, 2025 were \$490,000 compared to \$423,000 for the three months ended October 31, 2024. The increase was mainly due to a \$58,000 increase in stock-based compensation expense and salary and accrued bonuses compared to the same period last year.

Directors' fees

Directors' fees for the three months ended October 31, 2025 were \$93,000 compared to \$33,000 for the three months ended October 31, 2024. The increase was entirely due to an increase in stock-based compensation expense.

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Marketing and shareholder's communication

Marketing and shareholders' communication in the three months ended October 31, 2025 were the same as the three months ended October 31, 2024.

Professional services

Professional fees decreased \$9,000 to \$20,000 for the three months ended October 31, 2025 as compared to \$29,000 for the three months ended October 31, 2024. The decrease was mainly due to decreased legal costs.

Office and administrative

Office and administrative costs of 12,000 for the three months ended October 31, 2025 were the same as the three months ended October 31, 2024.

Depreciation

Depreciation costs of \$20,000 for the three months ended October 31, 2025 were the same as the three months ended October 31, 2024.

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 \$120,000 for the three months ended October 31, 2025 from \$1,000 for the three months ended October 31, 2024. This was mainly due to stock options vesting in the three months ended October 31, 2025 having a higher fair value than stock options vesting in the comparable period.

Other income

The Company recorded other income of \$51,000 for the three months ended October 31, 2025, as compared to other income of \$58,000 for the comparable period last year. Other income in the current period was primarily \$80,000 of interest income and \$29,000 in management fees from Teck pursuant to Teck Alliance Agreement, as described in the "Discussion of Operations" section below, which was offset by a \$58,000 foreign currency exchange loss. Other income in the same period last year was primarily an \$8,000 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 July 31, 2024 to October 31, 2024, \$16,000 of interest income and \$38,000 in management fees from Teck pursuant to Teck Alliance Agreement, which was offset by a \$8,000 foreign currency exchange loss.

DISCUSSION OF OPERATIONS**Exploration and Evaluation Assets**

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 an impairment of \$3,619,303 to the capitalized property concession balance relating to Beskauga.

Property concessions – October 31, 2024	\$ 5,035,259
Impairment	(3,619,303)
Property concessions – October 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 the acquisition date of Ekidos Minerals LLP.

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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 Bozshakol 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 October 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.

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
Bozshakol South	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 sq km.

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Exploration License Map

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

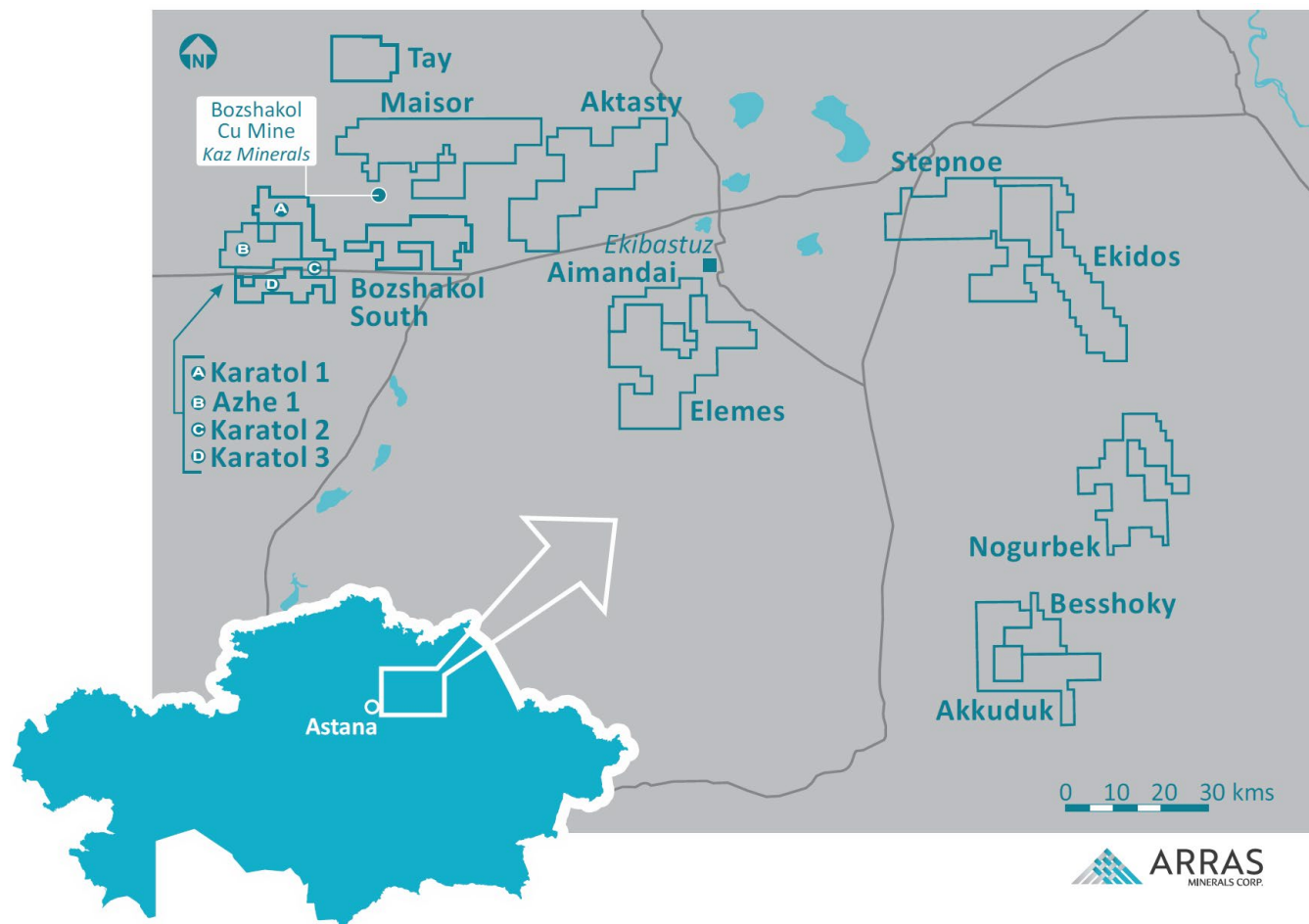


FIGURE 1. Map showing Arras' mineral licences.

2025 Summary of Activities

The Company commenced field work at Elmes in April following the successful completion of the equity financing earlier that month. The program focused on the entire license package not part of the Arras-Teck Exploration Alliance, including:

- A 64.9 square kilometre ("sq km") Vector Induced Polarization survey over the Aimagastuz Trend
- A 24.6 line-km Pole-Dipole Induced Polarization survey at Aimagastuz exploration targets
- 28 drill holes totaling approximately 9,632 m of core drilling on the Berezski Trend
- A 64 hole, 1,663 metre top of bedrock ("KKG"), drill program over the Berezski Central/Berezski East target areas
- 75 sq km Magnetotellurics ("MT") and Gravity surveys over the high-priority areas of the Berezski and Aimagastuz trends

At the Stepnoe and Ekidos licenses, in October 2025, the Company completed a large KKG drill program consisting of 659 holes, totaling 20,099 metres.

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Teck Alliance Agreement

On December 7, 2023, the Company and Teck entered into a Strategic 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 had to incur \$5 million in exploration expenditures on two licenses packages totaling approximately 1,900 sq km located in Pavlodar, Kazakhstan by December 31, 2025 (the "Initial Exploration Period"). Of this, \$2 million was a firm commitment completed in calendar 2024. Arras initially acted as manager of the projects under the Teck Alliance Agreement and Teck funded the projects on a quarterly basis based on an agreed upon project budget.

On the completion of the Initial Exploration Period, Teck had the option to select up to four designated properties up to 120 sq km each. Teck was to pay \$500,000 for each designated property to the Company as an additional reimbursement for the previously invested exploration expenditures. Teck agreed to pay to the Company a management fee for administrative services between 5% to 10% of certain exploration expenditures, excluding capital asset purchases.

Teck had 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.

As announced on February 9, 2026, Teck elected not to continue with the Teck Alliance Agreement. As such, 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.

Highlights of the two-year generative exploration program completed under the Teck Alliance Agreement included:

- Three new porphyry discoveries along a 54 km long porphyry trend running parallel to the Bozshakol Copper-Gold Mine Trend.
- Nearly 40,000 soil samples collected across the license packages for the purposes of XRF analysis.
- 18 diamond drill-holes, totaling 5,250.6 metres were drilled to date.
- Approximately 12,600 metres of KGK drilling across 479 holes, testing the top of bedrock.
- An approximate 3,650-line km Heli-TEM survey was flown over the entire license package.
- 181 sq km of Vector Induced Polarization (VIP) surveys conducted.
- 135.4 line-kilometre Pole-Dipole (P-DP) Inducted Polarization survey completed.
- Extensive field mapping was carried out across the entire license group.

As of October 31, 2025, Teck had funded \$2.31 million of the Year 2 funding requirement, and \$113,433 incurred in relation to the Teck Alliance Agreement was not yet paid by Teck (note that an additional \$167,769 was received subsequent to fiscal year end in January 2026, which is net of \$101,425 for purchasing mining equipment and vehicle).

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Exploration Plan for 2026

For 2026, Arras plans to continue its aggressive exploration efforts, building on the significant exploration progress in 2025, focusing on the Company's Elemes license.

The 2026 work program at Elemes will include:

- An expanded Phase 2 Elemes drill program, with an additional 20,000 metres of core drilling planned
- Primary emphasis on expanding the scale of Berezski Central and Berezski North targets
- Additional drilling extending the footprint of Berezski East Target and to find the source of the porphyry mineralization identified at the Novii target
- 6,000 metres of Top of Bedrock ("KGK") drilling planned at both Berezski and Aimandai Trends to accelerate target definition in these zones.

For the former Teck Strategic Alliance licenses, 2026 exploration plans include:

- At Shiderty (located within the Aktasty license), Bozshakol South and Besshoky targets, conducting MT and Gravity surveys, with follow-up diamond drilling.
- At Tort Kuduk (located within the Karatol 3 license), conducting a ground magnetic survey over the target and the large copper geochemical anomaly to the southwest to better define targets for follow-up drilling.
- At Akkuduk and Nogurbek, conducting IP surveys over the areas with historic drilling to help identify mineralization and follow-up with a drill program focusing on confirming the historic drill data to determine the size potential of the targets.

Additionally, as the Teck Strategic Alliance was focused on copper porphyry systems, initial targets identified to be more precious metals oriented were not advanced upon. Arras plans to include these targets in their 2026 exploration plans.

SHARE CAPITAL HIGHLIGHTS

During the year ended October 31, 2025

From March 17 to October 24, 2025, Silver Bull Warrants to acquire 1,827,230 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 \$456,808. The Company incurred other costs associated with this warrant exercise in the amount of \$1,812.

On September 12, 2025, options to acquire 300,000 common shares were exercised at \$CDN 0.35 by way of a cashless exercise whereby the recipient elected to receive 135,253 common shares without payment of the exercise price and the remaining options for 164,747 common shares were surrendered.

On September 12, 2025, options to acquire 41,666 common shares were exercised at \$CDN 0.83 by way of a cashless exercise whereby the recipient elected to receive 2,675 common shares without payment of the exercise price and the remaining options for 38,991 common shares were surrendered. The remaining unvested options for 83,334 common shares were cancelled.

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 at \$CDN 0.50 per common share for aggregate gross proceeds of \$108,248.

On March 14, 2025, options to acquire 100,000 common shares were exercised by way of a cashless exercise

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whereby the recipient elected to receive 47,435 common shares without payment of the exercise price and the remaining 52,565 options were cancelled.

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 \$CDN 0.40 per common share for aggregate gross proceeds of \$CDN 4,053,733 (\$2,834,418). The Company incurred other costs associated with this warrant exercise in the amount of \$813.

During the year ended October 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 any continuous fifteen (15) trading day period 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.

SUBSEQUENT EVENTS

On January 30, 2026, the Company received a payment of \$167,769 from Teck, which was net of \$101,425 for the acquisition of related capital assets assumed by the Company.

On February 9, 2026, Teck elected to terminate its option as per the Alliance Agreement.

Summary of SELECTED HIGHLIGHTS Of quarterly information

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

	October 31, 2025	July 31, 2025	April 30, 2025	January 31, 2025
	\$	\$	\$	\$
Balance Sheet				
Current assets	12,674,971	13,502,952	14,699,585	1,613,645
Current liabilities	652,390	668,579	460,105	2,456,064
Working capital excluding warrant derivative liability	12,022,581	12,834,373	14,230,480	950,452
Shareholders' Equity	13,863,428	14,750,470	19,840,584	4,775,375
Operations				
Total revenue	-	-	-	-
Net loss	(1,460,202)	(5,328,976)	(2,127,669)	(2,039,715)

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	October 31, 2024	July 31, 2024	April 30, 2024	January 31, 2024
	\$	\$	\$	\$
Balance Sheet				
Current assets	2,711,032	4,224,357	948,362	1,127,760
Current liabilities	1,645,387	2,293,290	1,424,072	1,056,633
Working capital (deficit), excluding warrant derivative liability	2,027,419	2,112,620	(475,710)	71,127
Shareholders' Equity	6,735,161	7,827,890	5,409,232	6,729,724
Operations				
Total revenue	-	-	-	-
Net (loss) income	(1,202,913)	(692,408)	(501,160)	173,729

The Company is focused on the exploration and development of the Elemes Project and its various other exploration licenses and does not yet generate any revenue. Changes in net income and loss from one period to another depend largely on exploration activities, corporate and administrative expenditure, granting of stock options and the timing of the relevant vesting schedules, which are offset by any other 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 as at October 31, 2025 was \$12,023,000 (October 31, 2024: net working capital: \$1,066,000).

For the year ended October 31, 2025, the Company used \$5,327,000 in cash for operating activities compared to \$2,205,000 for the year ended October 31, 2024. 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, which was offset by increased prepaid expenses and deposits due to the timing of payments. The Company's cash flows from operations are negative as it is an exploration stage company.

For the year end October 31, 2025, the Company had net cash provided by financing activities of \$14,032,000, 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 \$95,000 in repayment of the lease liability and \$33,000 payment for taxes withholding related to option exercised. For the year ended October 31, 2024, the Company had net cash provided by financing activities of \$3,647,000, which were the net proceeds of the private placement completed in June 2024 and was offset by \$95,000 repayment of the lease liability.

Cash flows used in investing activities for the year ended October 31, 2025 was \$32,000 for the purchase of mining equipment. For the year ended October 31, 2024, the Company used \$6,000 in cash 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.

Additionally, as of October 31, 2025, the Company has \$6.1 million in exploration commitments mandated by relevant Kazakh government authorities to keep its exploration licenses in good standing, and \$39,000 in lease commitments relating to future contractually obligated payments of its corporate office.

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	< 1 year (\$)	1-2 years (\$)	2-3 years (\$)	3-4 years (\$)	Total (\$)
Lease commitments	39,000	-	-	-	39,000
Exploration licenses expenditure commitments	2,057,000	1,940,000	1,469,000	598,000	6,064,000
	2,057,000	1,940,000	1,469,000	598,000	6,103,000

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 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 October 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 consolidated financial statements of the Company for the year ended October 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 October 31, 2025 or at the date of this MD&A.

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.

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

	October 31, 2025		October 31, 2024	
CEO ⁽¹⁾	\$	137,258	\$	97,676
President ⁽²⁾		137,258		98,674
CFO ⁽³⁾		84,568		46,630
Directors' fees ⁽⁴⁾		32,525		9,343
Directors' fees ⁽⁴⁾		14,850		5,036
Directors' fees ⁽⁴⁾		14,907		4,520
Directors' fees ⁽⁴⁾		7,811		4,189
Directors' fees ⁽⁴⁾		1,370		4,851
Directors' fees ⁽⁴⁾		3,079		-
Total	\$	433,626	\$	270,919

⁽¹⁾ Includes a bonus accrual and unsettled RSUs for 2025, and a bonus accrual 2024.

⁽²⁾ Includes a bonus accrual and unsettled RSUs for 2025, and a bonus accrual 2024.

⁽³⁾ Includes a bonus accrual and unsettled RSUs for 2025, and a bonus accrual 2024.

⁽⁴⁾ For directors' fees and unsettled DSUs.

During the year ended October 31, 2025, expenses totalling \$302,271 (2024: \$294,911) 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 October 31, 2025, \$20,285 due to related party consists of amounts due to Silver Bull for office and salaries reimbursements (October 31, 2024: \$22,095). The balance of due from and due to related party is interest free and is to be repaid on demand.

	For the year ended October 31, 2025		For the year ended October 31, 2024	
Personnel	\$	293,946	\$	275,087
Office and administrative		8,325		19,824
Directors' fees		-		-
Office rent reimbursement		(46,957)		(47,287)
	\$	255,314	\$	247,624

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

	For the year ended October 31, 2025		For the year ended October 31, 2024	
Share-based payment	\$	428,359	\$	14,371
CEO		351,381		341,857
President		351,381		341,857
CFO		199,799		188,961
Directors' fees		43,382		44,178
Directors' fees		19,628		20,249
Directors' fees		19,684		20,249
Directors' fees		20,605		17,249
Directors' fees		17,040		22,089
Directors' fees		3,079		-
	\$	1,454,338	\$	1,011,060

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PROPOSED TRANSACTIONS

The Company has no proposed transactions that have not been disclosed herein as at October 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, loans to Ekidos, accounts payables and accrued liabilities and due from / due to related party. 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 year ended October 31, 2025.

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

Credit risk

The Company's primary exposure to credit risk is its cash and cash equivalents of \$10,401,194 at October 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 of less than 100 days acquired from a Canadian financial institution.

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 October 31, 2025, the Company had net working capital of \$12,023,870 (2024 – \$1,065,645) and cash and cash equivalents of \$10,401,194 (2024 - \$1,727,459), and is not exposed to significant liquidity risk at this time. However, since the Company is in the exploration stage, it will periodically have to raise funds to continue operations and intends to raise further financing through private placements.

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

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Company is exposed to foreign currency risk with respect to cash denominated in Canadian dollars. As at October 31, 2025 and 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 \$707,000 and \$78,000 for the years ended October 31, 2025 and 2024, respectively.

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 consolidated financial statements for the year ended October 31, 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 122,071,632 Common Shares and 7,610,000 stock options 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 Minerals Projects.

RISKS AND UNCERTAINTIES

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

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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;
- the prospects of entering the development or production stage with respect to the Elemes Project;
- the Company's planned activities at the Elemes Project in 2026 and beyond;
- the Company's ability to obtain and hold additional concessions in the Elemes Project area;
- the Company's planned activities at its exploration licenses in 2026 and beyond;
- the sufficiency of the Company's surface rights in respect of the Elemes Property if a mining operation is determined to be feasible;
- 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 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 Elemes Project and the Company's other 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;
- 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

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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;
- 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.