

MANAGEMENT DISCUSSION & ANALYSIS – NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2025

The following management discussion and analysis (“MD&A”) of the results of the operations and financial position of Trinity One Metals Ltd. (Formerly Aranjin Resources Ltd.) (the “Company” or “Trinity One”) for the nine month period ended September 30, 2025 and should be read in conjunction with the Company’s condensed interim consolidated financial statements for the nine-month period ended September 30, 2025 as well as the audited consolidated financial statements for the years ended December 31, 2024, and 2023 which are available on the SEDAR+ website at www.sedarplus.ca. This MD&A contains information for the year ended to the date this report being November 26, 2025.

The financial information in this MD&A is derived from the Financial Reports prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and with the interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). All figures contained in this MD&A are presented in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

This MD&A includes certain forward-looking statements or information. All statements other than statements of historical fact included in this MD&A including statements relating to the potential mineralization or geological merits of the Company’s mineral properties and the future plans, objectives or expectations of the Company are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include among other things, statements regarding future commodity pricing, estimation of mineral reserves and resources, timing and amounts of estimated exploration expenditures and capital expenditures, costs and timing of the exploration and development of new deposits, success of exploration activities, permitting time lines, future currency exchange rates, requirements for additional capital, government regulation of mining operations, environmental risks, anticipated reclamation expenses, timing and possible outcome of pending litigation, timing and expected completion of property acquisitions or dispositions, and title disputes. They may also include statements with respect to the Company’s mineral discoveries, plans, out-look and business strategy. The words “may”, “would”, “could”, “should”, “will”, “likely”, “expect”, “anticipate”, “intend”, “estimate”, “plan”, “forecast”, “project” and “believe” or other similar words and phrases are intended to identify forward-looking information.

Forward-looking statements are predictions based upon current expectations and involve known and unknown risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company’s plans or expectations include risks relating to the actual results of exploration programs, fluctuating commodity prices, the possibility of equipment breakdowns and delays, the availability of necessary exploration equipment including drill rigs, exploration cost overruns, general economic or business conditions, regulatory changes, and the timeliness of government or regulatory approvals to conduct planned exploration work. Additional factors that could cause actual results to differ materially from the Company’s plans or expectations include political events, fluctuations in mineralization grade, geological, technical, mining or processing problems, future profitability on production, the ability to raise sufficient capital to fund exploration or production, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments, inability to obtain permits, general volatility in the equity and debt markets, accidents and labour disputes and the availability of qualified personnel.

Although the Company has attempted to identify all of the factors that may affect our forward-looking statements or information, this list of the factors is not exhaustive. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks and uncertainties detailed throughout this MD&A

DESCRIPTION OF BUSINESS

Trinity One Metals Ltd. (the “Company” or “Trinity One”) was incorporated on November 14, 2012, under the laws of British Columbia. The Company’s registered and records office is 1200-750 W. Pender Street, Vancouver BC, V6C 2T8.

The Company is engaged in the business of the acquisition and exploration of mineral properties prospective for precious and base metals in Mongolia and Australia.

The Company trades on the TSX Venture Exchange under the trading symbol “TOM”, on the OTC Pink market under the symbol “ARJNF”, and on the Frankfurt Stock Exchange under the symbol “5D50”.

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

OUTLOOK AND OVERVIEW OF ASSETS

The Company expects to continue the exploration of the Victory Copper Project, Galwer Project, and Western Wood Project. The Company is also seeking joint venture opportunities to advance its projects further.

Victory Copper Project – Mongolia

The Company formalized its 80% ownership interest in its primary asset, the Mongolian Victory Copper Project, further to the announcement on February 1, 2022, whereby the Company which sets out the terms for an exploration joint venture (the “Arrangement”) with Lithium ION Energy Ltd (“Lithium ION”).

Following exploration work by both parties in 2022 and 2023, the parties agreed to formally separate their ownership of the Victory Copper Project previously wholly owned by Lithium ION. The split of the Baavhai Uul license was approved by the Mineral Resource and Petroleum Authority of Mongolia on November 26, 2023. Under the arrangement, Trinity One owns 80% of the Victory Copper Project and relinquished exploration rights to the remainder of the license comprising the Baavhai Uul project. Lithium ION will retain a 20% free carried interest in the Victory Copper Project until commercial production.

The Victory Discovery is one of approximately 25 copper geochemical discoveries on the Baavhai Uul Exploration Licence associated with ultramafic and mafic intrusives (differentiated mafic sills) and is only the first to be followed up by 50m x 50m grid spaced shallow auger geochemical drilling. This type of mineralization and host lithology hosts many known deposits in northern China including the Tier-1 Jinchuan Deposit.

On January 10, 2024, the Company completed analysis of auger geochemical and ground geophysical data across the Victory intrusive at the Victory Copper Discovery in Mongolia. This has highlighted numerous targets for further exploration. The Company has prepared a six hole diamond drill plan, totaling 2000m, to target priority copper gold geochemical and IP anomalies at Victory.

Victory Project Highlights

- **Next door to buyers:** 24km to the border with China; direct road access to buyers and smelters.
- **Drill ready catalysts:** Six diamond core drill holes (2,000m) planned into the highest ranked targets.
- **Scalable Potential:** Additional auger geochemistry has been planned (subject to available financing) across the Victory gabbro intrusive and elsewhere on the Victory license, where multiple other copper and gold targets have been identified.

Gawler Project - South Australia

The Gawler Project consists of two exploration licences in South Australia, within the Precambrian Gawler Craton which hosts major base metal deposits at Olympic Dam, Prominent Hill, and Carrapateena. Trinity One holds rights to 80% the project secured through a Joint Venture agreement with the registered holder.

One exploration licence is located in the Campoona area of the Eyre Peninsula, approximately 250km NW of Adelaide, within a sequence of sedimentary and meta-igneous rocks. Geological mapping of the Gawler Project area has been undertaken by the SA Geological Survey which provides a useful base map.

The second Exploration Licence is located in the Mabel Creek area approximately 80km NW of Coober Pedy and 850km NNW of Adelaide. Previous exploration has shown that the area is covered by sedimentary sequences ranging from 40 to 100m deep.

In 2012, AngloGold Ashanti Limited covered the area with detailed aeromagnetics identifying four high priority targets. They undertook significant ground exploration on one of the defined targets, the Coronation Bore Prospect, including ground gravity, ground magnetics, and 1,740m of diamond drilling. Three remaining untested gravity/magnetic anomalies on Mable Creek remain prospective for IOCG mineralisation.

Western Wood Project - New South Wales

The Western Wood Project is located in the northwest of New South Wales and consists of two granted exploration licences, covering 298km² which are considered prospective for gold and base metals. Trinity One holds rights to 80% the project secured through a Joint Venture agreement with the registered holder.

EL8553 is located 15km west of the Cobar Goldfield and CSA copper mine. Rock types in the licence are dominated by sandstones and siltstones of Devonian age with shallow cover in places. The main prospect is a gravity anomaly in the northwest quadrant where a recent gravity survey and geophysical modelling resulted in the definition of a 1.5 x 1.5km target zone of anomalous density occurring at a depth of 130 to 400m. Proposed follow-up includes mapping, rock sampling, and aircore drilling.

EL9236, is located 45km east of Broken Hill and its world-class silver-lead-zinc deposits. Analysis of the significant amounts of historical exploration has identified a large area of anomalous base metal geochemistry and elevated rare earth element geochemistry associated with a north-trending structure. Lying within this zone is a coincident aeromagnetic and gravity anomaly. Geophysical modelling indicates a good fit to the data was achieved by a 250 x 130m elliptical pipe plunging to the south with a depth-to-top of ~160m. Trinity One plans to undertake mapping, rock sampling, soil geochemistry, ground magnetic and gravity geophysical surveys over the anomaly to define drilling targets.

KEY DEVELOPMENTS DURING THE NINE MONTHS ENDED SEPTEMBER 30, 2025, AND TO THE DATE OF THIS MD&A

Non-Brokered Private Placement

On April 9, 2025, the Company closed a non-brokered private placement of 2,880,000 units a price of \$0.08 per unit raising gross proceeds of \$230,400. Each unit consists of one common share and one warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.105 until April 9, 2027

Debt Settlement

On April 9, 2025, the Company closed debt settlements in the amount of \$430,246 for consideration of 4,367,778 common shares and the issuance of 1,891,538 warrants. Each warrant entitles the holder to purchase one additional common share at a price of \$0.105 until April 9, 2027

New CEO and Director

On July 4, 2025, Thomas Wood was appointed to the board and assumed the role of Chief Executive Officer, succeeding Matthew Wood, who remained as Executive Chairman

Name change and Director resignation

August 14, 2025, the Company formally changed its name from Aranjin Resources Ltd. to Trinity One Metals Ltd. At this time shares began trading under the new ticker symbol "TOM" (CUSIP: 896 550 100; ISIN: CA8965501007).

Additionally, on August 14, 2025, Solongo Gunsendorj resigned from the board of directors. The Company wishes to thank Ms. Gunsendorj for her contributions during her tenure and wishes her the best in her future endeavours.

Non-Brokered Private Placement

On October 17, 2025, the Company closed a non-brokered private placement of 15,000,000 units at a price of \$0.05 per unit raising gross proceeds of \$750,000; following two scale-ups in the placement, from the initial \$400,000 to \$600,000, driven by significant investor interest. Each unit consists of one common share and one warrant entitling the holder to purchase one common share of the Company at a price of \$0.075 until October 17, 2028. The Company paid cash finder's fees of \$23,850 and issued 477,000 finder's warrants which are exercisable at a price of \$0.075 until October 17, 2027.

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SELECTED FINANCIAL INFORMATION AND RESULTS OF OPERATIONS

The following table sets out selected financial information with respect to the Company's annual financial statements for the nine-month period ended September 30, 2025. The following should be read in conjunction with the condensed interim consolidated financial statements for the nine-month period ended September 30, 2025, and the December 31, 2024, Annual Financial Statements.

Summary of Operations	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	\$	\$	\$	\$
Total expenses	65,431	14,826	200,023	139,119
Net loss for the period	(101,249)	(15,064)	(31,844)	(141,051)
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.02)

Balance Sheet Summary	September 30, 2025	December 31, 2024
	\$	\$
Current assets	247,475	175,527
Non-current assets	1,312,322	1,353,816
Total assets	1,559,797	1,529,343
Current liabilities	1,327,291	1,718,164
Non-current liabilities	-	-
Total liabilities	1,327,291	1,718,164
Working capital deficiency	(1,079,816)	(1,542,637)

During the nine-month period ended September 30, 2025, the Company incurred a net loss of \$31,844 (September 30, 2024 – \$141,051).

Total expenses were \$200,023 (September 30, 2024 - \$139,119) an increase of \$60,904. The Company recognized a gain on debt settlement of \$168,170 in relation to the issuance of 4,367,788 common shares with a fair value of \$0.06 for consideration of \$262,067 in settlement of \$430,246 in outstanding debt which resulted in a gain on debt settlement of \$168,179.

The Company's operations for the nine-month period ended September 30, 2025, were focused on the continued advancement of its mineral properties and ensuring the properties remained in good standing

Summary of significant Balance Sheet items for the period ended September 30, 2025

The primary factors affecting the changes to the balance sheet items were as follows:

- Cash of \$164,891 was used in operating activities.
- Raised \$195,000 in cash related to an equity financing which closed subsequent to September 30, 2025.
- Exploration and evaluation assets of \$1,312,322 decreased by \$41,494 as compared to the prior year due to foreign currency translation of \$59,141 net of additions of \$17,647.
- Accounts payable and accrued liabilities of \$1,327,291 (December 31, 2024 - \$1,566,840) decreased by \$239,549 primarily due to the completion of the above-mentioned debt settlement.

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LIQUIDITY AND CAPITAL RESOURCES

The Company is an exploration stage company whose primary source of funds has been through the issuance of its common shares or other financial instruments. The Company's operations do not generate cash flow and its success is dependent on its ability to discover economically viable mineral deposits. The mineral exploration process may be lengthy and is subject to factors such as commodity prices, which are beyond the Company's control. To date, the Company has been successful in funding operations through equity financings. However, uncertainty in financial equity markets may introduce difficulty into the fundraising process. The junior mining industry is considered to be speculative, which may introduce additional difficulty into the fundraising process. While the Company makes every effort to achieve its business objectives through the examination of various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

At September 30, 2025, the Company had a working capital deficiency of \$1,079,816 compared to working capital deficiency of \$1,542,637 at December 31, 2024. The Company had cash of \$241,528 at September 30, 2025, compared to \$173,821 at December 31, 2024.

On October 17, 2025, the Company closed a non-brokered private placement of 15,000,000 units at a price of \$0.05 per unit raising gross proceeds of \$750,000. Each unit consists of one common share and one warrant entitling the holder to purchase one common share of the Company at a price of \$0.075 until October 17, 2028. The Company paid cash finder's fees of \$23,850 and issued 477,000 finder's warrants which are exercisable at a price of \$0.075 until October 17, 2027.

The table below highlights the Company's cash flows during the nine-month periods ended:

Net cash provided by (used in)	September 30, 2025	September 30, 2024
	\$	\$
Operating activities	(164,891)	(115,500)
Investing activities	(17,647)	(108,690)
Financing activities	211,536	-
Cash, beginning	173,821	250,110
Cash, end	241,528	25,920

The Company will continue to monitor its working capital requirements closely to ensure the Company meets its commitments and continues to move forward on development. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or under terms favorable to the Company. See "Risk Factors" below and "Forward Looking Statements" above.

There are no sources of financing arranged but not yet used by the Company. There are currently no commitments with respect to the Company's exploration and evaluation assets or for capital expenditures.

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Discussion of results – Three-month period ended September 30, 2025

During the three-month period ended September 30, 2025, the Company incurred a net loss of \$101,249 as compared to a net loss of \$15,064 for the three-month period ended September 30, 2024. The primary factors affecting the magnitude and variations of the Company’s financial performance were as follows:

Item	September 30, 2025	September 30, 2024	Increase / (Decrease) \$	Increase / (Decrease) %	Explanation
	\$	\$	\$	%	
General and administrative	1,671	29	1,642	5662%	Minimal general and administrative expenses incurred during the period.
Public company filing costs	16,566	1	16,565	1656500%	Public company costs related to TSX-V application fees related to debt settlement and private placement which closed during the period ended September 30, 2025.
Accounting, audit, and tax	4,170	9,088	(4,918)	-54%	The Company engaged lower cost service providers in the current year regarding accounting and tax work.
Legal fees	4,938	-	4,938	n/a	Legal fees related to work performed in relation to the debt settlement and private placement which closed during the current period.
Consulting and director fees	21,000	3,813	17,187	451%	The Company incurred consulting fees in relation to the CEO and CFO during the period.
Foreign exchange	14,973	1,895	13,078	690%	Foreign exchange expense relates to differences in settlement of certain foreign currency payments. The Company was exposed to higher currency variations as compared to the prior year.
Investor relations	2,113	-	2,113	n/a	Investor relations fees related to news release dissemination during the period.
Total Expenses	65,431	14,826	50,605	341%	Increased primarily due to the accrual of director fees during the current period.
Net loss before other items	(101,249)	(14,826)	(86,423)	583%	Increased primarily due to the accrual of director fees during the current period.
Gain on debt settlement	-	-	-	n/a	None in the current period.
Other expense	-	(238)	238	-100%	None in the current period.
Net loss	(101,249)	(15,064)	(86,185)	572%	Increase due to increased corporate activity during the current period.

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Discussion of results – Nine-month period ended September 30, 2025

During the nine-month period ended September 30, 2025, the Company incurred a net loss of \$31,844 as compared to a net loss of \$141,051 for the nine-month period ended September 30, 2024. The primary factors affecting the magnitude and variations of the Company’s financial performance were as follows:

Item	September 30, 2025	September 30, 2024	Increase / (Decrease) \$	Increase / Decrease %	Explanation
	\$	\$	\$	%	
General and administrative	3,087	8,972	(5,885)	-66%	Minimal general and administrative expenses incurred during the period.
Public company filing costs	36,722	31,571	5,151	16%	Public company costs related to TSX-V application fees related to debt settlement and private placement which closed during the period ended September 30, 2025.
Accounting, audit, and tax	20,526	46,623	(26,097)	-56%	The Company engaged lower cost service providers in the current year regarding accounting and tax work.
Legal fees	21,305	18,252	3,053	17%	Legal fees related to work performed in relation to the debt settlement and private placement which closed during the current period.
Consulting and director fees	93,221	13,385	79,836	596%	The Company resumed the accrual of management fees to the former CEO and a Former director for the first quarter of 2025.
Foreign exchange	22,485	(2,577)	25,062	-973%	Foreign exchange expense relates to differences in settlement of certain foreign currency payments. The Company was exposed to higher currency variations as compared to the prior year.
Investor relations	2,677	22,893	(20,216)	-88%	Investor relations fees related to news release dissemination during the period.
Total Expenses	200,023	139,119	60,904	44%	Increased primarily due to the accrual of director fees during the current period.
Net loss before other items	(200,023)	(139,119)	(60,904)	44%	Increased primarily due to the accrual of director fees during the current period.
Gain on debt settlement	168,179	-	168,179	n/a	4,367,788 shares issued to settle debt.
Other expense	-	(1,932)	1,932	-100%	None in the current period.
Net loss	(31,844)	(141,051)	109,207	-77%	Decreased due to the gain on debt settlement during the period.

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SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected quarterly consolidated financial information for each of the last eight quarters:

	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Revenue	\$ -	\$ -	\$ -	\$ -
Net income (loss)	(101,249)	33,587	(98,774)	(1,171,542)
Basic and diluted loss per share	(0.01)	0.00	(0.01)	(0.11)
Weighted average shares outstanding	14,519,946	12,693,106	11,064,836	11,038,466

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Revenue	\$ -	\$ -	\$ -	\$ -
Net income (loss)	(15,064)	(72,540)	(53,446)	(121,819)
Basic and diluted loss per share	(0.00)	(0.01)	(0.01)	(0.02)
Weighted average shares outstanding	10,606,503	10,289,992	10,002,507	6,760,759

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

The following table sets out the material components for the periods presented:

	For the nine- month period ended September 30, 2025	Year ended December 31, 2024	Year ended December 31, 2023
Exploration and evaluation assets or expenditures*	\$ 17,647	\$ 1,139,368	\$ 297,120
Expensed research and development	-	-	-
Intangible assets arising from development	-	-	-
General and administrative expenses	3,087	6,794	16,690
Other material costs expensed or recognized as assets	196,936	1,305,709	902,660
Total	217,670	2,451,871	1,216,470

*During the year ended December 31, 2024, the Company incurred \$825,000 in acquisition costs in relation to mining tenements acquired in Australia.

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RELATED PARTY TRANSACTIONS

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties). The terms and conditions of the transactions with key management personnel and their related parties were no more favorable than those available, or which might reasonably be expected to be available, to similar transactions to non-key management personnel related entities on an arm's length basis. Related parties include officers and directors of the Company and enterprises that are controlled by these individuals.

Key management personnel include those individuals 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 and/or companies controlled by those individuals.

During the nine-month periods ended September 30, 2025, and 2024, the Company entered the following transactions with key management:

	September 30,	September 30,
	2025	2024
	\$	\$
Consulting fees - Thomas Wood, CEO and Director	5,000	-
Consulting fees- Mathew Wood, Director	43,147	-
Consulting fees - Solongo Gunsendorj, Former Director	21,573	-
Consulting fees - Robert Payment, CFO	22,500	-
Total	92,220	-

Included in accounts payable and accrued liabilities were the following amounts owing to related parties:

	September 30,	December 30,
	2025	2024
Consulting services - Thomas Wood, CEO, Director	5,000	-
Consulting services - Mathew Wood, Director	279,891	236,744
Consulting services - Solongo Gunsendorj, Former Director	127,457	105,884
Consulting services - David Wheeler, Former Director	-	67,529
Consulting fees - Robert Payment, CFO	15,000	-
Consulting services - Ali Haji, Former CEO	-	35,000
Consulting services - Jeremy South, Former CFO	-	72,750
Consulting services - Bataa Tumur-Ochir, Former Director	64,028	64,028
Steppe Gold Limited, company with former common officers, directors	62,613	62,613
Total	548,989	644,548

During the year ended December 31, 2024, the Company acquired the Bangemall Project, Gawler Project, and Western Wood Project for total consideration of 1,375,000 common shares with a fair of \$825,000 (fair value per share of \$0.60) from companies with a common director and officer, Matthew Wood.

The balance of Due to related party at September 30, 2025, of \$Nil (December 31, 2024 - \$151,324) related to the reimbursement of expenditures by a company which Matthew Wood is a common director.

The Company's acquisition of the Victory Copper Project was considered a related party transaction as the Company

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and Lithium Ion Energy Ltd. (“ION”) shared common officers and directors. Robert Payment is CFO of ION and Matthew Wood is a Director.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Refer to Note 8 of the Company’s September 30, 2025, condensed interim consolidated financial statements.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as at September 30, 2025.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. Details of the Company’s capitalization are as follows:

	September 30,	Date of MD&A
	2025	
Common shares	18,312,624	33,312,624
Warrants	4,771,538	20,248,538
Stock options	-	-

RISK FACTORS

The exploration, development and mining of mineral resources are highly speculative in nature and are subject to significant risks. In addition to the usual risks associated with an investment in a business at an early stage of development, management and the directors of the Company believe that, in particular, the following risk factors should be considered by prospective investors. It should be noted that this list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors.

Development Stage Company and Exploration Risks

The Company is a junior resource company focused primarily on the acquisition, exploration and development of mineral properties located in Mongolia and Australia. The Company’s properties have no established mineral reserves. There is no assurance that any of the Company’s projects can be mined profitably. Accordingly, it is not assured that the Company will realize any profits in the short to medium term, if at all. Any profitability in the future from the business of the Company will be dependent upon developing and commercially mining an economic deposit of minerals, which in itself is subject to numerous risk factors. The exploration and development of mineral deposits involves a high degree of financial risk over a significant period of time that even a combination of management’s careful evaluation, experience and knowledge may not eliminate. While discovery of ore-bearing structures may result in substantial rewards, few properties that are explored are ultimately developed into producing mines.

Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration and development programs of the Company will result in profitable commercial mining operations. The profitability of the Company’s operations will be, in part, directly related to the cost and success of its exploration and development programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral reserves that are sufficient to support commercial mining operations and to construct, complete and install mining and processing facilities on those properties that are actually developed.

Commodity Markets

The price of the Company's securities, its financial results, and its access to the capital required to finance its exploration activities may in the future be adversely affected by declines in the price of precious and base metals. Precious metal prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of precious metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, and international political and economic trends, conditions and events. If these or other factors adversely affect the price of the precious and base metals that are the subject of the Company's exploration efforts, the market price of the Company's securities may decline.

Market Fluctuation and Commercial Quantities

The market for minerals is influenced by many factors beyond the Company's control, including without limitation the supply and demand for minerals. In addition, the metals industry in general is intensely competitive and there is no assurance that, even if apparently commercial quantities and qualities of metals (such as copper) are discovered, a market will exist for their profitable sale. Commercial viability of precious and base metals and other mineral deposits may be affected by other factors that are beyond the Company's control, including particular attributes of the deposit such as its size, quantity and quality, the cost of mining and processing, proximity to infrastructure, the availability of transportation and sources of energy, financing, government legislation and regulations including those relating to prices, taxes, royalties, land tenure, land use, import and export restrictions, exchange controls, restrictions on production, and environmental protection. It is impossible to assess with certainty the impact of various factors that may affect commercial viability such that any adverse combination of such factors may result in the Company not receiving an adequate return on invested capital or having its mineral projects be rendered uneconomic.

Option and Joint Venture Agreements

The Company has and may continue to enter into option agreements and/or joint ventures as a means of acquiring property interests. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations could have a material adverse effect on the Company's rights under such agreements. Furthermore, the Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying mineral claims.

Property Titles

The Company's mineral property interests may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects. The Company may also experience challenges in effecting the transfer of title to certain of its mineral properties. There may be valid challenges to the title of the mineral property interests which, if successful, could impair development and/or operations.

Financing Risks

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of the Company's properties may be dependent upon its ability to obtain financing through equity or debt, and although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional

financing could result in the delay or indefinite postponement of further exploration and development of the Company's projects.

Mining Risks and Insurance

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, catastrophic equipment failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability. Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that it may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Government Regulations, Permitting and Taxation

The Company's exploration operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In order for the Company to carry out its activities, its various licences and permits must be obtained and kept current. There is no guarantee that the Company's licences and permits will be granted, or that once granted will be extended. In addition, the terms and conditions of such licences or permits could be changed and there can be no assurances that any application to renew any existing licences will be approved. There can be no assurance that all permits that the Company requires will be obtainable on reasonable terms, or at all. Delays or a failure to obtain such permits, or a failure to comply with the terms of any such permits that the Company has obtained, could have a material adverse impact on the Company. The Company may be required to contribute to the cost of providing the required infrastructure to facilitate the development of its properties. The Company will also have to obtain and comply with permits and licences that may contain specific conditions concerning operating procedures, water use, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to comply with any such conditions. Future taxation of mining operators cannot be predicted with certainty so planning must be undertaken using present conditions and best estimates of any potential future changes.

Health, Safety and Community Relations

The Company's operations are subject to various health and safety laws and regulations that impose various duties on the Company's operations relating to, among other things, worker safety and obligations in respect of surrounding communities. These laws and regulations also grant the relevant authorities broad powers to, among other things, close unsafe operations and order corrective action relating to health and safety matters. The costs associated with the compliance with such health and safety laws and regulations may be substantial and any amendments to such laws and regulations, or more stringent implementation thereof, could cause additional expenditure or impose restrictions on, or suspensions of, the Company's operations.

The Company has made, and expects to make in the future, significant expenditure to comply with the extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine development and protection of endangered and other special status species, and, to the extent reasonably practicable, to create social and economic

benefit in the surrounding communities near the Company's mineral properties.

Environmental Protection

The mining and mineral processing industries are subject to extensive governmental regulations for the protection of the environment, including regulations relating to air and water quality, mine reclamation, solid and hazardous waste handling and disposal and the promotion of occupational health and safety, which may adversely affect the Company or require it to expend significant funds. There is also a risk that environmental and other laws and regulations may become more onerous, making it more costly for the Company to remain in compliance with such laws and regulations.

Reliance on Key Personnel

The Company's development to date has largely depended and in the future will continue to depend on the efforts of key management and other key personnel. Loss of any of these people, particularly to competitors, could have a material adverse effect on the Company's business. Further, with respect to future development of the Company's projects, it may become necessary to attract both international and local personnel for such development. The marketplace for key skilled personnel is becoming more competitive, which means the cost of hiring, training and retaining such personnel may increase. Factors outside the Company's control, including competition for human capital and the high level of technical expertise and experience required to execute this development, will affect the Company's ability to employ the specific personnel required. The failure to retain or attract a sufficient number of key skilled personnel could have a material adverse effect on the Company's business, results of operations and financial condition. The Company has not taken out and does not intend to take out 'key person' insurance in respect of any directors, officers or other employees.

Competitive Industry Environment

The mining industry is highly competitive, both domestically and internationally. The Company's ability to acquire properties and develop mineral reserves in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for mineral exploration, of which there is a limited supply. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. The Company may also encounter competition from other mining companies in its efforts to hire experienced mining professionals. Competition could adversely affect the Company's ability to attract necessary funding or acquire suitable producing properties or prospects for mineral exploration in the future. Competition for services and equipment could result in delays if such services or equipment cannot be obtained in a timely manner due to inadequate availability and could also cause scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project development, exploration or construction costs and result in project delays.

Global Financial Conditions

Global financial conditions may be volatile and limit access to public financing, particularly for junior mineral exploration companies, has been negatively impacted. These conditions may affect the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company or at all.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, power sources and water supply are important determinants affecting capital and operating costs.

Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of

such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Public Company Obligations

The Company's business is subject to evolving corporate governance and public disclosure regulations that have increased both the Company's compliance costs and the risk of non-compliance, which could have a material adverse impact on the Company's share price. The Company is subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian Securities Administrators, the TSX Venture Exchange, and the International Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity creating many new requirements. The Company's efforts to comply with rules and obligations could result in increased general and administration expenses and a diversion of management time and attention from revenue-generating activities.

Foreign Legal and Political Matters in Mongolia

Mongolia is an emerging jurisdiction and may be subject to risks including political unrest, corruption, civil disturbances and conflicts, terrorist actions, arbitrary changes in law or policies, changes to government regulation, foreign taxation, price and currency controls, delays in obtaining or the inability to obtain necessary governmental permits, limitations on foreign ownership, limitations on the repatriation of earnings and increased financing costs.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings in Canada, Mongolia, and Australia with or without merit. While the Company is not currently involved in litigation materially impacting the Company, this may change at any time due to a change in circumstances, fact or law.

Cyber Security Threats

Information systems and other technologies, including those related to the Company's financial and operational management, are an integral part of the Company's business activities. Network and systems-related events, such as computer hacking, cyber-attacks, computer viruses, worms or other destructive or disruptive software, process breakdowns, denial of service attacks, malicious social engineering or other malicious attacks, or any combination of the foregoing, or power outages, natural disasters, terrorist attacks or other similar events, could result in damage to the Company's property, equipment and data. These events also could result in significant expenditures to repair or replace damaged property or information systems and/or to protect them from similar events in the future. Further any security breaches, such as misappropriation, misuse, leakage, falsification or accidental releases or losses of information maintained in the Company's information technology systems, including personnel and other data, could damage its reputation and require the Company to expend significant capital and other resources to remedy any such security breach. Insurance maintained by the Company against losses resulting from such events or security breaches may not be sufficient to cover any consequent losses or otherwise adequately compensate the Company for any disruptions to its business that may result, and the occurrence of any such events or security breaches could have a material adverse effect on the business of the Company. There can be no assurance that these events and security breaches will not occur in the future or not have an adverse effect on the business of the Company.