



SAGA METALS CORP.

Management's Discussion and Analysis

(Expressed in Canadian Dollars, unless otherwise noted)

For the year ended July 31, 2025 and 2024

Saga Metals Corp.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This management discussion and analysis ("MD&A") of the financial condition and results of Saga Metals Corp. ("SAGA" or the "Company"). SAGA is an entity incorporated under the BC Business Corporations Act on January 10, 2023. The Company is focused on the acquisition, exploration and development of resource properties in Canada. The Company's head office and records offices are located at suite 2288 – 1177 W Hastings Street, Vancouver, BC, Canada, V6E 2K3. On September 24, 2024, the Company completed its initial public offering ("IPO") and received approval from the TSX Venture Exchange ("TSXV") to list its common shares under the symbol SAGA. The Company has a year ended July 31; in this MD&A "fiscal 2024" refers to the period from August 1, 2023 to July 31, 2024 and "fiscal 2025" refers to the period from August 1, 2024 to July 31, 2025. This MD&A is provided to assist our readers to assess our financial condition, material changes in our financial condition and our financial performance, including our liquidity and capital resources, for the year ended July 31, 2025. The information in this MD&A is current as of November 27, 2025 and should be read in conjunction with the audited annual financial statements for the year ended July 31, 2025 and 2024. All dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

FORWARD-LOOKING STATEMENTS

This discussion contains "forward-looking statements" that are not historical facts and involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

This MD&A contains forward-looking statements that reflect the Company's current expectations and projections about its future results and plans, including, but not limited to, statements around the Company's anticipated future drill targets, statements regarding perceived merit of properties, timing regarding the commencement or completion and costs of exploration programs, estimates and plans in respect of LCT readings on the Company's properties, anticipated results and expectations relating to exploration and drill results, plans and goals for the Company's properties, including the Double Mer Property, the Legacy Lithium Property, the Radar Titanium-Vanadium Property and the North Wind Iron Project, goals and expectations in respect of the planned exploration programs on the Company's properties, the Company's future plans for its business, and such other statements that are not historical facts. When used in this MD&A, words such as "will", "estimate", "intend", "expect", "anticipate", "plan", "potential", "anticipates", "goal" or the negative thereof and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. These risks and uncertainties include, but are not limited to: the availability of sources of income to generate cash flow and revenue; the dependence on management and directors; conflicts of interest; risks relating to the receipt of the required licenses and permits; risks relating to additional funding requirements; due diligence risks; a downturn in general economic conditions; impact of political and economic instability relating to international conflicts; a decreased demand or price of precious and base metals; delays in the start of projects with respect to property interests; potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges; and other factors beyond the Company's control that are described in the Company's continuous disclosure materials on SEDAR+ at www.sedarplus.ca.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including: (i) expectations and assumptions concerning timing and completion of the Company's initial public offering and listing of the Company's common shares for trading on the TSX Venture Exchange; (ii) expectations and assumptions concerning the success of the operations of the Company; (iii) management's current expectations, estimates and assumptions about current property interests; (iv) assumptions respecting the global economic and political environment, financial markets and the market price and demand for uranium and lithium; (v) the Company's ability to manage its property interests and operating costs; (vi) the Company's future cash requirements and the ability to raise the funding necessary to carry out the Company's planned work programs; (vii) the Company's ability to attract and retain key

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

staff; and (viii) that the characteristics of samples from certain of the Company's mineral properties are reflective of the deposit as a whole.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. Except as required by applicable law, 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.

COMPANY OVERVIEW

The Company is a diversified critical mineral exploration company whose principal business is the acquisition and exploration of mineral assets that support the global green energy transition. The Company is considered to be in the exploration stage and currently has interests in five mineral projects in Canada:

- (1) the Radar Titanium-Vanadium-Iron (Ti-V-Fe) Project, a titanium-vanadium layered mafic intrusion exploration project consisting of an aggregate of 967 claims covering an area of 24,175 hectares in Cartwright, Goose Bay region of Labrador;
- (2) the Double Mer Project, a uranium exploration project consisting of an aggregate of 1,024 claims covering an area of 25,600 hectares in eastern central Labrador; 90 km northeast of Happy Valley, Goose Bay, which is the subject of the Double Mer Uranium Technical Report;
- (3) the Legacy Lithium Project, an LCT spodumene pegmatite lithium exploration project consisting of an aggregate of 663 claims covering an area of 34,243.76 hectares in the Eeyou Istchee James Bay region of Quebec, which is the subject of the Legacy Lithium Technical Report and the Rio Tinto option to joint venture agreement;
- (4) The Amirault Lithium Project, covering 611 claims spanning 31,605.44 hectares contiguous to the Legacy Lithium Project and increases the Company's foothold of the striking paragneiss trend; and
- (5) the North Wind Iron Project, consisting of 255 claims comprising 6,375 hectares, located in west central Labrador.

The Company's material properties are the Radar Ti-V-Fe Property, the Double Mer Uranium Property, which is the subject of the Double Mer Uranium Technical Report, and the Legacy Lithium Property, which is the subject of the Legacy Lithium Technical Report.

Radar Titanium-Vanadium (Ti-V-Fe) Project

The Radar Property spans 24,175 hectares and hosts the entire Dykes River intrusive complex (~160 km²), a unique position among Western explorers. Geological mapping, geophysics, and trenching have already confirmed oxide layering across more than 20 km of strike length, with mineralization open for expansion.

Vanadiferous titanomagnetite ("VTM") mineralization at Radar is comparable to global Fe-Ti-V systems such as Panzihua (China), Bushveld (South Africa), and Tellnes (Norway), positioning the Project as a potential strategic future supplier of titanium, vanadium, and iron to North American markets.

Saga completed its maiden drill program in early 2025, featuring a 2,209-metre, seven-hole diamond drill campaign across the Hawkeye Zone—a combination of 3D magnetic inversion modeling and surface VLF-EM results guided drill targeting. The program intersected broad zones of titanomagnetite-rich oxide layering, with cumulative intersections displaying consistent grades of titanium dioxide (TiO₂), vanadium pentoxide (V₂O₅) and iron (Fe).

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

Similarities in the ratios of TiO_2 and V_2O_5 to Fe_3O_4 across multiple drill holes serve to identify discrete igneous layers. Within the 600 m tested thickness of the layered gabbro-norite, the chemistry delineates a very promising 300-400 m thickness, referred to as the Lower Cumulate Layer. The highest V_2O_5 assays are in the lower 100-200 m, coinciding with the highest-grade intervals of VTMs. The layer is comprised of interlayered gabbro-norite and bands of semi-massive to massive VTM.

Drill holes R25-HEZ-01, -07, -04, and -05 intersect this Lower Cumulate Layer. The chemistry indicates that the layer was deposited from a large-volume pulse of Ti-V-Fe-enriched magma. Saga will be targeting this same discrete intrusive horizon along the Trapper Zone's 3+ km strike length during the drill program that is currently underway.

Outlook on Phase 1 of Drilling at the Trapper Zone:

Phase 1 drilling at the Trapper Zone builds on significant milestones from 2025, including:

- Hawkeye drilling success: maiden drill program in early 2025, featuring a 2,209-metre, seven-hole diamond drill campaign across the Hawkeye Zone. The program intersected broad zones of titanomagnetite-rich oxide layering, with cumulative intersections displaying consistent grades of titanium dioxide (TiO_2), vanadium pentoxide (V_2O_5) and iron (Fe).
- Metallurgical readiness: Ongoing petrographic and mineralogical studies by Dr. Al Miller confirm those primary magmatic textures favourable for downstream processing.
- Exploration momentum: Expanded property vision with preliminary metallurgical insights and confirmation of large-scale oxide continuity across the Dykes River intrusive complex.

Q4 '25/H1 '26 Drill Program Objectives:

The Phase 1 Trapper Zone drill campaign will target:

- Grade continuity across a 3 km strike length.
- Oxide layering widths and continuity to depths of about 200 metres.
- Integration of structural insights from trenching and drilling into collar orientation and drill design.
- Initial drilling of 1,500-2,500 m in 6-10 holes, each about 250 m in depth will be completed before the December break.
- Test both the North and South sections of the Trapper zone prior to the break in order to fully grasp grade, width and structure prior to initiating the detailed grid and drill sections in 2026 for the purposes of a mineral resource estimate.
- Drilling will be complemented by metallurgical sampling through the winter, with core from both the Hawkeye and Trapper zones undergoing detailed metallurgical testing.

Double Mer Uranium Project

The Company's Double Mer Uranium project has seen significant exploration at different periods of time between 1970 through 2008. The Company is well-positioned with Double Mer Uranium Project—a drill-ready asset primed to contribute to North America's critical minerals security. Located 90 km northeast of Happy Valley-Goose Bay near the prolific Central Mineral Belt (CMB), the 100%-owned project spans 25,600 hectares across 1,024 claims and hosts a robust, IOCG and pegmatite-style uranium system within proximity to Labrador's most significant uranium discoveries including Paladin Energy's Michelin and Atha Energy's CMB holdings.

SAGA Metals recent exploration efforts at the Double Mer Uranium Project have confirmed*:

- High-Potential Uranium Zones Identified for Drilling: Three key zones—Luivik, Nanuk, and Katjuk—have been pinpointed along an expansive east-west 18-kilometer uranium-rich trend. Each zone shows U_3O_8 mineralization in pegmatites and structurally enriched formations (see Figure 2 below).

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

- Assays Validate Targets: Rock sampling in 2024 confirms the uranium potential across all three zones, enhancing confidence in the project's viability with surface samples showing uranium oxide (U₃O₈) concentrations as high as 0.428% U₃O₈
- Count-per-second (CPS) radiometric peaks up to 27,000—surpassing historical benchmarks
- Observed uranophane staining (oxidization of uranium minerals) on the surface of pegmatites across the 18 km trend with confirmed uraninite minerals hosted within.
- Full Winterized Camp Completed in early 2025 and ready for 10 person teams. (* Press released results: "SAGA Metals Reports Channel Sample Assay Results at Double Mer Uranium Project", December 3, 2024)

Legacy Lithium Property

SAGA owns the Legacy Lithium Property in Quebec's Eeyou Istchee James Bay region which is comprised of two projects: Legacy Lithium Project and Amirault Project. The Legacy Lithium project is being developed in partnership with Rio Tinto. In July 2024, the Company announced an option to joint venture agreement with Rio Tinto Exploration Canada. The Legacy Lithium project was further expanded through the acquisition of the Amirault Lithium Project. Together, these properties cover 65,849 hectares and share significant geological continuity with other major players in the area, including Rio Tinto, Winsome Resources, Azimut Exploration, and Loyal Lithium.

North Wind Iron Ore Project

The North Wind Iron Ore project sits within the Labrador Trough, an extensive 1,100-kilometer suite of Proterozoic rocks, is renowned for hosting world-class iron ore deposits and is a major hub for iron ore exploration. The project contains 8 historical drill holes which made up part of the New Millennium Iron's resource estimate 43-101 in 2013. The average grade of the drill holes which now sit within the North Wind Iron property was 20.74% Fe over the complete 8 drill holes and total 590 meters drilled with the highest graded stratigraphy being the LRGC averaging 24.76% Fe over the total 277 meters of this stratigraphic unit drilled and intercepted over 8 holes.

During the 2024 field season, SAGA's exploration team took 24 samples from the Sokoman Formation and returned assays ranging from 4.88% to 84.57%. The highest grades concentrated in the middle and lower iron formation members, spanning over a 4km NW-SE trend with an impressive 600–700 meters in combined width. SAGA further ran Davis Tube separation techniques confirming the presence of magnetite-rich taconite ore, along with high-purity hematite, limonite, and goethite. These results are comparable to regional resources at the KéMag, Sheps Lake, and Perrault Lake deposits, which boast strong resource estimates.

Following SAGA's 2025 fiscal year-end, the Company completed claims maintenance activities on the North Wind project. Results of that field program are pending and an update will be provided when the information is gathered and interpreted.

SAGA's focus is on advancing its portfolio of critical mineral projects. At present, the Company has initiated a planned 15,000m drill program at its Radar Ti-V-Fe project in an effort to complete an indicated Mineral Resource Estimate in 2026.

Capital Expenditure

The Company has no commitments for capital expenditures.

SELECTED ANNUAL INFORMATION

	For the year ended July 31, 2025	For the year ended July 31, 2024	Period from incorporation from January 10, 2023 to July 31, 2023
	\$	\$	\$
Net loss and comprehensive loss for the period	(2,421,990)	(1,174,272)	(211,358)
Basic and diluted loss per share	(0.08)	(0.07)	(0.10)

	July 31, 2025	July 31, 2024	July 31, 2023
	\$	\$	\$
Working capital	621,941	397,715	1,143,405
Total assets	6,577,050	3,368,624	1,634,485
Total liabilities	899,956	502,086	92,975
Shareholders' equity	8,965,088	4,195,168	1,695,868
Accumulated Deficit	(3,807,620)	(1,385,630)	(211,358)

SUMMARY OF QUARTERLY RESULTS

Three-months period ended	July 31, 2025	April 30, 2025	January 31, 2025	October 31, 2024
	\$	\$	\$	\$
Total operating loss	(891,968)	(399,651)	(884,597)	(909,835)
Net income (loss) and comprehensive income (loss)	(938,162)	42,403	(821,009)	(705,221)
Basic and diluted loss per share	(0.02)	0.00	(0.03)	(0.03)

Three-months period ended	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023
	\$	\$	\$	\$
Total operating loss	(610,446)	(349,860)	(78,975)	(134,991)
Net loss and comprehensive loss	(610,446)	(349,860)	(78,975)	(134,991)
Basic and diluted loss per share	(0.04)	(0.02)	(0.00)	(0.02)

Throughout the fiscal quarters in fiscal 2024, net loss and comprehensive loss was primarily driven by management fees, professional fees, listing expenses, and share-based compensation in support of the Company's corporate activities, including undergoing an IPO which completed near the end of September 2024. The primary activities impacting net loss during the quarters in fiscal 2025, were associated with the closing of the IPO in November 2024, the closing of an additional private placements in December 2024, May 2025 and July 2025. The Company also incurred corporate costs associated with being a public company, including significant marketing expenses to promote the Company's stock and profile in the capital markets. Similarly, the Company incurred consulting fees throughout fiscal 2025 in connection with corporate advisory services to help raise equity financing to support its exploration activities. The net income observed for the quarter ending April 30, 2025, was due to a) receipt of a Junior Exploration Assistance ("JEA") grant of \$225,000 from the government of Newfoundland, and b) flow-through premium recovery of \$217,807. In total, the Company recognized a flow-through share premium liability recovery of \$525,326 during fiscal 2025 in association with its various flow-through Unit financings during the year. Operating loss in Q4 of fiscal 2025 was primarily driven by marketing (\$324,630) and consulting (\$155,234) expenses as the Company continued marketing and corporate efforts to raise further equity financing ahead of future exploration programs on its properties.

RESULTS OF OPERATIONS

For the year ended

	July 31, 2025	July 31, 2024	\$ Movement	% Movement
Operating Expenses				
Advertising and marketing	\$ 991,302	\$ 53,004	938,298	1770%
Bank fees	1,314	444	870	196%
Communications	23,499	5,297	18,202	344%
Consulting fees	487,268	299,973	187,295	62%
Depreciation	16,093	5,419	10,674	197%
Dues and subscriptions	2,752	2,230	522	23%
Exploration and evaluation expense	280,422	31,090	249,332	802%
Fuel	160,526	3,637	156,889	4314%
Foreign exchange	5,429	-	5,429	100%
Listing expense	254,912	289,422	(34,510)	-12%
Insurance	40,363	7,844	32,519	415%
Investor relations	36,212	-	36,212	100%
Meals and entertainment	19,377	11,447	7,930	69%
Office expenses	3,354	3,116	238	8%
Professional fees	223,228	153,837	69,391	45%
Rent	12,000	10,750	1,250	12%
Share based compensation	311,148	225,000	86,148	38%
Transfer agent and regulatory expense	55,637	2,111	53,526	2536%
Travel expenses	161,215	69,651	91,564	131%
Operating loss	\$ (3,086,051)	\$ (1,174,272)		
Other income and expenses				
Flow-through premium recovery	612,587	-	612,587	100%
Interest income	3,037	-	3,037	100%
Other income	53,549	-	53,549	100%
Other expenses	(5,112)	-	(5,112)	100%
Net loss and comprehensive loss	\$ (2,421,990)	\$ (1,174,272)		

During the year ended July 31, 2025, the Company incurred various operating costs all in support of going corporate activities, including the second tranche of an IPO offering which closed in November 2024. The Company saw increased expenditures associated with being a public company. Throughout the fiscal quarters of fiscal 2025, the Company had significant activities in connection with executing its exploration strategies over its mineral properties based in Quebec and Newfoundland and Labrador respectively. The following expense and changes from the comparative period (year ended July 31, 2024) are noted:

- Advertising and marketing expense was related to promotion of the Company and increasing capital market awareness in connection with equity financings. In the comparative period, no such activity was necessary given the Company had not yet listed and was not a public company.
- Consulting fees relate to fees paid to members of key management including the CEO, CFO, and CGO, as well as fees paid to consultants providing corporate finance advisory services. The Company incurred less consulting expenses associated with finance advisory services in the comparative period as the Company was not yet public. Upon completion of the IPO, the Company increased corporate finance efforts associated with raising equity financing in the capital markets.
- With the proceeds from the IPO and other private placement financings throughout fiscal 2025, the Company was able to fund and complete greater exploration activities across its various mineral properties during as compared to fiscal 2024. Consequently, there was significantly more exploration and evaluation and fuel expenses observed in fiscal 2025.

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

- The Company incurred insurance and transfer agent expenses during fiscal 2025 as a result of its public company status and governance requirements. The Company was not public in the comparative period. As a public company, Saga also required various insurance coverage including insurance over its exploration activities.
- The Company incurred significantly more indirect travel costs associated with its exploration of its mineral properties during fiscal 2025. There was limited travel activity in the comparative period.
- The Company raised flow-through financing as part of its IPO offering as well in subsequent private placement financings post IPO. For accounting purposes, a flow-through premium liability was recognized on closing of the IPO and the private placements. Subsequently, during fiscal 2025, the Company incurred various eligible flow-through expenditures resulting in the recognition of a flow-through premium recovery which is presented as other income in the statement of loss and comprehensive loss. There were no flow-through financings in the comparative period.
- The Company received an income tax mining refund of \$71,599 from the government of Quebec for exploration activities in Quebec. \$18,050 was recorded against the carrying value of the Legacy mineral property and the remaining \$53,549 was recognized as other income. There were no income tax refunds observed in the comparative period.

OUTSTANDING SHARE DATA

As of the date of this MD&A the Company has the following outstanding equity securities outstanding:

Type	# Outstanding
Common shares	58,062,754
Share purchase warrants	22,742,322
Stock options	1,270,000
PSUs	1,000,000
RSUs	80,000

Authorized share capital

As at July 31, 2025, the Company is authorized to issue an unlimited number of common shares without par value.

Issued and outstanding common shares	Number of Shares	Amount
Balance at July 31, 2023	16,706,766	\$ 1,695,868
Common shares issued to acquire mineral property rights	5,025,000	1,966,250
Common shares issued on exercise of share purchase warrants	1,070,165	321,050
Share issuance costs	-	(13,000)
Common shares issued on exercise of PSUs	1,500,000	225,000
Balance at July 31, 2024	24,301,931	\$ 4,195,168
Common shares issued to acquire Radar royalty rights	25,000	10,000
Common shares issued to acquire mineral property rights	175,000	64,063
Common shares issued on initial public offering (i)(ii)	5,989,584	2,395,834
Common shares issued on private placement (iii)	8,310,952	2,349,172
Share issuance costs (i)(ii)(iii)	-	(643,829)
Exercise of share warrants	5,641,666	682,900
Balance at July 31, 2025	44,444,133	\$ 9,053,308

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

As at July 31, 2025, the Company had 1,400,626 common shares held in escrow.

During the year ended July 31, 2025, the Company had the following share transactions:

- (i) On September 23, 2024, the Company completed tranche one of its IPO offering issuing an aggregate of 2,320,750 hard dollar units of the Company (the "HD Unit") at a price of \$0.40 per HD Unit, 167,166 standard flow-through units of the Company (the "STD FT Units") at a price of \$0.48 per STD FT Unit, and 1,250,000 charity flow-through units of the Company (the "Charity FT Unit") at a price of \$0.60 per Charity FT Unit for aggregate gross proceeds of \$1,758,500.

Each HD Unit consists of one common share of the Company and one-half of one transferable common share purchase warrant (each whole such warrant, an "HD Warrant"). Each HD Warrant will entitle its holder to purchase one common share of the Company (each, a "Warrant Share") at a price of \$0.60 per Warrant Share at any time prior to 24 months following the closing of the Offering.

Each STD FT Unit consists of a "flow-through share" and one-half of one transferable common share purchase warrant (each whole such warrant, a "Standard FT Warrant"), which Standard FT Warrant will qualify as a "flow-through share" as defined under the Canadian Income Tax Act ("ITA"). The Standard FT Warrants will have the same terms as the HD Warrants and are exercisable into Warrant Shares.

Each Charity FT Unit consists of a "flow-through share" as defined under the Canadian Income Tax Act and one-half of one transferable common share purchase warrant (each whole such warrant, a "Charity FT Warrant"), which Charity FT Warrant will qualify as a "flow-through share". The Charity FT Warrants will have the same terms as the HD Warrants and Standard FT Warrants and are exercisable into Warrant Shares.

The combined Standard FT and Charity FT shares were allocated a flow-through premium of \$263,373 which is recognized as a liability on the statement of financial position as at July 31, 2025 and will be reduced as the Company incurs eligible exploration expenditures.

In connection with the IPO, the Company paid to an agent a cash commission in the amount of \$87,383 and granted to the agent 185,783 share purchase warrants ("Agent Warrants"). Each Agent Warrant is exercisable into one Unit ("Agent Unit") of the Company at a price of \$0.40 for a period of 24 months following the closing of the IPO. Each Agent Unit consist of one common share and one-half share purchase warrant (each whole warrant an "Agent Unit Warrant") of the Company. Each Agent Unit Warrant would entitle the holder to purchase one common share of the Company at an exercise price of \$0.60 for a period of 24 months following the closing of the IPO. The fair value of the Agent Warrants was \$63,732, calculated using the Black-Scholes Option Pricing Model and the Geske Compound Option Pricing Model. This amount was charged to share capital as a non-cash share-issuance cost. The Company also incurred \$150,991 of share issuance costs relating to legal and agent work fees in connection with the IPO.

- (ii) On November 5, 2024, the Company completed the second and final tranche of its IPO offering raising aggregate gross proceeds of \$1,116,460. The second tranche consisted of an aggregate of 554,250 HD Units at a price of \$0.40 per HD Unit, 1,030,751 STD FT at a price of \$0.48 per STD FT Unit and 666,667 Charity FT Units at a price of \$0.60 per Charity FT Unit. Each HD Unit consists of one common share of the Company and one-half of one HD Warrant. Each HD Warrant will entitle its holder to purchase one common share in the capital of the Company at a price of \$0.60 per Warrant Share at any time until September 23, 2026.

In connection with the second tranche of the Offering, the Company paid to the Agent a cash commission in the amount of \$69,667, a corporate finance fee of \$5,000 plus GST, and granted to the Agent non-transferrable warrants entitling the Agent or its subagents, as applicable, to purchase

Saga Metals Corp.

Management Discussion and Analysis

For the year ended July 31, 2025 and 2024

(Expressed in Canadian Dollars)

up to a total of 146,308 common shares of the Company at a price of \$0.40 per share until September 23, 2026. The fair value of the Agent Warrants was \$50,606, calculated using the Black-Scholes Option Pricing Model and the Geske Compound Option Pricing Model. This amount was charged to share capital as a non-cash share-issuance cost. The Company also incurred \$53,284 of share issuance costs relating to legal and agent work fees in connection with the IPO.

The combined Standard FT and Charity FT shares were allocated a flow-through premium of \$215,793 which is recognized as a liability on the statement of financial position as at July 31, 2025 and will be reduced as the Company incurs eligible exploration expenditures.

- (iii) On December 24, 2024, the Company completed a non-brokered private placement (the “December Private Placement”) of STD FT Units and Québec flow-through units of the Company (the “QFT Units” and, together with the STD FT Units, the “FT Units”). The Company issued 975,610 STD FT Unit at a price of \$0.41 per STD FT Unit for gross proceeds of \$400,000 and 697,675 QFT Units at a price of \$0.43 per QFT Unit for gross proceeds of \$300,000, for aggregate gross proceeds of \$700,000.

Each FT Unit consist of one flow-through common share (a “FT Share”) as defined in subsection 66(15) of the ITA, and one-half of one transferable common STD FT Warrant. Each STD FT Warrant will entitle its holder to purchase Warrant Share at a price of \$0.50 until December 23, 2026. The Warrants and the Warrant Shares underlying the Warrants will not qualify as “flow-through shares” under the Tax Act.

The combined STD FT and QFT FT Units were allocated a flow-through premium of \$98,465 which is recognized as a liability on the statement of financial position as at July 31, 2025 and will be reduced as the Company incurs eligible exploration expenditures.

In connection with the closing of the December Private Placement, the Company paid cash finder’s fee in the amount of \$49,000 and issued 117,129 compensation warrants, with each compensation warrant exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.41 until December 23, 2026. The fair value of the compensation warrants was \$27,408, calculated using the Black-Scholes Option Pricing Model. This amount was charged to share capital as a non-cash share-issuance cost. The Company also incurred \$3,888 of share issuance costs related to the issuance.

- (iv) On May 23, 2025, the Company completed a non-brokered private placement (the “May Private Placement”) of STD FT Units and HD Units. The Company issued 1,480,667 STD FT Units at a price of \$0.30 per STD FT Unit for gross proceeds of \$444,200 and 3,182,000 HD Units at a price of \$0.25 per HD Unit for gross proceeds of \$795,500, for aggregate gross proceeds of \$1,239,700.

Each STD FT Unit consist of one FT Share as defined in subsection 66(15) of the ITA and one STD FT Warrant. Each STD FT Warrant will entitle its holder to purchase one Warrant Share at a price of \$0.50 until May 23, 2027. The Warrants and the Warrant Shares underlying the Warrants will not qualify as “flow-through shares” under the Tax Act.

The STD FT Units were allocated a flow-through premium of \$29,613 which is recognized as a liability on the statement of financial position as at July 31, 2025 and will be reduced as the Company incurs eligible exploration expenditures.

In connection with the closing of the May Private Placement, the Company paid cash finders’ fee in the amount of \$31,710 and issued 108,616 compensation warrants, with each compensation warrant exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.50 until May 23, 2027. The total fair value of the compensation warrants was \$20,509, calculated using the Black-Scholes Option Pricing Model. This amount was charged to share capital as a non-cash share-issuance cost.

Saga Metals Corp.

Management Discussion and Analysis
 For the year ended July 31, 2025 and 2024
 (Expressed in Canadian Dollars)

- (v) On July 31, 2025, the Company completed a non-brokered private placement (the “July Private Placement”) of STD FT Unit and HD Units. The Company issued 1,095,000 STD FT Units at a price of \$0.30 per STD FT Unit for gross proceeds of \$328,500 and 880,000 HD Units at a price of \$0.25 per HD Unit for gross proceeds of \$220,000, for aggregate gross proceeds of \$548,500. Each STD FT Unit consist of one FT Share as defined in subsection 66(15) of the ITA, and one STD FT Warrant. Each STD FT Warrant will entitle its holder to purchase one Warrant Share at a price of \$0.50 until July 31, 2027. The Warrants and the Warrant Shares underlying the Warrants will not qualify as “flow-through shares” under the Tax Act.

The STD FT Units were allocated a flow-through premium of \$10,950 which is recognized as a liability on the statement of financial position as at July 31, 2025 and will be reduced as the Company incurs eligible exploration expenditures.

In connection with the closing of the May Private Placement, the Company paid cash finder’s fee in the amount of \$14,700 and issued 49,000 compensation warrants, with each compensation warrant exercisable to acquire one common share in the capital of the Company at an exercise price of either \$0.30 until July 31, 2027. The fair value of the compensation warrants was \$10,143, calculated using the Black-Scholes Option Pricing Model. This amount was charged to share capital as a non-cash share-issuance cost.

b) Warrants

The Company’s warrants outstanding as at July 31, 2025 and the changes for the year ended July 31, 2025 are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance at July 31, 2023	9,533,995	\$ 0.17
Exercised (i)	(1,070,165)	0.30
Balance at July 31, 2024	8,463,830	\$ 0.16
Issued (iii)	11,225,937	0.52
Exercised (ii)	(5,641,666)	0.11
Expired	(200,000)	0.10
Balance at July 31, 2025	13,848,101	\$ 0.47

- (i) The Company received net proceeds of \$321,050 from the exercise of 1,070,165 share purchase warrants during May and June 2024.
- (ii) The Company received proceeds of \$632,500 from the exercise of 5,641,666 share purchase warrants during the year ended July 31, 2025.
- (iii) The Company issued 185,783 and 146,308 Agent Warrants in connection with its first and second tranche of its IPO offering. The Agent Warrants were exercisable into Units which were further comprised of a common share of the Company and one-half of a common share purchase warrant. The Agent Warrants were fair-valued using the Black-Scholes option pricing model and the Geske compound option pricing model with the following weighted average input assumptions:

	Black-Scholes Option model inputs
Share price at grant date	\$0.40
Exercise Price	\$0.40
Expected annual volatility	131.38%
Expected life (in years)	1.95

Saga Metals Corp.
Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

Expected dividend yield	0%
Risk-free interest rate	2.99%
Fair value per Warrant	\$0.26

	Geske compound option model inputs
Share price at grant date	\$ 0.40
Exercise price of compound warrant	\$ 0.0001
Exercise price of underlying warrant	\$ 0.60
Expected annual volatility	97.74%
Expected life compound warrant (in years)	2.00
Expected life underlying warrant (in years)	2.00
Expected dividend yield	0%
Risk-free interest rate	2.99%
Fair value per Warrant	\$ 0.17

Warrants issued and outstanding as at July 31, 2025 are as follows:

Number of Warrants Outstanding	Number of Warrants Exercisable	Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life in Years
150,000	150,000	\$0.40	September 20, 2025	0.14
2,122,164	2,122,164	\$0.30	November 19, 2025	0.30
500,000	500,000	\$0.10	May 11, 2026	0.78
332,091	332,091	\$0.40	September 23, 2026	1.15
2,994,791	2,994,791	\$0.60	September 23, 2026	1.15
117,129	117,129	\$0.41	December 23, 2026	1.40
836,643	836,643	\$0.50	December 23, 2026	1.40
70,000	70,000	\$0.30	May 27, 2027	1.82
4,701,283	4,701,283	\$0.50	May 27, 2027	1.82
49,000	49,000	\$0.30	July 31, 2027	2.00
1,975,000	1,975,000	\$0.50	July 31, 2027	2.00
13,848,101	13,848,101			1.37

- (1) On June 30, 2025, the Company amended the expiry date of 2,197,164 common share purchase warrants ("Warrants") previously issued in a private placement on July 19, 2023, prior to the Company's IPO. The Warrants were originally set to expire on July 19, 2025; the Company has extended the expiry date until November 19, 2025. No other terms of the Warrant were amended.

Share Based Compensation

Equity incentive plan

On February 16, 2024, the Company implemented an Equity Incentive Plan (the "EIP") which provides for the grant to eligible consultant, directors, and employees (including officers) of share options ("Options"), Restricted Share Units ("RSU"), Deferred Share Units ("DSU"), and Performance Share Units ("PSU"). The aggregate number of common shares ("Share") that may be subject to issuance under the Equity Incentive Plan, together with any other securities-based compensation arrangements of the Company, shall not exceed 10% of the Company's issued and outstanding share capital from time to time.

The term or expiry date of Options is determined by the Board but cannot be greater than ten years from the date the Option is granted. Options may be earlier terminated in the event of death or termination of employment or appointment. Vesting of Options is determined by the Board. The Board has the right to

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

accelerate the date upon which any instalment of any Option becomes exercisable. Options which are vested, remain fully vested and are exercisable until expiration or termination of the Option.

The Board shall have the authority to determine any vesting terms applicable to the grant of RSUs, provided that no RSUs shall vest until at least one year following the date of grant. The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of RSUs. Subject to the EIP except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the Participant shall redeem each vested RSU for:

- (i) one fully paid and non-assessable Share issued from treasury to the participant or as the participant may direct; or
- (ii) a cash payment; or
- (iii) a combination of Shares and cash

in each case as determined by the Board in its discretion.

The Board may fix a portion of the Director Fees to be payable in the form of DSUs. In addition, each Director ("Electing Person") is given the right to elect an amount (the "Elected Amount") to be paid in the form of DSUs in lieu of cash; subject to the conditions of the EIP. The Board shall have the authority to determine any vesting terms applicable to the grant of DSUs, provided that no DSUs shall vest until at least one year following the date of grant. In no event shall a DSU be settled prior to, or later than one year following, the date of the applicable participant's separation from service. If the DSU award agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the date of except as otherwise provided in an award agreement. On the settlement date for any DSU, the Participant shall redeem each vested DSU for:

- (i) one fully paid and non-assessable Share issued from treasury to the participant or as the participant may direct; or
- (ii) a cash payment; or
- (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii)

in each case as determined by the Board in its discretion.

The Board may prescribe, grant PSUs to any participant in respect of services rendered in the year of grant. Each PSU consists of a right to receive a Share of the Company, cash payment, or a combination thereof upon the achievement of such performance goals during such performance periods as the Board shall establish. The performance goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the termination of a participant's employment and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Board. The Board has the authority to determine any vesting terms applicable to the grant of PSUs, provided that no PSUs shall vest until at least one year following the date of grant while the Shares are posted for trading on a securities exchange. On the settlement date for any PSU, the Participant shall redeem each vested PSU for:

- (i) one fully paid and non-assessable Share issued from treasury to the participant or as the participant may direct; or
- (ii) a cash payment; or
- (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) in each case as determined by the Board in its discretion.

Saga Metals Corp.

Management Discussion and Analysis
 For the year ended July 31, 2025 and 2024
 (Expressed in Canadian Dollars)

The Company's share-based compensation for the year ended July 31, 2025 and 2024 is as follows:

	July 31, 2025		July 31, 2024	
Stock options (a)	\$	307,874	\$	-
PSU (b)		-		225,000
RSU (c)		3,274		-
Total share-based compensation	\$	311,148	\$	225,000

(a) Stock options

The changes in stock options during the year ended July 31, 2025 are as follows:

	Number of Options	Weighted Average Exercise Price
Balance at July 31, 2024 and 2023	-	\$ -
Issued (i)-(vi)	1,970,000	0.35
Balance at July 31, 2025	1,970,000	\$ 0.35

- (i) In connection with the closing of the IPO, the Company issued an aggregate of 500,000 stock options (the "IPO Options") to certain directors and officers of the Company. Each IPO Option entitles the holder thereof to acquire one common share of the Company at a price of \$0.40 per common share for a period of two years from the date of grant. The IPO Options were fair-valued using the Black-Scholes option pricing model and the following weighted average input assumptions:

	Key Management Options
Share price at grant date	\$0.39
Exercise Price	\$0.40
Expected annual volatility	128%
Expected life (in years)	2.00
Expected dividend yield	0%
Risk-free interest rate	2.91%
Fair value per option	\$0.249

- (ii) On September 23, 2024, the Company issued 225,000 stock options to consultants of the Company providing corporate advisory services. Each option entitles the holder to acquire one common share of the Company at a price of \$0.40 per common share for a period of one year from the date of grant.
- (iii) In October 2024, the Company issued a total of 225,000 stock options to consultants of the Company providing corporate advisory services. Each option entitles the holder to acquire one common share of the Company at a price of \$0.40 per common share for a period of one year from the date of grant.
- (iv) On January 3, 2025, the Company issued 120,000 stock options to contractors and consultants of the Company for mineral property exploration and corporate advisory services. Each option entitles the holder to acquire one common share of the Company at a price of \$0.40 per common share for a period of one year from the date of grant.
- (v) On May 15, 2025, the Company issued 100,000 stock options to a consultant of the Company for corporate advisory services. Each option entitles the holder to acquire one common share of the Company at a price of \$0.40 per common share for a period of two years from the date of grant.
- (vi) In June 2025, the Company issued a total of 800,000 stock options to consultants of the Company for corporate advisory services. The stock options granted have an exercise price of \$0.25 or \$0.40

Saga Metals Corp.

Management Discussion and Analysis
 For the year ended July 31, 2025 and 2024
 (Expressed in Canadian Dollars)

with each option entitling the holder to acquire one common share of the Company at the specified exercise price. All the options granted have a contractual life of two years from the date of grant.

The options granted to consultants and contractors of the Company were fair-valued using the Black-Scholes option pricing model and the following weighted average input assumptions:

	Consultant and Contractor Options
Share price at grant date	\$0.32
Exercise Price	\$0.33
Expected annual volatility	148%
Expected life (in years)	1.61
Expected dividend yield	0%
Risk-free interest rate	2.74%
Fair value per option	\$0.201

Options issued and outstanding as at July 31, 2025 are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life in Years
225,000	225,000	\$ 0.40	September 23, 2025	0.15
25,000	25,000	\$ 0.40	October 1, 2025	0.17
200,000	200,000	\$ 0.40	October 11, 2025	0.20
120,000	120,000	\$ 0.40	January 3, 2026	0.43
500,000	500,000	\$ 0.40	September 23, 2026	1.15
100,000	100,000	\$ 0.40	May 15, 2027	1.79
100,000	100,000	\$ 0.25	June 27, 2027	1.91
700,000	-	\$ 0.28	June 30, 2027	1.92
1,970,000	1,270,000	\$ 0.35		1.22

(b) Performance Share Units

The changes in PSU's during the year ended July 31, 2025 are as follows:

	Number of PSU
Balance at July 31, 2023	-
Issued (i)	1,500,000
Exercised (i)	(1,500,000)
Balance at July 31, 2024	-
Issued (ii)	1,000,000
Balance at July 31, 2025	1,000,000

(i) On February 16, 2024, the Company granted PSUs each to the CEO and CGO of the Company. The PSUs were valued at \$0.15 per unit, equal to the value of a common share from the most recent private placement financing prior to the PSU grant. The PSUs fully vest on the date of filing of the Company's final prospectus in connection with the Company's initial public offering.

On July 15, 2024, the performance conditions of the PSU were fulfilled and 1,500,000 PSUs were exercised into 1,500,000 common shares of the Company.

(ii) On June 25, 2025, the Company granted 1,000,000 PSUs to a consultant ("PSU Consultant") of the Company for capital market advisory. The PSUs were valued at \$0.24 per PSU, equal to the value of

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

a common share on the date of grant. The PSUs vest in accordance to the following performance conditions:

- a) One PSU will vest for every \$10 raised, up to \$10,000,000, as direct equity investment in the Company from persons introduced to the Company by the PSU Consultant (the "Performance Goal") during the periods from June 25, 2025 (the "First Performance Period") and from June 26, 2026 to June 25, 2027 (the "Second Performance Period" and together the "Performance Periods");
- b) Subject to the satisfaction of the Performance Goal, partial or otherwise, the PSUs will vest in the Participant as follows:
 - (i) on June 26, 2026, that number of PSUs equal to the amount of capital raised under the Performance Goal for the First Performance Period divided by ten (10) will vest in the Participant, provided that no more than 800,000 PSUs may vest at any time during the Second Performance Period (the "Cap");
 - (ii) at any time during the Second Performance Period, that number of PSUs equal to the amount of capital raised under the Performance Goal for the Second Performance Period divided by ten (10), provided that no PSUs exceeding the Cap may vest during the Second Performance Period; and
 - (iii) on June 26, 2027, that number of PSUs equal to the amount of capital raised under the Performance Goal for the Second Performance Period divided by ten (10), and minus the cumulative amount of PSUs that previously vested during the Second Performance Period, provided that, for greater certainty, no more than 200,000 PSUs may vest on such date.

If the Performance Goal is not satisfied prior to the expiry of the Performance Periods, any remaining PSUs will terminate and be null and void.

The PSUs are recognized in accordance with IFRS 2. The fair value of the PSUs will be recognized as share-based compensation when the Company determines that the Performance Goal, which is a non-market performance conditions, have been satisfied. At the end of each reporting period, the Company will revise its estimate of the number of PSUs expected to vest based on the satisfaction of the non-market performance conditions. No share-based compensation has been recognized for the PSUs granted during the year ended July 31, 2025.

(c) Restricted Share Units

The changes in RSUs during the year ended July 31, 2025 are as follows:

	Number of RSU
Balance at July 31, 2023 and July 31, 2024	-
Issued (i),(ii)	80,000
Balance at July 31, 2025	80,000

- (i) On May 15, 2025, the Company granted 40,000 RSUs to a consultant of the Company. The RSUs were valued at \$0.29 per RSU, equal to the value of a common share on the date of the RSU grant. The RSUs vested according to the following schedule: 20,000 in 12 months, 10,000 in 18 months and 10,000 in 24 months from grant date.
- (ii) On June 25, 2025, the Company granted 40,000 RSUs to a consultant of the Company. The RSUs were valued at \$0.25 per RSU, equal to the value of a common share on the date of the RSU grant.

The RSUs vested according to the following schedule: 20,000 in 12 months, 10,000 in 18 months and 10,000 in 24 months from grant date.

TRANSACTIONS WITH RELATED PARTIES

Key management compensation

Key management of the Company consist of the Chief Executive Officer (“CEO”), the Chief Financial Officer (“CFO”), the Chief Geological Officer (“CGO”), as well as directors of the Company. During the year ended July 31, 2025 the Company incurred the following expenses in relation to key management compensation:

Key management compensation	July 31, 2025	July 31, 2024
Consulting fees paid to an entity controlled by the CEO of the Company (i)	\$ 150,000	\$ 100,000
Consulting fees paid to an entity controlled by the CFO of the Company (ii)	72,000	79,500
Consulting fees paid to an entity controlled by the CGO of the Company (iii)	120,000	120,000
Share based compensation (iv)	124,500	225,000
Total key management compensation	\$ 466,500	\$ 524,500

- (i) As at July 31, 2025, there was \$13,127 (July 31, 2024 - \$5,625) payable to an entity controlled by Mike Stier, CEO of the Company. This entire balance is unsecured, due on demand and non-interest bearing and is presented within due to related parties as at July 31, 2025.
- (ii) As at July 31, 2025, there was \$6,338 (July 31, 2024 - \$19,013) payable to an entity controlled by Terence Lee, the CFO of the Company. This entire balance is unsecured, due on demand and non-interest bearing and is presented within due to related parties as at July 31, 2025.
- (iii) As at July 31, 2025, there was \$84,205 (July 31, 2024 - \$38,680) payable to an entity controlled by Michael Garagan, the CGO of the Company. \$26,081 of this balance is related to reimbursable expenses incurred by the CGO on behalf of the Company. This entire balance is unsecured, due on demand and non-interest bearing and is presented within due to related parties as at July 31, 2025.
- (iv) Share-based compensation relates to stock options issued to key management including directors of the company during the year ended July 31, 2025.

LIQUIDITY AND CAPITAL RESOURCES

As at July 31, 2025, the Company had working capital of \$621,941. This balance included a cash balance of \$989,047, and due from related party of \$973 to settle current liabilities of \$899,956.

The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. The Company is committed to the following expenditures in relation to the acquisition of its mineral property rights as at July 31, 2025:

Adina Property

- Cash consideration of \$50,000 after the date on which the Company grants to Rio Tinto Exploration Canada Inc. (“RIO”), an option to acquire an interest of 50% or more in the Adina Property (the “Adina Commencement Date”) – paid on August 8, 2024;
- \$50,000 cash payable on or before the first anniversary of the Adina Commencement Date – paid June 13, 2025; and
- \$50,000 on or before the second anniversary of the Adina Commencement Date

ANALYSIS OF CASH FLOWS

	July 31, 2025	July 31, 2024
Cash provided by (used in):		
Operating activities	\$ (3,238,094)	\$ (734,814)
Investing activities	(2,066,443)	(80,096)
Financing activities	5,509,219	362,934
Increase (decrease) in cash	\$ 204,682	\$ (451,976)

Operating Activities

Cash flows from operating activities can vary significantly from period to period as a result of the Company's working capital requirements which are dependent on corporate activities as well as exploration activities over its mineral properties. There was greater cash used in operating activities during the year ended July 31, 2025 as compared to the comparative period. This was primarily due to the completion of an IPO in September 2024. The Company was also more active and had significantly higher exploration activity and resulting expenditures as compared to the same period in July 31, 2024.

Investing Activities

Cash flows used in investing activities can vary depending on the nature of the transactions occurring during a period. During the year ended July 31, 2025, cash used was for the acquisition of mineral property rights and equipment as well as cash expenditures on exploration of its exploration assets. The cash used in investing activities for the ended July 31, 2025 was greater than for the ended July 31, 2024 as the Company raised significantly more from equity financings to fund investment activities.

Financing Activities

During the year ended July 31, 2025, the Company received \$5,363,201 from its equity financings related to its IPO and subsequent private placements. The Company incurred \$486,482 of cash share issuance cost in relation to its equity financings. The Company also received \$632,500 in proceeds on the exercise of share purchase warrants during the current year. There were no financing activity observed in the comparative period except for share warrant exercise of \$321,050 and proceeds from related parties of \$55,818 for the year ended July 31, 2024.

SUBSEQUENT EVENTS

- On October 10, 2025, the Company issued (i) 7,100,088 FT Units at C\$0.28 per FT Unit for gross proceeds of \$1,988,024, and (ii) 4,000,000 HD Units (together with the FT Units, the "Securities") at \$0.25 per HD Unit for gross proceeds of C\$1,000,000.

Each FT Unit consists of one flow-through common share as defined in subsection 66(15) of the ITA and one-half of one transferable common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will entitle its holder to purchase one Warrant Share at a price of \$0.50 until October 10, 2027.

The Company paid cash finder's fees in the aggregate amount of \$130,003 and issued an aggregate of 478,204 finder's warrants in connection with the Offering. Each finder's warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.50 per share for a period of 24 months from the Closing Date.

- Subsequent to the year ended July 31, 2025, the Company collected total proceeds of \$584,178 on the exercise of 2,406,033 share purchase warrants.

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

OFF-BALANCE SHEET ARRANGEMENT

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

These financial statements have been prepared using accounting policies consistent with IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. Refer to Note 4 of the audited annual financial statements for the year ended July 31, 2025 for details on critical accounting estimates and judgments.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon management’s assessment of the risk and available alternatives for mitigating risk. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support the Company’s operations. These financial risks and the Company’s exposure to these risks are provided in various tables in Note 12 of the audited annual financial statements for the year ended July 31, 2025. For a discussion on the significant assumptions made in determining the fair value of financial instruments, refer also to Note 2 of the audited annual financial statements for the year ended July 31, 2025.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risk factors due to the nature of its business. These risks and uncertainties may impact the Company’s ability to successfully execute its key strategies and may affect future events, performance or results. Some of these risks and uncertainties are described in this MD&A. However, the risks and uncertainties set out in this MD&A are not exhaustive. New risk factors may emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on the Company’s business performance, condition, operations or strategies and plans.

Ongoing Need for Financing

The Company will require additional financing, including through the sale of assets and/or the issue and sale of equity or debt securities if various events alone or in combination occur. No assurance is given that the Company will be able to obtain necessary financing in a timely manner or on acceptable terms, if at all. The Company will require significant capital in order to develop its concessions and to fund its operating costs. The Company currently has no revenues from operations and is currently wholly reliant upon external financing to fund all of its capital requirements. The Company will require additional financing from external sources to meet such requirements. No assurance is given that such financing will be available to the Company or, if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or debt securities of the Company, the interests of shareholders in the net assets of the Company may be diluted. Any failure of the Company to obtain required financing on acceptable terms could have a material adverse effect on the Company’s financial condition, results of operations, and liquidity, and could require the Company to cancel or postpone planned capital investments.

Limited operating history

The Company has a limited history of operations, is in the early stage of exploration and must be considered a start-up company. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. No assurance is given that the Company will be successful in achieving a return on

Saga Metals Corp.

Management Discussion and Analysis
For the year ended July 31, 2025 and 2024
(Expressed in Canadian Dollars)

shareholders' investment and the likelihood of success must be considered in the light of its early stage of operations. The Company has no history of mining operations and gives no assurance that it will successfully produce resources, generate revenue, operate profitably or provide a return on investment in the future. Other factors mentioned in this section may also prevent the Company from successfully operating a mine.

Potential Conflicts of Interest

Certain directors or officers of the Company are also directors, officers, shareholders and/or promoters of other reporting and non-reporting issuers. Such associations may give rise to conflicts of interest from time to time. The directors and officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter. Conflicts of interest, if any, will be subject to, and will be resolved in accordance with, the procedures and remedies under the BCBCA.

Reliance on Others and Key Personnel

The success of the Company will be largely dependent upon the performance of its management and key employees, as well as the talents of its outside consultants and suppliers. The Company may not have any "key man" insurance policies, and therefore there is a risk that the death or departure of any one or more members of management or any key employee could have a material adverse effect on the Company. The Company also faces intense competition for qualified personnel and there can be no assurance that the Company will be able to attract and retain the employees, personnel and/or consultants necessary to successfully carry out its activities.

Litigation

All industries are subject to legal claims, with and without merit. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material effect on the Company's operations and financial position.

Changes in Laws

Changes to any of the laws, rules, regulations or policies to which the Company is subject could have a significant impact on the Company's business. There can be no assurance that the Company will be able to comply with any future laws, rules, regulations and policies. Failure by the Company to comply with applicable laws, rules, regulations and policies may subject it to civil or regulatory proceedings, including fines or injunctions, which may have a material adverse effect on the Company's business, financial condition, liquidity and results of operations. In addition, compliance with any future laws, rules, regulations and policies could negatively impact the Company's profitability and have a material adverse effect on its business, financial condition, liquidity and results of operations.

Speculative investment

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described above and the other information filed with the Canadian securities regulators before investing in the Company's common shares. The risks described are not the only ones faced. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business. If any of these risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and investors may lose all of their investment.