



**1111 West Hastings Street, Suite 905,
Vancouver, British Columbia V6E 2J3**
Telephone: (250) 877-9902

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general and meeting of the shareholders of Scottie Resources Corp. (the "Company") will be held at 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia, on Tuesday, June 11, 2024, at the hour of 11:00 a.m. (Pacific Time), for the following purposes:

1. To receive and consider the financial statements of the Company, together with the auditor's report thereon, for the financial year ended August 31, 2023.
2. To fix the number of directors at five.
3. To elect directors for the ensuing year.
4. To appoint the auditor for the ensuing year.
5. To consider and, if thought fit, to pass an ordinary resolution approving the Company's new Stock Option Plan, subject to regulatory approval, as more fully set forth in the Information Circular accompanying this notice.

While registered shareholders are entitled to attend the Meeting in person, we strongly recommend that all Shareholders vote by proxy and accordingly ask that registered shareholders complete, date and sign the enclosed form of proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

The accompanying information circular provides additional information relating to the matters to be dealt with at the meeting and is deemed to form part of this notice.

If you are unable to attend the meeting in person, please complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

DATED this 6th day of May 2024.

BY ORDER OF THE BOARD

"Bradley Rourke"

Bradley Rourke
President & Chief Executive Officer

SCOTTIE RESOURCES CORP.
1111 West Hastings Street, Suite 905,
Vancouver, British Columbia V6E 2J3
Telephone: (250) 877-9902

INFORMATION CIRCULAR
(As at May 6, 2024, except as indicated)

SCOTTIE RESOURCES CORP. (“Scottie” or the “Company”) is providing this Information Circular and a form of proxy in connection with management’s solicitation of proxies for use at the annual general and special meeting (the “Meeting”) of the Company to be held on Tuesday, June 11, 2024, and at any adjournments thereof. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the “Management Proxyholders”).

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person’s name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company’s registrar and transfer agent, Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP’s, RRIF’s, RESP’s and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a “Nominee”). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or on the proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as “non-objecting beneficial owners” (“NOBOs”). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as “objecting beneficial owners” (“OBOs”).

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting, but rather has distributed copies of the Meeting materials to the Nominees for distribution to NOBOs.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting Materials unless their Nominee assumes the costs of delivery.

NOTICE-AND-ACCESS

The Company is not sending the Meeting materials to shareholders using “notice-and-access”, as defined under NI 54-101.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a shareholder, his or her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value, of which 299,819,618 shares were issued and outstanding as at the record date, May 6, 2024. Persons who are registered shareholders at the close of business on May 6, 2024, will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of Directors of the Company at five.

Pursuant to the Advance Notice Policy of the Company adopted by the Board of Directors on April 3, 2013, any additional director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy no later than the close of business on May 3, 2024.

The Company is required to have an audit committee. Members of this committee are Bradley Rourke, Steven Stein, and Ernest Mast.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5 Years</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly⁽¹⁾</i>
Bradley Clayton Rourke Shawnigan Lake, B.C., Canada <i>President/CEO/Director</i>	Independent Business Consultant, Director, President & CEO of the Company	Since November 21, 2016	13,341,545
Ernest Mast Etobicoke, Ontario, Canada <i>Director</i>	Mining and Metals Consultant, March 2017 to present; Founder, President and CEO Doré Mining Corp July 2017 -- Present. Director Libero Copper and Gold Feb 2021-Present. Global Mining and Metals Executive since 2001.	Since February 28, 2018	1,399,000

Name, Jurisdiction of Residence and Position	Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5 Years	Previous Service as a Director	Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly⁽¹⁾
John Williamson, Edmonton, Alberta, Canada <i>Director</i>	Independent Consultant, Mining Entrepreneur, Professional Geologist; Former Chairman, CEO and Director of Benchmark Metals Inc. from March 2018 to September 2023, Director of Torr Metals Inc. since September 2019; Chairman of Altiplano Metals Inc. since August 2019, and CEO from July 2014 to August 2019; Former Director and CEO of Founders Metals Inc. from February 2021 to January 2024; and Director and Chairman of Metalero Mining Corp. since June 2018.	Since February 28, 2018	125,000
Steven Stein Calgary, Alberta Canada <i>Director</i>	President of Remote Power Corp., since January 2020; Independent businessman since September 2019; Director of Black Diamond Group Limited since October 2009, Director since March 2019, and Consultant for Terra Water Systems Inc. since September 2019; President, Logistics of Black Diamond Group Limited from October 22, 2014, until December 31, 2016.	Since June 28, 2019	2,305,000
Elaine O'Donnell Owens Toronto, Ontario Canada <i>Director</i>	President, E2 Gold Inc. since February 2022, Financial Manager at Auramet International since November 2024, former Vice-President, E2 Gold Inc. from December 2020 to February 2022. Exploration company management 2014 to 2020.	Since January 16, 2023	Nil

⁽¹⁾ Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 6, 2024, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

To the knowledge of the Company, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a Director, chief executive officer (“CEO”) or chief financial officer (“CFO”) of any company (including the Company) that:
 - (i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

- (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed Director ceased to be a Director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a Director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

The following Directors of the Company hold Directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Ernest Mast	Doré Copper Mining Corp. ⁽¹⁾ Libero Copper & Gold Corporation ⁽¹⁾ First Lithium Minerals Corp. ⁽³⁾
John Williamson	Metalero Metals Inc. ⁽¹⁾ Altiplano Metals Inc. ⁽¹⁾ Torr Metals Inc. ⁽¹⁾ Emperor Metals Inc. ⁽³⁾
Steven Stein	Black Diamond Group Ltd. ⁽²⁾

(1) Listed on the TSX Venture Exchange.

(2) Listed on the Toronto Stock Exchange.

(3) Listed on the Canadian Securities Exchange.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Scottie's compensation philosophy for its Named Executive Officers (as defined herein) is designed to attract well qualified individuals in what is essentially an international market by paying competitive base management fees plus short and long-term incentive compensation in the form of stock options or other suitable long-term incentives. The Board of Directors meets to discuss and determine executive compensation without reference to formal objectives, criteria or analysis. In making its determinations regarding the various elements of executive compensation, the Board of

Directors does not benchmark its executive compensation program, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within Scottie's industry and geographic location while taking into account the financial and other resources of Scottie.

The duties and responsibilities of the President and CEO of Scottie are typical of those of a business entity of the Scottie's size in a similar business and include direct reporting responsibility to the Board, overseeing the activities of all other executive and management consultants, representing Scottie, providing leadership and responsibility for achieving corporate goals and implementing corporate policies and initiatives.

Elements of Compensation

Scottie's executive compensation policy consists of an annual base salary and long-term incentives in the form of stock options granted under Scottie's stock option plan, as described herein under "Particulars of Other Matters to be Acted Upon - Approval of New Stock Option Plan". The base salaries paid to officers of Scottie are intended to provide fixed levels of competitive pay that reflect each officer's primary duties and responsibilities and the level of skill and experience required to successfully perform their role.

Scottie intends to pay base salaries to officers that are competitive with those for similar positions in the mining industry to attract and retain executive talent in the market in which Scottie competes for talent. Base salaries of officers are reviewed annually by Scottie's board of directors.

Compensation Risk Management

Scottie's board of directors considers the implications of the risks associated with Scottie's compensation policies and practices when determining rewards for its officers. Scottie's board of directors intends to review at least once annually the risks, if any, associated with Scottie's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Scottie Option Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of Scottie and the shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of Scottie or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of Scottie and the current level of Scottie's activity, Scottie's board of directors is able to closely monitor and consider any risks which may be associated with Scottie's compensation policies and practices. Risks, if any, may be identified and mitigated through regular board meetings during which financial and other information of Scottie are reviewed. No risks have been identified arising from the Scottie's compensation policies and practices that are reasonably likely to have a material adverse effect on Scottie.

Hedging of Economic Risks in the Company's Securities

Scottie has not adopted a policy prohibiting its directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of Scottie's securities granted as compensation or held, directly or indirectly, by directors or officers. However, Scottie is not aware of any directors or officers having entered into this type of transaction.

Option-Based Awards

The Scottie Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of Scottie. In determining the number of options to be granted to the executive officers, the board of Scottie takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange, and closely align the interests of the executive officers with the interests of shareholders. Scottie's board of directors as a whole has the responsibility to administer the compensation policies related to the executive management of Scottie, including option-based awards.

Compensation Governance

Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Company. The number of options granted to an individual is based on such considerations.

Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6) sets forth all annual and long term compensation for services in all capacities to the Company for the three most recently completed financial years of the Company in respect of each of the individuals comprised of the CEO and the CFO who acted in such capacity for all or any portion of the most recently completed financial year, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (other than the CEO and the CFO), as at August 31, 2023 whose total compensation was, individually, more than \$150,000 for the financial year, and any individual who would have satisfied these criteria but for the fact that individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year (collectively the "Named Executive Officers" or "NEOs").

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation(\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Bradley Rourke CEO/President	2023	200,000 ⁽¹⁾	Nil	251,343	Nil	Nil	Nil	2,270,763 ⁽⁹⁾	2,722,106
	2022	120,000 ⁽¹⁾	Nil	53,715	Nil	Nil	Nil	1,435,796 ⁽⁸⁾	1,609,511
	2021	120,000 ⁽¹⁾	Nil	134,077	Nil	Nil	Nil	406,913 ⁽⁶⁾⁽⁷⁾	660,990
Thomas Mumford VP Exploration	2023	215,000	Nil	251,343	Nil	Nil	Nil	2,270,763 ⁽⁹⁾	2,737,106
	2022	170,000	Nil	40,286	Nil	Nil	Nil	1,435,796 ⁽⁸⁾	1,646,082
	2021	157,500	Nil	99,861	Nil	Nil	Nil	271,913 ⁽⁷⁾	529,274
Stephen Sulis ⁽²⁾ CFO	2023	90,000 ⁽⁴⁾	Nil	87,018 ⁽⁵⁾	Nil	Nil	Nil	Nil	177,018
	2022	64,500 ⁽⁴⁾	Nil	10,388 ⁽⁵⁾	Nil	Nil	Nil	Nil	74,888
	2021	54,000 ⁽⁴⁾	Nil	17,991 ⁽⁵⁾	Nil	Nil	Nil	Nil	71,991
Lisa Peterson ⁽³⁾ Former CFO	2022	45,000 ⁽¹⁰⁾	Nil	Nil	Nil	Nil	Nil	Nil	45,000
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Paid to YMI Inc., a private company wholly owned by Bradley Rourke.

(2) Stephen Sulis resigned as CFO on October 18, 2021, and was re-appointed as CFO on January 13, 2022.

(3) Lisa Peterson was appointed CFO on October 18, 2021, and she resigned as CFO on January 13, 2022.

(4) Paid to Red Fern Consulting Ltd., a private company of which Stephen Sulis is an employee.

(5) Issued to Red Fern Consulting Ltd., a private company of which Stephen Sulis is an employee.

(6) \$135,000 was paid to YMI Inc., a private company wholly owned by Bradley Rourke for the purchase of field equipment.

(7) \$271,913 was paid to Serac Exploration Ltd, a private company controlled by Bradley Rourke and Thomas Mumford that provides geological consulting.

(8) \$1,435,796 was paid to Serac Exploration Ltd, a private company controlled by Bradley Rourke and Thomas Mumford that provides geological consulting.

(9) \$2,270,763 was paid to Serac Exploration Ltd, a private company controlled by Bradley Rourke and Thomas Mumford that provides geological consulting.

(10) Paid to Slater Corporate Services Corporation, a private company of which Lisa Peterson was an employee.

Stock Options and Other Compensation Securities

Incentive Plan Awards

Scottie does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the NEOs.

Stock Options and Other Compensation Securities

The following table indicates all compensation securities granted and outstanding to each NEO by Scottie in the financial year ended August 31, 2023:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#) ^(#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) ⁽¹⁾	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value Of Vested Share-Based Awards not Paid Out or Distributed (\$)
Bradley Rourke ⁽²⁾ Director, CEO & President	1,000,000	0.215	May 25, 2025	25,000	Nil	Nil	Nil
	400,000	0.42	July 8, 2025	Nil	Nil	Nil	Nil
	800,000	0.25	April 19, 2026	Nil	Nil	Nil	Nil
	477,000	0.18	September 8, 2027	28,620	Nil	Nil	Nil
	900,000	0.27	January 16, 2028	Nil	Nil	Nil	Nil
Thomas Mumford ⁽³⁾ Vice President, Exploration	1,000,000 ⁽⁶⁾	0.22	April 25, 2024	Nil	Nil	Nil	Nil
	1,000,000 ⁽⁷⁾	0.10	December 3, 2023	140,000	Nil	Nil	Nil
	600,000	0.25	April 19, 2026	Nil	Nil	Nil	Nil
	200,000	0.42	July 8, 2025	Nil	Nil	Nil	Nil
	477,000	0.18	September 8, 2027	28,620	Nil	Nil	Nil
	900,000	0.27	January 16, 2028	Nil	Nil	Nil	Nil
	700,000	0.215	May 25, 2025	17,500	Nil	Nil	Nil
Stephen Sulis ⁽⁴⁾⁽⁵⁾ CFO	150,000	0.195	September 17, 2024	6,750	Nil	Nil	Nil
	175,000	0.215	May 25, 2025	2,500	Nil	Nil	Nil
	100,000	0.25	May 21, 2026	Nil	Nil	Nil	Nil
	250,000	0.18	September 8, 2027	15,000	Nil	Nil	Nil
	250,000	0.27	January 16, 2028	Nil	Nil	Nil	Nil

- (1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.24, and the exercise or base price of the option.
- (2) Subsequent to the year ended August 31, 2023, on April 17, 2024, Bradley Rourke was granted 1,500,000 options at an exercise price of \$0.195 per option and valid until April 17, 2029.
- (3) Subsequent to the year ended August 31, 2023, on April 17, 2024, Thomas Mumford was granted 1,500,000 options at an exercise price of \$0.195 per option and valid until April 17, 2029.
- (4) Granted to Red Fern Consulting Ltd. For the services of Stephen Sulis.
- (5) Subsequent to the year ended August 31, 2023, on April 17, 2024, Red Fern Consulting Ltd. was granted 300,000 options at an exercise price of \$0.195 per option and valid until April 17, 2029.
- (6) On April 25, 2024, these options expired, unexercised.
- (7) On July 10, 2023, these options were exercised.

Incentive Plan Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Named Executive Officers are as follows:

<i>Name</i>	<i>Option-Based Awards - Value Vested During The Year (\$)</i>	<i>Share-Based Awards - Value Vested During The Year (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
Bradley Rourke, Director, CEO & President	251,343	Nil	Nil
Thomas Mumford, Vice President Exploration	251,343	Nil	Nil
Stephen Sulis ⁽¹⁾ , CFO	87,018	Nil	Nil

(1) Granted to Red Fern Consulting Ltd., for the services of Stephen Sulis.

Compensation of Directors and the CEO

To determine compensation payable, the non-executive Directors review compensation paid for Directors and CEOs of companies of similar size and stage of development in the mineral exploration industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of Scottie. In setting the compensation, the non-executive Directors annually review the performance of the CEO in light of Scottie’s objectives and consider other factors that may have impacted the success of Scottie in achieving its objectives.

Pension and Retirement Plans

Scottie does not have any pension plan that provides for payments or benefits at, following, or in connection with retirement of any officer.

Termination and Change of Control Benefits

The Company is party to a consulting agreement dated June 1, 2023, with Thomas Mumford (the “**Consultant**”) for his services as Vice President Exploration of the Company (the “**Mumford Agreement**”). Mr. Mumford is paid \$19,166 per month. The Mumford Agreement is for a twenty-four (24) month term and, unless terminated by the Company in writing given no later than ninety (90) days prior to the expiry of the term, the Mumford Agreement shall be automatically renewed for a further period of twelve (12) months commencing upon the expiry of the term.

The Mumford Agreement may be terminated (“Termination”):

- (a) by the Consultant
 - (i) upon ninety (90) days’ prior written notice;
 - (ii) upon the occurrence of an Event of Default by the Company, as defined in the Mumford Agreement (an Event of Default includes a Change of Control);
- (b) by the Company, upon the occurrence of an Event of Default by the Consultant as set out in the Mumford Agreement.

In the event of Termination:

- (a) By the Company upon an Event of Default by the Consultant or by the Consultant for any reason other than an Event of Default by Company, the Company shall pay to the Consultant all amounts accruing hereunder up to and including the effective date of Termination.
- (b) By the Consultant due to an Event of Default by the Company or by the Company for any reason other than an Event of Default by the Consultant, the Company shall pay the Consultant:
 - (i) An amount equal to twenty-four (24) months remuneration (\$460,000);
 - (ii) The full amount of any bonus then due and owing; and
 - (iii) The full amount of any expenses incurred up to the effective date of Termination.

In the event the Company does not renew the Mumford Agreement within 90 days' of the expiry of the term, the Company shall pay the Consultant:

- (a) An amount equal to twelve (12) months remuneration (\$230,000);
- (b) The full amount of any bonus then due and owing;
- (c) The full amount of any expenses then due and owing; and
- (d) Any incentive stock options then outstanding shall be deemed to be extended and exercisable for one (1) year following the expiry of the term.

Director Compensation

The following table sets forth all amounts of compensation provided to the Directors, who are each not also an NEO, for the Company's most recently completed financial year:

<i>Director Name</i>	<i>Fees Earned (\$)</i>	<i>Share-Based Awards (\$)</i>	<i>Option-Based Awards (\$)</i>	<i>Non-Equity Incentive Plan Compensation (\$)</i>	<i>Pension Value (\$)</i>	<i>All Other Compensation (\$)</i>	<i>Total (\$)</i>
Steven Stein	Nil	Nil	99,867	Nil	Nil	Nil	99,867
Ernest Mast	Nil	Nil	143,784	Nil	Nil	Nil	143,784
John Williamson	Nil	Nil	99,867	Nil	Nil	Nil	99,867
Elaine O'Donnell Owens	Nil	Nil	80,673	Nil	Nil	Nil	80,673

The Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Statement of Executive Compensation.

The Company has a Stock Option Plan for the granting of incentive stock options to the officers, employees and Directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

The Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Directors.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets out all the option-based and share-based awards outstanding as at August 31, 2023, for each of the Directors who are not Named Executive Officers:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) ⁽¹⁾	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value Of Vested Share-Based Awards not Paid Out or Distributed (\$)
Steven Stein ⁽²⁾	500,000	0.195	September 17, 2024	22,500	Nil	Nil	Nil
	400,000	0.215	May 25, 2024	10,000			
	200,000	0.18	September 8, 2027	12,000			
	350,000	0.27	January 16, 2028	Nil			
	200,000	0.25	April 19, 2026	Nil			
Ernest Mast ⁽³⁾	200,000	0.195	September 17, 2024	9,000	Nil	Nil	Nil
	400,000	0.215	May 25, 2025	10,000			
	500,000	0.18	September 8, 2027	30,000			
	350,000	0.27	January 16, 2028	Nil			
	200,000	0.25	April 19, 2026	Nil			
John Williamson ⁽⁴⁾	300,000	0.195	September 17, 2024	13,500	Nil	Nil	Nil
	400,000	0.215	May 25, 2025	10,000			
	200,000	0.18	September 8, 2027	12,000			
	350,000	0.27	January 16, 2028	Nil			
	200,000	0.25	April 19, 2026	Nil			
Elaine O'Donnell Owens ⁽⁵⁾	400,000	0.27	January 16, 2028	Nil	Nil	Nil	Nil

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.24, and the exercise or base price of the option.

(2) Subsequent to the year ended August 31, 2023, on April 17, 2024, Steven Stein was granted 500,000 options at an exercise price of \$0.195 per option and valid until April 17, 2029.

- (3) Subsequent to the year ended August 31, 2023, on April 17, 2024, Ernest Mast was granted 500,000 options at an exercise price of \$0.195 per option and valid until April 17, 2029.
- (4) Subsequent to the year ended August 31, 2023, on April 17, 2024, John Williamson was granted 700,000 options at an exercise price of \$0.195 per option and valid until April 17, 2029.
- (5) Subsequent to the year ended August 31, 2023, on April 17, 2024, Elaine O'Donnell Owens was granted 500,000 options at an exercise price of \$0.195 per option and valid until April 17, 2029

Incentive Plan Awards - Value Vested Or Earned During The Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

<i>Director Name</i>	<i>Option-Based Awards - Value Vested During The Year (\$)</i>	<i>Share-Based Awards - Value Vested During The Year (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
Steven Stein	99,867	Nil	Nil
Ernest Mast	143,784	Nil	Nil
John Williamson	99,867	Nil	Nil
Elaine O'Donnell Owens	80,673	Nil	Nil

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights(b)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)⁽¹⁾⁽²⁾</i>
Equity compensation plans approved by securityholders	17,779,000	\$0.25	9,010,356
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	17,779,000	\$0.25	9,010,356

(1) Since the year end of August 31, 2023, 7,400,000 options to purchase Common Shares have been granted, no options to purchase Common Shares have been exercised, and 2,000,000 options to purchase Common Shares have expired. As at the date hereof there are options outstanding to purchase 23,179,000 Common Shares.

(2) As at the date hereof there are options available for grant to purchase 6,802,961 Common Shares.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, officer, employee or previous directors, officers or employees of Scottie was indebted to Scottie at any time in its last completed financial year in connection with the purchase of securities of Scottie of for any other reason.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of

the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company.

APPOINTMENT OF AUDITOR

Manning Elliott LLP, Chartered Accountants, of Vancouver, British Columbia, are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Manning Elliott LLP as the auditors of the Company to hold office for the ensuing year.

MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company.

CORPORATE GOVERNANCE DISCLOSURE

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and, therefore, these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

Independence of Members of Board

The Company's Board consists of five Directors, four of whom are independent based upon the tests for independence set forth in National Instrument 52-110 ("NI 52-110"). Bradley Rourke is not independent as he is the CEO and President of the Company.

Management Supervision by Board

The operations of the Company do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors being present. Further supervision is performed through the audit committee which is composed of a majority of independent Directors who meet with the Company's auditors without management being in attendance. The independent Directors also have access to the Company's legal counsel and its officers.

Risk Management

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

The audit committee is responsible for the risk management items set out in the audit committee charter.

Participation of Directors in Other Reporting Issuers

The participation of the Directors in other reporting issuers is described in the table provided under “Election of Directors” in this Information Circular.

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board of Directors, committees and copies of the Company’s corporate governance policies;
2. access to recent, publicly filed documents of the Company, technical reports and the Company’s internal financial information;
3. access to management and technical experts and consultants; and
4. a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management’s assistance and to attend related industry seminars and visit the Company’s operations. Board members have full access to the Company’s records.

Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code.

Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates.

Compensation of Directors and the CEO

To determine compensation payable, the non-executive Directors review compensation paid for Directors and CEOs of companies of similar size and stage of development in the mineral exploration industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the non-executive Directors annually review the performance of the CEO in light of the Company’s objectives

and consider other factors that may have impacted the success of the Company in achieving its objectives.

Board Committees

As the Directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of Directors, the Board has determined that additional committees beyond the audit committee are not necessary at this stage of the Company's development.

Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees. To assist in its review, the Board conducts informal surveys of its Directors.

Nomination and Assessment

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

Expectations of Management

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

AUDIT COMMITTEE

The Audit Committee's Charter

Mandate

The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the CFO and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.

- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Risk Management

1. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
2. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
3. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
4. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

Other

Review any related-party transactions.

Composition of the Audit Committee

The following are the members of the Committee:

Bradley Rourke	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾
Steven Stein	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Ernest Mast	Independent ⁽¹⁾	Financially literate ⁽¹⁾

⁽¹⁾ As defined by NI 52-110. As required for venture issuers such as the Company, a majority of the members of the audit committee are not executive officers, employees and contact persons of the Company or of an affiliate of the Company.

Audit Committee Member Education and Experience

Bradley Rourke is financially literate and has several years' experience raising capital for resource companies, both public and private. Mr. Rourke has previously been director or sales and principal partner with a small firm out of Calgary that raised over \$100 million in private investment funds.

Steven Stein is financially literate and has many years' experience as an officer and director of public and private companies. He was a founding shareholder and an officer of the Black Diamond Group – a leading North American provider of modular space solutions and workforce accommodations – from 2007 to 2016 and is currently a Director of the Black Diamond Group. From 1990 to 2005, Mr. Stein was actively involved in the operations and a founder of one of the predecessor companies of the Outland Group – one of Canada's largest logistics and camp businesses. Mr. Stein holds a bachelor's degree from Queens University and is a graduate of the Institute of Corporate Directors.

Ernest Mast Ernest Mast is financially literate and has over thirty years' experience in various technical and executive roles in the mining industry, across a wide range of commodities, geographies and development stages. Currently he is President and CEO of Doré Copper Mining Corp. and is a Director on other publicly listed Companies. He previously held the positions of President and CEO, COO, VP of Corporate Development, and VP Operations at several other publicly-traded companies listed on the TSX and TSX Venture Exchange. Ernest has a Master's degree in metallurgical engineering from McGill

University and also received post-secondary business training at Henley College in the UK and the Universidad Catolica in Chile.

Audit Committee Oversight

At no time since the commencement of Scottie's financial year ended August 31, 2023, and August 31, 2022, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board of directors of Scottie.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. The Company is relying upon the exemption in Section 6.1 of NI 52-110 from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

Pre-Approval Policies and Procedures

The Audit Committee shall review and pre-approve all non-audit services to be provided to the Company by its external auditors.

Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

External Auditor Service Fees

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
August 31, 2023	\$72,000	Nil	Nil	Nil
August 31, 2022	\$89,000	Nil	Nil	Nil

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

The Board has approved the Company's current form of 10% "rolling" stock option plan (the "**Stock Option Plan**" or the "**Plan**"). The Plan was previously approved by shareholders on April 14, 2023. The information below should be read in conjunction with the Stock Option Plan. Any definitions or capitalized terms used or referenced below have the same meaning attributed to them in the Stock Option Plan which is attached to this Information Circular as Schedule "A" and will be accessible on the Company's SEDAR+ profile at www.sedarplus.ca.

The purpose of the Plan is to give to Eligible Persons (as defined herein) additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Stock Options, exercisable over periods of up to ten (10) years as determined by the Board, to buy shares of the

Company at a price not less than the Market Price (as defined herein) prevailing on the date the Stock Option is granted less applicable discount, if any, permitted by the policies of the Exchange and approved by the Board. The general terms and conditions of the Stock Option Plan are reflected in the disclosure below.

Key Terms	Summary
Administration	The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Stock Option Plan, to interpret the Stock Option Plan, to prescribe, amend and rescind rules and regulations relating to the Stock Option Plan and to make all other determinations deemed necessary or advisable in respect of the Stock Option Plan. Except as set forth in certain sections of the Stock Option Plan and subject to any required prior Exchange approval, the interpretation and construction of any provision of the Stock Option Plan by the Board shall be final and conclusive. Administration of the Stock Option Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.
Number of Common Shares	<p>The maximum aggregate number of Common Shares that are issuable pursuant to security-based compensation granted or issued under the Stock Option Plan and all of the Company's other previously established or proposed security-based compensation plans (to which the following limits apply under Exchange policies):</p> <p>(a) to all Eligible Persons granted a Stock Option pursuant to the Stock Option Plan and their heirs, executors, and administrators ("Optionees") as a group (including for greater certainty Insiders (as a group) shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis at any point in time;</p> <p>(b) to Insiders (as a group) in any 12-month period shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis on the date specified in an agreement whereby the Company grants an Optionee a Stock Option (an "Option Agreement") as the date on which a Stock Option is granted (the "Grant Date"), unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies;</p> <p>(c) to any one Optionee (including, where permitted under applicable policies of the Exchanges, any companies that are wholly owned by such Optionee) in any 12-month period shall not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies.</p> <p>(d) to any one Consultant (as defined under the policies of the Exchange) in any 12-month period shall not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis on the Grant Date;</p> <p>(e) to Investor Relations Service Providers (as defined under the policies of the Exchange) (as a group) in any 12-month period shall not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis on</p>

Key Terms	Summary
	<p>the Grant Date, and Investor Relations Service Providers shall not be eligible to receive any security-based compensation other than Stock Options if the Common Shares are listed on the Exchange at the time of any issuance or grant; and</p> <p>(f) to Eligible Charitable Organizations (as defined under the policies of the Exchange) (as a group) shall not exceed 1% of the total number of issued and outstanding Common Shares on a non-diluted basis on the Grant Date.</p>
Securities	Each Stock Option entitles the holder thereof to purchase one Common Share (subject to adjustment in certain circumstances) at an exercise price determined by the Board.
Participation	Any directors, officers, Employees (as defined under the policies of the Exchange), Management Company Employees (as defined under the policies of the Exchange), Consultants and Eligible Charitable Organizations (as defined under the policies of the Exchange) of the Company and its subsidiaries (collectively " Eligible Persons ").
Stock Option Price	The price per Common Share specified in an Option Agreement, adjusted from time to time, (the " Option Price ") under each Stock Option shall be not less than the Market Price on the Grant Date less the applicable discount permitted under the policies of the Exchanges or, if the Common Shares are not listed on any Exchange, less 25%.
Exercise Period	The exercise period of a Stock Option will be the period from and including the Grant Date up to 4:00 p.m. Pacific Time on the expiry date that will be determined by the Board at the time of grant (the " Expiry Date "), provided that the Expiry Date of a Stock Option will be no later than the tenth anniversary of the Grant Date of the Stock Option. In the event that the Expiry Date of a Stock Option falls during, a trading blackout period imposed by the Company (the " Blackout Period "), the Expiry Date of such Stock Option shall automatically be extended to a date which is ten (10) trading days following the end of such Blackout Period (the " Extension Period "), subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such Stock Option within ten (10) trading days following the end of the last imposed Blackout Period.
Ceasing to be an Eligible Person	<p>If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:</p> <p>(a) <u>Death or Disability</u></p> <p>If the Optionee ceases to be an Eligible Person, due to his or her death or disability or, in the case of an Optionee that is a company, the death or disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Stock Option then held by the</p>

Key Terms

Summary

Optionee shall be exercisable to acquire the number of Common Shares, at a particular time, which have been reserved for issuance upon the exercise of a Stock Option but which have not been issued, as adjusted from time to time ("**Unissued Option Shares**") that have become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement ("**Vested**") at any time up to but not after the earlier of:

- (i) 365 days after the date of death or disability; and
- (ii) the Expiry Date;

(b) Termination For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company (as defined under the policies of the Exchange), the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Stock Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Stock Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

(d) Spin-Out Transactions

If pursuant to the operation of section 5.3(c) of the Stock Option Plan (in connection with a corporate reorganization) an Optionee receives options (the "**New Options**") to purchase securities of another company (the "**New Company**") in respect of the Optionee's Stock Options (the "**Subject Options**"), subject to the prior approval of the Exchanges, the New Options shall expire on the earlier of: (i) the Expiry Date of the Subject Options; (ii) if the Optionee does not become an Eligible Person in respect of the New Company, the date that the Subject Options expire pursuant to paragraph (a), (b) or (c) above, as applicable; (iii) if the Optionee becomes an Eligible Person in respect of the New Company, the date that the New Options expire pursuant to the terms of the New

Key Terms	Summary
	<p>Company's stock option plan that correspond to section (a), (b) or (c) above; and (iv) the date that is one (1) year after the Optionee ceases to be an Eligible Person in respect of the New Company or such shorter period as determined by the Board.</p> <p>(e) <u>Eligible Charitable Organizations</u></p> <p>If the Optionee ceases to be an Eligible Person due to no longer being an Eligible Charitable Organization, the Stock Options then held by that Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days after the date the Optionee ceases to be an Eligible Person.</p> <p>Notwithstanding the foregoing, the Board may, in its sole discretion if it determines such is in the best interests of the Company and subject to the policies of the Exchanges, extend the early Expiry Date (as set out above in paragraphs (a) to (e)) of any Stock Option held by an Optionee who ceases to be an Eligible Person to a later date within a reasonable period, subject to such period not exceeding 12 months from the date the Optionee ceases to be an Eligible Person.</p>
Vesting	<p>The Board shall determine the terms upon which each Stock Option shall vest at the time of grant, subject to the policies of the Exchanges. Unless otherwise specified by the Board at the time of granting a Stock Option, all Stock Options shall vest and become exercisable in full upon grant, except Stock Options granted to Investor Relations Service Providers, which Stock Options must vest in stages over twelve months with no more than one-quarter of the Stock Options vesting in any three-month period.</p>
Acceleration Events (Take-Over Bid and Change of Control)	<p>If at any time when a Stock Option granted under the Stock Option Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer and subject to the approval of the Exchanges with respect to Investor Relations Service Providers, declare all Option Shares issuable upon the exercise of Stock Options granted under the Stock Option Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Stock Options granted under the Stock Option Plan is accelerated so that all Stock Options will either be exercised or will expire prior to the date upon which Common Shares must be tendered pursuant to the Offer.</p> <p>If a Change of Control occurs, all Option Shares subject to each outstanding Stock Option will become Vested, whereupon such Stock Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchanges with respect to Investor Relations Service Providers or if otherwise necessary.</p>
Amendments	<p>The Board may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders (or disinterested shareholders, if required), Exchanges or any other regulatory body having authority over the Company or the Stock Option Plan, suspend, terminate or discontinue the Stock</p>

Key Terms	Summary
Common Shares Not Acquired	Option Plan at any time, or amend or revise the terms of the Stock Option Plan or of any Stock Option granted under the Stock Option Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Stock Option previously granted to an Optionee under the Stock Option Plan without the consent of that Optionee.
Adjustments	Any Unissued Option Shares not acquired by an Optionee under a Stock Option which has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised may be made the subject of a further Stock Option pursuant to the provisions of the Stock Option Plan.
Rights of Optionees	The Stock Option Plan provides for certain standard adjustments to the Option Price and the number of Unissued Option Shares in the event of a share reorganization, special dividend distribution or corporate reorganization. Any adjustment is subject to the prior approval of the Exchange, other than adjustments due to a share subdivision, combination or consolidation.
Previously Granted Stock Options	An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).
Previously Granted Stock Options	Stock Options which are outstanding under pre-existing stock option plan(s) of the Company as of the effective date of the Stock Option Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of the Stock Option Plan except to the extent that the terms of the Stock Option Plan are more restrictive than the terms of such pre-existing plan(s) under which such stock options were originally granted, in which case the applicable pre-existing plan(s) shall govern, provided that any stock options granted, issued or amended after November 23, 2021 must comply with TSXV Policy 4.4 - <i>Incentive Stock Options</i> (as at November 24, 2021).

To be approved, the Option Plan Resolution must be passed by a majority of the votes cast by the holders of common shares at the Meeting.

Shareholders will be asked at the Meeting to approve, with or without variation, the following ordinary resolution (the “**Stock Option Resolution**”):

“BE IT RESOLVED THAT:

1. the Company’s Stock Option Plan be ratified, confirmed, and approved, and that in connection therewith a maximum of 10% of the issued and outstanding common shares of the Company at the time of each grant be approved for granting as options; and
2. any director or officer of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution.”

The Board unanimously recommends that each Shareholder vote FOR the Stock Option Resolution.

The full text of the Stock Option Plan is attached hereto as Schedule “A”.

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval of the Stock Option Plan.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca. Shareholders may contact the Company at 1111 West Hastings Street, Suite 905, Vancouver, British Columbia V6E 2J3, to request copies of the Company’s financial statements and MD&A.

Financial information is provided in the Company’s comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 6th day of May 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“Bradley Rourke”

Bradley Rourke

President and Chief Executive Officer

Schedule "A"

SCOTTIE RESOURCES CORP.

March 6, 2023

10% ROLLING STOCK OPTION PLAN

1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan for Directors, Officers, Employees, Management Company Employees, Consultants and Eligible Charitable Organizations (as such terms are defined below) of the Company and its subsidiaries (collectively "**Eligible Persons**"), to be known as the "Scottie Resources Corp. Stock Option Plan" (the "**Plan**"). The purpose of the Plan is to give to Eligible Persons as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Options, exercisable over periods of up to ten (10) years as determined by the board of directors of the Company, to buy shares of the Company at a price not less than the Market Price prevailing on the date the Option is granted less applicable discount, if any, permitted by the policies of the Exchanges and approved by the Board.

2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- 2.1 **"Board"** means the Board of Directors of the Company.
- 2.2 **"Change of Control"** means the occurrence of any one or more of the following events:
 - (i) a consolidation, reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;
 - (ii) the sale, exchange or other disposition to a person other than an affiliate of the Company of all, or substantially all of the Company's assets;
 - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
 - (iv) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or
 - (v) any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Company which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which

the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or to direct the casting of 20% or more of the votes attached to all of the Company's outstanding Voting Securities which may be cast to elect directors of the Company or the successor Company (regardless of whether a meeting has been called to elect directors);

For the purposes of the foregoing, "**Voting Securities**" means Shares and any other shares entitled to vote for the election of directors and shall include any security, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors including any options or rights to purchase such shares or securities;

- 2.3 "**Company**" means Scottie Resources Corp. and its successors.
- 2.4 "**Consultant**" means a "Consultant" as defined in the TSXV Policies.
- 2.5 "**Consultant Company**" means a "Consultant Company" as defined in the TSXV Policies.
- 2.6 "**Director**" means a "Director" as defined in the TSXV Policies.
- 2.7 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
 - a. being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
 - b. acting as a director or officer of the Company or its subsidiaries.
- 2.8 "**Eligible Charitable Organization**" means an "Eligible Charitable Organization" as defined in TSXV Policies.
- 2.9 "**Eligible Persons**" has the meaning given to that term in section 1 hereof.
- 2.10 "**Employee**" means an "Employee" as defined in the TSXV Policies.
- 2.11 "**Exchanges**" means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.12 "**Exchange Hold Period**" means "Exchange Hold Period" as defined in TSXV Policies.
- 2.13 "**Expiry Date**" means the date set by the Board under section 3.1 of the Plan, as the last date on which an Option may be exercised.
- 2.14 "**Grant Date**" means the date specified in an Option Agreement as the date on which an Option is granted.
- 2.15 "**Insider**" means an "Insider" as defined in the TSXV Policies.
- 2.16 "**Investor Relations Activities**" means "Investor Relations Activities" as defined in the TSXV Policies.

- 2.17 **"Investor Relations Service Provider"** means "Investor Relations Service Provider" as defined in the TSXV Policies.
- 2.18 **"Joint Actor"** means a person acting "jointly or in concert with" another person as that phrase is interpreted in National Instrument 62-104 – *Take-Over Bids and Issuer Bids*.
- 2.19 **"Management Company Employee"** means a "Management Company Employee" as defined in the TSXV Policies.
- 2.20 **"Market Price"** of Shares at any Grant Date means the market price per Share as determined by the Board, provided that if the Company is listed on an Exchange, such price shall not be less than the market price determined in accordance with the rules of such Exchange.
- 2.21 **"Officer"** means an "Officer" as defined in the TSXV Policies.
- 2.22 **"Option"** means an option to purchase Shares granted pursuant to, or governed by, this Plan and any pre-existing stock option plan of the Company.
- 2.23 **"Option Agreement"** means an agreement, in the form attached hereto as Schedule "A", whereby the Company grants to an Optionee an Option.
- 2.24 **"Optionee"** means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.25 **"Option Price"** means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.
- 2.26 **"Option Shares"** means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.27 **"Plan"** means this Scottie Resources Corp. Stock Option Plan.
- 2.28 **"Securities Act"** means the Securities Act (British Columbia), R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.29 **"Security Based Compensation"** means "Security Based Compensation" as defined in the TSXV Policies.
- 2.30 **"Shares"** means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.31 **"TSXV Policies"** means the policies included in the TSX Venture Exchange Corporate Finance Manual and **"TSXV Policy"** means any one of them.
- 2.32 **"Unissued Option Shares"** means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.
- 2.33 **"Vested"** means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

3. GRANT OF OPTIONS

3.1 Option Terms

The Board may from time to time authorize the issue of Options to Eligible Persons. Where permitted under applicable policies of the Exchanges, companies that are wholly owned by Eligible Persons may also be issued Options. The Option Price under each Option shall be not less than the Market Price on the Grant Date less the applicable discount permitted under the policies of the Exchanges or, if the Shares are not listed on any Exchange, less 25%. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date, subject to the operation of section 4.1. Options shall not be assignable or transferable by the Optionee.

3.2 Limits on Shares Issuable on Exercise of Options

The maximum aggregate number of Shares that are issuable pursuant to Security Based Compensation granted or issued under the Plan and all of the Company's other previously established or proposed Security Based Compensation plans (to which the following limits apply under Exchange policies):

- (a) to all Optionees as a group (including for greater certainty Insiders (as a group)) shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis at any point in time;
- (b) to Insiders (as a group) in any 12-month period shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies;
- (c) to any one Optionee (including, where permitted under applicable policies of the Exchanges, any companies that are wholly owned by such Optionee) in any 12-month period shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies.
- (d) to any one Consultant in any 12-month period shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date;
- (e) to Investor Relations Service Providers (as a group) in any 12-month period shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, and Investor Relations Service Providers shall not be eligible to receive any Security Based Compensation other than Options if the Shares are listed on the TSX Venture Exchange at the time of any issuance or grant; and
- (f) to Eligible Charitable Organizations (as a group) shall not exceed 1% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date.

3.3 Option Agreements

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. In respect of Options granted to Employees, Consultants, Consultant Companies or Management Company Employees, the Company and the Optionee is representing herein and in the applicable Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan. All Options shall be subject to any applicable resale restrictions pursuant to applicable securities laws. In addition, Options and Option Shares that are subject to the Exchange Hold Period pursuant to TSXV Policy 1.1 must be legended with the Exchange Hold Period commencing on the Grant Date, and the Option Agreement shall contain any applicable resale restriction or Exchange Hold Period.

4. EXERCISE OF OPTION

4.1 When Options May be Exercised

Subject to the operation of this section 4 of the Plan with respect to the conditions and acceleration of the vesting of an Option and the acceleration and extension of the Expiry Date of an Option, an Option may be exercised to purchase any number of Shares up to the number of Vested Unissued Option Shares at

any time after the Grant Date up to 4:00 p.m. Pacific Time on the Expiry Date and shall not be exercisable thereafter. In the event that the Expiry Date of an Option falls during a trading blackout period imposed by the Company (the “**Blackout Period**”), the Expiry Date of such Option shall automatically be extended to a date which is ten (10) trading days following the end of such Blackout Period (the “**Extension Period**”), subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such Option within ten (10) trading days following the end of the last imposed Blackout Period.

4.2 Manner of Exercise

The Option shall be exercisable by delivering to the Company a notice specifying the number of Option Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Option Share. Upon notice and payment there will be a binding contract for the issue of the Option Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Company or such other method of cash payment as is acceptable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque or other method of cash payment, as the case may be, is not honoured upon presentation in which case the Option shall not have been validly exercised.

4.3 Vesting of Option Shares

The Board, subject to the policies of the Exchanges, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at the time of granting an Option, and subject to the other limits on Option grants set out in Section 3.2 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to Investor Relations Service Providers, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period.

4.4 Termination of Employment

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:

(a) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
- (ii) the Expiry Date;

(b) Termination For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant

Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

(d) Spin-Out Transactions

If pursuant to the operation of sub-section 5.3(c) an Optionee receives options (the "**New Options**") to purchase securities of another company (the "**New Company**") in respect of the Optionee's Options (the "**Subject Options**"), subject to the prior approval of the Exchanges, the New Options shall expire on the earlier of: (i) the Expiry Date of the Subject Options; (ii) if the Optionee does not become an Eligible Person in respect of the New Company, the date that the Subject Options expire pursuant to sub-section 4.4(a), (b) or (c), as applicable; (iii) if the Optionee becomes an Eligible Person in respect of the New Company, the date that the New Options expire pursuant to the terms of the New Company's stock option plan that correspond to sub-section 4.4(a), (b) or (c) hereof; and (iv) the date that is one (1) year after the Optionee ceases to be an Eligible Person in respect of the New Company or such shorter period as determined by the Board.

(e) Eligible Charitable Organizations

If the Optionee ceases to be an Eligible Person due to no longer being an Eligible Charitable Organization, the Options then held by that Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days after the date the Optionee ceases to be an Eligible Person.

Notwithstanding the foregoing, the Board may, in its sole discretion if it determines such is in the best interests of the Company and subject to the policies of the Exchanges, extend the early Expiry Date (as set out above in this section 4.4) of any Option held by an Optionee who ceases to be an Eligible Person to a later date within a reasonable period, subject to such period not exceeding 12 months from the date the Optionee ceases to be an Eligible Person.

For purposes of this section 4.4, the dates of death, Disability, termination, retirement, voluntary resignation, ceasing to be an Eligible Person and incapacity shall be interpreted to be without regard to any period of notice (statutory or otherwise) or whether the Optionee or his or her estate continues thereafter to receive any compensatory payments from the Company or is paid salary by the Company in lieu of notice of termination.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this section 4.4 occurred, shall not be or become vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

4.5 Effect of a Take-Over Bid

If a *bona fide* offer (an "Offer") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the Exchanges with respect to Investor Relations Service Providers) all Option Shares subject to such Offer will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to section 4.3 shall be reinstated. If any Option Shares are returned to the Company under this section 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

4.6 Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer and subject to the approval of the Exchanges with respect to Investor Relations Service Providers, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days of notice is required and more than 30 days of notice is not required.

4.7 Compulsory Acquisition or Going Private Transaction

If and whenever, following a take-over bid or issuer bid, there shall be a compulsory acquisition of the Shares pursuant to Division 6 of the *Business Corporations Act* (British Columbia) or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal take-over bid may be voted under the conditions described in Section 8.2 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Option Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have

been entitled to receive as a result of such bid if he or she had tendered such number of Option Shares to the take-over bid.

4.8 Effect of a Change of Control

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchanges with respect to Investor Relations Service Providers or if otherwise necessary.

4.9 Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

4.10 Shares Not Acquired

Any Unissued Option Shares not acquired by an Optionee under an Option which has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised may be made the subject of a further Option pursuant to the provisions of the Plan.

5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

5.1 Share Reorganization

Subject to the prior approval of the Exchanges (other than in the case of a Share subdivision or consolidation), whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "**Share Reorganization**") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
 - (i) the Option Price in effect immediately before that effective date or record date; and
 - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection 5.1 (a)(ii).

Any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this section 5.1 is subject to compliance with the limits set out in section 3.2 and, if any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this section 5.1

would result in any limit set out in section 3.2 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchanges), make payment in cash to the Optionee in lieu of increasing the number of Unissued Option Shares in order to properly reflect any diminution in value of the Option Shares as a result of such Share Reorganization.

5.2 Special Distribution

Unless the Company is listed on the TSX Venture Exchange, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

Any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this section 5.2 is subject to compliance with the limits set out in section 3.2 and, if any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this section 5.2 would result in any limit set out in section 3.2 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchanges, provided that no adjustment pursuant to the operation of section 5.2 may occur while the Company is listed on the TSX Venture Exchange), make payment in cash to the Optionee in lieu of increasing the number of Unissued Option Shares in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

5.3 Corporate Organization

Subject to the prior approval of the Exchanges, whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities;
- (c) an arrangement or other transaction under which, among other things, the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company, or securities of another company, or both; or
- (d) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation,

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he/she would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he/she would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he/she had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Board.

5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

5.5 Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of sections 5.1, 5.2 or 5.3 is subject to the prior approval of the Exchanges and any other governmental authority having jurisdiction, provided that no adjustment pursuant to the operation of section 5.2 may occur while the Company is listed on the TSX Venture Exchange. Notwithstanding the foregoing, adjustments pursuant to section 5.1 due to a Share subdivision or consolidation do not require prior approval of the Exchanges.

6. MISCELLANEOUS

6.1 Right to Employment

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

6.2 Necessary Approvals

The Plan shall be effective upon the approval of the Plan by the Board and the Exchange or any regulatory authority having jurisdiction over the securities of the Company and shall be ratified thereafter by the shareholders of the Company by way of an ordinary resolution at the next duly convened meeting of the shareholders of the Company. Disinterested shareholder approval (as required by the Exchanges) will be obtained for any reduction in the exercise price, or any extension of the term, of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. In addition, any amendment to an Option (including any cancellation of an Option and subsequent grant of a new Option to the same Person within one year) that results in a benefit to an Insider of the Company at the time of amendment will be subject to disinterested shareholder approval (as required by the Exchanges). The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchanges and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

6.3 Administration of the Plan

The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5.4 and subject to any required prior Exchange approval, the interpretation and construction of any provision of the Plan by the Board shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

6.4 Withholding Taxes

The exercise of each Option granted under the Plan is subject to the condition that if at any time the Company determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such exercise, such exercise is not effective unless such withholding has been effected to the satisfaction of the Company. In such circumstances, the Company may require that the Optionee pay to the Company, in addition to and in the same manner as the exercise price for the Shares, such amount as the Company is obliged to remit to the relevant tax authority in respect of the exercise of the Option. Alternatively, the Company shall have the right in its discretion to satisfy any such liability for withholding or other required deduction amounts by retaining or acquiring any Shares acquired upon exercise of any Option, or retaining any amount payable, which would otherwise be issued or delivered, provided or paid to an Optionee by the Company, whether or not such amounts are payable under the Plan. For greater certainty, the application of this section 6.4 to any exercise of an Option shall not conflict with the policies of the Exchanges that are in effect at the relevant time and the Company will obtain prior Exchange acceptance and/or shareholder approval of any application of this section 6.4 if required pursuant to such policies.

6.5 Amendments to the Plan

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders (or disinterested shareholders, if required), Exchanges or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance

shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee.

6.6 Form of Notice

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

6.7 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

6.8 Compliance with Applicable Law

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

6.9 No Assignment or Transfer

No Optionee may assign or transfer any of his or her rights under the Plan or any option granted thereunder. Notwithstanding the foregoing, where permitted under applicable policies of the Exchanges, companies that are wholly owned by Eligible Persons may be issued Options.

6.10 Rights of Optionees

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

6.11 Previously Granted Options

Stock options which are outstanding under pre-existing stock option plan(s) of the Company as of the effective date of this Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of this Plan except to the extent that the terms of this Plan are more restrictive than the terms of such pre-existing plan(s) under which such stock options were originally granted, in which case the applicable pre-existing plan(s) shall govern, provided that any stock options granted, issued or amended after November 23, 2021 must comply with TSXV Policy 4.4 - *Incentive Stock Options (as at November 24, 2021)*.

6.12 Conflict

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

6.13 Governing Law

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

6.14 Time of Essence

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

6.15 Entire Agreement

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

Approved by the Board of Directors of the Company effective March 6, 2023.

Approved by the shareholders of the Company on _____, 20_____.

SCHEDULE "A"

SCOTTIE RESOURCES CORP.

STOCK OPTION PLAN - OPTION AGREEMENT

[If the Company is listed on the TSXV at the time of the option grant, the following legend is required in respect of: (i) Options with an Option Price at a discount to the Market Price; or (ii) Options granted to directors, officers, promoters of the Company or persons holding securities carrying more than 10% of the voting rights and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Company: *Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement and any securities issued upon exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●, 20● (being four months and one day after the date of grant).*]

This Option Agreement is entered into between Scottie Resources Corp. (the "**Company**") and the **OPTIONEE** named below pursuant to the Company Stock Option Plan (the "**Plan**"), a copy of which is attached hereto, and confirms that:

1. on ●, 20● (the "**Grant Date**");
2. ● (the "**Optionee**");
3. was granted the option (the "**Option**") to purchase ● common shares (the "**Option Shares**") of the Company;
4. for the price (the "**Option Price**") of \$● per share;
5. which rights to purchase the Option Shares under the Option may be exercised and will vest on the Grant Date [OR set forth applicable vesting schedule – **NOT LESS THAN QUARTERLY VESTING OVER A MINIMUM OF 1 YEAR FOR INVESTOR RELATIONS SERVICE PROVIDERS**]; and
6. the Option will terminate on ● (the "**Expiry Date**");

all on the terms and subject to the conditions set out in the Plan. For greater certainty, Option Shares continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

Where the Optionee is resident in or otherwise subject to the securities laws of the United States, the Optionee acknowledges that any Option Shares received by him/her upon exercise of the Option have not been registered under the United States *Securities Act of 1933*, as amended, or the Blue Sky laws of any state (collectively, the "**Securities Acts**"). The Optionee acknowledges and understands that the Company is under no obligation to register, under the Securities Acts, the Option Shares received by him/her or to assist him/her in complying with any exemption from such registration if he/she should at a later date wish to dispose of the Option Shares. The Optionee acknowledges that the Option Shares shall bear a legend restricting the transferability thereof, such legend to be substantially in the following form:

"The shares represented by this certificate have not been registered or qualified under the United States Securities Act of 1933, as amended or state securities laws. The shares may not be offered for sale, sold, pledged or otherwise disposed of unless so registered or qualified, unless an exemption exists or unless such disposition is not subject to U.S. federal or state securities laws, and the Company may require that the availability of any exemption or the inapplicability of such securities laws be established by an opinion of counsel, which opinion of counsel shall be reasonably satisfactory to the Company."

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement (including without limitation all representations set out therein with respect to the Optionee).

Acknowledgement – Personal Information

The undersigned hereby acknowledges and consents to:

- (a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ● day of ●, 20●.

Signature

SCOTTIE RESOURCES CORP.

Print Name

Per: _____
Authorized Signatory

Address



**SCOTTIE RESOURCES CORP.
STOCK OPTION PLAN
NOTICE OF EXERCISE OF OPTION**

TO: Scottie Resources Corp. (the "Company")

The undersigned hereby irrevocably gives notice, pursuant to the stock option plan of the Company (the of the exercise of stock options ("**Options**") to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Option Shares; or
- (b) _____ of the Option Shares,

which are the subject of the Option Agreement attached hereto.

The undersigned tenders herewith payment to "Scottie Resources Corp.", or such other payee as directed by the Company, in an amount equal to the aggregate exercise price of the aforesaid Option Shares and directs the Company to issue the certificate evidencing said Option Shares in the name of the undersigned and mail a copy of that certificate to the undersigned at the following address:

DATED the ____ day of _____, 20____.

Signature of Option Holder

scottie

SCOTTIE RESOURCES CORP.

Consolidated Financial Statements
For the years ended August 31, 2023 and 2022
(Expressed in Canadian dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Scottie Resources Corp.

Opinion

We have audited the consolidated financial statements of Scottie Resources Corp. and its subsidiaries (the "Company") which comprise the consolidated statements of financial position as at August 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information (together, the "Financial Statements").

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Company as at August 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying Financial Statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the year ended August 31, 2023. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our auditors' report:

Assessment of Impairment Indicators on Mineral Properties

We draw attention to Notes 3 and 8 of the Financial Statements. The carrying amount of Mineral Properties amounted to \$5,841,371 as at August 31, 2023. Mineral Properties are assessed for impairment if (i) the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed, (ii) substantive expenditure on further exploration for and evaluation of mineral resources in a specific area is neither budgeted nor planned, (iii) exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities, and (iv) sufficient data exists to determine technical feasibility and commercial viability.

We identified the assessment of impairment indicators of Mineral Properties as a key audit matter due to the significance of the Mineral Properties and the judgments made by management in their assessment of impairment indicators related to Mineral Properties, which in turn led to additional auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in this area that could give rise to the requirement to prepare an estimate of the recoverable amount of the Mineral Properties.

Our audit response to the key audit matter was as follows:

- We assessed the status of the Company's rights to explore by discussing with management if any rights were not expected to be renewed and, on a sample basis, verified the status of the underlying claims comprising the Mineral Properties;
- We assessed the Company's ability and plans to make substantive expenditures on further exploration for and evaluation of mineral resources based on the Company's available funds and history of raising funds through private placements when needed, and;
- We assessed whether exploration and evaluation activities in areas of exploration have not led to the discovery of commercially viable quantities of mineral resources and assessed whether the Company has decided to abandon or discontinue exploration activities by inspecting Board of Directors minutes, reading press releases and relying on other evidence obtained in other areas of the audit.

Other Information

Management is responsible for the other information, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Waseem Javed.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
December 29, 2023



SCOTTIE RESOURCES CORP.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at	August 31, 2023	August 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,457,963	\$ 3,539,530
Amounts receivable (Note 5)	1,007,529	557,691
Prepaid expenses and advances (Note 6)	<u>242,316</u>	<u>40,897</u>
	2,707,808	4,138,118
Non-current assets		
Deposits	248,432	248,432
Property and equipment (Note 7)	738,350	667,907
Mineral properties (Note 8)	<u>5,841,371</u>	<u>14,174,311</u>
Total assets	\$ 9,535,961	\$ 19,228,768
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 9)	\$ 2,604,714	\$ 2,954,761
Non-current liabilities		
Flow through liability (Note 10)	<u>-</u>	<u>302,671</u>
Total liabilities	<u>2,604,714</u>	<u>3,257,432</u>
Equity		
Share capital (Note 11)	46,182,523	37,579,779
Equity reserves (Note 11)	5,630,464	4,199,250
Deficit	<u>(44,881,740)</u>	<u>(25,807,693)</u>
Total shareholders' equity	<u>6,931,247</u>	<u>15,971,336</u>
Total liabilities and shareholders' equity	\$ 9,535,961	\$ 19,228,768

Nature of operations and going concern (Note 1)
Subsequent event (Note 17)

Approved for issue by the Board of Directors on December 29, 2023.

On behalf of the Board of Directors:

“Bradley Rourke”
Bradley Rourke, Director

“Ernest Mast”
Ernest Mast, Director

SCOTTIE RESOURCES CORP.**Consolidated Statements of Loss and Comprehensive Loss***(Expressed in Canadian dollars)*

For the year ended	August 31, 2023	August 31, 2022
EXPENSES		
Exploration expenditures (Note 8, 12)	\$ 8,380,337	\$ 8,806,051
General and administrative (Note 12)	617,809	395,614
Management and consulting fees (Note 12)	200,000	135,500
Marketing and investor relations	477,598	469,821
Professional fees (Note 12)	284,923	558,917
Share-based compensation (Note 11, 12)	<u>1,372,574</u>	<u>257,738</u>
	(11,333,241)	(10,623,641)
OTHER ITEMS		
Interest Income	24,857	-
Recovery of flow-through premium (Note 10)	1,617,006	1,018,874
Gain on sale of equipment (Note 7)	8,475	-
Impairment of mineral properties (Note 8)	(9,307,670)	-
Donation expense (Note 8)	(83,474)	-
BCMETC Recovery	-	<u>88,976</u>
Loss and comprehensive loss for the year	\$ (19,074,047)	\$ (9,515,791)
Basic and diluted loss per share	(0.08)	(0.05)
Weighted average number of common shares outstanding (Note 11)	253,348,630	209,354,907

The accompanying notes form an integral part of these consolidated financial statements.

SCOTTIE RESOURCES CORP.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

For the year ended	August 31, 2023	August 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	\$ (19,074,047)	\$ (9,515,791)
Adjustments for items not involving cash:		
Amortization (Note 7)	74,282	75,917
Recovery of flow-through premium (Note 10)	(1,617,006)	(1,018,874)
Impairment of mineral properties (Note 8)	9,307,670	-
Share-based compensation (Note 11)	1,372,574	257,738
Donation expense (Note 8)	83,474	-
Gain on sale of equipment (Note 7)	<u>(8,475)</u>	<u>-</u>
	(9,861,528)	(10,201,010)
Net changes in non-cash working capital items:		
Amounts receivable	(449,838)	(323,470)
Prepaid expenses and advances	(201,419)	1,746,449
Accounts payable and accrued liabilities	<u>(486,297)</u>	<u>2,320,115</u>
Net cash outflows from operating activities	<u>(10,999,082)</u>	<u>(6,457,916)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property and equipment acquisitions and improvements (Note 7)	(20,000)	(10,497)
Sale of equipment (Note 7)	20,000	-
Acquisition of mineral property	(104,954)	(50,000)
Acquisition of royalty	-	(1,600,000)
Reclamation bonds	<u>-</u>	<u>(144,932)</u>
Net cash outflows from investing activities	<u>(104,954)</u>	<u>(1,805,429)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Share capital issued	9,700,250	5,008,000
Share issue costs	(821,173)	(470,232)
Shares issued on exercise of stock option	<u>143,392</u>	<u>-</u>
Net cash inflows from financing activities	<u>9,022,469</u>	<u>4,537,768</u>
Net decrease in cash during the year	(2,081,567)	(3,725,577)
Cash, beginning of year	<u>3,539,530</u>	<u>7,265,107</u>
Cash, end of year	<u>\$ 1,457,963</u>	<u>\$ 3,539,530</u>

Supplemental disclosure with respect to cash flows – Note 15

SCOTTIE RESOURCES CORP.
Consolidated Statements of Changes In Equity
(Expressed in Canadian dollars)

	Number	Amount	Contributed Surplus	Deficit	Total
Balance August 31, 2021	202,433,537	\$ 34,178,840	\$ 3,876,367	\$ (16,291,902)	\$ 21,763,305
Private placement	18,800,000	5,008,000	-	-	5,008,000
Share issuance costs	-	(504,416)	-	-	(504,416)
Warrants issued as finders' fees	-	(65,145)	65,145	-	-
Flow-through premium	-	(1,130,000)	-	-	(1,130,000)
Property acquisition	500,000	92,500	-	-	92,500
Share-based compensation	-	-	257,738	-	257,738
Loss and comprehensive loss	-	-	-	(9,515,791)	(9,515,791)
Balance August 31, 2022	221,733,537	37,579,779	4,199,250	(25,807,693)	15,971,336
Private placement	41,122,530	9,700,250	-	-	9,700,250
Share issuance costs	-	(821,173)	-	-	(821,173)
Warrants issued as finders' fees	-	(173,852)	173,852	-	-
Flow-through premium	-	(1,314,335)	-	-	(1,314,335)
Property acquisition	1,350,000	315,750	-	-	315,750
Shares issued for royalty acquisition	2,500,000	637,500	-	-	637,500
Shares issued for stock options exercised	1,187,500	258,604	(115,212)	-	143,392
Share-based compensation	-	-	1,372,574	-	1,372,574
Loss and comprehensive loss	-	-	-	(19,074,047)	(19,074,047)
Balance August 31, 2023	267,893,567	\$ 46,182,523	\$ 5,630,464	\$ (44,881,740)	\$ 6,931,247

The accompanying notes form an integral part of these consolidated financial statements.

SCOTTIE RESOURCES CORP.

Notes to the Consolidated Financial Statements

For the years ended August 31, 2023 and 2022

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Scottie Resources Corp. (“Scottie” or the “Company”) is a publicly traded company incorporated on November 24, 2009 under the laws of the Province of British Columbia, Canada. The Company’s shares are listed on the TSX Venture Exchange (“TSX-V”) under the symbol SCOT.

The Company’s corporate registered and records office is located at #905 – 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3. The Company is engaged in the identification, acquisition, exploration, and development of mineral properties in British Columbia, Canada. The Company has not placed any of its mineral properties into development and is therefore considered to be in the exploration stage. These consolidated financial statements for the Company for the year ended August 31, 2023 are comprised of the results of the Company and its former subsidiary, AUX Resources Limited (“AUX”), which amalgamated on May 31, 2022.

The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether any of its properties contain mineral reserves that are economically recoverable. The recoverability of the amounts spent for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. The Company’s ability to continue on a going concern basis beyond the next twelve months depends on its ability to successfully raise additional financing for the substantial capital expenditures required to achieve planned principal operations. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. The Company has not generated any revenues since inception, has a working capital of \$103,094 and has a history of losses and accumulated deficit of \$44,881,740 as at August 31, 2023. These factors form a material uncertainty that may cast significant doubt regarding the Company’s ability to continue as a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate, which could be material. Subsequent to the year ended August 31, 2023, the Company closed three tranches of a non-brokered private placement of securities and raised aggregate gross proceeds of \$2,233,550 (Note 17).

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and the Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The policies applied in these consolidated financial statements are based on the IFRS issued and outstanding as at August 31, 2023.

2. BASIS OF PREPARATION (Cont'd...)

Basis of measurement

These consolidated financial statements have been prepared using the historical cost basis, except for certain financial instruments that are measured at fair value, using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

The presentation currency of the Company is the Canadian dollar.

Items included in the consolidated financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”), which has been determined for each entity within the Company using an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*. The functional currency of the Company and its subsidiary is the Canadian dollar.

Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

a) Critical Accounting Estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

Share-based compensation and valuation of warrants

The fair value pricing of stock options and warrants issued are subject to the limitations of the Black-Scholes Option-Pricing Model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes Option-Pricing Model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Asset retirement obligations

The Company’s provision for reclamation represents management’s best estimate of the present value of the future cash outflows required to settle estimated reclamation costs at its mineral properties. The provision reflects estimates of future costs, inflation, the timing of future cash outflows and the risk-free interest rate for discounting the future cash outflows. As at August 31, 2023, the Company has recorded \$Nil in asset retirement obligations.

2. BASIS OF PREPARATION (Cont'd...)

Use of estimates and judgments (Cont'd...)

b) Critical Accounting Judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

Going concern presentation

Management has determined that the going concern presentation of the financial statements, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due as discussed in Note 1, is appropriate.

Carrying value and the recoverability of mineral properties

Management has determined that Company-incurred exploration costs that have been capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and other technical information, scoping and feasibility studies, accessibility of facilities, and existing permits.

Income taxes

Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that probable that future taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax assets and unused tax losses can be utilized. In addition, the valuation of tax credits receivable requires management to make judgements on the amount and timing of recovery.

3. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

These consolidated financial statements include the accounts of the Company, and its subsidiary, AUX Resources Limited, from the date control was acquired. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee, and has the ability to use its power over the investee to affect its returns. Intercompany balances and transactions, and any income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

On July 16, 2021, the Company acquired AUX Resources Corporation (“AUX Corp.”) by way of a three-cornered amalgamation whereby AUX Corp and a newly-created subsidiary of Scottie amalgamated under the Business Corporations Act (British Columbia) to form AUX, previously a wholly-owned subsidiary of Scottie. AUX was incorporated in the province of British Columbia, Canada and its principal activity was mineral exploration. AUX amalgamated with Scottie on May 31, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd...)

Determination of control by one entity over another

Subsidiaries include entities which are controlled by the company and are accounted for through consolidation. Investments in associates and joint ventures include entities in which the Company has significant influence, but not control or joint control, and are accounted for using the equity method.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for the Company as Canadian dollars.

Transactions in currencies other than the Canadian dollar are at the exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

Property and equipment

Equipment is recorded at cost less accumulated amortization and accumulated impairment losses, if any. Land is not depreciated. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, initial estimates of the costs of dismantling and removing an item and restoring the site on which it is located, and, where applicable, borrowing costs.

Where an item of property and equipment is composed of major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures and building improvements, are capitalized.

Amortization is recognized in operations on a straight-line basis over the estimated useful lives of each asset or component part of an item of property and equipment, depending on which method (and rate) most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Equipment	3 years, straight line
Computer equipment	3 years, straight line
Vehicles	5 years, straight line
Building	20 years, straight line

Amortization methods and useful lives are reviewed at each annual reporting date and adjusted as appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd...)

Mineral properties and exploration expenses

Pre-acquisition costs are expensed in the period in which they are incurred. Upon acquiring the legal right to explore a property, all direct costs related to the acquisition of mineral property interests are capitalized. Exploration expenses incurred prior to determination of the feasibility of mining operations and a decision to proceed with development are charged to operations as incurred. The Company will perform an impairment test on transition from the exploration stage to the development stage.

Expenditures incurred subsequent to a development decision, and to increase or extend the life of existing production, are capitalized and will be transferred to property, plant and equipment and amortized using the unit-of-production method based upon proven and probable reserves. When there is little prospect of further work on a property being carried out by the Company, the remaining deferred costs associated with that property will be assessed for impairment.

The Company assesses mineral properties for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

Restoration, rehabilitation and environmental obligations

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration activities. An obligation to incur a provision for rehabilitation expenses for activities such as restoration, reclamation, and other environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. When such costs are material, the Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The timing of the actual rehabilitation expenditure is dependent upon many factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Where material, an estimated liability based principally on legal and regulatory requirements is recorded for obligations relating to the restoration, rehabilitation, and retirement of property and equipment obligations arising from the acquisition, development, or normal operation of those assets. Such decommissioning liabilities are recognized at fair value in the period in which the liability is incurred when a reasonable estimate of fair value can be made. A corresponding increase to the carrying amount of the related asset, where one is identifiable, is recorded and amortized over the life of the asset. Where a related asset is not easily identifiable with a liability, the change in fair value over the course of the year is expensed. The amount of the liability is subject to a re-measurement at each reporting period.

The Company's estimate of its reclamation liabilities may change as a result of changes in regulations, the extent of environmental remediation required or completed, the means of reclamation, or changes in cost estimates. Changes in estimates are accounted for prospectively commencing in the period in which the estimate is revised.

As at August 31, 2023 and 2022, the British Columbia Ministry of Energy, Mines, and Low Carbon Innovation holds reclamation bonds paid by the Company and held against completion of the required remediation upon completion of the exploration on its properties. The Company does not consider these to be material amounts and accounts for them in non-current deposits at their fair value. The Company does not have any other material restoration, rehabilitation, and environmental obligations because all environmental disturbances to date have been minimal.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd...)

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a finance cost. The Company has not recorded any provisions for any of the financial years presented.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, if any, are reviewed at each reporting date to determine whether there is any indication of impairment, or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in operations.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in operations.

Financial instruments

Financial assets

Financial assets are classified at initial recognition as: amortized cost, fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVOCI"). The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income ("OCI").

- Amortized cost – A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd...)

Financial instruments (Cont'd...)

- FVTPL – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in profit or loss in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.
- FVOCI – Investments in equity instruments at FVOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in OCI and dividends recognized in profit and loss. There is no subsequent reclassification of the fair value gains and losses to profit or loss following derecognition of the investment.
- Embedded derivatives – The Company considers whether a contract contains an embedded derivative when the entity first becomes a party to it. Embedded derivatives are separated from the host contract if the host contract is not measured at FVTPL and when the economic characteristics and risks are not closely related to those of the host contract. Reassessment occurs only if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

Financial liabilities

Financial liabilities are classified as current or non-current based on their maturity date and are measured at amortized cost, unless they are required to be measured at FVTPL, or the Company has opted to measure at FVTPL.

Impairment

An “expected credit loss” impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to the estimated present value of the future cash flows associated with the asset, discounted at the financial asset’s original effective interest rate, either directly or through the use of an allowance account, and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Government grants

British Columbia Mining Tax Credits (“BCMETC”) for certain exploration expenditures incurred in British Columbia are treated as a reduction of the exploration and development costs of the respective mineral properties. If there is significant uncertainty with regard to collections and assessments, the Company will record any recovered tax credits at the time of receipt, otherwise BCMETC amounts are recorded as tax credits receivable.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd...)

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial asset or financial liability. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity. Costs attributable to the listing of existing shares are expensed as incurred.

Warrants

Warrants issued by the Company typically accompany an issuance of shares in the Company (a "unit") and entitle the warrant holder to exercise the warrants for a stated price for a stated number of common shares of the Company. The fair values of the components of units sold (shares and warrants) are measured using the residual value approach where the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds are less than or equal to the estimated fair market value of the shares issued, a nil carrying amount is assigned to the warrants.

When warrants are issued as finders' fees or broker's compensation in connection with a private placement or equity raise, the company accounts for warrants using the relative fair value method. Under this method, the value of warrants issued is measured at fair value at the issue date using the Black-Scholes Option-Pricing Model and recorded as share capital if and when the warrants are exercised.

Flow-through shares

The Company will, from time to time, issue flow-through shares and units to finance a significant portion of its exploration program. Pursuant to the terms of flow-through share agreements and Canadian tax legislation, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability, and the premium is recognized as a recovery of flow-through premium.

Proceeds received through the issuance of flow-through shares are restricted to be used only for Canadian resource property expenditures within a period of up to two years. Exploration expenditures related to the use of flow through share proceeds are not available as a tax deduction to the Company because the tax benefits of these expenditures are renounced to investors.

Share issuance costs

Costs directly identifiable with the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs are presented as other assets until the issuance of the shares to which the costs relate, at which time the costs are charged against the related share capital or charged to profit or loss if the shares are not issued.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd...)

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees, and consultants of the Company under the terms of its Stock Option Plan. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at the grant date and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes Option-Pricing Model, taking into consideration the terms and conditions upon which the options were granted. At each financial reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest. The fair value of options granted is recognized as a share-based compensation expense with a corresponding increase in equity.

Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from equity reserves (formerly contributed surplus) to share capital. In the event that options are cancelled or forfeited prior to full vesting, the fair value of the portion of the cancelled or forfeited options that have not yet vested is excluded from share-based compensation expense.

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions and are recorded at the fair value of the goods or services received. Where the value of goods or services received in exchange for the share-based payment are not reliably estimable, the fair value is measured through the use of a valuation model where the expected life used in the model is adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations.

Where a grant of stock options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Basic and diluted loss per share

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding for the period. Diluted EPS is calculated by dividing the earnings (loss) by the weighted average number of common shares outstanding assuming that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

In the Company's case, diluted loss per share is the same as basic loss per share as the effect of outstanding share options and warrants on loss per share would be anti-dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd...)

Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences related to the initial recognition of assets or liabilities in a transaction that is not a business combination that affects neither accounting nor taxable operations, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities who intend to settle current tax assets and liabilities on a net basis or where net tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Related party transactions

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

New standards, interpretations and amendments adopted during the year

A number of new standards, amendments to standards and interpretations are not yet effective as of August 31, 2023 and have therefore not been applied in preparing these consolidated financial statements. None are expected to have a material effect on the consolidated financial statements of the Company.

4. FINANCIAL INSTRUMENT AND RISK MANAGEMENT

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: amortized cost; fair value through profit or loss (“FVTPL”); fair value through other comprehensive income (“FVOCI”).

The carrying values of the Company’s financial instruments are classified into the following categories:

Financial Instrument	Category	August 31, 2023		August 31, 2022	
Cash and cash equivalents	FVTPL	\$	1,457,963	\$	3,539,530
Amounts receivable	Amortized cost	\$	71,379	\$	25,198
Deposits	Amortized cost	\$	248,432	\$	248,432
Accounts payable	Amortized cost	\$	2,604,714	\$	2,954,761

The Company’s financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable, deposits, and accounts payable approximate their fair value due to their short-term nature. Cash and cash equivalents are recorded at fair value and calculated under the fair value hierarchy and measured using Level 1 inputs.

Risk Management

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized as follows:

Credit Risk

Credit risk is the risk of potential loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company’s credit risk is primarily attributable to its liquid financial assets, including cash and amounts receivable. The Company limits the exposure to credit risk in its cash by only investing its cash with high-credit quality financial institutions.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risks on cash and on the Company’s obligations are not considered significant.

SCOTTIE RESOURCES CORP.
Notes to the Consolidated Financial Statements
For the years ended August 31, 2023 and 2022
(Expressed in Canadian dollars)

4. FINANCIAL INSTRUMENT AND RISK MANAGEMENT (Cont'd...)

Risk Management (Cont'd...)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its short-term debt obligations. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due; all of the Company's accounts payable are current and due within 90 days of the balance sheet. As at August 31, 2023, the Company has accounts payable of \$2,604,714 which are due within 30 days or on demand. The current cash available are not sufficient to meet the Company's liquidity needs, and therefore, as discussed in Note 1, there exists a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern.

5. ACCOUNTS RECEIVABLE

	August 31, 2023	August 31, 2022
Trade receivable	\$ 71,379	\$ 25,198
GST receivable	841,230	437,573
BCMETS receivable	94,920	94,920
Total	\$ 1,007,529	\$ 557,691

6. PREPAID EXPENSES AND ADVANCES

	August 31, 2023	August 31, 2022
Exploration advances	\$ 200,000	\$ 22,499
Prepaid expenses	42,316	18,398
Total	\$ 242,316	\$ 40,897

SCOTTIE RESOURCES CORP.
Notes to the Consolidated Financial Statements
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7. PROPERTY AND EQUIPMENT

	Equipment	Computer	Vehicle	Land	Building	Total
COST						
Balance, August 31, 2021	\$ 67,584	\$ 2,141	\$ 152,000	\$ 137,594	\$ 405,228	\$ 764,547
Additions	6,955	3,542	-	-	-	10,497
Balance, August 31, 2022	74,539	5,683	152,000	137,594	405,228	775,044
Additions	-	-	20,000	-	136,250	156,250
Disposals	(20,000)	-	-	-	-	(20,000)
Balance, August 31, 2023	\$ 54,539	\$ 5,683	\$ 172,000	\$ 137,594	\$ 541,478	\$ 911,294
ACCUMULATED AMORTIZATION						
Balance, August 31, 2021	\$ 8,906	\$ 602	\$ 3,643	\$ -	\$ 18,069	\$ 31,220
Amortization	24,541	714	30,400	-	20,262	75,917
Balance, August 31, 2022	33,447	1,316	34,043	-	38,331	107,137
Amortization	18,448	2,186	32,230	-	21,418	74,282
Disposal	(8,475)	-	-	-	-	(8,475)
Balance, August 31, 2023	\$ 43,420	\$ 3,502	\$ 66,273	\$ -	\$ 59,749	\$ 172,944
CARRYING AMOUNTS						
As at August 31, 2022	\$ 41,092	\$ 4,367	\$ 117,957	\$ 137,594	\$ 366,897	\$ 667,907
As at August 31, 2023	\$ 11,119	\$ 2,181	\$ 105,727	\$ 137,594	\$ 481,729	\$ 738,350

8. MINERAL PROPERTIES

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. All of the Company's mineral interests are located near Stewart, British Columbia, Canada in the region known as the Golden Triangle. The properties have been acquired under various option and purchase agreements and by staking. Certain claims are subject to a net smelter returns ("NSR") royalty ranging from 1% to 3%.

The Company has investigated title to all of its mineral property interests and, to the best of its knowledge, title to all of its interests are in good standing.

SCOTTIE RESOURCES CORP.
Notes to the Consolidated Financial Statements
For the years ended August 31, 2023 and 2022
(Expressed in Canadian dollars)

8. MINERAL PROPERTIES (Cont'd...)

Mineral Property Acquisition Costs by Project

Project	Acquisition costs				As at August 31, 2023
	As at August 31, 2022	Cash	Shares	Disposal	
Cambria ¹	\$ 10,305,329	\$ 50,500	\$ 198,750	\$ (9,193,628)	\$ 1,360,951
Enterprise	197,516	-	-	(197,516)	-
Georgia River	199,155	2,454	-	-	201,609
Scottie Gold Mine	3,454,302	52,000	754,500	-	4,260,802
Tide North	18,009	-	-	-	18,009
TOTAL	\$ 14,174,311	\$ 104,954	\$ 953,250	\$ (9,391,144)	\$ 5,841,371

Project	Acquisition costs				As at August 31, 2022
	As at August 31, 2021	Cash	Shares		
Cambria ¹	\$ 10,305,329	\$ -	\$ -	\$ -	\$ 10,305,329
Enterprise	197,516	-	-	-	197,516
Georgia River	199,155	-	-	-	199,155
Scottie Gold Mine	1,711,802	1,650,000	92,500	-	3,454,302
Tide North	18,009	-	-	-	18,009
TOTAL	\$ 12,431,811	\$ 1,650,000	\$ 92,500	\$ -	\$ 14,174,311

¹Includes Bitter Creek, Black Hills, Champion South (formerly Silver Crown), Confluence, Dorothy 2, Independence, Lower Bear properties (Bay Silver and Lower Bear), and Ruby Silver.

Exploration Expenditures by Project

For the year ended August 31, 2023	Scottie Gold Mine	Cambria Project	Total
Drilling expense	\$ 3,027,893	\$ -	\$ 3,027,893
Geochemical and mapping	1,144,596	-	1,144,596
Technical and geological consulting	2,487,103	272,838	2,759,941
Licence and permits	1,477	-	1,477
Camp and field costs	1,324,766	121,664	1,446,430
TOTAL	\$ 7,985,835	\$ 394,502	\$ 8,380,337

For the year ended August 31, 2022	Georgia River	Scottie Gold Mine	Cambria Project	Total
Drilling expense	\$ 276,386	\$ 3,025,842	\$ -	\$ 3,302,228
Geochemical and mapping	-	62,415	-	62,415
Technical and geological consulting	103,633	1,961,755	177,950	2,243,338
Licence and permits	-	-	-	-
Camp and field costs	161,942	2,920,527	115,601	3,198,070
TOTAL	\$ 541,961	\$ 7,970,539	\$ 293,551	\$ 8,806,051

8. MINERAL PROPERTIES (Cont'd...)

Scottie Gold Mine Project

Summit Lake

On April 26, 2019, the Company entered into an option agreement to acquire a 100% interest in the Summit Lake property. Since the commencement of the option agreement, the Company made aggregate cash payments of \$250,000, issued an aggregate of 2,200,000 common share and acquired a 100% interest in the Summit Lake property during the year ended August 31, 2023.

During the year ended August 31, 2023, the Company purchased a 1.8% gross smelter return royalty on the Summit Lake property which was previously held by a third-party over certain Summit Lake Property claims. In consideration of the purchase, the Company issued 2,500,000 common shares to the vendor with a fair value of \$637,500.

During the year ended August 31, 2022, the Company purchased a 3.0% NSR which was previously held by a third-party over certain Summit Lake Property claims for \$1,600,000.

During the year ended August 31, 2022, the Company entered into an option agreement with Europacific Metals Inc. (Formerly Goldplay Mining Inc.) ("Europacific") whereas Europacific could acquire up to 3.75% interest in the Company's Summit Lake project by incurring up to \$1,500,000 in exploration expenses on the project until December 31, 2022 (the "Option").

Following the completion of the earn-in of the Option, Europacific had the right (the "Put Right") to require Scottie to repurchase the interest earned by Europacific by paying cash, at a price calculated by dividing the total exploration expenditures incurred by Europacific by 1.7 and Scottie had the right (the "Call Right") to repurchase the interest earned by Europacific by paying cash, at a price calculated by dividing the total exploration expenditures incurred by Europacific by 1.7.

Europacific incurred exploration expenditures of \$1,032,662 during the year ended August 31, 2023 and \$547,338 during the year ended August 31, 2022, for total cumulative exploration expenditures of \$1,580,000. Following the completion of the earn-in of the option Europacific exercised the Put Right and the Company repurchased the earned interest on the Summit Lake project for \$900,000. Consequently, the Company recognized \$564,764 of exploration expenditures during the year ended August 31, 2023 (August 31, 2022 - \$335,236), representing the exploration expenditures incurred by Europacific divided by the Put Right repurchase rate.

Cambria Project

Bitter Creek

On March 1, 2019, the Company entered into an option agreement to acquire a 100% interest in the Bitter Creek property, contiguous with the Company's Black Hills and Ruby Silver properties. In 2020, the Company completed its purchase obligations on the property to earn the 100% interest after renegotiation of the initial option agreement and payment of \$325,000 in cash and issuance of 1,000,000 shares valued at \$235,000.

Bitter Creek is subject to a 2.5% NSR, 60% of which can be purchased for \$1,500,000.

8. MINERAL PROPERTIES (Cont'd...)

Cambria Project (Cont'd...)

Black Hills

In 2013, the Company purchased certain tenures of the Black Hills mineral claims for \$10,000. In 2018, the Company staked additional claims at Black Hills for a cost of \$1,680. The Company currently owns 100% of the property.

Champion South

The Champion South property was obtained through the acquisition of AUX and has been optioned out to Mountain Boy Minerals Ltd. ("MBM") who completed their earn-in on the property during 2021. The original vendors retain a 2% NSR, one half of which can be purchased for \$1,000,000 with a minimum advance annual royalty of \$50,000 to begin after seven years.

Confluence

On October 22, 2020, the Company entered into an agreement to purchase 100% of the Confluence mineral claim tenure for \$1,000 cash.

Dorothy 2

The Dorothy 2 property option agreement was obtained through the acquisition of AUX. The original vendors retain a 2.5% NSR, one half of which can be purchased for \$1,000,000 until 90 days after the start of commercial production. The Company is required to keep the property in good standing and carry out \$150,000 of exploration work over 4 years.

Lower Bear Properties

The Lower Bear properties, including the Bay Silver property, were obtained through the acquisition of AUX. The original vendors retain a 2% NSR, one half of which can be purchased for \$1,000,000 with a minimum advance annual royalty of \$50,000 to begin after seven years.

Ruby Silver

In 2018, the Company purchased a 100% interest in the Ruby Silver property for \$100,000.

Independence Project and Silver Crown

The Company obtained an option to acquire a 100% interest in the Independence and Silver Crown projects through the acquisition of AUX.

Subsequent to the year ended August 31, 2023, the Company decided to discontinue exploration activities in the Independence and Silver Crown projects. As a result, the option agreement to acquire these properties was terminated. Consequently, the Company recognized an impairment of \$9,193,628 in the consolidated Statements of Loss and Comprehensive Loss as at August 31, 2023.

Bayview/Comet

The Bayview/Comet properties were obtained through the acquisition of AUX. The original vendor retains a 1% NSR.

8. MINERAL PROPERTIES (Cont'd...)

Cambria Project (Cont'd...)

Rufus

The Company obtained a 75% interest in the Rufus property through the acquisition of AUX. The original vendors retain a 2% NSR, one half of which can be purchased for \$1,000,000 until 90 days after the start of commercial production.

Georgia River Project

Exdale

The Exdale property was obtained through the acquisition of AUX. The original vendor retains a 2% NSR.

Georgia River

The Georgia River properties were obtained through the acquisition of AUX.

Enterprise Project

West George Copper

The Company obtained a 40% interest in the West George Copper property in the acquisition of AUX, which will be retained until Mountain Boy Minerals ("MBM") completes Feasibility on the property, at which time the 40% interest will revert to MBM.

The Company holds a 2% NSR, of which 1% can be purchased by MBM for \$1,000,000.

During the year ended August 31, 2023, the Company entered into an agreement such that certain claims under the Enterprise Project were donated toward a wildlife conservation. Consequently, the Company recognized a donation expense of \$83,474 and impairment expense of \$114,042 in the consolidated Statements of Loss and Comprehensive Loss as at August 31, 2023.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at	August 31, 2023	August 31, 2022
Accounts payable	\$ 2,038,354	\$ 1,789,179
Accrued liabilities	329,966	491,052
Payroll liability	2,898	2,898
Amounts payable to related parties (Note 12)	<u>233,496</u>	<u>671,632</u>
TOTAL	\$ 2,604,714	\$ 2,954,761

10. FLOW THROUGH SHARE LIABILITY AND RECOVERY OF FLOW THROUGH PREMIUM

During the year ended August 31, 2023, the Company:

- Received \$4,000,150 in flow-through funds (2022 - \$4,000,000) and recognized \$1,314,335 in flow-through premium (2022 - \$1,130,000).
- Incurred eligible flow through expenditures of \$5,387,532 (2022 - \$7,675,855).
- Reported a recovery of flow through premium of \$1,617,006 (2022 - \$1,018,874), and as at August 31, 2023 had a remaining flow through liability of \$nil (August 31, 2022 - \$302,671).

10. FLOW THROUGH SHARE LIABILITY AND RECOVERY OF FLOW THROUGH PREMIUM (Cont'd...)

As at August 31, 2023, the Company had \$nil in unspent flow through funds (August 31, 2022 – \$1,387,382).

In accordance with the flow through share agreements, the Company may be required to indemnify the holders of any such shares any tax and other costs payable to them in the event the Company does not fulfill its flow through expenditure requirements.

11. SHARE CAPITAL

a) Authorized

An unlimited number of common shares without par value.

b) Share Issuance

At August 31, 2023 the Company had 267,893,567 common shares issued and outstanding (August 31, 2022 – 221,733,537).

During the year ended August 31, 2023, the Company:

- Issued 1,187,500 common shares pursuant to exercise of stock options for total gross proceeds of \$143,392.
- Closed a non-brokered private placement consisting of 18,823,530 units (the “Units”) at a price of \$0.17 per Unit for gross proceeds of \$3,200,000. Each Unit consists of one common share of the Company, and one common share purchase warrant (a “Warrant”). Each Warrant entitles the holder to purchase an additional common share at an exercise price of \$0.25 per common share for a period of two years.

The Company paid finder’s fees of \$139,281 in cash and issued 819,300 finder’s warrants valued at \$53,125 among other expenses. Each warrant will entitle the holder to purchase one common share of the Company at a price of \$0.25 per common share for a period of two years.

- Issued 600,000 common shares in respect of property option agreements on the Summit Lake property, valued at \$117,000, which has been recorded as property acquisition costs (Note 8).
- Issued 2,500,000 common shares with a fair value of \$637,500 in consideration of a royalty purchase agreement (Note 8).
- Issued 750,000 common shares in respect of property option agreements on the Independence project and Silver Crown property, valued at \$198,750, which has been recorded as property acquisition costs (Note 8).
- Closed a brokered private placement consisting of 11,429,000 flow-through common shares at a price of \$0.35 per flow-through common share and 10,870,000 common shares at a price of \$0.23 per common share for gross proceeds of \$6,500,250 and recognized a flow through premium liability of \$1,314,335.

The Company paid finder’s fees of \$398,023 in cash and issued 1,142,287 finder’s warrants valued at \$100,457 (“Finder Warrants”) among other expenses. Each Finder Warrant will entitle the holder to purchase one common share of the Company at a price of \$0.23 per common share for a period of two years.

11. SHARE CAPITAL (Cont'd...)

b) Share Issuance (Cont'd...)

The Company also issued 230,484 compensation warrants (“Compensation Warrants”) valued at \$20,270. Each Compensation Warrant entitles the holder to purchase one common share of the Company at a price of \$0.23 per Compensation Warrant share for a period of 24 months from the date of issuance. The Compensation Warrants and the Compensation Warrant shares issued and issuable under this Offering are subject to a statutory hold period and may not be traded until June 17, 2023, except permitted by applicable securities legislation.

- In connection with the private placements completed during the year, the Company incurred professional and other share issuance costs of \$283,869.

During the year ended August 31, 2022, the Company:

- Issued 500,000 common shares in respect of property option agreements on the Summit Lake property, valued at \$92,500, which has been recorded as property acquisition costs (Note 8).
- Closed private placements consisting of 10,000,000 flow-through shares at a price of \$0.30 per flow-through share, 4,000,000 flow-through shares at a price of \$0.25 per flow-through share, and 4,800,000 common shares at a price of \$0.21 per common share for aggregate gross proceeds of \$5,008,000.

The Company paid share issuance costs of \$504,416 and issued 1,128,000 finders’ warrants valued at \$65,145. Each finders’ warrant is exercisable into a common share at a price of \$0.30 per share for a period of 24 months. The finders’ warrants were valued using the following Black-Scholes Option-Pricing Model assumptions: expected life of 2 years, an expected dividend of \$nil, a risk-free interest rate of 2.65%, and an expected volatility of 70.30%.

The Company recorded a \$1,130,000 flow through premium associated with the flow-through shares issued.

c) Stock Options Outstanding

The Company has a shareholder-approved stock option plan that provides for the reservation for issuance of 20% of the Company’s issued and outstanding common shares to its directors, officers, employees, and consultants. The vesting terms of each stock option grant is determined by the Board of Directors at the time of the grant.

The stock option continuity for the year ended August 31, 2023 is as follows:

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11. SHARE CAPITAL (Cont'd...)

c) Stock Options Outstanding (Cont'd...)

Number Outstanding August 31, 2022	Granted	Exercised	Expired/Cancelled	Number Outstanding August 31, 2023	Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
150,000	-	-	(150,000)	-	\$ 0.26	Oct 26, 2022	-
600,000	-	-	(600,000)	-	\$ 0.26	Mar 8, 2023	-
1,000,000	-	(1,000,000)	-	-	\$ 0.10	Dec 3, 2023	-
1,000,000	-	-	-	1,000,000	\$ 0.22	Apr 24, 2024	0.65
1,400,000	-	-	-	1,400,000	\$ 0.20	Sep 17, 2024	1.05
100,000	-	(50,000)	-	50,000	\$ 0.23	Feb 3, 2024	0.43
3,425,000	-	(50,000)	-	3,375,000	\$ 0.22	May 25, 2025	1.73
250,000	-	(50,000)	-	200,000	\$ 0.26	Jan 13, 2026	2.37
2,100,000	-	-	-	2,100,000	\$ 0.25	Apr 19, 2026	2.64
100,000	-	-	-	100,000	\$ 0.25	May 21, 2026	2.72
1,650,000	-	-	(350,000)	1,300,000	\$ 0.42	Jul 8, 2025	1.85
1,100,000	-	(37,500)	(12,500)	1,050,000	\$ 0.23	Mar 22, 2027	3.56
-	2,354,000	-	-	2,354,000	\$ 0.18	Sep 8, 2027	4.02
-	4,850,000	-	-	4,850,000	\$ 0.27	Jan 16, 2028	4.38
12,875,000	7,204,000	(1,187,500)	(1,112,500)	17,779,000	\$ 0.25	(weighted average)	2.88
			Exercisable	16,304,000	\$ 0.24	(weighted average)	2.75

The stock option continuity for the year ended August 31, 2022 is as follows:

Number Outstanding August 31, 2021	Granted	Exercised	Expired/Cancelled	Number Outstanding August 31, 2022	Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
300,000	-	-	(300,000)	-	\$ 0.20	May 24, 2022	-
150,000	-	-	-	150,000	\$ 0.26	Oct 26, 2022	0.15
600,000	-	-	-	600,000	\$ 0.26	Mar 8, 2023	0.52
1,000,000	-	-	-	1,000,000	\$ 0.10	Dec 3, 2023	1.26
1,000,000	-	-	-	1,000,000	\$ 0.22	Apr 24, 2024	1.65
2,400,000	-	-	(1,000,000)	1,400,000	\$ 0.20	Sep 17, 2024	2.05
100,000	-	-	-	100,000	\$ 0.23	Feb 3, 2024	1.43
3,625,000	-	-	(200,000)	3,425,000	\$ 0.22	May 25, 2025	2.73
300,000	-	-	(50,000)	250,000	\$ 0.26	Jan 13, 2026	3.37
2,100,000	-	-	-	2,100,000	\$ 0.25	Apr 19, 2026	3.64
100,000	-	-	-	100,000	\$ 0.25	May 21, 2026	3.72
80,000	-	-	(80,000)	-	\$ 0.25	Sep 24, 2024	2.07
80,000	-	-	(80,000)	-	\$ 0.25	Feb 8, 2027	4.44
72,000	-	-	(72,000)	-	\$ 0.30	Jul 7, 2024	1.85
2,200,000	-	-	(550,000)	1,650,000	\$ 0.42	Jul 8, 2025	2.85
-	1,100,000	-	-	1,100,000	\$ 0.23	Mar 22, 2027	4.56
14,107,000	1,100,000	-	(2,332,000)	12,875,000	\$ 0.24	(weighted average)	2.66
			Exercisable	11,500,000	\$ 0.24	(weighted average)	2.47

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11. SHARE CAPITAL (Cont'd...)

d) Stock-Based Compensation

The fair value of each option granted to employees, officers, and directors was estimated on the date of the grant using the Black-Scholes Option-Pricing Model.

During the year ended August 31, 2023 and 2022, the Company granted 7,204,000 (2022 –1,100,000) stock options and recorded \$1,372,574 (2022 - \$257,738) in stock-based compensation expense for options granted and vested during the year.

The assumptions used in the Black-Scholes Option-Pricing Model for the relative fair value allocation were:

Grant Date	Jan 16, 2023	Sep 8, 2022	Mar 22, 2022
Expiry Date	Jan 16, 2028	Sep 8, 2027	Mar 22, 2027
Expected life (years)	5	5	5
Expected dividend	\$ nil	\$ nil	\$ nil
Risk-free interest rate	2.86%	3.20%	2.25%
Expected volatility	105.05%	113.99%	117.00%
Fair value	\$ 0.21	\$ 0.15	\$ 0.16

e) Share Purchase Warrants

The share purchase warrant continuity for the year ended August 31, 2023 is as follows:

Number Outstanding August 31, 2021	Granted	Exercised	Expired/Cancelled	Number Outstanding August 31, 2023	Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
1,560,000	-	-	(1,560,000)	-	\$ 0.25	Jun 1, 2023	-
11,234,889	-	-	(11,234,889)	-	\$ 0.40	Feb 11, 2023	-
1,128,000	-	-	-	1,128,000	\$ 0.30	April 22, 2024	0.64
-	18,823,530	-	-	18,823,530	\$ 0.25	Oct 7, 2024	1.10
-	819,300	-	-	819,300	\$ 0.25	Oct 7, 2024	1.10
-	1,372,771	-	-	1,372,771	\$ 0.23	Feb 16, 2025	1.47
13,922,889	21,015,601	-	(12,794,889)	22,143,601	\$ 0.25	(weighted average)	1.08

The share purchase warrant continuity for the year ended August 31, 2022 is as follows:

Number Outstanding August 31, 2021	Granted	Exercised	Expired/Cancelled	Number Outstanding August 31, 2022	Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
10,600,000	-	-	(10,600,000)	-	\$ 0.30	Jan 16, 2022	-
758,457	-	-	(758,457)	-	\$ 0.24	May 14, 2022	-
2,332,000	-	-	(2,332,000)	-	\$ 0.34	Jun 8, 2022	-
1,560,000	-	-	-	1,560,000	\$ 0.25	Jun 1, 2023	0.75
7,198,928	-	-	(7,198,928)	-	\$ 0.40	Jul 6, 2022	-
11,234,889	-	-	-	11,234,889	\$ 0.40	Feb 11, 2023	0.45
-	1,128,000	-	-	1,128,000	\$ 0.30	April 22, 2024	1.64
33,684,274	1,128,000	-	(20,889,385)	13,922,889	\$ 0.38	(weighted average)	0.58

SCOTTIE RESOURCES CORP.
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11. SHARE CAPITAL (Cont'd...)

e) Share Purchase Warrants

The assumptions used in the Black-Scholes Option-Pricing Model for the relative fair value allocation were:

Grant Date	Feb 16, 2023	Oct 7, 2022	Apr 22, 2022
Expiry Date	Feb 16, 2025	Oct 7, 2024	Apr 22, 2024
Expected life (years)	2	2	2
Expected dividend	\$ nil	\$ nil	\$ nil
Risk-free interest rate	4.14%	4.05%	2.65%
Expected volatility	62.15%	64.95%	70.30%
Fair value	\$ 0.09	\$ 0.06	\$ 0.06

12. RELATED PARTY TRANSACTIONS AND BALANCES

- a) The Company's related parties consist of companies with directors and officers in common, and companies owned in whole or in part by executive officers and directors as follows:

Related Party Name	Nature of Transactions
YMI Inc. ("YMI"), a company related to Bradley Rourke	Consulting as CEO
Rhodanthe Corporate Services ("Rhodanthe"), a company related to Christina Boddy	Consulting as Corporate Secretary
Slater Corporate Services Corporation ("Slater"), a company related to Lisa Peterson	Consulting as Former CFO
Serac Exploration Ltd. ("Serac"), a company related to Bradley Rourke and Thomas Mumford	Geological consulting
1255483 BC Ltd. ("1255483"), a company related to Thomas Mumford	Geological consulting
Red Fern Consulting Ltd. ("Red Fern"), a company related to Stephen Sulis	Consulting as CFO

The Company incurred the following fees in connection with key management compensation and expenses incurred from companies owned or partially owned by key management (Chief Executive Officer, Chief Financial Officer, Corporate Secretary) and/or directors. Expenses have been measured at the exchange amount, which is determined on a cost recovery basis.

	For the year ended August 31,	
	2023	2022
Management fees – YMI	\$ 200,000	\$ 120,000
Professional fees – Rhodanthe	36,000	36,000
Professional fees – Red Fern	90,000	64,500
Professional fees – Slater	-	45,000
Exploration Expenses – 1255483	212,498	-
Exploration Expenses – Serac	2,221,648	1,435,796
General and administrative - Serac	49,115	-
TOTAL	\$ 2,809,261	\$ 1,701,296

In addition to the fees paid above, the Company recognized \$1,104,471 (2021 - \$151,390) in share-based compensation related to the granting and vesting of stock options to the officers and directors of the Company.

12. RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd...)

- b) Amounts owing to directors and officers and companies with directors and officers in common are disclosed in Note 9. All amounts are unsecured, with no specific terms of repayment.

13. SEGMENT DISCLOSURE

The Company has one reportable operating segment in Canada which operates in the acquisition, exploration and evaluation of mineral resources. All of the Company's non-current assets are located in Canada.

14. MANAGEMENT OF CAPITAL

The Company manages its common shares, stock options, warrants and deficit as capital (Note 11). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and evaluation of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable level of risk.

The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash.

To facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors including successful capital deployment and general industry conditions.

To maximize ongoing exploration expenditures, the Company does not pay dividends. The Company's investment policy is to keep its cash treasury on deposit in interest-bearing Canadian chartered bank accounts and short-term guaranteed investment certificates.

The Company estimates that it will require additional funding to carry out its exploration plans and operations through the next twelve months. The Company is not subject to any externally imposed capital restrictions. There were no changes to the Company's approach to capital management.

15. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASHFLOWS

For the year ended	August 31, 2023	August 31, 2022
Non-cash investing and financing activities:		
Shares issued under property acquisition option agreements	\$ 315,750	\$ 92,500
Recognition of flow-through premium liability	1,314,335	1,130,000
Shares issued for royalty acquisition	637,500	-
Broker warrants issued as share issuance costs	173,852	65,145
Purchase of property, plant and equipment in accounts payable	136,250	-
Contributed surplus transferred to common shares	115,212	-
Share issuance costs in accounts payable	-	34,184

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16. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year ended August 31,	
	2023	2022
Loss before income taxes	\$ (19,074,047)	\$ (9,515,791)
Statutory tax rate	27.00%	27.00%
Expected income tax (recovery)	(5,150,000)	(2,569,000)
Permanent differences and other	286,000	333,000
Impact of flow through shares	1,455,000	2,072,000
Share issue costs	(222,000)	(92,000)
Balances obtained upon acquisition of AUX	-	-
Changes in unrecognized deferred tax assets	3,631,000	256,000
Total income tax expense (recovery)	\$ -	\$ -

The significant components of the Company's deferred tax assets that have not been included on the statement of financial position are as follows:

	As at August 31,	
	2023	2022
Deferred tax assets (liabilities)		
Mineral property related deductions	\$ 2,575,000	\$ (367,000)
Property and equipment	10,000	(8,000)
Share issue costs	370,000	215,000
Non-capital losses available for future periods	3,797,000	3,281,000
	6,752,000	3,121,000
Unrecognized deferred tax assets	(6,752,000)	(3,121,000)
Total income tax expense (recovery)	\$ -	\$ -

The significant components of the Company's temporary differences, unused tax credits, and unused losses that have not been included on the consolidated statement of financial position are as follows:

As at August 31, 2023, the Company had accumulated non-capital losses of approximately \$14,064,000 (August 31, 2022 – \$12,153,000) that are available to carry forward and offset future years' income. These non-capital losses begin to expire in 2026.

As at August 31, 2023, the Company had accumulated resource related deduction pools of approximately \$15,380,000 (August 31, 2022 – \$12,199,000) that are available to carry forward and offset future years' income at various rates. These pools carry forward indefinitely.

Tax attributes are subject to review and potential adjustment by tax authorities.

17. SUBSEQUENT EVENT

Subsequent to the year ended August 31, 2023, the Company closed three tranches of a non-brokered private placement of securities and raised aggregate gross proceeds of \$2,233,550. Pursuant to the private placement, the Company issued an aggregate of: (i) 3,985,000 non-flow-through units (the “NFT Units”) at a price of \$0.23 per NFT Unit; (ii) 4,112,500 flow-through shares (“FT Shares”) at a price of \$0.24 per FT Share; and (iii) 1,000,000 charity flow-through units (“Charity FT Units”) at a price of \$0.33 per Charity FT Unit, for aggregate gross proceeds of \$2,233,550. Each NFT Unit is comprised of one common share and one-half of one common share purchase warrant. Each Charity FT Unit is comprised of one common share that will qualify as a “flow-through share” within the meaning of subsection 66(15) of the Income Tax Act (Canada) (the “Tax Act”) and one-half of one warrant. The warrants for all NFT Unit and Charity FT unit will be subject to the same terms, with each warrant entitling the holder thereof to purchase one common share for a period of two years from the date of issuance at an exercise price of \$0.35 per common share.

In connection with the offering, the Company issued 236,100 finder’s warrants (“Finder Warrants”) and paid cash commissions of \$53,303 to certain finders. Each Finder Warrant entitles the holder to purchase one common share at a price of \$0.23 per common share for a period of two years from the date of issuance.

scottie

SCOTTIE RESOURCES CORP.
FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)
For the year ended August 31, 2023

INTRODUCTION

Scottie Resources Corp. (“Scottie”, or the “Company”) was incorporated on November 24, 2009 in the province of British Columbia, Canada.. The Company trades on the TSX Venture Exchange under the symbol “SCOT”.

This discussion and analysis of financial position, results of operations and cash flows of Scottie for the year ended August 31, 2023 includes information up to and including December 29, 2023 and should be read in conjunction with the accompanying audited financial statements and related notes thereto for the year ended August 31, 2023 (the “Financial Reports”) which is available on the SEDAR+ website at www.sedarplus.com.

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 dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information relating to the company is available on SEDAR+ at www.sedarplus.com and the Company’s website at www.scottieresources.com.

DESCRIPTION OF BUSINESS

Scottie is an exploration stage company engaged in the acquisition, exploration and evaluation of mineral properties located in the “Golden Triangle” area of British Columbia, Canada. The area known as the Golden Triangle of British Columbia is among the world’s most prolific mineralized districts, host to past and current mining operations including Johnny Mountain, Red Mountain, Snip Mine, Eskay Creek, Premier Mine, Golden Bear and Valley of the Kings. The Golden Triangle has reported mineral resources (past production and current resources) in total of 67 million oz of gold, 569 million oz of silver and 27 billion pounds of copper.

The Company’s objective is to undertake mineral exploration on properties assessed to be of merit to define mineral resources, and to put plans in place in order that the properties may be put into operation in an economic and sustainable manner. Metals being targeted are precious metals with a focus on gold and silver. In the course of executing its business objectives, it is expected the Company will enter into various agreements specific to the mining industry, such as purchase or option agreements to acquire mineral claims and joint venture agreements.

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CAUTIONARY STATEMENT REGARDING 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

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PERFORMANCE SUMMARY AND SUBSEQUENT EVENTS

During the year ended August 31, 2023 and to the date of this report the Company:

- Closed a non-brokered private placement for \$3,200,000 consisting of 18,823,530 units at a price of \$0.17 per unit. Each unit consists of one common share of the company and one common share purchase warrant. Each Warrant entitles the holder to purchase one common share at a price of \$0.25 for a period expiring two years following the closing date of the Offering. For more information, please refer to the news releases dated September 8, 2022 and September 26, 2022.
- Reported assays on its Blueberry Contact Zone including 7.07 g/t gold over 24.55 metres which extends the depth of the zone an additional 135 metres. The mineralized structure has now been drill tested to 360 metres in depth. For more information, please refer to the news release dated September 13th, 2022.
- Reported new assays on its Blueberry Contact Zone including intercepts of 11.3 g/t gold over 8.60 metres and 9.12 g/t gold over 16.15 metres. The high-grade mineralized structure has now been drill tested over 1,200 metres in strike and 360 metres in depth. For more information, please refer to the news release dated October 11, 2022.
- Closed a royalty purchase agreement pursuant to which the Company will purchase 100% of a 1.8% gross smelter return royalty (the "Summit Lake Royalty") on the Summit Lake property, located in British Columbia. In consideration of the purchase of the Summit Lake Royalty, Scottie issued 2,500,000 common shares to the vendor with a fair value of \$637,500. For more information, please refer to the news release dated November 3, 2022.

Reported new assays on its Blueberry Contact Zone including an intercept of 20.3 g/t gold over 2.1 metres that extends the length of the Blueberry Contact Zone by 250 meters, to a total length of 1.45 kilometres. The Company also reported near surface intervals of mineralization that grade 8.9 g/t gold over 6.12 metres and 7.65 g/t gold over 7.53 metres. For more information, please refer to the news release dated November 8, 2022.

- Reported new assays on its Blueberry Contact Zone including intercepts of 9.79 g/t gold over 25.00 metres including 161 g/t gold over 1.3 metres. Additional deeper tests of the Blueberry Contact Zone have extended mineralization to a total vertical depth of 390 metres. For more information, please refer to the news release dated November 10, 2022.
- Reported new assays on its C and D zone targets, which occur as mineralized cross-structures adjacent to the Blueberry Contact Zone. Drilling of the targets generated high-grade intercepts of up to 60.7 g/t over 2 metres. The C and D Zones are part of the Scottie Gold Mine Project which also includes the historic Scottie Gold Mine and the Blueberry Contact Zone. For more information, please refer to the news release dated December 6, 2022.
- Reported new assays on its Blueberry Contact Zone including intercepts of 194 g/t over 2.40 metres and 4.61 g/t over 2.5 metres in hole SR22-156. For more information, please refer to the release dated January 5, 2023.

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- Reported new assays on its Blueberry Contact Zone including two high-grade shallow intercepts in drill hole SR22-170 of 8.21 g/t gold over 19 metres and 6.30 g/t gold over 8.15 metres. These most recent intercepts compliment the already released results from the 2022 exploration program and support the company's goal of defining a road accessible gold deposit in BC's Golden Triangle. For more information, please refer to the release dated January 12, 2023.
- Announced the appointment of Ellie Owens to the Company's board of directors, effective January 16, 2023. With ten years of technical and corporate experience, Ms. Owens has held roles at Golder Associates, Diavik Diamond Mine, Agnico Eagle's Meadowbank Mine, Atomic Energy of Canada and at Groia & Co (securities litigation). Ms. Owens holds a J.D. and M.Sc. (Geology) from Western University and a B.Sc. (Geology) from the University of Waterloo. She currently is a member of the Board of Directors of the PDAC as well as on the PDAC Planning Committee. Please refer to the news release dated January 17, 2023.
- Announced that it has granted 4,850,000 options to acquire common shares to certain directors, officers, and consultants of the Company. The options are exercisable at a price of \$0.27 per share and are valid for a period of five years. Please refer to the news release dated January 17, 2023.
- Reported new assays on its Blueberry Contact Zone including two high-grade intercepts of 34.5 g/t gold over 4.7 metres (SR22-186) and 130 g/t gold over 1.05 metres (SR22-222). Drilling in 2022 extended the strike length of the zone to >1450 metres and the depth to 390 metres. Please refer to the news release dated January 25, 2023 for more information.
- Entered into a bought deal private placement with Cormark Securities Inc as the sole underwriter. The Company issued 11,429,000 flow-through shares (FT shares) at a price of \$0.35 per FT share for gross proceeds of \$4,000,150, and issued 10,870,000 common shares of the Company at a price of \$0.23 per common share for gross proceeds of \$2,500,100. Pursuant to the underwriting agreement, the underwriter received cash commission representing 6% of the gross proceeds raised under the offering and were issued 1,142,287 broker warrants of the Company. Each Broker warrant entitles the holder to purchase one common share of the company at a price of \$0.23 per broker warrant for a period of 24 months from the date of issuance. The Company also paid certain finders a cash commission of 3% of the gross proceeds raised under the Offering to purchasers introduced to the Company by the finder. This brokered private placement was closed on February 16, 2023. Please refer to the news releases dated February 7 and 16, 2023 for more information.
- Reported new assays on the Blueberry zone including two high grade intercepts in drillholes SR22-209, the upper hit of 53.2 g/t gold over 3 metres was located at the contact zone, whereas the lower intercepts of 19.2g/t gold over 3 metres was situated well within the siltstone unit of the Lower Hazelton Group. Please refer to the news release dated February 21, 2023 for more information.
- Reported assays on the Blueberry zone including a high -grade intercept of 17.4 g/t gold over 6.57 metres in drillhole SR22-217. The company also confirmed high grade mineralization in its furthest expansionary hole (SR22-227) along the southern extension of the Blueberry Contact zone where 7.10 g/t gold over 6.09 metres was intercepted. The total strike length of the system now extends

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over 1,550 meters, representing an increase of over 110% from 2021. Please refer to the news release dated March 2, 2023 for more information.

- Announced a 20,000-metre drill program on the Company's flagship asset, the Scottie Gold Mine project, located in BC's Golden Triangle. The drill program is planned to commence in late June and continue into the fall using three diamond drill rigs. Approximately 17,000 metres will focus on expansion of the Blueberry Contact Zone, with the remaining metres allocated to additional advanced targets in the area. In addition to the drilling, extensive geophysical work (HLEM) will be carried out to delineate new targets in the area. The Company is also pleased to report assays from the Stockwork area located 1.3 kilometres northwest of the Blueberry Contact zone, including a high-grade intercept in a new zone grading 5.28 g/t gold over 4.50 metres, in a broader zone of low- grade mineralization. Please refer to the news release dated April 20, 2023 for more information.
- Announced that an additional 230,484 finders warrants were issued at a price of \$0.23 for a period of two years in connection with the \$6.5 million brokered private placement which closed February 16, 2023. Please refer to the news release dated May 1, 2023 for more information.
- Reported positive preliminary metallurgical test results for the Blueberry zone with up to 97.6% gold recovery. The program was completed by independent metallurgical consultants, Sepro Laboratories, at their testing facilities in Langley, British Columbia. For details on the Metallurgical Program, please refer to the news release dated June 13, 2023.
- Announced that Scottie commenced its 2023 drill program on the high-grade Blueberry Contact Zone target. The 2023 program includes three drills turning to complete 20,000 metres and is primarily focused on expansion of the structure, both at depth and along strike. For more details on the 2023 drill program, please refer to the news release dated June 30, 2023.
- Announced the first assays from its 2023 drill program targeting the Blueberry Contact Zone, including intercepts of 56.4 g/t gold over 3.7 metres and 12.1 g/t gold over 3 metres. These results are the first returned from the 20,000 metre drill campaign. Please refer to the news release dated September 6, 2023 for more information.
- Closed three tranches of a non-brokered private placement of securities and raised aggregate gross proceeds of \$2,233,550. Pursuant to the private placement, the Company issued an aggregate of: (i) 3,985,000 non-flow-through units (the "NFT Units") at a price of \$0.23 per NFT Unit; (ii) 4,112,500 FT Shares at a price of \$0.24 per FT Share; and (iii) 1,000,000 Charity FT Units at a price of \$0.33 per Charity FT Unit, for aggregate gross proceeds of \$2,233,550. Each NFT Unit is comprised of one common share and one-half of one common share purchase warrant. Each Charity FT Unit will be comprised of one common share that will qualify as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada) (the "Tax Act") and one-half of one warrant. The warrants for all units will be subject to the same terms, with each warrant entitling the holder thereof to purchase one common share for a period of two (2) years from the date of issuance at an exercise price of \$0.35 per common share.

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In connection with the offering, the Company issued 236,100 finder's warrants and paid cash commissions of \$53,303 to certain finders. Each finder's warrant entitles the holder thereof to purchase one common share at a price of \$0.23 per Share for a period of two (2) years from the date of issuance. For more information please see the news releases dated September 8, October 4, 6, and 19, 2023.

- Reported assays on the Scottie Gold Mine Project. The company continues to intercept high-grade gold over appreciable widths in the Blueberry Contact Zone. The 2023 exploration program focused on expanding the zone along strike and at depth and increasing confidence of the geological model through targeted drilling. The company drilled over 20,000 metres in 2023.

Highlights:

- Drillhole SR23-247 intersected 26.9 grams per tonne (g/t) gold over 4 metres (m) and 13.9 g/t gold over 2.04 m
- Drillhole SR23-249 intersected 3.01 g/t gold over 9 m
- Drillhole SR23-242 intersected 5.3 g/t gold over 4.05 m
- Testing during 2023 of the main Blueberry Zone shows increased vein density relative to previous modelling.

Please refer to the news release dated October 12, 2023 for more information.

- Reported new assays on the Scottie Gold Mine Project, including several high-grade intercepts on the Road and Fifi vein zones along the Blueberry Contact. Together the results continue to define the high-grade, outcropping deposit and provide valuable context and insight into the structural details of the system.

Highlights:

- Road zone drillhole SR23-261 intersected 10.4 grams per tonne (g/t) gold over 7.65 metres (m) including 51 g/t gold over 1 m
- Drillhole SR23-264 targeted the Fifi vein zone, intersecting 88.4 g/t gold over 2.00 m and 4.41 g/t gold over 4.5 m
- High-grade intercepts occur on the siltstone side of the Blueberry Contact
- Drillhole SR23-273 targeted the Fifi vein zone, intersecting 13.0 g/t gold over 8.5 m and 5.12 g/t gold over 2.00 m
- Intercept occurs at a depth from surface of approximately 145 m

Please refer to the news release date October 31 2023 for more information.

- Reported new assays on the Scottie Gold Mine Project, including several high-grade intercepts on the Fifi and Lemoffe vein zones along the Blueberry Contact as well from the C Zone.

Highlights:

- Drillhole SR23-268 targeted the Fifi – Lemoffe – Tupelo vein zones, intersecting 8.78 grams per tonne (g/t) gold over 7.5 metres (m) and 28.2 g/t gold over 4.00 m.
 - Intercepts start at a depth from surface of approximately 160 m
 - The lower intercept occurs on the siltstone side of the Blueberry Contact Zone
- Drillhole SR23-265 targeted the Lemoffe vein zone, intersecting 5.50 g/t gold over 3.85 m.

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- Intercept of 6.50 g/t gold over 1.0 m represents the deepest intercept to date of the Blueberry Contact Zone, at a vertical depth of over 525 m from surface indicating continuity at depth
- C Zone drillhole SR23-257 intersected 4.12 g/t gold over 6.45 m including 89 g/t silver.
 - Vein zone extends west of the Blueberry Contact Zone
 - Increased silver content (relative to gold) is consistent with other drilling in the southern extension of the Blueberry Contact Zone

OUTLOOK

Since incorporation on November 24, 2009 the Company has acquired various properties in British Columbia, Canada and has successfully funded and advanced these projects.

As the Company has no source of revenue at this time, it will continue to require additional capital to fund future office and administrative expenditures and to advance the Company's projects and complete project investigation activities.

EXPLORATION AND EVALUATION PROJECTS UPDATE

On July 16, 2021, Scottie completed the acquisition of AUX Resources Corporation by way of a three-corner amalgamation, resulting in the formation of the wholly owned subsidiary of Scottie, AUX Resources Limited. The transaction consolidated the contiguous gold-silver exploration assets of Scottie's Cambria Project and AUX's Silver Crown, Independence, American Creek, Lower Bear, and Bear Pass Projects, all of which will benefit from operational and geological synergies.

Scottie Gold Project

2023 Exploration Program

The 2023 exploration program focused on expanding the zone along strike and at depth and increasing confidence of the geological model through targeted drilling. The company drilled over 20,000 metres in 2023. The drill program commenced in late June and continue into the September, using up to three diamond drill rigs. Approximately 17,000 metres was used to target expansion of the Blueberry Contact Zone, with the remaining metres allocated to additional advanced targets in the area, including the historic Scottie Gold Mine, Stockwork Zone, and the Bend Vein. In addition to the drilling, extensive geophysical work (HLEM) was carried out over specific areas to delineate new targets.

2022 Exploration Program

A 17,176 metre diamond drill program was completed on the Scottie Gold Mine Project during the 2022 field season (July – October), employing 3 diamond drills. Drilling focused on expanding the Blueberry Contact Zone along strike and at depth, successfully extending the system to a depth of 400 vertical metres and a strike length of 1,550 metres. Ancillary drill targets included the Bend Vein, C and D zones, Stockwork, and the Scottie Gold Mine P zone. Two geophysical grids (Loop EM) were completed on both the Scottie Gold Mine and the southern extension of the Blueberry Contact Zone underneath a historic lakebed.

Regional mapping and sampling were completed to follow up on anomalous samples from 2021, and to refine mapping of the primary lithological contact controlling the Blueberry Contact Zone. A LiDAR survey was flown over the entire Scottie Gold Mine property to better assist future drill campaigns with structural interpretations and ground control.

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2022 Drillhole Highlights

Drill Hole (target)		From (m)	To (m)	Width* (m)	Gold (g/t)	Silver (g/t)
SR22-145 (Blueberry)		69.1	81.6	12.50	13.32	10.22
	<i>including</i>	69.1	72.1	3.00	23.59	31.39
	<i>and</i>	79.1	81.6	2.50	37.52	7.19
SR22-151 (Blueberry)		343	419	76.00	2.45	7.78
	<i>including</i>	370.6	395.15	24.55	7.07	4.33
	<i>and including</i>	370.6	378.25	7.65	3.99	3.75
	<i>and</i>	388.8	395.15	6.35	22.18	11.78
	<i>and including</i>	391.8	395.15	3.35	30.14	17.51
SR22-156 (Blueberry)		119.5	120.5	1.00	2.49	14.00
		148	150.4	2.40	194.00	16.83
		255	257.5	2.50	4.61	0.00
SR22-168 (Blueberry)		149	153.5	4.50	11.28	37.67
		198	223	25.00	9.79	6.88
	<i>including</i>	200.9	204	3.10	10.12	3.00
	<i>and</i>	217.55	218.85	1.30	161.00	100.00
		234	238.15	4.15	3.37	10.69
		247.8	251.75	3.95	1.47	11.25
		153.7	155.2	1.50	3.55	0.00
		153.7	155.2	1.50	3.55	0.00
SR22-186 (Blueberry)		234.9	236.4	1.50	1.26	0.00
		252	253	1.00	1.08	5.00
		335	339.7	4.70	34.52	11.77
	<i>including</i>	335	336	1.00	128.00	30.00

2021 Exploration Program

A 12,600 metre drill program was completed on the Scottie Gold Project during the 2021 field season (June – October). Drilling focused on following up on successes from the 2020 program, notably: Blueberry Zone, Scottie Gold Mine (M and O-Zones), and the newly discovered Domino Zone. A small scale downhole electromagnetic (“DHEM”) survey was also be tested on the Scottie Gold Mine (SGM) to determine if the pyrrhotite-pyrite rich veins that host the high-grade mineralization can be detected, in order to aid future drill targeting. Three-dimensional induced-polarization (“3D IP”) grids were carried out on the Domino and Blueberry Zones, for use with ongoing drill targeting. Prospecting and detailed mapping continued to be carried out in and around known showings, over recently acquired claims, and in areas of glacial retreat in order to advance the company’s extensive land package.

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2021 Drill Highlights

Drill Hole (target)		From (m)	To (m)	Width* (m)	Gold (g/t)	Silver (g/t)
SR21-81 (Blueberry)		43.06	48.00	4.94	28.8	2.50
	<i>including</i>	43.06	46.06	3.00	47	3.96
	<i>and</i>	68.15	70.74	2.59	2.37	5.90
SR21-82 (Blueberry)		28	38	10.00	16.52	3.24
	<i>including</i>	29.46	34.06	4.60	34.80	4.90
	<i>including</i>	29.46	30.83	1.37	106.00	18.90
SR21-095 (SGM)		198.03	208.12	10.09	2.20	6.05
	<i>including</i>	206.43	208.12	1.69	10.5	8.53
	<i>and</i>	227.34	231.05	3.71	37.2	8.60
SR21-131 (Blueberry)		52.80	64.66	11.86	34.6	3.34
	<i>including</i>	52.80	54.28	1.48	27.4	2.01
	<i>and including</i>	59.91	64.66	4.75	77.6	7.32
SR21-138 (Blueberry)		288.86	302.35	13.49	15.3	9.10
	<i>including</i>	289.86	294	4.14	36.2	16.4

2020 Exploration Program

Exploration of the Scottie Gold Project (which includes the Scottie Gold Mine property, Bow property, and Summit Lake claims) during 2020 included 7,040 metres of diamond drilling, an airborne electromagnetic (“EM”) survey, induced polarization (“IP”) survey grids, and surficial sampling and geological mapping on key targets. The 7,040 metre drill program consisted of a total of 46 drill holes, testing 5 principal targets: Scottie Gold Mine (10 holes), Blueberry Vein (11 holes), Bend Vein (4 holes), Domino Zone (18 holes), and 6 Oz Zone (3 holes). The Domino Zone, newly discovered in 2019 from high-grade surficial samples was tested with 1,979 metres of drilling in 18 drill holes from 6 drill pads.

The helicopter-borne EM survey consisted of ~634 line-kilometres, at 100 metre spacing, approximately 50 metres above ground. The EM survey was done by Precision Geophysics, with a time-domain system (“AirTEM”). Induced Polarization grid surveys were performed by Scott Geophysics over the Domino and Bend vein targets. An additional gradient survey was completed in the area between the Scottie Gold Mine and the Domino zone.

Concurrent with the drill program was a robust geological mapping and sampling program focused on interpreting the structures hosting mineralization identified during the 2019 exploration program, as well as investigating area which have experienced substantial glacial retreat in recent years.

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2020 Drill Highlights

Drill Hole (target)		From (m)	To (m)	Width (m)	Gold (g/t)	Silver (g/t)
SR20-23 (Blueberry)		122.00	166.00	44.00	2.05	1.06
	<i>including</i>	122.00	125.00	3.00	4.24	3.11
	<i>including</i>	142.50	143.50	1.00	30.50	6.87
	<i>including</i>	165.00	166.00	1.00	9.50	0.36
SR20-27 (SGM O-Zone)		92.81	93.97	1.16	1.32	9.11
	<i>and including</i>	197.97	200.5	2.53	109.4	32.4
	<i>and including</i>	224.15	224.8	0.65	86.2	26.7
SR20-45 (Blueberry)		17.00	23.10	6.10	22.3	3.70
	<i>including</i>	17.00	18.93	1.93	67.9	10.2
SR20-48 (Blueberry)		18.07	20.40	2.33	35.8	4.70
	<i>including</i>	18.07	19.08	1.01	82.1	10.50
	<i>and</i>	56.67	70.35	13.68	8.96	2.86
	<i>and including</i>	67.20	70.35	3.15	38.6	8.65
	<i>and including</i>	68.62	70.35	1.73	69.8	15.2
SR20-51 (SGM)		34.73	72.60	37.87	2.40	4.57
	<i>including</i>	50.30	56.00	5.7	10.7	5.38
	<i>and including</i>	51.30	54.00	2.7	16.5	6.14

Scottie Gold Mine Property, British Columbia

The Scottie Gold Mine Property is comprised of 3 contiguous claim groups (Scottie Gold Mine, Bow, Summit Lake)

On September 27, 2012, the Company entered into an agreement to purchase an 80% interest in the Scottie Gold Mine property, located in the Golden Triangle 50 kilometres north of Stewart, British Columbia. The property consists of 14 Crown-Granted claims and 2 contiguous Modified Grid System ("MGS") claims covering 107 hectares of MGS claims and 213 hectares of Crown Granted claims.

The Scottie Gold Mine operated from 1981 to 1985 and produced 95,426 ounces of gold from 183,147 tonnes of mineralization. Four separate vein zones labelled the 'L', 'M', 'N' and 'O' zones were partially explored by drilling and underground development and were the source of the gold produced during the milling operation. After closure of the mine, Wright Engineers prepared a report dated July 1985 that indicated diluted mineral resources in the Proven, Probable and Possible categories the four zones as 120,279 tonnes grading 19.31 g/t gold for a total of 74,333 ounces.

Wright Engineers used information supplied by the Scottie Gold Mine engineers and did not independently confirm the information. The report by Wright Engineer's relied on drill hole data and underground sampling results from programs completed by the Scottie Gold Mine operators.

During the period from 2004 to 2006, further drilling by Tenajon Resource Corp. ("Tenajon"), led to a historical resource estimation by Giroux Consultants in October 2007. This historical resource estimation

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was based on Tenajon's drill hole data, Scottie Gold Mine drill hole data, and underground sampling. The results of the estimation are outlined below:

2007 Resource Estimation for the Scottie Property¹

Veins	Category	Tonnes	Au g/t	Ag g/t	Ounces Gold	Ounces Silver
L, M, N and O	Indicated	20,100	9.91	4.32	6,400	2,800
L, M, N and O	Inferred	203,000	8.40	4.25	54,800	27,800

¹The Scottie Gold mine historical estimates from the Wright Engineer's (1985) and the Giroux Consultants (2007) reports have not been verified by the Company and do not comply with CIM Definition Standards on Mineral Resources and Mineral Reserves as required by NI 43-101 and is not relevant to NI 43-101. These estimates are historical and are used for reference purposes only. The company is not treating the historical estimate as current mineral resources. The company plans on conducting an exploration program that will include twinning of drill holes to verify the historical data and prepare a current mineral resource.

The estimations of previous operators were based on mineralization defined in a zone 200 metres wide and 200 metres long with a vertical range of 440 metres. The mineralization is open along strike and to depth. Exploration to date has identified 13 potential zones of gold-bearing quartz-sulphide veining of the same nature as ore milled at Scottie during its operation.

The Company believes that with over 1,000 metres of unexplored strike and an additional 600 metres of open vertical extent, there exists great potential to expand the known mineralization.

Bow Claims, British Columbia

On December 12, 2018, the Company entered into an option agreement to acquire a 100% interest in the Bow property (now part of the Scottie Gold Mine Project) located in the Golden Triangle mining district of British Columbia. The Company's obligations on the option were met in 2020.

The Bow covers 471.92 hectares and is contiguous with the Company's 100% owned Scottie property which hosts the past producing Scottie Gold mine.

The Bow property covers a package of Hazelton Group volcanic rocks in contact with the Summit Lake stock, part of the Texas Creek plutonic suite. This sequence of rocks exhibits similar alteration and mineralization to the former-producing Premier mine 20 kilometres south of the Bow property, and the KSM copper-gold porphyries and Brucejack gold deposit 20 kilometres north of the Bow property.

Previous exploration work has identified 13 different gold-bearing veins on the Bow and Scottie properties.

Summit Lake claims

On April 26, 2019, the Company entered into an option agreement to acquire a 100% interest in a land package property covering 1,583 hectares, known as the Summit Lake property which surrounds the Scottie Crown Grants and expanded the footprint of the Company's land package (now part of the Scottie Gold Mine Project). Since the commencement of the option agreement, the Company made aggregate cash payments of \$250,000, issued an aggregate of 2,200,000 common share and acquired a 100% interest in the Summit Lake property during the year ended August 31, 2023.

During the year ended August 31, 2023, the Company closed a royalty purchase agreement pursuant to which the Company purchased 100% of a 1.8% gross smelter return royalty on the Summit Lake property. In consideration of the purchase, the Company issued 2,500,000 common shares to the vendor with a fair value of \$637,500.

During the year ended August 31, 2022, the Company purchased a 3.0% NSR which was previously held by a third-party over certain Scottie Gold Mine Property claims for \$1,600,000.

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The Scottie Gold Mine Project is now 100% owned and royalty free.

The property has shown multiple geophysical anomalies as well as high grade mineralization along the boundary bordering the Scottie property. Summit Lake opens up the area to further exploration, including unexplored areas exposed by retreating ice fields.

Stock Property, British Columbia

The Company staked a 100% interest in the Stock property, which covers 2,506.11 hectares and is located west of Ascot's Dilworth property and south of the Company's Scottie property. The Stock property has been explored intermittently since 1921 with numerous tunnels and crosscuts, one extending 300 metres. Mineralization on the property includes silver, gold, tungsten, copper, lead and zinc in beds of a siltstone complex.

The Company forfeited 1622.68 ha of claims on the Stock Property on February 17, 2019 and staked 360.59 ha of additional adjacent mineral claims on July 3, 2019.

Cambria Project**2023 Exploration Program**

The 2023 exploration program on the Cambria Project focused on assessing new showings on the Silver Crown claims and targets on the Champion target. Sampling and mapping primarily focused on advancing the silver-rich polymetallic vein targets throughout the extensive land package.

2022 Exploration Program

The 2022 exploration program on the Cambria Project focused on assessing the newly consolidated AUX tenures and their geology with the context of previous work on the Scottie claims. Sampling and mapping primarily focused on advancing the silver-rich polymetallic vein targets throughout the extensive land package.

2021 Exploration Program

The 2021 exploration program on the Cambria Project focused on advancing the silver-rich polymetallic vein targets throughout the extensive land package. Mapping, soil sampling, and backpack drilling was used to assess the orientation and extents of vein occurrences, with particular focus on small adits and past producers.

2020 Exploration Program

The 2020 work involved geological mapping of new outcrop exposures created from the construction of new logging roads off of Highway 37A. Additional work was done to trace the extent of the massive sulphide mineralization occurring at the Barney showing.

Bitter Creek Property, British Columbia

On March 1, 2019, Scottie entered into an option agreement to acquire a 100% interest in 42 mineral claims covering 4,832 hectares known as the Bitter Creek property, which joins the Company's Ruby Silver property and Black Hills property creating a contiguous land package of 10,350 hectares bordering the advanced Red Mountain gold property owned by Ascot Resources Ltd. The Company's obligations on the option were met in 2020.

Bitter Creek is subject to a 2.5% NSR, 60% of which can be repurchased for \$1,500,000.

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Bitter Creek property contains approximately 30 historic mineral showings/prospects and two historic small past producers (one on claim boundary). All described showings are categorized as polymetallic veins with silver-lead-zinc-and-or-gold mineralization. Past production totalled 65 tons -- Black Hills (53 tons) and Mobile (12 tons), with respective average grades of 1.17 to 2.7 g/t gold; 5,658 to 8,247 g/t silver; 16.1 to 8.0% lead; 2.92 to 9.6% zinc; and 0.30 to 0.41% copper.

Black Hills claims, British Columbia

On January 17, 2013, the Company purchased a 100% interest in the Black Hills mineral claims, situated 7 kilometres east-northeast of Stewart, British Columbia, along the edge of the retreating Cambria Icefield. The property comprises 1,252 hectares and is primarily underlain by argillite rocks of the Middle Jurassic Salmon River and andesitic rocks of the Unuk River Formation.

The two main mineral occurrences on the property are past producers of high-grade lead-zinc-silver, named the Black Hills and Blue Grouse. Sorted ore production from both totalled 53 tonnes (from 1930, 1935 and 1983), and graded an average of 1.17 g/t gold, 5,658 g/t silver, 16.1% lead, 2.92% zinc and 0.41 % copper. The mineral occurrences consist of steeply dipping, narrow quartz-sulphide veins hosted in diorite and argillite. Recent grab sampling from the dump pile of a north-trending adit on the property included a sample that returned 1.3 g/t gold, 4,080 g/t silver, 0.36 % copper, 11 % lead, and 17.1 % zinc.

Ruby Silver claims, British Columbia

On March 9, 2018, Scottie purchased a 100% interest in the Ruby Silver property located 21 kilometres north of Stewart, British Columbia in the Golden Triangle. The property covers approximately 4,300 hectares and is situated over numerous mineral occurrences.

The Ruby Silver claims cover the Ruby Silver showing consisting of a quartz-carbonate vein containing blebs and disseminations of pyrite and chalcopyrite, locally forming up to 10% of the vein. Malachite and azurite staining is present. The vein is up to 1.5 metres wide, strikes 110 degrees and dips 68 degrees southwest. The vein has been explored by 3 different adits. The main adit follows the footwall of the vein, which, in turn, appears to follow a porphyritic dike. Historic sampling of the vein mineralization in the tunnels assayed from 0.7 to 11.0 grams per tonne gold, 15.4 to 115.2 grams per tonne silver and trace to 9.3% copper over widths of 0.3 to 1.8 metres (*Property File - Cited in Thios Resources Inc., Prospectus April, 1987*).

The Roosevelt Ridge area within the Ruby Silver claim block contains abundant quartz +/-carbonate veins as well as breccia, stockwork and replacement zones. Many of them are barren but some are mineralized with pyrite, sphalerite, galena, chalcopyrite and malachite. Sulphide content ranges from trace to 5%. The veins are up to 0.6 metres wide and locally traced over 40 metres. In addition to mineralization in place, there are also numerous boulders which feature very similar host rocks and mineralization. Several of those boulders yielded highly anomalous results in gold and base metals. The highest gold assay obtained from in situ samples collected in the previous years returned 7.51 g/t Au and 3.45% Zn. Gold results came from float rocks containing 25% pyrite, 1% sphalerite and 1-2% arsenopyrite assayed up to 9.0 g/t Au and 0.25% Zn. A historic float of argillite cut by quartz stockwork with pyrite and sphalerite assayed 5.56 g/t Au and 3.56% Zn.

American Creek Claims

Acquired with AUX Resources Limited in July 2021, the 2,560-hectare American Creek Properties extend approximately 15 kilometres north-south along the lower American Creek corridor and south of its

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confluence with Bear River. The American Creek Properties are comprised of the following properties: Champion, Champion South (formerly the Silver Crown property), Confluence, and Dorothy 2.

The Company holds a dominant land position in the lower American Creek corridor, centered on the east side of the creek. Within the corridor are three past-producing high-grade silver mines (Mountain Boy, Terminus, and Ketchum) located in close proximity to each other, all near 1,000 metres elevation. Current working hypotheses indicate that the high-grade silver zones represent the upper portions of extensive hydrothermal systems, with the lower portions of the system(s) underlying those high-level expressions.

Scottie considers this area to be underexplored, especially given the presence of nearby past producers, the prospective geology enhanced by more modern interpretations, and the encouraging results reported by nearby Pretium Resources Inc. along the corridor on their adjacent property to the north. Drill results from Pretium Resources Inc. (www.pretivm.com) on their American Creek Zone included holes within four kilometres of the AUX property that produced significant values of gold and silver.

Dorothy 2

The Dorothy 2 property is adjacent to the Champion property on the east side of American Creek, with the lower portion of the property accessible by road. Nearby are the past producing Terminus Silver Mine and the historic Mountain Boy Mine on the opposite side of American Creek. Both were high-grade silver mines and are hosted in a geological trend that continues onto Dorothy 2. Intrusive bodies are present on the Dorothy 2 property; however, the property has undergone minimal modern exploration because attention has been focused on the three past producers.

During 2020, the Company completed its obligations with respect to cash consideration and share issuances to complete the option on the Dorothy 2 property. The Company's remaining obligations to complete the option are related to additional work to be done on the property.

Field work in 2021 focused on the Dorothy 2 property within the American Creek Project in order to complete the work commitment portion of the option agreement. A soil sampling program was completed to identify anomalous Au concentrations and a surficial grab sampling program was completed for areas with potential Au mineralization. Detailed field mapping investigated the stratigraphy exposed at the Dorothy 2 property in order to correlate this stratigraphy with other areas that host known mineralization. Scottie now has 100% ownership of the Dorothy 2 claims.

Independence Property

Acquired with AUX Resources Limited in July 2021, the geology of the 2,197 hectare property consists mostly of andesitic flows and tuffs of the Hazelton Group, crosscut by multiple diorite and granodiorite dikes, which are commonly associated with mineralized veins (within or beside dikes) and shear zones. The northwest-striking shear zones contain brecciated to laminated quartz-barite-magnetite-jasper veins +/- pyrite +/- chalcopyrite +/- pyrrhotite +/- sphalerite +/- galena. Assays of grab samples collected in 2019 from historic adit #1 returned values of up to 10.7 g/t Au, 85.30 g/t Ag, and 2.9% Cu.

During the 2020 field season, field work consisted of detailed mapping at historic trenches and adits to better determine controls on mineralization. During field work, the historic drill collar locations were confirmed and surveyed using a differential GPS; the historic logs will be used to develop a model of the mineralized system.

During the 2021 field season, an IP survey was completed, which covered the area of historic drilling and areas where mineralized surficial grab samples were collected in 2020. Field reconnaissance and sampling were completed to follow up on areas where 2020 surficial sampling returned high Au concentrations and

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to investigate areas that had not previously been sampled or that were newly exposed by recent glacial retreat.

A five-year area-based drill permit was issued in November 2021.

Lower Bear Properties

Acquired with AUX Resources Limited in July 2021, the Lower Bear Properties comprise 4,144 hectares and extend from the Stewart town limit to 12 kilometres up the Bear Valley, within three kilometres of the Premier Mine and include the Lower Bear property and the Bay Silver property. The tenures are wholly owned by the Company, acquired through staking and purchase agreements. As a result of its holdings, the Company controls a portion of the east side of the Bear River Ridge, with the Premier Mine to the west of the ridge and the Dunwell, Ben Ali, and Sunbeam mines immediately east.

The geology on the east side of the Bear Ridge in the Bear River Valley is identical to that of the Salmon River Valley west of the ridge, which hosts the Premier Mine camp (historic production of two million ounces of gold and 45 million ounces of silver). Intrusions in the Bear River Valley are very similar in texture and mineralogy to the TCPS. The Dunwell Mine, to the immediate east of the Lower Bear property, was third only to the Silbak Premier and Porter Idaho Mines in silver production during its mine life.

The Lower Bear property encloses ground along structural strike from the Silbak Premier Mine, across the Bear River Ridge. Partial coverage by a 2009 airborne geophysical survey identified three areas of anomalous conductivity beneath the river valley, called the Gravel South, Gravel, and Gravel North anomalies, coincident with northwest-trending structures that cross the Bear River Ridge and proximal to an Early Jurassic Texas Creek intrusion.

A geophysical survey over the Bay Silver property by the previous operator identified a target area with minimal follow-up. This geophysical target is along strike of a geophysical target on the adjacent tenures. Early field work by AUX in 2018 identified high grade values of gold and silver in a favorable geological setting, providing a strong basis for additional work.

During the 2021 field season, field work consisted of field reconnaissance and geochemical sampling of areas that have had little to no previous work and of areas where historic sampling returned high Au concentrations.

In April 2023, the Bear Pass claims that were located east of the Bear Glacier were donated to the formation of the Meziadin Indigenous Protected Area.

Silver Crown Project

Acquired with AUX Resources Limited in July 2021, the 450-hectare property consists of sedimentary and volcanic units of the Hazelton Group, where the Betty Creek and Mount Dilworth formations are gently folded and dip to the northwest. These formations are unconformably overlain by siltstone to mudstone sedimentary beds of the Spatsizi Formation. Mineralization occurs in a large vein system striking north, dipping very steeply to the northwest, and extending for at least 1.4 kilometres across the property. Veining is seen in outcrops of both the Spatsizi and Mount Dilworth formations. Veins are polymetallic and contain pyrite, galena, sphalerite +/- chalcopyrite +/- trace malachite. Grab samples collected in 2019 from the vein system returned assays of up to 9.28 g/t Au and up to 1.4% Cu.

During the 2020 field season, 102 channel samples at approximately 40 metre intervals were collected along a 500-metre strike length of the most prospective outcrops of the vein system. This field work confirmed the strike length of the mineralized corridor containing high-grade silver veins to be in excess of 1.4 kilometres. Field mapping was conducted to develop a more detailed understanding of structural

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and lithological controls on mineralization, and confirmed historic mapping of the vein system 500 metres to the north. Mapping was also completed around the Iron Cap showing to better assess the area as a future target. This data is being compiled into a detailed map, which will be combined with the assay results of channel samples and outcrop grab samples to delineate drill targets for the 2021 field season.

During the 2021 field season, field work consisted of detailed mapping of the main mineralized zone (i.e., Silver Crown Zone) and sampling in areas with little or no previous sample coverage. In areas where 2020 surficial samples returned high Au concentrations, additional mapping and sampling was completed to better characterize the Au-Ag-Pb-Zn mineralization.

A five-year area-based drill permit was issued in January 2021.

Georgia Project

Acquired with AUX Resources Limited in July 2021, the Georgia Project covers 7,936 hectares and is centered on the past producing Georgia River Mine, located on the eastern shore of the Portland Canal, a 115-kilometre-long fjord connecting the deep-water port of Stewart to the Pacific Ocean. The project area extends along the Portland Canal tidewater from 11 to 24 kilometres south of Stewart.

The Georgia Project is intimately associated with intrusions of the metallogenic, gold-bearing TCPS. On the northeast edge of the main Georgia River area is a seven kilometre contact with the Early Jurassic Bulldog Creek Pluton, an intrusion contemporaneous with the TCPS. Deformed intrusive rocks contemporaneous with the TCPS occur on Colling Ridge near the Georgia River mine. The Outram Lake Porphyry, which underlies the Gamebreaker area, is also Early Jurassic in age, contemporaneous with both the Bulldog Creek and Colling Ridge intrusions.

A five-year area-based drill permit was issued in June 2020.

During the 2020 field program, a ~3,600 metre drill program consisting of 24 diamond drill holes was completed. The program extended mineralization from the historic high-grade gold mine in both directions. Assay results include 103 g/t gold over 2.74 metres and 126 g/t gold over 1.1 metres.

The Company also recovered over 5,000 metres of historic diamond drill core from exploration between 1979 and 1996 at Georgia. The majority of this core had previously only been selectively sampled at obvious veins, without any shoulder sampling. An extensive recovery program was completed, and the re-boxed core was moved off-site for re-logging, re-sampling, and improved geochemistry. The majority of these historic diamond drill holes intersect the Southwest vein and have contributed to an improved understanding of this important high-grade zone. Assay results include 24.3 g/t gold over 4.4 metres and 10.7 g/t gold over 7.2 metres.

During the 2021 field program, 2,000 metres of diamond drilling, in 12 holes was completed. The goal of the program was to better characterize the main mineralized zone (SW vein and outboard vein) and test its extension at depth and along strike. Detailed surficial mapping and sampling was completed in the area immediately surrounding the drilling to better correlate the geology exposed at surface with the results of new and historic drilling and to trace major mineralized structures. Surficial mapping and sampling were also completed away from the main zone of mineralization to identify new potential drill targets.

Bear Pass Project

Acquired with AUX Resources Limited in July 2021, the Bear Pass Project covers 6,000 hectares and encloses multiple intrusion-related gold and silver targets that extend along the upper Bear Valley and over the Bear Pass (collectively termed the Bear River Corridor). The project, centered on Highway 37A and spanning a distance of approximately 15 kilometres west to east, comprises several properties,

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including: Surprise Creek (formerly known as Lucky Frenchman), Capital, Cornice Mountain, Tory, Icefield, Rufus, and Bayview/Comet.

A five-year area-based drill permit was issued in November 2020.

A short field program was completed for the Bear Pass Project in 2021. This program consisted of field reconnaissance and geochemical sampling of areas that have had little to no previous work and of areas where historic sampling returned high Au concentrations. New outcrop areas recently exposed through logging operations were also investigated and sampled.

Tide North Project

Acquired with AUX Resources Limited in July 2021, the Tide North Project comprises 2,260 hectares and is located 3.5 kilometres north of the Tide airstrip on the Granduc Mine road. It is located 9 kilometres north of the historic Scottie Gold Mine.

The Tide North property was acquired for its potential to host an Eskay Creek-style deposit. Conductivity anomalies, detected during a 2009 airborne geophysical survey are consistent with conductive strata of the Salmon River formation present in a northwest-trending syncline across the property.

A single 2014 diamond drill hole intersected an unexpected thickness of intensely carbonaceous Salmon River formation including thin, stratiform sulphide mineralization and thin beds of sedimentary breccia containing clasts of banded pyrite. The drill hole did not intersect the target, the basal contact of the Salmon River formation with underlying, sulphide-bearing rocks of the older Lower Hazelton group. The casing remains in the collar and the hole can therefore be extended to the target in the future.

A five-year area-based drill permit was issued in June 2020.

During the 2021 field season, field work targeted areas that have had little to no previous work and areas where historic sampling returned high Au concentrations. Areas with high historic Au concentrations or with visible mineralization at surface were mapped and sampled in greater detail. Additional field reconnaissance and sampling were completed for areas newly exposed by recent glacial retreat.

QUALIFIED PERSON

The data disclosed in this MD&A has been reviewed and verified by Dr. Thomas Mumford, PhD, P.Geo., a Qualified Person as defined by National Instrument 43-101.

RESULTS OF OPERATIONS**Results of operations for the year ended August 31, 2023 and 2022:**

The financial statements reflect the financial condition of the Company's business for the year ended August 31, 2023. The significant events during the period which impact the financial results of the Company are discussed above in the performance summary.

During the year ended August 31, 2023, the Company incurred a net and comprehensive loss of \$19,074,047 as compared to a net loss of \$9,515,791 for the year ended August 31, 2022.

Operating expenses totalled \$11,333,241 for the year ended August 31, 2023, compared to \$10,623,641 for the year ended August 31, 2022. The overall increase was due to the timing of the exploration programs and due to the option and put-right with Europacific Metals Inc. (Formerly Goldplay Mining Inc.), as discussed below. Operating expenses included \$1,372,574 (2022 - \$257,738) of non-cash

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transactions relating to the vesting of stock options and depreciation of \$74,282 (2022- \$75,917). Operating expenses with significant changes include:

- Exploration costs were \$8,380,337 for the year ended August 31, 2023 compared to \$8,806,051 for the period ended August 31, 2022. Exploration costs decreased due to the timing of the drill programs and related exploration activities.
- Management and consulting fees were \$200,000 for the year ended August 31, 2023 compared to \$135,500 for the year ended August 31, 2022. Consulting fees included management fees paid to the Company's CEO which increased from prior year.
- Marketing and investor relations costs totalled \$477,598 for the year ended August 31, 2023 compared to \$469,821 for the year ended August 31, 2022. The Company is continuously working toward increasing exposure of the Company and bringing awareness to the Company's exploration success.
- Professional fees totalled \$284,923 for the year ended August 31, 2023 compared to \$558,917 for the year ended August 31, 2022. The decrease in professional fee's is due to the Company's focused efforts on exploration and related activities and the reclassification of certain professional fees to exploration expenditures.
- Share-based payments were \$1,372,574 for the year ended August 31, 2023 compared to \$257,738 for the year ended August 31, 2022. The increase is due to an increase in stock options granted compared to the comparative period, with 7,204,000 options granted during the year ended August 31, 2023.
- Impairment of mineral properties of \$9,307,670 for the year ended August 31, 2023 compared to \$nil for the year ended August 31, 2022. Subsequent to year end, the Company decided to terminate the option agreement to acquire the Independence and Silver Crown properties and consequently recognized an impairment of \$9,193,628 at year end. The Company also donated certain mineral claims during the year-ended August 31, 2023 and recognized an impairment expense of \$114,042 related to the mineral claim donation.
- Recovery of flow through premium of \$1,617,006 for the year ended August 31, 2023 compared to \$1,018,874 for the year ended August 31, 2022. The Company incurred \$5,387,532 (2022 - \$7,675,855) in eligible flow through expenditures during the year ended August 31, 2023.

Results of operations for the three-month period ended August 31, 2023 and 2022:

During the three-month period ended August 31, 2023, the Company incurred a net and comprehensive loss of \$15,017,411 as compared to a net loss of \$3,117,237 for the period ended August 31, 2022.

Operating expenses totalled \$6,929,422 for the three-month period ended August 31, 2023, compared to \$3,970,321 for the three-month period ended August 31, 2022. The overall increase was due to the timing of the 2023 drill program. General and administrative activity and overall operating expenses were higher to commensurate with the increase in the Company's exploration activity. General operating expenses included \$471,521 (2022 – \$123,190) of non-cash transactions relating to the granting and vesting of stock

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option grants, and depreciation of \$18,737 (2022- \$19,210). General expenses with significant changes include:

- Exploration costs were \$6,141,063 for the three-month period ended August 31, 2023 compared to \$3,460,610 for the period ended August 31, 2022. Exploration costs increased due to the Company commencing the 2023 drill program earlier in the season.
- Management and consulting fees were \$50,000 for the three-month period ended August 31, 2023 compared to \$15,500 for the period ended August 31, 2022. Consulting fees included management fees paid to the Company's CEO of \$50,000 which increased from prior year.
- Marketing and investor relations costs totalled \$35,873 for the three-month period ended August 31, 2023 compared to \$82,231 for the three-month period ended August 31, 2022. The Company is continuously working toward increasing exposure of the Company and raising awareness of the exploration success the Company has had.
- Share-based payments were \$471,521 for the three-month period ended August 31, 2023 compared to \$123,190 for the three-month period ended August 31, 2022. The increase is due to an increase in the number of stock options vesting during the period.

SELECTED ANNUAL INFORMATION

	August 31, 2023	August 31, 2022	August 31, 2021
Total revenue	\$ Nil	\$ Nil	\$ Nil
Loss for the year	\$ (19,074,047)	\$ (9,515,791)	\$ (6,391,312)
Loss per share: basic and diluted	\$ (0.08)	\$ (0.05)	\$ (0.05)
Total assets	\$ 9,535,961	\$ 19,228,768	\$ 22,555,312
Total liabilities	\$ 2,604,714	\$ 3,257,432	\$ 792,007
Working capital	\$ 103,094	\$ 1,183,357	\$ 8,686,212
Net assets	\$ 6,931,247	\$ 15,971,336	\$ 21,763,305
Capital stock/share capital	\$ 46,182,523	\$ 37,579,779	\$ 34,178,840
Dividends per share	\$ Nil	\$ Nil	\$ Nil
Weighted average number of shares outstanding	253,348,630	209,354,907	132,453,521

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SUMMARY OF QUARTERLY RESULTS

	Q4	Q3	Q2	Q1
	August 31, 2023	May 31, 2023	February 28, 2023	November 30, 2022
Revenues	\$Nil	\$Nil	\$Nil	\$Nil
Share-based payment	\$471,521	\$278,785	\$459,747	\$162,521
Net and comprehensive loss	\$(15,017,411)	\$(850,918)	\$(1,167,433)	\$(2,038,284)
Basic and diluted loss per share	\$(0.06)	\$(0.00)	\$(0.00)	\$(0.01)
	Q4	Q3	Q2	Q1
	August 31, 2022	May 31, 2022	February 28, 2022	November 30, 2021
Revenues	\$Nil	\$Nil	\$Nil	\$Nil
Share-based payment	\$123,190	\$27,017	\$42,485	\$65,046
Net and comprehensive loss	\$(3,117,237)	\$(708,441)	\$(963,350)	\$(4,726,763)
Basic and diluted loss per share	\$(0.01)	\$(0.00)	\$(0.00)	\$(0.02)

Scottie is a mineral exploration company operating in northern British Columbia. Exploration expenses peak in the first and fourth quarters due to the summer field season. The Company's treasury, in part, determines the level of exploration programs undertaken.

LIQUIDITY AND CAPITAL RESOURCES

The Company is an exploration stage company whose primary source of funds has been through this 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.

As at August 31, 2023, the Company had cash on hand of \$1,457,963 and working capital of \$103,094. During the year ended August 31, 2023, the Company issued 41,122,530 common shares through private placements for aggregate gross proceeds of \$9,700,250.

The Company began the 2023 fiscal year with cash of \$3,539,530. During the year ended August 31, 2023, the Company expended \$10,999,082 on operating activities; expended \$104,954 on investing activities, which included property option payments of \$100,000, mineral claim acquisition payments of \$2,500 and mineral claim staking fees of \$2,454, received net cash inflows of \$8,879,076 from the completion of a brokered and non-brokered financing and \$143,393 from the exercise of stock options. The Company ended on August 31, 2023 with \$1,457,963 in cash.

CONTRACTUAL OBLIGATIONS

Except as described herein or in the Company's financial statements at August 31, 2023, the Company has no material contractual obligations.

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PROPOSED TRANSACTIONS

There are no proposed transactions that have not been disclosed herein.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet transactions that have not been disclosed herein.

TRANSACTIONS WITH RELATED PARTIES

The Company's Related parties consist of companies with directors and officers in common, and companies owned in whole or in part by executive officers and directors as follows:

Related Party Name	Nature of Transactions
YMI Inc. ("YMI"), a company related to Bradley Rourke	Consulting as CEO
Red Fern Consulting Ltd. ("Red Fern"), a company related to Stephen Sulis	Consulting as CFO
Rhodanthe Corporate Services ("Rhodanthe"), a company related to Christina Boddy	Consulting as Corporate Secretary
Slater Corporate Services Corporation ("Slater"), a company related to Lisa Peterson	Consulting as former CFO
Serac Exploration Ltd. ("Serac"), a company related to Bradley Rourke and Thomas Mumford	Geological consulting
1255483 BC Ltd. ("1255483"), a company related to Thomas Mumford	Geological consulting

The Company incurred the following fees in connection with companies owned or partially owned by key management (Chief Executive Officer, Chief Financial Officer, Corporate Secretary) and/or directors. Expenses have been measured at the exchange amount, which is determined on a cost recovery basis.

	Year ended August 31,	
	2023	2022
Management fees – YMI	\$ 200,000	\$ 120,000
Professional fees – Rhodanthe	36,000	36,000
Professional fees – Slater	-	45,000
Professional fees – Red Fern	90,000	64,500
Exploration Expenses – 1255483	212,498	-
Exploration Expenses – Serac	2,221,648	1,435,796
General and administrative - Serac	49,115	-
TOTAL	\$ 2,809,261	\$ 1,701,296

Amounts owing to related parties as at August 31, 2023 amount to a total of \$233,496 (August 31, 2022 – \$671,632), as disclosed in Note 9 of the audited financial statements. All amounts are unsecured, with no specific terms of repayment.

In addition to the fees paid above, the Company recognized \$1,104,471 (2022 - \$96,379) in share-based compensation during the year ended August 31, 2023 related to the granting and vesting of stock options to the officers and directors of the Company.

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FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**Categories of Financial Assets and Financial Liabilities**

Financial instruments are classified into one of the following categories: amortized cost; fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVOCI").

The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	August 31, 2023		August 31, 2022	
Cash	Amortized cost	\$	1,457,963	\$	3,539,530
Amounts receivable	Amortized cost	\$	71,379	\$	25,198
Deposits	Amortized cost	\$	248,432	\$	248,432
Accounts payable	Amortized cost	\$	2,604,714	\$	2,954,761

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable, deposits, and accounts payable approximate their fair value due to their short-term nature. Cash is recorded at fair value and calculated under the fair value hierarchy and measured using Level 1 inputs.

Risk Management

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

Credit Risk

Credit risk is the risk of potential loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and amounts receivable. The Company limits the exposure to credit risk in its cash by only investing its cash with high-credit quality financial institutions.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

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Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its short-term debt obligations. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due; all of the Company's accounts payable are current and due within 90 days of the balance sheet. As at August 31, 2023, the Company has cash of \$1,457,963 to settle accounts payable and accrued liabilities of \$2,604,714.

CRITICAL ACCOUNTING ESTIMATES

Please refer to the August 31, 2023 audited financial statements on www.sedarplus.com for critical accounting estimates.

RISKS AND UNCERTAINTIES

The Company is in the business of acquiring, exploring, and developing mineral properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation, and other risks. The Company currently has no other source of revenue other than interest income. The Company will rely mainly on equity financing to fund acquisitions and its other activities. The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties that the Company may be subject to and other risks may exist.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

The Company's securities should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in the Company's regulatory filings prior to making an investment in the Company.

Title Matters and Option Agreements

While the Company has performed its due diligence with respect to title of its properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements of transfer or other adverse land claims, and title may be affected by undetected defects.

The Company may earn interests in mineral properties through option agreements and acquisition of titles to the mineral properties is only completed when the option conditions have been met in full. These conditions generally include making property payments and incurring exploration expenditures on the properties and can include the completion of pre-feasibility studies. If the Company does not satisfactorily complete its option conditions in the time frame laid out in the option agreement, the Company's title to the related property will not vest and the Company will have to write-down the previously capitalized costs related to that property.

Availability of Financing

There is no assurance that additional funding will be available to the Company for additional exploration or for the substantial capital that is typically required in order to bring a mineral project to the production decision or to place a property into commercial production. There can be no assurance that the Company

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will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Management

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

Environmental Legislation

Environmental legislation is becoming increasingly stringent and the costs of compliance with environmental legislation are increasing. The impact of new and future environmental legislation of the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

Economics of Developing Mineral Properties

Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines.

With respect to the Company's properties, should any mineral resource exist, substantial expenditures will be required to confirm that mineral reserves sufficient to warrant commercial mining exist on its current properties, and to obtain the required environmental approvals and permits necessary to commence commercial operations. Should any resource be defined on AUX properties, there can be no assurance that the mineral resources on such properties can be commercially mined or that the metallurgical processing will produce economically viable, merchantable products. The decision regarding whether a property contains a commercial deposit and whether it should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and upon the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to:

- Costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies, and construction of production facilities;
- Availability and costs of financing;
- Ongoing costs of production;
- Market prices for the minerals to be produced;
- Environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and
- Political climate and/or government regulation and control.

The ability of the Company to sell and profit from the sale of any eventual mineral production from any of the Company's properties will be subject to the prevailing conditions in the global minerals marketplace at the time of the sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

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ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The components of mineral properties are described in Note 8 of the consolidated financial statements.

OUTSTANDING SHARE DATA AS OF THE DATE OF THIS MD&A

Authorized: an unlimited number of common shares without par value	Common Shares Issued and Outstanding	Common Share Purchase Warrants	Stock Options
Outstanding as at August 31, 2023	267,893,567	22,143,601	17,779,000
Private placement financing	9,097,500	236,100	-
Stock options cancelled	-	-	(300,000)
Outstanding as of the date of this MD&A	276,991,067	22,379,701	17,479,000

INTERNAL CONTROLS OVER FINANCIAL REPORTING**Changes in Internal Controls over Financial Reporting (“ICFR”)**

In connection with National Instrument 52-109 (“NI 52-109”), Certification of Disclosure in an Issuer’s Annual and Interim Filings, adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the consolidated financial statements and the audited consolidated financial statements and respective accompanying MD&A. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

MANAGEMENT’S RESPONSIBILITY OVER FINANCIAL STATEMENTS

The information provided in this report, including the consolidated financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the consolidated financial statements.

OTHER INFORMATION

Additional information relating to the Company is available for viewing on SEDAR+ at www.sedarplus.com and at the Company’s website www.scottieresources.com.

