



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2024**

Introduction

This Management's Discussion and Analysis ("MD&A") of Star Royalties Ltd. is the responsibility of management and covers the three and nine months ended September 30, 2024 and 2023. The MD&A takes into account information available up to, and is dated, November 19, 2024 and should be read together with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2024 and 2023.

Throughout this document the terms "we", "us", "our", the "Company" and "Star Royalties" refer to Star Royalties Ltd. All financial information in this document is prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and is presented in United States ("U.S.") Dollars unless otherwise indicated.

This document contains forward-looking statements. Please refer to "*Note Regarding Forward-Looking Statements*" of this MD&A.

Description of Business

Star Royalties is a royalty and streaming investment company specialized in carbon credits and precious metals. The Company conducts its green royalty investments via a joint venture company, Green Star Royalties Ltd. ("Green Star"). The Company innovated the world's first carbon credit royalties in forestry and regenerative agriculture via Green Star and offers investors exposure to carbon credit and precious metals prices. Star Royalties specializes in bespoke and operator-friendly financing solutions, including originating and restructuring royalties and streams on North American nature-based carbon offset projects and on precious metals mining projects. The Company's objective is to provide wealth creation by originating accretive transactions with superior alignment to both counterparties and shareholders, while generating a return well above the Company's cost of capital.

Green Star was established in October 2021 to accelerate the growth of Star Royalties' pure-green portfolio. Green Star is focused on originating new carbon credit projects in nature-based solutions (regenerative agriculture and improved forest management), renewable energies (solar, wind), as well as certain other cleantech investments. In May 2022, the Company completed a strategic investment by Agnico Eagle Mines Limited ("Agnico Eagle") into Green Star, followed by a strategic investment by Cenovus Environmental Opportunity Fund Ltd. ("Cenovus"), which was completed in December 2023. As a result, Green Star is now a joint venture 45.9% owned by Star Royalties, 25.9% owned by each of Agnico Eagle and Cenovus, and 2.3% owned by the management team of the Company and Green Star and the Company's board of directors (collectively, "Management"). The Company continues to anticipate that Agnico Eagle's and Cenovus' strategic involvement will lead to an acceleration in Green Star's growth trajectory and will allow Green Star to originate, fund and participate in additional, larger green opportunities. Green Star will continue to be managed by the Company's management team and its own Chief Development and Chief Commercial Officers with participation from Agnico Eagle and Cenovus on its board and technical advisory teams. Green Star's objective is to become the partner of choice in originating carbon offset credit royalties, grow its critical mass, and ultimately attract capital from both generalist and ESG-focused investors in a future go-public event.

In addition to its green royalty investments, Star Royalties also manages a portfolio of precious metals royalties and streams, which range from cash generating to near-term development assets (with development-to-cash-flow timeline horizons of less than two years). This portfolio was constructed with an aim to improve cash flow visibility and to direct capital towards lower-risk development and production-stage investments. The Company believes that its green royalty investments' focus on North American, nature-based carbon offset projects and the production potential of its existing precious metals royalties portfolio will result in a robust, cash generating, portfolio of assets that will provide attractive risk-adjusted returns to its shareholders. Green Star's nature-based investments are located in the USA and Canada, while the Company's precious metals royalty and stream interests are located in the USA, Canada, Australia, and Mongolia.

Asset Portfolio

The Company currently holds the following royalty and stream assets directly or through a 45.9% ownership in Green Star:

Asset	Key Terms	Commodity	Jurisdiction	Stage	Operator
Star Royalties Ltd.					
Elk Gold Project	2% Net Smelter Return ("NSR") Royalty	Gold, Silver	British Columbia, Canada	Production	Gold Mountain Mining Corp.
Copperstone Gold Project	4% Gold Stream ("Gold Stream")	Gold	Arizona, USA	Near-Production ¹	Sabre Gold Mines Corp. ²
Keysbrook Project	2% Gross Revenue ("GR") Royalty	Mineral Sands (Titanium, Zircon)	Western Australia, Australia	Production	Keysbrook Leucoxene Pty Ltd.
Bayan Undur Project	2% NSR Royalty	Copper, Silver	Bayankhongor, Mongolia	Advanced Exploration	Aranjin Resources Ltd.
Baavhai Uul Project	1.5% GR Royalty	Lithium (brine), Copper, Nickel	Sukhbaatar, Mongolia	Early Exploration	Lithium ION Energy Ltd.
Green Star Royalties Ltd. (Joint Venture – 45.9% interest)					
CarbonNOW Regenerative Agriculture Carbon Offset Project	30% GR Royalty	Verra Verified Carbon Unit voluntary carbon offset credit	USA	Development	Locus Agricultural Solutions
NativState Improved Forest Management Carbon Offset Portfolio	Up to 20% GR Royalty	ACR Emission Reduction Ton voluntary carbon offset credit	USA	Operating	NativState LLC
Elizabeth Metis Settlement Forest Carbon Offset Project	40.5% GR Royalty	Alberta Technology Innovation and Emissions Reduction Regulation Carbon Credit	Alberta, Canada	Development	Elizabeth Metis Settlement, Anew Climate LLC
Lac Seul First Nation Forest Carbon Offset Project	16% GR Royalty	Federal Output-Based Performance Standards Carbon Credit	Ontario, Canada	Development	Lac Seul First Nation, Big Tree Carbon Corp., Anew Climate LLC
MOBISMART	2.5% GR Royalty	Mobile solar power generation systems with integrated battery storage	Ontario, Canada	Operating	MOBISMART Mobile Off-Grid Power & Storage Inc.

¹ Copperstone's operational restart is expected to occur in early 2026.

² On October 27, 2024, Sabre Gold (as defined below) entered into a definitive agreement for the purposes of being acquired by Minera Alamos Inc. pursuant to a plan of arrangement. The closing of the acquisition is currently anticipated in January 2025.

Significant Portfolio Updates

Elk Gold Project

Gold Mountain Mining Corp. ("Gold Mountain") (TSX: GMTN, OTCQB: GMTNF, FRA: 5XFA) announced on August 23, 2024, that it had raised CAD\$6.5 million through the issuance of a convertible secured debenture to an affiliate of Nhwelmen Construction GP Ltd. ("Nhwelmen"), who is an existing insider of Gold Mountain. Assuming full conversion of the convertible debenture, Nhwelmen and its affiliates, would own 34.05% of Gold Mountain's common shares, on a non-diluted basis.

On September 16, 2024, Gold Mountain provided an operational update for the quarter ended July 31, 2024 and reported mining a total of 3,877 tonnes of ore from the Siwash North Pit and achieving a strip ratio of 22.8. This compared with 7,675 tonnes of ore mined and a strip ratio of 71.8 in the prior-year period. Gold Mountain attributed the lower strip ratio to a more targeted methodology, which reduced dilution and minimized mine loss. Gold Mountain's management also expressed their intention to increase production at the Elk Gold Project through improvements in mining methods, grade control, and ore processing and

sampling as part of its operational update. Gold Mountain planned to continue collaborating with their primary contractor and partner, Nhwelmen, to revise mine and operational plans, expand operations, and ensure operational security and capital investment for future activities. Gold Mountain also reported that it has continued to expand operations at the Elk Gold Project, focusing on refining the block model, optimizing pit design, and enhancing mine operational planning to boost production.

Copperstone Gold Project

Following September 30, 2024, Sabre Gold Mines Corp. ("Sabre Gold") (TSX: SGLD, OTCQB: SGLDF) announced on October 28, 2024, that it had entered into a definitive agreement to be acquired by Minera Alamos Inc. ("Minera Alamos") (TSXV: MAI, OTCQX: MAIFF) under a plan of arrangement (the "Transaction"). In anticipation of the Transaction, the Company entered into a debt settlement agreement with Sabre Gold on October 28, 2024, to convert the Company's CAD\$2 million receivables from Sabre Gold into 6,435,006 shares of Sabre Gold prior to the closing of the Transaction. Following the closing of the Transaction, the Company's holding of 6,435,006 shares of Sabre Gold pursuant to the debt settlement agreement will be converted into 4,459,459 shares of Minera Alamos shares. The Company's holding of 7,407,407 shares of Sabre Gold will also be converted into 5,133,333 shares of Minera Alamos shares. The Company's flat 4% gold stream pursuant to the gold streaming agreement on the Copperstone Gold Mine ("Copperstone") will remain unchanged following the close of the Transaction. Copperstone is expected to become a priority development project for Minera Alamos whereby Minera Alamos has indicated its intent to accelerate Copperstone into production by already initiating engineering efforts aimed at fast-tracking Copperstone's development, engaging with lenders regarding finance facilities, as well as expanding its technical team. Copperstone's permits are in place for the restart of mining operations and Minera Alamos anticipates a 12-month construction schedule from a construction decision.

Green Star (Joint Venture – 45.9% interest)

Green Star operates as a joint venture between Star Royalties, Agnico Eagle, Cenovus, and Management. The Company retains ownership of approximately 45.9% of Green Star's common shares, Agnico Eagle and Cenovus each own approximately 25.9% of the common shares and the remaining 2.3% is owned by Management.

Management's focus remains on evaluating future investments in regenerative agriculture, improved forest management, reforestation, livestock enteric methane reduction, grasslands, biochar, and other category types.

NativState Improved Forest Management Carbon Offset Portfolio

During the third quarter of 2024, Green Star continued to advance its investment pipeline of premium North American, nature-based carbon offset projects. On April 25, 2024, the Company announced the acquisition of several gross revenue royalties from NativState LLC ("NativState") on a carbon offset-issuing portfolio of Improved Forest Management ("IFM") projects in the southeastern United States. NativState is an Arkansas-based forest carbon project developer focused on aggregating small-to-medium forest landowners into IFM projects being developed under the American Carbon Registry. These royalties are expected to deliver to Green Star premium voluntary carbon offsets over a 20-year period with a total consideration for the royalties of up to \$5,600,000 to be paid over a series of tranches.

Green Star commenced funding of the investment in April 2024 and contributed a total of \$3,592,995 as of September 30, 2024. Subsequent to September 30, 2024, Green Star funded an additional \$736,190 in October 2024. During the second quarter, Green Star received its first carbon offset delivery of approximately 120,000 carbon offsets from the NativState investment. These carbon offsets are currently in the process of monetization through third-party carbon credit brokers.

CarbonNOW Regenerative Agriculture Carbon Offset Project

Green Star's regenerative agriculture investment in the CarbonNOW® farming program is a partnership with Locus Agricultural Solutions® ("Locus") and Anew Climate LLC ("Anew").

On January 17, 2024, Green Star entered into an agreement with Locus and Anew and certain of their affiliates to name Locus the project operator and formal manager of CarbonNOW. Green Star has partnered directly with Locus for a 30% gross revenue royalty on CarbonNOW, while Anew continues to provide project development and technical services and will lead the project's validation and verification efforts, as well as conduct carbon credit marketing and sales. As part of the agreement, the royalty term has been extended from 10 years to 20 years, while Green Star's total cash contribution of \$20,625,000 remains unchanged.

The revised operating structure created a stronger alignment between all parties, enabling all parties to focus on their core strengths while de-risking program execution. As of September 30, 2024, Green Star contributed a total of \$11,021,010.

The CarbonNOW program is nearing the completion of its validation phase by a third-party validation and verification body. CarbonNOW will look to combine the 2022 and 2023 growing seasons to more effectively and efficiently quantify the cumulative carbon sequestration potential under one verification process. The verification phase is expected to commence following completion of the validation phase and would result in CarbonNOW's first offset issuance, as well as first royalty revenues to Green Star, in 2025.

Corporate Strategy

The Company is focused on leveraging its many decades of capital allocation expertise to originate bespoke royalties and streams in the carbon credits and precious metals. Its objective is to reduce the risk-adjusted cost of capital of its counterparties, while allowing Star Royalties to achieve above-threshold returns. Management constantly reviews new opportunities to grow Star Royalties' portfolio sustainably and responsibly with a strict emphasis on:

1. Value and quality over quantity
2. Risk management with focus on top-tier jurisdictions
3. Free cash flow per share accretion (Free cash flow per share is a non-IFRS measure. Please refer to "*Non-IFRS Financial Measures*" of this MD&A)
4. Additional industry-standard investment metrics as outlined on the Company's website at www.starroyalties.com/company/portfolio-construction

Green Star Portfolio Strategy

Following Green Star's private placements in May 2022 and December 2023, the Company's management team continues to manage both Green Star's portfolio of North American carbon credit royalties and cleantech investment and Star Royalties' precious metals portfolio of royalties and streams.

Green Star's strategy is to provide shareholders with exposure to rising carbon credit pricing and to generate superior returns through the origination of green royalties and streams. Green Star has significantly grown its internal carbon markets and project evaluation expertise and built strong working partnerships with Anew, NativState, and other carbon project developers, relationships with numerous Canadian Indigenous communities, First Nations, and various other corporations. Green Star aims to leverage these partnerships and expertise to originate new nature-based projects that will enable positive environmental benefits and generate carbon offset credits. Green Star's investment philosophy is focused on growing its pipeline of near-cash flowing green opportunities in both voluntary and compliance carbon markets with a strong priority on North American investments.

Precious Metals Portfolio Strategy

When acquiring royalties and streams, the Company considers technical and economic merit, jurisdiction risk, exploration, and expansion upside, as well as operator quality. The Company endeavours to partner with capable operators in top-tier jurisdictions to maximize its risk-adjusted returns, with a corporate strategy of pursuing value and quality over quantity.

In 2024, the Company continues to focus its capital strategy on the buildout of Green Star and no additional mining royalties or streams have been considered.

Material increases or decreases in the Company's liquidity are substantially determined by the success or failure of the Company's royalty and stream programs. The overall market conditions for smaller resource companies are another significant risk factor. The Company is not aware of any seasonality encountered by precious metals-focused royalty and streaming companies that may have a material effect upon its financial condition.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Strong equity and commodity markets provide favourable conditions for completing financings, public mergers, or acquisition transactions.

Review of Financial Performance

Three months ended September 30, 2024 and 2023

Revenue

Revenue for the third quarter of 2024 totaled \$125,450, a decrease of \$146,117 compared to \$271,567 for the comparative period in 2023. Royalty income for the third quarter of 2024 was comprised of \$112,531 from Keysbrook (third quarter 2023 - \$245,194) and \$12,919 from Elk Gold (third quarter 2023 - \$26,373). The decrease in royalty income was due to less materials sold by the operators of Keysbrook and Elk Gold in comparison to the same period in 2023.

Depletion

Depletion expense for the third quarter of 2024 totaled \$44,286, a decrease of \$84,407 compared to \$128,693 for the comparative period in 2023. Depletion expense for the third quarter of 2024 was comprised of \$36,014 on Keysbrook (third quarter 2023 - \$110,638) and \$8,272 on Elk Gold (third quarter 2023 - \$18,055). The decrease in depletion expense was due to less material sold by the operators of Keysbrook and Elk Gold in comparison to the same period in 2023.

Operating expenses

Operating expenses for the third quarter of 2024 totaled \$792,623 compared to \$719,240 for the comparative period in 2023. The following table provides a breakdown of total operating expenses incurred for the three months ended September 30, 2024 and 2023:

	Three months ended September 30, 2024	Three months ended September 30, 2023
Marketing and shareholder communications	\$ 19,903	\$ 3,254
Management and board compensation	557,180	418,736
Share-based compensation	104,920	149,381
Office and miscellaneous	29,325	27,794
Professional fees	81,295	120,075
Total expenses	\$ 792,623	\$ 719,240

Total operating expenses for the third quarter of 2024 increased as compared to the same period in 2023 due mainly to an increase in management and board compensation and an increase in marketing and shareholder communications, partially offset by a decrease in share-based compensation and a decrease in professional fees. Management and board compensation increased due to a general increase in compensation. The increase to marketing and shareholder communications expenses was driven by increased levels of marketing activities.

Other (loss) income

The following table provides a breakdown of the other income (loss) for the three months ended September 30, 2024 and 2023:

	Three months ended September 30, 2024	Three months ended September 30, 2023
Foreign exchange (loss) gain	\$ (23,325)	\$ 45,755
Interest income	18,008	18,999
Loss on marketable securities	(108,684)	-
Impairment loss on receivables	(183,769)	-
Management fees from Green Star joint venture	54,985	55,911
Equity (loss) income from Green Star joint venture	(342,734)	251,851
Other (loss) income	\$ (585,519)	\$ 372,516

The Company reported other loss of \$585,519 for the third quarter of 2024, compared to other income of \$372,516 for the comparative period in 2023. The decrease was primarily due to the equity loss from the Green Star joint venture, unrealized loss on marketable securities and impairment loss on receivables. As disclosed in Note 6 of the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2024, the equity loss for the third quarter of 2024 from Green Star joint venture was comprised of the Company's 45.9% interest in Green Star joint venture's net loss of \$741,037 which included gains on royalty investments of \$125,690 primarily from fair value adjustments, foreign exchange loss of \$799,327, operating expenses net of interest income of \$208,015 and deferred income tax recovery of \$140,615. The foreign exchange loss was related to the foreign currency revaluation of the financial assets.

Nine months ended September 30, 2024 and 2023*Revenue*

Revenue for the nine months ended September 30, 2024 totaled \$667,151, a decrease of \$63,878 compared to \$731,029 for the comparative period in 2023. Royalty income for the nine months ended September 30, 2024 was comprised of \$643,852 from Keysbrook (nine months ended September 30, 2023 - \$596,896) and \$23,299 from Elk Gold (nine months ended September 30, 2023 - \$134,133). The decrease in royalty income was due to less materials sold by the operators of Elk Gold in comparison to the same period in 2023.

Depletion

Depletion expense for the nine months ended September 30, 2024 totaled \$308,375 compared to \$324,930 for the comparative period in 2023. Depletion expense for the nine months ended September 30, 2024 was comprised of \$293,496 on Keysbrook (nine months ended September 30, 2023 - \$239,552) and \$14,879 on Elk Gold (nine months ended September 30, 2023 - \$85,378). The decrease in depletion expense was due to less materials sold by the operators of Elk Gold in comparison to the same period in 2023.

Operating expenses

Operating expenses for the nine months ended September 30, 2024 totaled \$2,675,859 compared to \$2,146,279 for the comparative period in 2023. The following table provides a breakdown of total operating expenses incurred for the nine months ended September 30, 2024 and 2023:

	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Marketing and shareholder communications	\$ 77,312	\$ 15,972
Management and board compensation	1,813,861	1,304,179
Share-based compensation	410,823	457,757
Office and miscellaneous	123,514	129,651
Professional fees	250,349	238,720
Total expenses	\$ 2,675,859	\$ 2,146,279

Total operating expenses for the nine months ended September 30, 2024 increased compared to the comparative period in 2023 due mainly to an increase in management and board compensation, an increase in marketing and shareholder communications and an increase in professional fees, partially offset by a decrease in share-based compensation. Management and board compensation increased due to a general increase in compensation. Increases to marketing and shareholder communications expenses and professional fees were driven by increased levels of marketing activities and legal fees to support transactions being contemplated.

Other income

The following table provides a breakdown of the other income for the nine months ended September 30, 2024 and 2023:

	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Foreign exchange gain (loss)	\$ 47,433	\$ (3,946)
Interest income	58,654	59,599
Loss on marketable securities	(272,251)	-
Impairment loss on receivables	(183,769)	-
Management fees from Green Star joint venture	165,393	167,222
Equity income from Green Star joint venture	1,117,144	439,931
Other income	\$ 932,604	\$ 662,806

The Company reported other income of \$932,604 for the nine months ended September 30, 2024, compared to other income of \$662,806 for the comparative period in 2023. The increase was primarily due to the equity income from the Green Star joint venture, partially offset by an unrealized loss on marketable securities and an impairment loss on receivables. As disclosed in Note 6 of the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2024, the equity income from Green Star joint venture for the nine months ended September 30, 2024, was comprised of the Company's 45.9% interest in Green Star joint venture's net income of \$2,454,949 which included gains on royalty investments of \$3,445,199 primarily from fair value adjustments, foreign exchange income of \$877,170, operating expenses net of interest income of \$780,843 and deferred income tax expense of \$1,086,577. The foreign exchange income was mainly related to the foreign currency revaluation of the financial assets.

Summarized Quarterly Financial Information

The following table presents a summary of the Company's quarterly results of operations for each of its last eight quarters.

	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Revenue	\$ 125,450	\$ 266,306	\$ 275,395	\$ 209,470
Net (loss) income	(1,330,714)	(567,350)	320,430	6,894,059
Basic and diluted (loss) income per share	(0.02)	(0.01)	0.00	0.09
Cash flow used in operating activities	(213,935)	(253,271)	(797,888)	(78,736)
Cash flow provided by investing activities	-	-	-	1,148,710
Cash flow used in financing activities	-	-	-	-
Total assets	52,614,108	52,911,835	53,636,960	54,603,591

	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Revenue	\$ 271,567	\$ 188,033	\$ 271,429	\$ 423,052
Net (loss) income	(277,408)	(1,048,574)	69,539	530,775
Basic and diluted income (loss) per share	(0.00)	(0.01)	0.00	0.01
Cash flow (used in) provided by operating activities	(99,563)	(177,332)	(369,976)	25,469
Cash flow used in investing activities	-	-	-	-
Cash flow used in financing activities	-	-	-	-
Total assets	45,807,933	46,935,563	46,723,955	46,616,448

Changes in revenue, net (loss) income and cash flow from operating activities from quarter to quarter are affected primarily by fluctuations in sales of commodities by the operators of the assets of which the Company has royalties on, changes in the price of commodities, the commencement of operations of mines under construction, as well as equity income (loss) from the Green Star joint venture. Changes in total assets is impacted by acquisition of royalty and stream interests, equity income (loss) from the Green Star joint venture and fluctuations in foreign currency translation adjustments.

Balance Sheet Review

	September 30, 2024	December 31, 2023
Assets	\$ 52,614,108	\$ 54,603,591
Liabilities	822,180	783,824
Shareholders' equity	51,791,928	53,819,767

Assets

Total assets were \$52,614,108 at September 30, 2024 compared to \$54,603,591 at December 31, 2023. The Company's asset base is comprised primarily of investment in Green Star joint venture, royalty and stream interests, receivables, and cash. The decrease in assets resulted primarily from foreign currency translation on the Company's assets and cash used in operating activities but partially offset by recognition of equity income from Green Star joint venture.

Liabilities

Total liabilities at September 30, 2024 comprised of \$822,180 of accounts payable and accrued liabilities. The increase in liabilities reflects the timing of payments.

Shareholders' Equity

Shareholders' equity decreased by \$2,027,839 at September 30, 2024 compared to December 31, 2023, reflecting total comprehensive loss of \$2,675,709 but partially offset by \$317,905 in common shares of the Company issued for compensation, and \$329,965 in share-based compensation expenses recorded to contributed surplus.

Liquidity and Capital Resources

As at September 30, 2024, the Company had a working capital¹ balance of \$2,775,213 (December 31, 2023 - \$4,018,447). This balance included cash of \$1,592,853 (December 31, 2023 - \$2,880,019), receivables of \$1,481,954 (December 31, 2023 - \$1,102,357), marketable securities of \$493,864 (December 31, 2023 - \$784,090) and prepaids of \$28,722 (December 31, 2023 - \$35,805) to settle current liabilities of \$822,180 (December 31, 2023 - \$783,824).

The unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2024 have been prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

As at September 30, 2024, the Company had cash of \$1,592,853. For the nine months ended September 30, 2024, the Company had used cash of \$1,265,094 in its operating activities (nine months ended September 30, 2023 - \$646,871) and incurred a comprehensive loss of \$2,675,709 (nine months ended September 30, 2023 - \$1,355,801). These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is contingent upon generating revenue from its royalty and stream interests, receiving management fees from Green Star and, securing sufficient funds through equity capital or other financing to meet its expenditure commitments over the next twelve months. While the Company has been successful in obtaining the necessary financing for its operations and its contractual commitments in the past, there is no assurance such financing will be available in the future or be available on terms acceptable to the Company. These condensed interim consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

¹ Working capital is a non-IFRS measure. Please refer to "Non-IFRS Financial Measures" of this MD&A.

Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2024 was \$1,265,094 compared to \$646,871 in the same period of 2023. The increase in net cash used in operating activities was due to an increase in management and board compensation. A higher portion of the board compensation was paid in cash instead of restricted share units which resulted in higher cash used in operating activities as compared to the same period last year.

Investing Activities

There was no investing activity in the nine months ended September 30, 2024 and in the comparative period in 2023.

Financing Activities

There was no financing activity in the nine months ended September 30, 2024 and in the comparative period in 2023.

Capital Resources

The Company will continue to seek capital. In the past, the Company has raised capital through the issuance of common shares pursuant to private placements. The Company manages its capital structure by maximizing

its financial flexibility, adapting to changing economic conditions and evaluating the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

Related Party Transactions

Related parties include key management personnel, individuals or companies controlled by key management personnel, and Green Star. Related party transactions include compensation paid to key management personnel and management fees paid to Green Star. Key management personnel include those having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the board of directors of the Company and corporate officers, including the Company's Executive Chairman, Chief Executive Officer, Chief Investment Officer, and Chief Financial Officer. Key management compensation and related party transactions are disclosed in Note 8 of the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2024.

Non-IFRS Financial Measures

The Company used certain non-IFRS performance measures, such as "free cash flow per share" and "working capital", throughout this MD&A.

"Free cash flow per share" is defined as cash flow from operating activities less capital expenditures divided by total number of common shares outstanding. "Working capital" is defined as current assets less current liabilities.

These non-IFRS measures do not have any standardized meaning prescribed by IFRS, and other companies may calculate these measures differently. The presentation of these non-IFRS measures is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Outstanding Share Data

As of the date of this MD&A, there were 77,414,084 common shares of the Company issued and outstanding, 5,215,000 stock options outstanding with an average exercise price of CAD\$0.63, and 2,526,308 restricted share units outstanding.

Off-Balance Sheet Arrangements

As at September 30, 2024, the Company had no off-balance sheet arrangements.

Critical Accounting Judgements and Estimates

The Company applied the critical accounting judgements and estimates as disclosed in Note 3 of the audited annual consolidated financial statements for the year ended December 31, 2023.

Change in Accounting Policies

There were no significant changes in accounting policies for the three and nine months ended September 30, 2024. New and amended accounting standards implemented were disclosed in Note 2 of the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2024.

Financial Instruments

The Company does not currently utilize complex financial instruments in hedging commodity price and foreign exchange exposures. Information relating to the Company's financial instruments is disclosed in Note 12 of the audited annual consolidated financial statements for the year ended December 31, 2023.

Note Regarding Scientific and Technical Information

Except where otherwise stated, the disclosure in this MD&A relating to properties and operations on the properties in respect of which Star Royalties holds royalty or stream interests is based in respect of the Copperstone Gold Project and the Elk Gold Project, on the following technical reports listed below and on additional publicly disclosed information relating to these assets after the date of the technical reports.

- “NI 43-101 Technical Report, Preliminary Feasibility Study for the Copperstone Gold Project, La Paz County, Arizona, USA” with an effective date of April 1, 2018 and report date of May 18, 2018, which technical report was prepared in accordance with NI 43-101 for Kerr Mines Inc. (currently Sabre Gold Mines Corp.) and filed under Sabre Gold's SEDAR+ profile on May 22, 2018.
- “NI 43-101 Technical Report, Updated Mineral Resource Estimate for the Copperstone Gold Project, La Paz County, Arizona, USA” with an effective date of September 3, 2021 and report date of September 21, 2021, which technical report was prepared in accordance with NI 43-101 for Sabre Gold Mines Corp. and filed under Sabre Gold's SEDAR+ profile on October 19, 2021.
- “NI 43-101 Technical Report, Preliminary Economic Assessment for the Copperstone Gold Project, La Paz County, Arizona, USA” with an effective date of June 26, 2023 and report date of August 2, 2023, which technical report was prepared in accordance with NI 43-101 for Sabre Gold Mines Corp. and filed under Sabre Gold's SEDAR+ profile on August 2, 2023.
- “NI 43-101 Technical Report, Updated Preliminary Economic Assessment on the Elk Gold Project” with an effective date of May 14, 2021 and report date of August 26, 2021, which technical report was prepared in accordance with NI 43-101 for Gold Mountain Mining Corp. and filed under Gold Mountain's SEDAR+ profile on June 22, 2021 and amended on November 4, 2021.
- “NI 43-101 Technical Report and Resource Update of the Elk Gold Project, Merritt, British Columbia, Canada” with an effective date of December 7, 2021 and report date of January 21, 2022, which technical report was prepared in accordance with NI 43-101 for Gold Mountain Mining Corp. and filed under Gold Mountain's SEDAR+ profile on January 21, 2022.

The technical and scientific information contained in this MD&A has been reviewed and approved in accordance with NI 43-101 by Timothy Strong, MIMMM, a “qualified person” as defined in NI 43-101 and independent of the Company.

Note Regarding Forward-Looking Statements

This MD&A may contain forward-looking statements. These forward-looking statements may include statements regarding: perceived merit of royalty and stream interests; statements relating to the economic viability of a royalty and stream interests; operational, strategic and supply chain timelines; strategic plans; future carbon negative positions; future financial position; monetization of carbon credits; targeted cash flow positions; access to capital; the ability to raise additional capital and complete future financings; completion of private placements; the issuance of the Sabre Mining shares pursuant to the debt settlement agreement; completion of the Transaction and the related share exchange of Sabre Mining shares; completion of the transfer of carbon offset credit royalties; any other royalty and stream interest; market prices for metals; income from Green Star joint venture; expected delivery of carbon offset credits to Green Star by NativState; or other statements that are not statements of fact. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as “expects”, “anticipates”, “believes”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives”, “potential”, “possible” or variations thereof or stating that certain actions, events, conditions or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements. The forward-looking information included in this MD&A is based on our opinions, estimates and assumptions considering our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. These assumptions include, but are not limited to, the following:

- our estimates of near, medium and long-term commodity prices;
- for the properties in respect of which Star Royalties or Green Star holds a royalty or streaming interest, the operation continues as a going concern;
- planned growth and development activities;
- the accuracy of public statements and disclosures made by the owners or operators of such underlying properties, including with respect to Mineral Resources, Mineral Reserves, construction timelines, production estimates and other related matters, as applicable;
- that each counterparty will satisfy its obligations in accordance with the royalty or stream contract to which it is a party with Star Royalties or Green Star, and that each such contract will be enforceable in accordance with its terms;
- no adverse development relating to any property in respect of which Star Royalties or Green Star holds a royalty or stream;
- that projects not yet in production or in development included in Star Royalties' or Green Star's asset portfolio will be developed, transitioned into production or development and successfully achieve production and commercial ramp-up, in each case, in accordance with Star Royalties' expectation;
- that the completion of the Copperstone transaction will be completed in accordance with its terms, as amended;
- continued strategic involvement by Agnico Eagle and Cenovus in Green Star;
- Green Star will continue to be managed by the Company's management team and its own Chief Development and Chief Commercial Officers with participation from Agnico Eagle and Cenovus on its board and technical advisory teams;
- the absence of an outbreak or escalation of infectious diseases or other similar health threats, including COVID-19, which could result in the suspension, shutdown or delay of the operations in the properties in which Star Royalties or Green Star holds an interest;
- the impact of the conflict between Russia and Ukraine, any escalation thereto and its impacts on the global economy or on the Company's business;
- no material changes will occur with respect to Star Royalties' or Green Star's existing tax treatment; and
- the absence of any other factors that could cause actions, events, or results to differ from those anticipated, estimated, intended, or implied.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation:

- limited operating history and uncertainty of future revenues;
- changes in commodity prices will affect the revenues generated from our portfolio and the profitability of Star Royalties;
- Star Royalties has no or limited control over the operation of the properties in respect of which Star Royalties holds a royalty or a stream interest and the operators' failure to perform or decision to cease or suspend operations will affect the revenues of Star Royalties;
- the Copperstone Gold Project and the Elk Gold Project are each significant to Star Royalties. Other assets and properties may become significant to Star Royalties from time to time and any adverse development related to any such assets will affect the revenue derived from such assets;

- expectations regarding Copperstone's operational restart;
- risks related to the CarbonNOW program transitioning to its validation phase;
- risks related to the effective operation of any entity under the joint venture arrangement;
- increased competition for royalties, streams and other interests could adversely affect Star Royalties' ability to acquire additional royalties, streams, and other interests in mineral properties;
- some of the properties in respect of which Star Royalties holds an interest may never achieve commercial production, and Star Royalties may lose its entire investment;
- risks related to health epidemics, pandemics and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect the Company's business, financial condition and results of operations;
- sale of assets in respect of which Star Royalties holds an interest may result in a new operator and any failure of such operator to perform could affect the revenues of Star Royalties;
- Star Royalties may acquire royalties, streams or other interests in respect of properties that are speculative and there can be no guarantee that mineable deposits will be discovered, developed or mined;
- Star Royalties has limited access to data and disclosure regarding the operation of properties in respect of which it holds interests, which will affect its ability to assess and predict the performance of its royalties or streams;
- Star Royalties depends on its operators for the calculation of certain payments, and it may not be possible to detect errors in payment calculations;
- Star Royalties is dependent on the payment or delivery by the owners and operators of the properties in respect of which Star Royalties has a royalty or stream, and any delay in or failure of such payments will affect the revenues generated by the asset portfolio;
- global financial conditions may destabilize;
- royalties or streaming interests may not be honored by operators of a project;
- not all of Star Royalties' royalties or streams are secured, Star Royalties' security interests, if any, may be subordinated, and security interests may be difficult to enforce;
- Star Royalties' profitability, results of operations and financial condition are subject to variations in foreign exchange rates;
- operators of mines may not be able to replace depleted Mineral Reserves and Mineral Resources, which would reduce Star Royalties' revenue from royalties or streams;
- Star Royalties may elect not to complete the final outstanding payment tranche for the Copperstone Transaction;
- Star Royalties can provide no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be on terms acceptable to the Company;
- Star Royalties may experience difficulty attracting and retaining qualified management and technical personnel to efficiently operate its business;
- certain of Star Royalties' directors serve in similar positions with other public companies, which could put them in a conflict position from time to time;
- changes in the interpretation of tax legislation or accounting rules could affect the profitability of Star Royalties;
- Star Royalties has a history of losses, and it may be unable to achieve profitability;
- Star Royalties' operations depend on information systems that may be vulnerable to cyber security threats;
- the carbon market is rapidly evolving and Green Star's business and future prospects may be difficult to evaluate;
- the registration status under Verra and release of any sequestration results;
- carbon trading may become obsolete;
- lack of liquidity and high volatility of voluntary carbon markets;
- fluctuating price of carbon credits;
- carbon pricing initiatives are based on scientific principles that are subject to debate;
- no guarantee that Green Star will be able to source and/or executed high-quality carbon reduction projects suitable for investment and development;
- Star Royalties is indirectly exposed to many of the same risk factors as the owners and operators of properties in respect of which it holds a royalty or stream interest;

- production at mines and projects in respect of which Star Royalties holds royalty or stream interests is dependent on operators' employees;
- Mineral Reserves and Mineral Resources are estimates based on interpretation and assumptions and actual production may differ from amounts identified in such estimates;
- production forecasts may not prove to be accurate;
- the exploration and development of Mineral Resource properties is inherently dangerous and subject to risks beyond the control of Star Royalties;
- defects in title to properties underlying Star Royalties' royalty or stream interests may result in a loss of entitlement by the operator and a loss of Star Royalties' interest;
- future litigation affecting the properties in respect of which Star Royalties holds its royalty or stream interests could have an adverse effect on Star Royalties;
- defects in or disputes relating to Star Royalties' royalties or streams could have an adverse effect on Star Royalties;
- the operations in respect of which Star Royalties holds a royalty or stream require various property rights, permits and licenses to be held by the operator in order to conduct current and future operations, and delays or a failure to obtain or maintain such property rights, permits and licenses, or a failure to comply with the terms of any of such property rights, permits and licenses could result in interruption or closure of operations or exploration on the properties;
- Star Royalties is exposed to risks related to the construction, development, expansion, and/or exploration in relation to the mines, projects and properties in respect of which it holds a royalty or stream interest;
- the operations in respect of which Star Royalties holds an interest are subject to environmental laws and regulations that may increase the costs of doing business and may restrict operations, which could reduce Star Royalties' revenues;
- additional costs may be incurred by mineral property operators as a result of international climate change initiatives and may affect the availability of resources and cause business disruptions, which could reduce Star Royalties' revenues;
- certain operators are subject to risks relating to foreign jurisdictions which could negatively impact Star Royalties;
- changes in government regulation could inhibit exploration, construction and development on, or production from, the mineral properties underlying Star Royalties' royalties or streams;
- Star Royalties is subject to risks related to certain operations in developing economies;
- Star Royalties may be responsible for corruption and anti-bribery law violations;
- Star Royalties may become party to litigation;
- adequate infrastructure may not be available to develop the properties in respect of which Star Royalties holds an interest, which could inhibit operations at such properties;
- mineral properties underlying Star Royalties' royalties or streams may be subject to risks related to indigenous peoples which could inhibit operations at such properties;
- investment is speculative and may result in the loss of an investor's entire investment in Star Royalties;
- an active, liquid and orderly trading market for the Company's common shares and warrants may not develop;
- the market price of the Company's common shares and warrants may be volatile;
- future sales or issuance of debt or equity securities cannot be predicted;
- negative cash flow from operating activities;
- certain shareholders have substantial control over Green Star's corporate actions and can exert significant influence over important corporate matters; and
- the forward-looking statements contained in this MD&A or incorporated by reference may prove to be incorrect.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties, and other factors.

The Company's forward-looking statements are based on the beliefs, expectations, and opinions of management on the date of this MD&A, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

More information about the Company including its recent financial reports and Annual Information Form for the year ended December 31, 2023 is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Disclosures of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that: (i) financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Factors and Additional Information

Please refer to the Company's most recent Annual Information Form filed on SEDAR+ at www.sedarplus.ca for further discussion of risk factors and other information.