



SMOOTH ROCK VENTURES CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

GENERAL

This Management's Discussion and Analysis ("MD&A") of Smooth Rock Ventures Corp. (the "Company" or "Smooth Rock") is dated November 25, 2024, and provides an analysis of Smooth Rock's financial position and results of operation for the three- and nine-month periods ended September 30, 2024. The following information should be read in conjunction with the interim condensed consolidated financial statements for the three and nine months ended September 30, 2024 and 2023. Additional information relevant to the Company's activities can be found on SEDAR+ at www.sedarplus.ca and the Company's website at www.smoothrockventures.com.

Except as otherwise disclosed, all dollar figures included in this management's discussion and analysis are quoted in Canadian dollars.

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

COMPANY OVERVIEW

Smooth Rock Ventures Corp. is an exploration stage company engaged in the acquisition and exploration of mineral properties. The Company is a reporting issuer in British Columbia, Alberta, and Quebec, and its common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol SMRV.

EXPLORATION PROJECTS

Palmetto Property, Nevada

The Company holds an undivided interest in 79 unpatented mining claims known as the Palmetto Property, located in Esmeralda County, Nevada, within the southern portion of the Walker Lane gold trend.

On January 27, 2022, the Company entered into a binding Purchase Agreement (the "Royalty Agreement") with Nevada Canyon, LLC, a wholly owned subsidiary of Nevada Canyon Gold Corp. ("Nevada Canyon"), to sell a 2% net smelter returns royalty ("NSR") on the Palmetto Project for total cash consideration of \$444,080 (US\$350,000). The Vice President and director of the Company is a director, CEO, and President of Nevada Canyon.

Palmetto Property acquisition and exploration costs:

	September 30, 2024	December 31, 2023
Balance, beginning	\$ 1,009,831	\$ 949,010
Deferred exploration costs:		
Geologist fees, expenses and assays	-	33,338
BLM fees	33,822	27,483
Balance, ending	\$ 1,043,653	\$ 1,009,831

Exploration Program

Due to challenging market conditions in 2023 and for the nine-month period ended September 30, 2024, the Company decided to postpone its exploration program on the Palmetto Property to allow for improved overall market conditions, which will enable the Company to secure additional financing. During the year ended



December 31, 2023, the Company undertook an in-depth review and compilation of all previous drill programs at the Palmetto Project. The Company's geological team's interpretation of all previous drilling will allow the Company to design a robust follow-up drill program with a suitable drilling contractor at Palmetto Project.

Giroux Project, Nevada

On April 20, 2020, the Company entered into an exploration lease with option to purchase Agreement (the "Giroux Agreement") on the Giroux Property, located in Mineral County, Nevada, within the Walker Lane shear zone. Full consideration of the Agreement consists of the following:

- (i) the issuance of 1,000,000 common shares of the Company (issued).
- (ii) an initial cash payment of \$27,956 (US\$20,000) upon the execution of the agreement (paid).
- (iii) \$24,904 (US\$20,000) on the first anniversary of the effective date and any succeeding anniversary of the effective date.

The Company has the exclusive purchase option and right to acquire 100% ownership of the Giroux Property (the "Giroux Option"). To exercise the Giroux Option the Company is required to pay US\$200,000 (the "Giroux Purchase Price"). The Giroux Property is subject to a 1.5% Gross Production Royalty payable to the property vendor, of which one-half of a percent (0.5%) may be purchased from the vendor at any time prior to commencement of commercial production for a cash payment of US\$200,000. The term of the Agreement continues for ten (10) years, subject to the right to extend the Agreement for two (2) additional terms of ten (10) years each, and subject to the option to purchase 100% of the Giroux Property. The Vice President of Exploration and director of the Company is an individual controlling the lessor entity MSM Resources, LLC.

Giroux Project acquisition and exploration costs:

	September 30, 2024	December 31, 2023
Balance, beginning	\$ 381,500	\$ 335,280
Annual lease payments ⁽¹⁾	27,496	26,480
Deferred exploration costs:		
Geologist fees, expenses and assays	-	10,870
BLM fees	10,841	8,870
Balance, ending	\$ 419,837	\$ 381,500

⁽¹⁾ The lease payment due on April 20, 2024, was paid on July 20, 2024.

Exploration Program

The Company had planned an initial drill program for 2023, however, due to challenging market conditions, the Company decided to postpone the program to allow for improved overall market conditions, which will enable the Company to secure additional financing. The Company is planning to restart its exploration program at the Giroux Project in 2025 as market conditions improve. An initial seven-to-ten RC drill hole program is planned.

QUALIFIED PERSON

Geological information presented herein was summarized by Eugene Gauthier Eng., an independent qualified person as defined by NI 43-101, Standards of Disclosure for Mineral Projects.



RESULTS OF OPERATIONS

	Nine Months ended September 30, 2024	Year ended December 31, 2023
Net and comprehensive loss	\$ (49,839)	\$ (501,137)
Loss per share – basic and diluted	\$ (0.00)	\$ (0.02)
Total assets	\$ 1,820,437	\$ 1,881,764

Analysis of operations

Net loss for the three-month period ended September 30, 2024, was \$8,808, compared to \$101,555 for the three-month period ended September 30, 2023. The decrease in net loss during the three-month period ended September 30, 2024, was associated with the absence of consulting and management fees, as compared to \$34,500 and \$45,108 the Company incurred for the three-month period ended September 30, 2023, respectively. In addition, the Company's office and administration expenditures decreased by \$3,105 to \$9,864 (2023 - \$12,969), transfer agent and filing fees decreased by \$5,083 to \$850 (2023 - \$5,933), and travel expenses decreased by \$3,417 to \$279 (2023 - \$3,696).

Net loss for the nine-month period ended September 30, 2024, was \$49,839, compared to \$389,760 for the nine-month period ended September 30, 2023. The decrease in net loss during the nine-month period ended September 30, 2024, was associated with the absence of share-based compensation, as compared to \$92,173 the Company recognized for the nine-month period ended September 30, 2023. During the nine-month period ended September 30, 2024, the Company also did not have any expenses associated with consulting and management fees, as compared to \$103,500 and \$135,347 the Company incurred for the nine-month period ended September 30, 2023, respectively. In addition, the Company's office and administration expenditures decreased by \$4,172 to \$30,488 (2023 - \$34,660), and transfer agent and filing fees decreased by \$4,087 to \$12,652 (2023 - \$16,739). These decreases were in part offset by \$2,100 the Company paid for updates to its corporate website, which was recorded as part of the advertising and promotion expenses (2023 - \$129), and an increase in audit and accounting fees of \$2,899 to \$4,093 (2023 - \$1,194).

SUMMARY OF QUARTERLY RESULTS

Results for the most recently completed financial quarters are summarized in the table below:

Three months ended	Net and comprehensive loss	Loss per share; basic and diluted
September 30, 2024	\$ (8,808)	\$ (0.00)
June 30, 2024	\$ (18,872)	\$ (0.00)
March 31, 2024	\$ (22,159)	\$ (0.00)
December 31, 2023	\$ (111,377)	\$ (0.00)
September 30, 2023	\$ (101,555)	\$ (0.00)
June 30, 2023	\$ (99,312)	\$ (0.00)
March 31, 2023	\$ (188,893)	\$ (0.01)
December 31, 2022	\$ (115,207)	\$ (0.00)

2024-Q3	Decreased net loss was primarily due to absence of consulting and management fees.
2024-Q2	Decreased net loss was primarily due to absence of consulting and management fees.
2024-Q1	Decreased net loss was primarily due to absence of share-based compensation, as well as consulting and management fees.
2023-Q4	Increased net loss was primarily due to accrual of audit fees, which was in part offset by reduced regulatory fees and absence of travel expenses.



2023-Q3	Increased net loss was primarily due to travel fees that were incurred during the Q3 of 2023.
2023-Q2	Decreased net loss was primarily due to share-based compensation recognized in Q1 of 2023.
2023-Q1	Increase in net loss was mainly due to the \$92,173 in share-based compensation associated with the grant of options to acquire up to 1,000,000 shares of the Company at \$0.07 per share.
2022-Q4	Decreased net loss was due primarily to write-off of E&E assets that occurred in Q2 and Q3 of 2022.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2024, the Company had \$341,865 in cash, as compared to \$458,372 as of December 31, 2023, and a working capital deficit of \$559,019, as compared to \$437,021 as of December 31, 2023. The increase in working capital deficit was primarily due to decreased cash balances, as well as an increase in amounts due to related parties and reduction in deposits associated with the refund of reclamation bond on the Chucker Property, which the Company abandoned during the year ended December 31, 2020. The Company plans to continue to fund its operations through equity or debt financings, however there are no guarantees that the Company will be able to generate cash when needed in the future.

The Company had no material commitments for capital expenditures as at September 30, 2024.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

There are no proposed transactions.

TRANSACTIONS WITH RELATED PARTIES

Related parties include the directors, officers, key management personnel, close family members and entities controlled by these individuals. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel includes the Company's executive officers and members of the Board of Directors.

The following balances were due to related parties:

	September 30, 2024	December 31, 2023
Company controlled by a director and officer of the Company	\$ 425,219	\$ 416,619
Company controlled by a director and officer of the Company	97,500	97,500
Director and officer of the Company	176,000	176,000
	\$ 698,719	\$ 690,119

Below is a summary of compensation to key management personnel:

	September 30, 2024	September 30, 2023
Consulting fees	\$ -	\$ 58,500
Management fees	-	135,347
Annual exploration lease for Giroux Property	27,496	26,480
Deferred exploration costs	44,663	39,797
Share-based payments	-	32,260
	\$ 72,159	\$ 292,384



During the nine-month period ended September 30, 2023, the Company granted stock options to its director to purchase up to 350,000 common shares of the Company at a price of \$0.07 per common share for a period of five years. The fair value of the options was estimated to be \$32,260. The Company did not grant any options during the nine-month period ended September 30, 2024.

During the nine-month period ended September 30, 2024, the Company paid or accrued \$Nil (2023 - \$90,347) in management fees to an entity controlled by a director and officer of the Company and \$Nil (2023 - \$45,000) in management fees to another director and officer of the Company.

During the nine-month period ended September 30, 2024, the Company incurred \$44,663 (September 30, 2023 - \$39,797) in deferred exploration expenses for the Palmetto and Giroux Projects. Additionally, the annual exploration lease payment of \$27,496 for the Giroux Project, due on April 20, 2024, to MSM Resources, LLC (controlled by the same director and officer of the Company) was paid on July 20, 2024 (2023 - \$26,480).

During the nine-month period ended September 30, 2024, the Company paid or accrued \$Nil (2023 - \$58,500) in consulting fees to a company controlled by a director and officer of the Company.

CONTROLS AND PROCEDURES

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's condensed interim consolidated financial statements for the three and nine months ended September 30, 2024 and 2023.

The management of the Company has filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR+ at www.sedarplus.ca. 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. 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.

OUTSTANDING SHARE DATA

Authorized share capital

Authorized: An unlimited number of common shares without par value; and
An unlimited number of non-voting preferred shares without par value.

Issued share capital

As at the date of this MD&A, the Company had 24,674,794 common shares issued and outstanding.

Stock Options

The Company has a rolling stock option plan whereby it can issue stock options up to 10% of the issued and outstanding common shares.

As at the date of this MD&A, there were 2,166,666 share purchase options outstanding with a weighted average exercise price of \$0.11 per share expiring between May 7, 2025 and February 6, 2028.



Warrants

As at the date of this MD&A, no warrants were outstanding.

MATERIAL ACCOUNTING POLICIES

All material accounting policies adopted by the Company and critical accounting estimates and judgements used have been described in the notes to the consolidated financial statements for the year ended December 31, 2023.

FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT

Financial risk management

The Company is exposed, in varying degrees, to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada and the United States. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using major banks that are rated high credit quality financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to foreign currency risk on fluctuations related to cash, prepaid expenses, deposits, accounts payable and related party payables that are denominated in US dollars.

The following table illustrates the impact of a 10% increase and a 10% decrease in foreign exchange rate on the fair value of the financial assets and liabilities as at September 30, 2024:

	Currency	Balance at September 30, 2024	10% increase in FX rate	10% decrease in FX rate
Cash	US\$	\$ 259,302	\$ 285,232	\$ 233,371
Deposits	US\$	13,980	15,378	12,582
Due to related parties	US\$	(425,219)	(467,740)	(382,697)
Total		\$ (151,937)	\$ (167,131)	\$ (136,744)



Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Fair value

The fair value of the Company's financial assets and liabilities approximates their carrying amount due to their short terms of maturity. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments classified as level 1 include cash.

RISK AND UNCERTAINTIES

Risks inherent in the nature of mineral exploration and development

Exploration and development involve several risks which experience, knowledge and careful evaluation may not be sufficient to overcome. Large capital expenditures are required in advance of anticipated revenues from operations. Many exploration programs do not result in the discovery of mineralization; moreover, mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labor are some of the risks involved in the conduct of exploration programs and the operation of mines. The commercial viability of exploiting any precious metal deposit is dependent on a number of factors including infrastructure and governmental regulations, in particular those respecting the environment, price, taxes, and royalties. No assurance can be given that minerals of sufficient quantity, quality, size and grade will be discovered on any of the Company's properties to justify commercial operation. Numerous external factors influence and may have significant impacts on the operations of the Company and its financing needs.

Financial risks

The Company is an exploration company. The Company will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Claims and title risks

Although the Company has taken steps to verify title to properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Tax

No assurance can be made that Canada Revenue Agency or Quebec Minister of Revenue will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses.

Dependence on key personnel

The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.



Conflicts of interest

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith of view to the best interests of the Company and to disclose any interest, which they may have in any project or opportunity of the Company. If a conflict arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

Environmental risks

The Company is subject to various environmental incidents that can occur during exploration work. The Company maintains an environmental management system including operational plans and practices.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca at the Company's website: www.smoothrockventures.com

"Christos Doulis"

Director

"Christopher Hobbs"

Director

November 25, 2024