

**RECORD RESOURCES INC. (FORMERLY SILK ROAD ENERGY INC.)
MANAGEMENT DISCUSSION AND ANALYSIS – ANNUAL HIGHLIGHTS
For the twelve-month period ended September 30, 2023**

This Management's Discussion and Analysis – Quarterly Highlights ("MD&A") for Record Resources Inc. (formerly Silk Road Energy Inc.) ("Record" or the "Company") should be read in conjunction with: the audited financial statements for the year ended September 30, 2023 (the "Reporting Period") and the notes thereto, prepared in accordance with International Financial Reporting Standards ("IFRS"); the MD&A for the period ended September 30, 2023.

The effective date of this MD&A is February 18, 2024.

COVID-19 PANDEMIC

There was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, the Company anticipates this outbreak and increased government regulations, which may delay the finalization of any pending transactions and may negatively affect the Company's business and financial condition.

OVERVIEW

Record is a publicly traded company that operates in the mining exploration and development as well as in the oil and gas industries. The Company's primary listing exchange is the TSX Venture Exchange (TSXV: REC (formerly SLK)). On February 1, 2019, the Company's stock was cease-traded by the Alberta Securities Commission ("ASC") and the Ontario Securities Commission ("OSC") as a consequence of failing to file its annual audited financial statements, annual management's discussion and analysis and certification of the annual filings for the year ended 30 September 2018. The Company was subsequently moved to the TSX Venture Exchange's subset trading platform known as the NEX Exchange. On October 1, 2021, the Company received a dual revocation order from the ASC and the OSC. Subsequently, the NEX Exchange announced the resumption of the trading of common shares of the Company effective October 6, 2021.

On July 5, 2022, the Company received approval from the TSXV to have its shares reactivated as a Tier 2 Mining Issuer from a NEX Issuer. On July 7, 2022, the Company commenced trading under the symbol "SLK" on the TSXV. The Company has changed its name to Record Resources Inc. since April 4, 2023 and its trading symbol has been changed to "REC" on the TSXV.

Background

Record was incorporated under the *Business Corporations Act* (Alberta) on November 9, 2010 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (“Exchange”). On January 28, 2014, the Company entered into a formal acquisition agreement (“Acquisition Agreement”) with Gold Note Resources Inc. (“Gold Note”), pursuant to which the Company has completed the purchase of certain oil production, oil and gas reserves, lands, leases and miscellaneous interests held by Gold Note in the Bashaw, Columbia and Thornbury areas of Alberta (the “Acquisition”). The Acquisition constitutes the Company’s qualifying transaction (the “Qualifying Transaction”) under the applicable policies of the Exchange.

Pursuant to the terms of the Acquisition Agreement, the Company purchased, on industry standard terms, certain non-operated petroleum and natural gas rights, oil and gas production, tangibles, oil and gas reserves, lands, leases and miscellaneous interests including seven (7) gross producing wells (the “Assets”) located in the Bashaw, Columbia and Thornbury areas in Alberta, Canada for an aggregate purchase price of \$500,000 inclusive of applicable taxes and in Canadian funds, payable by way of 2,352,941 common shares of Record (“Consideration Shares”) at a deemed price of \$0.17 per Common Share and \$100,000 cash. The Consideration Shares are subject to the terms and conditions of an escrow agreement between Record, Gold Note, and Olympia Trust Company dated January 24, 2014.

During the year ended September 30, 2015, the Company disposed of (5) gross producing wells in the Columbia GCU.

The completion of the Acquisition by the Company was approved by the Board of Directors of the Corporation and by the TSXV as the Qualifying Transaction of the Company. As a result, the Corporation was no longer considered a Capital Pool Company as of January 29, 2014.

During the last half of the fiscal year ended September 30, 2021, the Company began its work towards the revocation of its cease-trade order issued jointly by the Alberta Securities Commission and the Ontario Securities Commission and its reinstatement for the re-listing of its common shares for trading on the TSX Venture Exchange. During the fiscal year, the Company applied to the Alberta Securities Commission for a partial revocation order. On October 24, 2019, the Alberta Securities Commission granted a partial revocation order to permit the Company to complete a private placement (the “Private Placement”) of units of the Issuer (“Units”), each Unit consisting of one Preferred Share and one Preferred Share purchase warrant, for gross proceeds of up to \$185,000, to one or more subscribers, solely in order to cover all costs and fees (which includes audit fees, professional fees, late filing fees and any other applicable fees) that are related to the fulfillment by the Company of all of its disclosure obligations and in order to file all the financial statements and related certifications for all previously ended financial years and interim periods since the date of the cease-trade order as required by applicable law and to provide it with sufficient working capital to continue its operations until it can apply for and receive a full revocation of the cease-trade order.

During the year ended September 30, 2023, the Company began to seek exploration opportunities in the mineral sectors with concentration on gold and other precious metals.

CORPORATE HIGHLIGHTS FOR THE REPORTING PERIOD

During the twelve-month period ended September 30, 2022, the Company announced the following developments.

On October 1, 2021, Record received a dual revocation order from the ASC and the OSC.

By bulletin, the NEX Exchange announced the resumption of the trading of common shares of Record effective October 6, 2021.

Record converted 6,580,000 Preferred Shares into common shares on October 7, 2021, resulting in no preferred shares outstanding and 18,592,788 common shares issued and outstanding.

On October 18, 2021, Record announced a private placement and amended the terms of this private placement on October 24, 2021 in which Units are being offered at \$0.06 per Unit to raise gross proceeds of up to \$700,000 (the "Offering"). Each Unit will consist of one common share of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to acquire a Common Share at \$0.12 per Common Share for twelve (12) months following the issuance of Warrants.

On October 22, 2021, the Company filed a reactivation application with the TSX Venture Exchange for the purposes of graduating from the NEX Exchange.

On November 30, 2021, Record held its annual and special shareholders' meeting.

The Company has also contemplated looking at opportunities in the gold exploration and mining business in parallel. In December 2021, the Company entered into an agreement to acquire from a company related by common directors' 100 percent ownership of two mining concessions of gold and other precious metals claims located in the Kirkland Lake region of Ontario in return for 9 million shares of the Company at a price of \$0.05 per share. The acquisition was completed on June 21, 2022 by issuing 8,999,983 common shares to the shareholders of the seller company.

In January 2022, the Company sold its petroleum and natural gas interests, its associated decommissioning liabilities and assigned its related accounts payable owing to the operator of the property to a company related by a common director of the Company for \$10.

On April 13, 2022, the Company resumed trading of its common shares on the NEX Exchange.

On June 6, 2022, the Company held a special shareholder meeting in which the Company received approval by shareholders of the acquisition of the Amikougami and Otto properties in the Kirkland Lake area. Shareholders also approved the issuance of 8,999,983 shares at 5 cents per share to acquire these two Kirkland Lake properties. The shareholders also approved the disposition of the Company's interests in four natural gas properties, as well as approving a revised stock option plan.

On July 5, 2022, the Company received approval from the TSXV to have its shares

reactivated as a Tier 2 Mining Issuer from a NEX Issuer.

On July 7, 2022, the Company commenced trading under the symbol "SLK" on the TSXV.

The Company announced changes to senior management and the Board of Directors as well as a rebranding of the business as a gold exploration company on July 12, 2022. Vladimir Katic resigned from the Board of Directors and as CEO of the Company. Michael Judson became the company's new Chief Executive Officer., Mr. Judson appointed Robert Kramberger as Vice-President Investor Relations, and Edward Procyshyn as Vice-President Exploration. Mr. David A. Johnson was appointed to the Board of Directors as the replacement for Vladimir Katic and Ms. Nathalie Kavanagh was also appointed to the Board of Directors.

On July 21, 2022, the Company has signed a letter of intent to acquire new gold exploration properties in the Kirkland Lake Mining camp in Ontario consisting of eleven claim cells known as Kenogami East ("Kenogami East Property"). Kenogami East Property is located at the eastern margin of the company's Grenfell-Four Nations gold property. The Company shall complete the acquisition by issuing 1,000,000 of its common shares and by agreeing to make a cash payment of \$50,000 in twenty-four months from the date of the definitive agreement. The Company entered into a definitive agreement on January 18, 2023.

On August 30th, 2022, the Company signed an option agreement ("Four Nations Agreement") with two arms-length private companies to earn in a 100% interest on the Four Nations property ("Four Nations Property") which consists of three claim blocks comprising 5.2 square kilometres in the Grenfell Township by making cash payments of \$50,000 (\$5,000 already paid) and issuing 2,000,000 (1,000,000 common shares issued subsequent to year-end on December 19, 2022) common shares of the Company over three years. There is no work commitment required on these properties.

In August and September of 2022, the Company issued 1,483,333 units at \$0.06 per unit for total proceeds of \$89,000. Each unit consists of 1 common shares and 1 warrant to purchase an additional common share at an exercise price of \$0.12 per share, expiring 12 months from the date of closing.

On September 7, 2022, the Company acquired an option agreement from Record Gold Corp. ("Record Gold"), a non-arms-length party, to earn in 80% interest in Grenfell Gold property ("Grenfell Gold Property") from another publicly listed company, Pelangio Exploration Inc. ("Pelangio"). The Property is comprised of 38 mining cells and eight leased claims covering an area of approximately 6.7 square kilometres. As a result of acquiring this option agreement between Record Gold and Pelangio dated September 6, 2022 ("Pelangio Agreement"), the Company has the right to earn an undivided 80% interest in the Grenfell Gold Property by completing a total of \$2,000,000 exploration expenditures to be incurred within five years and by making onetime cash payment to Pelangio. The Company shall pay to Pelangio a one-time \$60,000 payment in twenty-four (24) months from the date of the Pelangio Agreement. The Grenfell Gold Property is subject to a 2.75% Net Smelter Royalty (NSR) on leased claims and a 0.75% Net Smelter Royalty (NSR) on staked claims from prior agreements entered into by Pelangio. In exchange for the acquisition of the Pelangio Agreement, the Company shall issue Record Gold 39,999,984

common shares at deemed price of \$0.05. This transaction is still subject to the approval by TSX Venture Exchange.

During the twelve-month period ended September 30, 2023, the Company announced the following developments.

On October 27, 2022, The Company closed a further private placement of \$12,000 by issuing 200,000 units at \$0.06 per unit. Each unit consists of 1 common shares and 1 warrant to purchase an additional common share at an exercise price of \$0.12 per share, expiring 12 months from the date of closing.

On December 21, 2022, upon receipt of the approval by the TSX Venture Exchange, the Company issued 1,000,000 shares to the property owners in pursuance to the Four Nations Agreement.

On December 17, 2022, the Company entered into an option agreement (“Doran Agreement”) with arms-length parties to acquire a 100 percent interest in the Doran Lithium Property consisting of 9 mining claims located approximately 200 kilometres east of Red Lake in north western Ontario. The Company is acquiring the property by issuing 900,000 shares and by making cash payments over the next three years for a total of \$111,000. There are no work commitments on the properties. The agreement has been approved by the TSXV in February of 2023. The Company will act as sole operator of the project. The vendor will hold a 1.5% Net Smelter Royalty (NSR) on the property. One third of this NSR can be purchased by the Company for \$600,000.

On February 22, 2023, The Company closed a further private placement of \$39,779 by issuing 795,580 units at \$0.05 per unit. Each unit consists of 1 common shares and ½ warrant to purchase an additional common share at an exercise price of \$0.10 per share, expiring 24 months from the date of closing.

On January 9, 2023, the Company has entered into an option agreement (“Doran-South Agreement”) with arms-length parties to acquire a 100 percent interest in the Doran-South Lithium property (“Doran-South Lithium Property”) located approximately 200 km east of Red Lake in north western Ontario and contiguous with Doran Lithium Property it recently optioned. Doran-South Lithium Property consists of approximately 1,820 hectares. The Company is acquiring the Doran-South Lithium Property by issuing 1,000,000 shares, at deemed price of \$0.06 per share, and by making cash payments over the next year of \$50,000. There are no work commitments on the properties. The agreement has been approved by the TSXV in February of 2023. The Company will act as sole operator of the project. The vendor will hold a 1.5% Net Smelter Royalty (NSR) on the property that can be purchased by the Company for \$3,000,000.

On April 4, 2023, the Company changed its name to Record Resources Inc. trading under the new symbol “REC” on the TSXV.

On May 2, 2023, the Company issued a total of 1,900,000 common shares of the Company in pursuant to the Doran Agreement and the Doran-South Agreement after these agreements have been approved by the TSXV.

On September 1, 2023, the Company issued 1,000,000 common shares of the Company in pursuant to the Kenogami property option agreement.

Subsequent events

The Company has entered into an option agreement with an arms-length, private, Ontario exploration company to acquire 100 percent interests in three of its lithium properties and one of the uranium properties in Western Ontario.

The Whitemud River lithium prospect consists of 111 claims and is approximately 200 kilometres east of Red Lake and approximately 125 kilometres northeast of Sioux Lookout. The Company has also optioned a uranium property in western Ontario consisting of 10 claims.

The uranium and lithium properties are part of a same agreement. The private exploration company, the Optionor, will receive 2,100,000 common shares of the Company, the Optionee, over three years (700,000 share per year) and a cash payment of \$64,000 payable over three years. \$24,000 payable in the first year and \$20,000 in year two and \$20,000 in year three.

The vendor holds net smelter royalty agreements on each of the properties under the following terms: upon the exercise of the Option, the Optionee will grant a Royalty to the Optionor. The Optionor will retain a 1.5% Royalty. The Optionee or its assigns shall have the right at any time to purchase from Optionor zero-point five percent (0.5%) Net Smelter Returns Production Royalty by way of a payment to the Optionor of the sum of \$500,000. An additional zero-point five (0.5%) Net Smelter Returns Production Royalty can be purchased by the Optionee for \$1 million. The final zero-point percent (0.5%) Net Smelter Returns Production Royalty can be purchased by the Optionee for \$1.5 million.

The Company closed private placements of \$33,500 and issued 957,122 units at \$0.035 per unit. Each unit consists of one common share and one common share purchase warrant at exercise price of \$0.06 per share for two years.

FINANCIAL HIGHLIGHTS FOR THE REPORTING PERIOD

The Company reported total assets of \$3,502 as at September 30, 2023 (September 30, 2022: \$459,192), a significant decrease of \$455,690 mainly due to impairment of all mineral properties.

Shareholders' equity was (\$273,524) at September 30, 2023 (September 30, 2022: shareholders' equity of \$203,921), a significant decrease of \$477,445 which was mainly as a result of impairing all mineral properties to \$1.

For the twelve-month period ended September 30, 2023, the Company had working capital deficit of \$273,525 (September 30, 2022 – \$89,335) comprised of cash or cash equivalents, accounts receivable and accounts payable and accrued liabilities and due to related party. The Company reported a net loss of \$765,524 in the reporting period (2022 – gain of \$293,975), an increase of \$1,059,499 in net loss mainly resulted from significant impairment of mineral properties. For the three-month period ended September 30, 2023, the Company reported a net loss of \$691,155 (2022 – gain of \$306,700), an increase of \$997,855 mainly resulted from significant impairment of mineral properties.

OUTLOOK

The Company is transforming itself to seek potential asset acquisitions in the mineral resources sector and to become a junior mineral exploration company. It has begun acquiring as previously stated. The Company seeks to enlarge its property base of gold exploration properties situated in Ontario. With accumulated deficit of \$2,642,4361 as at the end of the reporting period indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Additionally, the Company will continue to seek opportunities in the resources sectors, including additional asset acquisitions of or joint venture in opportunities in the mining and exploration sectors.

COVID-19

The management of the Company will continue to monitor the COVID-19 pandemic situation and attempt to orient the Company's operations and corporate strategy accordingly.

RESULTS FROM OPERATIONS THREE YEARS ANNUAL FINANCIAL INFORMATION

	September 30, 2023 \$	September 30, 2022 \$	September 30, 2021 \$
Total Assets	3,502	459,192	10,302
Total Liabilities	277,026	255,271	639,355
Total Shareholders' Equity (Deficiencies)	(273,524)	203,921	(629,053)

	September 30, 2023 \$	September 30, 2022 \$	September 30, 2021 \$
Revenue	-	-	13,352
Operating expenses	-	-	(13,357)
General and administrative expenses	(90,547)	(80,137)	(92,267)
Depletion, impairment and accretion expenses	-	-	(8,3332)
Other items	(674,977)	374,112	240,792
Net income (loss)	(765,524)	293,975	140,188
Income (loss) per share – basic and diluted	(0.024)	0.014 & 0.013	0.003&0.008

RESULTS FROM OPERATIONS

During the twelve-month period ended September 30, 2023, the Company incurred general and administration expenses of \$90,547 (2022 - \$80,137) and also recognized a gain on settlement of debts of \$Nil (2022 - \$385,542). The Company recognized impairment on mineral properties of \$674,977 (2022 - \$Nil).

SUMMARY OF QUARTERLY RESULTS

Reporting Period	Gross Revenue \$	Net Income (Loss) \$	Basic \$	Diluted \$
Q4 ended September 30, 2023	-	(691,155)	(0.021)	(0.021)
Q3 ended June 30, 2023	-	(15,187)	(0.0005)	(0.0005)
Q2 ended March 31, 2023	-	(30,223)	(0.001)	(0.001)
Q1 ended December 31, 2022	-	(28,959)	(0.001)	(0.001)
Q4 ended September 30, 2022	-	306,700	0.011	0.011
Q3 ended June 30, 2022	-	(3,060)	(0.0001)	(0.0001)
Q2 ended March 31, 2022	-	(1,576)	(0.0001)	(0.0001)
Q1 ended December 31, 2021	-	(8,089)	(0.0005)	(0.0005)
Q4 ended September 30, 2021	12,357	204,637	0.02	0.02

FINANCIAL POSITION

At September 30, 2023, the Company had working capital deficit of \$273,525 (September 30, 2022 – \$89,335) comprised of cash or cash equivalents, prepaid expense, accounts receivable and accounts payable and accrued liabilities and due to related party.

Liquidity

The Company's working capital deficiency consists largely of unpaid salaries and professional fees. The parties involved have all agreed to forebear and work with the Company over time towards their settlement.

The immediate capital requirements that the Company faces in the near term is for accounting, audit and regulatory fees. The Company will continue to complete equity offering to cover these obligations. There is a risk related to capital market conditions that could prevent this from occurring.

Capital Resources

The Company has capital expenditure requirements presently on several mineral properties option agreements. The Company currently no longer owns any oil & gas interests but own certain mineral properties recently acquired from Record Gold and properties optioned from other companies. The Company is continuously seeking other opportunities in acquiring properties or interests and/or optioning other properties in the mineral resource sectors.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not have any off-balance sheet transactions as at September 30, 2023.

RELATED PARTIES TRANSACTIONS

The Company's related parties include the CEO, CFO, the directors and family members of these parties. Unless otherwise stated, none of the transactions incorporates special terms and conditions and no guarantees were given or received. Transactions with related parties for the twelve-month periods ended September 30, 2023 and September 30, 2022 were as illustrated in the table below.

Remuneration of Directors and key management of the Corporation:

	2023	2022
Share-based payment	\$ -	\$ -
Key management compensation – CEO	\$ 11,899	\$ 13,000

As at September 30, 2023, there was \$Nil (September 30, 2022 - \$Nil) included as accounts payable and accruals to prior management. However, \$125,000 (September 30, 2022 - \$125,000) was included as short term and long term payable to prior management respectively. On June 6, 2022, two former directors of the Company agreed to settle the accounts payable and accruals owing to them with the old liability balance of \$500,355 being extinguished and replaced with a new liability of \$125,000. As a result of the settlement, the Company recorded a debt settlement gain of \$375,355 in the year ended September 30, 2022. The \$125,000 is interest free and repayable in 18 months from June 6, 2022, the settlement date.

As at September 30, 2023, there was \$9,564 (September 30, 2022 - \$5,361) included as due to related parties to current management.

The Company also received advances from (repaid to) a company related by common directors in the amount of (\$420) during the period ended September 30, 2023 (September 30, 2022 - \$72,596). A loan in the amount of \$ 64,578 owing to this related party was waived by this company on June 20, 2022 as part of the acquisition of the Kirkland property claims. As of September 30, 2023, the total amount outstanding owing to this company was \$7,598 (September 30, 2022 - \$8,018). This is a non-interest bearing, non-secured loan with no fixed terms of repayment.

STOCK OPTION PLAN

The purpose of the Stock Option Plan (the "Plan") is to serve as an incentive for the directors, officers, employees, and service providers who will be motivated by the Company's success, as well as to promote ownership of common shares of the Company by these people. There is no objective attached to the Plan and no relationship to manage the Company's risks. A description of Record's stock option transactions can be found in Note 7 of Record's audited financial statements for the twelve-month period ended September 30, 2023.

At September 30, 2023, the Company had nil options issued and outstanding.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The preparation of the audited financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in financial statements and accompanying notes. There is a full description and a detailed presentation of the Company's significant accounting policies, accounting judgements and uncertainties relative to significant estimates in the audited financial statements as at September 30, 2023 (Note 3).

OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company has 35,414,520 common shares issued and outstanding and no preferred shares outstanding with 611,790 warrants outstanding.

RISK FACTORS

The Company manages risk through establishing policies that provide management oversight related to the risks of operations, including ensuring that risks are identified and assessed, and appropriate policies are in place and effective.

Financial Instruments

Financial instruments present a number of specific risks. Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. For purposes of this disclosure, market risk is segregated into three categories: interest rate risk, commodity price risk and foreign currency risk. Other risks associated with financial instruments include credit risk and liquidity risk.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has no financial instruments that create interest rate risk exposure.

Commodity risk

The nature of the Company's operations results in exposure to commodity price fluctuations. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The Company does not hedge commodity price risk and has no physical forward price or financial derivative sales contracts as at or during the period ended December 31, 2023.

Foreign Currency risk

The Company's exploration and evaluation activities are substantially denominated in Canadian dollars. The Company does not subject to significant foreign currency risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Substantially all of the Company's accounts receivable includes goods and services tax receivable and are subject to normal credit risk. The maximum exposure to credit risk is calculated as the total value of accounts receivable as at December 31, 2023. Significant changes in industry conditions and risks that negatively impact customers' ability to generate cash flow will increase the risk of not collecting

receivables. Management believes the risk is mitigated by the accounts receivable due from the government for goods and services tax receivable.

Accounts receivable consist mainly of GST receivable from the Government of Canada. The Company has recorded a provision of \$11,439 for the GST receivable as of September 30, 2022 to reflect the risk of uncollection. There was no GST receivable recognized as at December 31, 2023 and September 30, 2023.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company manages its cash inflows from operations and capital expenditures to ensure it will have sufficient liquidity to meet its liabilities when due. The Company's ongoing liquidity is impacted by various external events and conditions, including commodity price fluctuations and the global economic environment.

The Company's financial liabilities consist of accounts payable and accrued liabilities, due to related party, loan payable and short term payable. Accounts payable consist of invoices payable to trade suppliers for general, administrative, and capital expenditures and are usually payable in 30 to 90 days.

CAUTIONARY STATEMENT

This Management and Discussion Analysis may contain forward-looking information within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events. Forward-looking information is based on several assumptions and is subject to several risks and uncertainties, many of which are beyond the Company's control that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Readers should not place undue reliance on forward-looking statements and forward-looking information and are cautioned that reliance on such information may not be appropriate for other purposes.

The Company does not undertake any obligation to update such forward-looking information, whether because of new information, future events or otherwise, except as expressly required by applicable law. These risks and uncertainties include, but are not limited to, those described under the headings "Financial Instruments & Risk Management" and "Inherent Risk Factors" in this MD&A and could cause actual events or results to differ materially from those projected in any forward-looking statements. The Company does not intend, nor does it undertake any obligation, to update or revise any forward-looking statements contained in this MD&A to reflect subsequent information, events, or circumstances or otherwise, except if required by applicable law.

CORPORATE GOVERNANCE DISCLOSURE

In 2005, the Canadian Securities Administrators created National Policy 58-201 *Corporate Governance Guidelines* (the "**Policy**") and National Instrument 58-101 *Disclosure of Corporate Governance Practices*, Form 58-101F1 and Form 58-101F2 (collectively, the "**Instrument**"). The Policy addresses matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their

committees, and the effectiveness and education of board members. Below is the Corporation's corporate governance disclosure prescribed by the Instrument.

Board of Directors

The Board is currently comprised of four members, of which one is independent within the meaning of Section 1.4 of National Instrument 52-110 – *Audit Committees*. The independent director is Dr. Paul Craig. Michael Judson is not independent by virtue of currently serving as the Chief Executive Officer & President. Nathalie Kavanagh is not independent by virtue of currently serving as the Chief Financial Officer. David A. Johnson is not independent by virtue of currently serving as the Corporate Secretary.

Directorships

The following directors of the Corporation hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Michael Judson	Forest Gate Energy ⁽¹⁾

Note:

- (1) The reporting issuer is listed on the NEX and is currently subject to a cease trade order.

Orientations and Continuing Education

The Board has not yet adopted any formal orientation or continuing education program for directors. If new directors are added, the current directors and officers will assist the new directors to become familiar with the Corporation.

Ethical Business Conduct

The Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct but does promote ethical business conduct through the nomination of board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having a sufficient number of its independent board members address all corporate matters which rightly fall before a board of directors of a public corporation.

Nomination of Directors

The Corporation does not have a nominating committee, and these functions are currently performed by the Board as a whole. A formal nomination process has not been adopted. The nominees are generally chosen as a result of recruitment efforts by the board members, including both formal and informal discussions with members of the Board.

Compensation

The Board as a whole is responsible for determining the overall compensation strategy of the Corporation and administering the Corporation's executive compensation program. The Board receives and reviews recommendations of the President relating to the general compensation structure and policies and programs for the Corporation and the salary and benefit levels for the executive officers. The Board then takes these recommendations into consideration when making final decisions on compensation for those executive officers.

Other Board Committees

The Board has no committees other than the Audit Committee and the Reserves Committee.

Assessments

The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the board.

AUDIT COMMITTEE

The Audit Committee's Charter

The text of the Corporation's audit committee (the "**Audit Committee**") charter is attached as Schedule "A" to this MD & A.

Composition of the Audit Committee

As at the date hereof, the Audit Committee of the Corporation was composed of the following individuals:

David A. Johnson	Not Independent	Financially literate ⁽¹⁾
Dr. Paul Craig	Independent	Financially literate ⁽¹⁾
Michael Judson	Not Independent	Financially literate ⁽¹⁾

Notes:

- (1) An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

Name of Audit Committee Member	Relevant Education and Experience
David A. Johnson	Mr. Johnson has over 20 years of experience as a corporate and commercial attorney and director working for a variety of public and private companies in the natural resources sectors. Mr. Johnson has also graduated from the Institute of Corporate Directors (ICD) and has received the designation of Certified In House Counsel. This work experience has assisted Mr. Johnson in understanding what is involved in preparing auditing analyzing and evaluating financial statements. Mr. Johnson is financially literate and familiar with public company financial statements and the accounting principles used in reading and preparing financial statements and has worked on audit committees of several public companies
Dr. Paul Craig	Dr. Craig has served as the Treasurer of the American Psychological Association from 2008 through 2010, overseeing a \$115 million annual operating budget and a portfolio containing approximately \$72 million in equities. Dr. Craig has owned and managed a healthcare practice with two locations, 30 employees and an annual budget of \$4 million and has as a Trustee for the American Psychological Association Insurance Trust that has managed assets in excess of \$100 million.
Michael Judson	Mr. Judson has over twenty-five years of experience forming, financing and operating private and public companies. Mr. Judson graduated from Concordia University with a Bachelor of Arts. He graduated from the Institute of Corporate Directors (ICD) and the Desautels Faculty of Management, McGill University Directors Education Program and is an Institute-certified Director (ICD.D). Mr. Judson currently sits on the board of one other Canadian public company and is managing director of <i>Judson & Cie</i> , a financial advisory company he formed in 2013.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year has the Board failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in section 2.4 of NI-52-110, an exemption contained in subsection 6.1.1 of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services but all such services will be subject to prior approval of the Audit Committee.

External Auditor Services Fees

The aggregate fees billed by the Corporation's auditors for the year ended September 30, 2023 and the year ended September 30, 2022 are as follows:

Financial Period	Audit Fees⁽¹⁾	Audit-Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
Year ended September 30, 2023	\$26,568	\$0	\$0	Nil
Year ended September 30, 2022	\$14,000	\$0	\$0	Nil

Notes:

(1) Includes fees necessary to perform the annual audit of the Corporation's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) Includes services that are traditionally performed by the auditor. These audit-related services include quarterly reviews of the financial statements, employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) Includes fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) Includes all other non-audit services.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

ADDITIONAL INFORMATION

Additional disclosures pertaining to the Company's material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, we thank our shareholders for their continued support.

"Michael C. Judson"

Michael C. Judson
Chief Executive Officer

February 18, 2024

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

ARTICLE 1 DEFINITIONS

1.1 Definitions In this Charter

"**audit services**" means the professional services rendered by the Corporation's external auditor for the audit and review of the Corporation's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

"**Board**" means the board of directors of the Corporation; "**Charter**" means this Audit Committee charter; "**Corporation**" means Record Resources Inc.;

"**Committee**" means the committee established by and among the Board for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;

"**independent**" has the meaning ascribed to it in Section 1.4 of National Instrument 52-110;

"**Instrument**" means Multilateral Instrument 52-110 – *Audit Committees*;

"**MD&A**" has the meaning ascribed to it in Section 1.1 of National Instrument 51-102;

"**Member**" means a member of the Committee;

"**National Instrument 51-102**" means National Instrument 51-102 - *Continuous Disclosure Obligations*; and

"**non-audit services**" means services other than audit services.

ARTICLE 2 GENERAL

2.1 Audit Committee

2.1.1 The Board has hereby established the Committee whose purpose is to assist the Board in compliance with the requirements of the Instrument and fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Corporations' financial statements;
- (b) the Corporation's compliance with legal and regulatory requirements, as they relate to the Corporation's financial statements;
- (c) the qualifications, independence and performance of the external auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Corporation's internal audit function; and

- (f) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2.2 Relationship with External Auditors

- 2.2.1 The Corporation will henceforth require its external auditor to report directly to the Committee.

2.3 Composition and Member Qualifications

- 2.3.1 The Committee will be composed of a minimum of three (3) Board members.
- 2.3.2 The majority of Committee members must be “independent” as that term is defined in applicable securities legislation.
- 2.3.3 Every Committee member must be “financially literate” as that term is defined in applicable securities legislation.

2.4 Member Appointment and Removal

- 2.4.1 The Board, at its organizational meeting held in conjunction with each annual general meeting of the holders of shares of the Corporation, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

2.5 Committee Structure and Operations

- 2.5.1 Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair from amongst their number. If the chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.
- 2.5.2 The Secretary of the Corporation shall be the secretary of the Committee, unless otherwise determined by the Committee. Minutes of meetings of the Committee shall be recorded and maintained by the Secretary of the Committee. Copies of the minutes shall be provided to the Board.
- 2.5.3 The quorum for meetings shall be a majority of the Members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- 2.5.4 Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the Chairman, and the Corporation’s external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the Corporation’s external auditors shall receive notice of and have the right and shall be encouraged to attend all meetings of the Committee; and
 - (c) the Chief Executive Officer and the Chief Financial Officer of the Corporation shall be invited to attend all meetings of the Committee, except executive sessions and private sessions with the external auditors, and other management representatives of the Corporation shall be invited to attend as necessary.

ARTICLE 3
DUTIES AND RESPONSIBILITIES

3.1 Committee Responsibilities

- 3.1.1 The Committee shall be responsible for making the following recommendations to the Board:
- (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation;
 - (b) the compensation of the external auditor.
- 3.1.2 The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- 3.1.3 The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.
- 3.1.4 The Committee shall review the Corporation's financial statements, MD&A and annual and interim profit or loss press releases before the Corporation publicly discloses this information.
- 3.1.5 The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and shall periodically assess the adequacy of those procedures.
- 3.1.6 The Committee shall establish procedures for:
- (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- 3.1.7 The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.
- 3.1.8 The Committee shall have the authority to delegate to individual members or subcommittees of the Committee.

3.2 De Minimis Non-Audit Services

- 3.2.1 The Committee shall satisfy the pre-approval requirement in subsection 3.1.3 of the Charter if:
- (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiary entities to the Corporation's external auditor during the fiscal year in which the services are provided;
 - (b) the Corporation or the subsidiary of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - (c) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its Members to whom authority to grant such approvals has been delegated by the Committee.
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3.3 Delegation of Pre-Approval Function

3.3.1 The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 3.1.3.

3.3.2 The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 3.3 must be presented to the Committee at its first scheduled meeting following such pre-approval.

3.4 Pre-Approval Policies and Procedures

3.4.1 The Committee satisfies the pre-approval requirement in subsection 3.1.3 of the Charter if it adopts specific policies and procedures for the engagement of the non-audit services, if:

- (a) the pre-approval policies and procedures are detailed as to the particular service;
- (b) the Committee is informed of each non-audit service; and
- (c) the procedures do not include delegation of the Committee's responsibilities to management.

ARTICLE 4 AUTHORITY

4.1 Authority

4.1.1 The Committee shall have the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee, and
- (c) to communicate directly with the internal and external auditors.

ARTICLE 5 DISCLOSURE

5.1 Disclosure in Information Circular

5.1.1 If management of the Corporation solicits proxies from the security holders of the Corporation for the purpose of electing directors to the Board, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 - *Disclosure by Venture Issuers*.
