



Adex Mining Inc.
Management's Discussion and
Analysis December 31, 2024

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Adex Mining Inc. ("Adex" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2024

This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion, dated April 28, 2025, should be read in conjunction with the Company's audited consolidated financial statements as at and for the year ended December 31, 2024 together with the notes thereto. Results are reported in Canadian dollars and have been prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Company trades on the TSX Venture Exchange under the symbol "ADE". Further information about the Company and its operations can be obtained from the offices of the Company, the Company website, www.adexmining.com, or from www.sedar.com.

OVERVIEW OF THE BUSINESS AND OVERALL PERFORMANCE

The Company holds 100% of the subsurface mineral rights to approximately 1,600 hectares encompassing the Mount Pleasant mine area of New Brunswick, Canada (the "Property" or "Mount Pleasant") approximately 60 km south of Fredericton approximately 100 km northwest of deep seaport facilities located at Saint John, and is accessible by all-weather roads. The claims are held under Prospecting License 14338 by Adex Minerals Corp., a 100% owned subsidiary of Adex. Within the mineral rights area, the Company owns approximately 405 hectares of land, plus the buildings, machinery, equipment and tailings impoundment facility which comprise the dormant Mount Pleasant mine. The area enjoys a year round operating season and there are available sources of water, power, and mining personnel, potential tailings storage areas, potential waste disposal areas and plant sites. Also, within the mineral rights area there are two distinct poly-metallic mineral deposits, the Fire Tower Zone ("FTZ") and the North Zone ("NZ"). The principal metals include tungsten and molybdenum in the FTZ and tin, indium and zinc in the NZ.

The fundamental philosophy of the Company is to maximize shareholder value by seeking the highest value for its mineral and metal products. To this extent, the Company is evaluating the capability to create mineral concentrates that can be shipped from Saint John to be processed by smelters in the People's Republic of China (PRC) and may progress to sell higher valued products such as ammonium paratungstate.

The Property was previously owned by Billiton Exploration Canada Limited which started production of tungsten concentrate from the FTZ in 1983, but ceased operations in 1985 when the rapidly decreasing price of tungsten metal made it uneconomic to continue. Approximately one million tonnes of tungsten ore was mined and processed during this short period of operations. The price of tungsten had not recovered by 1988 and as a result the FTZ mine workings were allowed to flood and the facilities placed on care and maintenance. The Company has owned the Property since 1995. During the period from 1995 to 1997 the Company embarked on various development activities, including the preparation of a prefeasibility study on the NZ. This report, while relevant to the project in terms of its development, is no longer current as it pre-dates NI 43-101 and, as such, it should no longer be relied upon. During the period from 1998 to 2006, the Company kept its claims to the Property in good standing, but activities on the property were limited. A document by D.M. Fraser Services Inc. (1994) indicates that a royalty payment of 10 cents per ton of ore mined is payable to Mt. Pleasant Mines Limited, however, Adex has no original documentation to confirm or deny the existence of this royalty. The Province of New Brunswick holds a \$2,000,000 mortgage on the buildings to cover the cost of their removal and rehabilitation of all ground works such as the pit, tailings, and roads.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

Geological Setting, Mineralization and Drilling

Geologically, the Mount Pleasant deposits are situated on the southwestern margin of the Late Devonian Mount Pleasant Caldera ("MPC") and are associated with a post-caldera, multilayered granitic complex (Granite I, II, III) that intruded along the margin of the MPC. The deposits are porphyry type and formed from metal-bearing fluids, which evolved from the inward-cooling magma body that produced this granitic complex. Older tungsten-molybdenum deposits are genetically related to, and in part hosted within Granite I, whereas younger indium-bearing tin-base metal deposits are related to, and in part hosted within Granite II. No significant mineralization has been found within Granite III although this granite has not been fully explored. All deposits occur within 450 m from surface.

The Fire Tower Zone is dominated by tungsten-molybdenum mineralization occurring within three distinct deposits, the Fire Tower North, the Fire Tower West and Fire Tower South. Mineralization occurs as veinlets and is disseminated in the matrix of silicified breccia that constitutes part of the Mount Pleasant Porphyry. Fine-grained wolframite and molybdenite are the principal minerals of economic interest. Intense greisen-type alteration (quartz-topaz-fluorite) is associated with higher grade tungsten-molybdenum zones.

The North Zone consists of eight distinct tin-indium-zinc bearing deposits or sub-zones, including three Tin Lodes, consisting of the Deep Tin Zone, Upper Deep Tin Zone, Endogranitic Zone, North Adit Zone, North W-Mo Zone and the #1-3, #4 and #5 Tin Lodes. Mineralization occurs mostly in chlorite-altered and brecciated host rocks located adjacent to granite and porphyry dykes. Tungsten-molybdenum mineralization is also present in the "X" and "Y" zones, collectively referred to as the North W-Mo Zone, and is partly overprinted by tin-indium-zinc deposits of the North Adit Zone. The boundaries of each sub-zone are gradational and they commonly cross-cut geological units and structural boundaries. Consequently, resource boundaries were defined based solely on Sn, In, and Zn values (or WO_3 and MoS_2 values in the case of the North W-Mo sub-zone). The largest tin-base metal deposits occur along the contact of Granite I or within Granite II. The Deep Tin Zone is the shallowest major underground deposit and is hosted within brecciated Granite I.

The Saddle Zone, located between the Fire Tower Zone and the North Zone, contains an irregular distribution of both tin-indium-zinc and tungsten-molybdenum mineralization which is poorly understood at this stage due to the scarcity of drill holes.

Two diamond drilling programs were conducted in 2010 and 2011, focused on the North Zone. In 2010, 26 holes totalling 3734 m were drilled and sampled; in 2011, 18 holes (1-17, plus 17A) totalling 7,007 m were drilled and sampled. The purpose of the 26-hole, 2010 program was to delineate tin, indium, and zinc resources in the North Zone, which were known from historical drilling and from ADEX's 2008 program, and to collect geotechnical data (3 holes) to help site a new portal and decline into the North Zone. Fifteen of the holes were oriented vertically and the others were inclined, varying from -41 to -75 degrees; the holes varied in length from 35 to 250 metres. The purpose of the 18-hole, 2011 program was to further delineate (infill holes) the tin, indium, and zinc resources of the North Zone and to obtain mineralized material for metallurgical testing (three holes). In addition, the open, east and south sides of the North Zone were drill tested, following up on positive exploration results from the 2010 drill program, and six holes were drilled in the Saddle Zone, located approximately half way between the North and Fire Tower zones, which had not been drilled since 1990. All of the holes were oriented vertically and varied in length from 75 to 570 metres.

Sampling, Analysis and Metallurgical Testwork

Of the 44 holes drilled (counting AM11-17 and AM11-17A as two) during 2010 and 2011, 38 of the cores obtained were sampled for analysis. A total of 2318 mineralized samples were collected for assay, 1121 samples from 23 of the 2010 cores, and 1197 samples from 15 of the 2011 cores. Three metallurgical holes (AM11-10, AM11-11 and AM11-12) were not assayed. In addition, 306 samples from historical holes were submitted to Actlabs for reanalysis. As part of its due diligence procedures, ADEX dispatched 252 pulp samples by bonded courier to SGS Canada Mineral Services Inc. ("SGS") in Toronto for assay verification of approximately every 10th sample that was sent to Actlabs. In addition, 39 pulp samples from hole LNZ-15 were

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

sent to SGS for re-assay. In 2010, several MPS-series cores were quartered and re-assayed at Actlabs for indium only, because Brunswick Tin Mines (BTM) did not assay for this element at the mine laboratory. As part of its quality control procedures, Actlabs included one or more of CANMET standards MP-1a, MP-1b and MP-2 in each batch of samples that ADEX submitted for assay during 2010 and 2011.

The sample preparation, security and analytical procedures used by ADEX conform to generally accepted practice of the Canadian mining industry and were deemed to be appropriate for the purposes of resource estimation by the independent QPs that authored the WGM NI 43-101 report. Mr. Paul Dunbar, P.Geo., made two site visits in 2008 related to the 2008 Fire Tower Zone drilling and Dr. Steven McCutcheon, P.Geo., made four visits to the Property in 2011, which pertain to the 2010 and 2011 drilling programs. Sampling intervals were selected by the QP after reviewing the assay data from both the 2010 and 2011 drilling programs. In total, 32 samples were taken. Comparison of the results from Actlabs and SGS for these 32 samples shows reasonable correlation (R^2) between the two analytical laboratories for zinc, arsenic, molybdenum and copper. However, R^2 -values for tin, bismuth, lead and indium are 0.90, 0.85, 0.85 and 0.77, respectively. The low R^2 -values most likely reflect the inhomogeneous distribution of the mineralization in the core, i.e. the quarter-sampled material was different from the split-sampled material. This is the most reasonable explanation, given the fact that there is good correlation between Actlabs and SGS for re-assays of samples during the entire 2011 drilling program.

Random checks of individual samples revealed that values in ADEX's GEMCOM database were identical to those in the Assay Certificates. In addition, historical data from C-series, DDH-series, E-series, LNZ-series, MPS-series, and U-series holes in the GEMCOM database of the North Zone were randomly checked to verify which "NS" values for Zn, WO_3 and MoS_2 should be replaced by numeric zero values. This was done by comparison of assay values in hardcopy assay sheets stored at the mine site with values in an Excel file extracted from the database. Necessary changes were made to the Excel file and then it was returned to ADEX for incorporation into the database.

Since the beginning of 2009 ADEX has conducted a series of sampling and testing programs on mineralized material from the North Zone and Fire Tower Zone conducted in metallurgical testing facilities in both Canada and PRC, as follows:

- Bulk sample collection of stockpiled Sn-Zn-In mineralized material from the 600 Adit dump;
- Indium-Zinc Hydromet Bench Scale Test to produce zinc metal and indium sponge from zinc concentrate;
- Flotation Bench Scale Tests to develop a process flowsheet to recover tin concentrate, zinc/indium concentrate and bulk sulphide concentrate;
- Locked Cycle Flotation Tests to define a process flowsheet for zinc, indium and tin recovery as concentrates;
- Pilot Plant Flotation Test consisting of grinding, desliming, zinc flotation, bulk sulphide flotation, desliming and tin flotation;
- Indium-Zinc Hydromet Pilot Test to develop a process to produce added value zinc metal and indium sponge from zinc/indium flotation concentrate;
- Locked Cycle Flotation Test in follow-up to the flotation test program in order to further optimize the flowsheet, reagent dosages, and recoveries of zinc-indium and tin concentrates; and
- Tin Pyrometallurgical Test to extract tin from a low-grade tin concentrate with elevated arsenic content
- Flotation Bench Scale Tests of a variety of types of mineralization obtained from different parts of the Fire Tower Zone to develop a process flow sheet to recover tungsten and molybdenum.

Resources on Fire Tower Zone and North Zone

SRK Consulting, under contract to WGM, prepared Mineral Resource estimates for the Mount Pleasant Fire Tower West Zone and Fire Tower North Zone. Mineralized zones were defined based on a cutoff grade of 0.3% WO_3 equivalent ("Eq"), with WO_3 Eq = % WO_3 + 1.5 x % MoS_2 . The WO_3 Eq cutoff was chosen as a result of the

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

close geological and spatial relationship between the two elements. The equivalency formula is based on a tungsten price of US\$100/MTU (US\$10.0/kg WO₃) and the relationship between W and Mo.

The boundaries of the mineralized body were interpreted manually on E-W orientated cross sections then digitized for resource estimation purposes. Three main W-Mo mineralized units are recognized in the project area: Fire Tower Breccia ("FT BX"), Granite I ("GR1") and Quartz Feldspar Porphyry ("QFP"). Mineralization boundaries were drawn halfway between drill holes, and if no holes existed, the boundaries were extended to a maximum of twenty metres away from the nearest hole. A minimum width of three metres was used for defining the zones.

Equal length composites of 3 m were generated from the raw drill hole intervals for the variography and grade interpolation. No high grade capping was used for either MoS₂ or WO₃. A specific gravity for tonnage estimation was set at 2.65 and was based on historic measurements however it was recommended that more density analyses be carried out in the future to support this number.

The Mineral Resource block grades were estimated with Ordinary Kriging ("OK") and checked with Inverse Distance Squared ("ID²") estimation. The block size in the model was 5m x 5m x 5m with the following search ellipses applied:

Fire Tower West

1. Indicated Search:
 - Spherical Search Ellipsoid – 35 m range
 - o Maximum number of composites used to estimate a block: 10
 - o Minimum number of composites used to estimate a block: 3
 - o Octant search strategy was used with minimum octants of 2 and maximum of 8 composites per octant.
2. Inferred Search:
 - Spherical Search Ellipsoid – 70 m range
 - o Maximum number of composites used to estimate a block: 15
 - o Minimum number of composites used to estimate a block: 2
 - o Octant search strategy was used with minimum octants of 2 and maximum of 8 composites per octant.

Fire Tower North

1. Indicated Search:
 - Spherical Search Ellipsoid – 30 m range
 - o Maximum number of composites used to estimate a block: 10
 - o Minimum number of composites used to estimate a block: 3
 - o Octant search strategy was used with minimum octants of 2 and maximum of 8 composites per octant.
2. Inferred Search:
 - Spherical Search Ellipsoid – 70 m range
 - o Maximum number of composites used to estimate a block: 15
 - o Minimum number of composites used to estimate a block: 2
 - o Octant search strategy was used with minimum octants of 2 and maximum of 8 composites per octant.

The Fire Tower Zone Mineral Resource estimate has been classified as Indicated and Inferred and a summary of the resource estimate is presented in Table 1. The mined out stope areas have been excluded from the resources.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

TABLE 1
2008 MINERAL RESOURCES - FIRE TOWER ZONE, MOUNT PLEASANT PROPERTY

Area	Tonnes	%WO ₃	%MoS ₂	%As	%Bi
Fire Tower West	9,148,900	0.32	0.21	0.29	0.04
Fire Tower North	4,340,100	0.35	0.2	1.15	0.09
Total Indicated	13,489,000	0.33	0.21	0.57	0.06

* Mineral Resources are not mineral reserves and do not have demonstrated economic viability.

All figures have been rounded to reflect the relative accuracy of the estimates.

Reported at a cutoff of 0.3% WO₃ Eq grade. WO₃ Eq (equivalent) = %WO₃ + 1.5 x %MoS₂.

The Mineral Resource estimates for the North Zone were prepared by Reddick Consulting Inc., under contract to WGM. The North Zone resources occur in an area of variable mineralization which has the potential for economic extraction of several elements. The elements reported for the 2012 estimate include Sn, Zn and In. The North Zone was divided into two domains; the Endogranite Zone (100 Domain) and the 200 Domain. Each domain was characterized by common elemental ratios. Values for other elements (As, Bi, Ca, Cu, Fe, MoS₂, Pb and WO₃) were tabulated as they have potential implications for metallurgical purposes, but those elements are not considered as part of the current NI 43-101 Mineral Resource estimate and they do not contribute to any of the economic parameters used for the estimate.

The following top cuts were applied for the purpose of grade interpolation.

Metal and Domain	Sn% 100 Domain	Sn% 200 Domain	Zn% 100 Domain	Zn% 200 Domain	In% 100 Domain	In% 200 Domain
Top Cut	4%	3%	5%	8%	0.05%	0.06%
Difference in Length-Weighted Metal Due to Top Cut	-3.8%	-6.2%	-7.2%	-11.8%	-6.3%	-11.9%

The difference in contained metal between the uncut and cut grades for the resource estimates ranges from about 4% to 12% depending on the metal and the domain. Tin is the metal that has the largest economic contribution to the resource. A bulk density factor of 2.70 was used for tonnage estimates and it was recommended that additional density measurements be collected.

The elements used for grade interpolation were composited to 3 m equal lengths and the assays were cut before compositing. The grade of any unassayed sample intervals was assumed to be zero which had almost no effect on the Sn and Zn composites, but it has a significant effect on the In composites, since many of the sample intervals do not have In assays. Previous resource estimates for the Mount Pleasant Project have in-filled the missing Indium assays by predicting the Indium grade from the grades of other metals, principally relying on Zinc. The use of zeros where Indium is not assayed is conservative, but limits the risk of incorrectly predicting high Indium grades where no direct assays of Indium support this.

Sn, Zn and In grades were estimated by an ID² method and a minimum of six composites were needed within the search ellipsoid for a block in order for that block to be included in Indicated Mineral Resources. A block needed to have composites present within the search range in at least two different octants to be classified as Indicated to limit the impact due to clustering of sample data and composites had to be available from a minimum of two drill holes in order for a block to be classified as Indicated. If a block did not have enough

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

composites within the search radius to be classified as Indicated a second interpolation was made to estimate Inferred Mineral Resources. The following summarizes the parameters used for grade interpolation and categorization for Domains 100 and 200.

The following estimation search parameters were used for the estimation of Indicated Resources in the 100 Domain and in the 200 Domain:

Minimum # of composites:	6
Maximum # of composites:	16
Minimum # of holes:	2
Minimum # of octants with data:	2

Both domains also used the same orientation for the axes of the variogram model and for the search ellipsoid. The search was isotropic in the horizontal plane.

Direction 1:	North-South, horizontal
Direction 2:	East-West, horizontal
Direction 3:	Vertical, no inclination from horizontal

The only differences in the estimation parameters used for the 100 Domain and those used for the 200 Domain are the size of the search ellipsoid.

A second grade interpolation pass was done to identify estimated parameters for Inferred Resources common for both domains. The search parameters were modified using the same parameters for domains, search range, orientation and composites as for the Indicated Resources. An ID2 estimation method was used with the same search parameters as for Indicated except that a minimum of only two composites and a maximum of 16 composites were used which could come from as few as one drill hole. The closest composites were used. Only blocks that had not had a grade value assigned during the pass for the Indicated Resources, as determined by a flag, were estimated in this pass.

The search ellipse used in the 100 Domain uses the directions given above for the search ellipsoid, with the following parameters:

Range in 1 st direction:	35 m
Range in 2 nd direction:	35 m
Range in 3 rd direction:	20 m

The search ellipse used in the 200 Domain uses the directions given above for the search ellipsoid, with the following parameters:

Range in 1 st direction:	30 m
Range in 2 nd direction:	30 m
Range in 3 rd direction:	20 m

A dollar equivalent value, designated as the Gross Metal Value ("GMV"), was calculated for each mineralized block by performing a simple manipulation of the block model grade parameters based on prices as listed below and as determined by the following formula:

$$\text{GMV} = \text{Sn}(\%) \times 183.72 + \text{Zn}(\%) \times 20.00 + \text{In}(\%) \times 6,000.00$$

The GMV values of 183.72 for Sn, 20.00 for Zn and 6,000.00 for In represent the USD value per tonne for those metals assuming the 3-year average of US \$18.37 per kg of Sn, US \$2.00 per kg of Zn and US \$600.00 per kg of In (the imperial equivalents of these are US \$8.33 per pound for Sn and US \$0.91 per pound for Zn).

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

Recoveries are assumed to be 100%. Using these values, the relative contribution for the individual metals for the resources reported is as follows:

- For the Indicated Resources, approximately 56% of the GMV value is derived from Sn, 14% from Zn and 30% from In; and
- For the Inferred Resources, approximately 46% of the GMV value is derived from Sn, 18% from Zn and 36% from In.

The minimum cutoff grade and block size used (5m x 5m x 5m) for the estimate were applied with the assumption that a resource with potential bulk mineable characteristics has been appropriately estimated using these parameters. The results were checked by an outside consultant using ID² interpolation and were also validated by using both OK and nearest neighbour interpolation methods. The Mineral Resource estimates for the North Zone are classified as Indicated and Inferred and are summarized in Table 2.

TABLE 2
2012 MINERAL RESOURCES - NORTH ZONE, MOUNT PLEASANT PROPERTY

Mineral Resource Class	Tonnage (Millions of tonnes)	Cut Sn Grade (%)	Cut Zn Grade (%)	Cut In Grade (ppm)
Indicated	12.4	0.38	0.86	63.5
Inferred	2.8	0.30	1.13	69.8

1. Resources were estimated using composites within a Block Model with block dimensions of 5x5x5 m and using an inverse distance squared grade interpolation method. Top cuts were applied to Sn, Zn and In assays before compositing. A cutoff of US\$75 Gross Metal Value ("GMV") was applied and a recovery of 100% is assumed;
2. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues; and
3. The quantity and grade of reported inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

During the fourth quarter of 2009 the Company successfully completed bench scale testing for the production of high purity zinc metal and indium sponge. The bench scale process development work completed in 2009 indicated that this unique hydrometallurgical process technology is capable of producing indium assaying approximately 87.5% purity.

During 2010 and early 2011 the Company completed a mini-pilot program to advance the development of its hydromet process. The pilot test program produced indium sponge with grades from 90.2% to 96.9% In, and zinc metal grading 99.8% to 99.9% Zn. Feed for this successful mini-pilot run originated from zinc/indium concentrate from previous test work on the NZ. The hydromet process, developed for Adex by Thibault & Associates Inc. of Fredericton involves leaching a base metal sulphide concentrate containing approximately 4,500 ppm indium and recovering the indium and zinc through a series of solvent extraction and solution purification processes.

During April 2010, tin-indium-zinc sample material was sent for bench scale metallurgical testing in Hunan, PRC which was reported in December that year. In addition, Adex engaged SGS Lakefield to perform bench scale, locked cycle testing and pilot plant testing to produce tin concentrate and zinc-indium concentrates. The zinc-indium concentrate could potentially feed the hydromet process. The test program has completed extensive bench testing and a pilot plant run of approximately 60 tonnes of mineralized NZ material over a 120-hour period, and the results were reported by the Company on March 7, 2011. A zinc/indium concentrate grading 48.2% zinc and assaying 5,310 parts per million ("PPM") indium with 95.6% zinc and 91.7% indium recovery was produced in locked cycle test work ("LCT") completed in February and March 2011. From April 2010 to January 2012 a series of bulk and core sample materials, representing different mineralization types obtained from the Fire Tower Zone, were sent for metallurgical testing in Hunan, PRC for which some results have been reported while others remain pending.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

In 2010 and 2011, the Company completed two diamond drill programs with the aims of upgrading the NZ NI 43-101 compliant "inferred" resources to "indicated" category, and to further delineate the tin, indium, zinc, tungsten and molybdenum resources in the North Zone, obtain mineralized material for metallurgical testing and conduct exploration drilling in the Saddle Zone and east and south margins of the North Zone. The drilling program accomplished these goals and identified new encouraging mineralized intersections including 4 metres grading 4.67% Sn, 14.5% Zn, 984 g/t In in Hole AM10-10, and 75 metres grading 0.19% WO₃, 0.33% MoS₂, 0.21% Bi in Hole AM11-14 both collared at the eastern side of the North Zone, and 57 metres grading 0.29% WO₃, 0.20% MoS₂, 0.17% Bi in Hole AM11-17A in the southern part of the Saddle Zone. The programs also obtained roof pillar geotechnical information for the North Zone. In summary, 3,734 metres of drilling was completed in 26 holes during 2010 plus another 7,007 metres of drilling was completed in 18 holes during 2011 for a total of 10,741 metres. The drilling results were incorporated into the 43-101 North Zone Mineral Resource estimate completed in 2012.

During the first quarter of 2010, the Company completed a Tailings Leachability and Wastewater Treatability Study involving a concept for the treatment of future tailings and wastewater from both metallurgical and hydrometallurgical processes. The study defines a water and tailings management concept for the NZ based on sub-aerial disposal of tailings, multi-stage wastewater treatment and reclaim of water from the tailings polishing pond. Results of the test program indicate that the overall management concept is technically viable.

On August 8, 2013, a letter was received from the Corporate Finance branch of the Ontario Securities Commission stating the company had been selected for an issue oriented review of its continuous disclosure record. It was noted from the review of the technical reports on the Mount Pleasant property in New Brunswick (April 13, 2012 on the North Zone; September 24, 2012 on the Fire Tower Zone) that these are separate technical reports on the same mineral property. It was regarded that this as a single property should be covered by a single, complete, current technical report.

On August 27, 2013, a response letter was sent to the Ontario Securities Commission stating that the company recognizes that it may be more appropriate, based upon current conditions, that it may be possible to develop the deposits using a single facility with metallurgical processes, albeit complex ones, to maximize the recovery of the metals from each of the zone.

The company filed on SEDAR an updated single technical report prepared for the Mount Pleasant property dated October 11, 2013 which report is titled. Amended Technical Report on the Mount Pleasant property including Mineral Resource Estimates, Southwestern, New Brunswick for Adex Mining prepared by Steven McCutcheon, Ph.D., P.Geo., McCutcheon Geo-Consulting; John Reddick, M.Sc., P.Geo., Reddick Consulting Inc.; Tim McKeen, P.Eng., Thibault & Associates Inc.; Stephanie Scott, P.Eng., Thibault & Associates Inc.; Dorota El-Rassi, P.Eng., SRK Consulting; and Michael Kociumbas, P.Geo., Watts, Griffis and McOuat Limited.

The Company has also issued a news release respecting the Report on October 24, 2013.

A prefeasibility study (PFS) on the mining of both the Fire Tower Zone and North Zone together is currently on hold pending further improvement of market conditions and metal prices.

Pending Environmental Protocols

The Company has environmental obligations to provide for the retirement of its mining assets to return all sites to their approximate initial state and to ensure that there is no significant source of environmental contamination or danger to human beings, wildlife and fish species.

In 2024, the Company engaged with a professional engineering firm to complete a Reclamation Plan, which the Company submitted to the environmental department of New Brunswick. Based on the reclamation plan and regulatory requirements, the Company was able to, for the first time, quantify the amount of the asset retirement

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

obligation and recognized the obligation on the consolidated statements of financial position as at December 31, 2024.

Although the ultimate amount of the future ARO is uncertain, the fair value of the obligation was based on information currently available, including disturbances made to date, closure plans and applicable regulations. The amounts and time of the closure plans will vary depending on a number of factors including alternative mine plans.

As at December 31, 2024, the Company estimated the asset retirement obligation to be \$23,974,885 (2023 – Nil). The Company reviewed the impairment indicators as outlined in IFRS 6 and determined that there were indicators of impairment of the Mount Pleasant Mine project, consistent to the assessment back in 2016. Therefore, the asset retirement obligation was recognized immediately in the consolidated statement of loss and comprehensive loss as the Company's mineral property is under care and maintenance, and capitalized exploration and evaluation expenditures were fully impaired in prior years.

Key assumptions include total undiscounted pre-inflation estimated capital and short-term monitoring cost of \$15,034,160 and long-term water treatment cost of \$725,034 annually and long-term closure monitoring cost of \$82,550 annually, average long term inflation rate of 2.2%, and a discount rate of 3.33%. The Company has estimated that short-term monitoring cost will be incurred at the closure of the mining assets in 20 years, long-term water treatment cost will be incurred annually for 20 years after the closure of the mining assets, and long-term closure monitoring cost will be incurred annually for 20 years and every 10 years for 20 - 100 years after the closure of the mining assets. The estimated undiscounted cash flow of the future obligation is \$46,162,055.

The Company's Mount Pleasant property is governed by an Approval to Operate, which was originally granted by the New Brunswick Ministry of Environment ("the Department") in November 2007 and was valid until September 2012. The approval to operate was renewed as of October 1, 2012, updated on July 16, 2014 and was valid until September 30, 2017. The approval to operate was renewed as of October 1, 2017 and is valid until September 30, 2022, renewed on September 30, 2022 and is valid until September 30, 2027. Under the terms of the Approval to Operate, the Company has been granted permission by the Ministry of Environment to operate the Property, Tailings Impoundment Facility and Mine Water Treatment Plant on a "Care and Maintenance" basis. Under the Approval to Operate, the Company is also permitted to carry out exploration activities and metallurgical test work on its Mount Pleasant property.

The Company is required under the Approval to Operate to monitor the water quality at its Tailings Impoundment Facility on a monthly basis, and to provide the Ministry of Environment with monthly water quality monitoring reports and the results of water sampling and testing, and in perpetuity, to treat the water run-off. As the Company's activities currently do not affect the nature and amount of this run-off, and as the Property remains in care and maintenance rather than closure, the Company treats these costs as period expenses and has made no provision for this on-going activity. In addition to these monthly, and certain annual monitoring and reporting requirements, the Company is required by the prior Approve to Operate valid until September 30, 2022 to:

- Construct a new sludge disposal cell any time before the Company resumes operation at the Mine site.
 - Submit a preliminary results report for an Environmental Effect Monitoring (EEM) study for the watershed to the relevant authorities by December 31, 2021 and submit the final EEM study report by April 30, 2022.
- During the year ended December 31, 2020, the Company submitted an EEM study design plan, which was approved by the relevant authorities. During the year ended December 31, 2019, the Company submitted to the relevant authorities a report detailing the potential impacts to the environment of the exposed tailings contained in the tailings impoundment area. The impact study was carried out and the work was completed for both air and water studies and was submitted to the Government of New Brunswick for approval.

The EEM study was conducted in 2021 and the final EEM report was submitted to the Government of New Brunswick on April 28, 2022.

Under the renewed Approve to Operate valid until September 30, 2027, The Company is required to monitor the water quality at its Tailings Impoundment Facility on a monthly basis, and to provide the Ministry of Environment

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

with monthly water quality monitoring reports and the results of water sampling and testing, and in perpetuity, to treat the water run-off. In addition, the Company shall:

- Inspect the Hatch Brook Diversion Channel and shall inspect Hatch Brook 100 meters below the Channel once per week for blockage, or more frequently if blockages are regularly observed, and shall remove the blockage and restore normal flow in the channel as soon as possible after discovering the blockage. If the diversion channel blockage is due to beaver dams, the Company shall follow the procedures provided by the Department;
- On a biennial basis, the Company shall ensure that an engineering safety inspection of the dam is carried out by an individual who is a member of the Association of Professional Engineers and Geoscientists of New Brunswick or who is licensed to practice as a professional engineer in New Brunswick pursuant to the Engineering and Geoscience Professions Act. The Company shall also ensure that basic monitoring and inspections of the dams are performed on a regular basis. If any abnormal changes are noticed during basic monitoring and inspections, a geotechnical engineer shall be consulted to ensure the integrity of the dam is not compromised. A final report on the dam safety inspection shall be submitted to the Department for review no later than March 31, 2025. Because the winter weather condition did not allow the inspection work, the government of New Brunswick has approved the extension of the due date to summer 2025
- Prior to December 1, 2026, the Company shall ensure that a Dam Safety Review is carried out on all barriers that were constructed to retain water at the Facility. The Dam Safety Review shall be prepared and approved by an engineer who is a member of the Association of Professional Engineers and Geoscientists of New Brunswick or who is licensed to practice engineering under the Engineering and Geoscience Professions Act. The Dam Safety Review shall follow the format of the 2013 Canadian Dam Association - Dam Safety Guidelines. A final report must be submitted to the Department by March 31, 2027 and it shall include a proposal, including a timeline, for review and approval by the Department, for addressing any action items that are identified during the Dam Safety Review.
- Prior to Dec. 31, 2023, the Company shall prepare and submit a Mining Reclamation Plan, including costs for reclamation, mine water treatment and monitoring to the Department for review and approval. However, the Department approved the Company's request to extend the deadline to May 10, 2024. The Company submitted the Plan to the Department on May 10, 2024.
- By December 1, 2025, the Company shall submit to the Department for review and approval a proposal for an Environmental Effects Monitoring study in the Hatch Brook Watershed.

The Company is working on the above projects and will meet the Department's requirements.

When the Company's Mount Pleasant property is no longer in the exploration and evaluation phase, a provision for water quality monitoring costs will be calculated and recognized. Failure to meet or to agree with the relevant authorities on extensions to the deadlines for these activities could result in consequences to the Company's Approval to Operate.

The Company previously held reclamation bonds, which consisted of Province of New Brunswick. The bonds were pledged as security under environmental regulations with the Province of New Brunswick to ensure adequate funding is available for perpetuity to treat the acid water run-off from the abandoned Mount Pleasant mine workings. The bonds were held for the benefit of the Company, and interest was paid bi-annually into a cash-on-deposit account, and was disbursed at the discretion of the Ministry of Finance of the Province of New Brunswick. Since the maturity date of the bonds (June 28, 2013), the funds have been held on account with the Province of New Brunswick and will be redeployed as per the requirements of the Department of Environment. As at December 31, 2024, \$1,187,875 was held in a cash-on-deposit account of the Province of New Brunswick (\$1,136,052 - at December 31, 2023).

The Company may face a review of its posted security by the Ministry of Environment when the Company

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

advances to feasibility studies on its mineral deposits or commences the dewatering of the past-producing underground tungsten mine located on the Mount Pleasant property. Dewatering activities may also trigger a provincial Environmental Impact Assessment ("EIA") and may require the Company to upgrade its current Mine Water Treatment Plant. Under the previous Approval to Operate, the Company was required to register a project under the EIA Regulation for the dewatering/reopening of the mine or for the construction of a new or upgraded mine water treatment plant by July 31, 2015, later extended to March 31, 2016. On April 4, 2016, the Company was able to obtain a further extension of 60 days subject to continuing consultations with the provincial Ministry of Environment relating to the submission of the EIA. The current EIA has expired; however, as the Company has put the Property on a care and maintenance basis, the Company is not pursuing the EIA registration. The Company continues providing monthly water quality monitoring reports and continues to monitor the developments in order to ascertain any changes that may be required with respect to the existing security, or any obligations that may arise under an EIA.

Financing Transaction

On October 19, 2010 the Company completed a private placement (the "Private Placement") transaction with Great Harvest Canadian Investment Company Limited ("Great Harvest") of 40,000,000 units (the "Units") at a price of \$0.12 per unit, with each Unit consisting of one common share of Adex and one common share purchase warrant (a "Series A Warrant"), raising gross proceeds of \$4.8 million. Each Series A Warrant entitled the holder thereof to acquire one common share at a price of \$0.18 at any time prior to the earlier of (i) October 19, 2011, and (ii) the 30th day following the delivery of a DFS on either or both of the North Zone or the Fire Tower Zone of the Property.

Other transactions contemplated in the Private Placement agreement with Great Harvest include requiring Great Harvest, subject to (i) the results of the DFS being satisfactory to Great Harvest and (ii) the then capital requirements of the Company as determined at the relevant time by the board of directors of the Company, to provide or arrange for the provision to the Company of loan facilities (the "Facilities") in an aggregate amount of up to \$50,000,000 to be used for the commercial development of the Property, on such terms and conditions as may be agreed upon between the Company and the relevant financier(s). If an aggregate minimum of \$10 million of the Facilities are made available to be drawn down by the Company within 180 days of the delivery to Great Harvest of the report of the results of the Feasibility Study, Great Harvest will have the right (the "Share Purchase Right") to purchase, within 40 days of the Facilities being available to be drawn down by the Company, 1.2 common shares for each dollar of the facilities made available to be drawn down by the Company within one year of the completion of the Feasibility Study. The exercise price per common share pursuant to the Share Purchase Right will be equal to the volume weighted average trading price of the common shares on the TSX Venture Exchange (the "TSXV") for the five trading days ending the day immediately prior to the Facilities being available to be drawn down by the Company less the maximum discount therefrom permitted by the TSXV. The maximum number of common shares issuable pursuant to the Share Purchase Right is 60,000,000. The issuance of common shares pursuant to the exercise of the Share Purchase Right will be subject to further approval of the TSXV to be obtained following the Share Purchase Right becoming exercisable.

In connection with the above Private Placement, the agent to the transaction, was (i) paid a cash finder's fee of seven percent of the gross proceeds, (ii) issued by the Company as an additional finder's fee 2,800,000 Series A Warrants (seven percent of the Series A Warrants comprising part of the Private Placement), and (iii) issued by the Company as an additional finder's fee 2,800,000 common share purchase warrants ("Series B Warrants") (seven percent of the number of Series A Warrants comprising part of the Private Placement). Each Series B Warrant entitled the holder to acquire one common share at an exercise price of \$0.20 per common share until October 19, 2011, provided that (i) the Series B Warrants only became exercisable when Series A Warrants were actually exercised, and (ii) the Series B Warrants were only exercisable at any time to the extent of the number of Series B Warrants as was equal to 7% of the number of Series A Warrants comprising part of the Units which have been exercised at such time. These warrants expired unexercised on October 19, 2011. In addition, the agent is entitled (i) to be paid by the Company a retainer of \$144,000 payable in 12 equal monthly installments of \$12,000, the first of which was paid on the closing of the Private Placement, (ii) to be paid an additional cash finder's fee equal to 7% of the gross proceeds realized by the Company on the exercise, if any,

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

of the Series A Warrants comprising part of the Units issued pursuant to the Private Placement (a maximum of \$504,000), and (iii) to be paid by the Company an additional cash finder's fee equal to 1.5% of the principal amount of each loan made available by Great Harvest or a third party financier arranged for by Great Harvest to be drawn down by the Company, to a maximum of \$750,000.

Assuming the completion of all of the transactions contemplated by the Agreement, the total capital provided to Adex as a result of such transactions is expected to be in excess of \$65 million (dependent on the trading price of the Common Shares at the time of the exercise of the Share Purchase Right). With this capital, the Company will be well positioned to advance the commercial development of the Property, which includes two potentially economic mineral deposits, FTZ and the NZ.

On May 17, 2011, 40,000,000 Series A Warrants were exercised at an exercise price of \$0.18 per common share, providing gross proceeds of \$7,200,000.

On February 11, 2015, the Company successfully completed its \$5,000,000 offering of rights to acquire common shares of the Company in each of the Provinces of British Columbia, Alberta, Ontario, Nova Scotia and New Brunswick. As a result of the exercise of the Rights and subscriptions for Common Shares, the Company has issued 500,000,000 new Common Shares at a price of \$0.01 per common share to raise aggregate gross proceeds of \$5,000,000 and Great Harvest controls approximately 81.88% of the issued and outstanding common shares of the Company.

From July 8, 2016 to October 25, 2023, Great Harvest Canadian Investment Company Limited ("Great Harvest"), the controlling shareholder of the Company and the Company entered six loan agreements whereby Great Harvest agreed to provide the Company loans to support the operations (the "Great Harvest Loans"). These loans are unsecured and bear interest at the rate of 8% per annum. Detailed loans, pay-downs and maturity dates are as the following tables:

Loan Agreement Date	Loan Amount (US\$)	Date of Draw Down	Draw Down amount (US\$)	Extended Maturity date
July 14, 2016	\$ 1,000,000			January 1, 2027
		July 29, 2016	\$ 200,000	
		October 11, 2016	\$ 200,000	
		February 23, 2017	\$ 200,000	
		May 17, 2017	\$ 150,000	
		September 4, 2017	\$ 100,000	
		November 13, 2017	\$ 150,000	
Total	\$ 1,000,000		\$ 1,000,000	

Loan Agreement Date	Loan Amount (US\$)	Date of Draw down	Draw Down amount (US\$)	Extended Maturity date
January 18, 2018	\$ 600,000			January 1, 2027
		January 26, 2018	\$ 150,000	
		March 28, 2018	\$ 150,000	
		May 30, 2018	\$ 100,000	
		August 16, 2018	\$ 100,000	
		December 3, 2018	\$ 100,000	
Total	\$ 600,000		\$ 600,000	

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

Loan Agreement Date	Loan Amount (US\$)	Date of Draw down	Draw Down amount (US\$)	Extended Maturity date
March 4, 2019	\$ 600,000			January 1, 2027
		March 12, 2019	\$ 150,000	
		May 21, 2019	\$ 100,000	
		August 28, 2019	\$ 50,000	
		November 21, 2019	\$ 50,000	
		December 10, 2019	\$ 50,000	
		January 10, 2020	\$ 50,000	
		February 27, 2020	\$ 50,000	
		April 1, 2020	\$ 50,000	
		April 23, 2020	\$ 50,000	
Total	\$ 600,000		\$ 600,000	

Loan Agreement Date	Loan Amount (US\$)	Date of Draw down	Draw Down amount (US\$)	Extended Maturity date
April 27, 2020	\$ 600,000			January 1, 2027
		July 10, 2020	\$ 75,000	
		October 28, 2020	\$ 50,000	
		December 4, 2020	\$ 50,000	
		February 10, 2021	\$ 50,000	
		March 4, 2021	\$ 75,000	
		April 23, 2021	\$ 75,000	
		July 26, 2021	\$ 125,000	
		September 24, 2021	\$ 100,000	
Total	\$ 600,000		\$ 600,000	

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

Loan Agreement Date	Loan Amount (US\$)	Date of Draw down	Draw Down amount (US\$)	Extended Maturity date
September 30, 2021	\$ 1,000,000			January 1, 2027
		October 29, 2021	\$ 45,000	
		December 9, 2021	\$ 90,000	
		February 9, 2022	\$ 90,000	
		April 13, 2022	\$ 20,000	
		April 27, 2022	\$ 50,000	
		June 10, 2022	\$ 80,000	
		July 28, 2022	\$ 50,000	
		September 9, 2022	\$ 20,000	
		October 19, 2022	\$ 50,000	
		November 18, 2022	\$ 50,000	
		January 19, 2023	\$ 40,000	
		February 9, 2023	\$ 60,000	
		March 3, 2023	\$ 60,000	
		April 27, 2023	\$ 35,000	
		May 24, 2023	\$ 50,000	
		June 27, 2023	\$ 108,000	
		August 24, 2023	\$ 16,000	
		September 28, 2023	\$ 60,000	
		October 27, 2023	\$ 26,000	
Total	\$ 1,000,000		\$ 1,000,000	

Loan Agreement Date	Loan Amount (US\$)	Date of Draw down	Draw Down amount (US\$)	Maturity date
October 25, 2023	\$ 1,000,000			January 1, 2027
		October 27, 2023	\$ 4,000	
		December 8, 2023	\$ 30,000	
		December 20, 2023	\$ 45,000	
		January 9, 2024	\$ 45,000	
		January 17, 2024	\$ 46,000	
		January 29, 2024	\$ 40,000	
		March 6, 2024	\$ 50,000	
		March 28, 2024	\$ 53,300	
		April 19, 2024	\$ 50,000	
		May 28, 2024	\$ 28,800	
		June 27, 2024	\$ 20,600	
		July 18, 2024	\$ 80,000	
		August 12, 2024	\$ 34,200	
		September 27, 2024	\$ 26,900	
		October 24, 2024	\$ 69,500	
		November 29, 2024	\$ 30,300	
		December 27, 2024	\$ 22,400	
Total	\$ 1,000,000		\$ 676,000	

As at December 31, 2024, the Company had accrued \$2,318,250 (2023 - \$1,676,938) for interest on the outstanding loans.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

OUTLOOK

The Company had contracted with consulting and engineering companies to provide services and studies to complete its prefeasibility study (PFS) and environmental permitting approval (EIA) for both the North Zone and the Fire Tower Zone.

The PFS has a target daily mining capacity of 2,900 tonnes per day and a mine life of not less than ten years. Management currently is reviewing the work that has been completed to date on the PFS and a proposed timetable for the completion of the PFS. Discussions between selected China based smelting companies and the Company regarding the processing of the tungsten, molybdenum, tin and zinc-indium concentrates which might be produced at Mt. Pleasant have been completed. The purpose of these discussions was to provide payables or contract processing rates for the above metals to the PFS contractors to be inputted into the PFS. The budgetary quotation for the mechanical equipment specifications was also completed by the proposed vendor.

The completion of the PFS is delayed pending further improvement of market conditions and metal prices. However, the Company continues to conduct the normal required mine-site and tailings infrastructure maintenance activities including general site maintenance and security, monthly quality monitoring of water discharges, annual tailings pond dam inspection and maintenance, annual fish toxicity assessment of pond discharge waters and partial draining and cleaning of the sludge pond.

SELECTED ANNUAL INFORMATION

	2024	2023	2022
	\$	\$	\$
Net loss	25,799,699	767,686	1,279,508
Basic and diluted loss per share	-	-	-
Total assets	1,934,029	1,846,300	1,777,678
Current liabilities	72,380	111,301	312,826
Non-Current liabilities	32,813,652	6,887,303	6,162,296

ADMINISTRATIVE AND GENERAL EXPENSES

The variances in administrative and general expenses for the year ended December 31, 2024 as compared to the year ended December 31, 2023 are generally reflective of a normalization of the director's fees, office and general expenses, professional, consulting and regulatory fees. The Company plans to keep the significant cost cutting mechanisms in place until the Company is successful with its financing.

The following table illustrates spending activity related to administrative and general expenses for the years ended December 31, 2024 and 2023:

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

	For the year ended December 31	
	2024	2023
	\$	\$
Directors fees	56,839	3,415
Insurance	33,308	32,702
Office rent	3,627	3,348
Office costs	15,355	35,152
Professional fees	88,163	68,496
Regulatory, filing fees and meeting	26,757	12,580
Shareholder communications & promotion	8,840	2,555
Wages, benefits and consulting	55,680	45,600
	288,569	203,848

RESULTS OF OPERATIONS

The Company's net loss for the year ended December 31, 2024 was \$25,799,699 or \$0.038 per share (2023 - loss of \$767,686 or \$0.001 per share). The principal components of net loss during the year ended December 31, 2024 were mineral property impairment of \$23,974,885 (2023 - \$Nil), administrative and general expenses of \$288,569 (2023 - \$203,848), mineral property expenses of \$443,527 (2023 - \$367,723), finance cost of \$474,137 (2023 - \$411,826), unrealized foreign exchange loss of \$679,611 (2023 - gain of \$159,725) related to the outstanding loans.

Interest earned on funds on deposit for the year ended December 31, 2024 was \$57,288 (2023 - \$55,986) and is comprised of interest earned on the Company's bank balance and on the funds held by the Province of New Brunswick.

For the year ended December 31, 2024, cash used in operations by the Company was \$630,883 (2023 - \$660,077).

MINERAL PROPERTY EXPENDITURES

Mineral property expenses have not changed in their general nature between the years ended December 31, 2024 and 2023, however, the total expenses incurred are subject to variance due to the timing and seasonal effects of required repair and maintenance events.

Expenses incurred during this year are primarily related to care and maintenance activities required ensuring environmental compliance, safety and security at the Property.

As at December 31, 2016, the Company reviewed the impairment indicators as outlined in IFRS 6 and determined that there were indicators of impairment of the Mount Pleasant Mine project. The Company, therefore, made the decision to record a provision for an impairment loss in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2016. There were no factors that arose in 2024 to indicate a reversal of impairment loss that has been previously recognized.

The Company will continue to monitor the situation and should circumstances indicate that the fair value of the project is greater than its carrying value the Company will reverse the impairment loss, in whole or in part, and will recognize the reversal in the consolidated statement of loss and comprehensive loss.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

The Company determined that Tailings Impoundment Facility upgrade as a separate asset should be amortized over the estimated useful life of 20 years.

The following table illustrates spending activity related to the capitalized costs and period expenses for the Company's Mt. Pleasant mine site for the years ended December 31, 2024 and 2023:

	2024	2023
Depreciation- Tailings Impoundment Facility	39,432	39,432
Environmental compliance	176,537	92,600
Maintenance	57,269	62,534
Other general	11,069	11,264
Property taxes	19,220	19,403
Travel, meals & entertainment	4,065	13,194
Utilities	65,255	64,465
Wages	75,930	114,831
Depreciation - equipment	5,750	-
Rental income	(11,000)	(50,000)
Mineral property expenses	443,527	367,723

ASSET RETIREMENT OBLIGATION ("ARO")

The Company has environmental obligations to provide for the retirement of its mining assets to return all sites to their approximate initial state and to ensure that there is no significant source of environmental contamination or danger to human beings, wildlife and fish species.

In 2024, the Company engaged with a professional engineering firm to complete a Reclamation Plan, which the Company submitted to the Environmental Department of New Brunswick. Based on the Reclamation Plan and regulatory requirements, the Company was able to, for the first time, quantify the amount of the asset retirement obligation and recognized the obligation on the consolidated statements of financial position as at December 31, 2024.

Although the ultimate amount of the future ARO is uncertain, the fair value of the obligation was based on information currently available, including disturbances made to date, closure plans and applicable regulations. The amounts and time of the closure plans will vary depending on a number of factors including alternative mine plans.

As at December 31, 2024, the Company estimated the asset retirement obligation to be \$23,974,885 (2023 – Nil). The Company reviewed the impairment indicators as outlined in IFRS 6 and determined that there were indicators of impairment of the Mount Pleasant Mine project, consistent to the assessment back in 2016. Therefore, the asset retirement obligation was recognized immediately in the consolidated statement of loss and comprehensive loss as the Company's mineral property is under care and maintenance, and capitalized exploration and evaluation expenditures were fully impaired in prior years.

Key assumptions include total undiscounted pre-inflation estimated capital and short-term monitoring cost of \$15,034,160 and long-term water treatment cost of \$725,034 annually and long-term closure monitoring cost of \$82,550 annually, average long term inflation rate of 2.2%, and a discount rate of 3.33%. The Company has estimated that short-term monitoring cost will be incurred at the closure of the mining assets in 20 years, long-term water treatment cost will be incurred annually for 20 years after the closure of the mining assets, and long-term closure monitoring cost will be incurred annually for 20 years and every 10 years for 20 - 100 years after the closure of the mining assets. The estimated undiscounted cash flow of the future obligation is \$46,162,055.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

Sensitivity analysis: If certain variables were changed, the balance of the asset retirement obligation as at December 31, 2024 would change as follows:

Variable changed	Result – low		Result – high	
Closure of the mine – 5 years decrease and increase	\$	22,689,378	\$	25,333,226
Discount rate – 5% decrease and increase	\$	23,215,170	\$	24,760,749
Inflation rate – 5% decrease and increase	\$	23,944,707	\$	24,005,687

SUMMARY OF QUARTERLY RESULTS

A summary of the eight most recent quarters is as follows:

	December 31 2024 \$	September 30 2024 \$	June 30 2024 \$	March 31 2024 \$
Net (income) / loss for the period	24,747,945	161,655	363,142	526,957
Net (income) / loss per share (basic and diluted)	0.04	0.00	0.00	0.00

	December 31 2023 \$	September 30 2023 \$	June 30 2023 \$	March 31 2023 \$
Net (income) / loss for the period	8,758	391,383	96,084	271,461
Net (income) / loss per share (basic and diluted)	0.00	0.00	0.00	0.00

The Company does not consider the effects of seasonality to be significant. The primary drivers for large variations in quarterly results are:

- The net (income) / loss for the each of the previous eight quarters reflect mineral property impairment, administrative and finance expenses as well as care and maintenance costs related to the Property.

SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preference shares. As at December 31, 2024 and 2023, the Company had 677,211,441 common shares, of no par value, issued and outstanding.

Stock options

On April 26, 2007, the shareholders approved a rolling stock option plan (the "Stock Option Plan") for the Company. The Stock Option Plan has been re-approved annually.

The Stock Option Plan allows the Company to issue options to a maximum of 10% of the issued and outstanding common shares of the Company. Options will be exercisable over periods of up to ten years as determined by the Board. Options are required to have an exercise price of no less than the closing market price of the common shares of the Company on the last trading day immediately preceding the date of the grant of the stock option less any discounts from the market price allowed by the TSXV.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

On December 31, 2018, 4,700,000 common share options with an exercise price of \$0.05 per common share expired unexercised.

There were no movements during the years ended December 31, 2024 and 2023. As at December 31, 2024, 2023 and 2022, no options were outstanding.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel remuneration comprises the Company's President and Chief Executive Officer and Chief Financial Officer.

From September 30, 2017, the Company has not been charged by its certain Directors and the Chief Executive Officer (representatives of Great Harvest) for certain director's fees and for the Chief Executive Officer's compensation. Accordingly, the Company has not recognized expenses for these costs during the year ended December 31, 2024 (2023 - \$nil).

For the year ended December 31, 2024, the Company incurred related party expenses of \$55,680 (2023 - \$45,600). These expenses related to the payment of wages, benefits and consulting fees to the Company's Chief Financial Officer.

During the year ended December 31, 2024, the Company incurred directors' fees of \$56,839 (2023 - \$3,415). The increase is due to a reverse adjustment of \$75,000 accrued retiring allowance to a former director in 2023. These amounts were expensed in the period incurred as administrative and general expenses.

Great Harvest, the Company's largest shareholder with 81.88% of the Company's common shares, is controlled by two of the Company's directors, one of whom also acts as the President and Chief Executive Officer. During the year ended December 31, 2024, the Company incurred expenses of \$Nil (2023 - \$Nil) from Great Harvest for travel, administrative and project expenses.

All trade balances due to related parties, except for loans from Great Harvest, bear no interest and have no fixed terms of repayment.

From July 8, 2019 to October 25, 2023, Great Harvest and the Company entered six loan agreements whereby Great Harvest agreed to provide the Company loans to support operations (the "Great Harvest Loans"). These loans are unsecured and bear interest at the rate of 8% per annum. Detailed loans and maturity dates are as following table:

As at December 31, 2024

Loan Agreement Date	Loan Amount (USD\$)	Total drawdown as of December 31, 2024 (USD\$)	Extended Maturity date
July 14, 2016	\$ 1,000,000	\$ 1,000,000	January 1, 2027
January 18, 2018	\$ 600,000	\$ 600,000	January 1, 2027
March 4, 2019	\$ 600,000	\$ 600,000	January 1, 2027
April 27, 2020	\$ 600,000	\$ 600,000	January 1, 2027
September 30, 2021	\$ 1,000,000	\$ 1,000,000	January 1, 2027
October 25, 2023	\$ 1,000,000	\$ 676,000	January 1, 2027
TOTAL		\$ 4,476,000	

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

As at December 31, 2024, the Company had accrued \$2,318,250 (2023 - \$1,676,938) for interest on the outstanding loans. The interest payable was included in accrued liabilities.

ACCOUNTS PAYABLE, LOAN, ACCRUALS AND COMMITMENTS

As at	December 31 2024	December 31 2023
Current:	\$	\$
Accounts payable	36,085	87,323
Accrued liabilities	36,295	23,978
	72,380	111,301
Non-Current:		
Canada Emergency Business Account (CEBA) loan:		
Ending balance	80,000	80,000
Accrued Interest:		
Opening balance	1,676,938	1,319,001
Additional interest accrued	470,138	410,479
Foreign exchange loss (gain)	171,174	(52,542)
Ending balance	2,318,250	1,676,938
Great Harvest Loan:		
Opening balance	5,130,365	4,530,469
Loan proceeds	801,715	707,079
Foreign exchange loss (gain)	508,437	(107,183)
Ending balance	6,440,517	5,130,365
Asset Retirement Obligation (note 14)	23,974,885	-
Total	32,886,032	6,998,604

On April 24, 2020, the Company received an aggregate of \$80,000 in the form of CEBA loans. During the year ended December 31, 2024, the Company recognized interest expense of \$4,000 (2023 - \$Nil) in respect of the CEBA loans. The CEBA loans were converted into 3-year term loans with a maturity date of December 31, 2026 and an interest rate of 5% per annum.

Commitments

Contractual obligations related to short term lease for virtual office amount to \$3,627 (2023 - \$3,348). Furthermore, there are no capital and/or purchase commitments as of December 31, 2024.

LIQUIDITY, CAPITAL RESOURCES AND BUSINESS PROSPECTS

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

The audited consolidated financial statements of the Company have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they fall due for the foreseeable future. For the year ended December 31, 2024, cash used in operations by the Company was \$630,883 (2023 - \$660,077) and the Company carried an accumulated deficit of \$89,720,908 (2023 – \$63,921,209). Furthermore, the Company had not generated revenue from operations. While management is able to control the timing of significant capital expenditures, it has certain on-going cash obligations. At present the Company has assessed it will not have sufficient cash balance to meet required operating expenditures through the end of fiscal 2025 and will require financing within a period of twelve months from now. As such, in management's judgment there remains the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The Company will continue to pursue opportunities to raise additional capital through equity markets and/or related party loans to fund its exploration and operating activities; however, there is no assurance of the success or sufficiency of these initiatives. The Company's ability to continue as a going concern is dependent upon it securing the necessary working capital and exploration requirements and eventually to generate positive cash flows either from operations or additional financing.

FINANCIAL INSTRUMENTS

The carrying amounts of financial instruments approximate fair value unless otherwise noted. The Company's financial assets include the cash and funds held by the Province of New Brunswick. As this bond and interest accrued are on deposit with the province of New Brunswick, the Company does not consider these assets to be subject to significant credit risk. The Company endeavors to mitigate credit risk by holding its cash with major commercial banks with strong credit ratings. The Company's financial liabilities include accounts payable and accruals, accrued interest and loan payable.

RISK FACTORS

Given the Company's current status as an exploration stage company, there are numerous risk factors that could affect the Company's business prospects and future performance, including the following. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also affect the Company's business prospects and future performance.

Operating history

The Company has a very limited history of operations and must be considered a start-up. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and an absence of revenues. There is no assurance that the Company will be successful in achieving a return on shareholder investment and the likelihood of success must be considered in light of its early stage of operations. The Company has no intention of paying any dividends in the foreseeable future.

Highly speculative business

The nature of the Company's business is highly speculative due to its proposed involvement in the exploration, development and production of minerals. Exploration for minerals involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There is no assurance that any commercial quantities of ore will be discovered by the Company. The commercial viability of a mineral deposit, if discovered, depends upon a number of factors including the particular attributes of the deposit (principally size and grade), the proximity to infrastructure, the impact of mine development on the environment, environmental regulations imposed by various levels of government and the competitive nature of the industry which causes base metal prices to fluctuate substantially over short periods of time. Most of these factors are beyond the control of the Company. Mineral exploration and development are highly speculative and few properties that are explored are ultimately placed into commercial production.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

Insufficient resources or reserves

Substantial additional expenditures will be required to establish either resources or reserves on the Company's mineral properties and to develop processes to extract the minerals. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis or at all.

Barriers to commercial production

The Company will rely upon consultants and others for construction and operating expertise. The economics of developing mineral properties are affected by many factors including, but not limited to, the cost of operations, grade of ore, fluctuating mineral markets, costs of processing equipment, competition, extensions on licenses and other factors such as government regulations, including regulations relating to title to mineral concessions, allowable production, importing and exporting of minerals and environmental protection. Many of the above factors are beyond the control of the Company. Depending on the price of minerals produced, the Company may determine that it is impractical to either commence or continue commercial production.

Additional capital

The exploration and development of the Property will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on the Property. The Company will also require additional funding to acquire further property interests. The ability of the Company to arrange such financing in the future will depend, in part, upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from treasury of the Company, control of the Company may change and security holders may suffer additional dilution.

Commodity price and exchange rate fluctuations

The feasibility of mineral exploration is significantly affected by changes in the market price of the minerals expected to be produced. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control. The level of interest rates, the rate of inflation, world supply of minerals and stability of exchange rates can all cause significant fluctuations in mineral prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

The Company is exposed to foreign currency risk as it has loans payable denominated in US dollars.

Key officers, consultants and employees

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration and development personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success. The Company has not purchased any key-man insurance with respect to any of its directors, officers or consultants and has no current plans to do so.

Title

No assurances can be given that title defects to the Property do not exist. The Property may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title, estate and interest in and to the Property to which the title defect relates.

Title to mineral interests in some jurisdictions is often not susceptible to determination without incurring substantial expense. In accordance with industry practice, the Company conducts such title reviews in connection with its properties as it believes are commensurate with the value of such properties. The actual interest of the Company in certain properties may vary from the Company's records.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

Maintaining interests in mineral properties

The Company's continuing right to maintain its ownership in its mineral property interests will be dependent upon compliance with applicable laws and with agreements to which it is a party. There is no assurance that the Company will be able to obtain and/or maintain all required permits and licenses to carry on its operations. Additional expenditures will be required by the Company to maintain its interests in its properties. There can be no assurance that the Company will have the funds, will be able to raise the funds or will be able to comply with the provisions of the agreements relating to its properties which would entitle it to an interest therein and if it fails to do so its interest in certain of these properties may be reduced or be lost.

External market factors

The marketability and price of minerals which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. The Company will be affected by changing production costs, the supply or/and demand for minerals, the rate of inflation, the inventory levels of minerals held by competing companies, the political environment and changes in international investment patterns.

Governmental and regulatory requirements

Government approvals and permits are currently, and may in the future, be required in connection with the Company's operations. To the extent that such approvals are required and not obtained, the Company may be restricted or prohibited from proceeding with planned exploration or development activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, which may include requirements for the Company to take corrective measures requiring capital expenditures, installation of additional equipment, or other remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reductions in levels of production at producing properties or require abandonment or delays in the development of properties.

Environmental regulations

All phases of the Company's operations are subject to environmental regulation. Environmental legislation is becoming stricter, with increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that environmental regulation will not adversely affect the Company's operations. Environmental hazards may exist on a property in which the Company holds an interest which is unknown to the Company at present which have been caused by previous or existing owners or operators of the property. The Company has in place a program of regular environmental monitoring to ensure compliance with existing environmental regulations.

Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means standards, and enforcement, fines and penalties for non-compliance are more stringent.

Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The Company intends to fully comply with all environmental regulations in all jurisdictions in which it is active.

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

Conflicts of interest

Certain directors and officers of the Company are or may become associated with other natural resource companies which may give rise to conflicts of interest. In accordance with the *Business Corporations Act* (Ontario), directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. The directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and, accordingly, the Company will not be the only business enterprise of these directors and officers.

Uninsured risks

The Company currently has liability insurance in an amount which management considers adequate. However, in the future, the costs of such insurance may become prohibitive. The nature of the risks for mining companies is such that liabilities might exceed policy limits, certain liabilities and hazards might not be insurable, or the Company might, in the future, elect not to insure itself against such liabilities due to high premium costs or other reasons. Should such liabilities occur, the Company would incur significant costs that would have a material adverse effect upon its financial condition.

Competition in acquiring additional properties

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, better established mining companies with substantial capabilities and greater financial and technical resources, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable.

Dividend policy

No dividends on the common shares of the Company have been paid by the Company to date. The Company intends to retain its earnings, if any, to finance the growth and development of its business and has no present intention of paying dividends or making any other distributions in the foreseeable future.

IFRS accounting pronouncements

a) Change in IFRS effective for the first time

In January 2020 and October 2022, the International Accounting Standards Board (IASB) issued amendments to IAS 1 Presentation of Financial Statements which were incorporated into Part I of the CPA Canada Handbook – Accounting in April 2020 and December 2022, respectively. The amendments clarify the requirements for classifying liabilities as either current or non-current. Both the January 2020 and October 2022 amendments are effective for annual reporting periods beginning on or after January 1, 2024.

The Company has assessed the amendments and determined that there is no material impact on the accounting and presentation of the consolidated financial statements.

b) Future accounting pronouncements

In May 2024, the International Accounting Standards Board (IASB) issued narrow scope amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments provide clarification that a financial liability is derecognized on the 'settlement date', provide an accounting policy option to derecognize a financial liability that is settled in cash using an electronic payment system before the settlement date if specified criteria are met, clarify how to assess the contractual cash flow characteristics of financial assets with contingent features, clarify that, for a financial asset to have 'non-recourse' features, the entity's ultimate right to receive cash flows must be contractually limited to the cash flows generated by specified assets, Clarify the characteristics of the contractually linked instruments that distinguish them from other transactions, and add new disclosure requirements for investments in equity instruments designated at fair value through other

Adex Mining Inc.

Management's Discussion and Analysis

December 31, 2024

Discussion dated April 28, 2025

comprehensive income and financial instruments that have certain contingent features. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. The amendments are to be applied retrospectively.

The International Accounting Standards Board (IASB) published IFRS 18 Presentation and Disclosure in Financial Statements in April 2024 and will replace IAS 1. This new standard will help companies to provide information about their financial performance that is useful to users of financial statements in assessing the prospects for future net cash inflows to the company and in assessing management's stewardship of the company's economic resources. It represents the completion of a major standard-setting project on the presentation of financial statements and, therefore, will have significant implications for many companies reporting under IFRS. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, and is to be applied retrospectively for comparative periods.

The Company is currently assessing the impact of such pronouncements on the consolidated financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

SUBSEQUENT EVENTS

Subsequent to December 31, 2024, the Company received installments of US\$72,400 as drawdowns from the Great Harvest loan.

Subsequent to year end, the United States and Canadian governments announced new tariffs on imported goods. This has caused significant uncertainty and market volatility. Management is actively assessing the situation and the effects on the Company, if any, are currently uncertain.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and its subsidiary, or the industry in which they operate, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this report, the words "estimate", "believe", "anticipate", "intend", "expect", "plan", "may", "should", "will", the negative thereof or other variations thereon or comparable terminology are intended to identify forward-looking statements. Such statements reflect the current expectations of the management of the Company with respect to future events based on currently available information and are subject to risks and uncertainties that could cause actual results, performance or achievements to differ materially from those expressed or implied by those forward-looking statements, including the risk factors summarized above under the heading "Risk Factors". New risk factors may arise from time to time and it is not possible for management of the Company to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance or achievements of the Company to be materially different from those expressed or implied in such forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained in this MD&A speak only as of the date hereof. The Company does not undertake or assume any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.