

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL POSITION AND RESULTS OF OPERATIONS
For the nine months ended September 30, 2024 and 2023

1.1 Date of report: November 29, 2024

The following management's discussion and analysis ("MD&A") should be read in conjunction with the unaudited condensed interim consolidated financial statements and notes thereto for Max Resource Corp. ("MAX" or the "Company") for the three and nine months ended September 30, 2024 and 2023 and the audited consolidated financial statements and related notes for the years ended December 31, 2023 and 2022 which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements and related notes are available at www.sedarplus.ca.

Management is responsible for the preparation and integrity of the Company's consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including that within the Company's consolidated financial statements and MD&A, is complete and reliable.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A may contain certain statements that may be deemed "forward-looking statements". All statements in this document, other than statements of historical fact, which address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets" and similar expressions, or events or conditions that "will", "would", "may", "could" or "should" occur. Forward-looking statements in this document include statements regarding future exploration programs, joint venture partner participation, liquidity and effects of accounting policy changes.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Readers are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates, opinions or other factors should change except as required by law.

These statements are based on a number of assumptions including, among others, assumptions regarding general business and economic conditions, the timing of the receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other relevant parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Company's proposed transactions and exploration and development programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause results to differ materially.

1.2 Overall Performance

The Company is a mineral resource company engaged in the acquisition and exploration of mineral properties in South America and Canada. As of March 10, 2022, the Company trades on the TSX Venture Exchange (“TSX-V”) under the symbol MAX; previously the Company traded under the symbol MXR. In February 2021, the Company was ranked in the top 10 performing stocks in the 2021 TSX Venture 50, which is comprised of the top 50 from over 1,600 companies on the TSX-V.

The Company owns the following subsidiaries:

Name	Jurisdiction
Gachala Colombia Corp.	British Columbia, Canada
Gachala Colombia Corp Sucursal Colombia (“Gachala”)	Colombia
MAXCO Holdings Colombia Corp. (fka PGE Americas Metals Corp.) (MAXCO”)	British Columbia, Canada
Maximum Company Colombia S.A.S. (“Maximum”)	Colombia
Valleduper Colombia Corp. (“Valleduper”)	British Columbia, Canada
Max Resource Colombia S.A.S (fka Valleduper Colombia S.A.S.) (“MR Colombia”)	Colombia
Baccancas Colombia Corp. (“Baccancas”)	British Columbia, Canada
Max Resource Sierra S.A.S (fka Baccancas Colombia S.A.S.) (“MR Sierra”)	Colombia
Bocono Colombia Corp. (“Bocono”)	British Columbia, Canada
Max Resource Guajira S.A.S (fka Bocono Colombia Corp S.A.S.) (“MR Guajira”)	Colombia
Max Resource Holding S.A.S. (fka Reposado Holding Company S.A.S.) (“MR Holding”)	Colombia
TUCO Resource Corp. (“TUCO Canada”)	British Columbia, Canada
TUCO Resource Corp. S.A.C (“TUCO”)	Peru
Bay Street Mineral Corp. (“Bay Street”)	British Columbia, Canada
Max Resource Brazil Corp. (“Max Brazil Canada”)	British Columbia, Canada
Max Resource Brazil Ltda. (“MR Brazil”)	Brazil

Acquisition of Bay Street

On November 14, 2023 (“Closing Date”), the Company completed a Share Exchange Agreement with the shareholder of Bay Street (“Bay Street Shareholder”) whereby the Company acquired 100% of the issued and outstanding common shares of Bay Street for 14,000,000 common shares of the Company with a fair value of \$1,404,454. 1,400,000 common shares issued to the Bay Street Shareholder were issued on closing with no hold period while the remaining 12,600,000 common shares issued are subject to hold periods that will release as follows: 2,100,000 common shares every six months from closing. The fair value of the shares were discounted to account for the hold period.

Based on the number of shares acquired and the Company’s decision-making power, the Company was determined to be the acquirer. The acquisition was determined to be an asset acquisition as Bay Street did not meet the definition of business. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values as at the Closing Date.

The total consideration paid totalled \$1,404,454 and has been allocated to the assets and liabilities acquired based on their estimated fair values on the Closing Date as follows:

	Total
	\$
Consideration:	
Shares issued	1,404,454
Total Consideration:	1,404,454
Allocated as follows:	
Cash	5,391
Taxes recoverable	5,677
Accounts payable	(163,671)
Exploration and evaluation asset	1,557,057
	1,404,454

Financings

None

Subsequent Events

None

Exploration and Evaluation Assets

The total cumulative acquisition and exploration and evaluation expenditures capitalized for the Company's current projects at September 30, 2024 is summarized as follows:

	Sierra Azul Copper-Silver Project	Florália Project	Total
Property acquisition/staking costs	-	413,070	413,070
NSR acquired	1,557,057	-	1,557,057
Exploration costs			
Equipment and supplies	1,006,648	-	1,006,648
General administration	341,287	-	341,287
Geological consulting	8,747,493	383,313	9,130,806
Permits	208,295	-	208,295
Rent	486,374	-	486,374
Salaries and wages	1,507,106	-	1,507,106
Travel	231,863	-	231,863
Subtotal	14,086,123	796,383	14,882,506
Contributions received from optionee	(2,525,668)	-	(2,525,668)
Consideration received	(100,000)	-	(100,000)
Balance, September 30, 2024	11,460,455	796,383	12,256,838

In addition to the amounts capitalized above, prior to 2023, the Company had incurred a further \$3,124,819 in exploration and evaluation expenditures relating to the Sierra Azul Copper-Silver Project, while obtaining legal title of certain claims which were expensed when incurred.

For the nine months ended September 30, 2024, the Company capitalized exploration expenditures of \$3,112,940 compared to \$3,769,382 during the nine months ended September 30, 2023. Additionally, the Company recovered \$2,525,668 in costs from Freeport (defined below).

Change in capitalized expenditures during the nine months ended September 30, 2024

	Sierra Azul Copper- Silver Project \$	Florália Project \$	Total \$
Property acquisition/staking costs	-	413,070	413,070
Exploration costs			
Equipment and supplies	349,417	-	349,417
General administration	52,169	-	52,169
Geological consulting	1,077,915	383,313	1,461,228
Permits	11,548	-	11,548
Rent	244,766	-	244,766
Salaries and wages	464,612	-	464,612
Travel	116,130	-	116,130
	2,316,557	796,383	3,112,940
Contributions received from optionee	(2,525,668)	-	(2,525,668)
Consideration received	(100,000)	-	(100,000)
	309,111	796,383	487,272

Change in capitalized expenditures during the nine months ended September 30, 2023

	RT Gold Project \$	CESAR Project \$	Total \$
Property acquisition/staking costs	203,761	-	203,761
Exploration costs			
Claim fees	73,589	-	73,589
Equipment and supplies	5,099	405,079	410,178
General administration	30,820	13,473	44,293
Geological consulting	316,834	2,275,282	2,592,116
Permits	-	20,412	20,412
Rent	-	32,392	32,392
Salaries and wages	17,376	309,310	326,686
Travel	11,156	54,799	65,955
	658,635	3,110,747	3,769,382

SIERRA AZUL COPPER SILVER PROJECT (PREVIOUSLY NAMED CESAR COPPER SILVER PROJECT), NORTHEASTERN COLOMBIA

The Sierra Azul Copper Silver Project comprises of three districts: AM, Conejo and URU. Collectively the three contiguous districts stretch over 120km in NNE/SSW direction (refer to Figures 1 and 2).

Figure 1: Sierra Azul Copper Silver Project



The Sierra Azul Copper-Silver Project comprises three districts: AM, Conejo and URU. Collectively the three contiguous districts stretch over 120km in NNE/SSW direction. Max Resource’s land tenure at Sierra Azul includes 188 km2 of mining concessions and 1,141 km² of mineral concession applications.

On November 7, 2023, Max executed a Share Exchange Agreement pursuant to acquiring all the issued and outstanding shares of Bay Street Mineral Corp. (“Bay Street”) an arms length Canadian Corporation in exchange for 14,000,000 common shares in the capital of Max. Bay Street held an underlying 3% net smelter royalty over 19 mining concessions covering 184-km² and 31 mining concession applications covering 796km² of the Company’s wholly owned Sierra Azul Copper-Silver Project.

On May 13th, 2024, Max announced that it had entered into an Earn-In Agreement (“EIA”) with Freeport, a wholly owned-affiliate of Freeport-McMoRan Inc. (NYSE: FCX) relating to Max’s wholly owned Sierra Azul Copper-Silver Project. Under the terms of the EIA, Freeport can earn an 80% interest in the Sierra Azul Copper-Silver Project in two stages by spending an aggregate amount of \$50 million and paying a total of \$1.55 million in cash to Max.

On May 29, 2024, the Company received acceptance from the TSX-V for its EIA transaction with Freeport.

Sierra Azul Copper Silver Project

The Sierra Azul 2024 work program in the basin to date consists of stream sediment sampling, soil sampling, rock sampling, surface mapping, extension of the ground magnetics and an Induced Polarization program. This work program is intended to identify and prioritize drill targets.

Max has completed a 10,000-line-km airborne magnetic and radiometric survey covering 1,150km² over all three Districts (AM, Conejo and URU). The data is to be utilized with the objective of advancing the Cesar basin model and identifying priority targets.

AM District

Starting in the far north of the Jurassic basin, classic stacked red bed outcrops with extensive lateral continuity have been rock sampled over many kilometres within the AM District. Highlight values of 34.4% copper & 305 g/t silver from outcrop samples have been documented in the sedimentary sequences. The Company confirmed that stratiform red-bed style mineralization continues at depth with two scout drill holes completed earlier this year ([Max News Release dated April 4, 2023](#)). Colombian field crews have identified a 15km mineralized corridor encompassing 14 priority targets (AM-01 to AM-14) ([Max News Release dated May 25, 2023](#) and [Max News Release dated June 22, 2023](#)). In addition, Max has recently discovered Manto-style targets of significant size in the AM district.

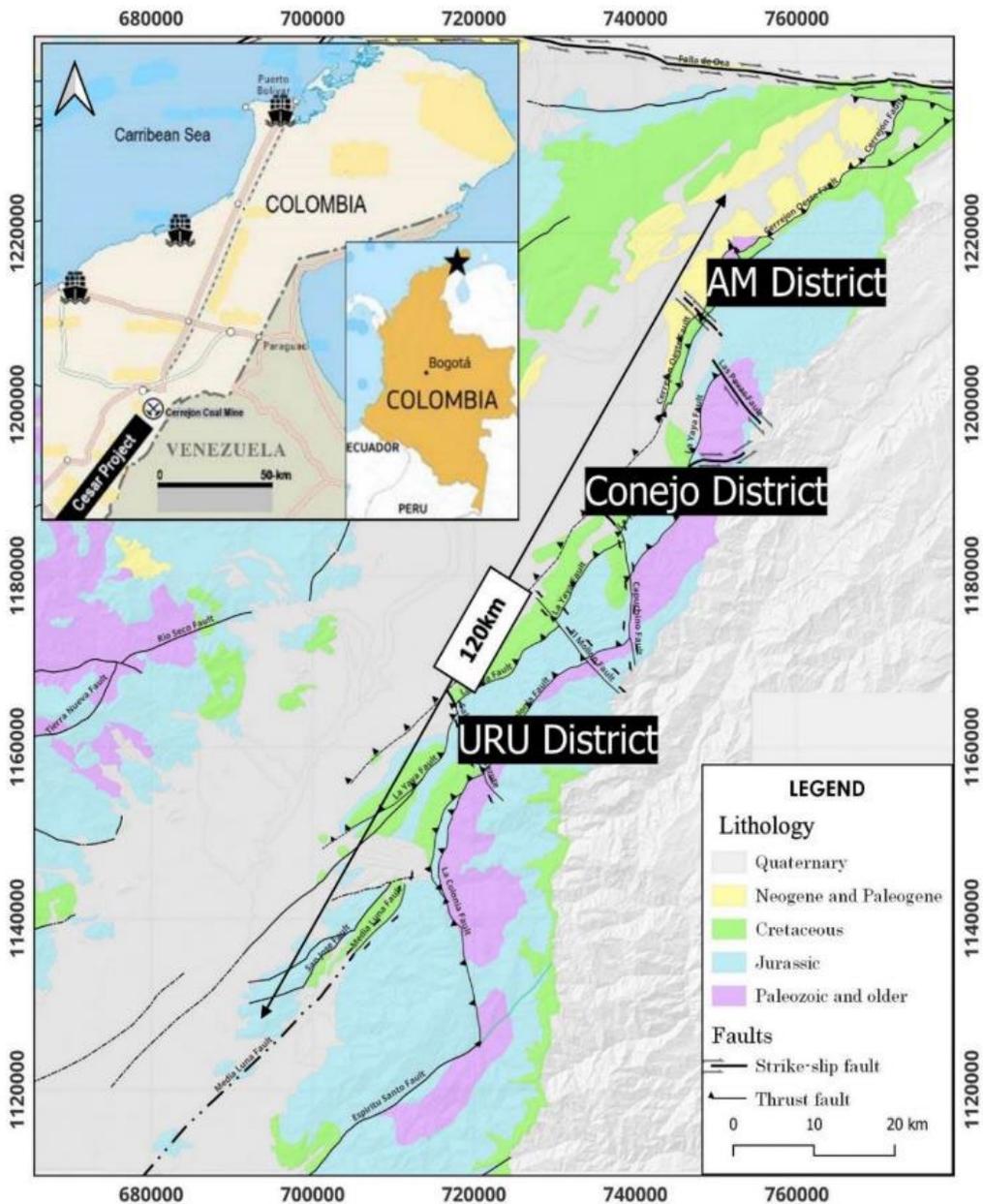
Conejo District

Midway south, the Conejo District is the most recent to be recognized and is characterized by structurally controlled mineralization hosted in intermediate and felsic volcanic rocks. Numerous mineralized outcrops have been discovered over 3.7km at the primary target in the district with surface samples averaging 4.9% copper (2% cut-off). No drilling has been conducted at Conejo, but it has emerged as an area of focus for the Company.

URU District

Mineralization within the URU District is hosted in intermediate volcanic rocks and is structurally controlled. At URU-C, a 9.0m of 7.0% copper & 115 g/t silver surface discovery was confirmed at depth by drill hole URU-12, which intersected 10.6m of 3.4% copper & 48 g/t silver. At the URU-CE target, 750m to the east, 19.0m of 1.3% copper discovered in outcrop was confirmed by drill hole URU-9, which intersected a broad zone of copper oxide returning 33.0m of 0.3% copper from 4.0m, including 16.5m of 0.5% copper ([Max News Release date January 24, 2023](#)).

Figure 2: 120-km-long Sierra Azul Project. Three Districts AM, Conejo and URU



Target Evaluation

Max has identified and is evaluating 28 targets along the Sierra Azul 120km-long belt for potential drill testing. The Company is focused on expanding, refining, and prioritizing these targets in preparation for a drill program. Initial efforts have been concentrated on those targets with the greatest size potential with work that includes the following field activities:

- Systematic chip and channel sampling of the mineralized outcrops
- Detailed geological and structural mapping of each showing
- Target scale prospecting and soil sampling
- Airborne magnetic and radiometric surveys

Regional Exploration

Max has demonstrated that the Cesar basin is fertile for copper-silver mineralization over a large area, however, only a fraction of the basin has been explored. As a result, Max has dedicated one of its geological teams to regional exploration with the goal of discovering additional copper-silver prospects over 1,300km².

URU District

The URU District lies along the southern portion of the Sierra Azul 120km-long copper silver belt, extending over 20km of strike. The copper mineralization is structurally controlled, predominantly chalcocite with localized weathering to malachite. Highlight rock chip channel results:

- 4.3% copper + 8 g/t silver over 10.0m
- 3.9% copper + 7 g/t silver over 10.0m
- 3.6% copper + 12 g/t silver over 10.0m
- 2.7% copper + 1 g/t silver over 25.0m
- 2.2% copper + 9 g/t silver over 25.0m

Max is incorporating geophysical, rock geochemistry and drilling data from Max's programs for the geological model. The objective is to identify priority drill targets.

In Q4 of 2022, Max commenced its inaugural drilling program at the URU District. The objective was to test the continuity of the structurally controlled copper silver mineralization within the volcanic host rocks in the sub-basinal environment of the Cesar sedimentary basin. Drilling the URU-C and URU-CE targets, located 0.75km apart, confirmed the continuation of copper silver mineralization at depth (refer to Figures 2 to 7, Tables 1 and 2).

At URU-CE, the surface discovery, 19.0m of 1.3% copper, showed continuity to depth in hole URU-9, which intersected a broad zone of copper oxide of 33.0m of 0.3% copper from 4.0m, including 16.5m of 0.5% copper. The broad associated alteration zone implies the potential for a bulk tonnage system.

Figure 3: URU District – 12 Priority Targets

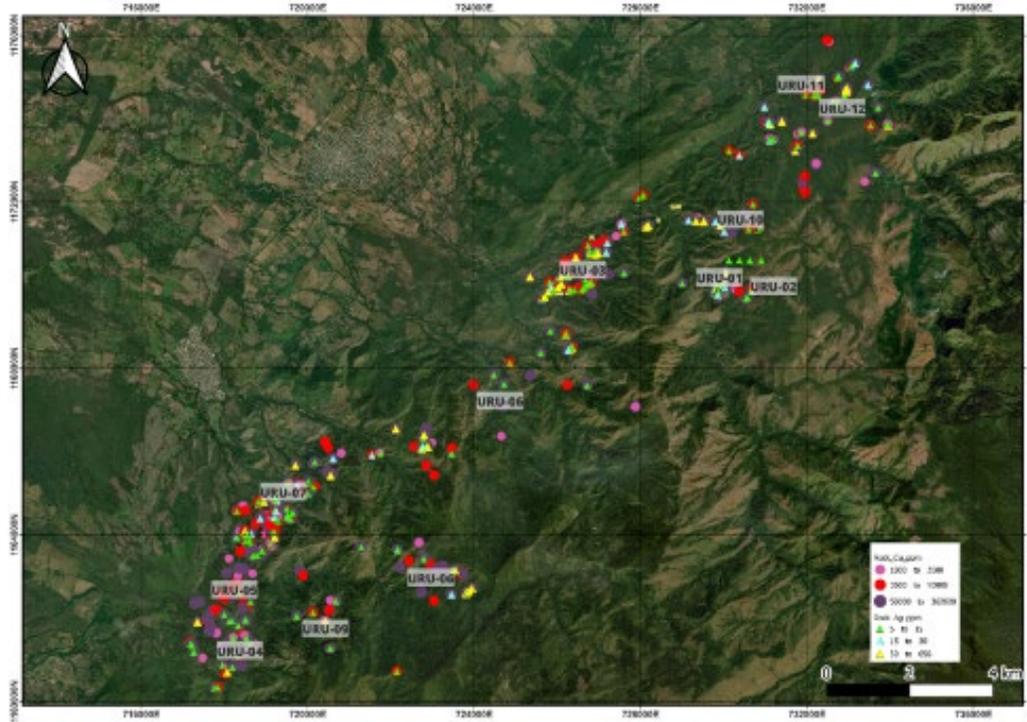


Figure 4: URU-C, Drilling Plan View

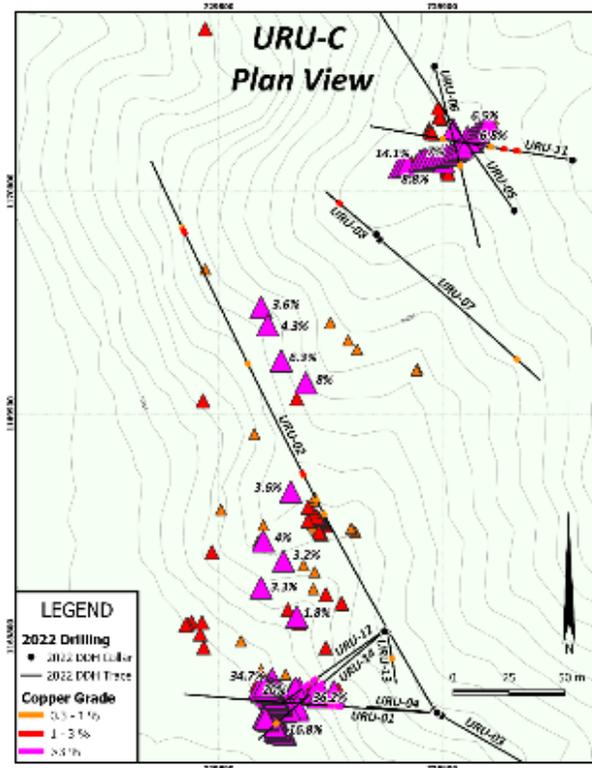


Figure 5: URU-C, Drilling Cross Section

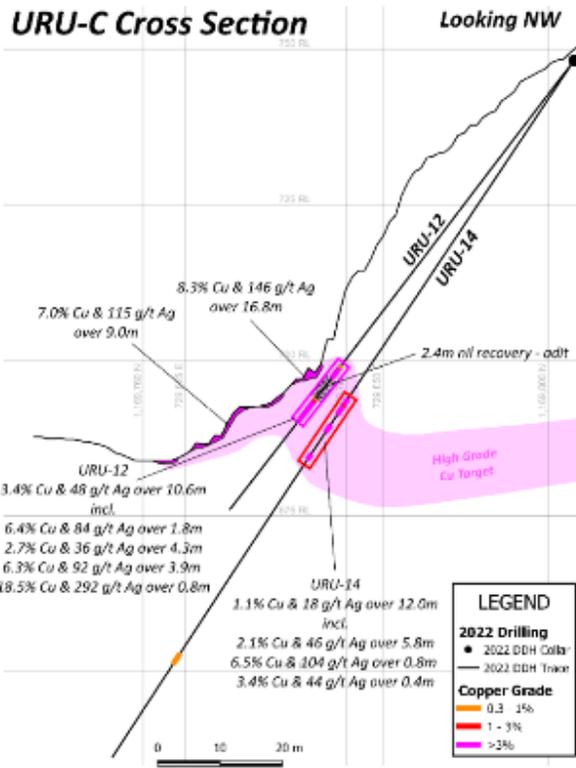


Figure 6: URU-CE, Drilling Plan View

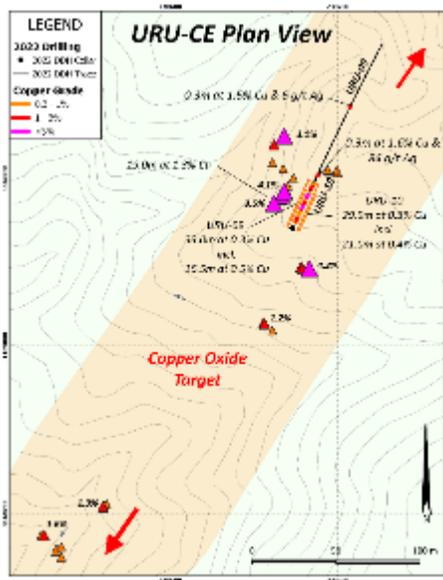


Figure 7: URU-CE, Drilling Cross Section

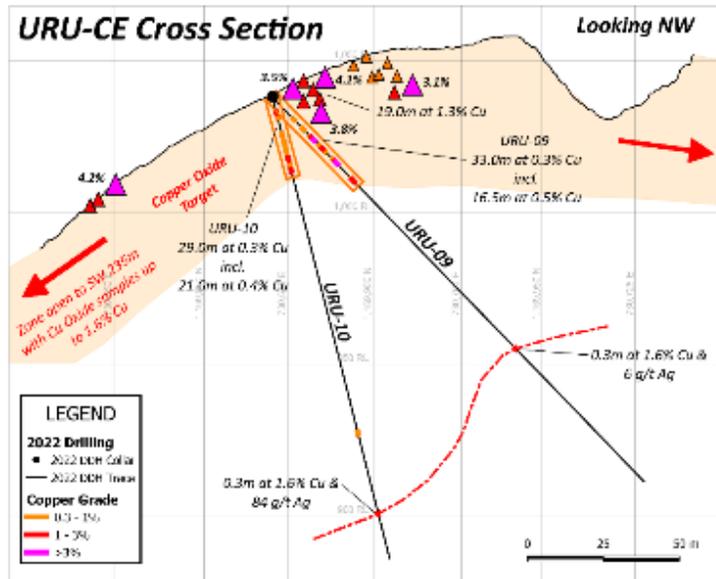


Table 1: 2022 Drilling Highlights (core intervals, true widths are unknown at this time)

Drill Hole	From (m)	To (m)	Copper (Cu) and Silver (Ag)
URU-12	62.3	72.9	3.4% copper + 48 g/t silver over 10.60m
including	62.3	64.1	6.4% copper + 84 g/t silver over 1.80m
including	62.3	66.61	2.7% copper + 36 g/t silver over 4.31m
including	66.61	69.01	0% copper + 0 g/t silver over 2.40m (nil core recovery)
including	69.01	72.9	6.3% copper + 92 g/t silver over 3.89m
including	71.76	72.53	18.5% copper + 292 g/t silver over 0.77m
URU-14	64.92	77.45	1.2% copper + 18 g/t silver over 12.53m
Including	65.53	71.3	2.1% copper + 46 g/t silver over 5.77m
including	70.55	71.3	6.5% copper + 104 g/t silver over 0.75m
URU-1	66.75	73.72	1.4% copper + 8 g/t silver over 6.97m
URU-2	335.52	343.2	0.6% copper + 7 g/t silver over 7.68m
including	335.52	336.9	2.1% copper + 30 g/t silver over 1.38m
URU-9	4.87	37.84	0.3% copper oxide over 32.97m
including	13.25	29.7	0.5% copper oxide over 16.45m
including	27.56	29.7	1.9% copper oxide over 2.14m
URU-10	3.65	32.3	0.3 % copper oxide over 28.65m
including	4.26	24.92	0.4% copper oxide over 20.66m

Table 2: Drill hole locations

DH No.	E_WGS84z18N	N_WGS84z18N	Elevation (m)	Azimuth	Dip	Hole Length (m)	Target
URU-1	729,897	1,169,766	744	275	-50	173.73	URU-C
URU-2	729,897	1,169,767	745	330	-45	381.60	URU-C
URU-3	729,900	1,169,765	744	120	-45	205.74	URU-C
URU-4	729,898	1,169,766	745	275	-70	90.83	URU-C
URU-5	729,932	1,169,991	836	325	-45	261.51	URU-C
URU-6	729,897	1,170,056	835	165	-45	118.56	URU-C
URU-7	729,872	1,169,978	825	130	-45	136.85	URU-C
URU-8	729,871	1,169,981	825	310	-55	53.03	URU-C
URU-9	730,673	1,169,871	1037	25	-45	174.65	URU-CE
URU-10	730,673	1,169,870	1037	25	-75	155.44	URU-CE
URU-11	729,957	1,170,020	860	280	-45	131.36	URU-C
URU-12	729,872	1,169,804	750	235	-52	90.65	URU-C
URU-13	729,872	1,169,804	750	170	-80	136.63	URU-C
URU-14	729,872	1,169,804	750	230	-55	133.19	URU-C

Conejo District

Midway south, the Conejo District is the most recent to be recognized and is characterized by structurally controlled mineralization hosted in intermediate and felsic volcanic rocks. Numerous mineralized outcrops have been discovered over 3.7km at the primary target in the district with surface samples averaging 4.9% copper (2% cut-off).

A second discovery was identified approximately 1.6km east (refer to Figure 8). To date, no drilling has been conducted over this high priority target area.

Figure 8: Conejo District - Second Discovery



Sierra Azul Exploration Completed During the Nine Months Ended September 30, 2024

On February 7, Max announced the discovery of a series of five mineralized outcrops (collectively target area AM-14) on a mining concession within the AM district (refer to Figure 12). Highlights include:

- Five newly discovered outcrops of stratiform copper-silver mineralization
- Mineralized layers are exposed up to 285m along strike and range in thickness from 0.8m to 4.0m
- Confirms multiple copper-silver-bearing horizons within thick sedimentary rock sequence
- Strong evidence of 1.5km continuity of mineralized layers between new discovery and AM-07

The five discoveries confirm multiple copper-silver-bearing layers within a 700m thick sequence of interbedded sandstones in the AM district. Additionally, there is strong evidence to suggest that one of the newly discovered outcrops (outcrop #2) is a continuation of the mineralized horizon at target AM-07, located approximately 1.5km to the northeast.

Preliminary work has determined that mineralization is hosted in layers of medium- to fine-grained sandstone rich in organic material. The copper-silver-bearing horizons are distributed across a 700m thick package of interbedded sedimentary rocks that strike 240° to 260° and dip 30° to 45° northwest. Chalcocite, malachite and azurite are the most abundant copper minerals observed in the outcrop.

All five of the outcropping mineralized beds are open along strike and at outcrop #2, the copper-silver-bearing sandstone horizon could be traced along strike for over a distance of 285m. Similarly, at outcrop #5, the mineralized horizon is exposed for over 130m before disappearing under cover. Layer thickness ranges from 0.8 m at outcrop #4 to 4 m at outcrop #5.

Systematic channel sampling of the mineralized outcrop has now commenced. In addition, crews have begun detailed mapping in the vicinity of the discovery with the goal of extending the footprint of mineralization.

On February 22, Max announced the discovery of two additional mineralized outcrops at target AM-14. In addition, the Company has received the final data from the 10,000-line-km property-wide airborne magnetic and radiometric survey (refer to Figures 9 and 12).

The discoveries at AM-14 highlight the scale of potential deposits on the Sierra Azul Copper-Silver Project:

- AM-14 lies along a 1-km corridor of high-grade, stratiform copper silver mineralization
- The 15-km corridor is parallel to the regional strike of the sedimentary rocks and has highlight grades of 24.8% Copper and 230 g/t Silver
- These discoveries bring the total number of outcrops at AM-14 to 7 and provide further confirmation that several horizons of stratiform mineralization are present within the sedimentary sequence in the AM District
- The copper silver bearing outcrops are exposed up to 285m along strike
- There is strong evidence for continuity of mineralized layers between AM-14 and AM-07, a distance of 1.5km

Airborne Magnetic & Radiometric Survey

The 10,000 line-kilometre high-resolution airborne magnetic and radiometric survey has been completed and final data received from the survey contractor. Survey data were collected along east-west oriented flight-lines spaced at 125m and flown at a nominal height of 100m using a fixed-wing aircraft. North-South oriented tie-lines were spaced at 1.25km (refer to Figure 9).

Figure 9: Airborne Magnetic & Radiometric Survey Map

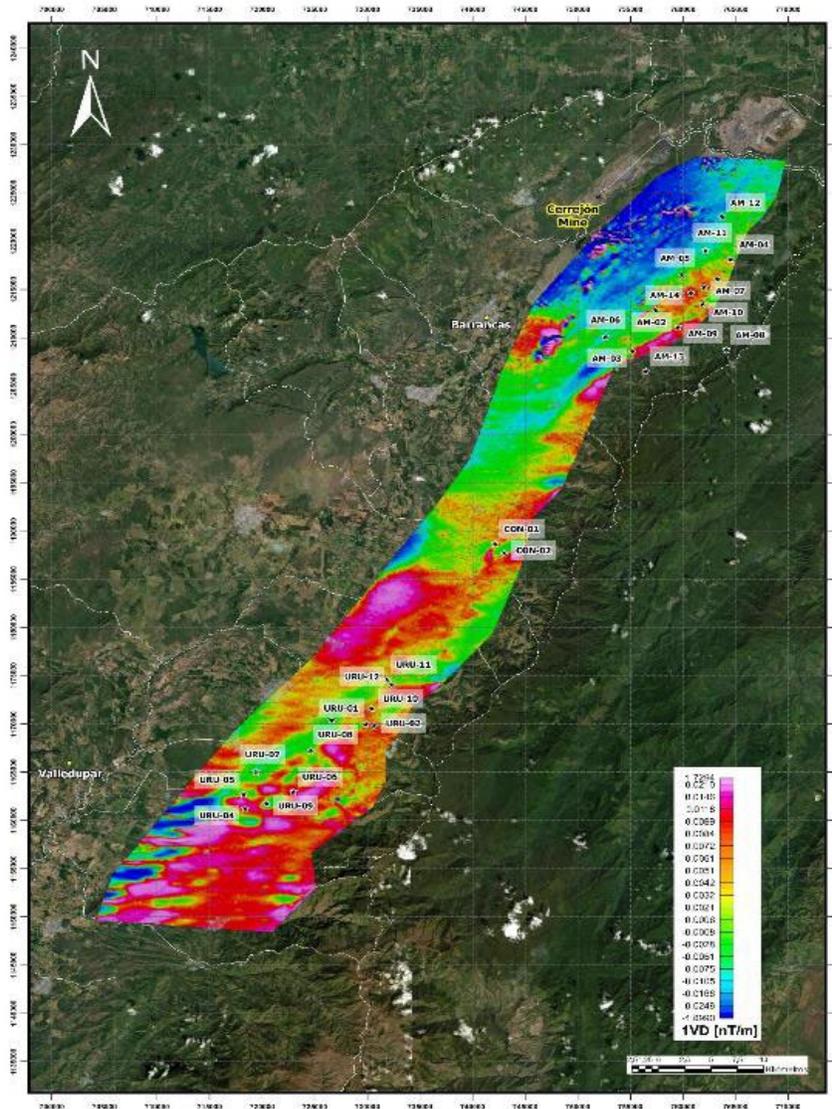


Image showing colour contours of the 1st Vertical Derivative of the Total Magnetic Intensity.

Analysis of the data has commenced with emphasis being placed on identifying geological structures that acted the conduits for mineralized fluids. Results from the data analysis will be important in both refining existing targets and identifying new ones.

On March 25, Max received high-grade assay results from rock-chip channel sampling collected at the AM-14 target in the AM district of its wholly owned Sierra Azul copper-silver project in northeast Colombia (refer to Figure 12). The assays at AM-14 confirm copper-silver stratiform mineralization at Sierra Azul is extensive and demonstrate significant thickness:

- Results include 2.2% copper & 12.8 g/t silver over 5.2m and 4.8% copper & 53.6 g/t silver over 2.2m
- AM-14 lies along a 15km corridor of high-grade, stratiform copper-silver mineralization
- Four distinct copper-silver-mineralized horizons have been discovered at AM-14

Assay results from continuous chip channel samples collected at two different locations at the AM-14 target are presented in the tables 3 and 4.

Table 3: Assay Results from Sandstone Outcrop at AM-14

Sample Number	UTM Coordinates (WGS84 Z18N)		Host Rock	Width (m)	Cu %	Ag (g/t)
	Easting (m)	Northing (m)				
504583	760,453	1,214,550	Sandstone	1.2	2.02	20.04
504584	760,453	1,214,549	Sandstone	1.0	7.40	93.90
Weighted Average Assay Result				2.2	4.8	53.6

Table 4: Assay Results from Mineralized Sandstone Outcrop at AM-14

Sample Number	UTM Coordinates (WGS84 Z18N)		Host Rock	Width (m)	Cu %	Ag (g/t)
	Easting (m)	Northing (m)				
511174	761233.00	1214319.00	Sandstone	1.0	2.92	13.4
511175	761233.14	1214318.01	Sandstone	1.0	1.54	12.1
511176	761233.28	1214317.02	Sandstone	1.0	2.16	12.3
511177	761233.42	1214316.03	Sandstone	1.0	3.97	26.4
511178	761233.56	1214315.04	Sandstone	1.2	0.63	2.1
Weighted Average Assay Result				5.2	2.2	12.8

Quality assurance for March 25, 2024 Assay Results

All Sierra Azul rock-chip samples are shipped to ALS's sample preparation facility in Medellin, Colombia. Sample pulps sent to Lima, Peru, for analysis. All samples were analyzed using ALS procedure ME-MS41, a four-acid digestion with inductively coupled plasma finished. Overlimit copper and silver are determined by ALS procedure OG-62, a four-acid digestion with an atomic absorption spectroscopy finish. ALS is independent from Max.

On July 30, Max announced the 2024 exploration program for Sierra Azul will have budget of USD \$4.2 million and will be funded by Freeport-McMoRan Exploration Corporation ("Freeport"), as per an earn-in agreement announced on May 13th, 2024. The US\$4.2 million exploration program is underway.

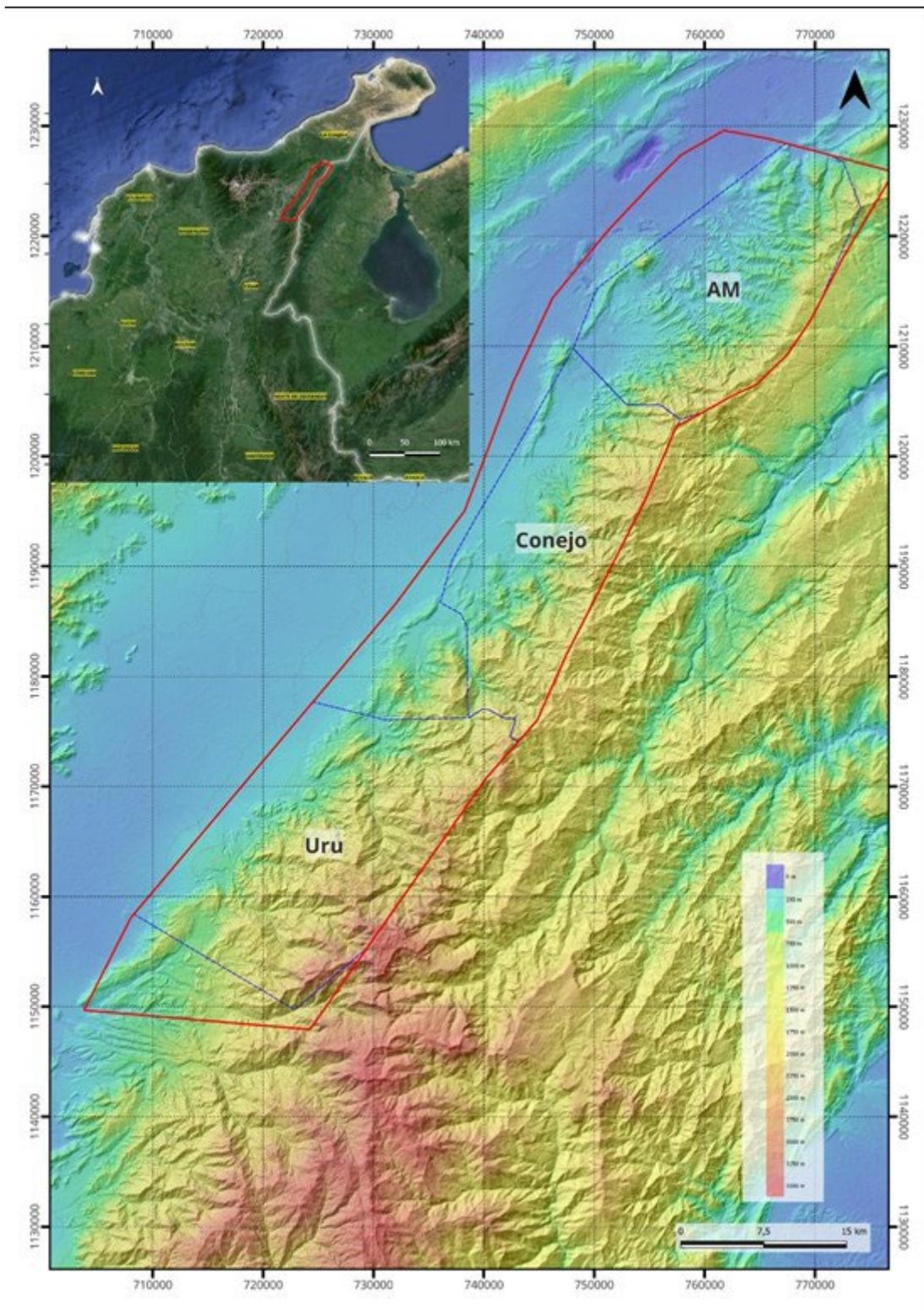
The 2024 exploration program at the Sierra Azul has two objectives: Drill Target Development and Regional Exploration (refer to Figure 1).

Drill Target Development program will focus exploration on 28 priority targets that span over 90km over all three districts of the Sierra Azul Project: AM, Conejo and URU. The goal of the program is to delineate selected drill targets. The work program has started and includes detailed geological mapping and soil sampling, as well as ground geophysical surveys and detailed structural analysis.

The Regional Exploration Program has been designed to systematically evaluate the entire Sierra Azul Project Work will include the collection of up to 7,500 soil samples and up to 1,600 stream sediment samples. In addition, a regional structural analysis will be conducted, followed by geological mapping and prospecting to identify additional mineralized outcrops (refer to Figure 10).

To complete this comprehensive exploration program, Max is recruiting additional geologists and technicians. Finally, Max will continue the corporate social responsibility programs. This includes meaningful engagement with local communities, as well as clear and direct communication with all levels of governmental authorities.

Figure 10: Showing the area of regional exploration over the entire Sierra Azul Project (>1,300 sq-km)



To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/3834/218173_e2bd18fb741dabf2_001full.jpg

On August 20, Max released assay results from 10 continuous channel samples collected at the recently discovered AM-13 target at Sierra Azul (refer to Figures 12 and 13).

AM-13 Highlights

★ Results from 10 mineralized outcrops from the Cedro Valley include:

- 1.8% Copper & 7.2 g/t Silver over 48.0m (AM13_CS08, continuous saw-cut channel)
 - Including 3.4% Copper & 14.0 g/t Silver over 15.0m
 - and 3.5% Copper and 15.7 g/t Silver over 5.0m
- 1.0% Copper & 5.7 g/t Silver over 26.0m (AM13_CS01, continuous chip channel)
- 1.1% Copper & 4.3 g/t Silver over 9.0m (AM13_CS04, continuous chip channel)

★ Classification and size potential

- In addition, Max has identified a 44.0m wide mineralized outcrop (assays are pending) in the Mapurito valley, 1.2-km northeast and along strike from the Cedro Valley discovery.
- AM-13 hosts Manto-style mineralization and alteration, similar to deposits in the Tocopilla – Taltal region of northern Chile, a mineralized corridor that extends well over 100km and hosts several economic deposits including Mantos Blancos (500mt at 1.18% Copper and 12 g/t Silver).

★ High-grade copper minerals

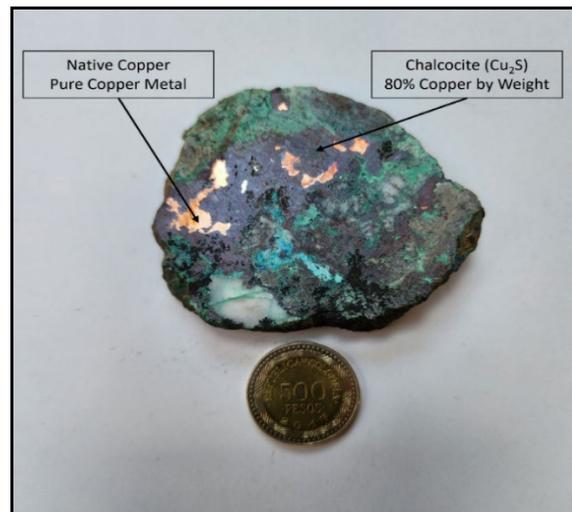
- Primary copper minerals observed include native copper and chalcocite (80% copper by weight) (refer to Figure 11). These minerals indicate the depositional environment was sulphur poor, thus leading to the precipitation of these high-grade copper minerals.

★ AM-13 is top priority drill target, next steps:

- Establish continuity of the mineralization between the Cedro valley and Mapurito valley outcrops with detailed mapping, soil sampling and ground geophysical surveys.

Max cautions investors copper-silver mineralization at Mantos Blancos is not necessarily indicative of similar mineralization at Sierra Azul.

Figure 11: Mineralized rock sample from AM-13 with visible native copper and chalcocite



These ore-forming minerals contribute to the high copper grades at AM-13

Target AM-13 Description

AM-13 is located in the AM District, the northern most exploration area of the Sierra Azul Project. The mineralization is hosted in an andesitic tuff (a type of volcanic rock) that strikes 50°, dips 70° northwest and has been structurally prepared by faulting. In June 2024, the first mineralized outcrops were discovered in the Cedro valley and subsequent continuous saw-cut channel sampling returned 1.8% Copper & 7.2 g/t Silver over 48.0m (AM13_CS08).

Native copper and chalcocite are the primary copper bearing minerals observed in the outcrops include (refer to Figure 11). Trace amounts of bitumen (a type of hydrocarbon) were also observed in the mineralized rocks which is believed to be critical to the deposition of copper minerals from fluids that circulated within the Cesar-Rancheria basin. The presence of native copper and chalcocite indicates the mineralized fluids were sulphur poor leading to the precipitation of these high-grade ore-forming

minerals.

The alteration of the host rocks and the copper bearing minerals observed at AM-13 appear to be similar to the Manto deposits of northern Chile, including Mantos Blancos, which began production over 60 years ago and is estimated to have contained a total of 500mt at 1.18% Copper and 12 g/t Silver ([Reference material on the Mantos Blancos deposit available here](#)). Manto Blancos is one of a series of 8 manto copper-silver deposits in the Jurassic age volcanic and volcano-sedimentary rocks of northern Chile ([Reference material on Manto deposits of northern Chile available here](#)).

Exploration teams prospecting the Mapurito valley, 1.2km to the north, discovered a 44.0m wide outcrop of andesitic tuff with similar mineralization in July 2024 (refer to Figure 13), suggesting AM-13 has significant size potential. Rock channel sampling of the Mapurito valley outcrop is underway. Assays pending.

The current exploration objectives are:

- Determine the footprint of AM-13 with initial efforts focused on establishing the continuity of mineralization between Cedro and Mapurito valleys. The work program includes detailed geological mapping, continuous channel, as well as ground geophysical surveys and detailed structural analysis.
- Continue to systematically evaluate the entire Sierra Azul project through regional soil sampling (7,500 samples) and stream sediment sampling (up to 1,600 samples). In addition, a regional structural analysis will be conducted, followed by geological mapping and prospecting to identify additional mineralized outcrops.

Results from a total of 109 rock channel samples collected across 10 mineralized outcrops in the Cedro valley in June 2024 are summarized in Table 5. Samples were collected perpendicular to bedding with each sample representing a one-metre interval. Saw-cut channels had an approximate depth of 2 cm and a thickness of 5 cm.

Table 5: Summary of AM-13 Channel Sample Assay Results

Rock Channel Sample No.	Sample Method	Width (m)	Copper (%)	Silver (g/t)
AM-13_CS01	chip-channel	26.0	1.0	5.7
AM-13_CS02	chip-channel	3.0	1.1	3.9
AM-13_CS03	saw-cut-channel	3.0	1.3	6.1
AM-13_CS04	chip-channel	9.0	1.1	4.3
AM-13_CS05	chip-channel	3.0	1.5	8.3
AM-13_CS06	chip-channel	2.0	1.1	4.2
AM-13_CS07	chip-channel	2.0	1.2	4.8
AM13_CS08	saw-cut-channel	48.0	1.8	7.2
including		15.0	3.4	14.0
and		5.0	3.5	15.7
AM-13_CS09	chip-channel	2.0	1.2	3.8
AM-13_CS10	chip-channel	2.0	0.8	3.7

Figure 12: Target AM-13 Location Map

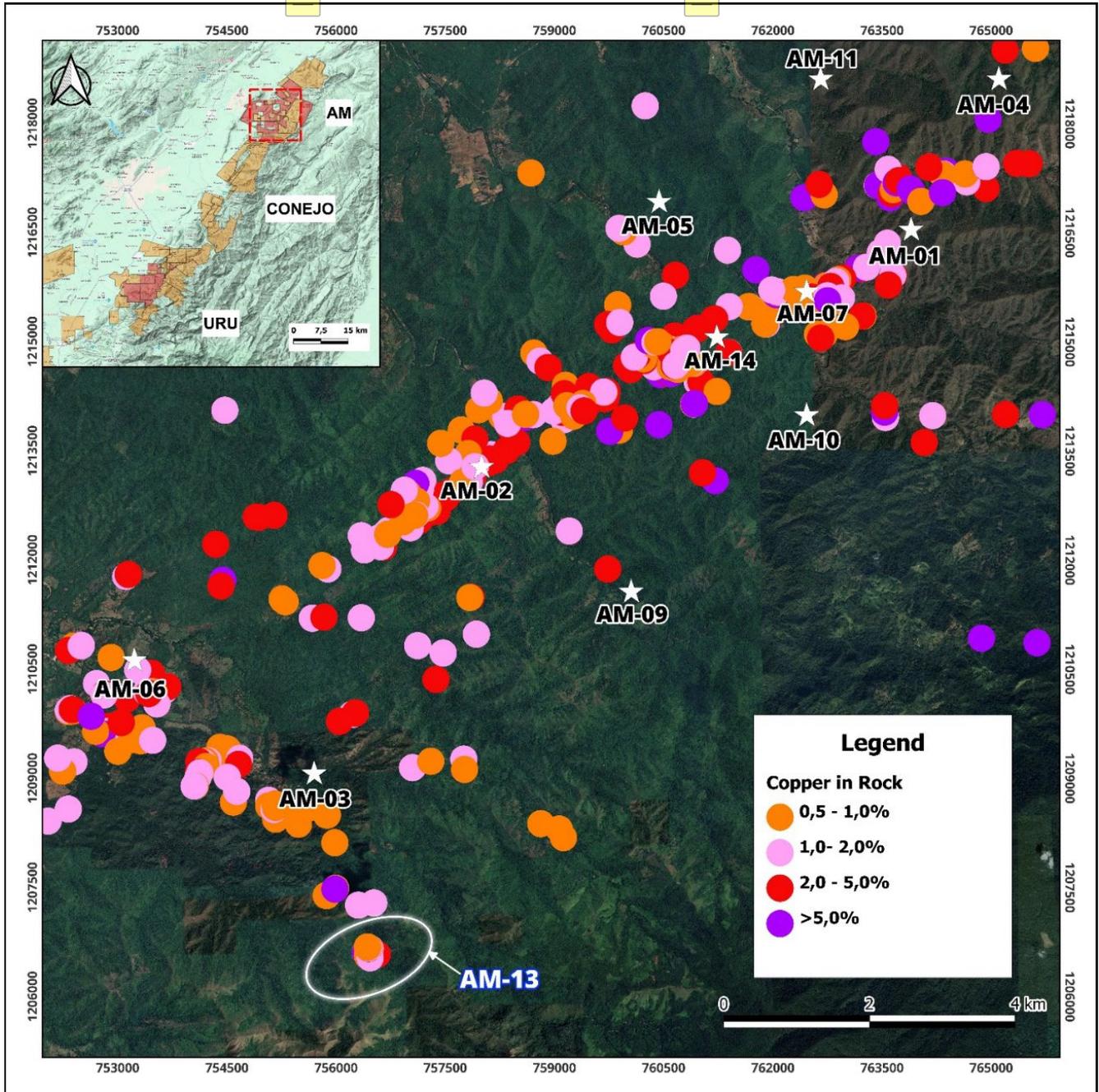
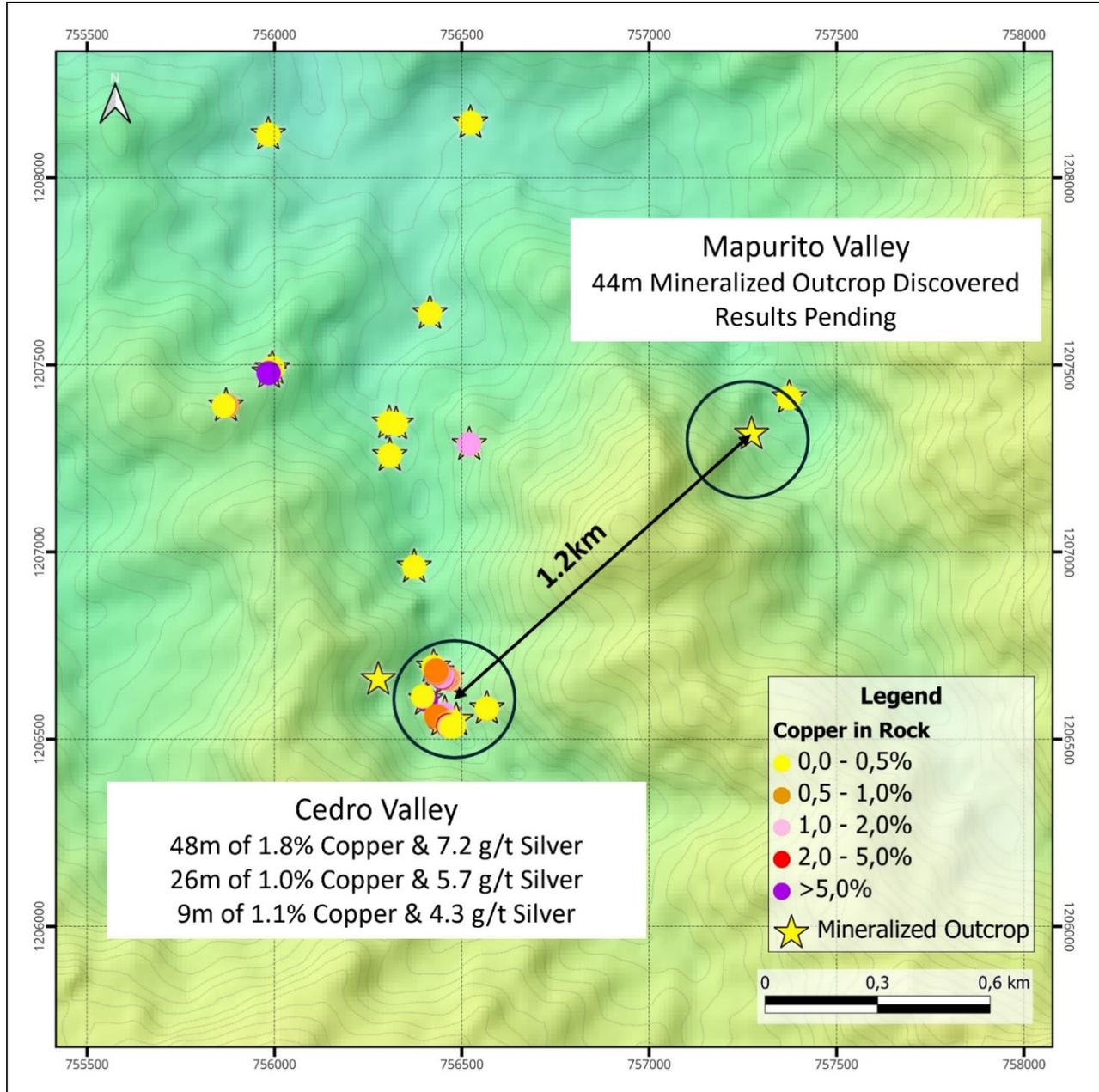


Figure 13: Target AM-13 Mineralized Outcrop Locations



Sierra Azul Exploration Completed Subsequent to the Nine Months Ended September 30, 2024

Property exploration continues with Freeport, but nothing was disclosed to the public subsequent to quarter end.

FLORÁLIA HEMATITE IRON ORE PROPERTY IN BRAZIL

In May 2024, the Company completed its due diligence in regard to a conditional LOI with Jaguar Mining Inc. (“Jaguar”), signed on April 12, 2024. In accordance with the LOI, the Company and Jaguar will enter into an Asset Purchase Agreement (“APA”) whereby the Company can purchase 100% of the Florália Mineral Right nº 832.022/2028 (“Florália Mineral Right”) by making cash payments totaling US\$1,000,000 as follows:

- US\$100,000 non-refundable deposit (paid);
- US\$200,000 within five business days following the effective date of the APA (paid);

- US\$300,000 within five business days following the date on which the Brazilian Mining Agency approves and publishes the transfer of the Mineral Permit to Max at the Official Gazette;
- US\$200,000 within five business days following the date of 6 months from the effective date of the APA; and
- US\$200,000 within five business days following the date of 12 months from the effective date of the APA.

The transaction will be a Fundamental Acquisition as defined by the policies of the TSX-V and is subject to approval of the TSX-V and the Company completing all filing requirements and shareholder approval, if required. Trading will remain halted pending receipt and review of acceptable documentation pursuant to Section 5.6(d) of the TSX-V Policy 5.3 regarding Fundamental Acquisitions.

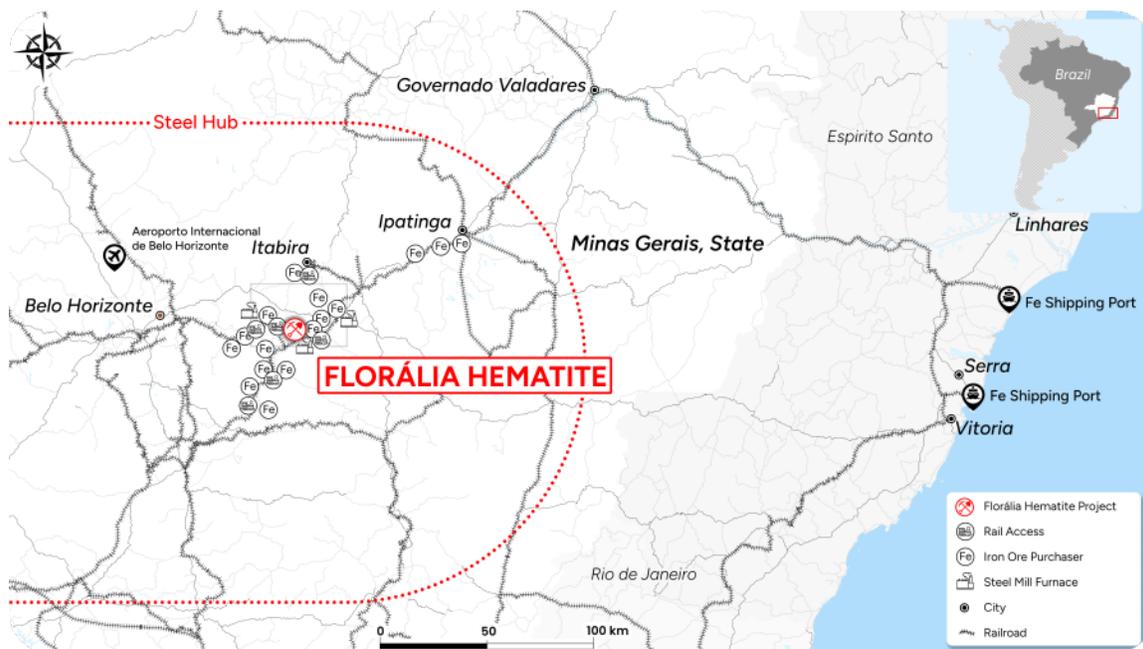
The Florália Hematite Iron Ore Property (the “Property” or “Florália Property”) is located 70-km east of the city of Belo Horizonte in the State of Minas Gerais, Brazil (refer to Figure 14). The Property is located within 20-km of major, iron ore mines and steel mills. Local mining infrastructure includes railways, haul roads, mining services and personnel.

The Florália deposit consists of four distinct bodies of iron ore mineralization along a southeastern trend. Mapping has traced iron ore along 1,000m of strike to the north and a further 822m to the southwest, with largest body located at the southeastern end. This body is exposed by an historic open pit 160m by 160m and 35m deep. The benches of the mining pit reveal a plunging band of iron ore at the base and sub-horizontal banding at the top of the pit (refer to Figure/Video 17).

During the mapping and sampling program, 41 channel samples were collected over a 151m accumulated length. The samples averaged 58% Fe. This work has resulted in the definition of a geological target estimated at 2,971,233 m³ to 4,496,333 m³ or 8,052,041 tonnes to 12,184,160 tonnes using a density of 2.71 g/cm³ at an average grade of 58% Fe.

Max cautions investors the potential quantity and grade of the iron ore is conceptual in nature, and further cautions there has been insufficient exploration to define a mineral resource and Max is uncertain if further exploration will result in the target being delineated as a mineral resource. The source of the exploration information on the Florália Property is “Depósito Florália Oportunidade para mineração de ferro by Jaguar Mining Inc.” The document is undated.

Figure 14: The Florália hematite iron ore property is located within a prolific iron ore mining district nearby major iron ore mines, steel mills, railways, haul roads and mining services



Florália Exploration Completed During to the Nine Months Ended September 30, 2024

Further to its news releases of May 16, June 17 and August 6, 2024, Max has entered into a definitive mineral right purchase agreement (the “APA”) with its wholly-owned Brazilian subsidiary, Max Resource Brazil Ltda. (“Max Brazil” and, together with the Company, the “Max Entities”), Jaguar Mining Inc. (“Jaguar”) and Jaguar’s wholly-owned Brazilian subsidiary, Mineração Serras Do Oeste Limitada (together with Jaguar, the “Jaguar Entities”), to acquire a 100% interest in Mineral Right n° 832.022/2018, which represents the Florália Property.

The Jaguar Entities and Max Entities are arm’s length parties and, as a result of the Transaction, no new insiders or control persons of the Company will be created. No finder’s fees or commissions are payable in connection with the Transaction. Closing of the Transaction remains subject to customary closing conditions, including, among others, the final approval of the TSX Venture Exchange.

The Floralia hematite project is located 70km east of the city of Belo Horizonte, Minas Gerais, Brazil's largest iron ore and steel producing state. In addition, iron ore buyers lie within 20km of Florália, providing a local ready market requiring minimal transportation, upon successful exploration and development.

Florália Exploration Completed Subsequent to the Nine Months Ended September 30, 2024

Max announced the closing of the Florália transaction on October 11th and on November 4th, Max announced its intention to spin out the Florália assets to “Max Iron Brazil Ltd.” and seek a listing on the Australian Stock Exchange.

On November 15, Max provided an update on the Florália Property and on-going exploration. A high-resolution drone magnetics at Floralia identified a large anomalous zone of surficial outcropping high-grade mineralization associated with hematite/itabirite-type iron formation. The size of the anomalous area appears to extend far beyond the 160m-by-160m historic open cut to around 1,500m by 1,000m based on the drone magnetics, field activities and 58 channel samples.

Based on the new exploration data, Max's technical team has significantly expanded the:

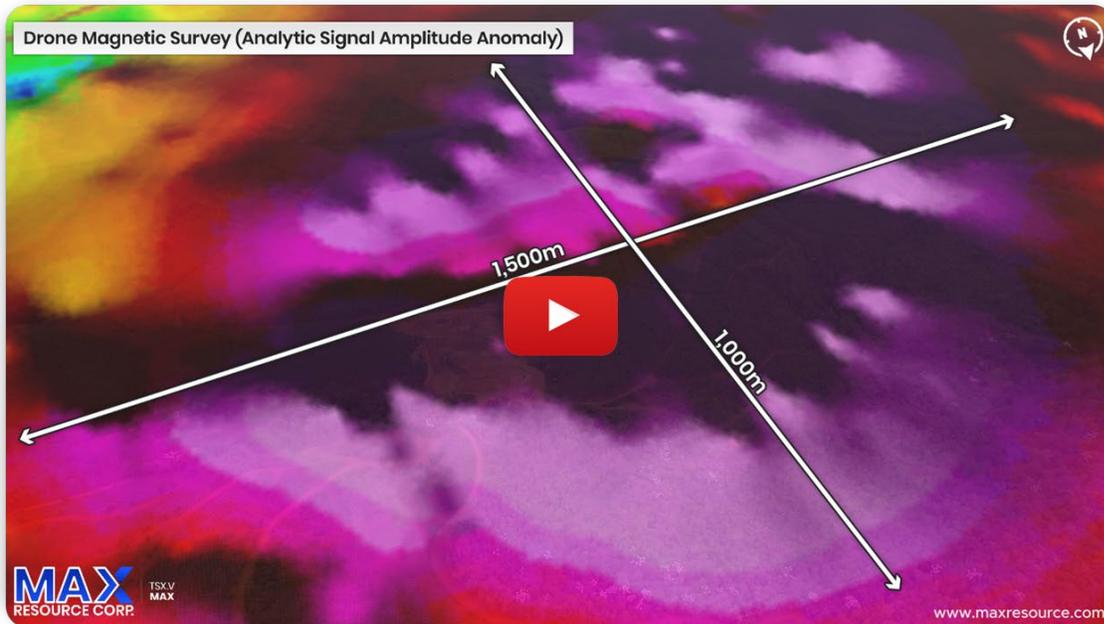
- Florália Hematite geological target: from 8 to 12mt at 58% Fe to **50 to 70mt at 55 to 61% Fe from surface and is open in all directions and;**
- Florália Hematite/Itabirite geological target of **130 to 170mt at 51 to 55% Fe beneath and is open in all directions**

Its important to note, the Florália hematite deposit has low grades of phosphorous.

Max cautions investors the potential quantity and grade of the iron ore is conceptual in nature and further cautions there has been insufficient exploration to define a mineral resource, and Max is uncertain if further exploration will result in the target being delineated as a mineral resource.

Hematite mineralization tonnage potential estimation is based on in situ high-grade outcrops and interpreted and modelled magnetic anomalies. Density value used for the estimate is 2.8 tonnes per cubic metre. Hematite sample grades range between 55 per cent and 61 per cent iron. Itabirite mineralization tonnage potential estimation is based on in situ itabirite outcrop interpreted and modelled magnetic anomalies. Density value used for the estimate is 2.5 tonnes per cubic metre. Itabirite sample grades range between 51 per cent and 55 per cent iron. The 58 channel samples were collected for chemical analysis from in situ outcrops in previously mined slopes of industrial materials. Channel samples weighed on average 14 kilograms. Chemical analysis was performed at ALS Laboratories. Metal oxides are determined using XRF (X-ray fluorescence) analysis. Fusion disks are made with pulped samples and the addition of a borate-based flux. Max did not insert standards or blanks in the assay stream and is relying on ALS's lab quality assurance/quality control.

Figure 15. Drone video highlighting the high-resolution magnetic anomaly (1,500m by 1,000m)



The processed geophysical data from the drone survey also indicates a large portion of the magnetic anomaly lies at depth below the surface expressions of high-grade hematite oxide mineralization. Analysis indicates a highly deformed structural geological environment that is fundamental to the increase in iron ore grades and tonnages, a consequence of secondary crystallization of hematite and the development of supergene enrichment. Additionally, the geophysical survey was also crucial in revealing the potential of a secondary body covered by soil in the northwestern portion of the property. This zone was initially regarded as a minor occurrence; however, the magnetic signature and orientation recognizes it as extensions to the initial iron formation target.

The magnetometric geophysical survey utilized drones over the project area located in the Floralia region of Santa Barbara, Minas Gerais, Brazil, within the Quadrilatero Ferrifero region. The geophysical survey magnetometric maps were generated with multiples filters, along with a 3-D inversion that provided a high-resolution block model and isovalue surfaces from the interpreted source of the anomalies. These data have been fundamental in confirming the principal target area and the true potential of the Florália high-grade hematite project (refer to Figure/Video 15).

The channel sampling across road cuts is now complete with assays pending. The next step is auger and diamond drilling.

Figure 16. Iron Ore Buyers within 20-km Radius of the Florália Hematite Iron Ore Project

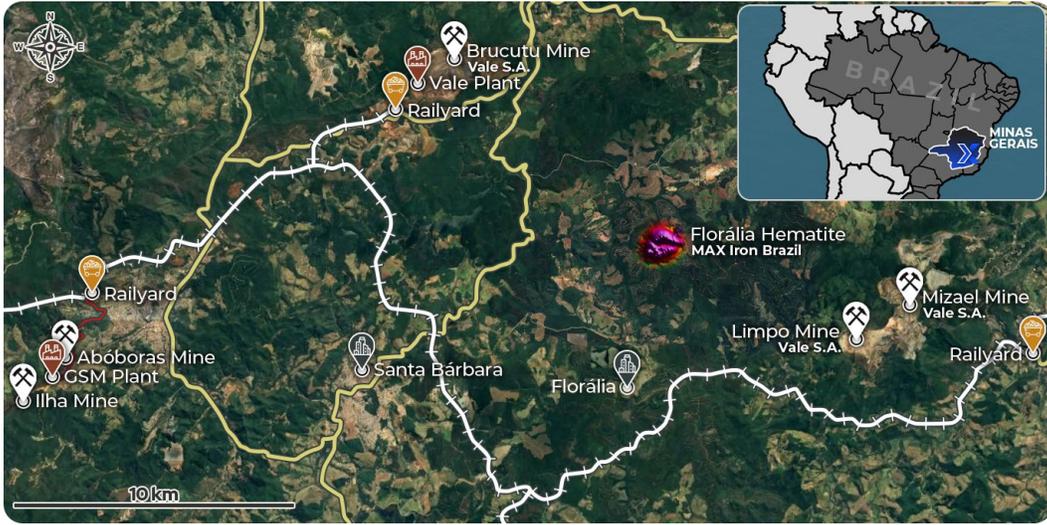


Figure 17. Drone video of the historic Florália open cut mine (35m face; 160m by 160m)



Table 1. Max Hematite Channel Sample Results

Sample ID	Type	+16mm	-16mm	Type	%Fe	%SiO2	%P	%Al2O3	%Loi
FL_CN_001	Fraction	9.7%	90.3%	Hematite	57.55	4.49	0.06	5.84	6.76
FL_CN_003	Fraction	12.5%	87.5%	Hematite	58.26	4.74	0.04	3.65	7.50
FL_CN_005	Fraction	23.2%	76.8%	Hematite	57.36	13.19	0.05	0.70	3.10
FL_CN_006	Fraction	15.7%	84.3%	Hematite	58.32	7.60	0.02	1.77	6.52
FL_CN_007	Fraction	13.8%	86.2%	Hematite	56.56	10.38	0.02	3.43	4.98
FL_CN_009	Fraction	19.7%	80.3%	Hematite	58.87	5.82	0.03	3.37	6.06
FL_CN_010	Fraction	11.4%	88.6%	Hematite	58.09	3.21	0.07	5.31	7.64
FL_CN_012	Fraction	9.8%	90.2%	Hematite	55.15	11.07	0.02	2.95	5.80
FL_CN_017	Fraction	9.9%	90.1%	Hematite	58.06	8.45	0.06	2.19	5.34
FL_CN_018	Raw_grade			Hematite	56.28	10.35	0.06	2.42	5.66
FL_CN_019	Fraction	9.9%	90.1%	Hematite	58.66	7.67	0.04	3.03	4.95
FL_CN_022	Fraction	12.1%	87.9%	Hematite	56.78	5.15	0.04	5.57	6.96
FL_CN_024	Fraction	4.3%	95.7%	Hematite	59.80	7.11	0.04	1.73	4.61
FL_CN_025	Raw_grade			Hematite	55.82	13.30	0.06	1.31	4.44
FL_CN_026	Raw_grade			Hematite	55.68	9.64	0.04	4.76	5.70
FL_CN_027	Raw_grade			Hematite	55.97	7.33	0.10	2.50	7.36
FL_CN_030	Fraction	15.0%	85.0%	Hematite	56.38	2.11	0.06	6.80	9.54
FL_CN_031	Fraction	18.4%	81.6%	Hematite	56.35	9.35	0.04	3.39	4.75
FL_CN_033	Raw_grade			Hematite	55.96	7.00	0.05	4.52	6.58
FL_CN_037	Fraction	17.3%	82.7%	Hematite	56.04	1.96	0.11	7.84	9.22
FL_CN_039	Fraction	6.8%	93.2%	Hematite	60.25	4.28	0.10	1.69	6.41
FL_CN_040	Raw_grade			Hematite	56.35	11.60	0.05	1.97	4.82
FL_CN_042	Raw_grade			Hematite	56.67	11.15	0.05	2.76	5.46
FL_CN_043	Fraction	6.8%	93.2%	Hematite	61.04	7.43	0.04	1.32	4.50
FL_CN_045	Raw_grade			Hematite	56.32	10.85	0.03	2.44	4.89
FL_CN_047	Raw_grade			Hematite	56.20	12.15	0.05	1.57	4.56
FL_CN_048	Fraction	9.0%	91.0%	Hematite	57.59	3.24	0.08	4.03	9.00
FL_CN_049	Raw_grade			Hematite	58.42	5.08	0.07	3.51	7.33
FL_CN_050	Raw_grade			Hematite	55.05	9.33	0.05	3.43	6.48
FL_CN_053	Raw_grade			Hematite	56.77	7.05	0.05	5.44	5.78
FL_CN_055	Raw_grade			Hematite	56.34	11.75	0.05	1.75	4.94
FL_CN_057	Raw_grade			Hematite	58.34	9.74	0.07	1.76	4.07
FL_CN_058	Fraction	12.6%	87.4%	Hematite	60.46	2.83	0.05	3.57	6.17
FL_CN_059	Raw_grade			Hematite	59.69	4.77	0.05	3.38	5.84

Table 2. Max Itabirite Channel Sample Results

SampleID	Type	+16mm	-16mm	Type	%Fe	%SiO2	%P	%Al2O3	%Loi
FL_CN_002	Fraction	7.6%	92.4%	Itabirite	54.89	7.63	0.06	3.87	9.27
FL_CN_004	Fraction	8.0%	92.0%	Itabirite	52.29	8.57	0.06	6.22	9.74
FL_CN_008	Fraction	11.6%	88.4%	Itabirite	53.72	12.44	0.02	3.80	5.91
FL_CN_013	Fraction	14.2%	85.8%	Itabirite	52.20	6.62	0.08	7.81	10.07
FL_CN_015	Raw_grade			Itabirite	51.13	5.01	0.15	8.34	11.32
FL_CN_016	Raw_grade			Itabirite	54.48	7.89	0.05	6.42	7.48
FL_CN_021	Fraction	13.6%	86.4%	Itabirite	52.82	5.67	0.07	6.19	10.54
FL_CN_023	Raw_grade			Itabirite	52.61	12.25	0.07	1.64	7.33
FL_CN_029	Fraction	17.2%	82.8%	Itabirite	51.44	5.88	0.08	8.32	10.03
FL_CN_032	Raw_grade			Itabirite	53.64	13.20	0.04	4.16	5.18
FL_CN_034	Raw_grade			Itabirite	53.13	12.55	0.04	4.60	5.55
FL_CN_035	Fraction	5.3%	94.7%	Itabirite	52.18	16.72	0.04	2.87	5.55
FL_CN_036	Raw_grade			Itabirite	53.73	12.75	0.07	3.53	6.26
FL_CN_041	Fraction	8.7%	91.3%	Itabirite	54.82	13.79	0.03	2.84	4.92
FL_CN_044	Raw_grade			Itabirite	51.85	14.40	0.03	4.05	5.89
FL_CN_046	Fraction	4.0%	96.0%	Itabirite	52.92	17.47	0.04	1.75	4.50
FL_CN_051	Fraction	12.7%	87.3%	Itabirite	54.98	11.01	0.04	4.63	5.39
FL_CN_052	Raw_grade			Itabirite	54.04	12.45	0.04	3.46	5.75
FL_CN_054	Fraction	10.6%	89.4%	Itabirite	54.09	11.62	0.09	3.73	7.01
FL_CN_056	Raw_grade			Itabirite	54.96	16.30	0.06	1.52	3.27

RT GOLD PROPERTY IN PERU

On September 16, 2020, Max executed an option agreement to acquire a 100% interest in the RT Gold Property (the “Property”) and on November 4, 2021, the option agreement was amended to change the dates and payments to:

- pay US\$300,000 to the vendors on execution of the agreement (paid)
- pay US\$300,000 on or before October 30, 2021 (paid)
- pay US\$150,000 on or before March 20, 2023 (paid)
- pay US\$150,000 on or before March 20, 2024
- pay US\$300,000 on or before March 20, 2025
- pay US\$300,000 on or before March 20, 2026
- pay US\$3,000,000 on or March 20, 2027

Upon the Company acquiring a 100% interest in the Property, the vendors will retain a 2.5% net smelter royalty.

The Property consists of two contiguous mineral concessions located 760-km northwest of Lima, Peru and sits along the Cajamarca Metallogenic belt, extending north from Central Peru into Southern Ecuador.

On June 29, 2023, Max filed a technical report for its RT Gold Property. This report, dated March 8, 2023, is titled “RT Gold Project, Cajamarca, Peru” was prepared for Max, by Qualified Person (“QP”) Luis Rodrigo Peralta FAusIMM CP (Geo) in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”). The report can be found on the Company's website at <https://maxresource.com>

In March 2024, the Company decided that substantive expenditures for further exploration on the RT Gold Property would not be budgeted nor planned and as such, the Company wrote off the Property as at December 31, 2023. The Company subsequently terminated the option agreement.

Quality Assurance

The technical content of this Management Discussion and Analysis was reviewed and approved by R. Tim Henneberry, P.Ge.(BC), an Advisor to the Company.

1.3 Selected Quarterly Information

As at September 30, 2024, the Company was listed on the TSX-V. The Company has not recorded any revenues in the current fiscal year and depends upon share issuances to fund its administrative and exploration expenses. See the summary of results, below:

	Three months ended September 30,		Nine months ended September 30,	
	2024 \$	2023 \$	2024 \$	2023 \$
Revenues	-	-	-	-
Expenses	(1,455,462)	(1,059,995)	(5,033,524)	(3,081,573)
Net and comprehensive loss for the period	(1,433,677)	(868,797)	(4,907,395)	(2,712,621)
Basic and diluted net loss per common share	(0.01)	(0.01)	(0.03)	(0.02)
Exploration and evaluation assets	12,256,838	12,952,065	12,256,838	12,952,065
Total assets	15,445,490	22,239,186	15,445,490	22,239,186
Total long-term liabilities	63,240	302,454	63,240	302,454
Working capital	1,421,627	7,835,397	1,421,627	7,835,397
Dividends per share	-	-	-	-

The Company's current projects are at the exploration and development stages and have not generated any revenues.

At September 30, 2024, the Company had not yet achieved profitable operations and had accumulated losses of \$53,661,545 (December 31, 2023 - \$48,754,150) since inception. The net losses for the three months ended September 30, 2024 and 2023 resulted in a net loss per share of \$0.01 and \$0.01, respectively, while the net losses for the nine months ended September 30, 2024 and 2023 resulted in a net loss per share of \$0.03 and \$0.02, respectively.

At September 30, 2024, the Company has no continuing source of operating revenues. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities.

1.4 Results of Operations

Three months ended September 30, 2024

During the three months ended September 30, 2024 (the “current quarter”), the Company incurred a loss of \$1,433,677 compared to a loss of \$868,797 for the three months ended September 30, 2023 (the “comparative quarter”). Variances between the current period and comparative period are shown in the table below:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Office and miscellaneous	Decrease of \$160,283	Decreased due to decreased corporate activity during the current quarter.
Professional fees	Increase of \$97,970	Increased due to additional legal fees incurred relating to the EIA with Freeport and the acquisition of the Florália Mineral Right from Jaguar during the previous quarter.
Share based compensation	Increase of \$325,772	Increased due to the Company granting options during the quarter. No options were granted in the comparative quarter.

In addition to the above, the Company reported the following changes from the current quarter compared to the comparative quarter:

- an increase of \$159,466 in foreign exchange loss due to the changes in the foreign exchange rates between the Canadian dollar, United States dollar, Colombian Peso, Peruvian Sol, and Brazilian Real; and
- a decrease of \$169,413 in interest income due to the Company having less funds invested in higher interest bearing financial instruments.

Nine months ended September 30, 2024

During the nine months ended September 30, 2024 (the “current period”), the Company incurred a loss of \$4,907,395 compared to a loss of \$2,712,621 for the nine months ended September 30, 2023 (the “comparative period”). Variances between the current period compared to the comparative period are shown in the table below:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting and employment costs	Decrease of \$61,878	Decreased due to a decrease in administrative wages in Peru from the termination of the RT Gold Property in 2023 and fewer consultants being engaged as the Company focused on closing the EIA with Freeport and the DMRPA with Jaguar.
Marketing	Decrease of \$120,944	Decreased due to the Company decreasing its marketing initiatives.
Professional fees	Increase of \$202,039	Increased due to additional legal fees incurred relating to the EIA with Freeport and the acquisition of the Florália Mineral Right from Jaguar during the current period.
Property investigation costs	Increase of \$267,135	Increased due to the Company investigating potential new projects during the current period, including the recently acquired Florália Mineral Right.
Share-based compensation	Increase of \$1,565,772	Increased due to the Company’s PSUs vesting during 2024 Q2 and the granting of options in 2024 Q3. No options were granted or PSUs vested in the comparative period.

In addition to the above, the Company reported the following changes from the current period compared to the comparative period:

- an increase of \$166,453 in foreign exchange loss due to the changes in the foreign exchange rates between the Canadian dollar, United States dollar, Colombian Peso, Peruvian Sol, and Brazilian Real; and
- a decrease of \$242,823 in interest income due to the Company having less funds invested in higher interest bearing financial instruments.

1.5 Summary of Quarterly Results

	Q3-2024	Q2-2024	Q1-2024	Q4-2023	Q3-2023	Q2-2023	Q1-2023	Q4-2022
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	-	-	-	-	-	-	-	-
Loss	(1,433,677)	(2,626,419)	(847,299)	(4,673,549)	(868,797)	(976,152)	(867,672)	(1,099,296)
Loss per share	(0.01)	(0.01)	(0.00)	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)

The loss for 2023 Q4 included a \$247,878 gain on settlement of long-term debt and a \$4,125,936 write-off of exploration asset.

The loss for 2024 Q2 included a \$1,240,000 expense related to the vesting of PSUs.

The loss for 2024 Q3 included a \$325,772 expense related to the vesting of PSUs.

1.6 Liquidity and Solvency

At September 30, 2024, the Company had working capital of \$1,421,627 including cash and cash equivalents of \$2,456,134. This compares to working capital of \$5,285,382 at December 31, 2023, inclusive of cash and cash equivalents of \$6,308,230.

The decrease in cash totalling \$3,852,096 during the nine months ended September 30, 2024 was a result of operating activities consuming \$3,197,099 in cash, exploration and evaluation assets consuming \$3,121,731 in cash, equipment purchases of \$88,587 in cash, and repayment of the loan payable and lease liabilities costing \$70,347 in cash. The decrease was offset by the Company receiving \$2,625,668 from Freeport for the Sierra Azul Copper-Silver Project EIA.

Cash flow to date has not satisfied the Company's operational requirements. The development of the Company in the future will depend on the Company's ability to obtain additional financings. While the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable.

1.7 Capital Resources

As at September 30, 2024, the Company had a cash and cash equivalents balance of \$2,456,134 (December 31, 2023 - \$6,308,230) to settle current liabilities of \$1,248,242 (December 31, 2023 - \$1,275,140). The Company expects to fund its liabilities and its acquisition, exploration, and operational activities over the next fiscal year with cash on hand and from cash received from the issuance of equity securities, primarily through private placements and the exercise of share options and warrants. Additionally, the Company expects to continue to receive funds from Freeport in relation to the Sierra Azul Copper-Silver Project EIA.

1.8 Off Balance Sheet Arrangements

The Company has granted a 0.5% net smelter royalty on 47 (December 31, 2023 – 44) mineral license applications to Endeavour Silver Corp., of which none have been converted into CMC contracts.

The Company has signed a consulting agreement with a consultant to help identify and acquire mineral claims in Brazil. Under the agreement, the consultant was granted a royalty of USD \$1.40 per ton of ore produced from the property on all mineral claims acquired in Brazil up until December 31, 2024, amended to December 31, 2026 on July 1, 2024.

1.9 Transactions with Related Parties

Related party balances

The following amounts due to related parties are included in accounts payables and accrued liabilities:

	September 30, 2024 \$	December 31, 2023 \$
Alex Helmle, CFO	16,027	12,298
Brett Matich, CEO, President, Director of the Company	-	35,876
Kelly Pladson, Corporate Secretary	116	-
Nia Capital Corp., a Company controlled by Kelly Pladson	5,250	-
Prudent Minerals, a Company with common directors	-	34,112
Redonda Management Ltd., a company controlled by Alex Helmle	15,750	15,750
Stonefish Capital Inc., a company controlled by Bruce Counts, Director of the Company	-	5,385
	37,143	103,421

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Key management personnel compensation (consisting of management and certain directors)

Nine months ended September 30:	2024	2023
	\$	\$
Management fees paid to Mardu Investments Ltd.	216,000	216,000
Management fees paid to Redonda Management Ltd.	135,000	135,000
Management fees paid to Heritage Benefit Planners Inc., a Company controlled by Patrick Frandle, Director of the Company	19,500	15,000
Management fees paid to Paul John, Director of the Company	-	15,000
Management fees paid to Stonefish Capital Inc.	-	16,000
Geological consulting fees included in exploration assets paid to Stonefish Capital Inc.	166,021	-
Consulting fees paid to Nia Capital Corp., a Company controlled by Kelly Pladson	45,000	27,000
	581,521	424,000

1.11 Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company other than those which have been disclosed in this MD&A.

1.12 Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Significant estimates and judgements made by management in the preparation of the condensed interim consolidated financial statements are outlined below.

Significant judgements*Going concern*

The assessment of the Company's ability to continue as a going concern and whether there exists material uncertainties that may cast doubt involves management judgement about the Company's resources and future prospects.

Functional currency

The functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar ("CAD"); however, determination of functional currency may involve certain judgments to determine the primary economic environment which is re-evaluated for each new entity or if conditions change.

Economic recoverability and probability of future economic benefits of mineral exploration and evaluation assets

Management must use judgment when determining whether there are indicators that its mineral properties may be impaired. Indicators that are considered by management are described in the Company's accounting policy for exploration and evaluation assets.

Significant estimates*Valuation of share-based compensation*

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation and other equity-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Valuation of right-of-use asset and lease liability

The application of IFRS 16 requires the Company to make judgments that affect the valuation of the right-of-use assets and the valuation of lease liabilities. These include: determining the contract term and determining the interest rate used for discounting of future cash flows.

The lease term determined by the Company is comprised of the non-cancellable period of lease agreements, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The present value of the lease payment is determined using a discount rate representing the rate of a commercial mortgage rate, observed in the period when the lease agreement commences or is modified.

1.13 Changes in Accounting Policies including Initial Adoption

Accounting standards adopted

The following new standards, amendments to standards and interpretations were adopted as of January 1, 2024:

- *Presentation of Financial Statements (Amendments to IAS 1)* – the amendments provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date. These amendments:
 - specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
 - provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
 - clarify when a liability is considered settled

The Company concludes that the effect of such amendment did not have a material impact and therefore did not record any adjustments to the condensed interim consolidated financial statements.

New accounting standards issued and not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has not yet determined the impact of this amendment on its consolidated financial statements.

1.14 Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	September 30, 2024 \$	December 31, 2023 \$
Cash	2,456,134	6,308,230
Receivables	-	19
	2,456,134	6,308,249

Financial liabilities included in the statement of financial position are as follows:

	September 30, 2024 \$	December 31, 2023 \$
Non-derivative financial liabilities:		
Accounts payables	1,061,230	964,255
	1,061,230	964,255

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The Company's financial instruments consist of cash and cash equivalents, receivables, and accounts payables, and loans payable. The fair value of receivables, accounts payables, and loans payable approximates their carrying values. Cash and cash equivalents is measured at fair value using level 1 inputs.

Financial Risk and Capital Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's cash is deposited with major banks and independent financial services firms in Canada, Peru, and Brazil. The Company maintains certain cash deposits with Schedule I financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk. The Company's tax receivable is due from the Government of Canada; therefore, the credit risk exposure is low.

The maximum exposure to credit risk as at September 30, 2024 is the carrying value of the receivables which management has assessed the risk of loss as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements and the advance of loans. The Company's access to equity financing is dependent upon market conditions and market risks. There can be no assurance of continued access to equity funding.

As at September 30, 2024, the Company had a cash and cash equivalents balance of \$2,456,134 to settle current liabilities of \$1,248,242. Liquidity risk is assessed as low but the Company will need to raise additional funds to carry on with its exploration programs.

Contractual undiscounted cash flow requirements for financial liabilities as at September 30, 2024 are as follows:

	≤1 Year \$	>1-5 Years \$	>6-10 Years \$	Total \$
Accounts payable	1,061,230	-	-	1,061,230

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risk as it incurs expenditures that are denominated in United States dollars, Colombian Pesos, Peruvian Sol, and Brazilian Real while its functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

The following is a summary of Canadian dollar equivalent financial assets and liabilities that are denominated in United States dollars, Colombian Pesos, or Peruvian Sol:

	September 30, 2024	December 31, 2023
	\$	\$
Cash	1,403,248	11,375
Accounts payables	(311,343)	(198,261)
Loans payable	-	(33,762)
Net assets (liabilities)	1,091,905	(220,648)

Based on the above net exposures, a 10% change in the Canadian dollar exchange rate compared to with the United States dollars, Colombian Pesos, Peruvian Sol or Brazilian Real would change net loss and comprehensive loss by approximately \$109,000.

Interest rate risk

Interest rate risk is the risk due to variability of interest rates. The Company is exposed to interest rate risk on its bank account. The income earned on the bank account is subject to the movements in interest rates. The Company has cash balances and fixed interest-bearing debt, therefore, interest rate risk is nominal.

Capital management

The Company's policy is to maintain a capital base sufficient to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of shareholders' equity. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

Other risks and uncertainties

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks are associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

The Company is engaged in the acquisition, exploration and development of mineral properties. Given the nature of the resource business, the limited extent of the Company's assets, and the present stage of exploration, the following risks factors, among others, should be considered.

Exploration, Development and Operating Risks

The Company is in the process of exploration and development of its properties and has not yet generated any revenues from production. The recovery of expenditures on mineral properties and the related exploration and evaluation expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its Projects, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Resource exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's efforts will be successful and will result in commercial production or profitability.

Fluctuating Resource Prices

The economics of resource exploration and development are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the quantity and quality of resources and fluctuations in the market price of those resources. Depending on the price of resources, the Company may determine that it is impractical to continue a resource exploration operation or to develop one. Resource prices are prone to fluctuations and the marketability of resources are affected by government regulation relating to price, royalties, allowable production and the importing and exporting of resources, the effect of which cannot be accurately predicted.

Financing Risks and Dilution to Shareholders

The Company has limited financial resources and no revenues. The Company will require additional funds to continue with its current business. Additionally, if the Company's programs on its Projects are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

Title to Properties

Acquisition of title to mineral properties in Colombia and Peru can be a very detailed and time-consuming process. Title to, and the area of, properties could be disputed. The Company cannot give a certain assurance that title to its properties will not be challenged or impugned. A successful claim that the Company does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any resources or minerals on its properties without compensation for its prior expenditures relating to its properties.

Regulatory, Permit and License Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development

operations on the properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

Competition

The resource exploration and development industry is highly competitive. The Company will have to compete with other companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Local Resident Concerns

Apart from ordinary environmental issues, the exploration and development the Company's Projects could be subject to resistance from local residents that could either prevent or delay exploration and development of its properties.

Environmental Risks

The Company's exploration and development programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the resource business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that mines and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Currency Risks

The Company's financial results are reported in Canadian dollars. The Company's exploration properties are located in Colombia and Peru and the Company incurs most of its expenditures in United States dollars. Any appreciation in the currency of the United States, Colombia, or Peru against the Canadian dollar will increase the Company's costs of carrying out operations and its ability to continue to finance its operations. Such fluctuations could have a material adverse effect on the Company's financial results.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be

resolved in accordance with the provisions of the BCBCA and applicable internal corporate governance or board policies where and when applicable.

Political Risks

The Company's operations may be adversely affected by changes in governmental policies or other economic developments which are not within the control of the Company including a change in taxation policies, economic sanctions, and currency control. The Company is subject to various laws governing exploration, development, production, export of products, taxes, labour standards and occupational health, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could increase the cost of operations.

Uninsurable Risks

Exploration, development and production operations on resource properties involve numerous risks, including unexpected or unusual geological and/or operating conditions, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Contingencies

During the year ended December 31, 2019, certain Colombian employees of Noble Metals Ltd. were registered under the Company's name with the Colombian tax authorities, without the consent of the Company. The Company has hired a Colombian law firm to unwind this unauthorized registration; however, the Company may face potential claims from these employees with respect to taxes, salaries and social security. The Company intends to vigorously defend against any potential claims, which cannot be reasonably estimated at this time.

1.15 Other MD&A Requirements**Equity Securities Issued and Outstanding****Common Shares**

The Company has one class of common shares. Below is a summary of the common shares, share options, warrants, and Performance Share Units ("PSUs") issued and outstanding as at September 30, 2024 and the date of this report.

	September 30, 2024	Date of this report
Common shares	179,884,325	179,884,325
Share options	13,160,000	13,160,000
Warrants	14,825,000	14,825,000

Share Options

The following tranches of share options are outstanding as of the date of this report:

Number of options outstanding and exercisable	Exercise price	Expiry date
	\$	
300,000	0.15	January 3, 2025
1,800,000	0.21	August 24, 2025
1,090,000	0.55	April 26, 2026
1,870,000	0.24	December 20, 2026
8,100,000	0.10	July 25, 2029
13,160,000		

Warrants

The following tranches of warrants are outstanding as of the date of this report:

Number of warrants outstanding	Exercise price	Expiry date
	\$	
14,825,000	0.36	March 28, 2025
14,825,000		

Other Information

Additional information relating to the Company can be found on or in:

- the Company's website at www.maxresource.com ;
- SEDAR at www.sedarplus.ca;
- the Company's audited consolidated financial statements for the years ended December 31, 2023 and 2022; and
- the Company's unaudited consolidated financial statements for the three and nine months ended September 30, 2024 and 2023.

This MD&A was approved by the Board of Directors of Max Resource Corp effective November 29, 2024.