

# **ARYA RESOURCES LTD.**

## **Management's Discussion and Analysis**

**For the three and six months ended October 31, 2024 and 2023**

(Expressed in Canadian dollars)

## **1. EFFECTIVE DATE AND FORWARD-LOOKING STATEMENTS**

### **a) Reporting period and effective date**

This Management's Discussion & Analysis ("MD&A") of the financial position and results of operations provides an analysis of the operations and financial results of Arya Resources Ltd. (the "Company" or "Arya") for the three and six months ended October 31, 2024 and 2023. This MD&A should be read in conjunction with the audited financial statements of the Company and related notes thereto as at and for the years ended April 30, 2024 and 2023 (the "Annual Financial Statements") and the unaudited condensed interim financial statements for the three and six months ended October 31, 2024 and 2023 and the related notes thereto (the "Financial Statements"). The Financial Statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS Accounting Standards") issued by the International Accounting Standards Board applicable to the preparation of the Financial Statements including, International Accounting Standard 34 *Interim Financial Reporting*. All financial information has been prepared in accordance with IFRS Accounting Standards and all amounts in the MD&A are in Canadian dollars, except number of shares, or as otherwise indicated. The functional currency of the Company is disclosed in the notes to the Financial Statements.

The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The six months ended October 31, 2024 and 2023 are referred to as "YTD 2025" and "YTD 2024" respectively.

Additional information about the Company is available on the Company's website at <https://aryaresourcesltd.com/> and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The effective date of this MD&A is December 16, 2024 ("MD&A Date").

### **b) Forward-looking statements**

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company, including but not limited to statements with respect to the Company's plans or future financial or operating performance, the estimation of mineral reserves and resources, conclusions of economic assessments of projects, the timing and amount of estimated future production, costs of future production, future capital expenditures, costs and timing of the development of deposits, success of exploration activities, permitting time lines, requirements for additional capital, sources and timing of additional financing, realization of unused tax benefits and future outcome of legal and tax matters.

The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate", "believe", "estimate", "expect", "budget", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

The statements reflect the current beliefs of the management of the Company and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements.

These uncertainties are factors that include but are not limited to risks related to general economic conditions; actual results of current exploration activities and unanticipated reclamation expenses; fluctuations in prices of gold ("Au") and other commodities; fluctuations in foreign currency exchange rates; increases in market prices of mining consumables; possible variations in mineral resources, grade or recovery rates; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which the Company operates; as well as other factors.

The Company's management periodically reviews information reflected in forward-looking statements. The Company has and continues to disclose in its MD&A and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mining properties. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may impair its business operations. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

## 2. DESCRIPTION OF THE BUSINESS AND GOING CONCERN

The Company was incorporated under the laws of the Province of British Columbia on October 19, 2017. The Company is an exploration stage mining company focused on the acquisition, exploration and development of mineral property interests in Saskatchewan, Canada. The Company's registered and records office is 301 - 850 West Georgia Street, Vancouver, British Columbia, V6C 3J1. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol RBZ-P.

The Company has not determined if its exploration and evaluation assets contain ore reserves that are economically recoverable. The recoverability of exploration and evaluation assets are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

As at October 31, 2024, the Company had a working capital deficit <sup>(1)</sup> of \$269,551 (April 30, 2024 - \$147,063) an accumulated deficit of \$2,315,986 (April 30, 2024 - \$2,193,498) and has not generated revenue to date. The Company's operations to date have been funded through the issuance of equity. These factors represent a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

(1) Working capital surplus or deficit is a non-GAAP financial measure that is calculated as current assets less current liabilities from the Company's statement of financial position.

## 3. OUTLOOK

The Company's primary business is the acquisition and exploration of mineral properties. The Company's exploration and evaluation assets consists of the "Wedge Lake Gold Property" and Dunlop Copper Nickel Deposit (the "Dunlop Deposit") all located in Saskatchewan, Canada. While some of the Company's exploration and evaluation assets host historical mineral deposits, given the high degree of risk involved, there can be no assurance that such deposits will make a profitable mining operation in the future.

The Company continues to look for other early-stage profitable business opportunities including but not limited to metal and industrial-minerals mining.

## 4. SUMMARY OF QUARTERLY RESULTS

As at October 31, 2024, the Company is not revenue generating. The following information is derived from the Company's Financial Statements. A summary of the Company's financial results for the eight most recently completed quarters is as follows:

|                                  | Q2 2025 | Q1 2025 | Q4 2024 | Q3 2024 |
|----------------------------------|---------|---------|---------|---------|
|                                  | \$      | \$      | \$      | \$      |
| Net loss (income)                | 129,793 | (7,305) | 178,223 | 322,278 |
| Basic and diluted loss per share | 0.01    | 0.00    | 0.01    | 0.01    |

  

|                                  | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 |
|----------------------------------|---------|---------|---------|---------|
|                                  | \$      | \$      | \$      | \$      |
| Net loss                         | 93,531  | 60,534  | 494,541 | 759,383 |
| Basic and diluted loss per share | 0.00    | 0.00    | 0.02    | 0.06    |

During the last eight quarters, the Company's net income and loss has ranged between income of \$7,305 (Q1 2025) and loss of \$759,383 (Q3 2023). The higher net loss in Q3 2023 compared to other quarters was a result of the reverse takeover transaction between Arya and the carve-out entity of Wedge Lake in December 2022 which resulted in the recognition of a listing expense of \$684,655 in the quarter. The higher net loss in Q4 2023 compared to Q1 2024 is due to share-based payments of \$235,549 following the granting of stock options which vested immediately, as well as audit and legal fees in connection with the year-end audit that were recognized in Q4 2023. The increase in net loss in Q3 2024 compared to Q2 2024 is due to an increase in exploration and evaluation expenses and management fees to support exploration activities mostly related to the Dunlop Deposit. In Q1 2025, the Company had net income of \$7,305 due to the receipt of a Targeted Mineral Exploration Incentive ("TMEI") amount of \$67,308 from the Ministry of Energy and Resources, Saskatchewan ("the Ministry") which was recorded as government grant income.

## 5. RESULTS OF OPERATIONS

A summary of the Company's results of operations is as follows:

|  | Q2 2025          | Q2 2024         | YTD 2025         | YTD 2024         |
|--|------------------|-----------------|------------------|------------------|
|  | \$               | \$              | \$               | \$               |
| Consulting fees                        | 15,500           | 1,500           | 15,500           | 4,800            |
| Exploration and evaluation expenses    | 21,888           | 15,050          | 21,888           | 15,979           |
| Filing fees                            | -                | 250             | -                | 250              |
| General and administrative             | 9,489            | 7,484           | 18,204           | 13,858           |
| Management fees                        | 36,000           | 38,286          | 72,000           | 75,429           |
| Professional fees                      | 46,916           | 35,179          | 62,204           | 47,967           |
|  | <b>129,793</b>   | <b>97,749</b>   | <b>189,796</b>   | <b>158,283</b>   |
| <b>Other income</b>                    |                  |                 |                  |                  |
| Amortization of flow-through liability | -                | 4,218           | -                | 4,218            |
| Government grant income                | -                | -               | 67,308           | -                |
| <b>Net loss for the period</b>         | <b>(129,793)</b> | <b>(93,531)</b> | <b>(122,488)</b> | <b>(154,065)</b> |

### Q2 2025 compared to Q2 2024

The Company incurred a net loss of \$129,793 compared to \$93,531 in the prior year comparable period. The primary drivers for the increase in net loss were as follows:

- Consulting fees increased to \$15,500 compared to \$1,500 in the prior year comparable period due to services provided by directors of the Company on exploration activities in the current period.
- Exploration and evaluation expenses increased to \$21,888 compared to \$15,050 in the prior year comparable period due to increased laboratory testing and drilling that occurred during the current period related to the Dunlop Deposit.
- Professional fees increased to \$46,916 compared to \$35,179 in the prior year comparable period due to the fees incurred in the Fiscal 2024 audit engagement support.

### YTD 2025 compared to YTD 2024

The Company incurred a net loss of \$122,488 compared to \$154,065 in the prior year comparable period. The primary drivers for the decrease in net loss were as follows:

- Government grant income was \$67,308 compared to \$nil in the prior year comparable period due to the receipt of a TMEI of \$67,308 from the Ministry.

Partially offsetting the decrease in net loss and comprehensive loss are increases in expenses as follows:

- Consulting fees increased to \$15,500 compared to \$4,800 in the prior year comparable period due to services provided by directors of the Company on exploration activities in the current period.
- Exploration and evaluation expenses increased to \$21,888 compared to \$15,979 in the prior year comparable period due to lab testing and drilling that occurred during the current period related to the Dunlop Deposit, consistent with the prior comparable period.
- Professional fees increased to \$62,204 compared to \$47,967 in the prior year comparable period due to the fees incurred in the Fiscal 2024 audit engagement support.

**Arya Resources Ltd.****Management's Discussion and Analysis**

For the three and six months ended October 31, 2024 and 2023

**6. SUMMARY OF EXPLORATION AND EVALUATION ASSETS**

A summary of the Company's exploration and evaluation assets is as follows:

|   | \$            |
|---|---------------|
| Balance, April 30, 2022                             | 15,000        |
| Cash option payments                                | 20,000        |
| Option payment in shares                            | 13,800        |
| Balance, April 30, 2023                             | 48,800        |
| Option payment in shares                            | 23,500        |
| <b>Balance, October 31, 2024 and April 30, 2024</b> | <b>72,300</b> |

A summary of the Company's exploration and evaluation expenses for the Dunlop Deposit for the three and six months ended October 31, 2024 and 2023 is as follows:

|               | Three months ended<br>October 31, 2024 |        | Six months ended<br>October 31, |        |
|---------------|--|--------|---------------------------------|--------|
|               | 2024                                   | 2023   | 2024                            | 2023   |
|               | \$                                     | \$     | \$                              | \$     |
| Claim staking | -                                      | -      | -                               | 929    |
| Drilling      | <b>21,888</b>                          | 15,050 | <b>21,888</b>                   | 15,050 |
|               | <b>21,888</b>                          | 15,050 | <b>21,888</b>                   | 15,979 |

**a) Wedge Lake Gold Property**

The Company has the option (the "Option") to acquire a 100% interest in the Wedge Lake Gold Property from the optionor, North-Sask Ventures Ltd. (the "Optionor"). Under the terms of the Option the Company is committed to the following:

Cash payments to the Optionor

- \$5,000 on November 10, 2020 (paid);
- \$10,000 within 10 business days of December 16, 2022 (paid);
- \$10,000 on or before December 16, 2023 (paid);
- \$10,000 on or before December 16, 2024 (paid);
- \$20,000 on or before December 16, 2025;
- \$20,000 on or before December 16, 2026; and
- \$30,000 on or before December 16, 2027

Share consideration to the Optionor

- 150,000 common shares within 10 business days of December 15, 2022 (issued);
- 100,000 common shares on or before December 16, 2023 (issued);
- 100,000 common shares on or before December 16, 2024 (issued);
- 150,000 common shares on or before December 16, 2025;
- 200,000 common shares on or before December 16, 2026; and
- 300,000 common shares on or before December 16, 2027

Expenditures on the Wedge Lake Gold Property

- \$100,000 on or before November 10, 2021 (met);
- an additional \$100,000 on or before December 16, 2024<sup>(1)</sup>;
- an additional \$200,000 on or before December 16, 2025;
- an additional \$300,000 on or before December 16, 2026; and
- an additional \$300,000 on or before December 16, 2027

(1) Management is currently negotiating with the Optionor to extend the timeline to allow for the approval of the drilling permit by the government.

## Arya Resources Ltd.

### Management's Discussion and Analysis

For the three and six months ended October 31, 2024 and 2023

---

The Optionor retained a 2.5% net smelter returns royalty ("NSR"), which can be purchased by the Company at any time up until certain milestones are met for \$1,000,000. Additionally, the Company will prepare a report (the "Report") under National Instruments 43-101 *Standard of Disclosure for Mineral Projects* (the "Wedge Lake Report") whereby the Company is subject to the following contingent issuances of common shares if the Wedge Lake Report confirms the existence of:

- Inferred mineral resource estimate grading at least 4 grams/ton of Au for at least 80,000 contained ounces ("oz") of Au on the Wedge Lake Gold Property, the Company will issue the Optionor 250,000 common shares.
- Indicated mineral resource estimate grading at least 4 grams/ton Au, aggregating at least 80,000 oz of Au on the Wedge Lake Gold Property, the Company will issue the Optionor an additional 250,000 common shares.
- Combined inferred mineral resources, indicated mineral resources and measured mineral resources estimate grading at least 4 grams/ton Au aggregating an initial 500,000 oz of Au on the Wedge Lake Gold Property, the Company will issue the Optionor an additional 200,000 common shares.

Furthermore, should the Company commission a pre-feasibility study with respect to the property, the Company will issue the Optionor an additional 200,000 common shares.

#### b) Dunlop Deposit

On February 28, 2023, the Company entered into a definitive agreement to acquire the previously drilled the Dunlop Deposit, located 25 kilometers north of La Ronge, Saskatchewan Canada, road-accessible year around via a provincial highway. As at October 31, 2024, the Company had not completed the Dunlop Deposit report.

Pursuant to the agreement, the Company can earn a 100% interest in the Dunlop Deposit claims by:

##### Cash payments to the optionor

- \$25,000 upon completion of a report under National Instruments 43-101, *Standard of Disclosure for Mineral Projects* (the "Dunlop Deposit Report"); and
- \$25,000 upon completion of the Dunlop Deposit Report indicating a mineral resource on the Dunlop Deposit.

##### Share consideration to the optionor

- 100,000 common shares upon TSX-V approval (issued);
- 500,000 common shares upon completion of the Dunlop Deposit Report; and
- 1,000,000 common shares upon completion of the Dunlop Deposit Report indicating a mineral resource on the Dunlop Deposit.

##### Expenditures on the Dunlop Deposit

- \$75,000 on or before December 19, 2023 (met);
- \$50,000 on or before April 25, 2024 (met); and
- \$125,000 on or before April 25, 2025 (met).

The optionor retained a 3.0% NSR on the Dunlop Deposit claims of which 2.5% may be purchased by the Company for a cash payment of \$2,000,000.

The Deposit remains open to depth. Previous work identified Copper ("Cu") and Nickel ("Ni") zones outside the Deposit that can potentially increase the size of the Dunlop Deposit. Cobalt ("Co") and some precious metals (Platinum ("PGM"), Palladium, etc.) are present in some parts of the Dunlop Deposit.

The Company has all the necessary permits in place to drill during 2024 to expand the Deposit, analyze for Co and PGM metals as well as conduct metallurgical tests to establish metal recoveries.

The tonnage and grade are historical (non-National Instrument 43-101 compliant) based on prior data and reports prepared by the previous operators. The historical estimates are not current and do not meet the standards prescribed by NI 43-101. They provide an indication of the potential of the Deposit and are relevant to continuing exploration and evaluation. On January 10, 2024, the Company announced the completion of phase 1 drill program on the Dunlop Deposit. The program consisted of 8 drill holes totaling 1045m and was completed between December 7 and December 17, 2023.

**c) Early-Stage lithium claims**

The Company identified early-stage lithium ("Li") claims from previous mapping work in Saskatchewan, Canada. The claims were explored for other metals in the past but not Li. Some areas mapped significant pegmatites outcrops. Other areas have shown some of the highest Li, cesium, and tantalum anomalies in till geochemical work done by the Geological Survey of Canada. The Company is planning to sample some of the pegmatites outcrops for Li; positive results will lead to further exploration work including drilling. As at October 31, 2024, the claims are being relapsed.

**d) Other Potential Projects / Investments**

The Company continues to evaluate other projects submittals in industrial minerals and projects/investments outside of the mining industry.

**7. GOVERNMENT GRANT INCOME**

On June 25, 2024, the Company received a Targeted Mineral Exploration Incentive ("TMEI") from the Ministry of Energy and Resources, Saskatchewan ("the Ministry") in the amount of \$67,308 (2023 - \$nil) which has been recorded as government grant income. The TMEI is a grant provided by the Ministry to support drilling activities by mineral exploration companies that hold a mineral claim and undertake drilling of eligible minerals at any location in Saskatchewan.

**8. LIQUIDITY AND CAPITAL RESOURCES**

**a) Liquidity**

As at October 31, 2024, the Company had working capital deficit of \$269,551 (April 30, 2024 - \$147,063).

The Company's current assets are not sufficient to support the Company's general administrative and corporate operating requirements on an ongoing basis for the foreseeable future. Accordingly, further financing will be required, and the Company will need to raise additional funds to continue its operations.

Total liabilities as at October 31, 2024 were \$299,273 (April 30, 2024 - \$192,258), representing an increase of \$107,015. This increase is a result of increase in professional fees in support for Fiscal 2024 audit and the increase in balances owing to related parties.

During the six months ended October 31, 2024, cash provided by operating activities was \$15,763 (2023 - cash used in operating activities of \$222,970). The decrease is a result of cost reduction measures implemented by management which reduced the cash spent on corporate overhead and other expenses, and is due to the receipt of the receipt of \$67,308 TMEI from the Ministry.

**b) Capital resources**

As at October 31, 2024, the Company's share capital was \$1,678,839 (April 30, 2024 - \$1,678,839), representing 25,609,995 common shares issued and outstanding (April 30, 2024 - 25,609,995).

During the six months ended October 31, 2024, the Company did not have any share transactions.

During the year April 30, 2024, the Company had the following share transactions:

- On May 1, 2023, the Company received TSX-V approval on the acquisition of the Dunlop Deposit and issued 100,000 common shares at a price of \$0.155 per common share for a total fair value \$15,500 to the Dunlop Deposit optionor.
- On December 16, 2023, the Company issued 100,000 common shares in connection with the Option at a price of \$0.08 per common share for a total fair value of \$8,000 to the Optionor.

**9. RELATED PARTY TRANSACTIONS**

Key management personnel include those having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's related party transactions with its key management personnel is as follows:

|                            | Q2 2025       | Q2 2024       | YTD 2025       | YTD 2024      |
|----------------------------|---------------|---------------|----------------|---------------|
|                            | \$            | \$            | \$             | \$            |
| Consulting fees            | 15,500        | 1,500         | 15,500         | 4,800         |
| General and administrative | -             | 300           | -              | 300           |
| Management fees            | 36,000        | 38,286        | 72,000         | 75,429        |
| Professional fees          | 15,580        | 12,679        | 27,368         | 17,967        |
|                            | <b>67,080</b> | <b>52,765</b> | <b>114,868</b> | <b>98,496</b> |

As at October 31, 2024, the Company had \$183,214 (April 30, 2024 - \$84,146) due to related parties included in accounts payable and accrued liabilities balance. The amount due to the related parties is payable on demand and is unsecured and non-interest bearing.

#### 10. OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as of October 31, 2024 or the MD&A Date.

#### 11. CHANGES IN ACCOUNTING POLICIES

The Company's changes in accounting policies are described in the notes to the Annual Financial Statements and Financial Statements as found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### 12. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The Company's significant accounting judgements and sources of estimation uncertainty are described in the notes to the Annual Financial Statements as found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### 13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at October 31, 2024, the Company's financial instruments consist of cash, deposits, and accounts payable and accrued liabilities, all of which are classified and measured at amortized cost.

The carrying value of cash, deposits, and accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board of Directors approves and monitors the risk management processes:

##### a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to meet an obligation under contract. Credit risk exposure arises with respect to the Company's cash and deposits. The risk exposure for cash and deposits is limited because the Company places its cash in institutions of high credit worthiness within Canada.

##### b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is exposed to liquidity risk through its accounts payable and accrued liabilities. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common stock or debt as required. As at October 31, 2024, the Company will need to raise funding to discharge its financial liabilities as they become due.

##### c) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company is not exposed to foreign currency risk as at October 31, 2024.

**d) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Company is not exposed to interest rate risk as at October 31, 2024.

**14. RISKS AND UNCERTAINTIES**

For a detailed listing of the risk factors faced by the Company, please refer to the Company's MD&A for the years ended April 30, 2024 and 2023.

**15. OUTSTANDING SHARE DATA**

A summary of the Company's issued and outstanding equity instruments is as follows:

|               | October 31,<br>2024 | MD&A<br>date |
|---------------|---------------------|--------------|
|               | #                   | #            |
| Common shares | 25,609,995          | 25,709,995   |
| Warrants      | 4,080,000           | -            |
| Options       | 2,500,000           | 2,500,000    |

**16. SUBSEQUENT EVENTS**

On December 16, 2024, 4,080,000 warrants expired unexercised.

On December 16, 2024, the Company issued 100,000 common shares to the optionor of the Wedge Lake Gold Property in connection with the Option.