



GENIUS METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ended
July 31, 2024
(Fourth Quarter)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management discussion and analysis ("MD&A") of Genius Metals Inc., ("Genius Metals" or "GENI" or the "Company") follows rule 51-102 of the Canadian Securities Administrators regarding continuous disclosure.

The following MD&A is a narrative explanation, through the eyes of the management of Genius Metals, on how the Company performed during the three-month period and year ended July 31, 2024. It includes a review of the Company's financial condition and a review of operations for the three-month period and year ended July 31, 2024 as compared to the three-month period and year ended July 31, 2023.

This MD&A complements the audited financial statements for the year ended July 31, 2024 but does not form part of them. It is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations and it should be read in conjunction with the audited annual financial statements as at July 31, 2024 and related notes thereto.

The audited financial statements for the years ended July 31, 2024 and 2023 have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standard Board ("IFRS Accounting Standards") applicable to the preparation of annual financial statements. The accounting policies applied in the financial statements are based on IFRS Accounting Standards issued and effective as at July 31, 2024. On November 22, 2024, the Board of Directors approved, for issuance, the audited annual financial statements.

All figures are in Canadian dollars unless otherwise stated. Additional information relating to the Company can be found on SEDAR+ at www.sedarplus.ca. The shares of Genius Metals were listed since October 31, 2018 on the Canadian Securities Exchange ("CSE") and its trading symbol was "GENI". The Company has since listed on the TSX.V Stock Exchange ("TSXV") trading under the symbol "GENI" and has begun trading solely on this exchange since September 30, 2021. On January 18, 2022, in addition to trading on the TSXV, its shares commenced trading on the American Stock Exchange OTCQB Market under the symbol "GNSMF". On February 1st 2023, the Company's shares were moved from the OTCQB Market to the OTC Pink Market where the shares are still trading under the symbol "GNSMF".

REPORT'S DATE

The MD&A was prepared with the information available as at November 22, 2024.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business, the mining industry in general and the economic environment in which it operates as of the date of the MD&A. To the extent that any statements in this document contain information that is not historical, the statements are essentially forward-looking and are often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". In the interest of providing shareholders and potential investors with information regarding Genius Properties, including management's assessment of future plans and operations, certain statements in this MD&A are forward-looking and are subject to the risks, uncertainties and other important factors that could cause the Company's actual performance to differ materially from that expressed in or implied by such statements. Such factors include, but are not limited to: volatility and sensitivity to market metal prices, impact of change in foreign currency exchange rates and interest rates, imprecision in reserve estimates, environmental risks including increased regulatory burdens, unexpected geological conditions, adverse mining conditions, changes in government regulations and policies, including laws and policies; and failure to obtain necessary permits and approvals from government authorities, and other development and operating risks. The preliminary assessments contained in the Technical Report referred to in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome.

Although the Company believes that the expectations conveyed by the forward-looking statements are based upon information available on the date that such statements were made, there can be no assurance that such expectations will prove to be correct. The reader is cautioned not to rely on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements unless required to do so by applicable Securities laws. All subsequent forward-looking statements, whether written or orally attributable to the Company or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

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NATURE OF ACTIVITIES

The Company was incorporated on May 25, 2018, under the *Canada Business Corporations Act.*, in conjuncture to the Acquisition by the Company of substantially all of the assets and liabilities including all of its Canadian mining properties of Cerro de Pasco Inc. (formerly Genius Properties Ltd.) by way of a spin-off. The Company head office is 205-63 de la Gare Avenue, Saint-Sauveur, Québec J0R 1R0.

The Company, an exploration and evaluation stage company, is in the business of acquiring and exploring mineral properties. Its focus is currently on the exploration and evaluation of its mineral properties in Canada and Morocco.

BUSINESS DEVELOPMENT HIGHLIGHTS

- On July 11 2024, the Company has announced that it has entered into an option agreement (signed on June 21, 2024) with Société Bleida Mineral Ressources SARL to acquire a 100% interest in the BMR Cu-Au project, located in the Kingdom of Morocco. This option agreement was negotiated at arm's length.

The BMR Copper prospect covers an area of approximately 9 km², located southeast of Ouarzazate. It is accessible via the national road N9, which connects the cities of Ouarzazate and Zagora, and by a 2 km track from kilometer 24 of road N9. The permit area, characterized by historical copper and manganese workings, comprises predominantly volcanic and volcano-clastic terrains of Ediacaran age. The property contains two main zones of mineralization with varying styles of copper mineralization.

To the south of the property a subvertical mineralized structure, with a 1.2 km strike length and up to 5m wide, is evidenced by the presence of a tectonic brecciation within a shear zone that is exposed at the surface. This structure is a brecciated quartz-carbonate vein with variable portions of chalcocite and malachite. The main zone of mineralization varies from 0.5m to 3m in width (locally reaching over a 5m width) and contains massive sulfide veins that dip steeply eastward. Initial surface sampling by Genius Metals from the exposed structure returned values up to 11.73% Cu and 5.53 g/t Au.

To the north of the property, there is a historical copper quarry from which approximately 4,000 tonnes of material were extracted, most of this material remains on the property. The copper mineralization in the northern part occurs in veins or is disseminated within the volcanic rocks (rhyolite and porphyritic rhyodacite). The mineralization is late to post-volcanic in age and appears to be controlled by magmatic and tectonic structures. A zone of propylitic alteration surrounds this mineralization.

SUBSEQUENT BUSINESS DEVELOPMENT HIGHLIGHTS

- On July 31, 2024, the Company and another company, in which two directors serve on both boards, entered into a shared lease for office premises in Saint-Sauveur, Quebec, Canada. The lease is effective from September 1, 2024, to August 31, 2029. Each company covers 50% of the rental costs. The Company's monthly payment is \$1,894.
- On October 4 the company announced the closing of a non-brokered private placement previously announced on September 24, 2024, raising total gross proceeds of \$757,000 through the issuance of 9,462,500 units of the Corporation at a price of \$0.08 per Unit.

Each Unit consists in one common share of the Corporation and one half of one Common Share purchase warrant Each whole Warrant entitles its holder to purchase one Common Share at an exercise price of \$0.12 per Common Share for a period of 24 months.

- On October 17th 2024 the Company announced that it has entered into an option agreement to acquire a 100% interest in the Tifernine Copper Project, located in the Kingdom of Morocco. This acquisition aligns with the Company's strategy to explore and develop its Moroccan assets, including both the Tifernine and BMR projects, while advancing its exploration activities in North America. Tifernine Copper Project covers an area of approximately 16 km² and is located southeast of Ouarzazate, Morocco, accessible via the national road N9, which connects Ouarzazate to Zagora. The property is situated just 10 km from the BMR property, where Genius Metals also holds an option to acquire a 100% interest). Geologically, the Tifernine property consists of an Ediacaran rhyolitic and andesitic complex intersected by ENE-WSW-oriented faults. It hosts several sub-vertical structures, each extending approximately 1 km in length and up to 2

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meters in width. These structures are locally brecciated and contain quartz-carbonate veins. Copper mineralization is observed both in veins and disseminated within the volcanic rocks.

- On November 8, 2024, the expiry date of 5,650,000 outstanding warrants and 600,000 outstanding warrants issued pursuant to private placements on November 28, 2022 and December 13, 2022 respectively, was extended to November 28, 2025.

CORPORATE OBJECTIVES FOR 2025:

- The Company is actively evaluating several projects in Morocco with the objective of acquiring high-quality copper, gold, or silver assets. This approach aligns with its strategic vision of expanding its asset portfolio to include valuable mineral properties in a highly prospective region.
- The Company plans to revisit its gold exploration targets on the Sakami and Iserhoff properties, with the goal of establishing well-structured exploration programs. These programs may be executed either independently by the Company or in collaboration with strategic partners to maximize resource potential and operational efficiency.
- The Company's lithium assets are currently in a holding phase as it seeks suitable partners to advance these projects. By securing strong partnerships, the Company aims to accelerate the exploration and development of these lithium assets and unlock their full potential.

EXPLORATION HIGHLIGHTS FOR THE THREE-MONTH PERIOD ENDED JULY 31, 2024

- The Company does not have exploration highlights to report for the period.

SUBSEQUENT EXPLORATION HIGHLIGHTS

- During the month of August 2024, the company realized an initial prospecting campaign on the Tifernine Property aimed at assessing the potential of the project. An independent surface sampling program was conducted by GoldMinds Geoservices Inc. to assess the copper potential of several structures across the property. Eleven samples were collected along trenches and mineralized structures. Notably, five samples returned copper grades exceeding 0.7% Cu, with the highest value reaching 5.16% Cu from a sample taken from a sub-vertical fault, up to 3 meters wide, located in the eastern part of the property.
- During the month of October 2024, the Company launched a prospecting campaign on the Dissimieux Phosphate Property, focusing on High-Mag regions identified from a previously completed high-resolution Mag survey. This prospecting campaign is expected to last approximately fourteen days, with two teams comprising one geologist and one technician each. The objectives are to further evaluate the phosphate potential of the property and discover new mineralized zones.

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EXPLORATION ACTIVITIES FOR THE THREE-MONTH PERIOD ENDED JULY 31, 2024

During the three-month period ended July 31, 2024, the Company invested \$21,530 in exploration and evaluation assets of which the main investments were spent on Sakami property. During the three-month period ended July 31, 2023, the Company invested \$19,053 in exploration and evaluation assets before accounting for an impairment of \$49,139 in various properties.

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Mining properties & Exploration and evaluation assets For the three-month period ended July 31, 2024

| | Dissimieux Lake QC | Sakami QC | Lithium381 ⁽¹⁾ QC | Iserhoff QC | Paka QC | Blockhouse NS | Meaghers NS | A Lake Extension NB | Total |
|--|--------------------------|--------------|---------------------------------|----------------|------------|------------------|----------------|---------------------------|-----------|
| | \$ | \$ | \$ | \$ | | \$ | \$ | \$ | \$ |
| Exploration and evaluation assets | | | | | | | | | |
| Geology | 43 | 170 | - | 85 | - | - | - | - | 298 |
| Geochemistry | - | 7,620 | - | - | - | - | - | - | 7,620 |
| General field expenses | 642 | 12,970 | - | - | - | - | - | - | 13,612 |
| | 685 | 20,760 | - | 85 | - | - | - | - | 21,530 |
| Mining properties: | | | | | | | | | |
| Mining rights | - | - | 106 | 106 | - | - | - | - | 212 |
| | - | - | 106 | 106 | - | - | - | - | 212 |
| Balance, beginning of period | 448,577 | 4,602,008 | 5,496 | 400,138 | 553,075 | - | - | - | 6,009,294 |
| Balance, end of period | 449,262 | 4,622,768 | 5,602 | 400,329 | 553,075 | - | - | - | 6,031,036 |

GENIUS METALS INC.

Mining properties & Exploration and evaluation assets For the three-month period ended July 31, 2023

| | Dissimieux Lake QC | Sakami QC | Lithium381 ⁽¹⁾ QC | Iserhoff QC | Paka QC | Blockhouse NS | Meaghers NS | A Lake Extension NB | Total |
|--|--------------------------|--------------|---------------------------------|----------------|------------|------------------|----------------|---------------------------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Exploration and evaluation assets | | | | | | | | | |
| Geology | 120 | 1,830 | 180 | 460 | - | - | - | - | 2,590 |
| Geochemistry | - | 750 | - | - | - | - | - | - | 750 |
| Prospecting | 1,200 | - | 2,200 | 9,385 | 2,500 | - | - | - | 15,285 |
| General field expenses | 428 | - | - | - | - | - | - | - | 428 |
| Impairment | - | - | - | - | - | (46,094) | (2,051) | (994) | (49,139) |
| | 1,748 | 2,580 | 2,380 | 9,845 | 2,500 | (46,094) | (2,051) | (994) | (30,086) |
| Mining properties: | | | | | | | | | |
| Acquisition | - | - | - | - | 427,348 | - | - | - | 427,348 |
| Mining rights | - | 10,651 | - | - | - | 187 | 2,813 | - | 13,651 |
| Impairment | - | - | - | - | - | (22,937) | (10,017) | (140) | (33,094) |
| | - | 10,651 | - | - | 427,348 | (22,750) | (7,204) | (140) | 407,905 |
| Balance, beginning of period | 357,378 | 4,345,001 | 2,849 | 369,751 | - | 68,844 | 9,255 | 1,134 | 5,154,212 |
| Balance, end of period | 359,126 | 4,358,232 | 5,229 | 379,596 | 429,848 | - | - | - | 5,532,031 |

⁽¹⁾ Formerly KM381

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EXPLORATION ACTIVITIES FOR THE YEAR ENDED JULY 31, 2024

During the year ended July 31, 2024, the Company invested \$496,420 in exploration and evaluation assets of which the main investments in 2024 were spent on Sakami, Dissimieux Lake and Paka properties. During the year ended July 31, 2023, the Company invested \$1,302,154 in exploration and evaluation assets before accounting for a tax credit related to resources and mining tax credits of \$488,529, a disposition of a mining property of \$11,180 and an impairment of \$61,704, of which the main investments in 2023 were spent on Sakami property.

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Mining properties & Exploration and evaluation assets For the year ended July 31, 2024

| | Dissimieux Lake QC | Sakami QC | Lithium381 ⁽¹⁾ QC | Iserhoff QC | Paka QC | Blockhouse NS | Meaghers NS | A Lake NB | A Lake Extension NB | Total |
|--|--------------------------|--------------|---------------------------------|----------------|------------|------------------|----------------|--------------|---------------------------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Exploration and evaluation assets | | | | | | | | | | |
| Geophysical | 87,884 | 43,710 | - | - | - | - | - | - | - | 131,594 |
| Geology | 327 | 1,409 | 225 | 433 | 285 | - | - | - | - | 2,679 |
| Geochemistry | - | 7,620 | - | - | - | - | - | - | - | 7,620 |
| Prospecting | - | 188,158 | - | 20,152 | 110,022 | - | - | - | - | 318,332 |
| General field expenses | 1,925 | 23,246 | - | - | 11,024 | - | - | - | - | 36,195 |
| | 90,136 | 264,143 | 225 | 20,585 | 121,331 | - | - | - | - | 496,420 |
| Mining properties: | | | | | | | | | | |
| Mining rights | - | 393 | 148 | 148 | 1,896 | - | - | - | - | 2,585 |
| | - | 393 | 148 | 148 | 1,896 | - | - | - | - | 2,585 |
| Balance, beginning of year | 359,126 | 4,358,232 | 5,229 | 379,596 | 429,848 | - | - | - | - | 5,532,031 |
| Balance, end of year | 449,262 | 4,622,768 | 5,602 | 400,329 | 553,075 | - | - | - | - | 6,031,036 |

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Mining properties & Exploration and evaluation assets For the year ended July 31, 2023

| | Dissimieux Lake QC | Sakami QC | Lithium381 ⁽¹⁾ QC | Iserhoff QC | Paka QC | Blockhouse NS | Meaghers NS | A Lake NB | A Lake Extension NB | Total |
|---|--------------------------|--------------|---------------------------------|----------------|------------|------------------|----------------|--------------|---------------------------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Exploration and evaluation assets | | | | | | | | | | |
| Drilling | - | 1,018,086 | - | - | - | - | - | - | - | 1,018,086 |
| Geophysical | - | - | - | - | - | - | - | 12,565 | - | 12,565 |
| Geology | 459 | 2,945 | 330 | 460 | - | - | - | - | - | 4,194 |
| Geochemistry | - | 750 | - | - | - | - | - | - | - | 750 |
| Prospecting | 2,600 | 37,233 | 20,466 | 9,385 | 2,500 | - | - | - | 994 | 73,178 |
| General field expenses | 1,666 | 190,415 | - | - | - | 1,300 | - | - | - | 193,381 |
| Tax credit related to resources and mining tax credits | - | (484,013) | (4,516) | - | - | - | - | - | - | (488,529) |
| Disposition | - | - | (11,180) | - | - | - | - | - | - | (11,180) |
| Impairment | - | - | - | - | - | (46,094) | (2,051) | (12,565) | (994) | (61,704) |
| | 4,725 | 765,416 | 5,100 | 9,845 | 2,500 | (44,794) | (2,051) | - | - | 740,741 |
| Mining properties: | | | | | | | | | | |
| Acquisition | - | - | - | - | 427,348 | - | - | - | - | 427,348 |
| Mining rights | 9,205 | 45,306 | 188 | - | - | 187 | 2,813 | 870 | - | 58,569 |
| Disposition | - | - | (12,110) | - | - | - | - | - | - | (12,110) |
| Impairment | - | - | - | - | - | (22,937) | (10,017) | (870) | (140) | (33,964) |
| | 9,205 | 45,306 | (11,922) | - | 427,348 | (22,750) | (7,204) | - | (140) | 439,843 |
| Balance, beginning of year | 345,196 | 3,547,510 | 12,051 | 369,751 | - | 67,544 | 9,255 | - | 140 | 4,351,447 |
| Balance, end of year | 359,126 | 4,358,232 | 5,229 | 379,596 | 429,848 | - | - | - | - | 5,532,031 |

⁽¹⁾ Formerly KM381

CURRENT PROJECTS

BMR Property (Morocco)

On June 21, 2024, the Company entered into an option agreement as announced on July 11 2024, with Société Bleida Mineral Ressources SARL to acquire a 100% interest in the BMR Cu-Au project, located in the Kingdom of Morocco. This option agreement was negotiated at arm's length.

The BMR Copper prospect covers an area of approximately 9 km², located southeast of Ouarzazate. It is accessible via the national road N9, which connects the cities of Ouarzazate and Zagora, and by a 2 km track from kilometer 24 of road N9. The permit area, characterized by historical copper and manganese workings,

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comprises predominantly volcanic and volcano-clastic terrains of Ediacaran age. The property contains two main zones of mineralization with varying styles of copper mineralization.

To the south of the property a subvertical mineralized structure, with a 1.2 km strike length and up to 5m wide, is evidenced by the presence of a tectonic brecciation within a shear zone that is exposed at the surface. This structure is a brecciated quartz-carbonate vein with variable portions of chalcocite and malachite. The main zone of mineralization varies from 0.5m to 3m in width (locally reaching over a 5m width) and contains massive sulfide veins that dip steeply eastward. Initial surface sampling by Genius Metals from the exposed structure returned values up to 11.73% Cu and 5.53 g/t Au.

To the north of the property, there is a historical copper quarry from which approximately 4,000 tonnes of material were extracted, most of this material remains on the property. The copper mineralization in the northern part occurs in veins or is disseminated within the volcanic rocks (rhyolite and porphyritic rhyodacite). The mineralization is late to post-volcanic in age and appears to be controlled by magmatic and tectonic structures. A zone of propylitic alteration surrounds this mineralization.

Tifernine Property (Morocco)

On October 17th 2024 the Company announced that it has entered into an option agreement to acquire a 100% interest in the Tifernine Copper Project, located in the Kingdom of Morocco. This acquisition aligns with the Company's strategy to explore and develop its Moroccan assets, including both the Tifernine and BMR projects, while advancing its exploration activities in North America.

Tifernine Copper Project covers an area of approximately 16 km² and is located southeast of Ouarzazate, Morocco, accessible via the national road N9, which connects Ouarzazate to Zagora. The property is situated just 10 km from the BMR property, where Genius Metals also holds an option to acquire a 100% interest). Geologically, the Tifernine property consists of an Ediacaran rhyolitic and andesitic complex intersected by ENE-WSW-oriented faults. It hosts several sub-vertical structures, each extending approximately 1 km in length and up to 2 meters in width. These structures are locally brecciated and contain quartz-carbonate veins. Copper mineralization is observed both in veins and disseminated within the volcanic rocks.

Sakami Property (Québec)

The Sakami property, located in the James Bay area of the Province of Quebec, straddles the structural contact between the Opinaca and La Grande Archean subprovinces, the latter exposing a significant number of gold showings related to sulphide-rich quartz veins in iron formations and shear zones. The Sakami property displays diverse lithologies showing signs of alteration and/or gold mineralization (Au =1 to 13 g/t) principally associated with mylonitic or sheared zones.

During the 2017, ground-based PP, EM-VLF and magnetometric surveys were completed along a 34 km grid on the South Block of its Sakami property located in the James Bay area, Quebec. The geophysical surveys were accompanied by the collection of humus and soil samples, the latter to be analyzed for 53 elements using the Mobile Metal Ions (MMI) technology. Several grab samples were also gathered for precious and base metal analysis.

Furthermore, significant gold mineralized samples with values greater than 100 ppb occurred in the northeastern Sipanikaw sectors of the property principally in sheared or mylonitized hydrothermally altered (pyritized, sericitized) metavolcanic rocks and in iron formations.

A NI 43-101 technical report on the Sakami Property has been filed on SEDAR+ (formerly SEDAR), and entitled "The Sakami Property, La Grande Subprovince, James Bay Territory, Quebec, NTS 33F07,08,09,10", with an effective date of September 10, 2018. The technical report was independently prepared by Michel Boily, PhD, geo of Montreal, Quebec.

2018-2019 Exploration Program

The objective of the program was to investigate the gold potential of the northern Sakami volcanosedimentary assemblage in relation to the major crustal fault dividing the northern La Grande from the metasedimentary Opinaca subprovinces. The Company conducted magnetic and IP/Resistivity surveys on new and refurbished gridlines in the northern portion of the property. Further detailed mapping and rock sampling were implemented in the sector principally located on the northern shore of Lake Sakami shear/mylonite corridor.

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During the Q2-2019, letters were sent to specific members of the Wememdji Community (Chief and the Tallyman) to inform them about the Company's 2019 exploration program in their area.

The geophysical surveys performed on the northern portion of the property unveiled important magnetic anomalies which along the significant gold assays obtained with the surface prospecting work allowed the Company to establish exploratory drill targets.

During Q1-2020 a prospecting campaign which consisted mostly of rock sampling in regions where the IP and Mag geophysical surveys detected discrete anomalies. A crew of four prospectors and two field geologists spent two weeks prospecting and collected 109 rock samples that were sent for multi-elements assaying in Val d'Or.

On December 15, 2019 (Q2-2020), the Company completed an 800 linear kilometers helicopter-born MAG-TDEM survey on the northern block of the Sakami Property. The survey detected new magnetic and conductive anomalies. The survey was completed at a total cost of 100,539\$. Following the preliminary results of the survey, Genius Metals staked an additional 14 claims to extend the property.

2020 Summer exploration campaign

From May 19th to May 25th (Q4-2020) the Company acquired and added 202 new claims contiguous to its Sakami property located in James-Bay area for the cost of \$31,108.

During the month of August (Q1-2021) the Company launched the first phase of its two-phase exploration campaign on the Sakami property. The main objective was to further investigate the historical gold values of the property but also to unearth new prospective zones on the newly acquired claims through extensive rock sampling. A crew of three geologists, three technicians, a cook, a camp manager and a helicopter pilot were mobilized on the property for 16 days in August. The work enabled the discovery of two new prospective zones on the property that were later named *Lamarche* and *GoldenEye*. The Lamarche zone is currently interpreted as a 500m x 300m shear/deformation corridor which returned values of up to 13 g/t Au accompanied by high Ag, Zn, Cu and Pb concentrations. It is postulated that this structure extends for at least 1.2km. The GoldenEye zone is a 700m x 100m structure which returned up to 2,55 g/t Au exposed near a tonalitic pluton. Both zones remain open in every direction.

During the month of September (Q1-2021) the Company launched the second phase of work on the Sakami property employing a crew who was mobilized for 18 days to further investigate the Lamarche and GoldenEye zones. The Company used a mechanical excavator to strip the overburden on both zones to test the continuity of the mineralization through channel sampling. Many grab samples were also collected on the vicinity of the prospective zones. The results confirmed the extension of the discovery zones by producing channel sample values of 1.71 g/t Au over 1m and 1.01 g/t Au over 1.4m on Lamarche and 1.02 g/t Au over 4.1m on GoldenEye.

2020-2021 Winter exploration campaign

During the month of December 2020, the Company initiated a line-cutting program in order to establish a new 42 linear kilometers exploration grid on the Lamarche Prospect of the Sakami property. The line cutting-work was completed in early-January. Following the completion of the new exploration grid, the Company initiated and completed a drone-MAG survey on the Lamarche prospect. Furthermore, the Company launched a ground-based IP geophysical survey on the Lamarche prospect. The geophysical work was performed by Géophysique TMC located in Val d'Or, Québec and was completed in February 2021.

During Q2-2021, the Company completed a ground-based IP geophysical survey on the newly established 42km exploration grid on the Lamarche prospect. The geophysical work was performed by Géophysique TMC located in Val d'Or, Québec.

During the month of February 2021 (Q3-2021), the Company completed a ground-based IP geophysical survey as well as a drone-Mag survey on the Lamarche prospect of the Sakami property.

During the month of March 2021 (Q3-2021), the Company began the interpretation of the drone-MAG survey and the IP geophysical survey as part of the planification of the imminent drilling campaign targeting the prospective areas of Lamarche and GoldenEye.

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Summer 2021 Exploration Program

During the month of June 2021, the Company completed a prospecting campaign on Sakami with a crew of 8 geologists and technicians accompanied by a camp manager, a cook and a helicopter pilot. The crew collected over 200 samples as part of this prospecting campaign aimed at extending the scope of the Lamarche and GoldenEye prospects at surface and to investigate new areas on the property.

During the month of July 2021, the Company launched its 2,000m to 3,000m diamond-drilling campaign focused on the gold-prospective Lamarche and GoldenEye prospects. Drilling targets were defined using the data provided by recently completed mapping, rock sampling, channel sampling and geophysical surveys. The purpose of this campaign was to investigate de Lamarche and GoldenEye prospects at depth. A total of 17 holes were collared on property generating 2,568 m of core material.

Winter 2021-2022 Exploration Program

During the month of November 2021, on the Sakami Property, the Company completed a high-resolution MAG survey on the 189 claims acquired in the Langelier Complex (see Genius Metals' press release of July 22, 2021) which encompass the Trans-Taiga and Doukha showings. The survey is intended to provide a better understanding of the complex lithology/structure and to serve as a guide for futures exploration work in the area.

During the month of January 2022 the Company sent a crew on the Sakami property to produce an access road from the Trans-Taiga road to the Trans-Taiga showing. The crew also built temporary facilities in anticipation of a 500m drilling program on the Trans-Taiga showing.

During the month of February 2022, the Company completed a drilling program on the Trans-Taiga showing. The intent was to assess the extension at depth of the gold mineralization discovered at surface through rock and channel sampling completed in the Langelier Complex during previous prospecting campaigns. A total of 243m were drilled as part of this campaign and assay results from this program are still pending. The Company reported significant gold mineralization at surface including a channel sample returning 2.62 g/t Au over 7.40 m (including 14.2 g/t over 1m) and rock samples that yielded up to 6.10 g/t Au and 1.80 % Cu.

During the month of March 2022, the Company completed a 42km exploration grid through line-cutting work on the western part of the GoldenEye zone in anticipation of a 32 linear km IP geophysical survey.

During the month of March 2022, the Company completed a 32 linear km IP geophysical survey on the western portion of the GoldenEye zone.

Summer 2022 Exploration Program

During the month of June 2022, the company realized the first phase of its summer exploration program on the Sakami property. A crew of eight geologists and technicians, a camp manager, a cook and a helicopter pilot were mobilized as part of this campaign. The objective of this first phase of exploration was to expand and unearth gold mineralization through geological and structural mapping, rock and channel sampling and collection of till material. A special emphasis was placed on the Langelier Complex where the company recently acquired a large block of claims. The till material sampling was realized on the volcanosedimentary assemblages south of the Langelier Complex. The goal of this sampling survey was to identify new gold prospective areas where limited outcrops are observed.

During the month of September 2022, the company completed a 2,646m diamond drilling program on the GoldenEye prospect of the Sakami property. This program followed the rock and soil sampling surveys completed earlier in the summer. The main objective of this program was to drill 3.2 km-long geophysical anomaly detected west of the GoldenEye showing by the recent IP/Resistivity survey. A portion of the core was logged and sawed on site while the remainder of the core was logged and sawed at Laurentia Exploration' core shack in Jonquière, Québec. Half of the core was sent for multi-element assaying in a certified laboratory. The company expects to extend westward the gold-bearing GoldenEye structure drilled during the 2021 campaign (1.45 g/t Au over 6.0 m and 2.53 g/t Au over 1.50 m).

On October 5th, 2023, the Company announced that it had launched a heliborne exploration program centered on finding lithium mineralization on its Sakami and Paka properties. The campaign was the first ever to focus on the lithium potential of both properties. The crew composed of four geologists, four technicians, a helicopter pilot and a camp manager spent 19 days at the Sakami camp for the realization of this exploration campaign.

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A total of 152 samples were collected and 450 stations were described as part of this campaign. The samples were sent for multi-element assaying at a certified laboratory.

Iserhoff Property (Québec)

In November 2018, the Company purchased a 100% interest in the Iserhoff Property in consideration of the issuance of 500,000 common shares of the Company. The property is subject to a 2% NSR on production, of which half can be bought back for a cash payment of \$1,000,000.

The Iserhoff Property is located in the northern Abitibi Greenstone belt, Quebec in the central and western areas of Bergères Township, about 55 km NNE of Lebel-sur-Quévillon, Québec. The gold property was originally comprised of 29 mining claims totaling 1,621.68 ha or 16.22 km² which were 100% owned by Genius Metals. The property can be accessed by a network of forestry roads some of which join provincial highway 113 connecting Lebel-sur-Quévillon with Chibougamau.

During the month of November 2018 (Q2-2019) the Company staked an additional 22 claims on the property to form a new consolidated block of claims which brings the property to a total of 51 claims.

The property is underlain by highly and multiply deformed Archean intermediate volcanic rocks (andesite-dacite) and metasediments (greywacke) metamorphosed to the amphibolite grade. Iserhoff was acquired in view of the encouraging drilling campaign results obtained by O'Brien Gold Mines Limited showing five short DDHs extending for 3.5 km along strike and yielding anomalous gold values at shallow depth (ex: 1.40 g/t @ 8.3 m, 1.24 g/t @ 14.5 m and 1.24 g/t @ 5.9 m) with locally, some associated silver, lead and zinc content. Strong IP anomalies in the central portion of the Iserhoff property are related to narrow (0.5 to 3 m), somewhat discontinuous, bands of massive to semi-massive pyrrhotite and pyrite-rich-rocks which returned low base metal values.

As part of the 2018-2019 exploration campaign, the Company conducted an induced polarization ground-based survey on the Iserhoff Property. The IP survey totaled approximately 26 km.

During the Q2-2019, letters were sent to specific members of the Waswanipi Community (Chief and the Tallyman) to inform about the Company's 2019 exploration program in their area.

During Q1-2020 a prospecting campaign principally consisting of rock sampling in areas of geophysical anomalies was completed. A team composed of a geologist and three prospectors devoted a week to explore the property and a total of 16 grab rock samples were sent for gold assaying in Val d'Or.

On December 5, 2019 (Q2-2020), the Company initiated a 1,000m drilling campaign on the Iserhoff property. The 1,000m drilling contract was given to Roby Drilling in Val d'Or. A crew composed of 2 camp managers, 1 geologist, 4 drillers and 1 foreman were mobilized on site. The drilling work was performed on a 24h/day 7 days/week schedule. The drill core was logged on site and was later sent to Val d'Or for cutting and gold assaying. After 600m of drilling, the Company has to date been unable to reproduce the historical gold values and has suspended drilling while it re-assesses the prospect.

During Q4-2020, the Company chose to abandon 9 of its 51 claims. Those claims were located in an area where Hydro-Quebec would regularly flood which made the exploration of those claims more challenging.

During the month of September 2023, the company realized a prospecting campaign on the Iserhoff property aimed at identifying lithium-bearing pegmatites. A crew of prospectors collected 111 samples as part of this campaign.

Lithium381 (formerly KM381) Project

The Lithium381 property consists of 21 mining claims (1,108 Hectares). The property is located in the James Bay Eeyou Istchee territory, Quebec, Canada, approximately 3km NE from the James Bay Road (Billy-Diamond Highway) and the KM381 service station, which serves as an infrastructure for the local area. The claims are contiguous to Allkem Limited's (TSX: AKE) James Bay Lithium property which comprises the Allkem lithium mineralization formerly known as Cyr Lithium from Galaxy Lithium. The James Bay Lithium project has received the approval of the government of Canada for the construction of a 20-year lifespan mine on January 16, 2023.

The property lies within the Middle and Lower Eastmain River Greenstone Belt on the James Bay Territory (2705-2752 Ma). The GB is composed of Archean volcano-sedimentary assemblages metamorphosed to the

MANAGEMENT'S DISCUSSION AND ANALYSIS

amphibolite facies and exposing rocks from komatiitic flows to rhyolites with various sedimentary assemblages present. The Eastmain River Greenstone Belt is overlain by the Auclair Formation paragneiss (Nemiscau and Opinaca basins). Several plutons ranging from tonalitic to monzogranitic compositions intruded the volcanosedimentary rocks (2747-2697 Ma). James Bay Lithium deposit (40.8 Mt @1.40% Li₂O as Indicated Resource) consists of granitic pegmatite dykes of albite and spodumene. These pegmatite dykes are classified under the rare earth elements (Li-Cs-Ta) type. They form a local group of dykes intruded in paragneiss of the Auclair Formation.

On December 6th, 2022 Genius signed an option agreement with Clarity Metals Corp. (CSE: CMET, OTC: CLGCF, FSE: 27G) which enables CMET to acquire a 50% interest in the Company's Lithium381 property, located in the James Bay-Eeyou Istchee region of the Province of Quebec. In order to acquire this interest Clarity must spend \$750,000 in exploration work before December 31st, 2024 and issue 720,000 common shares of its capital to Genius Metals which will be subject to a voluntary escrow to be released as to 90,000 every four months commencing on the date that is four months after the Closing Date.

Paka Property

On June 29th, 2023, the Company announced that it has completed on June 27th, 2023 the acquisition of 100% interest in the Paka property located in James Bay, Québec from a private vendor, Mr. Jean-David Moore. The property is composed of 189 contiguous claims covering more than 97 km² located approximately 8 kilometers SE of the Corvette property owned by Patriot Battery Metals (TSX.V:PMET). In order to complete the acquisition of the Paka property and in accordance with the terms of the agreement, the Company has made cash payments totalling \$60,000 and has issued 6,000,000 common shares to the vendor at the closing of this transaction. The property will be subject to a 2% net smelter returns royalty (NSR) on production in favour of the vendor which can be bought back entirely or in two tranches of 1% by paying an amount of 1,000,000\$ per tranche of 1%, for total cash consideration of \$2,000,000.

The Paka lithium property is located 15km south of the Trans-Taiga government road in the highly prospective Archean La Grande greenstone belt where recent discoveries of lithium mineralization (i.e., Cancet, Corvette, Adina, James Bay and Wabouchi) attest to the high lithium potential of the region. The Paka property is surrounded by numerous biotite-muscovite granitic plutons which are commonly associated with LCT (lithium-cesium-tantalum) granitic pegmatite dykes. There are major structural breaks on the property and the surrounding areas which constitute pathways for the intrusion of late-stage granites and granitic pegmatites with high lithium potential. The database from the Ministère des Ressources Naturelles du Québec has identified several granitic outcrops, often pegmatitic on the Paka property and the surrounding areas. Those outcrops will be investigated by the company as priority targets for their potential lithium content. The property has received limited exploration - only two assayed samples were reported on the property. The Company intends to conduct a property-wide prospecting campaign to identify and sample lithium-bearing pegmatites when the restrictions related to forest fires are lifted.

Dissimieux Lake

The Project consists of 15 claims covering 8.4 km², and is accessible via Provincial Highway #138 from Forestville, then driving northward on Highway #385 to Labrieville, and from there using a network of secondary gravel forestry roads to reach the east-southeast shore of Dissimieux Lake. The Property hosts titanium-phosphate (ilmenite-apatite) mineralization located near the southern margin of the La Blache Anorthositic Complex (the "LBAC"). The LBAC is elongated in a northeast-southwest direction and is 15 to 25 km wide over 60 km. It was emplaced into a highly metamorphosed and folded package of steeply dipping, N-NE dipping paragneiss and amphibolites of the Grenville Geological Province. The Property is dominated by steep hills, with elevations ranging from 435 m to 700 m above sea level.

These claims are in good standing and remain an integral part of the assets of the Company.

Meaghers Gold Property, Nova Scotia

In September 2017, Genius announced the staking of 243 new mining claims in Nova Scotia covering an area of 39.3 square kilometres adjacent to Atlantic Gold's most developed resource: the Touquoy gold deposit.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The four Atlantic Gold deposits (Atlantic Gold Touquoy Open Pit Mine, Beaver Dam, Fifteen Mile Stream and Cochrane Hills Gold Mines) are associated with a weak aeromagnetic anomaly representing an overturned anticline composed of sedimentary rocks.

Genius staked property contains several gold showings, old exploration works such as the Meaghers Au-As Prospect, several DDHs collared for Au-Pb-Zn exploration and two abandoned gold adits. These gold-bearing structures are all in trend with the magnetic anomaly associated with Atlantic Gold's four deposits. This suggests the extension of the gold mineralized zones is probably hidden under a thick overburden and/or forms deeply buried new mineralization.

The Meaghers property is located in South-Central Nova Scotia. It forms part of the Meguma Terrane and is underlain by folded Cambro-Ordovician age sedimentary sequences of the Meguma Group containing the gold prospective Goldenville Formation. The latter is invaded by Mid-Devonian granitoids.

On August 9, 2018, GENI has filed on SEDAR+ (formerly SEDAR) a National Instrument 43-101 ("NI 43-101") technical report for its Meagher Property located in Nova Scotia. The technical report entitled "The Meaghers Property, Halifax County, Nova Scotia Canada, NTS 11D/14D" dated July 21, 2018. The technical report was independently prepared by Michel Boily, PhD, geo of Montreal, Quebec.

2018-2019 Exploration Program

Starting mid-July 2018, GENI began exploration work on Meaghers. The work consisted of prospecting, geological mapping and rock sampling to generate exploration targets on which to focus more detailed work, such as channel sampling, trenching and geophysics. The objective was to evaluate the gold potential of the Goldenville Formation exposed in the Meaghers property near the contact with Atlantic Gold's mining claims.

Over the course of the 2019 fiscal year, the Company abandoned 42 claims which were located on the southwestern portion of the property. The decision to abandon those claims was justified by the presence of a golf club nearby the Company's claim which renders exploration impossible. The Company also performed 'merging operations' with its claims which brought the total of active and effective claims to 100.

Option Agreement

On December 4, 2019, the Company has entered into an option agreement with MegumaGold Corp. ("MGC"), whereby MGC may earn a 70% interest in the Meaghers Property. Under the terms of the agreement the MGC may earn up to a 70% interest in 6 Genius Metals mineral exploration licences totalling 100 claims (1,620 Hectares) by satisfying the following conditions:

- MGC shall issue to Genius Metals on or before December 18, 2019, 250,000 common shares ("NSAU:CNX"); and
- To earn the initial 49.9% interest, MGC shall, on or before June 4, 2021, incur initial exploration expenses made up of ground surveys to pre-drilling targeting work, totalling at least \$100,000;
- To earn an additional 20.1% interest, MGC shall, within 12 months from the latest date of which MGC satisfies its 49.9% first initial earning, incur, a diamond drilling program on the Property, totalling at least \$150,000; and
- Upon MGC fully exercising the option in its entirety to earn 70% of the Meaghers Property, Genius Metals shall have the option to convert its remaining 30% interest into a 2% net smelter royalty ("NSR"), resulting in MGC owning a 100% interest, and Genius Metals owning a 2% NSR on the Meaghers Property. MGC will have an option to acquire 50% of the 2% NSR for \$1.0 million, leaving Genius Metals with a 1.0% NSR.

MegumaGold has not exercised the Additional Earn-In, as defined in the Option Agreement, as it did not incur exploration expenditures in the amount of \$150,000 on the Meaghers Property within 12 months from the completion of the Phase 1 Program, as defined in the Option Agreement.

The Company has not conducted significant exploration on the Meaghers property since signing the option agreement with MGC but the Company still values the Meaghers project for its potential for significant gold mineralization discovery due to its proximity with the Touquoy Mine and its similar geological setting. The

MANAGEMENT'S DISCUSSION AND ANALYSIS

company is currently focusing on the exploration of its Quebec projects and is evaluating corporate transactions which would allow for the development of the Meaghers Property.

Blockhouse Gold Property (Nova-Scotia)

There are several documented gold bearing veins on the Blockhouse Property, most notably the Prest Vein that saw limited underground (narrow vein) production in the late 1800s up until the early 1930s. This property was revisited in the 1980s when 10 diamond drill holes were completed, testing near surface potential of the property. The drill results and historical mining results are documented in a 1989 drill summary report by James E. Tilsley & Associates Ltd. (filed as an assessment report AR 89-105 with the Nova Scotia DNR) where it is reported that 3,500 ounces of gold was recovered from 6,200 tons of mined and milled material from underground workings between the surface and 90 meters depth. It is further reported that most of the gold was recovered from the fissure vein that was within a very dark arenaceous slate horizon, they refer to this production area as the "Prest Shoot". Historical records on file with Nova Scotia Department of Natural Resources indicate that the Prest Shoot accounted for 2,043 tons of mill feed between 1896 and 1935, yielding 3,259 ounces of gold for an average grade of 1.59 ounces per ton (49.6 g/t). The width of the Prest Vein within the historically mined shoot is reported to average 0.25 meters (range of 0.15 to 0.61 m) and the wall rock where sampled is reported to average 0.085 ounces per ton (2.9 g/t), however there was insufficient sample data to determine how extensive the gold mineralization is within the host wall rock. Underground mapping and sampling of the 60-metre level occurred in the late 1930s, the Prest Shoot as described was traced for 138 metres in the north drift and averaged 0.35 metres in width with an average gold content of 0.37 ounces per ton.

There are also three other saddle type veins within the Blockhouse property, the Thompson Vein, the Centre Vein and the East Vein (aka Laxer vein). Samples of the Thompson and East vein have reportedly assayed in the order of 0.02 to 0.5 ounces per ton, the Centre vein has yet to be reported to contain gold. There was no underground work reported on these three veins.

The Blockhouse Property is underlain by metasedimentary rocks of the Meguma Series, the Goldenville Group (formerly Formation) is composed of arkosic quartzites and interbedded shales, it in turn is overlain by the Halifax Group (formerly Formation) that consists of a series of slates and shales, with a predominance of quartzite near the base.

The company does not value the Blockhouse as one of its valuable assets considering that the property is located in an inhabited area which prevents the company from realizing exploration work without previously obtaining permission from land owners above the mineral claims. The company does not intend to renew the Blockhouse claims and let them expire.

QUALIFIED PERSONS

Dr. Merouane Rachidi P.Geo., is the qualified person under NI 43-101 from GoldMinds Geoservices Inc. who has reviewed and approved the technical information contained in this document.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL INFORMATION

Functional and presentation currency

These selected financial information and other financial information are presented in Canadian dollars, the Company's functional currency.

Material accounting policies

The Company's material accounting policies under IFRS Accounting Standards are disclosed in Note 5 in the audited annual financial statements for the year ended July 31, 2024.

Use of estimates and judgements

Please refer to Note 3.4 of the audited annual financial statements for the year ended July 31, 2024, for an extended description of the information concerning the Company's significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses.

Adoption of new accounting standard

The Company's new accounting policy is disclosed in Note 4.1 in the audited annual financial statements for the year ended July 31, 2024.

New standards and interpretations that are not yet effective and have not been adopted

At the date of authorization of the financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

Dividends

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration programs and its future growth, and any other factor that the Board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

MANAGEMENT'S DISCUSSION AND ANALYSIS

SELECTED ANNUAL FINANCIAL INFORMATION

The following selected financial information is derived from our audited financial statements for each of the years ended ("YE") 2022 to 2024:

GENIUS METALS INC.

SELECTED ANNUAL FINANCIAL INFORMATION

| | YE-2024 | YE-2023 | YE-2022 |
|---|----------------|------------------|------------------|
| | July 31 | July 31 | July 31 |
| | 2024 | 2023 | 2022 |
| | \$ | \$ | \$ |
| STATEMENTS OF LOSS AND COMPREHENSIVE LOSS | | | |
| General and administrative expenses: | | | |
| Salaries and employee benefit expense | 283,174 | 260,510 | 286,708 |
| Management and consulting fees | 181,865 | 184,260 | 205,009 |
| Travel, promotion and marketing | 267,535 | 195,711 | 246,543 |
| Registration, listing fees and shareholders information | 51,060 | 40,211 | 139,624 |
| Professional fees | 115,837 | 89,036 | 86,522 |
| Office and other expenses | 61,834 | 56,340 | 64,418 |
| Share-based compensation | - | 96,976 | 259,217 |
| Write-down of mining properties | - | 33,964 | 97,645 |
| Write-down of exploration and evaluation assets | - | 61,704 | 219,471 |
| Part XII.6 tax and other non-compliance penalty | 4,630 | 7,162 | 1,728 |
| Depreciation of equipment | 1,047 | 2,374 | 2,330 |
| | 966,982 | 1,028,248 | 1,609,215 |
| Other expenses (revenues): | | | |
| Gain on settlement/adjustment of trade accounts payable and other liabilities | - | - | (212,239) |
| Loss on settlement of loans | - | - | 3,649 |
| Finance expense | 4,048 | 11,194 | 6,273 |
| Change in fair value of marketable securities | 7,200 | 77,000 | 8,750 |
| Gain on disposal of mining properties | - | (102,711) | - |
| Exchange loss | 274 | (3) | 466 |
| | 11,522 | (14,520) | (193,101) |
| Income tax recovery | - | - | 117,455 |
| Net loss and comprehensive loss | 978,504 | 1,013,728 | 1,298,659 |
| Basic and diluted loss per share: | 0.01 | 0.02 | 0.03 |
| | YE-2024 | YE-2023 | YE-2022 |
| | July 31 | July 31 | July 31 |
| | 2024 | 2023 | 2022 |
| | \$ | \$ | \$ |
| STATEMENTS OF FINANCIAL POSITION | | | |
| Cash | 177,194 | 890,117 | 373,265 |
| Other receivables | 28,355 | 519,422 | 353,668 |
| Deposits related to exploration and evaluation activities | - | - | 144,500 |
| Mining properties | 1,604,240 | 1,601,655 | 1,161,812 |
| Exploration and evaluation assets | 4,426,796 | 3,930,376 | 3,189,635 |
| Total assets | 6,311,937 | 7,049,385 | 5,272,951 |
| Total current liabilities | 481,421 | 780,506 | 186,282 |
| Equity | 5,830,516 | 6,268,879 | 5,086,669 |

Results of operations for the year ended July 31, 2024 (YE-2024)

Net loss and comprehensive loss

The basic and diluted loss per share during the YE-2024 is \$0.01 (\$0.02 for the YE-2023 and \$0.03 for the YE-2022). During the YE-2024, the Company realized a net loss and comprehensive loss of \$978,504 as compared to a net loss and comprehensive loss of \$1,013,728 for the YE-2023 (a slightly decrease of \$35,224 for the YE-2024 compared to the YE-2023) and to a net loss and comprehensive loss of \$1,298,659 for the YE-2022 (a decrease of \$284,931 for the YE-2023 compared to the YE-2022).

The decrease of \$35,224 for the YE-2024 as compared to the YE-2023 in net loss and comprehensive loss is mostly attributable to a decrease of \$61,266 in general and administrative expenses offset by a decrease of other revenues of \$26,042.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The decrease of \$284,931 for the YE-2023 as compared to the YE-2022 in net loss and comprehensive loss is mostly attributable to a decrease of \$580,967 in general and administrative expenses offset by a decrease of other revenues of \$178,581 and a decrease of \$117,455 in income tax recovery.

Statements of financial position

The total assets as at July 31, 2024 were \$6,311,937 as compared to \$7,049,385 and \$5,272,951 for the years ended July 31, 2023 and 2022 respectively. The decrease of \$737,448 in total assets in 2024 compared to 2023 is mainly due to a decrease of \$491,067 in other receivables (due to tax credits related to resources and mining tax credits amounted to \$488,529 received in YE-2024) combined with a decrease of \$712,923 in cash (net change in cash for YE-2024) offset by an increase of \$496,420 in exploration and evaluation assets representing an increase in investments in exploration.

The increase of \$1,776,434 in total assets in 2023 compared to 2022 is mainly due to an increase of \$740,741 in exploration and evaluation assets representing an increase in investments in exploration combined with an increase of \$439,843 in mining properties mostly due by the acquisition of the Paka property and an increase of \$516,852 in cash.

The total current liabilities as at July 31, 2024 were \$481,421 as compared to \$780,506 and \$186,282 for the years ended July 31, 2023 and 2022 respectively. The decrease of \$299,085 in total current liabilities in 2024 compared to 2023 is mainly due to a decrease of \$299,085 in trade accounts payable and other liabilities at the year end.

The increase of \$594,224 in total current liabilities in 2023 compared to 2022 is mainly due to significant increase of \$594,224 in trade accounts payable and other liabilities.

The total equity as at July 31, 2024 were \$5,830,516 as compared to an equity of \$6,268,879 and \$5,086,669 for the years ended July 31, 2023 and 2022 respectively.

The change of \$438,363 in equity in 2024 compared to 2023 is mainly due to an increase of \$412,159 in share capital and the increase of \$127,982 in warrants due to the impact of funds raised through private placement in September 2023 offset by a net loss and comprehensive loss of \$978,504 in 2024.

The change of \$1,182,210 in equity in 2023 compared to 2022 is mainly due to an increase of \$1,892,002 in share capital (funds raised through private placements and shares issued for the acquisition of the Paka property in 2023), combined with an increase of \$96,976 in share options (mostly from share options granted in 2023) and an increase of \$634,869 in contributed surplus (warrants expired in 2023), offset by a decrease of \$427,909 in warrants (mostly due to the expiration of warrants in 2023) and by a net loss and comprehensive loss of \$1,013,728 in 2023.

General and administrative expenses

During YE-2024, general and administrative expenses were \$966,982 as compared to general and administrative expenses of \$1,028,248 for YE-2023. The decrease of \$61,266 is mostly attributable to a decrease of \$33,964 in write-down of mining properties combined with a decrease of \$61,704 in write-down of exploration and evaluation assets and a decrease of \$96,976 in share-based compensation due to the last share options granted and all vested in July 2023, offset by an increase \$71,524 in travel, promotion and marketing due to the effort for assessing new mining projects combined with an increase of \$26,801 in professional fees (as part of the search for new mining projects), an increase of \$10,849 in registration, listing fees and shareholders information (increase of \$12,618 in the press releases costs in YTD-2024 as compared to YTD-2023) and an increase of \$22,664 in salaries and employee benefit expense YE-2024 mainly due to the impact of a \$13,203 refund in June 2023 from Revenu Québec related to the ineligibility of non-residents for the QPP.

During YE-2023, general and administrative expenses were \$1,028,248 as compared to general and administrative expenses of \$1,609,215 for YE-2022. The decrease of \$580,967 is mostly attributable to a decrease of \$162,241 in share-based compensation due the grant of 2,200,000 share options in YE-2023 estimated at an weighted average value of \$0.043 per option as compared to the grant of 1,880,000 share options granted in YE-2022 estimated at an weighted average value of \$0.139 per option, combined with a decrease of \$50,832 in travel, promotion and marketing due to the effort to reduce the promoting expenses during YE-2023, a decrease of \$99,413 in registration, listing fees and shareholders information expenses due

MANAGEMENT'S DISCUSSION AND ANALYSIS

to the legal and administrative fees related to the listing of the Company's stock on the TSX Venture and the OTCQB Market incurred during YE-2022, a decrease of \$157,767 in write-down of exploration and evaluation assets and a decrease of \$63,681 in write-down of mining properties.

Other expenses (revenues)

During YE-2024, other expenses were \$11,522 as compared to other revenues of \$14,520 for YE-2023. The decrease of \$26,042 in other revenues is mostly attributable to a decrease of \$102,711 in gain on disposal of mining properties (\$Nil for YE-2024 as compared to \$102,711 for YE-2023 from the 50% disposal of the Lithium381 property), offset by an increase of \$69,800 in fair value of marketable securities.

During YE-2023, other revenues were \$14,520 as compared to other revenues of \$193,101 for YE-2022. The decrease of \$178,581 in other revenues is mostly attributable to an increase of \$102,711 in gain on disposal of mining properties (\$102,711 for YE-2023 from the 50% disposal of the Lithium381 property as compared to no gain on disposal of mining properties during YE-2022), offset by a decrease of \$212,239 in gain on settlement/adjustment of trade accounts payable and other liabilities, and a decrease of \$68,250 in fair value of marketable securities.

Income tax recovery

The income tax recovery is the result of the amortization of the other liability related to flow-through financings. The obligation is reversed with a corresponding income tax recovery recorded as the exploration and evaluation expenditures are incurred.

During YE-2024 and YE-2023, there were no income tax recovery (no other liability related to the flow-through financings has been accounted for from the three last flow-through private placements funds raised (November 2022, December 2022 and June 2023) as compared to other liability related to flow-through financings of \$117,455 accounted for from flow-through private placements funds raised in August 2021 which was completely amortized during the YE-2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

SELECTED QUARTERLY FINANCIAL INFORMATION

Genius Metals anticipates that the quarterly and annual results of operations will primarily be impacted for the near future by several factors, including the timing and efforts of the exploration's expenditures and efforts related to the development of the Company. Due to these fluctuations, the Company believes that the quarter-to-quarter and the year-to-year comparisons of the operating results may not be a good indication of its future performance.

The following selected quarterly financial information is derived from our unaudited condensed interim financial statements.

GENIUS METALS INC.

SELECTED QUARTERLY FINANCIAL INFORMATION

| | 2024 | | | | 2023 | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| STATEMENTS OF LOSS AND COMPREHENSIVE LOSS | | | | | | | | |
| General and administrative expenses: | | | | | | | | |
| Salaries and employee benefit expense | 70,357 | 69,241 | 69,291 | 74,285 | 54,770 | 66,656 | 75,222 | 63,862 |
| Management and consulting fees | 14,871 | 61,269 | 58,519 | 47,206 | 40,226 | 51,652 | 45,979 | 46,403 |
| Travel, promotion and marketing | 144,558 | 39,497 | 21,372 | 62,108 | 76,055 | 44,973 | 44,969 | 29,714 |
| Registration, listing fees and shareholders information | 9,085 | 9,691 | 17,118 | 15,166 | 8,594 | 6,112 | 14,748 | 10,757 |
| Professional fees | 22,383 | 9,909 | 22,887 | 60,658 | 10,478 | 5,614 | 20,422 | 52,522 |
| Office and other expenses | 15,533 | 14,921 | 18,013 | 13,367 | 15,056 | 9,131 | 12,228 | 19,925 |
| Share-based compensation | - | - | - | - | 95,260 | - | - | 1,716 |
| Write-down of mining properties | - | - | - | - | 33,094 | - | - | 870 |
| Write-down of exploration and evaluation assets | - | - | - | - | 49,139 | - | - | 12,565 |
| Part XII.6 tax | 2,604 | - | 2 | 2,024 | 7,162 | - | - | - |
| Depreciation of property and equipment | 145 | 141 | 315 | 446 | 598 | 580 | 598 | 598 |
| | 279,536 | 204,669 | 207,517 | 275,260 | 390,432 | 184,718 | 214,166 | 238,932 |
| Other (revenues) expenses: | | | | | | | | |
| Loss on settlement of loans | - | - | - | - | - | - | - | - |
| Finance expense | 1,010 | 882 | 1,431 | 725 | 908 | 989 | 8,733 | 564 |
| Change in fair value of marketable securities | (10,800) | (3,600) | 3,600 | 18,000 | 72,000 | 68,400 | (68,400) | 5,000 |
| Gain on disposal of mining properties | - | - | - | - | - | (1) | (102,710) | - |
| Exchange loss (gain) | (41) | (4) | 5 | 314 | 4 | (2) | 3 | (8) |
| | (9,831) | (2,722) | 5,036 | 19,039 | 72,912 | 69,386 | (162,374) | 5,556 |
| Net loss and comprehensive loss | (269,705) | (201,947) | (212,553) | (294,299) | (463,344) | (254,104) | (51,792) | (244,488) |
| Basic and diluted loss per share: | (0.00) | (0.00) | (0.00) | (0.00) | (0.01) | (0.00) | (0.00) | (0.01) |
| STATEMENTS OF FINANCIAL POSITION | | | | | | | | |
| Cash | 177,194 | 442,860 | 622,108 | 437,221 | 890,117 | 22,715 | 420,028 | 73,970 |
| Other receivables | 28,355 | 34,591 | 113,494 | 536,821 | 519,422 | 613,101 | 672,204 | 520,093 |
| Deposits related to exploration and evaluation activities | - | - | - | 250,000 | - | - | - | 149,500 |
| Mining properties | 1,604,240 | 1,604,028 | 1,603,858 | 1,603,688 | 1,601,655 | 1,193,750 | 1,158,071 | 1,161,887 |
| Exploration and evaluation assets | 4,426,796 | 4,405,266 | 4,316,700 | 4,309,560 | 3,930,376 | 3,960,462 | 3,953,941 | 3,598,698 |
| Total assets | 6,311,937 | 6,563,739 | 6,731,741 | 7,223,942 | 7,049,385 | 5,954,313 | 6,435,440 | 5,544,431 |
| Total current liabilities | 481,421 | 463,518 | 429,573 | 709,221 | 780,506 | 755,474 | 982,497 | 700,534 |
| Loan | - | - | - | - | - | - | - | - |
| Equity | 5,830,516 | 6,100,221 | 6,302,168 | 6,514,721 | 6,268,879 | 5,198,839 | 5,452,943 | 4,843,897 |

The net loss and comprehensive loss of \$269,705 for Q4-2024 is mainly attributable to general and administrative expenses of \$279,536 of which travel, promotion and marketing expenses amounted to \$144,558 are the main component.

The net loss and comprehensive loss of \$201,947 for Q3-2024 is mainly attributable to general and administrative expenses of \$204,669.

The net loss and comprehensive loss of \$212,553 for Q2-2024 is mainly attributable to general and administrative expenses of \$207,517.

The net loss and comprehensive loss of \$294,299 for Q1-2024 is mainly attributable to general and administrative expenses of \$275,260.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The net loss and comprehensive loss of \$463,344 for Q4-2023 is mainly attributable to general and administrative expenses of \$390,432 which primarily consisted of share-based compensation of \$95,260 and write-down of mining properties and exploration and evaluation assets amounted to \$82,233.

The net loss and comprehensive loss of \$254,104 for Q3-2023 is mainly attributable to general and administrative expenses of \$184,718 and other expenses of \$69,386.

The net loss and comprehensive loss of \$51,792 for Q2-2023 is mainly attributable to other revenues of \$162,374 consisting of a gain in change in fair value of marketable securities of \$68,400 and a gain on disposal of mining properties of \$102,710 (disposal of 50% of the Lithium381 property).

The net loss and comprehensive loss of \$244,488 for Q1-2023 is mainly attributable to general and administrative expenses of \$238,932 which an amount of \$48,195 of the professional fees recorded in Q1-2023 was related for the audit of the annual financial statements for the year ended July 31, 2022.

Results of operations for the three-month period ended July 31, 2024 (Q4-2024)

Net loss and comprehensive loss

The basic and diluted loss per share for the three-month period ended July 31, 2024, is \$0.00 as compared to \$0.01 for the three-month period ended July 31, 2023.

During Q4-2024, the Company realized a net loss and comprehensive loss of \$269,705 as compared to a net loss and comprehensive loss of \$463,344 for Q4-2023. The decrease of \$193,639 for Q4-2024 as compared to Q4-2023 in net loss and comprehensive loss is mostly attributable to a decrease of \$110,896 in general and administrative expenses combined with a decrease of \$82,743 in other revenues in Q4-2024 compared to Q4-2023.

General and administrative expenses

During Q4-2024, general and administrative expenses were \$279,536 as compared to general and administrative expenses of \$390,432 for Q4-2023. The decrease of \$110,896 is mostly attributable to a decrease of \$33,094 in write-down of mining properties combined with a decrease of \$49,139 in write-down of exploration and evaluation assets, a decrease of \$95,260 in share-based compensation due to the share options granted all vested in July 2023 and a decrease of \$25,355 in management and consulting fees (due to the reclassification of \$30,300 of the former QPP Michel Boily's fees from management and consulting fees to travel, promotion and marketing as part of the search of new mining projects in 2024), offset by an increase of \$68,503 in travel, promotion and marketing due to the effort for assessing new mining projects combined with an increase of \$11,905 in professional fees (as part of the for search new mining projects) and an increase of \$15,587 in salaries and employee benefit expense in Q4-2024 mostly due to the impact of a refund of \$13,203 in June 2023 from Revenu Québec related to the non eligibility of non-residents to the RRQ.

Other (revenues) expenses

During Q4-2024, other revenues were \$9,831 as compared to other expenses of \$72,912 for Q4-2023. The decrease of \$82,743 in other expenses is mostly attributable to an increase of \$82,800 in fair value of marketable securities (an increase in fair value of \$10,800 for Q4-2024 compared to a decrease in fair value of \$72,400 for Q4-2023).

CASH FLOWS

Cash flows used for operating activities

Cash flows used for operating activities were \$995,850 during YE-2024, an increase of \$357,774 as compared to cash flows used for operating activities of \$638,076 during YE-2023. The increase in cash flows used for operating activities is mostly explained by an increase of \$125,836 in cash flows used for operating activities before changes in working capital (\$970,257 for YE-2024 as compared to \$844,421 for YE-2023) combined with an increase of \$231,938 in cash flows used from the change in working capital items (negative change of \$25,593 for YE-2024 as compared to positive change of \$206,345 for YE-2023).

MANAGEMENT'S DISCUSSION AND ANALYSIS

Cash flows from financing activities

Cash flows from financing activities were \$534,447 for YE-2024, a decrease of \$1,210,009 as compared to cash flows of \$1,744,656 from financing activities for YE-2023. The decrease is attributable to a decrease of \$615,500 in the proceeds from private placements combined with a decrease of \$621,340 in the proceeds from flow-through placements in YE-2024 as compared to YE-2023 (\$556,500 from equity financing raised during YE-2024 as compared to \$1,793,340 from equity financing raised during YE-2023).

Cash flows used for investing activities

Cash flows used for investing activities were \$251,520 during YE-2024, a decrease of \$338,208 as compared to cash flows of \$589,728 used for investing activities during YE-2023. The decrease is mostly attributable to a decrease of \$59,613 in the exploration and evaluation assets paid in YE-2024 compared to YE-2023 (\$740,943 for YE-2024 compared to \$800,556 for YE-2023) combined with a decrease of \$99,720 in the acquisition of mining properties paid in YE-2024 compared to YE-2023 (\$15,306 for YE-2024 compared to \$115,026 for YE-2023), an increase of \$272,696 in tax credits related to resources received (\$433,688 for YE-2024 compared to \$160,992 for YE-2023) and an increase of \$34,479 in mining tax credits received (\$54,841 for YE-2024 compared to \$20,362 for YE-2023), offset by an increase of \$144,500 in deposits related to exploration and evaluation activities (\$Nil for YE-2024 compared to \$144,500 for YE-2023). The investing activities consist primarily of the acquisition of mining properties and exploration and evaluation assets

OTHER FINANCIAL DISCLOSURES

Related party transactions

Please refer to Note 19 of the audited annual financial statements for the year ended July 31, 2024, for a summary of the Company's transactions with related parties.

Contingency

Governmental laws and regulations regarding environmental protection regulate the Company's operations. The environmental consequences are not easily identifiable, either in terms of results, the impacts or the expiration date. Currently, and to the best knowledge of its management, the Company is in conformity with current laws and regulations.

Subsequent events

Please refer to Note 23 of the audited annual financial statements for the year ended July 31, 2024, for a summary of the Company's subsequent events.

Off-financial position arrangements

As at July 31, 2024, the Company has no off-financial position arrangements.

Going concern assumption

The accompanying financial statements have been prepared on the basis of the going concern assumption meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period.

Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt on the Company's ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

For the year ended July 31, 2024, the Company recorded a net loss of \$978,504 (\$1,013,728 for the year ended July 31, 2023) and had negative cash flows from operations of \$995,850 (\$638,076 for the year ended July 31, 2023). In addition, the Company had accumulated deficit of \$7,099,084 as at July 31, 2024. Besides

MANAGEMENT'S DISCUSSION AND ANALYSIS

the usual needs for working capital, the Company must obtain funds to enable it to meet the timelines of its exploration programs and to pay its overhead and administrative costs. As at July 31, 2024, the Company had a negative working capital (total current assets less total current liabilities) of \$200,561 (a working capital of \$735,760 as at July 31, 2023) including cash of \$177,194 (\$890,117 in cash as at July 31, 2023). Management believes that these funds will not be sufficient to meet the obligations and liabilities of the Company. These material uncertainties cast significant doubt regarding the Company's ability to continue as a going concern. Any funding shortfall may be met in the future in a number of ways, including but not limited to, the issuance of new equity instruments. Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the Company has not yet generated income nor cash flows from its operations. The recovery of the cost of exploration and evaluation assets as well as other tangible and intangible assets, is subject to certain conditions: the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to continue the exploration, evaluation, development, construction and ultimately disposal of these assets. During the year ended July 31, 2024, the Company has raised \$556,500 (\$1,793,340 during the year ended July 31, 2023) from private placements consisting of common shares and flow-through shares to fund exploration works and working capital. There is no assurance that it will succeed in obtaining additional financing in the future. In October 2024, the Company concluded a private placement (See Note 23 of the audited annual financial statements for the year ended January 31, 2024).

Capital management policies and procedures

Please refer to Note 21 of the audited annual financial statements for the year ended July 31, 2024, for a summary of the Company's capital management policies and procedures.

Disclosure of Outstanding share data

The following selected financial information is derived from our unaudited financial statements.

GENIUS METALS INC.

Disclosure of outstanding share data (as at November 22, 2024)

| | | | |
|-----------------------------------|-------------------|-----------------------|-----------------------|
| Outstanding common shares: | 97,686,343 | | |
| Outstanding share options: | 4,180,000 | | |
| Average exercise price of: | \$0.195 | | |
| Average remaining life of: | 2.58 years | | |
| | | Exercise price | Remaining life |
| | | | |
| | | \$ | (years) |
| Expiry date | Number | | |
| August 31, 2025 | 870,000 | 0.30 | 0.77 |
| September 16, 2026 | 1,110,000 | 0.30 | 1.82 |
| July 27, 2028 | 2,200,000 | 0.10 | 3.68 |
| | <u>4,180,000</u> | | |
| Outstanding warrants: | 39,301,250 | | |
| Average exercise price of: | \$0.110 | | |
| Average remaining life of: | 0.71 years | | |
| | | Exercise price | Remaining life |
| | | | |
| | | \$ | (years) |
| Expiry date | Number | | |
| November 28, 2024 | 5,650,000 | 0.15 | 0.02 |
| December 13, 2024 | 600,000 | 0.15 | 0.06 |
| June 29, 2025 | 17,190,000 | 0.10 | 0.60 |
| September 6, 2025 | 11,130,000 | 0.10 | 0.79 |
| October 3, 2026 | 4,731,250 | 0.12 | 1.86 |
| | <u>39,301,250</u> | | |

MANAGEMENT'S DISCUSSION AND ANALYSIS

RISK AND UNCERTAINTIES

An investment in the common shares of the GENI should be considered highly speculative. Genius Metals Inc. is subject to a variety of risks, some of which are described below. If any of the following risks occur, the business, results of operations or financial condition could be adversely affected in a material manner.

Financial instrument risks

Please refer to Note 22 of the audited annual financial statements for the year ended July 31, 2024, for a summary of the Company's financial instruments risks.

Russia/Ukraine and Middle East conflicts

The increasing tensions related to the ongoing conflict between Russia and Ukraine as well as those in the Middle East, and economic sanctions imposed in relation thereto, have contributed to additional volatility in commodity prices. The effect of this global event cannot accurately be predicted.

Exploration and mining risks

The Company is engaged in the business of acquiring and exploring mineral properties in the hope of locating economic deposits of minerals. The Company's property interests are in the exploration and evaluation stage only. The business of mineral exploration involves a high degree of risk. Few properties that are explored are ultimately developed into production. Currently, there are no known bodies of commercial ore on the mineral properties of which the Company owns an interest. Accordingly, there is little likelihood that the Company will realize any profits in the short to medium term. Any profitability in the future from the Company's business will be dependent upon locating an economic deposit of minerals. However, there can be no assurance, even if an economic deposit of minerals is located, that it can be commercially mined.

Unusual or unexpected formations, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs.

The economics of developing mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. There are no underground or surface plants or equipment on the Company's mineral properties, nor any known body of commercial ore. Programs conducted on the Company's mineral property would be an exploratory search for ore.

Titles to property

While the Company has diligently investigated title to the various properties in which it has interest, and to the best of its knowledge, title to those properties are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects.

Permits and licenses

The Company's operations may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Metal prices

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect marketability of any minerals discovered. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Inflation

The Company's exploration costs are strongly tied to fossil energy costs as the Company is relying heavily on fossil fuel for heating, operating machinery and transportation on its remote exploration properties. The current rise in inflation in Canada could lead to a significant increase in exploration costs for the Company in the next few years.

Competition

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for recruitment and retention of qualified employees.

Environmental regulations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Conflicts of interest

Certain directors or proposed directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Stage of development

The Company's properties are in the exploration stage and to date none of them have a proven ore body. The Company does not have a history of earnings or providing a return on investment, and in future, there is no assurance that it will produce revenue, operate profitably or provide a return on investment.

Industry conditions

Mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations such as restrictions on production, price controls, tax increases, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations. The effect of these factors cannot be accurately determined.

Uninsured risks

The Company's business is subject to a number of risks and hazards, including environmental conditions adverse, environmental regulations, political uncertainties, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital needs

The exploration and evaluation, development, mining and processing of the Company's properties may require substantial additional financing. The only current source of future funds available to the Company is the sale of additional equity capital and the borrowings of funds. There is no assurance that such funding will be available to the Company or that it will be obtained on terms favourable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position.

In addition, any future equity financings by the Company may result in a substantial dilution of the existing shareholders. Failure to obtain sufficient financing may result in delaying or indefinite postponement of further exploration and evaluation, development or production on any or all of the Company's properties or even a loss of property interest.

Key employees

Management of the Company rests on a few key officers and members of the Board of Directors, the loss of any of whom could have a detrimental effect on its operations. The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.

Canada Customs and Revenue Agency

No assurance can be made that Canada Customs and Revenue Agency will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses or the eligibility of such expenses as Canadian exploration expenses under the *Income Tax Act* (Canada).

CERTIFICATION OF ANNUAL FILINGS

The President and Chief Executive Officer and the Chief Financial Officer have signed the Basic Certifications of Annual Filings as required by National Instrument 52-109 for venture issuer, thus confirming, the review, the absence of misrepresentations and the fair presentation of the annual filings.

- The President and Chief Executive Officer and the Chief Financial Officer confirm to have reviewed the annual financial statements and the annual MD&A (together, the "annual filings") of the Company for the year ended July 31, 2024.
- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.
- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the period presented in the annual filings.