

Pace Metals Ltd. (formerly Brigadier Gold Limited)

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2024**

Introduction

This discussion and analysis of financial position and results of operation of Pace Metals Ltd. (the "Company"), is prepared as at November 14, 2024, and should be read in conjunction with the Company's condensed interim consolidated financial statements for the nine months ended September 30, 2024 and consolidated financial statements for the years ended December 31, 2023 and 2022 and accompanying notes. The following disclosure and associated financial statements are presented in accordance with IFRS. Except as otherwise disclosed, all dollar figures included therein and in the following Management's Discussion and Analysis ("MD&A") are quoted in Canadian Dollars. Unless indicated otherwise, information in this MD&A is current as of November 14, 2024.

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these 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, with respect to the period covered by these filings, and these consolidated financial statements together with the other financial information included in these filings. The Board of Directors approve the consolidated financial statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Further information about the Company and its operations can be obtained from the offices of the Company or from www.sedar.com.

Cautionary Statement Regarding Forward Looking Statements

This MD&A may contain statements which constitute "forward-looking information", including statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities and operating performance of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities or performance and involve risks and uncertainties, and that the Company's future business activities may differ materially from those in the forward-looking statements as a result of various factors. Such risks, uncertainties and factors are described in the periodic filings with the Canadian securities regulatory authorities, including the Company's quarterly and annual Management's Discussion & Analysis, which may be viewed on SEDAR at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated, or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements other than as may be required by applicable law.

Description of Business and Overall Objective

The Company was incorporated on February 13, 1996, under the Business Corporations Act (Ontario) and was continued into British Columbia under the Business Corporations Act (British Columbia) on June 19, 2020. The Company is listed on the TSX Venture Exchange under the symbol PACE. The Company's head and registered office is located at 300 Bellevue Centre, 235 – 15th Street, West Vancouver, BC, V7T 2X1.

During April 2024 the Company changed its name to Pace Metals Ltd. (formerly Brigadier Gold Limited) and consolidated its common shares on the basis of 1 post-consolidated common share for every 30 existing common shares.

On October 29, 2024, the Company entered into a non-binding letter of intent (LOI) with Compton Mining Corp., pursuant to which the Company intends to acquire all of issued and outstanding securities of Compton in exchange for common shares of the Company in accordance with the exchange ratio. It is intended that the proposed transaction will be an arm's-length reverse takeover for the Company, as such term is defined in TSX Venture Exchange Policy 5.2 (Changes of Business and Reverse Takeovers).

The LOI is to be superseded by a definitive agreement to be signed on or prior to Dec. 31, 2024, or such later date as may be mutually agreed upon by the parties in writing. There can be no assurance that the definitive agreement will be successfully negotiated or entered into or that all of the necessary approvals will be obtained or that all conditions of closing will be satisfied. The precise terms of any agreements between the parties relating to the proposed transaction will be

contained in the definitive agreement to be negotiated among, and satisfactory to, the parties and their respective counsel which agreement will contain customary representations, warranties, covenants, indemnifications and conditions, both as described herein as well as such other terms as the parties may agree to. The proposed transaction is subject to:

- Requisite regulatory approval, including the approval of the TSX Venture Exchange;
- Customary closing conditions, including the approval of the directors (and as required, the shareholders) of each of the Company and Compton of the definitive agreement and completion of due diligence investigations to the satisfaction of each of the Company and Compton;
- The additional conditions described below.

The legal structure for the proposed transaction will be confirmed after the parties have considered all applicable tax, securities law and accounting efficiencies.

The Company is at arm's length to Compton and no director, officer or insider of the Company or Compton beneficially owns, or controls or directs, directly or indirectly, any securities of the other party. Therefore, the proposed transaction is expected to be an arm's-length transaction, as defined under TSX-V Policy 1.1 (Interpretation), and does not constitute a related-party transaction for the purpose of Multilateral Instrument 61-101 (Protection of Minority Security Holders in Special Transactions). No finders' fee will be paid in connection with the proposed transaction.

Among other terms customary for a transaction of this nature, the definitive agreement will provide for:

- A change of name of the company to Total Metals Corp.;
- The consolidation;
- The appointment of a slate of directors nominated by the Company and Compton, which board reconstitution will be effective upon closing of the proposed transaction.

Trading in the Company's shares has been halted in accordance with the policies of the TSX-V and will remain halted until such time as all required documentation in connection with the proposed transaction has been filed with and accepted by, and permission to resume trading has been obtained from, the TSX-V. There can be no assurance that trading of the Company shares will resume prior to the completion of the proposed transaction.

Compton is a resource mining company focused on exploration and development of its Electrolode property located in the Red Lake mining district of northern Ontario. Compton is incorporated pursuant to the Business Corporations Act (British Columbia). The Electrolode property technical report with an effective date of September, 2024, on the property, authored by Colin Bowdidge, PhD, PGeo, calculated an inferred mineral resource of 2.1 million tonnes averaging 0.66 per cent copper (Cu), 4.75 per cent zinc (Zn), 17.7 grams per tonne (g/t) silver (Ag) and 0.66 g/t gold (Au). Compton is focused on further exploration of the Electrolode's D-zone which has the potential for high-grade copper-gold.

Prior to or concurrent with the completion of the proposed transaction, Compton or, if agreed to between the parties, a subsidiary of Compton or the Company, shall complete an offering of flow-through common shares and non-flow-through common shares. Pursuant to the concurrent financing, the flow-through shares are expected to be issued at a price of 35 cents per flow-through share (on a postconsolidation basis), for gross proceeds of a minimum of \$250,000, and the non-flow-through shares are expected to be issued at a price of 25 cents per non-flow-through share (on a postconsolidation basis) for gross proceeds of a minimum of \$300,000. The terms of the concurrent financing are subject to negotiation between the Company and Compton and will be announced concurrently with the definitive agreement.

The proceeds of the concurrent financing will be used to advance the business of Compton and for general corporate and working capital purposes in accordance with the applicable listing requirements under the policies of the TSX-V.

Prior to or currently with completion of the proposed transaction, as applicable, and as conditions of closing:

- Compton and the Company must complete mutually satisfactory due diligence investigations;
- The Company and Compton will enter into a definitive agreement in respect to the proposed transaction on or prior to Dec. 31, 2024;
- The Company and Compton will obtain the requisite board and shareholder approvals for the proposed transaction, as required pursuant to Section 4.1 of Policy 5.2, and any ancillary matters contemplated in the definitive agreement;
- All requisite regulatory approvals relating to the Proposed Transaction, including, without limitation, the TSXV, will have been obtained;
- The concurrent financing will be completed prior to or concurrently with the closing;
- The Company will have effected the consolidation prior to the closing;
- The board nominees will have been duly appointed to the board of directors of the Company effective as of closing;
- The Company will have effected the name change.

Prior to or concurrently with closing, subject to the Company shareholder approval, the Company will undertake a share consolidation on the basis of one postconsolidation share for every two preconsolidation shares.

As of the date hereof, Compton has 20.5 million Compton shares issued, with no other securities outstanding.

It is currently anticipated that the Company will acquire Compton by way of a three-cornered amalgamation, share exchange, plan of arrangement or other similar form of transaction as agreed to by the parties to ultimately form the resulting issuer. The final structure of the proposed transaction is subject to the receipt of tax, corporate and securities law advice for both the Company and Compton.

The exact exchange ratio will be determined by the Company and Compton following receipt of financial advice and a review of the parties' respective capital structures, however, such exchange ratio is expected to be 1:1.

Prior to or concurrent with the completion of the proposed transaction, \$93,875 (U.S.) and \$237,625 of debt, owing to current non-arm's-length individuals to the Company, shall be released and extinguished from the Company's accounts payable.

Upon completion of the proposed transaction, the resulting issuer will carry on the business of Compton. It is expected that the resulting issuer will be classified as a Tier 2 mining issuer.

Upon completion of the proposed transaction, it is anticipated that the board of directors of the resulting issuer shall consist of five directors, each of whom shall be nominated by Compton and the Company. The nominees will be determined and announced in connection with the execution of the definitive agreement.

The Company has one active wholly-owned subsidiary; 1000196193 Ontario Ltd. which holds the Nemaska2 lithium property and two inactive wholly-owned subsidiaries; 1848246 Ontario Inc. and Incahusai Exploraciones S.A., (Argentina).

Qualified Person

Mr. Garry Clark, P. Geo., a director of the Company and Qualified Person under NI 43-101 has reviewed and approved the technical disclosure in this management discussion and analysis.

Exploration and Evaluation Properties

Nemaska2 Lithium Property, Quebec, Canada

The Nemaska2 Lithium Property was assembled through two separate agreements for mining claims known as Nemaska2 and Nemaska2 Extension and were collectively referred to as Nemaska2. During May 2024, the Company renegotiated the terms of the original Nemaska2 option agreement and provided notice of its intent to cancel the Nemaska2 Extension option. In October 2024 the Company cancelled the renegotiated Nemaska2 option.

Cost expensed for the Nemaska2 Property were as follows:

	Nine Months Ended	
	September 30	September 30
	2024	2023
	\$	\$
Acquisition costs		
Acquisition of 1000196193 Ontario Ltd.	-	3,221,882
Option payments	5,000	40,000
	<u>5,000</u>	<u>3,261,882</u>
Exploration expenditures		
Assays	4,429	12,956
Geological	-	123,668
Consulting, reports and mapping	797	52,569
	<u>5,226</u>	<u>189,193</u>
	<u>10,226</u>	<u>3,451,075</u>

Killala Lake South Diamond Property, Ontario, Canada

On May 11, 2020, the Company entered into an option agreement with Rudolf Wahl and Mike Dorval, together doing business as the "Wahl Group" to purchase a 100% interest in forty-six (46) cell claims units located in Killala Lake, Foxtrap Lake Area Townships, Thunder Bay Mining District, Ontario. The agreement received regulatory approval on June 24, 2020.

On August 29, 2023 the Company terminated the Killala Lake South Diamond Property option agreement.

Costs expensed on the property were as follows:

	Nine Months Ended	
	September 30	September 30
	2024	2023
	\$	\$
Acquisition costs		
Option Payments	-	24,500
Exploration expenditures		
Geological consulting	-	1,200
Reports and mapping	-	-
Recovery	-	-
	<u>-</u>	<u>25,700</u>

Results of Operations

Summary of Quarterly Results

	Quarter Ended			
	September 30	June 30	March 31	December 31
	2024	2024	2024	2023
	\$	\$	\$	\$
Total revenue	-	-	-	-
Loss before other items	(13,047)	(102,605)	(106,250)	(136,228)
Loss for the period	(13,047)	(102,605)	(106,250)	(136,228)
Basic loss per share	(0.003)	(0.02)	(0.03)	(0.03)
Total assets	57,077	67,150	97,905	231,806

	Quarter Ended			
	September 30	June 30	March 31	December 31
	2023	2023	2023	2022
	\$	\$	\$	\$
Total revenue	-	-	-	-
Loss before other items	(384,981)	(375,888)	(3,441,295)	(134,043)
Loss for the period	(384,981)	(375,888)	(3,441,295)	(57,438)
Basic loss per share	(0.09)	(0.09)	(1.20)	(0.03)
Total assets	231,806	593,337	356,724	576,175

Other than the most recent quarter ended September 30, 2024, quarterly losses over the last 8 quarters have exhibited slight variation with some dependency on exploration activity which was higher in the quarters ended June 30 and September 30, 2023. The quarter ending March 31, 2023 included a significantly higher loss which was as described above due to the costs associated with the acquisition of 1000196193 Ontario Ltd. Total assets has varied primarily due to cash on hand which is the result of overall cash expenditures and the timing of private placements.

Liquidity and Financial Position

The activities of the Company are financed predominantly through the completion of equity offerings and the exercise of stock options and warrants. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all.

As at September 30, 2024, the Company had negative working capital of \$395,050 (December 31, 2023; negative \$172,878). There were no changes in the Company's approach to capital management during the year.

The Company's continuing operations are dependent on its ability to secure equity and/or debt financing, with which it intends to identify future investment opportunities.

Contractual Obligations

On October 30, 2020, the Company appointed a new Chief Operating Officer ("COO") (now COO, CFO and Corporate Secretary). The Company also entered into a Management Services Agreement with 677185 BC Ltd, (the "Consultant"), an entity controlled by the COO. The agreement provides for annual compensation of CAD\$120,000, discretionary bonuses, and participation in the equity-based compensation plans adopted by the Company. Remuneration is to be reviewed annually. The agreement also provides for an incentive signing bonus to be paid in common shares of the equivalent to 1% of the outstanding share capital of the company at the effective date of the agreement to be paid to the Consultant or the COO at the discretion of the Consultant.

On October 30, 2020, the Company issued 20,000 common shares with a fair value of \$171,000 in full settlement of the signing bonus.

The agreement may be terminated without cause at any time by the Company, by delivering to the Consultant written notice stipulating the date of termination, and by paying a lump sum settlement in an amount equal to 200% of the effective compensation at the time of termination.

Outstanding Share Data

Class of Security	Number outstanding at December 31, 2023	Net issued (equity offering, grants, cancellation, exercises or forfeitures)	Number outstanding at September 30, 2024	Net issued (grants, cancellations, exercises)	Number outstanding at November 14, 2024
Shares ¹	4,258,760	-	4,258,760	-	4,258,760
Options	25,000	(20,000)	5,000	-	5,000
Warrants ²	391,181	(391,181)	-	-	-

¹ The Company's authorized share capital is an unlimited number of common shares without par value. All issued common shares are fully paid.

² Includes broker warrants.

Common shares

During the nine months ended September 30, 2024 and subsequent period up to November 14, 2024, there were no changes to the number of shares outstanding.

Incentive stock options

During the nine months ended September 30, 2024, 20,000 options expired.

Share purchase warrants

During the nine months ended September 30, 2024, 391,181 warrants expired.

Off-Balance Sheet Arrangements

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

Risks and Uncertainties

Risk management is an ongoing exercise upon which the Company spends a substantial amount of time. While it is not possible to eliminate all of the risks inherent in the mineral exploration and mining business, the Company strives to manage these risks, to the greatest extent possible, to ensure that its assets are protected. For a discussion of risks and uncertainties which are the most applicable to the Company, please refer to the Company's audited annual financial statements and related notes thereto and the annual MD&A for the year ended December 31, 2023. These documents are available for viewing on the Company's profile at www.sedarplus.ca.

Related Party Transactions

Key management personnel include directors and officers of the Company.

Related party transactions for the nine-month periods ended September 30 are as follows:

	2024	2023
	\$	\$
Director fees (included in Consulting) (Ranjeet Sundher*)	40,000	90,000
Director fees (included in Consulting) (Dillon Sharan)	-	4,500
Management fees (Steve Vanry)	49,750	90,000
Consulting fees (Robert Birmingham)	40,000	90,000
Total compensation to related parties for the year	129,750	274,500

* Ranjeet Sundher ceased to be a related party on April 17, 2024

As at September 30, 2024, there was \$350,281 (December 31, 2023; \$242,093) payable to related parties included in accounts payable and accrued liabilities.

Financial Instruments and Risk Management

The carrying values of cash, restricted cash, receivables, and accounts payable and accrued liabilities are considered representative of their respective fair values due to their short-term period to maturity.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's maximum exposure to credit risk is the carrying value of cash, restricted cash, and receivables. Substantially all of the Company's cash and restricted cash is held with major financial institutions in Canada and receivables consist of GST refunds from the Canadian government. Management believes the exposure to credit risk with such institutions is not significant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of the business of the Company.

The Company coordinates this planning and budgeting process with its financing activities through the capital management process described in Note 8 of the financial statements, in normal circumstances. Further information regarding liquidity risk is set out in note 1. The Company is exposed to liquidity risk.

Interest rate risk

The Company had no significant exposure as at September 30, 2024, to interest rate risk through its financial instruments.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Currency risk

The Company operates only in Canada and has limited exposure to foreign exchange risk arising from transactions denominated in foreign currencies. The operating results and the financial position of the Company are reported in Canadian dollars. The functional currency of the Company and its subsidiaries is the Canadian dollar. Foreign currency risk is related to the exposure of financial instruments denominated in currencies other than Canadian dollars. As of September 30, 2024, a 10% appreciation (depreciation) in the United States dollar against the Canadian dollar, with all other variables held constant, would not result in any significant impact on the Company's profit or loss for the year.

Additional Information

Additional information relating to the Company is available on the SEDAR website www.sedarplus.ca.