

C3 METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three and Nine Month Periods Ended May 31, 2024

(Information as at July 26, 2024 unless otherwise noted)



INTRODUCTION

This management's discussion and analysis ("MD&A") provides results of operations and financial condition for the three and nine month periods ended May 31, 2024 and 2023. It was approved by the Board of Directors on July 26, 2024.

The condensed consolidated interim financial statements include all of the assets, liabilities and expenses of C3 Metals and its wholly-owned subsidiaries, Carube Resources Inc., Carube Resources Jamaica Limited ("CRJL"), Rodinia Jamaica Limited ("RJL"), Latin America Resource Group Limited ("LARG"), C3 Metals Peru S.A.C. ("C3 Peru") and Molino Azul S.A.C. ("Molino"). The Company also holds a 50% interest in the Super Block joint operation. The Company's common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol CCCM and on the OTCQB Venture Market under the symbol CUAUF.

This MD&A should be read in conjunction with the Company's condensed consolidated interim financial statements for the three and nine month periods ended May 31, 2024 and 2023. This MD&A should also be read in conjunction with the Company's consolidated annual financial statements for the years ended August 31, 2023 and 2022, which were prepared in accordance with IFRS Accounting Standards and the Company's annual MD&A for the year ended August 31, 2023. All figures are presented in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may be deemed "forward-looking statements" relating but not limited to the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, the failure to obtain sufficient funding for operating, capital and exploration requirements and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking

information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. C3 Metals undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

QUALIFIED PERSON

The technical information contained in this MD&A has been approved by Stephen Hughes, P.Geo., the Company's Vice President Exploration and a Director, who is a Qualified Person as defined by National Instrument 43-101.

NATURE OF OPERATIONS AND DESCRIPTION OF BUSINESS

C3 Metals is a junior minerals exploration company focused on creating substantive value through the discovery and development of large copper and gold deposits. The Company holds the 29,880 hectare Jasperoide project, a high-grade copper-gold skarn and porphyry system located in the prolific Andahuaylas-Yauri Porphyry-Skarn belt of southern Peru. Mineralization at the Jasperoide project is hosted in a similar geological setting to the nearby major mining operations at Las Bambas (MMG), Constancia (Hudbay) and Antapaccay (Glencore). C3 Metals also holds a 100% interest in mineral exploration licences covering 17,855 hectares and a 50% interest in 9,870 hectares of highly prospective copper-gold terrain in Jamaica. The Company also holds a 2% net smelter return ("NSR") royalty on Cascade Copper Corp.'s ("Cascade Copper") Rogers Creek project.

The Company has not determined whether its properties contain mineral resources that are economically recoverable. The recoverability of amounts recorded for exploration and evaluation assets is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

QUARTERLY HIGHLIGHTS

On July 9, 2024, the Company provided an update following hurricane Beryl causing significant damage across Jamaica. The Company is pleased to report the team on the ground is safe and no injuries were reported. Overall, the Company's equipment, drill rig, drill core and rock samples are secure with no damage to these items. The Company sustained damage to the roofs of its core logging and core storage facilities, but the structures of these buildings remain intact. Heavy winds and rainfall have resulted in significant damage to the existing infrastructure of the Company's project areas. There is currently only one access road into the Bellas Gate project area, and the Arthurs Seat and Super Block project areas are currently inaccessible. All project areas are without power due to significant damage of multiple power line polls uprooted during the storm event. Multiple landslides were reported, resulting in the roads in which C3 Metals' uses to access various porphyry and epithermal prospects currently being impassible. In addition, prepared drill pad sites and drill access trails have been damaged and will also require repair.

Drill assay results related to the Company's drilling in Jamaica during 2024 for both the Connors and Camel Hill copper-gold porphyry prospects within the Bellas Gate project were announced on June 5 and May 15, 2024. More details are included under *Exploration Projects, Activities and Expenditures* below.

On March 28, 2024, the Company provided an update on its copper-gold exploration program and provided a summary of its exploration objectives on its district-scale mineral concession package in Jamaica.

On February 24, 2024, the Company and Geophysx Jamaica Limited ("Geophysx") entered into a Joint Arrangement Agreement (the "Agreement") that combines Geophysx's Special Exclusive Prospecting Licences (SEPLs) covering the past producing Pennants Mine and surrounding areas with the Company's Main Ridge SEPL and a portion of its Arthurs Seat SEPL to form a combined property that is now known as the Super Block project. As part of the Agreement, the participants intend to incorporate a new entity ("NewCo") under the laws of Jamaica, or another jurisdiction for tax purposes, with each participant holding a 50% ownership interest. The purpose of the NewCo is to hold the legal and beneficial title to the SEPLs that form the Super Block project.

Drill assay results related to the Company's drilling in Jamaica during 2023 for both the Provost and Camel Hill copper-gold porphyry prospects within the Bellas Gate Project were announced on September 12, September 25, October 4, October 11 and November 27, 2023. On January 9, 2024, the Company provided a summary of the 2023 drilling results and provided an update on the planned 2024 drilling program primarily at Bellas Gate. Details related to drill results for the Bellas Gate, Jamaica project and an update on the 2024 drilling plans are included under *Exploration Projects, Activities and Expenditures* below.

On November 15, 2023, the Company closed a non-brokered private placement of 8,846,147 common shares at a price of \$0.91 per common share for gross proceeds of \$8,050,000. In connection with the private placement, the Company paid eligible finders cash commissions of \$42,600 and an advisory fee of \$107,100.

On November 1, 2023, the Company announced that the board of directors had approved the consolidation of the common shares of the Company on the basis of one post-consolidation share for every thirteen pre-consolidation shares held (the "Share Consolidation") subject to receipt of all necessary approvals including that of the TSX-V. Board of director approval followed shareholder approval of the Share Consolidation at the Company's last annual and special meeting of shareholders held on March 3, 2023. The Share Consolidation became effective at market open on December 19, 2023 and resulted in 804,504,235 pre-consolidation shares being consolidated to 61,884,802 post-consolidation shares. The exercise or conversion price and the number of shares issuable with respect to all of the Company's outstanding convertible securities was proportionately adjusted in connection with the Share Consolidation. All share and per share amounts in this MD&A have been retroactively adjusted to reflect the Share Consolidation.

On September 26, 2023, the Company announced that it had received the authorisation for expanded activities from the Peruvian Ministry of Energy and Mines for a recently modified Declaration of Environmental Impact permit for the Jasperoide project. This modified drill permit increases the area

permitted for exploration drilling by 74% and consists of an additional 24 drill platforms and 53 additional drill holes.

EXPLORATION PROJECTS, ACTIVITIES AND EXPENDITURES

PERU – JASPEROIDE PROJECT

The Company holds a 100% beneficial interest in 57 exploration concessions and has an option agreement to earn a 100% interest in two additional concessions. These 59 exploration concessions are located in the Andahuaylas-Yauri belt of Peru proximal to Las Bambas (MMG), Haquira (First Quantum) and Constancia (Hudbay). The Jasperoide project concessions cover a total area of 29,880 hectares and host a number of copper-gold skarn and porphyry targets at various stages of exploration. During fiscal 2023, the Company applied for and was awarded an additional two exploration concessions for which the Company is now awaiting official title. Once official title is granted on the additional two exploration concessions, the total Jasperoide project area could increase to 30,080 hectares.

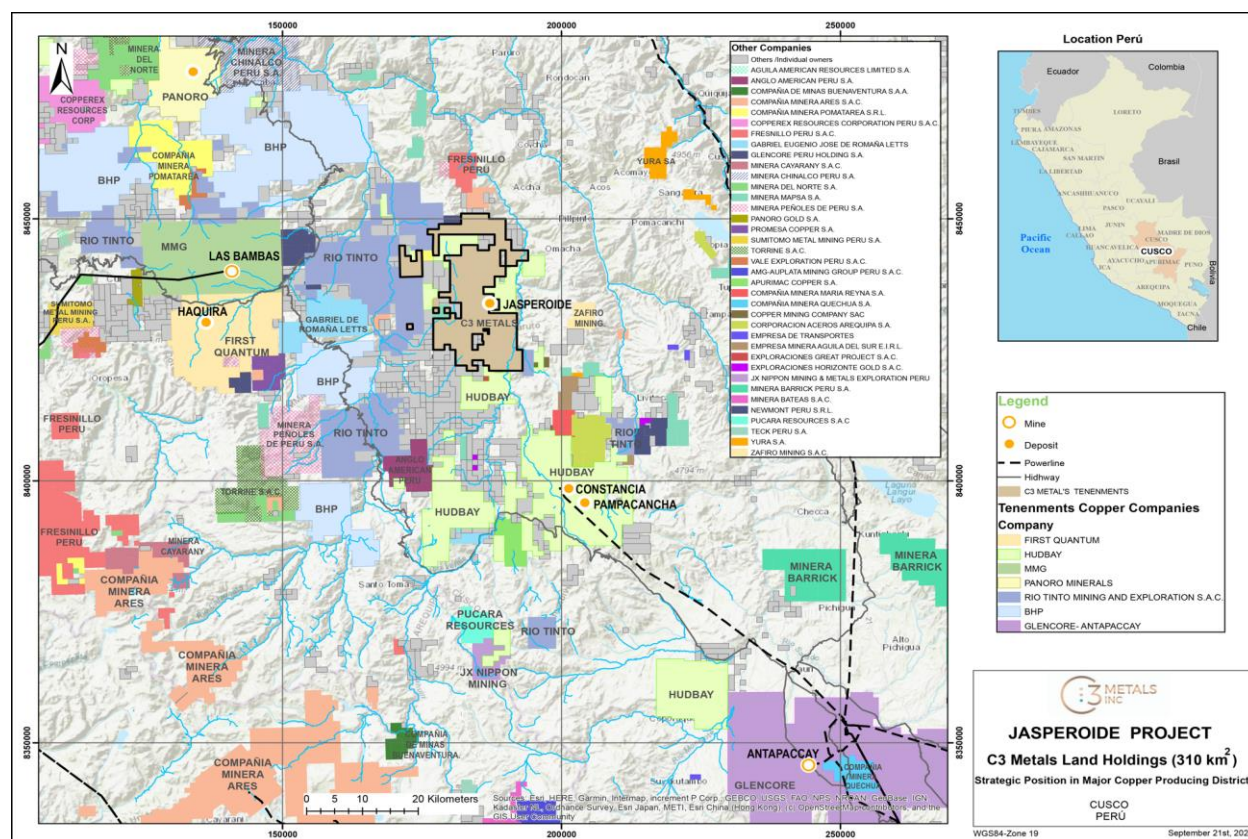


Figure 1 – Jasperoide project location, southern Peru

On February 26, 2020, the Company completed the acquisition of a 100% interest in LARG. At that time, LARG's wholly-owned subsidiary, C3 Peru, held a 100% beneficial interest in eight exploration concessions and had two option agreements (La Bruja Option Agreement and Ares Option Agreement) to earn a potential 100% beneficial interest in five additional concessions.

The La Bruja Option Agreement between C3 Peru and Inversiones La Bruja S.A.C. ("La Bruja") provides for an option to earn a 100% interest in the equity shares of La Bruja subject to minimum cumulative exploration expenditures of US\$2,000,000 and total cash option payments of US\$2,000,000. As at May 31, 2024, cash option payments totaling US\$950,000 had been provided with a balance of US\$1,100,000 outstanding. Between June 2020 and February 2024, amending agreements to adjust the timing of cash option payments and exploration expenditure requirements were concluded. The remaining cash option payments, totalling US\$1,100,000, are due on or before the following dates: US\$30,000 by August 31, 2024; US\$50,000 by December 31, 2024; US\$250,000 by August 31, 2025; US\$350,000 by August 31, 2026; and, US\$420,000 by August 31, 2027. The minimum cumulative exploration expenditures of US\$2,000,000 requirement was met in 2021. Following the earn-in of a 100% interest in the concessions a NSR royalty of 1.5% would be payable to the former shareholders of La Bruja.

The Ares Option Agreement between C3 Peru and Compania Minera Ares S.A.C. ("Ares"), a subsidiary of Hochschild PLC ("Hochschild") provided the Company with the right to earn an initial 51% interest in three concessions subject to incurring cumulative exploration expenditures of US\$5,000,000 (including LARG and C3 Peru expenditures prior to the February 26, 2020 acquisition date and including certain administrative costs) by October 2023. This condition was met in June 2021, when the Company exceeded the cumulative expenditure requirements. During Fiscal 2022, the Company concluded a binding Heads of Agreement and acquired 100% of Hochschild's interest in the three concessions. In connection with the acquisition, the Company granted a 2% NSR royalty in favour of Ares in respect of the Ares mineral concessions subject to the right of the Company to purchase 1% of the NSR (thereby reducing the NSR to 1%) for a price of US\$1,000,000 at any time, replacing the previously granted 1.5% net smelter returns royalty that had no buy back provision. In addition, the 2% NSR royalty applies to a five kilometre area of interest from the borders of the three concessions.

On September 26, 2023, the Company announced that it received a modified drill permit from the Peruvian Ministry of Energy and Mines that increases the area permitted for exploration drilling by 74% and consists of an additional 24 drill platforms and 53 additional drill holes. This increase to the drill permit area will allow C3 Metals to systematically test two additional skarn targets: Cresta Verde and Callejon De Oro. These skarn targets are immediately to the northwest and south of the Montana de Cobre skarn deposit.

Exploration and Evaluation Expenditures

During the nine month period ended May 31, 2024, a total of \$823,445 was capitalized to the Jasperoide project related to exploration and evaluation costs. Components of total costs capitalized comprised: \$204,021 related to licence acquisition and renewal fees; \$304,002 relating to geology and general field costs; \$42,666 of drilling related costs; \$37,753 related to environmental costs; \$163,432 related to community and social development; \$22,911 related to health and safety costs; and, \$48,660 related to Peruvian IVA tax on these expenditures. As at May 31, 2024, the carrying value of the Jasperoide Project was \$35,534,549 (August 31, 2023 - \$34,975,849).

JAMAICA

In Jamaica, the Company has 100% ownership of Special Exclusive Prospecting Licences ("SEPL") covering 17,855 hectares and a 50% interest in 9,870 hectares, including Bellas Gate, Browns Hall, Hungry Gully,

Arthurs Seat and Super Block. The Bellas Gate project is comprised of the Bellas Gate and Browns Hall licences and is subject to two NSR royalties, including a 2% NSR royalty in favour of OZ Minerals Ltd. which provides a partial buyback right and a total payment cap, and a 2% NSR royalty in favour of Clarendon Consolidated Minerals Ltd. The Arthurs Seat licence is subject to a 1% NSR royalty in favour of OZ Minerals Ltd. with a partial buyback right. The Hungry Gully licence is wholly-owned and the licenses making up the Super Block are owned 50% by the Company.

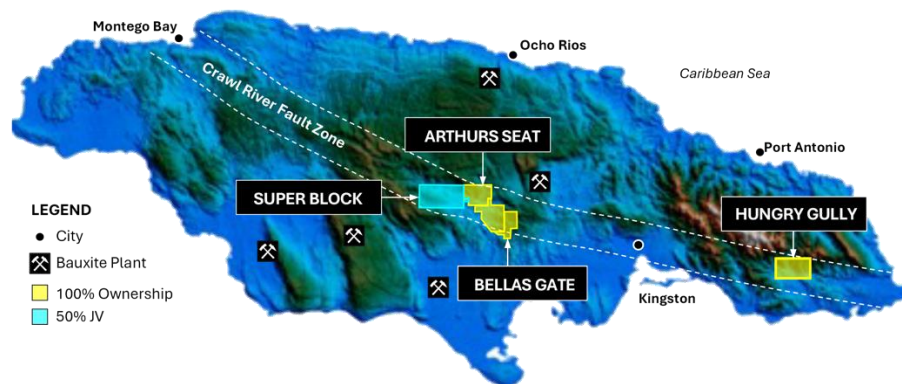


Figure 2 – C3 Metals’ mineral properties in Jamaica

The Company also held a 1% NSR royalty on its previously owned Berkshire Hall, Mount Ogle, Shirley Castle and Windsor Castle licences that were sold to Geophysx in 2019. Under the terms of that agreement, Geophysx had the right to buy down 50% (representing 0.5%) of the NSR royalty for US\$50,000 per each 0.1% of the NSR royalty (total of US\$250,000) and the balance of the NSR royalty for US\$70,000 per each 0.1% of the NSR royalty (total of US\$350,000). Additional consideration from Geophysx for the purchase of these properties includes future cash payments to the Company at milestones following commencement of commercial production that could total US\$240,000.

On August 29, 2023, the Company entered into a Royalty Purchase Agreement with an affiliated company of Geophysx, pursuant to which the Company agreed to sell and transfer all of its remaining rights, title and interest in and to the NSR and rights granted pursuant to the above purchase agreement with Geophysx dated June 19, 2019 for cash consideration of \$1,625,940 (US\$1,200,000). The transaction closed on August 31, 2023 with the cash consideration received on this date.

2023 Drilling Highlights

During 2023, the Company completed over 9,300 metres of drilling at its 100% owned copper-gold projects in Jamaica. Exploration work in 2023 confirmed 16 porphyry, 40 epithermal copper-gold prospects and multiple volcanic redbed copper prospects along a 30km strike extent (Figure 3). Drill holes completed during 2023 highlight significant porphyry potential that remains open at depth and along strike. The 2023 drilling campaign confirmed a cluster of high level, uneroded porphyry systems and associated fully preserved epithermal base and precious metal veins (low, intermediate, and high sulphidation). Drillhole assays have confirmed a significant potential for a meaningful copper-gold porphyry discovery in this highly prospective, yet significantly underexplored porphyry-epithermal belt.

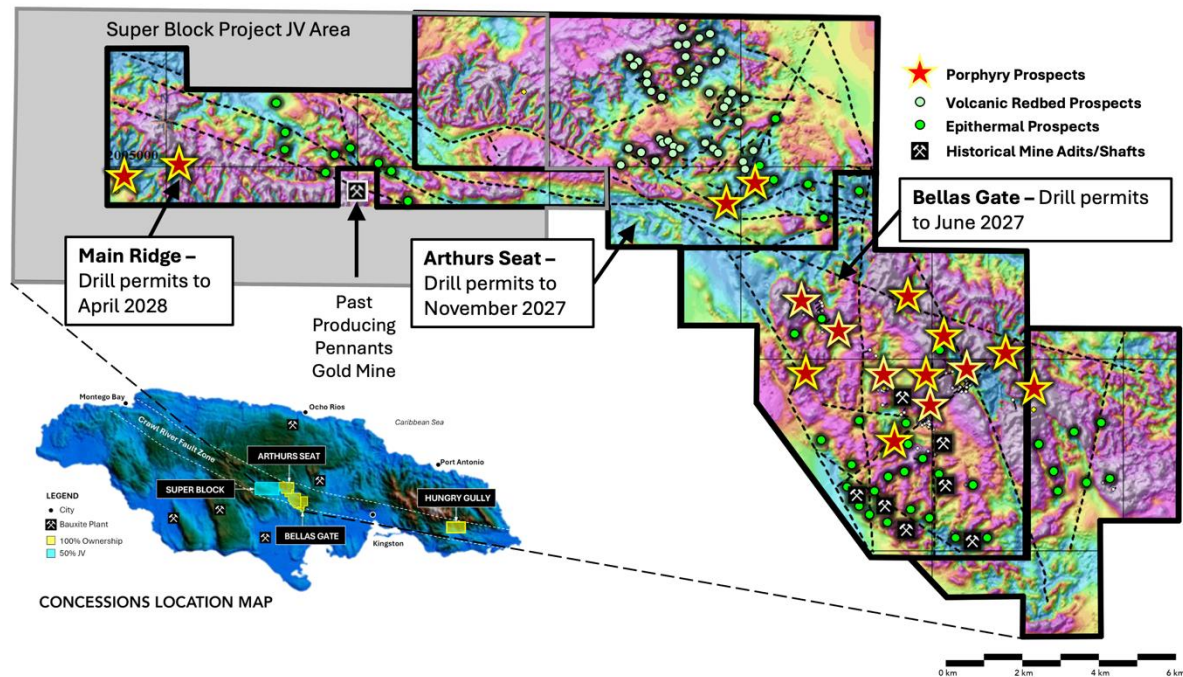


Figure 3 – Project location map showing C3 Metals' tenement map and the 16 copper-gold porphyry and 40 epithermal prospects confirmed along a 30km strike extent.

2024 Exploration

To date, the 2024 Jamaica drill program has largely focused on the Bellas Gate project where two district scale porphyry copper-gold and epithermal copper-gold-silver vein corridors extend over 10km of strike extent.

A cluster of copper-gold mineralized porphyries has been identified associated with a 4km zone of strong porphyry alteration mapped at surface. Drilling has been focused on progressively stepping out along strike to determine the potential for continuous copper-gold mineralization in this highly prospective zone.

Work is also planned to further develop other priority copper-gold prospects, which include (Figure 4):

- **Coffee** - Magnetic anomaly and coincident 2.5km by 2.5km copper-in-soil anomaly;
- **Pleasant Hill** - Magnetic and induced polarization (IP) anomalies and coincident 700m by 600m copper-in-soil anomaly;
- **Cocoa Ridge** - Magnetic anomaly and coincident 900m by 500m copper-in-soil anomaly;
- **Stamford Hill – Charing Cross** epithermal field - Spanish and British historical adits and shafts exploited multiple high-grade copper-gold-silver epithermal veins up to 10m wide; and,
- **Arthurs Seat**- an untested porphyry target. Discrete magnetic anomaly over a high tenor 1,200m by 800m copper in soil anomaly.

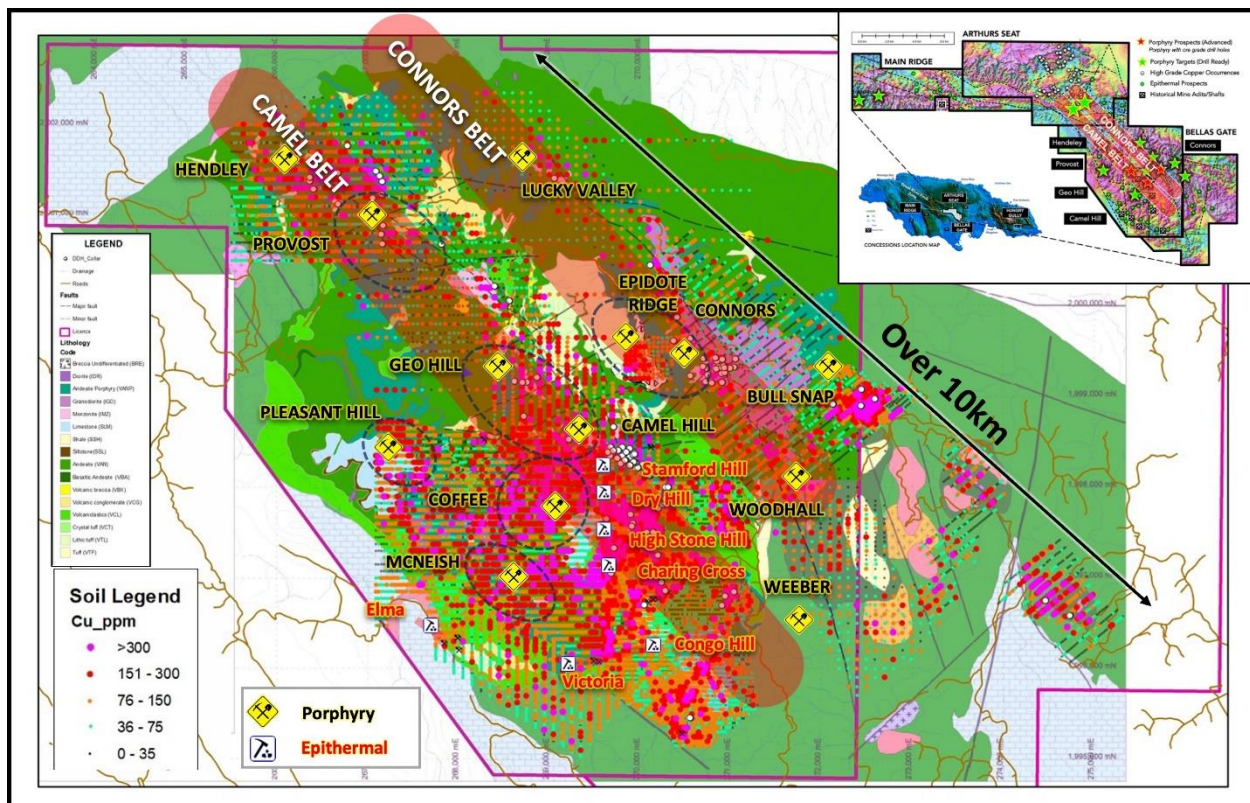


Figure 4 – Map of Bellas Gate showing copper-in-soil geochemistry and two major structural corridors. C3 Metals will focus on drilling these structural corridors and extending the strike extent of the known mineralized zone through additional soil geochemistry and during the first half of 2024.

Bellas Gate

During August 2023, two drill rigs were mobilized to Jamaica to commence follow up drilling at the Bellas Gate copper-gold project in Jamaica, focussed initially on the Camel Belt. BC Diamond Drilling (“BCDD”) have been contracted for a minimum of 6,000 metres of diamond drilling using a drill rig with a depth capacity of greater than 1,000 metres, and C3 Metals’ owned man-portable rig has drilled over 2,500m, testing near surface porphyry and epithermal prospects to a nominal vertical depth of approximately 500 metres.

On September 25, 2023, the Company announced assays from the first two holes of the 8,500m drill program. The holes were drilled at the northwestern area along the Camel Belt, at the Provost Prospect and drilling highlights included:

- Longest interval of copper-gold mineralization ever intersected at the Bellas Gate project.
- 390.7m at 0.37% copper and 0.19 g/t gold from 64.1m, including 279.5m at 0.43% copper and 0.24 g/t gold intersected in drill hole PVT0900-002.
- PVT0900-002 terminated in highly altered diorite and andesite cut by pyrite – magnetite ± chalcopyrite ± molybdenite in veins, with an intense anhydrite overprint.
- Multi-phase system with porphyry style alteration and mineralization overprinted or telescoped by intermediate and high-sulphidation epithermal copper-gold mineralization.

On October 4, 2023, the Company announced assays received for the first drill hole of the 2023 program at the Camel Hill copper-gold porphyry prospect, approximately 4km southeast from the Provost porphyry. Drilling highlights included:

- CMH8350-001 assayed 207.8m at 0.43% copper and 0.20 g/t gold from 22.0m, including 135.0m at 0.52% copper and 0.27 g/t gold.
- Lower half of the CMH8350-001 intersected strongly altered diorite porphyry with pyrite-rich (5-15%) quartz stockwork veining.
- Diatreme breccia with vuggy residual quartz fragments indicates preserved high-sulphidation alteration and mineralized system at depth.

On October 11, 2023, the Company reported assays for PVT0900-003, the third hole completed on the Provost porphyry target. PVT0900-003 (418.6m) terminated 150m short of target depth due to drilling difficulties in a fault zone, highlights include:

- PVT0900-003 intersected 112m at 0.35% copper and 0.13 g/t gold from 305.8m.
- The last 1.1m of the hole ended in high-grade epithermal style mineralization grading 1.27% copper and 4,090 g/t silver.
- This hole extended known copper-gold mineralization at Provost by 150m to the northwest.

On November 27, 2023, the Company reported assays from two additional holes drilled at the Provost porphyry target. Drilling highlights included:

- PVT0825-001 (596.7m) intersected 280.7m at 0.37% copper and 0.21 g/t gold from 227.0m, including 61.7m at 0.50% copper and 0.39 g/t gold from 446.0m (Figure 4).
- Bornite and hypogene chalcocite mineralization, as well as potassic alteration, were confirmed at approximately 500m depth.
- The presence of bornite mineralization and potassic alteration corresponded with a spike in grades to 1.14% copper and 1.19 g/t gold over a 2.5m interval.

On May 15, 2024, the Company reported assays from a hole at the Connors porphyry target. Drilling highlights included:

- CON9325-002 intersected 79.0m at 0.71% copper and 0.49 g/t gold (1.06% CuEq) from 128.0m, including 46.0m at 0.95% copper and 0.69 g/t gold (1.45% CuEq).
- CON9325-002 was collared at the Connors copper-gold porphyry prospect at the Bellas Gate project. It was designed to test below drill hole CON9325-001, which intersected 309.0m at 0.44% copper and 0.33 g/t gold (0.67% CuEq1) from 15m (see press release dated September 12, 2022).

On June 5, 2024, the Company reported assays from an additional hole drilled at the Camel Hill copper-gold porphyry prospect. Drilling highlights include:

- CMH8390-001 assayed 294m at 0.30% copper and 0.13 g/t gold (0.39% CuEq1) from surface. After going through a barren dyke, the hole resumed in mineralization and terminated in 0.36% copper at 600m.

- CMH8390-001 confirms strongly altered diorite porphyry with chalcopyrite-rich quartz stockwork veining.
- Two additional holes (GOH9075-001 and GOH9075-002) drilled at Geo Hill approximately 1.2km north-northwest of CMH8390-001 intersected low to moderate grade copper-gold mineralization over broad intervals.
- Geo Hill and Camel Hill appear to be spatially and genetically associated and represent a large porphyry complex that has only been partially drill tested.

Exploration and Evaluation Expenditures

During the nine month period ended May 31, 2024, a total of \$5,654,831 was capitalized to the Bellas Gate project related to exploration and evaluation costs. Components of total costs capitalized comprised: \$199 related to licence renewal fees; \$1,134,948 related to geology and general field costs; \$4,287,921 related to drilling and drill core assay; \$40,110 related to environmental costs; \$156,379 related to community and social development; and, \$35,274 related to health and safety costs. As at May 31, 2024, the carrying value of the Bellas Gate project was \$17,316,217 (August 31, 2023 - \$11,637,635).

Super Block

On February 24, 2024, the Company and Geophysx entered into an Agreement that combines Geophysx's SEPLs covering the past producing Pennants Mine and surrounding areas with the Company's Main Ridge SEPL and a portion of its Arthurs Seat SEPL to form a combined property that is now known as the Super Block project. As part of the Agreement, the participants intend to incorporate a new entity ("NewCo") under the laws of Jamaica, or another jurisdiction for tax purposes, with each participant holding a 50% ownership interest. The purpose of the NewCo is to hold the legal and beneficial title to the SEPLs that form the Super Block project. Under the terms of the Agreement, it is anticipated that the new Super Block project SEPLs will be issued by Jamaican governmental authorities by September 30, 2024.

Under the terms of the Agreement, each participant has a 50% interest in the Super Block project. The rights and obligations of each participant will be in every case several and not joint or joint and several. The participants have established a Management Committee to determine the overall policies, objectives, procedures, methods and actions under the Agreement. Each participant has elected two members to the Management Committee which will include the President from each participant and one additional member. The Company will act as the operator of the Super Block project. In this role, the Company will conduct all exploration and evaluation activities and will be responsible for proposing annual work plans and budgets to be approved by the Management Committee. The Company will receive a 5% operator administrative fee up until such time that a production decision is made on the Super Block project.

Both Participants must contribute to fund exploration and evaluation activities of the Super Block project on a pro rata basis or their interest will be diluted as per the standard formula outlined by the Rocky Mountain Mineral Law Foundation. Should either participant be diluted to a 5% interest, such interest will be converted to a 3% NSR royalty on the Super Block project of which 2% can be repurchased for US\$2,000,000.

The Agreement is a joint operation in accordance with IFRS 11, Joint Arrangements, effective February 24, 2024, and was classified as a new project of the Company during the nine month period ended May 31, 2024. The Company consolidates all assets, liabilities, income and expenses related to the Super Block project into its consolidated financial statements pro rata to its interest in the project. At May 31, 2024, neither party has been diluted and the Company continues to hold a 50% interest in the joint operation.

Exploration and Evaluation Expenditures

During the nine month period ended May 31, 2024, a total of \$141,215 was capitalized to the Super Block project related exploration and evaluation costs. Components of total costs capitalized comprised: \$22 related to licence acquisition and renewal fees; \$101,686 related to geology and general field costs; \$24,602 related to drilling and drill core assay; \$5,650 related to environmental costs; \$8,364 related to community and social development; and, \$891 related to health and safety costs. As at May 31, 2024, the carrying value of the Super Block project was \$141,215 (August 31, 2023 - \$nil).

Other Jamaican Licenses

Exploration and Evaluation Expenditures

During the nine month period ended May 31, 2024, a total of \$271,472 was capitalized to the other Jamaican licences related to exploration and evaluation costs. Components of total costs capitalized comprised: \$414 related to licence renewal fees; \$180,848 relating to geology and general field costs; \$74,282 of drilling related costs; \$5,662 related to environmental costs; \$9,914 related to community and social development; and, \$352 related to health and safety costs. As at May 31 2024, the carrying value of the other Jamaican licences was \$5,187,561 (August 31, 2023 - \$4,913,188).

SELECTED INTERIM INFORMATION

The following table contains selected interim financial information for the three and nine month periods ended May 31, 2024 and 2023.

	Three month period ended May 31, 2024 \$	Three month period ended May 31, 2023 \$	Nine month period ended May 31, 2024 \$	Nine month period ended May 31, 2023 \$
Revenue	Nil	Nil	Nil	Nil
Total expenses	(651,000)	(546,929)	(1,905,500)	(2,001,846)
Total other income (expenses)	37,238	771	30,022	(41,143)
Net loss for the period	(613,762)	(546,158)	(1,875,478)	(2,042,989)
Basic and diluted loss per common share	(0.01)	(0.01)	(0.03)	(0.05)
Cash dividend per common share	Nil	Nil	Nil	Nil

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Total Expenses

For the three month period ended May 31, 2024, total expenses were \$651,000 and were comprised of: \$208,460 related to promotion and investor relations; \$16,306 related to regulatory authority and transfer agent fees; \$67,309 with respect to professional fees for legal, accounting and audit services; \$315,925 with respect to office, general and administrative costs; and, \$43,000 with respect to non-cash share based compensation expense related to stock options.

Total expenses, before other income and expenses were higher by \$104,071 during the third quarter of fiscal 2024 when compared to the same quarter in fiscal 2023. Promotion and investor relations costs were higher by \$155,764. Higher costs were incurred related to promotional campaigns to increase investor awareness and attendance at investor conferences (including related travel) and higher fees were paid to investor relations contractors. Regulatory and transfer agent fees remained consistent and were lower by \$785. Professional fee expenses were higher by \$25,694 primarily related to the legal fees incurred with respect to the Agreement with Geophysics. Office, general and administrative costs were lower by \$11,260 primarily due to lower rental costs for the Company's head office. Share based compensation expenses were lower by \$65,342 during the third quarter of fiscal 2024 compared to the third quarter of fiscal 2023. The share based compensation expense relates to non-cash charges for stock options that were granted in fiscal 2023.

For the nine month period ended May 31, 2024, total expenses, before other income and expenses, were \$96,346 lower when compared to the same period during fiscal 2023. Promotion and investor relations costs were higher by \$88,622 due to higher costs incurred related to promotional campaigns to increase investor awareness and attendance at investor conferences (including related travel) and higher fees paid to investor relations contractors. Regulatory authority and transfer agent fees were higher by \$9,712 related to fees paid to the Company's transfer agent in relation to the share consolidation. Legal, accounting, audit and financial advisory costs were higher by \$72,639 related to auditor fees for the review of the interim financial statements and legal fees incurred on the Agreement with Geophysx. Office, general and administrative costs were lower by \$53,913 primarily related to a headcount reduction at the corporate level, a headcount reduction at the Company's Peruvian subsidiary and lower rental costs for the Company's head office. Share based compensation expenses was lower by \$213,406.

Other expenses and income

Other expenses and income during the nine month period ended May 31, 2024 totaled a net income of \$30,022. Interest income earned on cash balances during the nine month period was \$117,685. A loss on the fair value of Cascade Copper Corp. marketable securities of \$25,000 was recorded. A foreign exchange loss of \$62,663, related to the revaluation of cash held in United States dollars, was also recorded.

Net Loss and Loss per Common Share

For the three month period ended May 31, 2024, net loss was \$613,762 (Q3 fiscal 2023 – \$546,158). Basic and diluted loss per common share was \$0.01 (Q3 fiscal 2023 – \$0.01). For the nine month period ended May 31, 2024, net loss was \$1,875,478 (nine months ended May 31, 2023 – \$2,042,989). Basic and diluted loss per common share was \$0.03 (nine months ended May 31, 2023 – \$0.05). As the Company incurred a net loss for each of these periods, the diluted number of common shares outstanding excludes all contingently issuable shares as they have an anti-dilutive effect for the periods presented.

Other Comprehensive Loss (Income)

Upon consolidation, the financial statements of the Jamaican subsidiaries (CRJL and RJL) and Peruvian subsidiaries (C3 Peru and Molino) are translated into Canadian dollars as follows: assets and liabilities – at the closing rate at the date of the statement of financial position, and income and expenses – at the average rate for the period. All resulting foreign exchange translation adjustments are recognized in other comprehensive loss (income). During the three month period ended May 31, 2024, a foreign currency translation gain of \$615,327 (Q3 fiscal 2023 – gain of \$703,773) was recorded in other comprehensive income / loss. During the nine month period ended May 31, 2024, a foreign currency translation loss of \$286,564 (nine month ended May 31, 2023 – gain of \$1,787,561) was recorded in other comprehensive income.

LIQUIDITY AND CAPITAL RESOURCES

As at May 31, 2024, the Company held cash and cash equivalents of \$2,566,794 (August 31, 2023 – \$2,832,823) and had working capital of \$2,446,384 (August 31, 2023 – \$2,646,854). The Company has financed its operations primarily with equity financing.

Financing Activity During Fiscal 2024

On November 15, 2023, the Company closed a non-brokered private placement of 8,846,147 common shares at a price of \$0.91 per common share for gross proceeds of \$8,050,000. In connection with the private placement, the Company paid eligible finders cash commissions of \$42,600 and an advisory fee of \$107,100.

Given the Company's plans for significant exploration expenditures on its projects during fiscal 2024, the Company will require additional funding to be able to acquire, advance and retain mineral exploration property interests and to meet ongoing requirements for general operations. The ability of the Company to continue as a going concern is dependent on its ability to raise required financing whether through equity or debt financing; through joint ventures; the generation of profits from operations; or, the sale of property assets in the future.

Contractual Obligations

The Company does not have any fixed contractual obligations or commitments for capital or operating leases, purchase obligations or other long-term commitments. Any commitments under exploration option agreements or joint arrangement agreements are cancellable at the Company's option but would result in forfeiture of rights under such agreements.

OUTSTANDING SHARE DATA

Information with respect to outstanding common shares, broker warrants, stock options, restricted share units and deferred share units as at July 26, 2024, May 31, 2024 and August 31, 2023 is as follows:

	July 26, 2024	May 31, 2024	August 31, 2023
Common shares	61,884,802	61,884,802	53,038,655
Broker warrants	-	-	462,771
Stock options	3,510,748	3,510,748	3,927,666
Restricted share units (RSUs)	156,643	156,643	156,643
Deferred share units (DSUs)	15,117	15,117	15,117
Fully diluted shares outstanding	65,567,310	65,567,310	57,600,852

During the nine month period ended May 31, 2024, a total of 349,997 stock options with an exercise price of \$1.04 expired and a total of 66,921 stock options with exercise prices of \$0.65 and \$1.04 were forfeited.

On November 1, 2023, the Company announced that the board of directors had approved the Share Consolidation on the basis of one post-consolidation share for every thirteen pre-consolidation shares. The Share Consolidation became effective at market open on December 19, 2023 and resulted in 804,504,235 pre-consolidation shares being consolidated to 61,884,802 post-consolidation shares. The exercise or conversion price and the number of shares issuable with respect to all of the Company's outstanding convertible securities was proportionately adjusted in connection with the Share Consolidation. All share and per share amounts in this MD&A have been retroactively adjusted to reflect the Share Consolidation.

On November 15, 2023, the Company closed a non-brokered private placement of 8,846,147 common shares at a price of \$0.91 per common share for gross proceeds of \$8,050,000.

On November 9, 2023, a total of 462,771 broker warrants exercisable for common shares at \$2.47 per share expired.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, restricted deposits, marketable securities, accounts payable and accrued liabilities. Details relating to financial instruments and risk management associated with credit risk, liquidity risk, price risk, currency risk and interest rate risk are disclosed in note 12 to the annual consolidated financial statements for the years ended August 31, 2023 and 2022.

RELATED PARTY TRANSACTIONS AND COMPENSATION OF KEY MANAGEMENT

The Company has contracts for management and geological services with its officers, directors and companies controlled by its officers and directors. Key management includes all persons named or performing the duties of CEO, CFO, Vice President, and Director. Compensation awarded to key management for the three and nine month periods ended May 31, 2024 and, 2023 is set out in note 10 to the condensed consolidated interim financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures in the notes thereto. These estimates and assumptions are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results may differ from those estimates. The most significant items requiring the use of management estimates and valuation assumptions are related to the recoverable value of mineral exploration properties and deferred exploration expenditures; the valuation of equity instruments including warrants, broker warrants and stock options; and, the ability of the Company to continue as a going concern.

Details with respect to critical accounting estimates, judgments and estimation uncertainties are disclosed in note 3 to the annual consolidated financial statements for the years ended August 31, 2023 and 2022.

NEW AND REVISED ACCOUNTING STANDARDS

Certain pronouncements were issued by the International Accounting Standards Board or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after January 1, 2023. They are not applicable or do not have a significant impact on the Company.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Investment in the natural resource industry in general, and the mineral exploration and development sector in particular, involves a great deal of risk and uncertainty. Current and potential investors should give special consideration to the risk factors involved. These factors are discussed more fully in the annual Management's Discussion and Analysis dated December 21, 2023 which is filed on SEDAR+.

CORPORATE INFORMATION

Officers and Directors

- Dan Symons, BA (Hons.) – Chief Executive Officer, President and Director
- John McNeice, B. Comm. (Hons.), CA, CPA – Chief Financial Officer
- Stephen Hughes, B.Sc. (Hons.), APGNS (P. Geo.), FSEG – Vice President, Exploration and Director
- Antony Manini, B.Sc., FAusIMM, FSEG – Director and Chairman of the Board
- Kimberly Ann Arntson – Director
- Zimi Meka, B. Eng. (Mech) Hons., FAusIMM, MAICD, FIEAust – Director
- Fernando Pickmann, LLM – Director
- Yale Simpson, BApSc. – Director

Corporate Web-site

www.c3metals.com

Corporate Office

69 Yonge Street, Suite 200, Toronto, Ontario, Canada M5E 1K3

Independent Auditor

PricewaterhouseCoopers LLP, Ottawa, Canada

Corporate Legal Counsel

Irwin Lowy LLP, Toronto, Canada