SPANISH MOUNTAIN GOLD LTD.

Management Discussion and Analysis

For the three and six months ended June 30, 2026 and 2025

(Expressed in Canadian dollars)

The following is management's discussion and analysis ("MD&A") of the financial condition and results of operations of Spanish Mountain Gold Ltd. (the "Company") and its subsidiary. This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements, including the notes thereto, for the three and six months ended June 30, 2026 and 2025 ("Financial Statements").

The Financial Statements have been prepared by management in accordance with IFRS® Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board, including International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. In addition, the MD&A should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2025 and 2024 (the "Annual Financial Statements"), as some disclosures from the Annual Financial Statements have been condensed or omitted. Unless otherwise stated, all amounts are presented in Canadian dollars which is the functional currency of the Company and its subsidiary. References to US$ are to United States dollars. Other information contained in this document has been prepared by management and is consistent with the data contained in the Financial Statements.

The Company's certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statements of material facts or omissions of material fact required to be stated or that it is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the financial statements, together with the other financial information included in the filings, fairly represent in all material respects the financial condition, financial performance, and cash flows of the Company as at the date of and for the periods presented in the filings.

In this MD&A, the words "we", "us", or "our", collectively refer to the Company and its subsidiary. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The first six months of a year are referred to as "H1" and the last six months of a year as "H2". The six months ended June 30, 2026 and 2025 are referred to as "YTD 2026" and "YTD 2025", respectively.

The Board of Directors approved the disclosure contained in this MD&A on August 31, 2026 ("MD&A Date").

The Company's Board of Directors provides an oversight role with respect to all public financial disclosures by the Company.

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

Additional information relating to the Company including its Financial Statements may be found on the Company's website at www.spanishmountaingold.com as well as under the Company's profile on SEDAR+ at www.sedarplus.ca.

OVERVIEW

Spanish Mountain Gold Project

The Company is transitioning from an explorer to an emerging development stage company engaged in the acquisition, exploration, and development of mineral properties. The Company's primary asset is the Spanish Mountain property located 66 km northeast of Williams Lake, British Columbia ("BC"). The Spanish Mountain property refers to the contiguous mineral and placer claims the Company holds while the Spanish Mountain gold project (the "Project") refers to the mineral resource that the Company has defined in an area within the property. The Company's focus is to advance the development of the Project and conduct further exploration programs on the property.

The Company has begun a Feasibility Study ("FS") and is targeting completion of the FS in H1 2028. In addition, while progressing to the FS, the Company plans to update its 2025 Preliminary Economic Assessment ("PEA") which included a Mineral Resource Estimate ("MRE") published on August 18, 2025. The updated 2026 PEA will include an updated MRE and is expected to be completed in Q4 2026. The 2026 PEA will incorporate all the drill results from the Winter 2025 Drill Program, the Fall 2025 Drill Program and drilling for the first several months of 2026.

The information gained from the positive 2025 drill results warranted additional drilling in 2026 (the 60,000 metre ("m") drill program) for the purpose of completing the 2026 FS. The planned 60,000 m drill program includes targeting near surface mineralization that could enhance production during the first 10 years of the proposed open pit mine.

During the review of historical geological results, the Company identified a significant anomalous presence of rutile containing titanium, a critical mineral in Canada. The Company engaged BBA Consultants to assess the potential to complete an inaugural titanium MRE and potential value add addition as a by-product to the proposed gold Project. The team of Qualified Persons ("QP") led by BBA Consultants is targeting a titanium MRE during Q4 2026.

FS

- BBA Consultants have been engaged as the overarching Qualified Persons ("QP") for the Project FS, 2026 PEA Update and targeted inaugural titanium MRE evaluation. Moose Mountain Technical Services are the responsible mining and mine plan QP**.** BGC Engineering Inc. has been engaged to design the tailings, waste and water management plan as well as geotechnical design of the open pit, general site and plant location. Equity Exploration Consultants Ltd. are QP for the precious metals MRE and BBA is the QP for the potential rutile (titanium) mineralization. Other QPs include: pHase Geochemistry Inc. for geochemistry, W.M. Brazier for power supply, and Integrated Sustainability Consultants Ltd. for water treatment. A kick-off meeting was held in Q2 to coordinate and align the 2026 PEA Update, tradeoff studies and the FS incorporating all tasks into a master schedule with targeted completion by H1 2028. Geotechnical, hydrological, infill and extension drilling have commenced and are progressing towards targeted completion by the end of 2026. With the near surface favorable drilling results from the Orca fault zone, the team is aiming for higher-grade production in the first 10 years of the mine life with improved recoveries through an optimized flow sheet.

The Project FS team has kicked off with the following updates:

Environmental assessment and permitting: The Environmental Assessment ("EA") application process was placed on hold since 2023 (see discussion below). The Company continued communications with various stakeholders, including the provincial and federal regulators, First Nations and the nearby community of Likely, while continuing with baseline environmental work and addressing historical consultative feedback received through the EA application process with solutions incorporated into the new proposed mine outlined in the 2025 PEA. On March 10, 2026, the BC Environmental Assessment Office ("BCEAO") and Impact Assessment Agency of Canada ("IAAC") issued joint correspondence regarding the elapsed time since the BCEAO's section 13(5) notice and the potential termination of the Spanish Mountain Gold Project under section 39 of the Environmental Assessment Act ('the Act") . The Company responded on July 21, 2026, outlining activities undertaken since the notice and requesting to continue in the current EA process.

In a letter dated August 27, 2026, the BCEAO accepted the plan proposed by Spanish Mountain Gold Ltd. to continue the EA and confirmed it is not pursuing termination under section 39 of the Act at this time. The plan includes continued engagement with First Nations, the public, and key stakeholders; submission of a draft Detailed Project Description ("DPD") in Fall 2026; and formal DPD in Q1 2027.

- **Exploration Drill program update:** 19,737 m of drilling of a planned 28,825 m on the Main Deposit was completed with 2 drill rigs as at the end of Q2 2026. Positive drill results continue to target higher grades within resource pit boundaries near surface. Intercepts including 0.82 g/t over 252.3 m from 75.5 m for hole 26-DH-1390 (See news release dated July 27, 2027 for more details). Drilling has now started on the K Zone where the Company previously encountered the highest-grade intercept in the Project's history (See news release April 24, 2025).

- **Geotechnical and hydrogeological:** Two drill rigs, one sonic and one diamond drill, were mobilized to site and completed 1,004 m of drilling to provide geotechnical, geochemical and hydrogeologic information to support the feasibility study. BGC commenced work to support the drill programs and site investigation necessary to progress the Project towards a FS.

- **Wheaton Precious Metals Corp. Financing Tranche 2 Milestone Progress:** A total of 26,356 m, or 43.9%, of the 60,000 m of drilling (which is one of the criteria to obtain the second instalment of the Wheaton Precious Metals royalty financing) has been completed as of August 28, 2026. A fifth exploration drill rig was mobilized on site as of July 14, 2026 and two more are targeted to arrive early Q4 2026 as drill rig and crew availability improves.

- **Metallurgy and Mineral Processing Optimization and Trade-off studies:** In Q2 2026, selected samples underwent coarse particle flotation pre-concentration, extended residence time testing, and additional variability testing. The findings provide a stronger technical basis for the 2026 PEA update and FS trade-off studies and are expected to drive improvements in gold recovery and production, throughput, tailings management, water and power efficiency, and project costs through optimized flowsheet design.

- **Power, electrification, lowering carbon intensity and green-house gas emissions:** The Project's location is supported by excellent infrastructure including connectivity to the provincial power grid supplied with low-cost, renewable hydro power. Work on the System Impact Study (SIS) Stage 3 with BC Hydro (the provincial electric utility provider) progressed for the proposed engineering and construction of a new BC Hydro 230 kilovolt ("kV") substation (SMM) to be located at the interconnection point near the BC Hydro McLeese Lake capacitor substation. The SMM will be connected to the proposed 74 km long 230 kV transmission line to be constructed by the Company.

Note, the Company targets to complete an updated PEA in Q4 2026 incorporating potential upside improvements that include consideration of: (i) resources from the Phoenix Deposit, which was not contemplated in the 2025 PEA, (ii) the addition of ore pre-concentration technology to the processing of mineralization to increase the average grade of mineralization processed and overall throughput, (iii) an updated 2026 MRE with results from the 2025 and 2026 drill program that focused on the Orca and K zone targets, and (iv) incorporate the higher long term gold price that has increased since the 2025 PEA and 2025 MRE were published.

Corporate

On April 20, 2026, the Company entered into a royalty agreement with Wheaton Precious Metals Corp ("Wheaton") ("Royalty Agreement"), pursuant to which Wheaton will acquire a 1.5% net smelter returns royalty ("NSR") on gold and silver production from the Spanish Mountain Gold Project for aggregate cash proceeds of US$55 million, to be paid in three installments. During the six months ended June 30, 2026, the Company received the first installment of US$22.5 million. The second Tranche is anticipated in Q4 2026 upon successful completion of the 60,000 m drill program noted above.

MINERAL PROPERTY

Spanish Mountain Gold Project

The Spanish Mountain property is located in the Cariboo region of central BC, 6 km east of the village of Likely, and 66 km northeast of the City of Williams Lake, a key supply hub for multiple mines and projects in the region. The property, which comprises approximately 62 contiguous mineral claims and 15 placer claims and covers an area of approximately 12,949 hectares and 2,240 hectares respectively, is 100% owned by the Company.

The property can be reached from Williams Lake via a paved secondary road that leaves Highway 97 at 150 Mile House, approximately 16 km south of Williams Lake, and continues for 87 km to the village of Likely. From Likely, the property is accessed from the Spanish Mountain Forest Service Road 1300.

The Company has been actively conducting drilling and other exploration activities on the property since 2005. The Spanish Mountain gold deposit is situated at or close to surface and amenable to open pit mining methods as defined in the 2025 PEA. The largest Deposit carrying significant gold mineralization is called the Main Deposit, which has been traced by drilling over a length of approximately 1700 m long, 800 m wide, and 300 m thick, and is open in all directions. Disseminated gold mineralization with a grain size typically less than 30 microns occurs predominantly within the graphitic black argillite often associated with pyrite and quartz. Visible gold also occurs within quartz veins, commonly reaching grain sizes of ~1 mm and locally exhibiting a coarse, nuggety character indicative of high-grade mineralization. These occurrences are frequently associated with pyrite, galena and sphalerite and are preferentially hosted by greywacke and volcaniclastic lithologies. Recent geological and geophysical data re-interpretation has determined that the relationship between northwest trending structures (faults and bedding) and north-northeast trending structures are critical controls for mineralization. These geological controls, especially how they relate to high-grade mineralization, will assist with future drill program targeting of mineralization within the pit shell and for possible extensions of the deposit such as the Orca fault target area (See March 10, 2026 press release).

The Company is focused on optimizing the scale and business case, while targeting to be one of the greenest gold mines in Canada, advancing the Project towards a construction decision in H1 2028.

(Expressed in Canadian dollars, except where noted)

a) Mineral Resources

As part of the 2025 PEA, an update of the Mineral Resource Estimate (MRE) was prepared based on the pit shell developed using assumed cost parameters and other assumptions.

The updated MRE for the Main Deposit is based on the amalgamation of what have been historically described as the Main Zone, North Zone, Slipper Zone, and K Zone. The Main Deposit is included in the financial modelling for the 2025 PEA.
A summary of the Project's Main Pit MRE is provided below (excludes 2025 Winter and Fall Drilling Programs):

Classification	Run of Mine (Mt)	Gold Grade (g/t)	Silver Grade (g/t)	Contained Gold (Moz)	Contained Silver (Moz)
Measured	77.4	0.53	0.68	1.3	1.7
Indicated	214.7	0.41	0.65	2.8	4.5
M&I Resources	292.1	0.44	0.66	4.1	6.2
Inferred Resource	14.8	0.33	0.95	0.1	0.5

Notes:

- Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. Inferred Mineral Resources have insufficient confidence to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability suitable for public disclosure.
- The MRE was prepared by Bahram Bahrami, P.Geo. of Equity Exploration Consultants Ltd. (who is the independent Qualified Person for the MRE, noting the MRE complies with NI 43-101 Standards of Disclosure for Mineral Projects (May 2016) and CIM Definition Standards for Mineral Resources and Mineral Reserves (May 2014), with an effective date of January 10, 2025 for the Main deposit.
- The MRE for the Main Deposit is reported at a cutoff grade of 0.15 g/t Au.
- Cut-off grade assumes US$2,400/oz. Au, US$30/oz Ag, at a currency exchange rate of $0.73 per US$; 99.8% payable gold; 90.0% payable silver; $7.00/oz. offsite costs (refining and transport), a 1.5% royalty; and uses a 90% metallurgical recovery for Au and a 50% recovery for Ag. The cut-off grade covers processing costs of $12.00/t inclusive of site general and administrative (G&A) costs. Mining costs were $3.75/t for ore and waste.
- The mineral resources are constrained by an open pit shell generated by applying the Lerchs-Grossman algorithm to the deposit. The pit shell was generated using the same inputs as the cutoff grade determination.

Factors that may affect the estimates include: metal price assumptions, changes in interpretations of mineralization geometry and continuity of mineralization zones, changes to kriging assumptions, metallurgical recovery assumptions, operating cost assumptions, confidence in the modifying factors, including assumptions that surface rights to allow mining infrastructure to be constructed will be forthcoming, delays or other issues in reaching agreements with local or regulatory authorities and stakeholders, and changes in land tenure requirements or in permitting requirement. Any other known legal, political, environmental, or other risks that could materially affect the potential development of the Mineral Reserves are detailed below in the section entitled "Risks and Uncertainties".

The 2025 PEA included an inaugural MRE that was determined for the Phoenix Deposit, a deposit roughly 1 km northwest of the Main Deposit. The Phoenix Deposit is not included in the financial model for the 2025 PEA, and the Company expects to follow up with additional drilling and metallurgical test work over the next year to assess its long-term viability to the project.

(Expressed in Canadian dollars, except where noted)

Classification	Run of Mine (Mt)	Gold Grade (g/t)	Silver Grade (g/t)	Contained Gold (Moz)	Contained Silver (Moz)
Measured	N/A	N/A	N/A	N/A	N/A
Indicated	0.05	0.35	N/A	0.1	N/A
M&I Resources	0.05	0.35	N/A	0.1	N/A
Inferred Resource	25.4	0.44	N/A	0.4	N/A

Notes:

- The inaugural 2025 MRE for the Phoenix Deposit was prepared by Bahram Bahrami. Please see above for his qualifications.
- The 2025 MRE for Phoenix is based on a 0.2 g/t cut-off and the same assumptions as for the Main Deposit above.
- Estimates have been rounded and may result in summation differences.
- The Phoenix Deposit 2025 MRE has an effective date of June 17, 2025.
- Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. Inferred Mineral Resources have insufficient confidence to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability suitable for public disclosure.

b) Exploration Programs

Based on the successful 2025 Fall Drill Program, the Company commenced its 60,000 m drill program in March 2026.

The Company closed a $7.2 million brokered private placement on August 27, 2025, which included $4.2 million dollars of flow-through shares utilized for drilling in the 2025 Winter Drill Program. Target objectives in this program included:

- Extend near surface, higher-grade mineralization in five key priority areas: Main Deposit, Phoenix Deposit, K-zone, Outcropping Tuff ("OT"), and the A12 target. With the success of the Orca Fault target drilling most of the drilling focused on the Main Deposit . All but 5 diamond drill holes in the A12 target (approximately 7% of the total originally planned 10,000 m) were completed in the Main Deposit . The 60,000 m drill program will now include Phoenix Deposit, K-Zone, and OT drill targets.
- Collect drill hole sample material from the Phoenix and Main Deposits for 'ore' sorting metallurgical studies looking to reject waste material and increase the gold content of mineralization entering the Process Plant.
- Derisk infrastructure locations identified in the 2025 PEA (see July 3, 2025 news release) through drilling of high-priority exploration targets to inform future engineering studies.

The 2025 Fall and 2026 Winter Drill Programs experienced drill cost efficiencies that allowed more than the previously expected 9,000 to 10,000 m to be drilled with the $4.2 million flow-through share funds raised in August 2025 and therefore drilling was continued into Q1 2026. Given the positive drill results (as disclosed in news releases in 2025 and 2026) in the Orca fault target area of the Main Deposit, the Company authorized further exploration drilling in Q1 2026 once the $4.2 million flow-through share commitment had been met.

Exploration drilling assay results have intersected higher-grade gold mineralization in the Orca Fault target area and the continuity has been traced in a northeast-southwest trend across multiple drill sections over 200 m.

(Expressed in Canadian dollars, except where noted)

A summary of exploration expenditures incurred on the Company's exploration stage mineral property is as follows:

	Six months ended June 30, 2026	Year ended December 31, 2025
	$	$
Balance, beginning of the period	**107,877,397**	98,329,390
Additions:		
Acquisition	**--**	42,250
Assaying	**1,042,577**	569,181
Camp materials and supplies	**379,032**	365,682
Contract wages (Note 14)	**1,237,325**	1,020,397
Depreciation	**21,442**	33,564
Drilling	**5,254,956**	4,100,992
Environmental assessment	**69,106**	268,136
Equipment rental and services	**964,245**	1,074,149
Field supplies and support services	**25,998**	11,673
First Nations and community engagement	**11,000**	4,593
Fuel	**360,289**	393,497
Geological and technical consulting	**360,667**	1,680,756
Land tenure	**5,439**	8,834
Maps and reports	**1,339,641**	705,691
Mineral exploration tax credit recovery	**(3,040,619)**	(1,327,740)
Mineral exploration tax credit recovery in accounts receivable (Note 5)	**(3,180,000)**	--
Preliminary economic assessment	**129,541**	506,948
Road access	**6,654**	--
Share-based compensation (Note 13(d), 14)	**15,484**	50,002
Travel and accommodation	**117,849**	39,402
Balance, end of the period	**112,998,023**	107,877,397

ENGAGEMENT WITH FIRST NATIONS

The Company recognizes and respects the First Nations asserted Indigenous rights in the Project area. For over a decade, it has engaged First Nations concerning the Company's plans and Project activities.

The Company is actively engaged with First Nations and other communities regarding the Project, including with respect to the EA process and the various matters identified by First Nations. Prior to the submission of the IPD in 2021, management conducted pre-submission review with the Lhtako Dené Nation ("LDN"), Williams Lake First Nation ("WLFN") and Xatśūll First Nation ("XFN") whose traditional territories include the Project. After the completion of the 2025 PEA, the Company has engaged in further discussions with the Williams Lake First Nation, the Xatśūll First Nation and the Lhtako Dene Nation. The Company has included First Nations contractors and employees, and local employees from the Likely community to advance the Project. In 2026, the Company provided draft Phased Project Collaboration Agreements to the aforementioned Nations for their review and consideration.

The Company signed a Protocol Agreement with "XFN" (formerly the Soda Creek Indian Band) on March 6, 2012, and an Amended Protocol Agreement with the "WLFN" (formerly the Williams Lake Indian Band) on March 13, 2012, each establishing a framework for negotiating a comprehensive Participation Agreement covering the permitting, construction, operation, and closure of the Project. The Company also entered into a Cooperation Agreement with the "LDN" on July 11, 2012, establishing a framework for ongoing dialogue, information sharing, and the negotiation of a Participation Agreement. Each agreement acknowledges the respective First Nation's asserted aboriginal rights within its traditional territory, which includes the Project area, and reflects the Company's commitment to mitigating adverse Project impacts and providing economic and social benefits to the First Nations.

As part of the environmental assessment and permitting process, the Company signed a further Engagement Protocol Agreement with XFN on September 10, 2021, which contemplated the parties negotiating a comprehensive Relationship Agreement.

In Q3 2025, the Company resumed engagement with First Nations to discuss the updated Project design as outlined in the 2025 PEA. Discussions were held to provide an update on the Project and identify the requirements to advance the Project to a construction decision. WLFN requested a protocol agreement, and a draft was provided to WLFN in Q3 2025. XFN advised the Company in 2026 that it considers the 2021 Engagement Protocol between XFN and the Company to be no longer in force, citing significant changes to the Project since 2021. The parties hold differing views on the status of the 2021 Engagement Protocol; however, both parties have expressed a willingness to establish a new agreement framework appropriate to the Project as it exists today. In Q3 2026, the Company provided XFN, WLFN and LDN with new draft Phased Project Collaboration Agreements for their review, intended to establish an updated framework for the relationships going forward with all three First Nations. XFN has indicated that its participation in further engagement, including regulatory processes, is conditional upon the parties first agreeing on capacity funding and a negotiation framework. The Company expects to provide reasonable capacity funding to the three First Nations and continues to engage with them on these matters. The Company cannot predict the outcome or timing of revised agreements due to the nature of negotiating mutually acceptable terms, but is actively working with each First Nation to establish updated agreements that provide appropriate support for the permitting and engagement efforts required at this stage of the Project.

ENVIRONMENTAL ASSESSMENT AND PERMITTING PROCESS

In 2022, based on the 2021 PFS, the Company advanced the EA and permitting processes. The Project is subject to the requirements of both the British Columbia Environmental Assessment Act (2018) and the Federal Impact Assessment Act (2019). The Company formally entered both processes in March 2022 with the submission of the Initial Project Description ("IPD") and Early Engagement Plan ("EEP") to the BCEAO and IAAC. Both the provincial and federal agencies accepted the documents within the same month without requesting amendments. The issuance of the Summary of Engagement by BCEAO and the Joint Summary of Issues and Engagement by IAAC on June 23, 2022 completed the early engagement period. Agency, First Nations, and public review questions and comments were solicited then used to develop the draft DPD. The draft DPD was submitted to the provincial and federal agencies in December 2022 to initiate the Readiness Decision stage of the EA process. During this phase, the draft DPD was reviewed by the Technical Advisory Committee, participating First Nations, and federal authorities, leading to preparation of the final DPD on which the readiness decision will be based. A readiness decision was previously expected to be received around the end of April 2023. However, in 2023 the Company chose to suspend submission of the final DPD and undertake additional geological work and a detailed review of the PFS to further optimize the Project. During 2023 and 2024 this additional review work continued and the Company in Q3 2024 elected to complete a new PEA (2025 PEA) and MRE (2025 MRE) that was completed in Q3 2025. This review and the new PEA may result in changes to the project plan that will need to be incorporated into a new draft DPD prior to completion of the review and finalization by the agencies. The Company is completing a gap analysis in Q3 2026 for the proposed new project description compared to the 2021 PFS which is being used to modify the DPD in H2 2026 to advance the EA.

Environmental baseline studies resumed in 2020 and have continued to date to build on significant studies conducted from 2007 to 2012. The reviews of the IPD and EEP included extensive engagement with First Nations, regulatory agencies, and the general public. The Company is continuing environmental baseline field work in 2026 and planning studies targeted for completion in 2027 to support the next stages of the provincial and federal environmental assessment processes. On March 10, 2026, the BCEAO and IAAC issued joint correspondence regarding the elapsed time since the BCEAO's section 13(5) notice and the potential termination of the Spanish Mountain Gold Project under section 39 of the Environmental Assessment Act. The Company responded on July 21, 2026, outlining activities undertaken since the notice and requesting to continue in the current EA process.

In a letter dated August 27, 2026, the BCEAO accepted the plan proposed by Spanish Mountain Gold Ltd. to continue the EA and confirmed it is not pursuing termination under section 39 of the Act at this time. The plan includes continued engagement with First Nations, the public, and key stakeholders; submission of a draft DPD in Fall 2026; and formal DPD submission in Q1 2027.

The Company has started community engagement with a Town Hall meeting that occurred in Likely in July 2026 and is planning further engagement in Q3 and Q4 with local communities and First Nations to solicit feedback on the updated 2025 PEA mine plan and ongoing FS activities. This engagement will inform the final formal submission of the DPD in Q1 2027 to formally resume the EA process.

OUTLOOK

The Company's current strategy remains focused on optimizing, de-risking and advancing its Spanish Mountain Gold project towards a development decision in H1 2028. The Company is advancing directly to a FS and awarded the lead QP role to BBA Engineering Ltd. In H2 2026 the Company, along with BBA, will be producing a PEA Update taking into account the 2025 Fall and the 2025 and 2026 Winter Drill Program results, the Phoenix Deposit MRE, the benefits of ore concentration, and a higher gold price. The Company expects drilling to total over 60,000 m for the full 2026 calendar year leading up to the completion of the FS in H1 2028 or sooner. This drilling will include geotechnical and hydrological drilling and test work necessary for designing the proposed infrastructure such as the mill and tailing storage facilities. The Company has completed over 43.9 percent of the 60,000 m program as of August 28.

Titanium in the form of rutile, a critical mineral, has been identified in potentially significant amounts. The FS includes scope for metallurgical testing to assess potential saleable gold and rutile concentrates. Rutile (titanium) was not included in the 2025 PEA. The Company is targeting a titanium MRE by the end of 2026 dependent on positive metallurgical testing and an internal scoping study.

(Expressed in Canadian dollars, except where noted)

RESULTS OF OPERATIONS

The following discussion explains the variations in the key components of the Company's operating results. As with most junior mineral exploration companies, the results of operations are not the main factor in establishing the financial health of the Company. Of greater significance is the mineral property in which the Company has, or may earn, an interest, its working capital, and how many shares it has outstanding. For details on the results of work on and other activities in connection with the Company's exploration of mineral property, see "Mineral Property."

	Q2 2026	Q2 2025	YTD 2026	YTD 2025
	$	$	$	$
Operating expenses				
Consulting	**60,495**	25,202	**102,366**	71,403
Depreciation	**19,499**	18,480	**37,763**	36,905
Investor relations, travel and filing fees	**186,352**	114,386	**481,983**	250,134
Legal and accounting	**92,476**	155,378	**351,248**	225,949
Office and administrative	**90,211**	58,715	**173,598**	138,980
Salaries and wages	**650,576**	287,277	**853,913**	503,364
Share-based compensation	**514,532**	194,353	**578,779**	245,037
	1,614,1416	853,791	**2,579,650**	1,471,772
Other income (expenses)				
Amortization of flow-through premium liability	**--**	256,234	**162,411**	558,646
Interest expense	**(1,787)**	(2,627)	**(3,789)**	(5,451)
Interest income (reversal)	**(310,386)**	72,113	**501,087**	125,094
Foreign exchange gain	**1,067,439**	--	**1,067,439**	--
Transaction costs on net smelter royalty arrangement	**(2,277,316)**	--	**(2,277,316)**	--
Net loss and comprehensive loss before income tax	**(3,136,191)**	(528,071)	**(3,129,818)**	(793,483)
Deferred income tax recovery	**800,244**	--	**538,828**	--
Net loss and comprehensive loss	**(2,335,947)**	(528,071)	**(2,590,990)**	(793,483)

Q2 2026 compared to Q2 2025

Net loss and comprehensive loss increased to $2,335,947 from $528,071 in the prior year comparable period. The primary drivers of the increase in net loss and comprehensive loss were:

- Transaction costs on net smelter royalty arrangement were $2,277,316 compared to $nil in the prior year comparable period due to the Company entering into a royalty agreement during the current period, which resulted in associated transaction costs.
- Interest income was a net reversal of $310,386 compared to income of $72,113 in the prior year comparable period due to the reduction of estimated interest related to the BC METC claims following receipt of the CRA 2020-2022 re-assessments in Q2 2026.
- Investor relations, travel and filing fees increased to $186,352 from $114,386 in the prior year comparable period due to the participation in additional conferences and engagement of financial services companies to help distribute the Company's story and news to a broader audience.
- Amortization of flow-through premium liability decreased to $nil compared to $256,234 in the prior year comparable period as the remaining eligible exploration expenditure commitments from the August 2025 private placement were fully satisfied in Q1 2026.
- Salaries and wages increased to $650,576 from $287,277 in the prior year comparable period due to bonuses paid to certain officers and staff of the Company, as well as hiring a Vice President, ESG and Director Talent and Organization Effectiveness. in the current period.
- Share based compensation increased to $514,532 from $194,353 in the prior year comparable period primarily due to the granting of 4,861,000 incentive stock options under the Company's Option Plan to its directors, officers, employees, and consultants.

(Expressed in Canadian dollars, except where noted)

Partially offsetting the increase in net loss and comprehensive loss was an increase to foreign exchange gain to $1,067,439 compared to nil in the comparable period of the prior year, primarily due to the impact of fluctuations in foreign exchange rates on the Company's U.S. dollar-denominated bank account in the current period.

YTD 2026 compared to YTD 2025

Net loss and comprehensive loss increased to $2,590,990 from $793,483 in the prior year comparable period due to the following primary drivers:

- Transaction costs on net smelter royalty arrangement were $2,277,316 compared to $nil in the prior year comparable period due to the Company entering into a royalty agreement during the current period, which resulted in associated transaction costs.
- Legal and accounting increased to $351,248 from $225,949 in the prior year comparable period due to an increase in legal costs relating to board governance, the Wheaton Precious Metals royalty financing, and community relations matters.
- Investor relations, travel and filing fees increased to $481,983 from $250,134 in the prior year comparable period due to increased marketing activities and participation in additional conferences in the current period to raise public awareness of the Company.
- Salaries and wages increased to $853,913 from $503,364 in the comparable period prior due to bonuses paid to certain officers and staff of the Company, as well as hiring a Vice President, ESG and Director Talent and Organization Effectiveness, in the current period.
- Share based compensation increased to $578,779 from $245,037 in the prior year comparable period primarily due to the granting of 4,861,000 incentive stock options under the Company's Option Plan to its directors, officers, employees, and consultants.

Partially offsetting the increase in net loss and comprehensive loss were increases to other income as follows:

- Foreign exchange gain was $1,067,439 compared to nil in the comparable period of the prior year, primarily due to the impact of fluctuations in foreign exchange rates on the Company's significantly higher U.S. dollar-denominated bank account in the current period.
- Interest income increased to $501,087 from $125,094 in the prior year comparable period. The increase was primarily attributable to $369,772 of interest received during Q2 2026 in connection with the BC METC claim reassessments relating to the 2020 to 2022 taxation years.

SUMMARY OF QUARTERLY RESULTS

The selected quarterly consolidated information set out below has been derived from and should be read in conjunction with the previous eight quarterly consolidated financial statements for each respective financial period.

	Q2 2026	Q1 2026	Q4 2025	Q3 2025
	$	$	$	$
Loss from operations	**(1,614,141)**	(965,509)	(742,064)	(765,112)
Net income (loss) and comprehensive loss before income tax	**(3,136,191)**	6,373	(365,754)	(761,621)
Net loss and comprehensive loss	**(2,335,947)**	(255,043)	(1,081,386)	(761,621)
Loss per share - basic and diluted	**(0.00)**	(0.00)	(0.00)	(0.00)

	Q2 2025	Q1 2025	Q4 2024	Q3 2024
	$	$	$	$
Loss from operations	(853,791)	(617,981)	(703,726)	(874,948)
Net loss and comprehensive loss before income tax	(528,071)	(265,412)	(365,754)	(578,503)
Net loss and comprehensive loss	(528,071)	(265,412)	(721,323)	(578,503)
Loss per share - basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)

(Expressed in Canadian dollars, except where noted)

Certain tax items such as the British Columbia Mineral Exploration Tax Credit (“BCMETC”) tend to be processed and recognized during the third or fourth quarter of the year, when the Company is notified of the results of the Canada Revenue Agency review of tax returns filed, resulting in potential adjustments to the corporate tax provision for the period. Furthermore, the timing of assessment for the Company’s filings by tax authorities may lead to a one-time adjustment to the period’s tax provision resulting in potentially significant changes to the net loss. The Company has recorded estimated BC METC receivables based on its interpretation of the applicable legislation. As at June 30, 2026, the Company recorded a BC METC receivable of $3,180,000 and interest income receivable of $20,671 related to the BC METC claim. The amounts receivable is subject to potential review and audit by the Canada Revenue Agency ("CRA"). Accordingly, the amount ultimately recoverable may differ from the amount claimed and recorded in the financial statements.

Net loss and comprehensive loss increased in Q4 2025 from Q3 2025 due to the deferred income tax expense that resulted from the Fall 2025 Drill Program costs largely being renounced to flow-through shareholders. The deferred tax expense was partially offset by increased amortized flow-through premium liability compared to Q3 2025. Net loss before income tax in Q1 2026 were attributable to due diligence expenditures related to the Wheaton royalty agreement, stock options granted and vesting expense during the quarter and investor relations activities to raise public awareness. Net loss and comprehensive loss increased in Q2 2026 compared to Q1 2026, primarily due to the transaction cost on the Wheaton royalty agreement and a true-up of accrued interest income related to the BC METC receivables from prior quarters.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2026, the Company had working capital of $30,641,043 (December 31, 2025 - $3,832,746), which includes cash of $29,860,073 (December 31, 2025 - $3,837,097).

The Company’s ability to continue its operations as intended are dependent on its ability to obtain necessary financing and raise capital sufficient to cover certain phases of its project. The Company continuously explores financing opportunities including equity flow-through shares and other alternatives. See details of completed private placements in “Sources and uses of cash” section. The Company has 63,054,255 warrants outstanding as at June 30, 2026. If the remaining outstanding warrants were all exercised, they would raise approximately $13,035,530.

The Company’s expenditures on its exploration stage mineral property, which are capitalized in accordance with its accounting policy, represent the most significant use of its capital resources.

The Company is in the advanced exploration stage, transitioning to developer, and has no revenue from its business operations. The Company’s ability to meet its future obligations and maintain operations for the foreseeable future is contingent upon successful completion of additional financing arrangements. Although the Company has been successful in raising funds in the equity markets and through royalty-based financing arrangements, there is no assurance that additional funding will be available in the future at reasonable terms. The Company evaluates other financing opportunities that become available from time to time. Management carefully monitors its cash resources and explores available options to address any potential shortfall.

Management has assessed that the Company is sufficiently funded to carry out its planned FS activities and operations in 2026 and settle its short-term obligations as they come due. The Company may in future require further financing (equity or debt) to fund early procurement orders, possible additional FS related results oriented drilling as well as additional studies and ultimately mine development activities.

SOURCES AND USES OF CASH

A summary of the Company’s cash flows is as follows:

	YTD 2026	YTD 2025
	$	$
Cash used in operating activities	**(1,243,015)**	(1,695,963)
Cash used in investing activities	**(6,728,925)**	(4,518,114)
Cash provided by (used in) financing activities	**32,928,659**	(37,408)
Effect of foreign exchange on cash	**1,066,257**	-
Change in cash during the period	**26,022,976**	(6,251,485)
Cash, beginning of the period	**3,837,097**	6,873,687
Cash, end of the period	**29,860,073**	622,202

(Expressed in Canadian dollars, except where noted)

YTD 2026 compared to YTD 2025

Cash used in operating activities decreased to $1,243,015 from $1,695,963 in the prior year comparable period primarily due to favorable working capital movements, including an increase in accounts payable and accrued liabilities, partially offset by increases in accounts receivable and prepaid expenses.

Cash used in investing activities increased to $6,728,925 from $4,518,114 in the prior year comparable period due to a higher exploration and development related expenditure on mineral properties, partially offset by receipt of the BC METC claims.

Cash provided by financing activities was $32,928,659 compared to $37,408 used in financing activities in the prior year comparable period, primarily due to proceeds received from the net smelter royalty agreement, partially offset by associated transaction costs.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management personnel include those persons having the authority and responsibility of planning, directing, and executing the activities of the Company. The Company has determined that its key management personnel consist of directors and executive officers of the Company.

A summary of the Company’s compensation for key management personnel is as follows:

	Q2 2026	Q2 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Salary and wages, and fees	**690,648**	342,897	**913,148**	544,397
Share-based compensation	**423,650**	201,710	**469,552**	282,149
	1,114,298	544,607	**1,382,700**	826,546

A summary of the salary and wages paid to the Company’s officers is as follows:

	Q2 2026	Q2 2025	**YTD 2026**	YTD 2025
	$	$	**$**	$
Chief Executive Officer	**271,496**	102,688	**342,746**	235,125
Chief Financial Officer	**220,069**	163,875	**286,319**	168,938
Director of Exploration	**91,583**	59,834	**139,083**	107,334
Director of Finance	**37,500**	-	**75,000**	--
Vice President, ESG	**50,000**	-	**50,000**	--
Director Talent & Organizational Effectiveness	**20,000**	-	**20,000**	--
Former Vice President of Finance	**--**	16,500	**--**	33,000
	690,648	342,897	**913,148**	544,397

As at June 30, 2026, the accounts payable and accrued liabilities included a total of $67,188 (December 31, 2025 - $23,280) comprising of unused vacation and expenses incurred by management on behalf of the Company. Interest is not charged on outstanding balances and there are no specified terms of repayment.

CAPITAL MANAGEMENT, FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company’s primary funding source has been cash raised through the issuance of share capital and royalty financing. The Company does not use any sources of financing that require fixed payments of interest and principal and is not subject to any externally imposed capital requirements.

The Company defines its capital as all components of shareholders’ equity. Capital requirements are determined by the Company’s exploration and development activities on its mineral property interests and administrative overhead. To effectively manage the Company’s capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet strategic goals.

(Expressed in Canadian dollars, except where noted)

In accordance with its investment policy, the Company periodically invests its capital in liquid investments to obtain returns that are considered reasonable under prevailing market conditions. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns of unused capital.

Although the Company has been successful at raising funds in the past through the issuance of capital stock and royalty financing arrangements, there can be no assurances that it will continue to do so in the future. There were no changes in the Company's approach to capital management during the six months ended June 30, 2026.

As at June 30, 2026 and December 31, 2025, the Company's financial instruments consist of cash, deposits for reclamation, rent deposit, accounts payable and accrued liabilities, and lease liability, which are classified and measured at amortized cost.

The carrying values of cash, deposits for reclamation, rent deposit, and accounts payable and accrued liabilities, approximate their fair values due to their short term to maturity.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations and arises principally from the Company's holdings of cash and deposits for reclamation. The Company manages credit risk in respect of cash and deposits for reclamation by holding these at a major Canadian financial institution with strong investment-grade ratings by a recognized agency.

Concentration of credit risk exists with respect to the Company's cash, as all amounts are held at one major Canadian financial institution.

A summary of the Company's cash is as follows:

	June 30, 2026	December 31, 2025
	$	$
Cash held in bank accounts	**29,860,073**	3,837,097
	29,860,073	3,837,097

For the six months ended June 30, 2026, the weighted average interest rate earned on the Company's cash was 2.81% (2025 - 2.78%). During the three and six months ended June 30, 2026, the Company earned interest income of $89,362 and $110,644, respectively (2025 - $21,369 and $45,366, respectively) on cash held in bank accounts.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. As at June 30, 2026, the Company has cash of $29,860,073 (December 31, 2025 - $3,837,097) and accounts receivable (excluding GST recoverable) of $3,201,501 (December 31, 2025 - $831) in order to meet its current liabilities of $3,102,498 (December 31, 2025 - $564,014). As at June 30, 2026, the Company had accounts payable and accrued liabilities of $3,029,111 (December 31, 2025 - $493,008), which have contractual maturities of 90 days or less and a current portion of lease liability of $73,387 (December 31, 2025 - $71,006). The amount of the Company's remaining undiscounted contractual lease payments for the lease liability is $136,969 (December 31, 2025 - $175,528).

The net smelter royalty liability is perpetual and has no contractual maturity date. Royalty payments become due only once the Spanish Mountain Gold Project is in production, and their amount is determined by reference to net smelter returns actually realized. Accordingly, the Company is not contractually required to make any payment in respect of the obligation until production commences, and the undiscounted contractual cash flows cannot be reliably determined and allocated to maturity bands. The obligation has therefore been excluded from the contractual maturity analysis above; the carrying amount at June 30, 2026, was $30,594,375. The Company may in addition become obliged to pay Wheaton a further amount if the royalty rate step-up applies from April 1, 2030, and the Company elects to pay US$6.0 million in cash in lieu of that increase and may elect to pay a formula-based amount to reduce the royalty rate by one-third following a change of control.

As at June 30, 2026, management has assessed the liquidity risk as low to moderate. Management has assessed that sufficient cash is on hand or will be available to fund its planned activities and operations for the next 12 months. Beyond such short-term period, the Company may require further financing in the form of equity or debt.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to interest rate and foreign currency risk as follows:

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash are held in bank accounts earning interest at variable interest rates. Due to the short-term nature of these financial instruments and the prevailing interest rate environment, fluctuations in market rates do not have a significant impact on estimated fair values as at June 30, 2026.

Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk, as certain monetary financial instruments are denominated in currencies other than the Company's functional currency. As at the June 30, 2026, the Company had cash and net smelter royalty liability denominated in US dollars.

Commodity price risk

The fair value valuation of the NSR liability payments that may become due in future (subject to the achievement of commercial production and revenue generation), are exposed to commodity price risks for the relevant metals produced and sold.

OUTSTANDING SHARE DATA

A summary of the Company's outstanding share data is as follows:

	June 30, 2026	MD&A Date
	#	#
Common shares	525,717,713	528,799,213
Stock options	12,652,000	11,856,500
Warrants	63,054,255	61,034,255
Fully diluted shares outstanding	601,423,968	601,689,968

OFF-BALANCE SHEET ARRANGEMENTS

As at June 30, 2026 and the MD&A Date, the Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

As at June 30, 2026 and the MD&A Date, the Company has no proposed transactions other than discussed elsewhere or included in subsequent events.

COMMITMENTS

NSR Commitment - Spanish Mountain Property, British Columbia

The Spanish Mountain property is subject to the following royalties:

- A 1.5% NSR royalty owned by Wheaton Precious Metals grant pursuant to the US$55 million royalty financing.
- A 2.5% NSR royalty over 12 claims that overlap with the northern and southern extents of the Main Deposit. A buydown right allows the Company to purchase 1.5% of this NSR for $500,000, reducing the NSR to 1.0%.
- A 2.5% NSR over a claim that hosts the bulk of the Main Deposit. A buydown right allows for this to be reduced to 1.5% for $500,000.
- On June 15, 2010, the Company acquired a 100% undivided interest in the Cedar Creek property, which is contiguous to the Spanish Mountain property, and is subject to a 2.5% NSR in favor of a third party. The NSR may be purchased by the Company for $500,000 per 1% NSR.
- On May 23, 2011, the Company acquired two additional mineral claims that are adjacent to the Cedar Creek Property for $110,000 cash. The claims are subject to a 3% NSR, 2.5% of which may be purchased for $1,000,000.
- On August 21, 2012, the Company completed the acquisition of an additional group of mineral claims for consideration of $500,000 in cash and 2,000,000 common shares of the Company. The property is subject to an underlying 4% NSR royalty. The Company has the option to reduce the net NSR royalty to 2% by paying a one-time cash payment of $2,000,000 to the royalty holders.
- On January 10, 2025, the Company acquired a 100% undivided interest over another mineral claim southeast of the Main Deposit in return for $3,500 plus a 0.5% NSR royalty. A buydown right allows the Company to purchase the entire royalty for $450,000.

In accordance with regulatory requirements, as at June 30, 2026 the Company holds a number of term deposits aggregating in the sum of $91,000 (December 31, 2025 - $91,000) and is presented as deposits for reclamation on the statement of financial position, in safekeeping for the Government of British Columbia. The security will be released once the Company performs its obligations pursuant to its Mineral Exploration Permit.

Office premises lease

The Company entered into a lease extension for the Company's office premises which began April 1, 2023 and expires March 31, 2028. The total aggregate lease payments pursuant to the agreement are $404,001. Additionally, operating costs are estimated at $253,124 over the same period. As of June 30, 2026, the amount of the Company’s remaining undiscounted contractual lease payments for the office premises lease is $136,969 (December 31, 2025 - $175,528).

RISKS AND UNCERTAINTIES

The Company’s principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political, economic and cyber related risks.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to unregistered prior agreements or transfers, and title may be affected by undetected defects. Since the Company’s main asset is the Spanish Mountain Gold Project, in respect of which it is currently completing an updated 2026 PEA and 2026 MRE and advancing a FS, the Company has no revenues and no source of operating cash flow. As discussed earlier in Liquidity and Capital Resources, the Company’s ability to meet its future obligations and maintain operations for the foreseeable future is contingent upon successful completion of additional financing arrangements. Although the Company has been successful in raising funds in the equity markets and through royalty-based financing, there is no assurance that additional funding will be available in the future at reasonable terms.

The property interests owned by the Company, or in which it has an option to earn an interest are in the exploration stages only and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Company’s mineral properties may not result in additional discoveries of commercial bodies of mineralization.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously held an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. In August 2014, there was a breach of the tailings dam of a copper/gold mine, owned by a third party, located near Likely, BC resulting in significant environmental damages in the area. Although the Company's operations have not been directly affected by the incident, the long-term impact, if any, on the regulatory or permitting process in connection with the Company's project cannot be determined at this time.

FORWARD-LOOKING STATEMENTS

The Company's MD&A contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, *Continuous Disclosure Obligations* of the Canadian Securities Administrators. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future exploration and development plans and expenditures, consultations and agreements with First Nations, engagements with government agencies and permitting matters, the satisfaction of rights and performance of obligations under agreements to which the Company is a party, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "Risks and Uncertainties" in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading "Risks and Uncertainties" and to those that may be discussed as part of particular forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause the actual results to differ include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events, or results or otherwise other than as required by securities law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of Financial Statements under IFRS® Accounting Standards requires management to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

The accounting estimates, judgements and assumptions are disclosed in the notes to the Financial Statements.

QUALIFIED PERSON

Dr. Mathew Ball, P.Geo., Exploration Manager for the Company, is a qualified person as defined under National Instrument 43-101. Dr. Ball has reviewed and approved the technical information presented herein.

SUBSEQUENT EVENTS

Subsequent to June 30, the Company issued 2,020,000 common shares upon the exercise of warrants, including 1,670,000 warrants at an exercise price of $0.18 per warrant and 350,000 warrants at an exercise price of $0.22 per warrant, resulting in gross proceeds of $377,600.

Subsequent to June 30, 2026, the Company issued 795,500 common shares upon the exercise of 795,500 stock options, resulting in gross proceeds of $165,963.

Subsequent to June 30, 2026, the Company also issued 266,000 common shares upon the exercise of 266,000 stock options. These shares had been included in shares to be issued as at June 30, 2026.