

Vortex Metals Inc. (Formerly, Victory Capital Corp.)

Management Discussion and Analysis

For the year ended December 31, 2023

Dated: April 26, 2024

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the financial results of Vortex Metals Inc., formerly, Victory Capital Corp. (the "Company" or "Vortex") financial statements. The information provided herein should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2023 with the comparable year in 2022,

The Company's Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the international Financial Reporting Interpretations Committee ("IFRIC"). The following comments may contain management estimates of anticipated future trends, activities or results. These are not a guarantee of future performance, since actual results could change based on other factors and variables beyond management control.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable.

All currency amounts are expressed in Canadian dollars unless otherwise noted. This MD&A has been prepared as of April 26, 2024.

BUSINESS OVERVIEW

The Company was incorporated under the Business Corporation Act (Ontario) ("ONBCA") on November 6, 2009. On April 27, 2022, the Company changed its name to Vortex Metals Inc. The Company is listed on the TSX Venture Exchange (the "Exchange") under the trading symbol "VMS". The Company registered office is located at Suite 1500, 409 Granville St, Vancouver, British Columbia.

The Company completed its amalgamation transaction (the "Transaction") with Acapulco Gold Holdings Ltd. (formerly Acapulco Gold Corp.) ("AGH") pursuant to the amalgamation agreement dated February 5th 2021 (the "Amalgamation Agreement"). The transaction was completed by way of a share exchange between the shareholders of AGH and the Company. In exchange for 100% of the issued and outstanding shares of Acapulco, the shareholders of AGH received an aggregate of 6,744,102 shares of the company. The transaction completed on April 27, 2022 and constituted a reverse acquisition ("RTO"). In concurrent of the RTO, the Company also issued 25,000,000 shares to Paradex Inc. and various other parties, upon the completion of the purchase of the Riqueza Marina, Zaachila and El Rescate Projects and 1,587,205 shares issued to certain finders in connection with the completion of the qualifying transaction. AGH has been identified for accounting purposes as the acquirer, and accordingly the Company is considered to be a continuation of AGH. The consolidated financial statements for the year ended December 31, 2023 include the results of operations of Vortex from April 27, 2022. The comparative figures are those of AGH prior of the reverse acquisition.

The Company is a junior mineral exploration stage company in the business of acquiring, exploring, and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the company holds a 100% interest in the Riqueza Marina Project, Zaachila Project and the El Rescate Project each located in Mexico.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects. There

is no guarantee that the Company will be able to secure additional financings in the future at terms that are favorable, or at all.

On October 14, 2021, the Company announced that concurrent with the completion of the qualifying transaction, Victory raised aggregate gross proceeds in the amount of approximately \$ 289,000 through the issuance of an aggregate of 1,445,000 subscription receipts of Victory. Additionally, simultaneous with the Victory QT Financing, AGH raised aggregate gross proceeds in the amount of approximately \$4,043,000 through the issuance of aggregate of 20,215,000 subscription receipts of Acapulco. Concurrent with the closing of the qualifying transaction, the subscription receipts were converted into an aggregate of 21,660,000 commons shares at \$0.20 per share for total gross proceeds of \$ 4,332,000 in the capital of the Company.

The Riqueza Marina Project, Zaachila Project and El Rescate Project, Mexico

On March 16, 2022, the Company entered into an amended and restated agreement of purchase and sale with Zalamera in relation to the Riqueza Marina Project, Zaachila Project and the El Rescate Project each located in Mexico. Immediately preceding the completion of the RTO with Vortex, the Company will issue a total of 25,000,000 common shares and will pay \$200,000 and assumed liabilities of \$551,838 incurred in relation to the properties. Upon completion of the environmental impact assessment study and receipt of drill permits the Company will pay \$300,000 over 38 months and once the first set of core samples are obtained the Company will pay an additional \$150,000. The Company will also grant a 3% net smelter returns royalty (“NSR”) over the properties.

Overview

The Riqueza Marina-Zaachila project (RQMZ) consists of four exploration concessions in two distinct blocks, Riqueza Marina and Zaachila, within an underexplored, and minimally understood, volcanogenic massive sulfide (VMS) district in southern Oaxaca, Mexico. The concessions cover a cumulative area totaling 15,308 Hectares.

Vortex Metals is the culmination of nearly two decades of exploration and analysis from renowned geologist David M. Jones. David unfortunately passed away in December of 2021, but his work has left an indelible mark on the Company. He was integral to the formation of the geological model that helped to develop the famous Guerrero Gold Belt in Mexico, which has produced over 20-million-ounces of gold. David was part of the team that was instrumental in discovering 4 million ounces of gold at the Los Filos gold deposit in the Guerrero Gold Belt while he was the Project Manager and Senior Geologist at Teck Resources Limited (TECK-A.TO)

David then focused on what he identified as an under explored Volcanogenic Massive Sulfide (VMS) belt in Oaxaca that now forms the basis for Vortex’s Riqueza Marina and Zaachila Projects. He guided exploration through geophysics, geologic mapping and geochemical sampling and identified multiple VMS drill targets.

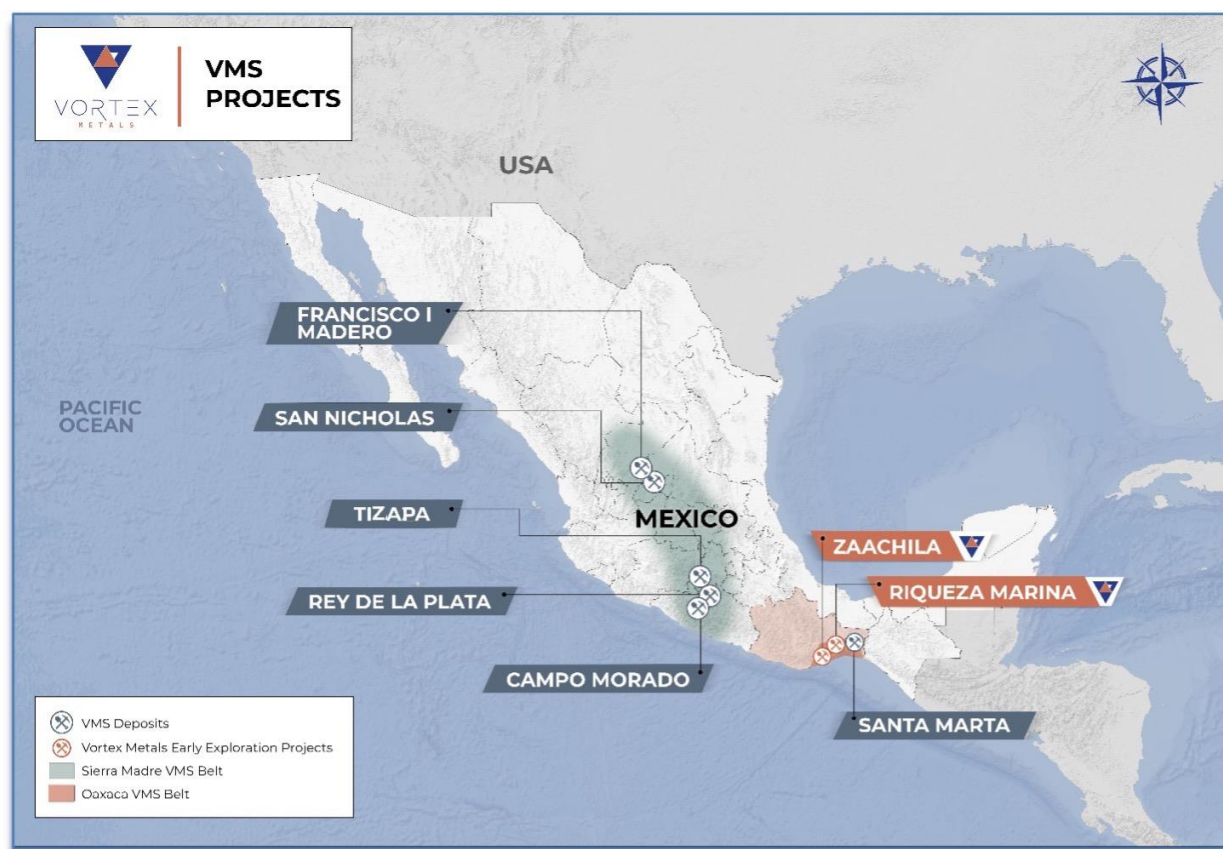


Figure 1. Location of the Riqueza Marina-Zaachila projects in southern Oaxaca along with the major VMS mines and projects in Mexico.

The Property: The Riqueza Marina-Zaachila project (RQMZ) consists of four exploration concessions in two distinct blocks, Riqueza Marina and Zaachila (Figure 2), within an underexplored, and minimally understood, volcanogenic massive sulfide (VMS) district in southern Oaxaca, Mexico (Figure 1). The concessions cover a cumulative area totaling of 15,308 Hectares within a geologic province covering about 375 square kilometers.

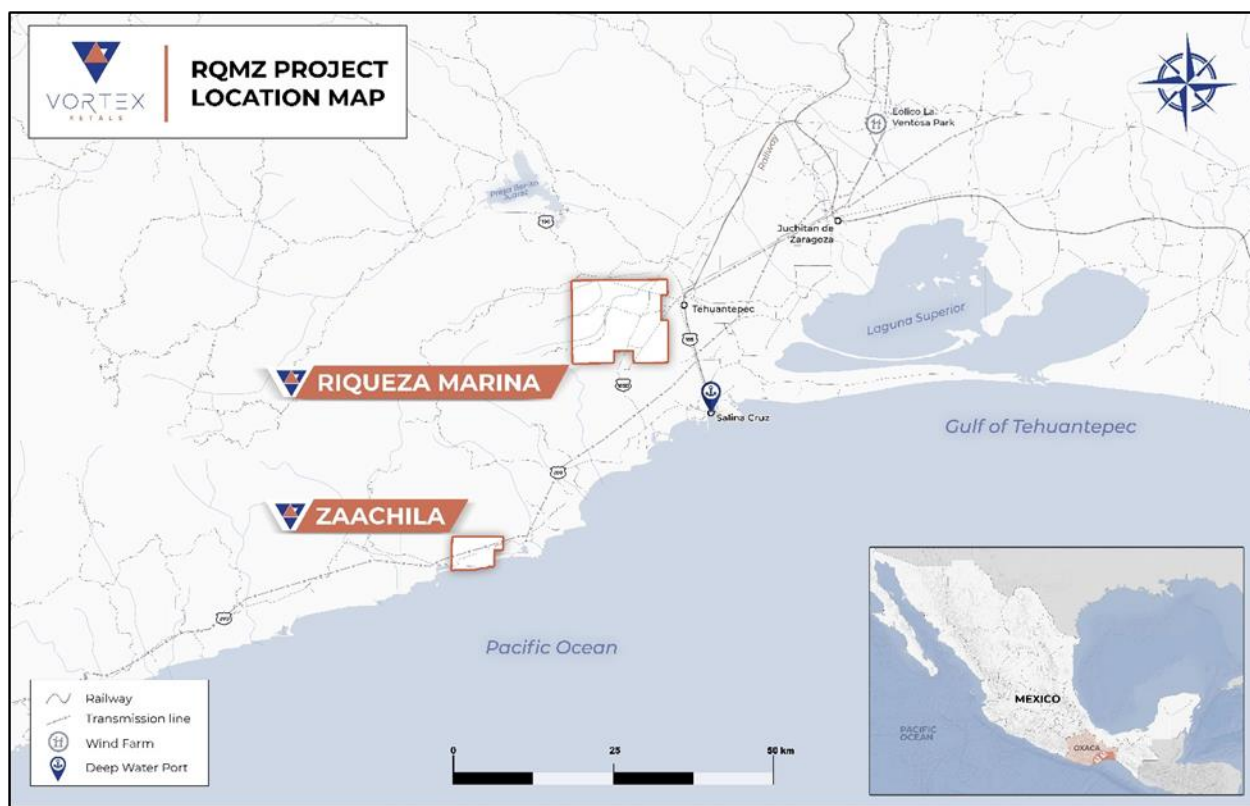


Figure 2. Map of the Juchitan-Salina Cruz area showing the location of the Riqueza Marina (3) and Zaachila (1) concessions.

The central western Cretaceous cordilleran region of Mexico is highly prospective for massive sulfide deposits. The Santa Marta VMS project/deposit (owned by Minaurum Gold Corp.), located in eastern Oaxaca and about 150 km east of the Riqueza Marina - Zaachila concessions, shares many similarities to the VMS occurrences observed in the RQMZ project area. Similar geologic settings with probable VMS deposits in Cretaceous rocks have been identified in Mexico at two major districts: Campo Morado (Guerrero) and San Nicolas (Zacatecas).

Figure 2. Map of the Juchitan-Salina Cruz area showing the location of the Riqueza Marina (3) and Zaachila (1) concessions.

World Class Infrastructure: The Riqueza Marina and Zaachila projects are surrounded by rail, power and road infrastructure and have access to a broad array of resources. Two major population and economic centers, Tehuantepec and Salina Cruz, are located within 15 to 45 minutes, respectively, of the project area (Figure 2). Tehuantepec is both a city and municipality in the southeast of the Mexican state of Oaxaca. Salina Cruz is a major deep-water seaport on the Pacific coast of Oaxaca. It is the state's third-largest city and is the municipal seat of the municipality of the same name. It is part of the Tehuantepec District in the west of the Istmo Region.

Latin America's largest wind farm, the 8,000 MW Euris Wind Farm, is proximal to both Vortex Projects. (Figure 3).



Figure 3. Latin America's Largest Wind Farm is Located in the Region.

Discovery History & Future Exploration Plan: The VMS prospects which comprise the Riqueza Marina and Zaachila properties were first recognized by Mr. Jones over several years in the early 2000's and led to the securing of several concessions. Prior to this time, there is no record of mineral exploration in the project area.

In 2011, exploration carried out by David Jones within the Zaachila and Riqueza Marina mineral concessions identified multiple target areas with anomalous geochemistry in favorable geologic settings, **including the initial discovery of gossan inferred to be derived from the oxidation of massive sulfide mineralization.**

From 2017 to 2019, a Joint Venture with Oz Minerals spent over US\$2 million on an aggressive exploration program which consisted of geologic mapping, geochemical sampling, and geophysics. This work has led to the selection of the current drill targets and consisted of 847 rock samples, 766 soil samples (Niton XRF), 1124 gravity stations and 93 line-kms of magnetics over both the Riqueza Marina and Zaachila concessions.

Copper-gold mineralization within both the Riqueza Marina and Zaachila projects is associated with geologic processes operative in the Late Jurassic to Middle Cretaceous within a back-arc sequence of bi-modal volcanics and volcanoclastics rocks deposited on the sea floor. Early exploration conducted by Dave Jones identified several copper and gold anomalies over a broad area but clearly associated with specific rocks, i.e. exhalite, rhyolite debris aprons or breccia. These associations prompted the identification of a geologic environment which incorporated these features. The Volcanogenic Massive Sulfide (VMS) model incorporates the geologic and geochemical features observed to date.

Extensive exposures of oxidized copper-gold mineralization at RQMZ are interpreted as manifestations of sub-surface mineral deposits. Litho-geochemical studies have confirmed a chemical environment consistent with a ‘productive’ VMS camp. The employment of geophysics over several of these prospects corroborates these suspicions with both gravity and magnetic data. Although additional surface studies are proposed below, drilling at RQMZ is clearly justified and recommended.

Based upon the Author’s visit to the RQMZ project in September 2020 and discussions with Mr. David Jones, several recommendations were made for additional work over a 6 to 9-month period at an estimated cost US\$1.175 M.

Riqueza Marina and Zaachila Exploration History						
Years			2000-2003	2006-2008	2012-2013	2017-2019
Riqueza Marina	Geology	Observations	1	5	109	2053
		StreamSeds	0	0	46	0
	Geochemistry	Rock	6	0	200	668
		Soil (NitonXRF)	0	0	0	740
	Geophysics	Gravity	-	-	-	754 stations
		GroundMag	-	-	-	63 line-km’s
Zaachila	Geology	Observations	29	9	16	1756
		StreamSeds	0	10	31	0
	Geochemistry	Rock	0	26	124	179
		Soil (NitonXRF)	0	0	0	26
	Geophysics	Gravity	-	-	-	370 stations
		GroundMag	-	-	-	33 line-km’s

Qualified Person statement

Rob Johansing, M.S., a Qualified Person as defined by National Instrument 43-101, prepared the information that forms the basis for this written disclosure.

Corporate Update

The Company is pleased to report that its community relations representative on the ground has been engaging with local communities to advance the permitting process. The management of the Company believes that the feedback is positive, and the Company is making good progress towards permitting.

The stakeholder engagement activities as well as environmental, social and governance (ESG) policies moving forward. It is the Company’s strong belief that sound social and environmental governance is the pillar of any successful mineral exploration project.

Since April 2022, Vortex has been focusing on identifying, engaging, and informing community stakeholders of its projects in Southern Mexico. As a result, more than one hundred key landowners and land users (in seven communities and their authorities) have been identified and educated on the mineral exploration activities, risks, and benefits.

On April 16th, 2023, the local community residing at the Zaachila project, held a general assembly and approved the augmentation of an environmental baseline study, including biological studies and surface geological work for targeting at the company's flagship Zaachila Copper project, located in Southern Oaxaca, Mexico. The management of the Company believes that the community approval is the result of Vortex Metals systematic and responsible community engagement process designed to ensure respect, transparency and sustainability in the relation of the Company with its stakeholders and shareholders.

This stakeholder engagement program will potentially lead to a strong social license benefitting the Company for years to come, as it advances the exploration and potential discovery of an entirely new Copper Volcanogenic Massive Sulphide (VMS) belt in the state of Oaxaca, Mexico

On June 27th, 2023, the Company announced that it has signed a non-binding Letter of Intent (LOI) for an option to acquire up to an 80% Interest in the Illapel Copper Project, with SCM Ventana Minerals Group, a Santiago, Chile based mining Company. Both companies have been working to conclude a definitive agreement on the Illapel Copper Project. The management of the Company believes that the option to acquire a highly prospective exploration project, adjacent to, and extending from, an existing mining operation, could potentially be very beneficial.

The Illapel Copper Gold project is located in the Commune of Illapel, Choapa Province of the Fourth Region of Chile and is 250 km north of Santiago. The nearest town is the mining centre of Illapel located 25 kilometres away. Drilling may potentially commence after all regulatory approvals, including the approval from Toronto Venture Stock Exchange (TSXV) have been received.

The region surrounding Illapel has seen extensive mining activity, both past and present. Of particular note, the El Espino copper-gold (IOCG) Project (Engineering feasibility complete; awaiting final permits. Source: www.pucobre.cl) is located approximately 14km to the north, and is presently planned for development by Pucobre. Several small gold and copper mines also operate in the immediate area.

On September 6th, 2023, the Company announced the successful completion of the environmental study at its Zaachila copper project in the state of Oaxaca, Mexico. This achievement represents a pivotal milestone in the project's responsible advancement. The study was commissioned in May 2023, and involved a comprehensive environmental and surface geological studies at the Zaachila copper project as part of its commitment to sustainable exploration. Guided by Ambiental y Social Servicios Integrales (ASSI), a respected Mexican environmental firm, the study involved a team of 10 environmental specialists and local field assistants that collected crucial biological data across 500 hectares. Additional geological data has also been collected by Vortex geologists to support the location of proposed drill sites, environmental mitigation and subsequent reclamation.

On September 13th, 2023, the Company announced the successful completion of the Phase 1 geologic field program for the Environmental Baseline Study (EBS) conducted at its flagship Zaachila Copper project in Southern Oaxaca, Mexico. The study was conducted under the guidance of geologists from Vortex's Mexican subsidiary, Minera Acagold. With the completion of this work, the proposed drilling program will be finalized prior to submitting to the Mexican government as part of the EBS. Phase 1 results are being incorporated into the EBS as the basis for a proposed drilling program. The results are also being considered in the design of a geophysical program across the property. A more focused electrical method, such as IP/Resistivity, will provide additional insight into the geometry and/or distribution of any sub-surface mineralization.

On October 4th, 2023, the Company announced the initiation of field studies at the Riqueza Marina project located in southern Oaxaca. Work has focused on the Rhyolite Dome area and has moved westward toward the copper-bearing gossans of the Laminas zone, which may represent a Cu-rich stringer. Initial mapping has identified broad exposures of iron- and manganese-rich exhalite horizons, silicified rhyolite flows and altered metasediments across which the 6 trenches have been excavated. The Company's near-term hope is to provide better geologic context for the Cu-bearing gossan at Las Laminas and the pronounced geophysical anomaly identified in the Rhyolite Dome target area and beneath the adjacent corn fields.

On November 20th, 2023, the Company announced that it has signed the definitive agreement with “Windows Minerals SCM and SLM Rio 27 De Farellon Sánchez” (Jointly the optionors) for an option to acquire up to an 80% Interest in the Illapel Copper Project. This follows the letter of Intent (LOI) that was entered into on June 27, 2023, with SCM Ventana Minerals Group, a Santiago, Chile based mining Company, as referenced by the press release issued on June 27th, 2023.

On March 12th, 2024, the Company announced that Santiago Astata Agrarian Community in Oaxaca, Mexico, has granted authorization to ACAGOLD S.A. de C.V. – Vortex’s Mexican subsidiary, to carry out mineral exploration activities, including drilling holes on their lands. These activities will include geological reconnaissance, mapping, opening of trenches, sampling of sediments, soils rocks and core, as well as the rehabilitation of roads and trails, the carrying out of the geophysical study and installing 25 platforms for drilling. This significant milestone marks a pivotal step forward for the company’s community relations practices in Oaxaca, Mexico.

This is a significant achievement as it marks a major step forward towards securing the drill permits on Zaachila project with high potential drill ready targets. To obtain drill permits, Vortex Metals needed to complete the Environment Impact Assessment (EIA) study on Zaachila project and receive the community approval. The Company has already completed EIA (Ref: Vortex Metal’s new release dated September 6, 2023). With the community approval from Santiago Astata Agrarian Community, the Company now plans to submit the application to The Secretariat of Environment and Natural Resources or Secretaría del Medio Ambiente y Recursos Naturales: (SEMARNAT) for obtaining the necessary drill permits.

On April 25, 2024, the Company issued 19,369,411 units at \$0.09 per unit for a value of \$1,743,247. Each unit consists of one share and one-half of one share purchase warrant. Each full warrant entitles the holder to purchase one common share at a price of \$0.135 for a period of 24 months from the date of grant. \$76,500 of the funds related to the private placement are still to be received.

In connection with the closing of the private placement, the Company paid aggregate finder's fees of \$24,184, representing a cash commission of 8% of the proceeds raised from subscribers introduced by the finders, and issued an aggregate of 276,711 compensation warrants. Each compensation warrant entitles the holder thereof to purchase one share at a price of \$0.135 for a period of 24 months from the date of issuance.

The Company is also pleased to announce that it obtained the listing of Vortex Metal's shares on the OTCQB exchange. On April 4th, 2023, the Company is also announced that its shares are now eligible to be electronically cleared and settled in the United States through the Depository Trust Company ("DTC"). DTC Eligibility makes the Shares more accessible to investors in the United States. The management believes that such a listing and the DTC Eligibility will potentially help to further enhance the liquidity in Company's shares by making it easier for residents in the United States of America to purchase shares of the Company.

FINANCIAL REVIEW

For a discussion of the factors affecting the company's losses see "Summary of the quarterly results" and "Results of operations" below.

Result of operations for the three months ended December 31, 2023

During the three months ended December 31, 2023 the Company had a total comprehensive loss of \$526,131, a increase in loss of \$106,925, as compared to the net and comprehensive loss of \$419,206 for the three months ended December 31, 2022. The following discussion explains the variations in the key components of these numbers.

The significant changes in comprehensive loss from the prior year are as follows:

- Management fees of \$172,783 related to consulting fees, professional fees and salaries paid to officers of the company.
- Advertising and promotion of \$(46,117) transfer agent and filing fees of \$(61,995).
- Exploration and evaluation expenditures of \$(400,204).
- Travel of \$41,001.

Result of operations for the year ended December 31, 2023

During the year ended December 31, 2023 the Company had a total comprehensive loss of \$1,896,665, a decrease in loss of \$1,951,892, as compared to the net and comprehensive loss of \$3,848,557 for the year ended December 31, 2022. The following discussion explains the variations in the key components of these numbers.

The significant changes in comprehensive loss from the prior year are as follows:

- Management fees of \$317,436 related to consulting fees, professional fees and salaries paid to officers of the company.
- Advertising and promotion of \$(168,611), transfer agent and filing fees of \$(37,082), related to a decreased level of activity following the reverse take-over transaction.
- Exploration and evaluation expenditures of \$(166,338).
- Travel of \$54,491 driven by the acquisition of Mexico properties.

Summary of Quarterly Results

Results for the most recent quarters ending with the last quarter for the period December 31, 2023:

	December 31, 2023 \$	Three Months Ended September 30, 2023 \$	June 30, 2023 \$	March 31, 2023 \$
Interest income	Nil	33,523	10,692	10,692
Net loss	(526,131)	(637,953)	(447,563)	(285,018)
Basic and diluted per	(0.01)	(0.01)	(0.01)	(0.04)

	December 31, 2022 \$	Three Months Ended September 30, 2022 \$	June 30, 2022 \$	March 31, 2022 \$
Interest income	42	8,733	991	Nil
Net loss	(578,480)	(1,198,075)	(2,047,674)	(24,328)
Basic and diluted per share	(0.01)	(0.02)	(0.05)	(0.00)

Mineral exploration is typically a seasonal business, and accordingly, the Company's operating expenses, and cash requirements will fluctuate depending upon the season and the level of activity. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen, and the Company is able to secure equity financing with favorable terms, the Company's activity levels and the size and scope of planned exploration projects will typically increase.

Exploration and Evaluation Asset and Expenditures Table

On March 16, 2022, AGH entered into an amended and restated agreement of purchase and sale with Zalamera in relation to the Riqueza Marina Project, Zaachila Project and the El Rescate Project each located in Mexico. Immediately preceding the completion of the RTO (Note 4) the Company issued a total of 25,000,000 common shares (valued at \$5,000,000) paid \$200,000 and assumed liabilities of \$551,838 incurred in relation to the properties. Upon completion of the environmental impact assessment study and receipt of drill permits the Company will pay \$300,000 over 38 months and once the first set of core samples are obtained the Company will pay an additional \$150,000. The Company granted a 3% net smelter returns royalty ("NSR") over the properties.

Exploration and evaluation expenditures for the year ended December 31, 2023 and 2022.

	Riqueza Marina Property	Zaachila Property	Total
Exploration and Evaluation Expenditures			
For the year ended December 31, 2023			
Assay	\$ -	\$ -	\$ -
Field supplies and other	-	-	-
Geological	126,668	275,743	402,411
Total, December 31, 2023	\$ 126,668	\$ 275,743	\$ 402,411

	Riqueza Marina Property	Zaachila Property	Total
Property Investigation Costs			
For the year ended December 31, 2022			
Assay	\$ 529	\$ 529	\$ 1,058
Geophysics	700	-	700
Geological	7,132	2,500	9,632
Total, December 31, 2022	\$ 8,361	\$ 3,029	\$ 11,390
For the year ended December 31, 2023			
Assay	\$ -	\$ -	\$ -
Geophysics	-	-	-
Geological	-	-	-
Total, December 31, 2023	\$ -	\$ -	\$ -

Liquidity and Capital Resources

To date the Company has financed its operations through the sale of its common shares, a loan and a promissory note. As at December 31, 2023, the Company had working capital deficit of \$(1,666,022) (December 31, 2022 – working capital \$793,787), comprised of \$414,473 (December 31, 2022 - \$2,119,959) in current assets and \$2,080,495 (December 31, 2022 - \$1,326,172) in current liabilities.

The Company has no source of revenue, income or cash flow. It is wholly dependent upon raising monies through the sale of its Common Shares to finance its business operations. The Company expects to raise additional funds through public or private equity funding, joint venture arrangements, bank debt financing or from other sources. There can be no assurances that this capital will be available in amounts or on terms acceptable to the Company, or at all.

Cash Flows

Cash used in operating activities for the year ended December 31, 2023 was \$1,776,398 compared to cash used \$1,680,709 for the year ended December 31, 2022.

Cash used in investing activities for the year ended December 31, 2023 was \$NIL compared to \$147,842 in the comparative year.

Cash used in financing activities for the year ended December 31, 2023 was \$NIL. compared to proceeds from the issuance of shares and promissory notes in the comparative year of \$54,058.

Transactions with Related Parties

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

The Company entered into the following transactions with related parties, not disclosed elsewhere in these consolidated financial statements:

	For the year ended December,	
	2023	2022
	\$	\$
Professional fees	-	3,000
Consulting fees	196,519	159,550
Salaries	189,448	134,967
Share base compensation		212,716
Rent*	18,439	10,650
	401,406	520,883

*Rent is recorded in office expense.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized, and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.
- The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.
- The fair value of stock options and warrants issued are subject to the limitations of the Black-Scholes option pricing model which incorporated market data and involved uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model required the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.
- The determination of functional currency of the Company and its subsidiary.
- Business combinations and reverse take-over - Judgment is used in determining whether an acquisition is a business combination or an asset acquisition. The Company must determine whether it is the acquirer or acquiree in each acquisition. Under IFRS 3 –Business Combinations, the acquirer is the entity that obtains control of the acquiree in the acquisition. If it is not clear which company is the acquirer, additional information must be considered, such as the combined entity's relative voting rights, existence of a large minority voting interest, composition of the governing body and senior management, and the terms behind the exchange of equity interest.

New Accounting Standards and Accounting standards not yet effective

The Company did not adopt any new accounting standards or amendments.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as at December 31, 2023 and to the date of this MD&A.

Financial Instruments and Related risks Classifications

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of receivables, accounts payable and accrued liabilities, loan, subscriptions received in advance and promissory note approximates fair value due to the short-term nature of the financial instruments. Cash is valued at a level 1 fair value measurement.

The company's financial assets and liabilities are classified as follows:

	December 31 st 2023	December 31 st 2022
	\$	\$
Financial assets:		
Fair Value through profit and loss		
Cash	\$ 293,871	\$ 2,070,269
Financial Liabilities:		
Other Financial Liabilities		
Accounts Payables	\$ 2,080,495	\$ 1,326,172

The fair values of the Company's cash, short term investments, accounts payable and accrued liabilities, loan, promissory note and subscriptions received in advance approximate their carrying amounts due to the short-term nature of these instruments.

FINANCIAL INSTRUMENT RISK EXPOSURE

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At December 31, 2023, the Company was exposed to credit risk on its cash.

The Company's cash are held with a high credit quality financial institution in Canada and as at December 31, 2023, management considers its exposure to credit risk to be low.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At December 31, 2023, the Company had cash of \$293,871 (December 31, 2022 - \$2,070,269) and accounts payable and accrued liabilities of \$2,080,495 (December 31, 2022 - \$1,326,172) with contractual maturities of less than one year. The Company assessed its liquidity risk as moderate as at December 31, 2023.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices

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 financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at December 31, 2023.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at December 31, 2023, the Company is exposed to foreign currency risk, as it has cash, accounts payables and accrued liabilities denominated in US Dollars and Mexico Peso. Based on its volume of transactions, the Company determines its foreign currency risk is not significant.

Price risk

As a mining company, the Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

As at December 31, 2023, the company determines its price risks associated to commodity price is not significant.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and evaluation of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' deficiency.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, the company had 79,449,470 common shares issued and outstanding (December 31, 2022 - 60,080,059).

The 79,449,470 shares outstanding comprised of the following.

- 6,744,102 issued to existing holders of common share of Acapulco Gold Holding Ltd.
- 21,660,000 issued to holders of the subscription receipts at 20 cents for total of \$4,332,000
- 25,000,000 issued to Paradex Inc. and various other parties, upon the completion of purchase of Riqueza Marina-Zaachila project
- 1,587,205 issued to certain finders in connection with completion of the qualifying transaction
- 19,369,411 issued to holders of the subscription receipts at 9 cents for total of \$1,743,247

The company has authorized an unlimited number of common shares without par value.

At the date of this MD&A, the company has warrants outstanding as followed:

1. 1,732,800 warrants outstanding exercisable at \$0.20 into one common share expired at April 27th, 2024
2. 9,961,417 warrants outstanding exercisable at \$0.135 into one common share expired at April 25th, 2026

At the date of this MD&A, the company has stock options outstanding as followed:

1. 4,350,000 stock options outstanding exercisable at \$ 0.20 into one common share expired at July 28, 2032.

ESCROWED SHARES

On completion of the Qualifying Transaction, certain Principals (as defined in the policies of the Exchange) of the Resulting Issuer holding an aggregate of 4,547,994 Resulting Issuer Shares are subject to escrow in accordance with Policy 5.4 – Escrow, Vendor Consideration and Resale Restrictions of the Exchange (“Policy 5.4”). At the date of this MD&A, 2,046,597.30 shares of these 4,547,994 shares are in escrow.

In addition, certain former shareholders of Vortex entered into a CPC Escrow Agreement (the “CPC Escrow Agreement”) with the Exchange and Computershare Investors Services Inc., as escrow agent, in respect of 1,200,000 Resulting Issuer Shares. Under the terms of the CPC Escrow Agreement, 25% of the escrowed shares will be released at the time of the Final Exchange Bulletin, with an additional 25% released on each 6 month anniversary thereafter. Computershare Investors Services Inc. acts as escrow agent in respect of the CPC Escrow Agreement. At the date of this MD&A, zero share of these 1,200,000 shares are in escrow.

In addition, on completion of the Qualifying Transaction, certain former shareholders of AGH holding an aggregate of 26,157,651 Resulting Issuer Shares are subject to seed share resale restrictions (“SSRR”) pursuant to section 10 of Policy 5.4 and have entered into a Value Security Escrow Agreement (as such term is defined under the policies of the Exchange) with TSX Trust Company. At the date of this MD&A, all 11,770,942.95 shares are in escrow.

RISKS AND UNCERTAINTIES

The Company’s business remains mineral property acquisition, exploration and development business and as a result it may be exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company’s business, results of operations, and financial performance in future periods. Refer to the Company’s Filing Statement dated April 4th, 2022 for a list of risk factors impacting the Company.

It is management’s assessment that Vortex will require additional funding in the future to further advance its exploration assets.

The Company does not have any source of revenue, will require additional funding and has historically relied upon equity subscriptions to satisfy its capital requirements and will likely continue to depend upon these sources to finance its activities. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms.

Vortex is subject to government regulation:

The Company’s mineral exploration is, and any development activities will be, subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company’s operations or requiring corrective measures, any of which could result

in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Exploration, development and mining activities can be hazardous and involve a high degree of risk:

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

Vortex may be adversely affected by fluctuations in metal prices:

The value and price of the Company's common shares, the Company's financial results, and exploration, development and mining activities of the Company, if any, may be significantly adversely affected by declines in the price of metals. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Infrastructure:

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate infrastructure could significantly delay or prevent the Company exploring and developing its projects and could result in higher costs.

Vortex does not and likely will not insure against all risks:

The Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

Vortex may be subject to disputes:

The Company may be involved in disputes with other parties in the future, which may result in litigation or arbitration. The results of litigation or arbitration cannot be predicted with certainty. If the Company is unable to resolve these disputes favorably, it may have a material adverse impact on the Company.

All industries, including the mining industry, are subject to legal claims that are with and without merit. Due to the inherent uncertainty of the litigation process and dealings with regulatory bodies, there is no assurance that any legal or regulatory proceeding will be resolved in a manner that will not have a material and adverse effect on the Company.

Vortex is dependent on key personnel:

The Company's success depends in part on its ability to recruit and retain qualified personnel. Due to its relatively small size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible and human error could result in a significant uninsured loss to the Company.

Vortex's officers and directors may have potential conflicts of interest:

The Company's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of the Company's time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

Permits, licenses and approvals:

The operations of the Company will require licenses and permits from various governmental and nongovernmental authorities. The Company intends to obtain all necessary licenses and permits required to carry on with activities which it proposes to conduct under applicable laws and regulations. However, such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no assurance that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and extraction operations on its mining properties.

No Known Mineral Reserves or Mineral Resources:

There are no known bodies of commercial minerals on the mining property to be purchased by the Company. The exploration programs undertaken and proposed constitute an exploratory search for mineral resources and mineral reserves or programs to qualify identified mineralization as mineral reserves. There is no assurance that the Company will be successful in its search for mineral resources and mineral reserves.

Title to mineral property:

The mineral property interests acquired by the Company may be affected by undetected defects in title, such as the reduction in size of the mining titles and other third-party claims such as First Nations claims, affecting the Company's interests. Maintenance of such interests is subject to ongoing compliance with the terms governing such mining titles. Mining properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company does not have title to any of its mining properties could cause the Company to lose any rights to explore, develop and extract any ore on that property, without compensation for its prior expenditures relating to such property.

Potential Political, Social and Economic Instability in Mexico:

The principal mineral property interests of the Company are located exclusively in Mexico. Although the Company believes that the current conditions in Mexico are relatively stable and conducive to conducting business, the Company's current and future mineral exploration and mining activities could be impacted by adverse political or economic developments. Such adverse developments may include obstruction of surface access to the land, the imposition of unfavorable government regulations on foreign investment, production and extraction limitations, prices, exports, income taxes, expropriation of property, environmental compliance and worker safety.

Reputational risk:

Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Although we believe that we operate in a manner that is respectful to all stakeholders and take care in protecting our image and reputation, we do not have control over how we are perceived by others. Any reputation loss could result in decreased investor confidence and increased challenges in developing and maintaining community relations which may have adverse effects on the Company and the price of the Company's securities

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the ONBCA dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the ONBCA. In accordance with the laws of the Province of Ontario, the directors and officers of Vortex are required to act honestly, in good faith, and in the best interest of Vortex.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this MD&A, other than statements of historical fact, are forward-looking statements. When used in this MD&A, words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", "foresee" and other similar terminology, or sentences/statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

These statements reflect the Company's current expectations regarding future events, performance and results, and is accurate only at the time of this MD&A, and may be superseded by more current information. Forward-looking statements also involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or its mineral projects to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or information.

In making such statements, the Company has made assumptions regarding, among other things: general business and economic conditions; the availability of additional; the supply and demand for, inventories of, and the level and volatility of the prices of metals;; the timing and receipt of governmental permits and approvals; changes in regulations; political factors; the accuracy of the Company's interpretation of the geology of the Company's properties and prospective properties; the availability of equipment, skilled labour and services needed for the exploration of mineral properties; and currency fluctuations.

Although the forward-looking statements or information contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. They should not be read as guarantees of future performance or results. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the factors discussed below and under "Risks and Uncertainties"; unanticipated changes in general business and economic conditions or conditions in the financial markets; fluctuations in the price of metals; stock market volatility; the availability of exploration capital and financing generally; changes

in national and local government legislation; changes to taxation; changes in interest or currency exchange rates; loss of key personnel; inaccurate geological assumptions; competition; unavailability of materials and equipment; government action or delays in the receipt of permits or government approvals; and unanticipated events related to health, safety and environmental matters, including the impact of epidemics.

Forward-looking information is designed to help readers understand management's current views of the Company's near and longer-term prospects, and it may not be appropriate for other purposes. The Company will not update any forward-looking statements or forward-looking information unless required to by applicable securities laws.

SUBSEQUENT EVENT

The Company announce that Santiago Astate Agrarian Community in Oaxaca, Mexico, has granted authorization to ACAGOLD S.A> de C.V. – the Company's Mexican subsidiary, to carry out mineral exploration activities, including drilling holes on their lands. These activities will include geological reconnaissance, mapping, opening of trenches, sampling of sediments, soils rocks and core, as well as the rehabilitation of roads and trails, the carrying out of the geophysical study and installing 25 platforms for drilling.

Furthermore, the Company has committed to forming an environmental monitoring committee with active community participation to oversee the activities and ensure environmental protection throughout the exploration program.

This is a significant achievement as it marks a major step forward towards securing the drill permits on Zaachila project with high potential drill ready targets. To obtain drill permits, the Company needed to complete the Environment Impact Assessment (EIA) study on Zaachila project and receive the community approval. The Company has already completed the EIA. With the community approval from Santiago Astate Agrarian Community, the Company now plans to submit the application to The secretariat of Environment and Natural Resources for obtaining the necessary drill permits.

On April 25, 2024, the company issued 19,369,411 units at \$0.09 per unit for a value of 1,743,247. Each unit consists of one share and one-half of one share purchase warrant. Each full warrant entitles the holder to purchase one common share at a price of \$0.135 for a period of 24 months from the date of grant. \$76,500 of the funds related to the private placement are still to be received.

In connection with the closing of the private placement, the company paid aggregate finder's fee of \$24,184, representing a cash commission of 8% of the proceeds raised from subscribers introduced by the finders, and issued an aggregate of 276,711 compensation warrants. Each compensation warrant entitles the holder thereof to purchase one share at a price of \$0.134 for a period of 24 months from the date of issuance.