Eloro Resources Ltd.
Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") provides discussion and analysis of the financial condition and results of operations of Eloro Resources Ltd. (the "Company") for the 3 months ended June 30, 2024 and should be read in conjunction with the with the interim condensed consolidated financial statements and the accompanying notes.

The MD&A is the responsibility of management and is dated as of August 14, 2024.

All dollar amounts in the MD&A are stated in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca and the Company's website at www.elororesources.com.

Forward-Looking Statements

This MD&A may contain, without limitation, statements concerning possible or assumed future operations, performance or results preceded by, followed by or that include words such as "believes", "expects", "potential", "anticipates", "estimates", "intends", "plans" and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees. The reader should not place undue reliance on forward-looking statements and information because they involve risks and uncertainties that may cause actual operations, performance or results to be materially different from those indicated in these forward-looking statements. The Company is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. These cautionary statements expressly qualify all forward-looking statements in this MD&A.

See page 11 for *Material assumptions and risk factors for forward-looking statements*.

The Company

The Company is a Canadian-based exploration and development company with a silver-tin polymetallic property in Bolivia, a gold-silver property in Peru and base metal properties and royalties in the province of Quebec.

The Company is a reporting issuer in Ontario, Alberta, British Columbia, Manitoba, Saskatchewan, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador and its common shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol ELO, on the OTCQX under the symbol ELRRF, and on the Frankfurt Stock Exchange under the symbol WKN 909833.

Overall Performance

Settlement of accounts payable

On July 17, 2024, the Company settled accounts payable of $519,312 (US$379,171) owed by the Company and $50,776 (US$37,073) owed by Cartier Silver Corporation ("Cartier") through the issuance of 441,008 common shares at a price of $1.29 per common share, subject to all required regulatory approval and shareholder approval at the forthcoming annual and special shareholders meeting scheduled for September 30, 2024 (see "*Investment in Cartier Silver Corporation" on page 1)*. The amount owed by Cartier to the Company is unsecured, non-interest bearing and payable on demand.

Option payment advance

On July 29, 2020, the Company granted a 2% interest in its wholly-owned Bolivian subsidiary, Minera Tupiza to an officer of Minera Tupiza. The Company has an option to increase its interest in Minera Tupiza to 99% by purchasing a 1% interest from the officer for US$3,000,000. As at June 30, 2024, the Company had made installment payments aggregating US$500,000 (March 31, 2024 - US$500,000) on account of the option.

Technical report

The Company filed an updated National Instrument 43-101 ("NI 43-101") Technical Report on Iska Iska completed by Micon International Limited ("Micon"), dated October 16, 2023, titled "*Technical Report on the Initial Mineral Resources Estimate of the Iska Polymetallic Project, Tupiza Bolivia*" (see page 4).

Investment in Cartier Silver Corporation

At June 30, 2024, the Company holds 2,033,0000 common shares of Cartier and Cartier owns 2,415,000 common shares of the Company and has three directors who are also directors of the Company.

Iska Iska

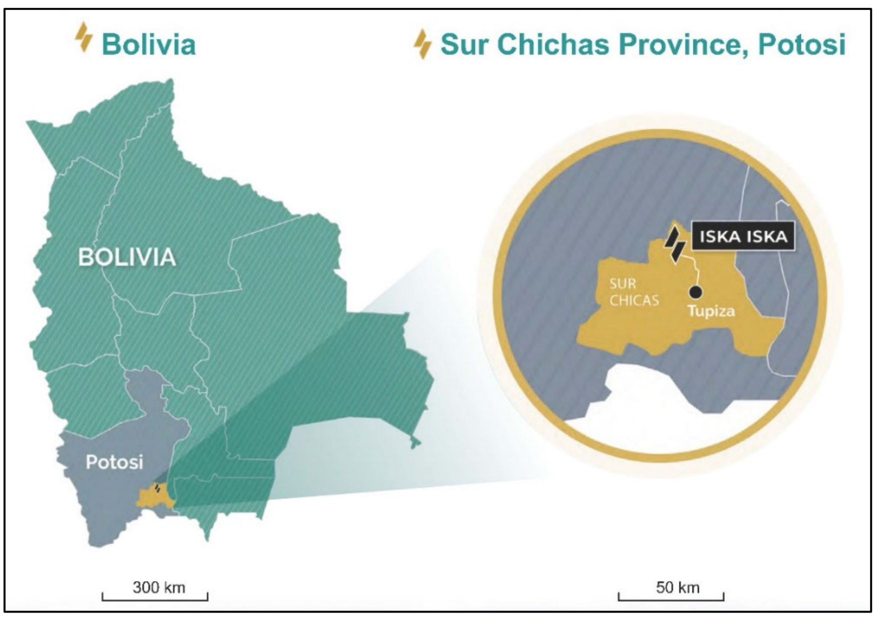
On January 6, 2020, the Company signed a Definitive Agreement, as amended, whereby its Bolivian subsidiary, Minera Tupiza was granted an option to acquire a 99% interest in Iska Iska, a silver-tin polymetallic property consisting of one mineral concession totaling 900 hectares ("ha") located in southern Bolivia. In order to acquire its interest in Iska Iska, the Company will conduct an exploration and development program ending July 6, 2025, which was amended from July 6, 2024, and issue common shares, and make an option payment, as follows:

	Common shares		Option payment
	Number	$	US$
February 5, 2020 (issued)	250,000	100,000	–
January 6, 2022 (issued)	250,000	875,000	–
April 30, 2024 (paid)	–	–	500,000
May 30, 2025	–	–	1,000,000
July 6, 2025 (US$5,050,000 paid)	–	–	8,500,000
	500,000	975,000	10,000,000

At August 14, 2024, the Company has made option payments aggregating US$5,550,000.

Iska Iska is located in the Sud Chichas Province of the Department of Potosi, southern Bolivia, approximately 48 kilometres ("km") north of Tupiza city. The project is road accessible and royalty-free, wholly-controlled by the title holder, Empresa Minera Villegas S.R.L. and can be classified as a major silver-tin polymetallic porphyry-epithermal complex associated with a Miocene possibly collapsed/resurgent caldera, emplaced on Ordovician age rocks with major breccia pipes, dacitic domes and hydrothermal breccias. The caldera is 1.6km by 1.8km in dimension with a vertical extent of at least 1 km. Mineralization age is similar to Cerro Rico de Potosi and other major deposits such as San Vicente, Chorolque, Tasna and Tatasi located in the same geological trend. Geological mapping and diamond drilling suggest that the potential strike length of the entire Iska Iska system may be as much as 4km, the width up to 2km, with a depth extent of 1km or more.

Figure 1: Location Map – Iska Iska Silver-Tin Polymetallic Property, Bolivia



The Iska Iska silver-tin polymetallic project is a road accessible, royalty-free property, wholly controlled by the title holder, Empresa Minera Villegas S.R.L. and is located 48 km north of Tupiza city, in the Sud Chichas Province of the Department of Potosi in southern Bolivia. The Company has an option to earn a 100% interest in Iska Iska.

Iska Iska is a major silver-tin polymetallic porphyry-epithermal complex associated with a Miocene possibly collapsed/resurgent caldera, emplaced on Ordovician age rocks with major breccia pipes, dacitic domes and hydrothermal breccias. The caldera is 1.6km by 1.8km in dimension with a vertical extent of at least 1km. Mineralization age is similar to Cerro Rico de Potosí and other major deposits such as San Vicente, Chorolque, Tasna and Tatasi located in the same geological trend.

The Company began underground diamond drilling from the Huayra Kasa underground workings at Iska Iska on September 13, 2020. On November 18, 2020, the Company announced the discovery of a significant breccia pipe with extensive silver polymetallic mineralization just east of the Huayra Kasa underground workings and a high-grade gold-bismuth zone in the underground workings. On November 24, 2020, the Company announced the discovery of the Santa Barbara Breccia Pipe ("SBBP") approximately 150m southwest of the Huayra Kasa underground workings.

Subsequently, on January 26, 2021, the Company announced significant results from the first drilling at the SBBP including the discovery hole DHK-15 which returned 129.60 g Ag eq/t over 29.53g Ag/t, 0.078g Au/t, 1.45%Zn, 0.59%Pb and 0.056%Sn from 0.0m to 257.5m. Subsequent drilling has confirmed significant values of Ag-Sn polymetallic mineralization in the SBBP and the adjacent Central Breccia Pipe ("CBP"). A substantive mineralized envelope which is open along strike and down-dip extends around both major breccia pipes. Continuous channel sampling of the Santa Barbara Adit located to the east of SBBP returned 164.96 g Ag/t, 0.46%Sn, 3.46% Pb and 0.14% Cu over 166m including 446 g Ag/t, 9.03% Pb and 1.16% Sn over 56.19m. The west end of the adit intersects the end of the SBBP.

In 2023, the Company carried out additional drilling and completed 16 diamond drill holes totalling 12,495.4m to test targets in the Casiterita area (8 holes totalling 5,726.8m), Porco-Mina 2 area (3 holes totalling 2,544.9m) and eastern-southern extension of Santa Barbara (5 holes totalling 4,223.7m). Magnetic data strongly suggest that a large intrusive body lies below the Iska Iska Caldera Complex and that it may be nearer to surface on the Casiterita property. This intrusive is approximately 5km long by 3 km wide. Induced Polarization/Resistivity surveys at Casiterita outlined a new chargeability anomaly that extends for approximately 1km along strike and is across all five lines surveyed. It is readily evident that the strong conductivity anomaly outlined on Iska Iska continues southwards onto Casiterita, reflecting the enormous potential size of the mineralizing system of the underlying intrusive.

Since the start of drilling on the Iska Iska project on September 13, 2020, the Company has, to December 31, 2023, completed 103,199 metres of diamond drilling in 148 holes. In most of 2023, drilling was focused on resource definition in the major Santa Barbara target zone and other targets (Casiterita, Porco, Mina 2). The breakdown of drilling completed by target area is as follows:

Target Area	Date Commenced	Date Completed	No. of Holes	Total Metres
Huayra Kasa Breccia Pipe	September 13, 2020	November 11, 2020	13	2,895
Santa Barbara Breccia Resource Definition Drilling Zone	November 13, 2021	November 27, 2023	100	74,191
Central Breccia Pipe	March 1, 2021	August 8, 2021	11	7,473
Porco Breccia Pipe	April 16, 2021	May 4, 2022	12	9,508
Casiterita	February 25,2023	May 15, 2023	8	5,727
Porco-Mina 2	February 6, 2023	March 9, 2023	4	3,405
			148	**103,199**

Since the initial discovery hole DHK-15 which returned 29.53g Ag/t, 0.078g Au/t, 1.45%Zn, 0.59%Pb, 0.080%Cu and 0.056%Sn over 257.5m, the Company has released a number of significant drill results in the SBBP and the surrounding mineralized envelope which along with geophysical data has defined an extensive target zone. On October 17, 2023, the Company filed the NI 43-101 Technical Report outlining the initial inferred MRE for Iska Iska, prepared by Micon International Ltd. . The MRE was reported in two domains, the Polymetallic (Ag-Zn-Pb) Domain which is primarily in the east and south of the Santa Barbara deposit and the Tin (Sn-Ag-Pb) Domain which is primarily in the west and north. The Polymetallic Domain is estimated to contain 560Mt at 13.8 g Ag/t, 0.73% Zn & 0.28% Pb at an NSR cutoff of US$9.20 for potential open pit and an NSR cutoff of US$34.40 for potential underground. The majority of the mineral resource is contained in the constraining pit which has a stripping ratio of 1:1.

The Polymetallic Domain contains a higher-grade mineral resource at a NSR cutoff of $US25/t of 132 million tonnes at 1.11% Zn, 0.50% Pb and 24.3 g Ag/t which has a net NSR value of US$34.40/t which is 3.75 the estimated operating cost of US$9.20/t. The Tin Domain which is adjacent to the Polymetallic Domain and does not overlap, is estimated to contain a mineral resource of 110Mt at 0.12% Sn, 14.2 g Ag/t and 0.14% Pb but is very under drilled.

On September 28, 2023, the Company announced commencement of a preliminary economic assessment ("PEA") for the Iska Iska silver-tin polymetallic project in the Potosi Department of southwestern Bolivia. The PEA study will consider the inferred mineral resource estimate ("MRE") of 560 million tonnes grading 13.8 g Ag/t, 0.73% Zn and 0.28% Pb in the Polymetallic (Ag-Zn-Pb) Domain. The Polymetallic Domain includes a higher grade inferred mineral resource of 132 million tonnes at 24.3 g Ag/t, 1.11% Zn and 0.50% Pb at an NSR cutoff of $US25/t for a net NSR value of US$34.40 based on a cutoff grade of US$9.20/t. The Tin Domain (Sn-Ag-Pb) contains an inferred mineral resource of 110 million tonnes grading

0.12% Sn, 14.2 g Ag/t and 0.14% Pb. While the Polymetallic Domain and the Tin Domain do not overlap or share any resource blocks, for the purposes of the PEA the mineral resources within both domains will be combined.

Lycopodium, based in Brisbane, Australia, is the lead consultant providing overall coordination of the PEA with development of metallurgical flowsheets. The various aspects of the PEA study including design of tailings and waste dump facilities, mine design and infrastructure, environmental and hydrology studies, will be done by internationally qualified consultants. Micon International will provide independent oversight on financial modelling, metallurgy and mineral resource estimates. Mike Hallewell, BSc. F.I.M.M.M., F.S.A.I.M.M., F.M.E.S., C.Eng , Senior Vice President Engineering Projects/Metallurgy, and Dr. Bill Pearson, P.Geo., Executive Vice President Exploration, will oversee the study for the Company in consultation with Dr. Osvaldo Arce, P.Geo., and his team at Minera Tupiza in Bolivia. Mr. Hallewell was appointed Senior VP Engineering Projects/Metallurgy on January 22, 2024.

On November 1, 2023, the Company announced that three PQ sized metallurgical holes totalling 939.9m have been completed, two in the higher-grade Polymetallic (Ag-Zn-Pb) Domain Type and one in the higher-grade Tin (Sn-Ag-Pb) Domain Type with core shipped to Wardell Armstrong International (WAI) in Cornwall for crushing and then the crushed material sent to TOMRA in Vettle, Germany for cascade "ore-sorting" tests. In addition, the Company announced that a 5,000m definition drill program was in progress with a focus on expanding the higher-grade Polymetallic Domain mineral resource.

Results of the definition drill program which totalled 5,267.7m in 11 holes were reported on December 18, 2023 and January 11, 2024, respectively. Significant results included 279.22 g Ag/t, 0.47% Pb and 0.43% Sn (339.82g Ag eq/t) over 62.84m and 33.83 g Ag/t, 1.53% Zn, 0.93% Pb and 0.14% Sn (130.88g Ag eq/t) over 178.99m including 120.37 g Ag/t, 2.13% Zn, 1.57% Pb and 0.19% Sn in hole DSB-61; 57.62g Ag/t, 1.26% Zn, 0.94% Pb and 0.12% Sn (139.94g Ag eq/t) over 136.11min hole DSB-66 and 118.86g Ag/t, 0.35% Zn, 0.35% Pb and 0.15% Sn (152.29g Ag eq/t) over 81.28m in hole DSB-65. This latter intersection in hole DSB-65 included a very high-grade sample of 5,080g Ag/t, 0.12 g Au/t, 0.26% Zn, 1.34% Pb, 1.53% Cu and 1.27% Sn (4,746.46g Ag eq/t) over 1.46m.

On January 23, 2024 it was reported that metallurgical tests from a 6.3 tonne PQ drill core bulk sample representative of the higher grade Polymetallic (Ag-Zn-Pb) Domain returned a significantly higher average silver value of 91 g Ag/t compared to the weighted average grade of the original twinned holes at 31 g Ag/t strongly suggesting that the average silver grade is likely significantly underreported in the original twinned holes due to the much smaller sample size.

The metallurgical tests confirmed the viability of "Ore-Sorting" and Dense Media Separation at Iska Iska Project. Excellent pre-concentration results previously obtained from the higher grade Polymetallic (Ag-Zn-Pb) Domain were now proven in a bulk sample. The 91.9% recovery of silver and lead with 76.0% recovery of zinc into a high grade (176g/t Ag, 1.88%Pb, 2.86%Zn = 299.15 g Ag eq/t) potential mill feed stream that contains only 46.6% of the Run of Mine Tonnage. The introduction of the pre-concentration stage allows the Company to have more operational flexibility based upon conducting economic trade off scenarios between reducing downstream capital-operating costs and optimizing overall metal recoveries. Tin (Sn), although not included in the 132 million tonnes higher-grade starter pit area (MRE), is expected to potentially contribute to the enhanced values in the initial PEA with additional metallurgical testing and infill drilling.

On January 29, 2024, the Company reported that the new chargeability high outlined southeast of the MRE open pit by the expanded induced polarization (IP) survey indicates that the major mineralized structural corridor that is up to 800m wide extends a further 600m along strike to the southeast for an overall strike length of at least 2km. This new area has not been drilled. Chargeability highs correlate very well with areas of high-grade mineralization within the MRE. The chargeability anomaly southeast of the pit is very strong, which is a prime target potentially outlining additional higher-grade polymetallic (Ag-Zn-Pb) mineralization. The Chargeability anomaly is open along strike and at depth as exploration work has still not defined the full limits of this remarkable mineralized system.

On July 30, 2024, the Company reported that updated modelling of the potential starter pit area at Santa Barbara zone highlights the importance of completing additional drilling to better define the grade and extent of the mineral resource in this area. Areas with higher-grade resource typically have much better drilling density but holes outside the core potential pit area are too widely spaced to give an accurate estimate of grade.

Substantive progress has been made on the preliminary economic assessment ("PEA") which is focussing on the Ag-Zn-Pb-Sn mineralization. The preliminary optioneering study has shown that a 12 million tonnes per annum (tpa) mining operation appears the most attractive option based upon XRT "Ore" Sorting and/or Dense Media Separation which effectively doubles the grade feeding the milling and flotation circuit and which is also likely to enhance downstream metal recoveries. It is important to note that reduced pre-concentrated tonnage results in reduction of all downstream capital and operating costs associated with milling, froth flotation and wet tailings storage facility ("TSF"). The inclusion of this pre-concentration stage in the flowsheet, has allowed the Company to find optimum pre-concentration scenarios to suit the grades required for downstream processing. Further studies have helped define local costs for the PEA study.

The high chargeability anomaly in the southeast that extended the mineralized structural corridor at Iska Iska 600m further to the southeast for an overall strike length of at least 2km is a high priority target with excellent potential to outline a second starter pit area. This anomaly is stronger than the anomaly over the high grade resource in the potential starter pit area of Santa Barbara.

The Company has a very active program led by ESG Manager Ana Moran, Attorney at Law and Dr. Osvaldo Arce, P.Geo. Major ESG initiatives completed or ongoing include: community support in Tupiza and the surrounding area, the building of sanitation stations in homes in the communities of Almona and La Torre, which are the closest to the Iska Iska property, 5km east and 5km southeast, respectively, working with the Women's Association of Almona and La Torre to support training courses in baking and embroidery as well as other social activities, and support for school programs including providing classroom materials, snacks during breaks and support for teachers.

Additional ESG activities completed include: i) continued implementation of courses, workshops, classes, materials, and other requirements of social projects focused on women, children, and youth groups in Almona, La Torre and additional surrounding communities, ii) construction of additional sanitation stations in the communities of Almona, La Torre and other surrounding communities, iii) delivery of equipment for community medical centers, iv) improving educational services of the community schools by delivering computer equipment, and v) support for local community strengthening and development, through specialized services in consultation with the communities.

On September 28, 2021, Minera Tupiza entered into an option agreement (the "Option Agreement") to acquire the Mina Casiterita and Mina Hoyada properties, which collectively cover 14.75 km² southwest and west of Iska Iska, subject to finalizing the granting of the mining rights process. Under the Option Agreement, the capital quotas of the titleholder will be transferred to Minera Tupiza in exchange for the issuance of 200,000 common shares of the Company. In accordance with the Option Agreement, if the Mina Casiterita and Mina Hoyada properties cannot be transferred to the Company prior to the final Iska Iska option payment balance date, any expenditures incurred by the Company on the Mina Casiterita and Mina Hoyada properties will be deducted from the Iska Iska option payment balance. As at June 30, 2024, the Company has incurred expenditures of US$1,816,007 on the Mina Casiterita property. The transaction is subject to the completion of the terms outlined in the Option Agreement, together with the receipt of all required regulatory approvals in connection with the issuance of common shares of the Company.

Letter of intent agreement – Empressa Minera Villegas S.R.L.
On November 9, 2022, the Company, through its Bolivian subsidiary, Minera Tupiza, entered into a letter of intent agreement ("LOI Agreement") with Empressa Minera Villegas S.R.L. ("Minera Villegas"), Iska Iska's title holders, whereby Minera Tupiza was granted the right to acquire 100% of the capital quotas held by the owners of Minera Villegas, prior to, or concurrent with the final payment for the Iska Iska option (see Iska Iska section above).

Pursuant to the LOI Agreement, the valuation price for the additional assets of Minera Villegas, distinct from the Iska Iska project, was to be delivered to Minera Tupiza before July 6, 2023, whereby Minera Tupiza could have accepted the valuation or enter into a negotiation period for three months, until October 6, 2023 (the "Negotiation Period"). By mutual consent, Minera Tupiza and Mineral Villegas negotiated the extension of the deadline for the delivery of the valuation price for the additional assets to February 29, 2024 and extended the deadline for the Negotiation Period to October 30, 2024, both of which are being renegotiated.When a definitive price for the additional assets is agreed upon by both parties, a definitive agreement will be executed to formalize their sale, to coincide with the Iska Iska earn-in and transfer of the capital quotas of Minera Villegas to Minera Tupiza. If during the Negotiation Period, an agreement for the definitive price for the additional assets is not reached, the parties agree to request that a third party provide an independent valuation.

La Victoria Project

La Victoria
The Company owns an 82% interest in La Victoria, a gold-silver property covering 6,181.2 hectares, consisting of 12 concessions: Ccori Orcco 1, Rufina, Rufina N° 2, San Felipe 1, San Markito, Victoria-APB, Romina 02, 03, 04, 05, 06 and 07 mostly in the Huandoval District, Pallasca Province, Ancash Department, in the North-Central Mineral Belt of Peru. La Victoria is subject to a 2% net smelter royalty ("NSR"). The Company has the option to reduce the NSR to 1% by making a payment of $3,000,000.

During the year ended March 31, 2024, the Company recognized an impairment loss on its La Victoria exploration property. No further exploration or evaluation activities are budgeted or planned for La Victoria, and as a result the Company determined that the carrying amount of the asset would not be recovered.

La Victoria is located within a prolific epithermal gold deposit belt that extends from Cajamarca to Ancash and includes such gold deposits as Yanacocha, Lagunas Norte and La Arena. The La Arena mine is located 50km northwest of the property. Work completed to date confirmed the presence of a major epithermal system with multiple stages of mineralization in the San Markito-Victoria area in the northern part of the La Victoria property. Previous reconnaissance exploration drilling tested targets in the Rufina and San Markito areas. Geophysical surveys, both magnetic and induced polarization/resistivity, have outlined a number of additional targets.

For additional technical information on the La Victoria Project, the reader is referred to the NI 43-101 Technical Report on the La Victoria Au-Ag Property, Ancash, Peru filed under the Company's profile on SEDAR+ (www.sedarplus.ca). Further exploration programs by the Company at La Victoria are contingent upon the Company, among other things, securing community support through a notarized public contract signed by the applicable community representative and registered at the Peru Registrar General in compliance with Peruvian law and the Company allocating the required working capital to dedicate to this project.

Risks and Uncertainties

Mineral exploration and development

The Company is exposed to the inherent risks associated with mineral exploration and development, including the uncertainty of mineral resources and their development into mineable reserves; the uncertainty as to potential project delays from circumstances beyond the Company's control; and the timing of production; as well as title risks, risks associated with joint venture agreements and the possible failure to obtain exploration permits and mining licenses.

Commodity price risk

The Company is exposed to commodity price risk. A significant decline in precious and base metal commodity prices may affect the Company's ability to obtain capital for the exploration and development of its mineral resource properties.

Results of Operations

	3 months ended June 30	
	2024	**2023**
	$	**$**
Expenses		
Professional fees	38,259	44,339
Consulting fees	137,500	127,500
Stock-based compensation	149,583	337,000
Investor relations and marketing	171,045	370,058
General and office	190,822	139,875
Travel	27,694	59,060
Depreciation	11,088	11,088
Accretion of interest	1,953	2,597
Foreign exchange (gain) loss	(4,445)	58,778
Gain on sale of marketable securities	–	(25,351)
Fair value adjustment on marketable securities	82,505	–
Impairment of exploration and evaluation	83,831	(9,241)
Other income	(13,381)	(74,895)
	876,454	1,040,808
Loss	(876,454)	(1,040,808)

3 months ended June 30

The Company recorded a loss of $876,454 compared to a loss of $1,040,808 in the comparative period of the previous year. The decrease in the loss reflects the following factors:

a) a decrease in stock-based compensation to $149,583 (2023 - $337,000) related to the fair value of restricted share units granted.
b) a decrease in investor relations and marketing to $171,045 (2023 - $370,058) related to a general reduction in investor relations and marketing activities to conserve cash.

Summary of Quarterly Results

	Q2 2023 $	Q3 2023 $	Q4 2023 $	Q1 2024 $	Q2 2024 $	Q3 2024 $	Q4 2024 $	Q1 2025 $
Revenue	–	–	–	–	–	–	–	–
Loss								
- Total	1,218,170 (note 1)	1,345,642 (note 2)	2,116,518 (note 3)	1,040,808 (note 4)	6,630,941 (note 5)	1,639,768 (note 6)	7,694,824 (note 7)	876,454 (note 8)
- Per share	0.01	0.02	0.03	0.01	0.09	0.02	0.10	0.01

Note 1: Loss for Q2 2023 includes stock-based compensation of $586,118.
Note 2: Loss for Q3 2023 includes stock-based compensation of $411,000.
Note 3: Loss for Q4 2023 includes stock-based compensation of $979,000.
Note 4: Loss for Q1 2024 includes stock-based compensation of $337,000.
Note 5: Loss for Q2 2024 includes stock-based compensation of $5,594,646.
Note 6: Loss for Q3 2024 includes stock-based compensation of $916,095.
Note 7: Loss for Q4 2024 includes stock-based compensation of $314,979 and impairment of exploration and evaluation of $6,751,905.
Note 8: Loss for Q1 2025 includes stock-based compensation of $149,583.

Liquidity and Capital Resources

As the Company is in the exploration stage and does not generate revenue, the Company has financed its operations with the proceeds of equity financings. The Company is dependent upon the Company's ability to secure equity financings to meet its existing obligations and to fund its working capital requirements and the acquisition, exploration and development of mineral resource properties.

Estimated working capital requirements for 2025	**$**
Corporate and general	2,400,000
Accounts payable and accrued liabilities at March 31, 2024	1,800,000
	4,200,000

At March 31, 2024, the Company had cash and cash equivalents of $3,416,489 which included gross proceeds of $3,600,000 for a private placement of units that was completed on March 27, 2024. On August 3, 2023, the Company completed a bought deal financing for gross proceeds of $6,902,532 (see page 1, *Bought deal financing*) and a private placement of units for gross proceeds of $250,000 that was completed on August 17, 2023. The Company expects that additional financing will be required to fund its operations and the acquisition, exploration and development of its mineral resource properties. Management is of the opinion that sufficient working capital will be obtained from equity financings and the exercise of warrants to meet the Company's liabilities and commitments as they become due.

At August 13, 2024, there are outstanding stock options and warrants (see *Stock Options* and *Warrants* on page 10). Based on closing market price for the Company's common shares of $0.95 on August 13, 2024, in-the-money stock options and warrants, if exercised, would provide the Company with proceeds of $915,000.

Transactions with Related Parties

	Consulting fees $
Exploration and evaluation	
Pearson Geological Limited, a company controlled by William Pearson, for his services as Executive Vice President, Exploration	45,000
Consulting fees	
Gambier Holdings Corp., a company controlled by Thomas G. Larsen, for his services as Chief Executive Officer	52,500
Marlborough Management Limited, a company controlled by Miles Nagamatsu, for his services as Chief Financial Officer	30,000
J. Estepa Consulting Inc., a company controlled by Jorge Estepa, for his services as Vice President, Corporate Secretary	30,000
10184707 Manitoba Ltd., a company controlled by Christopher Holden, for his services as Vice President, Corporate Development	37,500

The Company and Cartier share office premises pursuant a lease which is a joint and several commitment. For other related party transactions, see page 1, *Overall results, Settlement of accounts payable*; *Overall results, Option payment advance; Overall results, Investment in Cartier Silver Corporation.*

Financial instruments and risk management

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development, production and financing activities, including credit risk, liquidity risk and market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout the consolidated financial statements.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company’s cash balances and amount due from Cartier. The maximum exposure to credit risk is equal to the balance of cash and the amount due from Cartier. The Company’s limits its exposure to credit risk on its cash by holding its cash in deposits with Canadian chartered banks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial liabilities that are settled in cash or other financial assets. The Company’s approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as they come due. The amounts for accounts payable and accrued liabilities and lease liabilities are subject to normal trade terms.

The Company has no revenues and relies on financing primarily through the issuance of equity to finance its on-going and planned exploration activities and to cover administrative costs.

Market risk

Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates, and interest rates will affect the Company’s income or the value of its financial instruments.

Equity price risk

The Company is exposed to equity price risk with respect to marketable securities. The Company’s approach to managing equity price risk is to optimize the return from its marketable securities within acceptable parameters for equity price risk. The Company estimates that if the fair value of its marketable securities as at June 30, 2024 had changed by 10%, with all other variables held constant, the unrealized gain (loss) would have decreased or increased by $55,641.

Foreign currency risk

The Company retains substantially all of its cash with its parent in Canadian dollars until US dollars are required by its foreign subsidiaries. Expenses are incurred in Canadian dollars and US dollars. The Company is subject to gains and losses due to fluctuations in these currencies. At June 30, 2024, a 10% change in the US dollar exchange rate would affect net and comprehensive loss and deficit by $47,999.

Interest rate risk

The Company’s exposure to interest rate risk is limited due to the short-term nature of its financial instruments and the Company has no interest-bearing debt.

Capital management

Capital of the Company consists of share capital, warrants, contributed surplus, foreign currency reserve and deficit. The Company’s objective when managing capital is to safeguard the Company’s ability to continue as a going concern so that it can acquire, explore and develop mineral resource properties for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. The Board of Directors has not established quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management to sustain the future development of the Company. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's principal source of capital is from the issue of common shares. In order to achieve its objectives, the Company intends to raise additional funds as required.

The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the year.

Disclosure controls and procedures
The Company's disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is communicated to senior management, to allow timely decisions regarding required disclosure.

Management including the Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedure as of March 31, 2024. Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's disclosure controls and procedures as defined under the rules of Canadian Securities Administrators were effective to ensure information required to be disclosed in reports filed or submitted by the Company under Canadian securities legislation is recorded, processed, summarized and reported within the time periods specified in those rules.

Internal controls over financial reporting ("ICFR")
Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements in compliance with IFRS. The Company's internal controls over financial reporting include policies and procedures that:

- pertain to the maintenance of records which accurately and fairly reflect the transactions of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS;
- ensure the Company's receipts and expenditures are made only in accordance with authorization of management and the Company's directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized transactions which could have a material effect on the annual or interim financial statements.

A material weakness is a deficiency, or a combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

As of March 31, 2024, an evaluation of the effectiveness of the Company's internal control over financial reporting was conducted by the Company's management, including the Chief Executive Officer and the Chief Financial Officer. Based on this assessment, management concluded that the design and implementation of the Company's disclosure controls and procedures and ICFR were effective.

There were no changes in the Company's internal controls during the 3 months ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Material assumptions and risk factors for forward-looking statements.
The following table outlines certain forward-looking statements contained in this MD&A and provides material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Page	Forward-looking statement	Assumption	Risk factors
7	Liquidity and Capital Resources "Management is of the opinion that sufficient working capital will be obtained from equity financings to meet the Company's liabilities and commitments as they become due."	Equity financings will be obtained.	The Company is unable to obtain future financing to meet liabilities and commitments as they become due.
7	Based on closing market price for the Company's common shares of $0.95 on August 13, 2024, in-the-money outstanding stock options and warrants, if exercised, would provide the Company with proceeds of $915,000.	Exercisable stock options and warrants remain in-the-money and stock option and warrant holders exercise exercisable stock options and warrant holders.	The common share price declines and exercisable stock options and warrants fall out-of-the-money. Stock option and warrant holders do not exercise exercisable stock options and warrant holders.

Shares Outstanding as at August 13, 2024

Shares

Authorized:

An unlimited number of common shares without par value.
An unlimited number of redeemable, voting, non-participating special shares without par value.

Outstanding:

80,294,523 common shares

Warrants

Exercise price	Expiry date	Number of warrants
$4.25	January 27, 2025	1,733,265
$4.25	August 3, 2025	1,095,640
$3.15	August 3, 2025	131,476
$4.25	August 17, 2025	39,682
$2.00	March 27, 2026	3,000,000
		6,000,063

Stock options

The shareholders of the Company approved a new Long-term Incentive Plan (the "Plan") at an annual and special meeting held on September 27, 2022. The Plan received TSX Venture Exchange approval on October 31, 2022. With the implementation of the Plan, all previously issued stock options and restricted share unit awards, which were granted pursuant to the Company's Stock Option Plan and Restricted Share Unit Plan respectively, will be governed by the Plan. With the listing of the Company's common shares on the TSX, the Plan was amended to conform to the requirements and policies of the TSX. The Plan permits the Board to make awards of stock options, restricted share units, performance share units and deferred share units. The maximum number of common shares for issuance under the Plan for stock options will not exceed 10% of the Company's then issued and outstanding shares. The maximum number of common shares for issuance under the Plan for all other awards other than stock options will not exceed 10% of the Company's issued and outstanding shares at the time of shareholder approval of the Plan.

The number of the common shares subject to each stock option grant, exercise price, vesting, expiry date and other terms and conditions are determined by the Board. The exercise price shall in no event be lower than the market price of the common shares on the grant date. Stock options shall be for a fixed term, not exceeding five years and unless otherwise specified, each stock option shall vest as to one third on each of the first through third anniversaries of the grant date.

Authorized:

8,029,452 stock options.

Outstanding:

Exercise price	Expiry date	Number of stock options outstanding and exercisable
$0.40	February 18, 2025	1,305,000
$3.59	June 6, 2027	750,000
$0.60	June 9, 2025	655,000
$4.45	February 1, 2026	1,030,000
$4.65	March 3, 2027	1,525,000
$3.42	May 30, 2027	100,000
$4.32	August 3, 2027	150,000
$3.30	February 2, 2028	250,000
$1.53	November 22, 2028	350,000
		6,115,000

Restricted share units, deferred share units and performance share units

Authorized:
6,987,897 aggregate total for restricted share units, deferred share units and performance share units.

Outstanding Restricted Shares Units:

Redemption date	**Number of RSUs outstanding**
June 6, 2025	750,000
December 31, 2025	2,350,000
December 31, 2026	300,000
	3,400,000

No deferred shares units or performance share units have been granted.