Bocana Resources Corp.
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 Bocana Resources Corp. (the "Company") for the 9 months ended June 30, 2026 and should be read in conjunction with the unaudited condensed interim consolidated financial statements and the accompanying notes.

The MD&A is the responsibility of management and is dated as of August 31, 2026.

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.bocanaresources.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 guaranteed. 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 7 for *Material assumptions and risk factors for forward-looking statements*.

The Company
The Company is a public company engaged in the acquisition, exploration and development of mineral resources in North and South America. The Company is the result of an amalgamation filed on December 29, 2022 under the *Business Corporation Act* in Alberta ("Amalgamation"). The Company's registered office is located at 800-333 7th Avenue SW, Calgary, AB T2P 2Z1.

Proposed acquisition of the Company
On July 14, 2026, the Company executed a definitive term sheet ("Term Sheet") with London Gold LLC ("London Gold") for a proposed acquisition of the Company's assets, intellectual property and assistance in identifying mining assets, performing due diligence, negotiating and closing definitive agreements for the acquisition of projects of interest ("Projects").

The Company has granted London Gold a period of exclusivity of 90 days from the date of the Term Sheet, during which the Company has agreed not to solicit, encourage, negotiate or enter into discussions with any third party concerning the sale of its shares, business, intellectual property or mining assets without the prior written consent of London Gold.

By way of a reverse takeover, a newly formed company controlled by London Gold to be listed on the Nasdaq Stock Market ("Newco") will acquire all of the issued and outstanding shares of the Company for US$25,000,000, comprising a combination of cash and Newco shares valued at the market price of such shares immediately before closing, or by such other valuation mechanism as may be agreed in a definitive agreement ("Proposed Transaction").

On or before September 30, 2026 (extended from July 31, 2026), London Gold will provide the Company with approximately US$1,230,000 to fund deposits on the acquisition of Projects and working capital for due diligence and closing costs.

Completion of the Proposed Transaction remains subject to customary conditions, including, without limitation:

a) completion of due diligence;
b) negotiation and execution of a definitive agreement;
c) receipt of all required shareholder approvals; and
d) receipt of all required regulatory approvals, including approval of the TSX Venture Exchange.

No third-party finder's fee is expected to be payable in connection with the Proposed Transaction.

Trading halt
On June 30, 2026, trading in the Company's common shares on the TSX Venture Exchange ("TSXV") was halted pending news. On July 20, 2026, the Company issued a press release announcing the Proposed Transaction. Trading continues to be halted pending completion of a Plan of Arrangement and approval of the news release announcing the terms of the Proposed Transaction by the TSXV. Once approval is obtained, the Company anticipates that the trading halt will be lifted. The Company will then schedule a special shareholder meeting and mail a circular to each shareholder with more details on the Proposed Transaction and the scheduled shareholder vote. Until a Plan of Arrangement is completed, the Company will continue to operate in its normal capacity.

Amended and Restated Security-Based Compensation Plan
At the Annual and Special Meeting held on April 14, 2026, the shareholders approved an Amended and Restated Security-Based Compensation Plan ("Plan") to replace and supersede all prior stock option plans. All outstanding stock options will remain valid and will thereafter be governed by the Plan.

The Plan is a hybrid security-based compensation plan consisting of:
a) a rolling stock option reserve equal to 10% of the issued and outstanding common shares at the time of any option grant; and
b) a fixed non-option reserve of 10,300,000 common shares, being not more than 10% of the issued and outstanding common shares as at April 14, 2026.

The Company may grant stock options, restricted share units, performance share units, deferred share units and stock appreciation rights to directors, officers, employees, consultants, management company employees and investor relations service providers.

The term, exercise price and vesting of the stock options shall be determined by the Board of Directors, subject to a maximum term of 10 years and an exercise price not less than the market price of the common shares on the date of the grant, less any applicable discount under the policies of the TSXV.

Non-option grants shall be subject to a minimum vesting period of one year and may be settled at the discretion of the Board in cash, common shares, or in any combination thereof.

On May 13, 2026, TSXV approved the Plan.

Exercise, expiry and cancellation of warrants and stock options
The Company received $230,960 upon the exercise of 1,634,600 warrants and on January 3, 2026, all outstanding warrants expired. The Company also received $25,000 upon the exercise of 250,000 stock options and 300,000 stock options were cancelled.

Advances from directors
At September 30, 2025, a director, Timothy J. Turner had advanced US$28,089 to the Company and a director, Miles Nagamatsu had advanced $11,901. The advances are unsecured, bear interest at 10% per annum and due on demand. For the 9 months ended June 30, 2026, the Company accrued interest of US$1,017 and $300 on the advances. On February 12, 2026, the Company repaid advances and accrued interest of US$30,724 to Timothy J. Turner and on May 4, 2026, the Company repaid advances and accrued interest of $12,692 to Miles Nagamatsu.

Letter of intent/Venture Gold, Inc. ("VG")
On October 6, 2025, the Company entered into an arm's length non-binding letter of intent for an investment of up to US$20,000,000 for a 50% interest in VG for working capital and the development and exploration of several projects within the Idaho Springs/Central City Mining District in Colorado. On January 4, 2026, the letter of intent lapsed.

Joint venture agreement/Arizore LLC
On September 23, 2025, the Company and Arizore Ltd. ("Arizore") (each, a "Member") signed a joint venture agreement to establish a joint venture, Arizore LLC, a limited liability company incorporated in Nevada ("Arizore LLC") to acquire, hold, explore, develop, and operate claims and establish a tokenization platform. Each Member holds a 50% interest in the joint venture.

Arizore shall provide up to US$60,000,000 in funding loans to Arizore LLC to fund acquisition costs, due diligence, capital expenses, and operational costs for claims ("Funding Loans") and the Company shall have no obligation to contribute any funding. All Funding Loans shall be secured by a first-priority security interest on a proportionate basis (or an undivided interest) to the value of the assets of Arizore LLC. The Company shall act as the operator responsible for exploration, mine development, feasibility studies, and mining operations in situations where the joint venture is the operator of the projects.

Arizore has advanced Funding Loans of US$260,000, however, since May 13, 2026, pending completion of its proposed financing, has not been able to advance further Funding Loans. As a result, a letter of intent for a proposed acquisition by Arizore LLC lapsed (see page 3, *Letter of intent/LP Associates, LLC*. There is no assurance that Arizore will be able to complete its proposed financing.

The tokenization portion of the joint venture continues to progress as Arizore advances the development of its reserve and ledger architecture, which is intended to house verified in-ground and delivered assets. The platform (the "Platform") is currently in its chain completion and registration phase, with development focused on finalizing the underlying blockchain and reserve reporting infrastructure. The strategic partnership, focused on the precious metals market, intends to develop a tokenization platform designed to bridge digital finance and verified precious metals. The Platform is intended to allow independent mining operators and precious metals owners to securitize verified assets into liquid capital, subject to applicable securities laws and regulatory approvals, potentially enabling mine growth without dilution while reinforcing the asset reserves and valuation behind each token. The partnership combines the Company's mining and exploration expertise with Arizore's blockchain and asset-tokenization technology to create an open, transparent, asset-backed ecosystem for precious metals and other critical minerals. Built to unlock liquidity from verified in-ground and delivered resources, the Platform, subject to all required regulatory approvals, including securities law compliance, intends to enable investors and institutions to gain exposure to tangible mineral reserves through digital tokens, each designed to be underpinned by real-world geological verification in accordance with NI 43-101 and institutional-grade transparency. In parallel with these developments, Arizore is engaging with a range of strategic and financing partners as part of its broader Platform build-out, including initiatives aligned with responsible resource development and emissions reduction frameworks within the precious metals sector. A soft launch of the Platform took place at the end of Q1 2026, and developments continue to date.

Letter of intent/LP Associates, LLC

On July 24, 2025, the Company entered into a binding letter of intent (the "LOI") for the proposed acquisition ("Transaction") of 100% of the rights, title, and interests in the U.S. Bureau of Land Management ("BLM") placer mining claims ("Claims") for US$27,500,000. The Claims are comprised of 72 claims covering approximately 1,440 acres located in Pinal County, approximately 85 miles southeast of Phoenix, Arizona. It was the intent of the Company that the Transaction would be completed by Arizore LLC, which has made deposit payments and funded due diligence costs from the proceeds of Funding Loans.

The Transaction was subject to conditions, including the entering into of a definitive agreement in respect of the Transaction by April 20, 2026 (extended from February 19, 2026, in exchange for an additional deposit payment of US$50,000). On April 16, 2026, the letter of intent was further extended from April 20, 2026 to June 20, 2026 in exchange for an additional deposit payment of US$250,000. Arizore LLC made a deposit payment of US$10,000 from the proceeds of a Funding Loan. As additional Funding Loans were not received, Arizore LLC was not able to make the remaining deposit payment, and the letter of intent lapsed on June 20, 2026.

At June 30, 2026, the joint venture has received Funding Loans of US$460,000 from Arizore:

a) US$260,000 was advanced as deposit payments, which was forfeited upon the lapse of the letter of intent;
b) US$200,000 was advanced to the Company which funded the payment of a deposit of US$10,000, due diligence and general expenses of US$154,608 and the remaining US$40,392 held by the Company owing to the joint venture is unsecured, non-interest bearing and has no fixed terms of repayment.

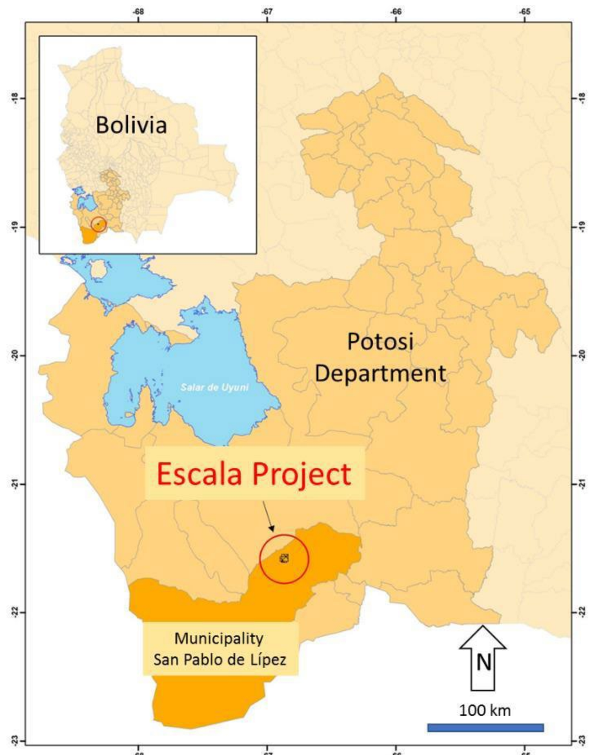
Escala Project

The Company has incurred the following cumulative exploration and evaluation expenditures on its property:

	Escala **$**
Balance, September 30, 2025	1,488,689
Expensed	63,388
Balance, June 30, 2026	1,552,077

The Escala project is located in southwestern Bolivia in the northern part of the San Antonio de Lípez mining district. It is situated in the Municipality San Pablo de Lípez, Sud Lípez Province, Potosí Department, Bolivia. The centre of the property is within UTM WGS-84, zone 19, at coordinates 721,000E and 7,611,250S respectively (66.865º W, 21.588º S).

The Company currently maintains a Bolivian holding company, Inversiones Bocana S.A. (“Bocana S.A.”) where the Company directly controls 99.94% of the issued shares of Bocana S.A. and with the remaining 0.06% interest owned by two existing employees of the Company. This minimum three shareholder ownership structure is in accordance with Bolivian Commercial Code Section 220. Bocana S.A. is a holding company and Huiracocha International Service SRL (“Huiracocha”) is a 100% wholly owned subsidiary of Bocana S.A. and has been granted the multiple concessions in the Escala Project in Bolivia.



The Escala Project consists of the Escala, Escala I, Escala II, and Escala III concessions that cover a total of 4,000 hectares.

Name	COMIBOL Number	Area (hectares)	Earliest Expiration Date
Escala	1694	2,000	2034
Escala I	29761	1,000	2034
Escala II	29763	600	2034
Escala III	29762	400	2034

Each of the four Escala leased concessions are under one "Mining Production Contract" ("MPC") entered into by Huiracocha and authorized and signed by COMIBOL on November 18, 2019, with a term of 15 years, computable from the next business day of its registration in the Mining Registry and is renewable for an additional 15 years thereafter. The MPC has not yet been registered in the Mining Registry. Once the MPC is registered, the MPC includes three stages of development: 1) 5 years for exploration, environmental studies and estimation of reserves, 2) mine preparation and plant installation, and 3) operation and marketing. In stage 1, the Company would be required to expend US$25,290,089. In stage 2, work to be completed will include carrying out a prefeasibility study, engineering study of the project design, construction of the concentration plant and construction of the tails ditch, to be carried out in parallel between the first and second year. In stage 3, once the commercial production level has been reached, the Company will be obligated to pay a royalty of 6.7% of the gross value of sales to COMIBOL.

A technical report entitled "Technical Report entitled "Technical Report for the Escala Project" dated August 23, 2022, was prepared in accordance with National Instrument NI 43-101, *Standards of Disclosure for Mineral Projects* (“NI 43-101”) by Greg Bronson, P.Geo., President & Senior Geologist of Rae-co Consulting Ltd., and an independent "Qualified Person", (as defined in NI 43-101). The Technical Report suggested a 2-phase work program.

Phase 1
The Company completed Phase 1, a US$650,000 work program, which consisted of the following:

- Geophysical fieldwork has been completed. The raw geophysical data has been compiled, mapped and interpreted by the geophysical contractor and subsequently provided to the Company geologist. After further evaluation and identification by the Company geologist, nine optimal drill site targets have been identified and are being located on the property site in preparation for the upcoming proposed diamond drilling program.
- An initial diamond drilling program was contracted and completed with Leduc Drilling SRL, of La Paz Bolivia, for the first round of drilling. The drilling program commenced at the end of September 2023 with nine proposed drill site locations and a minimum of 2,000m total. Each of the locations were drilled to a measured length of (+/-) 250m but upon completion the geological team recommended and completed just seven holes accounting for the 2,001.8 metres drilled. Field geologists were directed to make special efforts to log rock texture as part of the rock lithological descriptions collected during drilling. Rock texture will likely be key in delineating mineralized zones.
- All drill holes were inclined between 45-65 degrees as most mineralized structures identified to date are subvertical.
- The Cerro Galapago area was the primary target – where the Company geologists have interpreted a large porphyry system that likely offers a large bulk tonnage drill target. Five of the nine proposed drill targets were allocated to this effort (1,250 metres) and the first four of the seven drill holes were completed here.
- The Cerro Blanco area was the secondary target – the Company geologists saw a strong structural influence on mineralization and have interpreted subvertical structures that were not properly targeted during previous drill programs. This area has the potential to host higher-grade mineralization. Two of the nine drill targets were allocated to Cerro Blanco area (500 metres), and identified as HRC2305, and HRC 2306 were drilled.
- The known historical precious/base metal veins are a tertiary drill target and hole HRC 2307 was drilled in this area. Raw geophysics shows a strong chargeability anomaly providing several drilling targets for the future.

The 2023 drilling program did locate an extensive, highly altered felsic porphyry system, with the continuity of gold throughout the potential bulk tonnage system remained generally low, under >0.10 g/t gold. However, select areas also hosted significant concentrations of silver and gold. Several phases of mineralization occurred within the porphyry system; the apparent last phase was hydrothermal breccias with observed chalcopyrite, galena, and sphalerite mineralization. The hydrothermal breccias encountered are probably associated with structures and might be in the form of “pipes”.

It was recommended to the Company that additional surveys be completed to determine the orientation and extent of these hydrothermal “pipes”. Additionally, detailed geological mapping within the Cerro Galapagos porphyry system, combined with the historical diamond drilling results, is recommended before any additional drill testing, as part of the Phase 1 diamond drilling program recommendations in the 43-101 Technical Report.

Phase 2
Subject to raising the necessary financing, the Company would proceed to Phase 2, a US$1,500,000 work program which consists of the following:

- Drilling prospective targets developed during Phase 1. An initial 6,000-meter core drill program is expected with US$1,250,000 all-in costs, including sampling and assaying; and
- Additional geophysics and property-wide geochemical sampling to identify potential additional areas of altered and mineralized rocks (US$250,000).

See page 7, *Liquidity and Capital Resources*.

Risks and Uncertainties

Going concern
The Company is in the exploration stage and does not generate revenue. At June 30, 2026, the Company had a working capital deficit of $743,419 (September 30, 2025 - $685,443) and for the 9 months ended June 30, 2026, the Company incurred a net loss of $312,053 (2025 - $343,675) and a cashflow deficit from operations of $143,182 (2025 - $80,308). The working capital deficit, net losses and cashflow deficits from operations limit the Company’s ability to fund its operations, the acquisition, exploration and development of mineral properties. The Company will periodically have to raise funds to continue operations, and although it has been successful thus far, there is no assurance it will be able to do so in the future. The Company estimates it will need additional capital to operate for the upcoming year.

As a result, there is material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

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.

Although the Company has taken steps to verify title to the mineral properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, illegal artisanal or small-scale miners, aboriginal claims, and non-compliance with regulatory and environmental requirements. If the Company does not have title to its mineral properties, there will be adverse consequences to the Company and its business prospects.

Mining by illegal, artisanal, and small-scale miners occurs on and near some of the Company's mineral concessions in Bolivia. These activities could cause disruptions and damages to the Company's operations, including road blockages, pollution, environmental damage, or personal injury, for which the Company could potentially be held responsible. The presence of illegal, artisanal, and small-scale miners can lead to delays and disputes regarding the development of the Company's projects.

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,		**9 months ended June 30,**	
	2026	**2025**	**2026**	**2025**
	$	**$**	**$**	**$**
Expenses				
Professional fees	11,241	8,750	37,029	35,148
Consulting	53,032	52,613	158,678	161,026
Stock-based compensation	–	–	–	2,600
General and administrative	831	7,637	3,957	24,998
Public company costs	8,963	3,126	35,464	27,742
Exploration and evaluation	20,810	30,767	63,388	104,451
Interest	–	1,772	1,693	2,348
Gain on statute-barred accounts payable	–	(11,192)	–	(11,192)
Foreign exchange loss	9,916	(17,535)	12,183	(3,446)
Interest income	–	–	(339)	–
	104,793	75,938	312,053	343,675
Net loss	(104,793)	(75,938)	(312,053)	(343,675)

9 months ended June 30
The Company recorded a net loss of $312,053 compared to a net loss of $343,675 in the comparative period of the previous year. The decrease in the net loss reflects a decrease in exploration and evaluation to $63,338 (2025 - $104,451).

3 months ended June 30
The Company recorded a net loss of $104,793 compared to a net loss of $75,938 in the comparative period of the previous year. The increase in the net loss reflects:

a) no gain on statute-barred accounts payable in the current period (2025 - $11,192);
b) a foreign exchange loss of $9,916 in the current period compared to a foreign exchange gain of $17,535 in the comparative period of the previous year.

Summary of Quarterly Results

	Q4 2024 $	Q1 2025 $	Q2 2025 $	Q3 2025 $	Q4 2025 $	Q1 2026 $	Q2 2026 $	Q3 2026 $
Revenue	–	–	–	–	–	–	–	–
Net loss								
- Total	77,210	123,057	144,680	75,938	77,788	94,909	112,351	104,793
- Per share	–	–	–	–	–	–	–	–

Liquidity and Capital Resources

The Company is in the exploration stage and does not generate revenue. At June 30, 2026, the Company had a working capital deficit of $743,419 (September 30, 2025 - $685,443) and for the 9 months ended June 30, 2026, the Company incurred a net loss of $312,053 (2025 - $343,675) and a cashflow deficit from operations of $143,182 (2025 - $80,308). The working capital deficit, net losses and cashflow deficits from operations limit the Company's ability to fund its operations and the acquisition, exploration and development of its mineral properties.

For the year ended September 30, 2025, the Company incurred corporate and general costs of $330,000 compared to an estimate of $325,000. For the year ending September 30, 2026, the Company estimates its corporate and general costs at approximately $325,000. For the 9 months ended June 30, 2026, the Company incurred corporate and general costs of $235,000.

In the 9 months ended June 30, 2026, the Company received $25,000 upon the exercise of stock options and $230,960 upon the exercise of warrants, however, the continued operation of the Company is dependent upon the Company's ability to secure equity financing to address its working capital deficit and fund its operations and the acquisition, exploration and development of mineral properties. The Company is actively pursuing financing and although the Company has been successful thus far in doing so, there is no assurance it will be able to do so in the future. Until the Company completes a financing, it will continue to manage its expenditures and rely on deferring payment of management consulting fees and advances from related parties. Upon completion of a financing, the Company intends to settle outstanding management consulting fees with a combination of cash and issuance of common shares.

Management is of the opinion that sufficient working capital will be obtained from the deferral of the payment of management consulting fees, advances from related parties and equity financing, to meet the Company's liabilities and commitments as they become due.

If the Company is unable to raise additional capital on a timely basis, it may need to delay, reduce, or discontinue certain exploration activities, relinquish or fail to maintain certain property interests, or seek alternative financing arrangements that could be dilutive to existing shareholders.

Transactions with Related Parties

	9 months ended June 30, 2026 $	Outstanding at June 30, 2026 $
Consulting fees		
Tim Turner and Associates LLC, a company controlled by Timothy J. Turner, for his consulting services as Director and Chief Executive Officer	124,478	497,350
Marlborough Management Limited, a company controlled by Miles Nagamatsu, for his consulting services as Director and Chief Financial Officer	34,200	180,348
Legal fees		
Dale Burstall, for legal fees for his law firm Prelia Canada LLP	17,457	–
Exploration and evaluation		
Juan Carlos Quiroga, for his exploration and evaluation services as manager of Huiracocha	38,367	85,260
Interest on advances from directors		
Timothy J. Turner	1,392	–
Miles Nagamatsu	300	–

Legal fees include $9,471 paid by Arizore LLC.

Financial instruments and risk management

Financial instruments
Several of the Company's accounting policies and disclosures require determining fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes using the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Cash, accounts payable and accrued liabilities and due to joint venture
At June 30, 2026, and September 30, 2025, the fair values of cash, accounts payable and accrued liabilities and due to joint venture approximated their respective carrying values due to their short-term to maturity.

Classification of fair value of financial instruments
The Company classified the fair value of its financial instruments measured at fair value according to the following hierarchy based on the number of observable inputs used to value the instrument:
Level 1: quoted prices in active markets for identical assets and liabilities;
Level 2: inputs, other than the quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly;
Level 3: inputs for the asset or liability that are not based on observable market data.

There are no financial instruments measured at fair value.

Financial risk management
The Company's activities expose it to a variety of financial risks arising from its exploration 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 these 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. The Company's maximum exposure to credit risk is equal to the Company's cash. The Company limits its credit risk exposure on its cash by holding deposits with a Canadian chartered bank.

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, other than amounts owing to related parties. The continued operation of the Company is dependent upon the Company's ability to secure equity financing to meet its existing obligations and finance the acquisition, exploration, and development of mineral properties and the completion of the Transaction.

Current liabilities of $858,633 include accounts payable and accrued liabilities of $769,929, which have contractual maturities less than 30 days and are subject to normal trade terms and advances from directors of $12,692, and due to the joint venture of $76,012 which are due on demand.

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.

Foreign exchange risk
Foreign exchange risk is the risk of financial loss to the Company due to a change in foreign exchange rates. The majority of the Company's cash is held in Canadian dollars. Foreign exchange risk arises as the Company makes expenditures denominated in US dollars. At June 30, 2026, the Company had cash of US$2,139 (September 30, 2025 - US$23,129), accounts payable of US$460,090 (September 30, 2025 - US$347,465), due to directors of US$Nil (September 30, 2025 - US$29,706), and due to the joint venture of US$40,392 (September 30, 2025 - US$40,297). If the foreign exchange related to the Company's US dollar balances increased or decreased by 10%, with all other variables held constant, the currency translation adjustment would have increased or decreased by $70,815 (September 30, 2025 - $54,986).

The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk. However, management of the Company believes there is no significant exposure to foreign currency fluctuations due to the limited number of transactions conducted in US dollars.

Capital management
Capital of the Company consists of share capital, common shares to be issued, 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.

As the Company is an exploration-stage company and has no revenues, its principal source of capital is from the issuance 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.

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 factor
7	Liquidity and Capital Resources "Management is of the opinion that sufficient working capital will be obtained from the deferral of the payment of management consulting fees, advances from related parties and equity financing, to meet the Company's liabilities and commitments as they become due."	Management will continue to defer the payment of management fees, equity financings and advances from related parties will be obtained.	The Company is unable to obtain future financing to meet liabilities and commitments as they become due.

Other Information

Additional Disclosure for Venture Corporations without Significant Revenue
The following table sets forth a breakdown of material components of the general and administration costs, capitalized or expensed exploration and development costs of the Company for the years indicated.

General and administrative expenses

	9 months ended June 30,	
	2026	2025
	$	$
Bank charges	2,993	1,440
Insurance	–	21,603
Office	964	1,955
	3,957	24,998

Insurance premiums for the current period was covered by the joint venture.

Expensed exploration and evaluation

	9 months ended June 30,	
	2026	**2025**
	$	**$**
Property		
Escala Project	63,388	104,451

Shares, Warrants and Stock Options Outstanding as August 31, 2026

Shares
Authorized:
An unlimited number of common shares.
An unlimited number of preferred shares issuable in series.

Outstanding:
103,112,261 common shares

Warrants
Outstanding:
None.

Amended and Restated Security Based Compensation Plan
Authorized:
See page 1, *Amended and Restated Security Based Compensation Plan*.

Stock options

Outstanding:

Exercise price	**Expiry date**	**Number of stock options outstanding and exercisable**
$0.10	March 27, 2028	1,500,000
$0.10	May 26, 2028	450,000
$0.10	May 24, 2029	1,700,000
$0.10	June 30, 2029	250,000
$0.10	September 30, 2029	125,000
$0.10	December 31, 2029	125,000
$0.10	January 30, 2030	1,200,000
$0.10	March 31, 2030	150,000
$0.10	June 30, 2030	150,000
$0.10	September 30, 2030	150,000
$0.10	December 31, 2030	150,000
		5,950,000

Non-option grants
There are no restricted share units, performance share units, deferred share units or stock appreciation rights outstanding at this time.