



**ATHENA GOLD CORPORATION
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

ATHENA GOLD CORPORATION

Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Athena Gold Corp. ("Athena", "we", "our" or the "Company"), our operations, financial performance, and current and future business environment for the year ended December 31, 2025, and includes events up to the date of this MD&A. This discussion should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2025, 2024 and 2023 (the "Annual Financial Statements") and the related notes thereto and other corporate filings. Unless otherwise specified, all financial information has been derived from the Company's Annual Financial Statements which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS")

All monetary amounts in the MD&A are expressed in United States dollars, the presentation currency of the Company and its subsidiaries, except number of shares or as otherwise indicated. References to "CAD" or "CAS" are to Canadian dollars and references to "AUD" or "AU\$" are to Australian dollars. The functional currency of the Company and its subsidiaries is disclosed in the notes to the Financial Statements. Additional information regarding the Company is available on SEDAR+ at www.sedarplus.ca and the Company's website at www.athenagoldcorp.com. This MD&A has been prepared effective as of March 31, 2026 (the "MD&A Date").

Caution Regarding Forward-Looking Statements

Some of the information presented in this MD&A constitutes "forward-looking statements". These forward-looking statements include, but are not limited to, statements that include terms such as "may," "will," "intend," "anticipate," "estimate," "expect," "continue," "believe," "plan," or the like, as well as all statements that are not historical facts. Forward-looking statements are inherently subject to risks and uncertainties that could cause actual results to differ materially from current expectations. Although we believe our expectations are based on reasonable assumptions within the bounds of our knowledge of our business and operations, there can be no assurance that actual results will not differ materially from expectations.

All forward-looking statements speak only as of the date on which they are made. We undertake no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they are made.

Management's Responsibility for Financial Statements

The information provided in this MD&A, including the audited consolidated financial statements, are the responsibility of management. In the preparation of these consolidated financial statements, estimates are sometimes necessary to make a determination of the future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying condensed interim consolidated financial statements. Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

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Business Overview

Athena Gold Corporation is engaged in the acquisition and exploration of mineral resources. We were incorporated in Delaware on December 23, 2003, and began our mining operations in 2010. On March 27, 2025 the stockholders of the Company voted to re-domesticate the Company from the state of Delaware to the Province of British Columbia, by merger into its British Columbia subsidiary, Nova Athena Gold Corp.

The Company's properties do not have any reserves. The Company plans to conduct exploration programs on these properties with the objective of ascertaining whether any of its properties contain economic concentrations of precious and base metals that are prospective for mining.

Results of Operations for the years ended December 31, 2025, 2024 and 2023

	Year Ended		
	12/31/25	12/31/24	12/31/23
Operating expenses			
Exploration, evaluation and project expenses	\$ 574,136	\$ 186,764	\$ 351,132
General and administrative expenses	742,177	425,353	432,460
Total operating expenses	<u>1,316,313</u>	<u>612,117</u>	<u>783,592</u>
Net operating loss	(1,316,313)	(612,117)	(783,592)
Other income	34,897	-	-
Interest expense	(6,345)	(3,419)	2,598
Realized loss on investment	(31,825)	(12,452)	-
Unrealized gain (loss) on investment	997,633	(36,384)	-
Revaluation of warrant liability	186,739	27,854	1,393,742
Loss and comprehensive loss	<u>\$ (135,214)</u>	<u>\$ (636,518)</u>	<u>\$ 612,748</u>
Total Assets	9,675,535	6,992,460	6,740,969
Total Liabilities	1,371,969	838,004	423,157
Total Equity	8,303,566	6,154,456	6,317,812

Exploration and evaluation expenses:

Exploration expenses for the year ended December 31, 2025 totaled approximately \$574,000. Funds were used to complete fieldwork on the Company's 100%-owned Laird Lake gold project. During the year, the Company engaged Bayside Geoscience of Thunder Bay, Ontario to execute a property-wide glacial till sampling survey followed by a targeted prospecting and geological mapping program based on the till results. These systematic programs were designed to identify and refine high-priority drill targets across the largely underexplored Laird Lake property. The 2025 field program data will be compiled and interpreted to guide a maiden diamond drilling program planned for 2026.

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Operating expenses:

For the year ended December 31, 2025, the Company increased general and administrative expenses by approximately \$317,000. The increase was due to the following approximate year-over-year variances:

Year ended December 31,	2025	2024	2023
	\$	\$	\$
Legal and other professional fees	588,000	292,000	316,000
Share based compensation	89,000	25,000	27,000
Stock exchange fees and related expenses	45,000	55,000	57,000
Other general expenses	20,000	53,000	32,000
Total	742,000	425,000	432,000

- Legal and other professional fees increased for the year ended December 31, 2025 compared to prior year, due to the costs associated with the re-domestication of the Company from the state of Delaware to the Province of British Columbia, by merger into its British Columbia subsidiary, Nova Athena Gold Corp. Additionally, there were investor relations fees of approximately \$115,000 for the year ended December 31, 2025.
- Share based compensation increased with the issuance of 277,778 options, 100% vested on June 30, 2025 with an \$89,000 valuation compared to 60,606 shares issued on June 7, 2024 with a \$24,000 valuation.

Other income and expense:

- In the year ended December 31, 2025 other income included a non-refundable fee of \$31,834 (AUD\$50,000) received from Firetail Resources Limited that provided an exclusive period to perform due diligence on the option to acquire an 80% interest of the Company's Excelsior Springs Project.
- The unrealized gain on investment is due in large part to the increase in the share price of Carlton Precious securities from CAD\$0.06 to CAD\$0.14 and to the increase in the share price of Mammoth Minerals securities from AUD\$0.07 to AUD\$0.11 held by the Company.

Summary of Quarterly Performance

	Q4 2025	Q3 2025	Q2 2025	Q1 2025
	\$	\$	\$	\$
Net income (loss)	(1,488,834)	1,388,603	(137,841)	102,858
Income per common share – basic and diluted	(0.01)	0.01	0.00	0.00
	Q4 2024	Q3 2024	Q2 2024	Q1 2024
	\$	\$	\$	\$
Net income (loss)	44,603	(164,167)	(176,191)	(340,763)
Income per common share – basic and diluted	0.00	0.00	0.00	0.00
	Q4 2023	Q3 2023	Q2 2023	Q1 2023
	\$	\$	\$	\$
Net income (loss)	74,510	576,532	(277,755)	239,461
Income per common share – basic and diluted	0.00	0.00	0.00	0.00

The Company's financial performance continues to be significantly influenced by fluctuations in the fair values of its equity investments in Carlton Precious Inc. ("CPI") and Mammoth Minerals Limited ("Mammoth"), both of which are measured at fair value through profit or loss ("FVTPL"). As a result, quarterly net income or loss may vary substantially from period to period based on market movements unrelated to the Company's operating activities.

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For Q4 2025, the Company recorded a net loss of \$1,488,834, driven by an unrealized loss on investments of \$1,218,757. This loss reflects the decrease in market prices of CPI and Mammoth during the quarter.

For Q3 2025, the Company recorded net income of \$1,388,603, driven primarily by a significant unrealized gain on investments of \$1,799,203. This gain reflects strong increases in the market prices of CPI and Mammoth during the quarter. Operating expenses increased year-over-year due to higher exploration activities, professional fees associated with the corporate redomicile to Canada, and increased investor relations expenditures. These increases were partially offset by lower stock exchange and regulatory costs.

The Q2 2025 quarter reflected a net loss of \$137,841, attributable mainly to lower investment fair-value movements during the period, as well as increased legal, professional, and consulting expenditures following the redomicile and project advancement activities.

In Q1 2025, the Company recorded net income of \$102,858, driven by market appreciation in its equity investments as well as lower corporate activity relative to Q2 and Q3 2025.

In contrast, the comparative quarters in 2024 reflect significantly lower volatility in investment fair values, as the Company's equity holdings in CPI were substantially smaller and carried lower market values at that time.

Management expects quarterly results to continue to fluctuate based on market valuations of the Company's investment portfolio until such time as the Company generates sustained operating cash flows through the advancement and potential development of its exploration properties.

Capital Resources

The Company has no revenue generating operations from which it can internally generate funds. To date, the Company's ongoing operations have been financed by the sale of its equity securities by way of public offerings, private placements and the exercise of incentive stock options and share purchase warrants. The Company believes that it will be able to secure additional private placements and public financings in the future, although it cannot predict the size or pricing of any such financings. This situation is unlikely to change until such time as the Company can develop a bankable feasibility study on one of its projects.

For the year ended December 31, 2025, the Company sold 1,575,000 shares of the investment in Carlton Precious for \$123,391 (CAD\$171,263).

Going Concern

Our financial statements have been prepared on a going concern basis, which assumes that we will be able to meet our obligations and continue our operations during the next fiscal year. Asset realization values may be significantly different from carrying values as shown in our consolidated financial statements and do not give effect to adjustments that would be necessary to the carrying values of assets and liabilities should we be unable to continue as a going concern. These material uncertainties may cast a significant doubt about the Company's ability to continue as a going concern. There can be no assurance that the Company will be able to raise capital on terms advantageous to the Company, or at all.

Liquidity

As of December 31, 2025, we had \$2,068,694 of cash and a working capital of approximately \$4,200,000. A major component of the working capital consists of shareholder investments of three publicly traded companies: Carlton Precious Inc (CPI), Bravada Gold Corporation (Bravada) and Mammoth Minerals Limited (Mammoth). As at December 31, 2025, the Company's investments are as follow: CPI is 6,755,334 shares at \$0.10 (CAD\$0.14); Bravada is 1,235,000 shares at \$0.04 (CAD\$0.055); Mammoth is 28,525,000 shares at \$0.08 (AUD\$0.115).

There is approximately \$2,100,000 (CAD\$2,900,000) unspent flow-through expenditure commitments, which is required to be spent by December 31, 2026. This compares to cash on hand of approximately \$240,000 and working capital of approximately \$340,000 as at December 31, 2024.

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The Company expects that it will operate at a loss for the foreseeable future and believes the current cash and cash equivalents and working capital will be sufficient for it to maintain its currently held properties, fund its planned exploration, and fund its currently anticipated general and administrative costs for at least the next 12 months from the date of this report.

However, the Company does expect that it will be required to raise additional funds through public or private equity financings in the future in order to continue in business in the future past the immediate 12-month period. Should such financing not be available in that timeframe, the Company will be required to reduce its activities and will not be able to carry out all of its presently planned exploration and, if warranted, development activities on its currently anticipated schedule.

Cash Flows

A summary of the Company's cash position and changes in cash and cash equivalents is as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	\$	\$	\$
Net cash used in operating activities	(1,706,804)	(666,050)	(696,217)
Net cash provided by investing activities	575,101	26,241	–
Net cash provided by financing activities	2,958,315	879,083	683,950
Change in cash	<u>1,826,612</u>	<u>239,274</u>	<u>(12,267)</u>

Cash used in operating activities was \$1,706,804 compared to \$666,050 cash used in the prior year. The increase in cash used is mainly due to cash spent on exploration, evaluation and project expenses and general and administrative expenses in the current year as explained above.

Cash provided by investing activities was \$575,101 compared to \$26,241 cash provided in the prior year. The increase in cash provided is due to the sale of an 80% undivided interest in the Excelsior Springs Project for \$128,116 (AUD\$200,000) and from the sale of investments in YTD 2025.

Cash provided by financing activities increased to \$2,958,315 compared to \$879,083 in the prior year, primarily due to proceeds received from private placements during the year ended December 31, 2025.

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 the development and exploration of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital to an acceptable risk.

As of December 31, 2025, the capital structure of the Company consists of 31,567,535 shares of common stock with no par value. The Company manages the capital structure and adjusts it in response to changes in economic conditions, its expected funding requirements, and risk characteristics of the underlying assets. The Company's funding requirements are based on cash forecasts. In order to maintain or adjust the capital structure, the Company may issue new debt, new shares and/or consider strategic alliances. Management reviews its capital management approach on a regular basis. The Company is not subject to any externally imposed capital requirements.

Mineral Property Disposition and Investment in Securities

On May 28, 2025, the Company entered into an option agreement with Mammoth granting Mammoth the exclusive right (Option) to be able to earn an 80% undivided interest in the Excelsior Springs project. In consideration of the Option, Mammoth has paid Athena \$128,115 (AUD\$200,000) in cash and issued 32,000,000 ordinary shares in the capital of Mammoth with a fair market value of \$2,059,520. This resulted in reduction in the carrying amount of mineral rights of \$2,187,635. Mammoth is also required to incur not less than USD\$5,000,000 in exploration expenditures over a five-year term, commencing from the Exercise Date.

Off Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at December 31, 2025 and as at the MD&A date.

Critical Accounting Policies

The Company adopted IFRS Accounting Standards with an effective date of January 1, 2023. The Company had previously reported under United States Generally Accepted Accounting Principles. The Company's material accounting policies are disclosed in the notes to the Financial Statements.

Significant Accounting Judgements and Sources of Estimation Uncertainty

The Company's significant accounting judgements and sources of estimation uncertainty are disclosed in the notes to the Financial Statements.

Proposed Transactions

The Company had no proposed transactions as at December 31, 2025 and as at the MD&A date, other than those disclosed elsewhere in the MD&A.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares with no par value.

	December 31, 2025
Common shares	31,567,535
Warrants	3,926,930
Stock Options	806,061

Subsequent to the year ended December 31, 2025, the Company issued 4,252,530 common share; issued 204,040 stock options; 202,020 expired stock options; and no warrant activity.

Financial Instruments and Risk Management

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The classification of each measurement within this hierarchy is based on the lowest-level significant input used in valuation. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly

Level 3 - Inputs that are not based on observable market data

The fair value of cash, prepaid expenses, accounts payable, advanced deposits, and note payable approximate their carrying values due to their short term to maturity. The investment in securities is recorded at the fair value through profit and loss using Level 1 inputs.

The warrant liabilities are measured at fair value through profit and loss using level 3 inputs (Note 3). During the years ended December 31, 2025, 2024 and 2023, there were no transfers between categories in the fair value hierarchy.

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board of Directors approves and monitors the risk management processes as follows:

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to meet an obligation under contract. Credit risk exposure arises with respect to the Company's cash and cash equivalents, including cash and a guaranteed investment certificate held in a financial institution, and deposits. The risk exposure is limited because the Company places its cash and cash equivalents in institutions of high credit worthiness within Canada and the United States. The Company's investment in securities is exposed to credit risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not hold any financial instruments with variable interest rates, other than cash equivalents and, therefore, is not exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common shares or debt as required. As at December 31, 2025, the Company had sufficient cash on hand to discharge its financial liabilities as they become due but will require additional funding to continue operations.

Commodity price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of gold. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in its functional currency. The Company does not manage currency risk through hedging or other currency management tools. At December 31, 2025, the Company is exposed to foreign exchange risk through its warrant liability and certain payables. The Company does not consider exposure to foreign exchange risk to be material.

Risks and Uncertainties

Since the formation of the Company, it has not generated any revenue. As an early-stage company, the Company is subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in a new business. Our business is dependent upon the implementation of our business plan. There can be no assurance that our efforts will be successful or that we will ultimately be able to generate revenue or attain profitability.

Natural resource exploration, and exploring for gold, is a business that by its nature is very speculative. There is a strong possibility that we will not discover gold or any other mineralization which can be mined or extracted at a profit. Even if we do discover gold or other deposits, the deposit may not be of the quality or size necessary for us or a potential purchaser of the property to make a profit from mining it. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, geological formation pressures, fires, power outages, labor disruptions, flooding, explosions, cave-ins, landslides, and the inability to obtain suitable or adequate machinery, equipment or labor are just some of the many risks involved in mineral exploration programs and the subsequent development of gold deposits.

The Company business is exploring for gold and other minerals. If the Company discovers commercially exploitable gold or other deposits, revenue from such discoveries will not be generated unless the gold or other minerals are mined.

Mining operations in the United States are subject to many different federal, state, and local laws and regulations, including stringent environmental, health and safety laws. In the event operational responsibility is assumed for mining our properties, the Company may be unable to comply with current or future laws and regulations, which can change at any time. Changes to these laws may adversely affect any of the Company potential mining operations. Moreover, compliance with such laws may cause substantial delays and require capital outlays greater than those the Company anticipates, adversely affecting any potential mining operations. Future mining operations, if any, may also be subject to liability for pollution or other environmental damage. The Company may choose not to be insured against this risk because of high insurance costs or other reasons.

The Company's exploration and development activities may be affected by existing or threatened medical pandemics, such as the novel coronavirus (COVID-19). A government may impose strict emergency measures in response to the threat or existence of an infectious disease, such as the emergency measures imposed by governments of many countries and states in response to the COVID-19 virus pandemic. As such, there are potentially significant economic and social impacts of infectious diseases, including but not limited to the inability of the Company to develop and operate as intended, shortage of skilled employees or labor unrest, inability to access sufficient healthcare, significant social upheavals or unrest, disruption to operations, supply chain shortages or delays, travel and trade restrictions, government or regulatory actions or inactions (including but not limited to, changes in taxation or policies, or delays in permitting or approvals, or mandated shut downs), declines in the price of precious metals, capital markets volatility, availability of credit, loss of investor confidence and impact on economic activity in affected countries or regions. In addition, such pandemics or diseases represent a serious threat to maintaining a skilled workforce in the mining industry and could be a major health-care challenge for the Company. There can be no assurance that the Company or the Company's personnel will not be impacted by these pandemic diseases and the Company may ultimately see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. COVID-19 is rapidly evolving and the effects on the mining industry and the Company are uncertain. The Company may not be able to accurately predict the impact of infectious disease, including COVID-19, or the quantum of such risks. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by pandemics on global financial markets, which may reduce resources, share prices and financial liquidity, and may severely limit the financing capital available to the Company.

CONTROLS AND PROCEDURES

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures:

Disclosure controls and procedures ("DC&P") are designed to provide reasonable assurance that information required to be disclosed in our filings under Canadian securities legislation is recorded, processed, summarized, and reported within the time periods specified by applicable rules and that such information is made known to management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), in a timely manner.

Management has evaluated the effectiveness of the Company's DC&P as of the end of the period covered by this report, in accordance with National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*. Based on this evaluation, the CEO and CFO concluded that the Company's DC&P were not effective as of that date due to the existence of a material weakness in internal control over financial reporting, specifically relating to:

- limited segregation of duties;
- a lean corporate governance structure typical of early-stage exploration issuers; and
- insufficient formalized management review controls over certain financial reporting processes.

These weaknesses arise primarily due to the Company's current scale of operations and limited staffing levels. Management continues to assess the most cost-effective means of strengthening DC&P and internal control over financial reporting ("ICFR"). As is common among junior exploration companies, the volume of transactions and available financial resources does not currently justify additional full-time finance personnel. Management anticipates that meaningful remediation may require future growth in operations, at which time increased staffing and enhanced formal controls can be implemented.

Changes in Internal Control over Financial Reporting:

Management also evaluated whether any changes occurred to ICFR during the most recent interim period that have materially affected, or are reasonably likely to materially affect, the Company's ICFR. No such changes occurred during the quarter.