



Management's Discussion and Analysis

Element79 Gold Corp.

For the period ended February 28, 2026 and 2025
(Expressed in Canadian dollars)

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements. The words “expect,” “anticipate,” “estimate,” “may,” “will,” “should,” “intend,” “believe,” “target,” “budget,” “plan,” “projection” and similar expressions are intended to identify such forward-looking statements. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present during operations, or if and when an undeveloped project is actually developed.

Risk and Uncertainties: Forward-looking statements involve a number of known and unknown risks and uncertainties including statements regarding the outlook of Element79's business and results of operations. By their nature, these risks and uncertainties could cause actual results, performance and achievements to differ materially from those indicated. Such factors include, without limitation, risks inherent in mineral exploration, changes in commodity prices, geological and metallurgical assumptions (including with respect to size, grade and recoverability of mineral resources and mineral reserves), the Company's history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, environmental risks.

Material Assumptions: In making the forward-looking statements in this MD&A, the Company has applied material assumptions, including without limitation, the assumption that any additional financing needed will be available on reasonable terms. Additional factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, weak commodity prices and general metal price volatility; the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand; and securing and the nature of regulatory permits and approvals and the costs of complying with environmental, health and safety laws and regulations.

The Company cannot assure investors that any of these assumptions will prove to be correct. Element79 disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as is required by applicable securities regulations. **Readers are cautioned not to place undue reliance on these forward-looking statements** which speak only as of the date the statements were made, and are also advised to consider such forward-looking statements while considering the risk factors set forth in this MD&A.

INTERIM MD&A

This Management's Discussion and Analysis (“MD&A”) provides a detailed analysis of the business of Element79 Gold Corp. (“Element79” or the “Company”). This MD&A should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and the related notes for the period ended February 28, 2026, and the audited consolidated financial statements and the related notes for the year ended August 31, 2025, which have been prepared under International Financial Reporting Standards (“IFRS”).

All financial information in this MD&A has been prepared in accordance with IFRS. All dollar amounts included therein and in the following MD&A are in Canadian dollars, the reporting and functional currency of the Company, except where noted. This MD&A contains information up to and including April 23, 2026 (the “Report Date”).

DESCRIPTION OF BUSINESS

Element79 Gold Corp. is a Canadian-incorporated exploration-stage mining Company founded in 2020 and based in Vancouver, British Columbia. The Company is an exploration-stage issuer engaged in the acquisition, exploration, and development of mineral properties in Peru, the United States.

The Company's activities are focused on gold and silver properties, as well as other associated metals. As an exploration stage issuer, the Company has not generated revenue from mining operations and is dependent on external financing to fund its activities.

The Company holds mineral property interests in Peru and the United States. Exploration activities on the Company's Peruvian properties are currently suspended and subject to Force Majeure due to social, political and logistical conditions.

These circumstances have prevented the Company from carrying out planned exploration and development activities. The Company continues to monitor the status of these conditions.

In the United States, the Company's activities are focused on its mineral property interests in Nevada, including the Elephant Project and the Gold Mountain Project. The Gold Mountain Project is considered drill-ready. The Company's activities on these properties consist of exploration and evaluation work, including geological and technical assessment.

The Company previously held an option on the Dale Property located in Ontario, which is subject to a proposed disposition as part of a three-way amalgamation transaction.

The Company is listed on the Canadian Stock Exchange ("CSE") with the trading symbol ELEM, OTCQB with a trading symbol of ELMGF and on the FSE with the trading symbol 7YS.

OVERVIEW

In September 2024, Appointment of Mr. Kevin Arias to the advisory board. Mr. Kevin has over two decades of experience across industries such as mining, energy, and corporate finance. His strong background in business development, investor relations, securities and corporate communications combined with a proven track record in raising over CAD \$100 million since 2008, positions him as a valuable addition to the Element79 team.

All technical aspects of the Company for this MD&A report have been reviewed and approved by Kim Kirkland, a Director of the Company and Qualified Person ("QP") under National Instrument ("NI") 43-101. A breakdown of material components of exploration and evaluation assets can be found in the Financial Statements.

Gold Mountain Project, Nevada

On July 31, 2025, the Company entered into an asset purchase agreement with an arms-length vendor ("Vendor") to acquire a 100% interest in 34 unpatented lode mining claims of Gold Mountain Project. The Gold Mountain Project is a strategically located gold asset in Lander County, Nevada, USA. As consideration for the acquisition, the Company issued 100,000,000 common shares to the Vendor. The acquisition was accounted as an asset acquisition under IFRS 3.

In further consideration for the acquired assets, the Company shall, following the closing of the next equity financing, pay an aggregate of US\$137,485.85 (CAD \$188,933) to the vendor in cash as payment for outstanding consulting invoices, reimbursable expenses, and other prepaid fees.

Notwithstanding the sale and transfer of the Gold Mountain project as contemplated herein, the Vendor hereby reserves and retains, for itself and its successors and assigns, a perpetual 3% Net Smelter Return royalty (the "NSR Royalty") on all Minerals that are mined, extracted, produced, or otherwise recovered from the Gold Mountain project.

In August 2025, the Company engaged Rangefront Mining Services ("Rangefront") to prepare a NI 43-101 technical report. The Rangefront principal geologist and QP conducted a comprehensive site visit to the Gold Mountain project during the week of July 28, 2025. The fieldwork included inspection of historic adits, surface sampling zones, geological structures, and claim boundaries in and around the Long Peak Stock intrusion that underlies the project. The site visit is a critical step in validating data integrity and supports the development of the pending NI 43-101 property of merit report.

Highlights from the report include:

- Historic drilling by Placer Dome (2005) returned intercepts of:
 - 7.62m grading 0.48 g/t Au
 - 10.67m grading 0.99 g/t Au
- Figures 11-14 of the report outline 2023 surface sampling of 116 rock samples, confirming high-grade Au-Ag-Pb mineralization associated with structurally controlled zones and lower-grade porphyry-style mineralization linked to the Long Peak Stock.
- The project lies just 0.5 miles south of the historic Dewitt Mine, which produced high-grade gold and silver ores from the 1930s–1950s.

- A Bureau of Land Management (BLM) Notice of Intent (NOI) has been approved, permitting up to 21 drill pads and associated roads.
- A fully costed exploration program totaling US\$800,000 has been recommended, including detailed mapping, geophysics, and 8,000 feet of RC drilling to test high priority targets.

Nevada Portfolio

The Battle Mountain Portfolio

The Battle Mountain Portfolio consists primarily of early-stage exploration properties. During the year ended August 31, 2025, a proposed sale of these projects was not completed and expired. The Company subsequently abandoned the North Mill Creek claims and certain Elder Creek claims, receiving US\$14,000 to relinquish its interest, and renewed the 197 Elephant claims until August 2026.

During the period ended February 28, 2026, the Company engaged Rangefront to complete a NI 43-101 technical report on its Elephant Project to further solidify its growing Nevada-focused exploration portfolio. The Report, authored by Steven L. McMillin, MSc, CPG, of Rangefront Mining Services, provides an integrated assessment of geology, geophysics, and the compilation and analysis of historical exploration data. Historical exploration on the property has identified multiple gold-bearing structures, surface sampling anomalies, and drill intercepts that indicate strong potential for both high-grade and bulk tonnage gold mineralization. Previous work identified scattered mineralization in widely spaced holes that, when mineralized, suggest the presence of a larger system at depth. The current report outlines that additional drilling is warranted to evaluate skarn- and porphyry-style gold-copper mineralization.

Key Highlights from the Report:

- The Elephant Project sits on the east-central flank of the Battle Mountain District, with year round access and established infrastructure.
- Approximately 3,740 acres (1,514 ha) across 187 unpatented lode claims
- Historical Work:
 - 32 drill holes totaling 11,868 m (38,937 ft) with 27 holes reaching bedrock
 - Widespread base-metals anomalism and localized high-grade Au within skarn/hornfels near intrusive dikes.
- Notable Intervals (historic):
 - EL04-P3: 1.5 m @ 14.5 g/t Au, plus 1.5 m @ 1.735 g/t Au. o P-3C: 6.2 ft @ 7.70 g/t Au, plus multiple intervals between 0.59–1.60 g/t Au over 1–20 m.
 - These intercepts occur within broader halos of base-metal enrichment (Cu, Pb, Zn), consistent with skarn/porphyry systems. (True widths unknown; all intercepts are historical and reported in the Report.)
- Geophysics-Driven Targets:
 - IP-Resistivity survey defines coherent chargeability anomalies interpreted as sulfides at depth, aligned with intrusive trends.
 - Airborne magnetics show magnetite-destructive alteration consistent with porphyry systems.
 - Priority drill intervals are outlined along four IP lines.

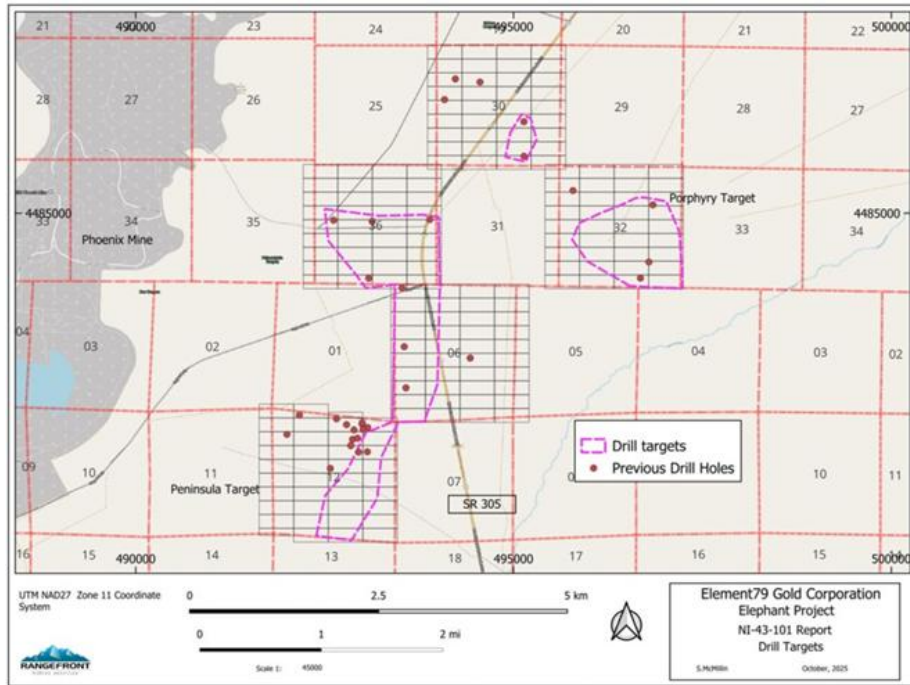


Figure 1: Proposed drill targets

This Report further highlights the potential of the Elephant Project, supporting the Company's intention to advance a Systematic exploration program aimed at expanding on past work and unlocking the project's full potential in a district that already hosts tier-one operations. With high-grade gold intervals reported in historical core and geophysical signatures consistent with sulfide mineralization, our focus is on smart meters that test the heart of this system.

Next Steps:

- **Legacy Core Program:** Re-log, photograph, and digitize historical core; implement QA/QC check assays and petrography.
- **Geophysics Integration:** Complete a property-wide ground/drone magnetics survey and extend IP coverage over remaining claims; merge historical gravity data with public datasets.
- **3D Geologic Model:** Build an integrated model combining structural, geochemical, and geophysical data to rank targets.
- 1. **Drilling:** Test IP chargeability corridors and the interpreted north-northeast intrusive trend, stepping into Section 12 where multi-element grades are highest.

Reclamation deposit

As at February 28, 2026, the reclamation deposit in the amount of \$42,720 (August 31, 2025 - \$15,188) is related to projects within the Nevada portfolio.

Dale Property

The Dale Property (the "Property" or "Dale Property") is located approximately 100 km southwest of Timmins, Ontario, in the Porcupine Mining District, Dale Township. The claims are centered over the southern arm of Horwood Lake towards the south boundary of Dale Township. Access to all sides of the property is gained by a series of logging roads that can be entered from Highways 101, 144 and 129. Access to the north from Highway 101 traveling south onto the Kukatush forest road to the east part of the Property which also accesses a boat landing for the north part of Horwood Lake. The Property can be accessed year-round by air using a float plane with skis or a combination of trucks, boat, all-terrain vehicle or snow machine. Exploration work could be carried out year-round. The Property is comprised of 90 unpatented single cell and boundary cell mining claims totaling approximately 1,980.50 hectares. The claims, in the Dale Township, are currently 100% owned by Jean Marc Gaudreau.

The Company entered into a property option agreement, as amended, with Jean Marc Gaudreau ("Optionor") to acquire a 100% right, title and interest in and to the Dale Property subject to a Net Smelter Return ("NSR") royalty.

Pursuant to the property option agreement, as amended; in order to exercise the option, the Company must make cash payments of \$126,000 (paid) and issue share payments totaling \$129,000 calculated at the price of the volume weighted average price ("VWAP") of the 10 trading days prior to the issuance date (issued 24,710 common shares of the Company and 1,320,000 common shares of Synergy*).

*Synergy, the Optionor and the assignees shall exchange the above \$129,000 of shares for \$129,000 of cash, so long as the transfer of Title as outlined in section 2.7 is fulfilled, on or before December 31, 2025. On June 15, 2025, Synergy assigned its rights and obligation with respect to \$129,000 payment to third party as per the Notice of Assignment.

Execute and deliver to the Optionor on the date Company went public (delivered), the NSR Royalty granting the Optionor a 0.5% NSR royalty, subject to the right of the Company to re-purchase 100% of the NSR royalty for a total consideration of \$525,000 at any time.

A pre-existing 1% NSR royalty to the benefit of Keystone Associates Inc. existed on the property prior to this agreement and is additional to the 0.5% NSR royalty required as part of Element79's option to purchase.

In addition to the option agreement, the Company paid a finder's fee by issuance of 8,000 common shares of the Company valued at \$1,600 to a third party.

During the year ended August 31, 2025, the Company entered into an arrangement agreement and merger agreement, as amended with Synergy, Synergy's wholly owned subsidiary, 1515041 BC Ltd. ("Synergy SubCo") and 1425957 BC Ltd ("142").

In anticipation of the reverse takeover of Synergy by 142 under the merger agreement, the arrangement agreement has been entered into by the Company, whereby 1,000,000 of the 2,000,000 Synergy shares held by the Company will be distributed to the shareholders of the Company on a pro-rata basis (the "Spin-Out Arrangement"). In consideration for administrative support provided by the Company in connection with the arrangement transaction and Synergy's proposed subsequent application to list on the Canadian Securities Exchange and pursuant to the arrangement agreement, Synergy will issue an additional 10,000 Synergy shares to the Company, which will also be distributed to the Company Shareholders as part of the Spin-Out Arrangement. The Spin-Out Arrangement will be a court ordered arrangement under the Business Corporations Act (British Columbia), and will be subject to approval by the Company Shareholders, as well as the British Columbia Supreme Court. It is anticipated that the Company will publish and distribute an information circular in respect of the meeting of the Company Shareholders to be held to vote on the Spin-Out Arrangement.

The Company currently holds approximately 60.24% of the Synergy shares, excluding the 10,000 Synergy shares to be issued to the Company under the arrangement agreement, and following the completion of the proposed Spin-Out Arrangement the Company is anticipated to hold approximately 30.03% of the Synergy shares, while the Company Shareholders will hold approximately 30.33% of the Synergy shares.

Merger

Subsequent to the Spin-Out Arrangement, Synergy proposes to acquire all of the issued and outstanding common shares in the capital of 142 ("142 Shares") in exchange for an equivalent number of Synergy shares by way of a three cornered amalgamation whereby Synergy and 142 will amalgamate under the provisions of the Business Corporations Act (British Columbia) (the "Amalgamation") to continue as one corporation pursuant to the terms of the merger agreement. As consideration for the 142 Shares, shareholders of the 142 Shares ("142 Shareholders") will receive, pursuant to the merger agreement, one Synergy Share for each 142 Share held.

Following completion of the Amalgamation under the merger agreement, the issued and outstanding Synergy shares will be held (i) approximately 86.35% by the former 142 Shareholders (excluding participants in the Concurrent Financing (defined herein)), (ii) approximately 4.02% by the Company Shareholders, (iii) approximately 3.98% by the Company (iv) approximately 5.25% by other existing holders of Synergy shares, and (v) 0.40% by participants in the Concurrent Financing. As such, the Amalgamation will constitute a reverse take over of Synergy by 142. Holders of warrants to purchase 142 Shares ("142 Warrants") will also receive one replacement warrant to purchase a Synergy Share for each 142 Warrant held. There are currently 21,000,000 142 Warrants outstanding.

The Amalgamation will be subject to approval by the 142 Shareholders, as well as Synergy (being the sole shareholder of Synergy SubCo). The Amalgamation's closing will also be subject to 142's completion of a private placement of 100,000 142 Shares at a price of \$0.10 per 142 Share for gross proceeds of a minimum of \$10,000, or an amount otherwise agreed by Synergy and 142 (the "Concurrent Financing"). Upon completion of the Amalgamation, Synergy intends to make an application that the Synergy shares be listed and posted for trading on the Canadian Securities Exchange.

The Company is expected to hold 1,000,000 Synergy shares after the Amalgamation, all of which will be subject to escrow on the same terms of as insiders of Synergy after the Amalgamation.

Together, the Spin-Out Arrangement and the Amalgamation are intended to effect a reorganization of the Company's current business into two separate corporate entities. The Company will maintain its business as a gold exploration Company with the objective of exploring and ultimately developing gold projects in Peru and the USA, while Synergy will be an exploration Company focused on the Project.

In December 2025, The Company entered into an amendment agreement to extend the completion of the transaction contemplated by the arrangement agreement and merger agreement to April 30, 2026.

Peruvian Properties

On June 28, 2022, the Company acquired all of the issued and outstanding common shares of Calipuy Resources Inc. ("Calipuy"), a private B.C. corporation, which, through its subsidiaries, holds a 100-per-cent interest in the past producing Lucero mine, one of the highest-grade underground mines in Peru's history at grades averaging 19.0 grams per tonne gold equivalent (14.0 g/t gold and 373 g/t silver). Operations were suspended in 2005 at Lucero due to the persistence of low gold and silver prices at the time. In May 2025, the Company announced it had issued Force Majeure Notice to Condor to temporarily suspend payment obligations under the Lucero project agreement due to significant difficulties in advancing the project due to the conflicts with the local community and delay of relevant governmental authorities to act on necessary legislation and policies.

The purchase price included the issuance of 1,916,548 common shares of the company and 383,309 performance bonus warrants. Each performance bonus warrant is exercisable into one common share of the Company at an exercise price of \$20.00 per share expiring on the earlier of (i) three years from the exercise eligibility date, subject to achievement of bonus performance target that is tied to producing a minimum production target of 9,000 tons of ore yielding a minimum of 1,500 oz gold within a 30-day production period, and (ii) five years from the date of issuance of the performance warrants.

Element79 may accelerate the expiry of the performance bonus warrants if its common shares have a closing price greater than \$35.00 per share for a period of 10 consecutive trading days on the exchange at any time after closing. An aggregate

of 1,297,150 consideration shares and 259,429 performance bonus warrants were subject to a lock-up agreement, whereby 50% were released on December 28, 2022 and the remaining 50% were released on June 28, 2023.

The acquisition was a related-party transaction pursuant to Multilateral Instrument 61-101 (Protection of Minority Shareholders in Special Transactions). Antonios Maragakis, who was the chief executive officer and a director of Calipuy, is also a director and former chief operating officer of the Company. Mr. Maragakis disclosed his interest in the acquisition to the board of directors of each of the Company and Calipuy and has abstained from voting on approval of the agreement and the acquisition. In addition, Shane Williams, a director of the Company at the time of the acquisition, was also a director of Calipuy. Prior to closing, neither Mr. Maragakis, nor Mr. Williams held any common shares of the Company, and following closing, their beneficial direct and indirect shareholdings increased to 97,688 common shares and 292,509 common shares, respectively. The acquisition and agreement were reviewed and considered by the disinterested members of the board of directors of the Company with Mr. Maragakis recusing himself for discussions relating to the same, and the disinterested members of the board unanimously approved entry into the agreement and completion of the acquisition on the terms of the agreement. The Company believes that the acquisition provides an opportunity to advance the property and deliver value to Element79 shareholders. A special committee was not formed for the purpose of reviewing the acquisition, and an independent valuation was not obtained in connection with closing. Each of Mr. Maragakis and Mr. Williams have terminated any and all compensation agreements with Calipuy, and waived any entitlement to severance or change of control payments by Calipuy that would have otherwise been triggered as a result of the acquisition.

Acquisition of Minas Lucero Del Sur S.A.C. ("MLDS")

On December 21, 2020 (the "MLDS Closing Date"), the Company's subsidiary Calipuy completed a share purchase agreement (the "MLDS Agreement") with Condor Resources Inc. ("Condor") to acquire all issued and outstanding shares of MLDS (the "MLDS Shares") which owns certain rights, titles and interests in and to the Lucero mine project in the District of Chacas in Peru.

Pursuant to the MLDS Agreement, as amended, the Company has made payments (the "MLDS Cash and Share Payments") to Condor totaling US\$785,000, issued 1,676,835 common shares and 499,413 warrants with an exercise price of \$0.35 expiring two years from issuance. The Company is obligated to make a payment of US\$1,100,000 On or before June 30, 2025. As security of the US\$1,100,000, the Company has pledged 1,750,000 Sun Silver shares in favour of Condor as collateral. As of the reporting date, 375,000 Sun Silver shares remained outstanding (February 28, 2026 – 450,000 shares).

In addition to the MLDS Cash and Share Payments, the Company will make an additional cash payment of US\$1,535,000 (the "MLDS Final Cash Payment") to Condor on or before December 31, 2026 in an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash and Share Payments and the MLDS Final Cash Payment to be US\$3,600,000 (collectively the "MLDS Subsequent Cash Payment") unless:

- (i) The Company accelerates the MLDS Cash and Share Payments and all such MLDS Cash and Share Payments are made within thirty-six (36) months of the MLDS Closing Date in which case the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash and Share Payments and the MLDS Final Cash Payment to be US\$3,000,000;
- (ii) Subject to (i), the price of gold averages not less than US\$2,500 per ounce during the 30 days prior to the payment date of the MLDS Final Cash Payment, in which case the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash and Share Payments and the MLDS Final Cash Payment to be US\$4,000,000; or
- (iii) Subject to (i), the price of gold averages not less than US\$3,000 per ounce during the 30 days prior to the payment date of the MLDS Final Cash Payment, in which case the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash and Share Payments and the MLDS Final Cash Payment to be US\$6,000,000.

Using a risk-adjusted discount rate of 12%, the fair value of the MLDS Subsequent Cash Payment was calculated as \$2,362,861 and recorded the provision at the MLDS Closing Date, which will be accreted to the face value during the term of the MLDS Subsequent Cash Payment. As at February 28, 2026, the book value of MLDS Subsequent Cash Payment has been accreted to \$3,407,888 (August 31, 2025 - \$3,298,091).

Pursuant to the MLDS Agreement, until the MLDS Subsequent Cash Payment is settled and subsequent to the Company receiving the first \$550,000 proceeds from the future financings, Condor has the right but not the obligation to convert all or part of the outstanding MLDS Subsequent Cash Payment into the Company's common shares at a discounted price of 20% of the price offered in the future financing.

In addition, in connection with the acquisition of MLDS, the Company and Condor entered into a share pledge agreement (the "MLDS SP Agreement"). Pursuant to the MLDS SP Agreement, the MLDS Shares are pledged to Condor as collateral for the MLDS.

The Company has been unable to access the Lucero project and perform exploration or commercial mining operation. In May 2025, the Company issued Force Majeure Notice to Condor to temporarily suspend payment obligations under the Lucero project agreement until the sooner of the end of the Force Majeure Event or twenty-four months from the date of notice. At this time, the Company is uncertain as to when the Force Majeure event will cease. The decision was taken considering significant difficulties in advancing the Lucero project due to the conflicts with the local community and significant delays of relevant governmental authorities to act on necessary legislation and policies. Accordingly, during the period ended February 28, 2026, the Company has written off \$Nil (August 31, 2025 - \$12,682,526) of acquisition costs and exploration expenses.

Lucero mine project

Formerly operated as the Shila mine from 1989 to 2005, Lucero consists of 10,805 hectares located in the Shila range of southern Peru, which contains several historic high-grade gold-silver mines. Lucero consistently delivered high grades during 16 years of operations, and between 1998 and 2004, reported production averaging approximately 18,800 ounces of gold and 435,000 ounces of silver per year at grades of 19.0 g/t AuEq (14.0 g/t Au and 373 g/t Ag), with recoveries at the ore processing facility averaging 94.5 % for gold and 85.5 % for silver.

A 0.5-per-cent NSR (net smelter royalty) is retained by Sandstorm Gold Ltd., one of the largest gold royalty companies in the world.

A NI 43-101 report, dated Sept 4, 2021, prepared for Calipuy (now a wholly owned subsidiary of Element79) on the Lucero mine project by Mining Plus is now available on the Company website. Samples collected by the QP of the report returned up to 116.8 g/t AuEq (78.7 g/t Au and 2,856 g/t Ag). Due to a lack of historical data, the project does not host any resources. However, access to the historic workings is available, and the QP of the report states Lucero is underexplored and has significant exploration potential for extension of known veins and to discover additional veins.

Lucero is one of many low-sulphidation epithermal Au-Ag deposits hosted in tertiary volcanics of the central Andes cordillera of southern Peru. The project hosts 74 recognized epithermal veins, 14 of which have been partially exploited. High-grade bonanza-style direct shipping ore was mined in the past from low- to intermediate-sulphidation quartz-carbonate massive sulphide veins. Prospecting by previous operator Condor Resources Inc. from 2012 to 2020 identified the high-sulphidation epithermal alteration zone with structures that returned peak sample values of 80.1 g/t AuEq (33.4 g/t Au and 3,500 g/t Ag). This alteration zone, measuring approximately 1,300 metres by 1,400 metres, exhibited no evidence of prior sampling or drilling, and is believed to host potential for a bulk-tonnage disseminated gold-silver deposit.

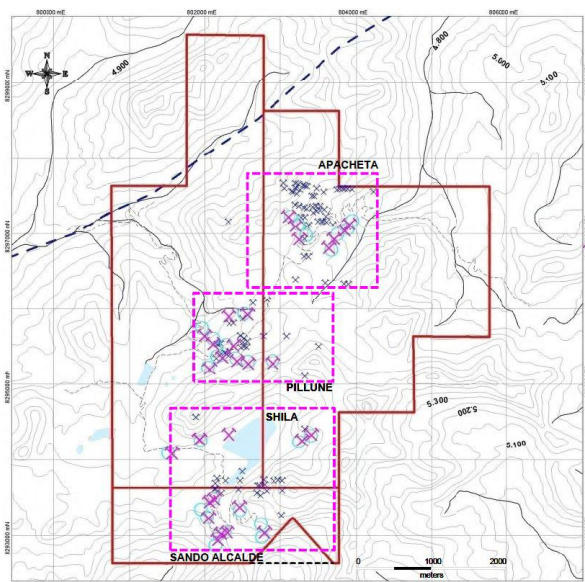


Figure 2. Lucero Project showing major historic mining areas

PROPOSED TRANSACTION

Synergy Spin-Out Arrangements

On January 10, 2025, the Company entered into an arrangement agreement and merger agreement with Synergy, Synergy SubCo and 142. As per the arrangement, the Company will distribute 1,000,000 out of 2,000,000 Synergy shares to the shareholders of the Company on a pro-rata basis (the “Spin-Out Arrangement”) and it will receive an additional 10,000 Synergy shares which will also be distributed to the Company shareholders. After the arrangement, the Company will maintain its business as a gold exploration Company developing gold projects in Nevada and Peru, while Synergy will be an exploration Company focused on the Dale Property. In December 2025, The Company entered into an amendment agreement to extend the completion of the transaction contemplated by the Arrangement Agreement and Merger Agreement to April 30, 2026.

FUTURE PLANS

Element79’s focus is on advancing the drill programs and project toward resource development on its Elephant Project and Gold Mountain Project with the intent of building long-term value for our shareholders. The Company’s option to acquire a 100% interest in the Dale Property is advancing through the plan of arrangement spin-out process through until April 2026.

SELECTED FINANCIAL INFORMATION

	Quarter ended February 28, 2026	Quarter ended November 30, 2025	Quarter ended August 31, 2025	Quarter ended May 31, 2025
	\$	\$	\$	\$
Total revenues	-	-	-	-
Operating expenses	(463,222)	(401,168)	(474,249)	(651,999)
Net profit/(loss)	113,586	(201,536)	205,094	(13,532,503)
Net Profit/(loss) per share – Basic & fully diluted	(0.00)	(0.00)	0.00	(0.13)
Total assets	7,191,546	7,080,663	7,044,320	3,168,336

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	Quarter ended February 28, 2025	Quarter ended November 30, 2024	Quarter ended August 31, 2024	Quarter ended May 31, 2024
	\$	\$	\$	\$
Total revenues	-	-	-	-
Operating expenses	(542,338)	(2,102,720)	(242,188)	(1,902,920)
Net profit/(loss)	(1,008,813)	(1,932,460)	681,348	(3,555,254)
Net loss per share – Basic & fully diluted	(0.01)	(0.02)	0.01	(0.05)
Total assets	15,866,882	15,918,149	15,325,816	19,207,753

Over the past eight quarters, net loss ranged from a high of \$13,532,503 in the quarter ending May 31, 2025 to a profit of \$205,094 during the quarter ended August 31, 2025.

Significant expenses during the quarter ended May 31, 2024 include consulting fees of \$837,153, investor relations and marketing fees of \$300,863, management and director fees of \$653,503, professional fees of \$84,824, loss on settlement of debt of \$4,465,900, non-cash accretion expense of \$202,953 and gain on sale of mineral property interest of \$3,366,868. Net loss significantly higher than previous quarters of 2024 primarily due to a loss on the shares issued for debt settlement.

Significant expenses during the quarter ended August 31, 2024 include investor relations and marketing fees of \$211,956, management and director fees of \$232,480, professional fees of \$112,873, loss on impairment of mineral property interest of \$1,572,751, loss on impairment of asset held for sale of \$1,305,825, non-cash accretion expense of \$203,412 and interest expense of \$11,222. Net loss significantly reduced in this quarter mainly because of gain on revaluation of investment of \$1,475,656.

Significant expenses during the quarter ended November 30, 2024 include share based compensation \$926,981, Advisory fee of \$227,855, consulting fees of \$263,110, financing fees of \$178,103, investor relation and marketing of \$166,115 and management fees of \$173,571. The net loss is higher during current period mainly due to stock options issuance to directors, officers and consultants.

Significant expenses during the quarter ended February 28, 2025 include professional fees of \$62,114, investor relations and marketing fees of \$139,491, management and director fees of \$24,000, consulting fees of \$82,896, office expenses of \$26,007, exploration costs of \$7,300, non-cash accretion expense of \$66,250, unrealized loss on revaluation of investment of \$523,035.

Significant expenses during the quarter ended May 31, 2025, include loss on impairment of exploration and evaluation asset of \$12,690,525 due to Force Majeure, professional fees of \$161,168, investor relations and marketing fees of \$68,635, management and director fees of \$219,064, consulting fees of \$129,879, office expenses of \$34,800, exploration costs of \$12,125 and non-cash accretion expense of \$64,821.

Significant expenses during the quarter ended August 31, 2025, professional fees of \$123,360, investor relations and marketing fees of \$139,701, management and director fees of \$170,599, financing fees of \$121,730, office expenses of \$32,606, exploration costs of \$10,677 and non-cash accretion expense of \$185,285. Significant income includes realized gain on sale of investment \$813,394.

Significant expenses during the quarter ended November 30, 2025, professional fees of \$65,148, investor relations and marketing fees of \$65,018, management and director fees of \$122,315, office expenses of \$37,593 and non-cash accretion expense of \$55,128. Significant income includes unrealized gain on revaluation of investment \$221,330 and realized gain on sale of investment \$78,397.

Significant expenses during the quarter ended February 28, 2026, professional fees of \$111,944, management and director fees of \$88,500, consulting fees of \$137,251, investor relations and marketing \$73,075 and non-cash accretion expense of \$56,359. Significant income includes realized gain on sale of investment \$582,817.

RESULTS OF OPERATIONS

A breakdown of material components of general and administrative expenses can be found in the Financial Statements. The Company incurred a comprehensive loss of \$127,033 (February 28, 2025 - \$3,226,396) for the six-month period ended February 28, 2026. The decrease in net loss and comprehensive loss for the period ended February 28, 2026, was primarily due to the absence of share-based compensation, realized gain on sale investment and gain on revaluation of investment. Details of material expenses are as follows:

- Professional fees of \$177,092 (February 28, 2025 - \$108,482) higher compared to the previous period due to higher audit fees for previous year and proportionate audit fees accrual for current period. Professional fees are mainly related to general corporate legal, and audit and accounting fees.
- Management fees of \$140,315 (February 28, 2025 - \$353,188) reduced due to lower fees charged by the CEO to support the Company and termination of former COO and former CEO consulting agreement.
- Director fees of \$70,500 (February 28, 2025 - \$48,120) increased in current period due to increase in director and audit committee fees.
- Investor relations and marketing of \$138,093 (February 28, 2025 - \$305,606) decreased by \$167,513 primarily due to termination of IR consulting agreements.
- Gain on settlement of debt of \$Nil (February 28, 2025 - \$184,930) decreased by \$184,930, as there was no debt settlement in current period. In previous period, the gain on \$801,365 worth of debt settled by issuing 6,164,344 shares at \$0.13 valued at \$616,435 during current the period.
- Advisory fees of \$Nil (February 28, 2025 - \$228,855) decrease by \$228,855 due to termination of advisory agreements.
- Consulting fees of \$218,060 (February 28, 2025 - \$346,006) significantly lower compared to previous period due to termination and expiry of consulting agreements.
- Financing fees of \$25,410 (February 28, 2025 - \$178,103) decreased significantly as financing activity reduced during the current period. In previous period, financing fees mainly relates to the value of 1,542,971 shares issued as per the convertible loan agreement and legal fees related to the recent financing.
- Share-based compensation of \$Nil (February 28, 2025 - \$926,981) decreased by \$926,981, as there were no stock options issued during the current period. In previous period, the cost relates to due to fair value of 8,085,533 stock options issued to directors, officers and consultants.
- Unrealized gain on revaluation investment of \$223,989 (February 28, 2025 - \$306,612 loss) relates to the revaluation gain on investment in shares of Sun Silver Limited.
- Realized gain on sale of investment of \$661,214 (February 28, 2025 - \$Nil) increased in current period and it relates to the gain on sale of investment in Sun Silver shares. In previous period, no shares were sold.

The Company incurred a comprehensive gain of \$132,714 (February 28, 2025 - \$1,293,936 loss) for the three-month period ended February 28, 2026. The gain for the period ended February 28, 2026 compared to the loss from previous period, was primarily due to reduction in management fees, realized gain on sale investment and gain on revaluation of investment. Details of material expenses are as follows:

- Professional fees of \$111,944 (February 28, 2025 - \$62,114) higher compared to the previous period due to higher audit fees for previous year and proportionate audit fees accrual for current period. Professional fees are mainly related to general corporate legal, and audit and accounting fees.
- Management fees of \$51,000 (February 28, 2025 - \$179,617) reduced due to lower fees charged by the CEO to support the Company, termination of COO and CEO consulting agreement.
- Director fees of \$37,500 (February 28, 2025 - \$24,000) increased in current period due to increase in director and audit committee fees.
- Investor relations and marketing of \$73,075 (February 28, 2025 - \$139,491) decreased by \$66,416 primarily due to termination of IR consulting agreements.
- Consulting fees of \$137,251 (February 28, 2025 - \$82,896) increased compared to previous period due to engagement of new consultant.

- Unrealized gain on revaluation investment of \$2,659 (February 28, 2025 - \$523,035 loss) relates to the revaluation gain on investment in shares of Sun Silver Limited.
- Realized gain on sale of investment of \$582,817 (February 28, 2025 - \$Nil) increased in current period and it relates to the gain on sale of investment in Sun Silver shares. In previous period, no shares were sold.

LIQUIDITY AND CAPITAL RESOURCES

From time to time the Company works to raise additional capital through private placements and other forms of equity financing. Its ability to fund exploration projects is dependent upon its ability to obtain sufficient funding for operations and is ultimately dependent on the recoverability of the amounts capitalized to mineral exploration properties. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. Because the Company is not yet a producer, the primary source of future funds is through the sale of additional equity capital and optioning of resource properties.

There is no assurance that the Company will be successful in raising sufficient capital to meet its obligations. If it is not successful in raising sufficient capital, it may have to curtail or otherwise limit operations. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

During the year ended August 31, 2024, the Company entered into an agreement with a third-party whereby the Company received a loan of US\$40,000 repayable on or before July 15, 2024. Pursuant to the agreement, the Company shall pay daily interest of 0.50% per day and US\$1,000 for the first 15 days and an additional US\$4,000 for day 16 to 30. During the year ended August 31, 2024, the Company repaid the principal amount in full. As of February 28, 2026, the outstanding interest payable is US\$7,800 (Cdn\$10,719) (August 31, 2025 - US\$7,800 (Cdn\$10,719)).

During the year ended August 31, 2024, the Company, through its subsidiary, Synergy, entered into a loan agreement with a third-party whereby the third-party loaned \$200,000 to Synergy for startup capital, marketing fees, legal fees, listing fees and exploration of the Dale Property for the purposes of preparing for an amalgamation between the Synergy and the third-party. The loan shall be subject to an interest rate of 14% per annum. In the event that either Synergy or the third-party are no longer working towards the proposed amalgamation then the entire loan amount, together with any accrued interest, and any outstanding fees or charges, shall become due on demand at the third-party's discretion. As per the amendment and restated loan agreement dated October 13, 2025, the loan is repayable in demand.

During the year ended August 31, 2025, Synergy received a subsequent loan of \$89,832 from the third-party on the same terms and conditions of the original loan agreement. As at February 28, 2026, the loan payable amount consists of \$289,832 (August 31, 2025 - \$289,832) principal and \$81,089 accrued interest (August 31, 2025 - \$65,040) and is presented as liabilities held for sale.

During the year ended August 31, 2025, the Company entered into a loan agreement with a third-party whereby the Company received US\$50,000 repayable on or before December 1, 2024 ("Maturity Date"). Pursuant to the agreement, the Company must pay a fee of US\$50,000 in common shares of the Company payable during the next capital raise (the "Fee"). Effective December 2, 2024, if the loan is not repaid by the Maturity Date, the third-party will be granted a 0.15% NSR on the Lucero mine project and the unpaid balance will accrue 12% per annum interest. The interest will be payable in common shares of the Company. The Company shall have the right to buy back the 0.15% NSR at any time for a price of \$150,000. During the year ended August 31, 2025, the Company issued 519,231 common shares at \$0.13 per share in connection with the Fee and repaid the loan amount along with the accrued interest. The company is renegotiating the terms of NSR and expected to finalize in next financial year.

During the year ended August 31, 2025, the Company entered into a loan agreement with a third-party whereby the Company received US\$37,955 (Cdn\$53,000) repayable on or before May 31, 2025 and secured with the Company's assets until the loan is repaid. Pursuant to the agreement, the Company must pay a fee of US\$37,955 in common shares of the Company payable during the next capital raise (the "Fee"). On November 14, 2024, the Company issued 530,000

units at \$0.10 per share in connection with the Fee. Additionally, the company received \$77,180 short-term loan from the third party. During the year ended August 31, 2025, the Company repaid the loan in full.

During the year ended August 31, 2025, the Company entered into an agreement, as amended, with a third-party whereby the Company received \$41,145 repayable on or before June 30, 2025. Pursuant to the agreement, the Company shall pay a fee of \$8,229, and an additional fee of US\$49,374 payable in common shares of the Company during the next capital raise (the “Fee”). The Company is also liable to pay additional fees of \$2,000 per month commencing December 1, 2024. On November 14, 2024, the Company issued 493,740 units at \$0.10 per share in connection with the Fee. During the year ended August 31, 2025, the Company repaid the loan in full along with the accrued interest.

During the year ended August 31, 2025, the Company received \$25,000 from a third-party and repaid by issuing 193,077 shares at \$0.13 per share which includes accrued interest of \$100.

During the year ended August 31, 2025, the Company entered into a loan agreement of US\$315,000 with an arm’s length lender. The loan bears no interest; however, it is issued at a discount of US\$15,000. On May 19, 2025, the Company repaid the loan of US\$315,000 (Cdn\$439,529) by the transfer of 808,962 valued at \$0.543 to the lender. In connection with the settlement of this loan, the Company recognized a loss of \$1,943.

During the period ended February 28, 2026, the Company entered into a convertible loan agreement with a third-party whereby the Company received a loan at its fair value of \$70,000, based on 2,000,000 free trading Element 79 share priced at \$0.035 at the funding date. Interest shares accrue on the loan at a rate of 18% per annum until paid in its entirety. The loan value and all accrued interest shall automatically convert into shares at a 1:1.25 value during the next capital raise round (the “Debenture”). The number of shares to be issued to be determined based on the amount of the loan and the price of the next capital raise round. As at February 28, 2026, using the effective interest rate, the outstanding loan payable was \$95,410 (August 31, 2025 - \$Nil) including accrued interest of \$12,600 (August 31, 2025 - \$Nil) and premium accretion of \$12,810 (August 31, 2025 - \$Nil).

As at February 28, 2026, the Company had \$46,398 (August 31, 2025 - \$192,038) in cash and working capital deficiency of \$4,206,441 (August 31, 2025 - \$2,188,572).

	February 28, 2026	February 28, 2025
	\$	\$
Operating activities	(845,734)	(469,953)
Investing activities	700,094	(167,126)
Financing activities	-	641,053

Operating Activities

Operating activities generated a net cash outflow of \$845,734 (February 28, 2025 – \$469,953). The increase in use of cash is due to reduced payments to prepaids, payments for consulting, management fees and investor relations and marketing related to previous year.

Investing Activities

The Cash inflow of \$700,094 includes proceeds from sale of investment Sun Silver shares of \$760,214 during the current period, partially offset by payments of \$60,120 related to exploration and evaluation assets. During the previous period, payment of \$97,222 on exploration programs and payment of \$69,904 related to the expenditure on Dale property.

Financing Activities

In previous period, the net cash inflow of \$641,053 relates to money received from private placement financing and loan payable partially offset by the loan and interest repayment.

RELATED PARTY TRANSACTIONS

Key management personnel compensation

As at the Report Date, the Company's key management personnel consist of the following directors:

- James Tworek
- Mohammad Fazil
- Warren Levy
- Kim Kirkland

And management:

- Michael Smith – CEO
- Tammy Gillis – CFO
- Monita Faris – Secretary

As at the Report Date, the Company underwent the following changes in directors and officers:

- September 2025, Zara Kanji resigned as Director and AC chair due to other commitments and Mohammad Fazil appointed as Director and AC Chair of the Company. Mr. Fazil has been active in venture capital for over 35 years. He was employed by boutique investment dealers in Canada as a finance professional focusing on funding junior listed issuers on the TSX and TSX Venture exchange.
- In July 2025, Mr. Michael Smith appointed as Director and Vice President, Corporate Development. Mr. Smith brings over 15 years of diverse business leadership experience across business development, capital raising, public company operations, and investor relations. He has held executive and board-level roles with several CSE-listed companies and is the Founder of Lions Bridge Capital, a boutique advisory firm supporting startups and growth-stage businesses. His expertise spans capital raising, mergers and acquisitions, regulatory compliance, and corporate messaging—skills directly aligned with the Companies objectives as it accelerates exploration and development across its Nevada portfolio, including the Gold Mountain and Elephant projects.
- In August 2025, Mr. James Tworek elected to step down from the role as the CEO and continue to support the Company as a Director and Mr. Smith was appointed as the CEO.

In August 31, 2025, Neil Pettigrew resigned as Director and QP..

- In August 2025, Kim Kirkland appointed as QP and stepped down from the role of COO. In September 2025, Kim was appointed as the Director of the Company. As outlined above, Kim Kirkland's is a seasoned mining veteran.
- In September 2024, Mr. Antonios Maragakis and Mr. George Tumur resigned as Directors.

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers.

Element79 Gold Corp.
Management's Discussion and Analysis of Financial Results
For the period ended February 28, 2026 and 2025

The remuneration of key management personnel for the period ended February 28, 2026 and February 28, 2025 is as follows:

	February 28, 2026	February 28, 2025
	\$	\$
Professional fees	-	26,808
Consulting fees	34,762	-
Director and management fees	210,815	401,308
Share-based compensation	-	700,051
Total	245,577	1,128,167

Consulting fees consist of \$12,000 (February 28, 2025 - \$Nil) paid to a Company controlled by the Secretary, Monita Faris, \$18,000 (February 28, 2025 - \$Nil) paid to a Company controlled by the former CEO, \$4,762 (February 28, 2025 - \$Nil) paid to the CFO.

Director and management fees consist of \$13,000 (February 28, 2025 - \$129,450) paid to a Company controlled by the former CEO, \$100,000 (February 28, 2025 - \$Nil) paid to a Company controlled by the CEO, \$42,000 (February 28, 2025 - \$24,000) paid to the CFO, Tammy Gillis, \$14,315 (February 28, 2025 - \$211,738) paid to the Company controlled by the current director and former COO, Kim Kirkland, \$Nil (February 28, 2025 - \$12,000) paid to a Company controlled by the former Chair of the Audit Committee, Zara Kanji, \$Nil (February 28, 2025 - \$12,000) paid to former Director, Neil Pettigrew, \$26,750 (February 28, 2025 - \$12,120) paid to a director, Warren Levy, \$14,750 (February 28, 2025 - \$Nil) paid to a director, Mohammad Fazil.

Accounting fees presented as part of professional fees consist of \$Nil (February 28, 2025 - \$26,808) to a Company controlled by the former Chair of the Audit Committee.

On October 4, 2024, the Company granted 5,090,000 stock options with an exercise price of \$0.15 within 5 years from the date of issue to the former and current directors and officers of the Company valued at \$496,402 as below.

During the period ended February 28, 2026, the Company granted below stock options to its directors and officers.

	February 28, 2026		February 28, 2025	
	Options Granted	Expense for the year (Vested)	Options Granted	Expense for the year (Vested)
		\$		\$
James Twork, Director and Former CEO	-	-	2,250,000	219,431
Kim Kirkland, QP and Former COO	-	-	1,500,000	146,287
Tammy Gillis, CFO	-	-	350,000	34,134
Zara Kanji, Former Director*	-	-	50,000	4,876
Neil Pettigrew, Former Director*	-	-	390,000	38,035
Warren Levy, Director	-	-	550,000	53,639
Total	-	-	5,090,000	496,402

*Expired unexercised due to resignation.

As at February 28, 2026, a total amount of \$2,000 (August 31, 2025 - \$194,173) was due to key management personnel. This amount is non-interest bearing and due on demand.

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Management's Discussion and Analysis of Financial Results
For the period ended February 28, 2026 and 2025

	February 28, 2026	August 31, 2025
	\$	\$
Due to a Company controlled by the CEO	-	1,792
Due to a Company controlled by the former CEO	-	90,321
Due to the CFO	-	255
Due to a Company controlled by the former COO and VP Global Exploration	-	45,522
Due to Companies controlled by former directors	-	43,824
Due to Company controlled by company secretary	2,000	2,000
Due to companies controlled by a director	-	10,459
Total	2,000	194,173

As at February 28, 2026, the Company is also liable to pay the management fees in shares of \$70,000 (August 31, 2025 - \$Nil) to the CEO, \$99,552 (August 31, 2025 - \$67,815) to the current Director and former CEO, \$254,141 (August 31, 2025 - \$253,256) to the current director and former COO and \$31,500 (August 31, 2025 - \$10,500) to the CFO.

Other related party transactions

As of February 28, 2026, \$102,759 (August 31, 2025 - \$Nil) was prepaid to the directors and officers as advance management and director fees as below.

	Nature of transaction	February 28, 2026	August 31, 2025
		\$	\$
James Twork, Director and Former CEO	Director fees	9,413	-
Kim Kirkland, QP and Former COO	Director fees	19,546	-
Warren Levy, Director	Director fees	32,500	-
Mohammad Fazil, Director	Director fees	30,000	-
Michael Smith, CEO	Management fees	10,000	-
Tammy Gillis, CFO	Management fees	1,300	-
Total		102,759	-

During the year ended August 31, 2025, the Company entered into debt settlement agreement with various former and current related parties to settle and aggregate debt of \$69,507 and issued 534,668 common shares valued at \$53,767, resulting in a gain on settlement of debt of \$16,040. Also, during the year ended August 31, 2025, the Company issued 1,025,000 shares at a price of \$0.13 for the management fees payable of \$32,000 to the former CEO and \$101,250 to the former COO for their services. There is no debt settlement during the period February 28, 2026.

OFF-BALANCE SHEET ARRANGEMENTS

During the year ended August 31, 2025, the Company entered into an investment and advisory agreement (the "Crescita Facility") with Crescita, that allows the Company to utilize funding for an aggregate amount of \$5,000,000. The Company can draw down funds from the Crescita Facility through Equity Drawdown or Note Drawdown from time to time during the three-year term at the Company's discretion by providing a notice to the Crescita, and in return for each equity Drawdown Notice, the Company will allot and issue fully paid shares to the Investor in form of a private placement. The Note Drawdown will bear interest at 15% per annum calculated monthly.

During the year ended August 31, 2025, the Company paid an 8% commission and initial consulting fees ("financing fees") by issued 10,062,500 common shares with a value of \$402,500 and issued 2,939,965 share purchase warrants. Each warrant is exercisable at \$0.05 until February 7, 2030. The warrants were valued at \$88,964 using the Black-Scholes model (2.75% risk-free rate, 138.49% volatility, 0% dividend yield, 5-year term). These financing fees were recorded as deferred financing charges and are amortized as share issue costs or financing fees based on drawdowns. During the

period ended February 28, 2026, the Company amortized \$Nil (August 31, 2025 - \$28,014) of deferred financing charges to the financing fees. As of February 28, 2026, the deferred financing charge was \$463,450 (August 31, 2025 - \$463,450).

During the period February 28, 2026, the Company received \$Nil loan through Note Drawdown (August 31, 2025 - \$285,000) from the Crescita Facility. As of February 28, 2026, the outstanding amount of the loan was \$327,452 (August 31, 2025 - \$310,771) including \$42,452 (August 31, 2025 - \$25,771) as accrued interest. As of February 28, 2026, the Company have \$4,715,000 (August 31, 2025 - \$4,715,000) available to drawdown from the Crescita Facility.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, and amendments to standards and interpretations are effective for the period ended February 28, 2026. Furthermore, a number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended February 28, 2026, and have not been early adopted in preparing the consolidated financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

OUTSTANDING SHARE DATA

As at the Report Date, the Company had 207,373,844 (February 28, 2026 - 207,373,844) common shares issued and outstanding.

As at the Report Date, the Company had 9,181,732 (February 28, 2026 - 13,475,644) share purchase warrants outstanding.

As at the Report Date, the Company had 7,385,833 (February 28, 2026 - 7,385,833) stock options outstanding.

CAPITAL MANAGEMENT

The Company's objectives when managing capital are to maintain an appropriate capital base in order to:

- (i) Advance the Company's corporate strategies to create long-term value for its stakeholders;
- (ii) Sustain the Company's operations and growth throughout metals and materials cycles; and
- (iii) Ensure compliance with the covenants of any applicable credit facility and other financing facilities used from time to time.

The Company monitors its capital and capital structure on an ongoing basis to ensure it is sufficient to achieve the Company's short-term and long-term strategic objectives. Management primarily funds the Company's exploration by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. Management closely monitors its cash balance. The balance of cash as at February 28, 2026, was \$46,398 (August 31, 2025 - \$192,038).

There are presently no formal capital requirements with which the Company has not complied.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes to capital management during the period ended February 28, 2026.

FINANCIAL INSTRUMENTS

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity, credit, foreign exchange rate and interest rate. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset-backed commercial paper.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash and restricted cash balances. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

Market risk

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

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings that bear variable interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. This risk is considered minimal.

Foreign currency risk

The Company may be exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk.

Commodity price risk

Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices, affecting results of operations and cash generated from operating activities. Such prices may also affect the value of exploration and development properties and the level of spending for future activities.

Equity price risk

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

As at February 28, 2026, the Company had a cash balance of \$46,398 (August 31, 2025– \$192,038) and amounts receivable of \$82,124 (August 31, 2025 – \$41,978) to settle current liabilities due in twelve months or less of \$5,079,200 (August 31, 2025– \$3,142,070) and carry out its planned exploration program in the coming year. Management seeks additional financing through the issuance of equity instruments and loan and promissory notes to continue its operations.

There can be no assurance it will be able to do so. As at February 28, 2026, the Company has access to \$4,715,000 (August 31, 2025 - \$4,715,000) through its equity drawdown facility.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the Report Date. Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. Management will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional personnel in order to provide greater segregation of duties. Since there is insufficient work at this time to warrant the additional costs, management has chosen to disclose the potential risk in its filings and proceed with increased personnel only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by management of the financial reports, and the integrity and reputation of senior accounting personnel.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

RISK FACTORS

Risk is inherent in all business activities and cannot be entirely eliminated. Our goal is to enable the Company's business processes and opportunities by ensuring that the risks arising from our business activities, the markets and political environments in which we operate are mitigated. The risks and uncertainties described in the MD&A for the period ended February 28, 2026 are considered by management to be the most important in the context of the Company's business and are substantially unchanged as of the Report Date. Those risks and uncertainties are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A.