ARIZONA METALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THREE AND SIX MONTHS ENDED JUNE 30, 2026

Introduction

The following interim Management Discussion & Analysis ("MD&A") of Arizona Metals Corp. ("AMC" or the "Company") for the three and six months ended June 30, 2026 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2025. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A. Additional information, including the annual information form for the year ended December 31, 2025, has been filed electronically through SEDAR+ at www.sedarplus.ca.

This MD&A has been prepared in compliance with section 2.2 of Form 51-102F1, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended December 31, 2025 and 2024, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2026, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of August 13, 2026, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors of the Company (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Description of Business

The Company is a mineral exploration company based in Toronto, Ontario, focusing on the exploration and development of mineral resource properties in Arizona. The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "AMC" and on the OTCQX under the symbol "AZMCF".

AMC owns, through its indirect wholly-owned subsidiaries, 100% of the Kay Mine Project (the "Kay Mine Project" or "Kay"), located in Yavapai County, Arizona, USA and 100% of the Sugarloaf Peak Gold Project (the "Sugarloaf Peak Project") located in La Paz County, Arizona, USA.

Mineral Exploration Properties

The technical information contained in this MD&A has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 – *Standards for Disclosure for Mineral Projects* ("NI 43-101") and reviewed and approved by David Smith, CPG, Vice-President of Exploration of the Company and a "Qualified Person" as defined under NI 43-101.

Kay Mine Project

The Company, through its indirect wholly-owned subsidiary, owns 100% of approximately 1,669 acres of patented and unpatented claims covering and surrounding the past-producing Kay VMS deposit (the "Kay Deposit"), located in Yavapai County, Arizona, approximately 50 miles north of Phoenix.

As of June 30, 2026, the Company has completed a total of approximately 147,184 metres of diamond drilling at the Kay Mine Project since the inception of drilling, including the successful completion of its 75,000-metre Phase 2 drill program.

In the ordinary course of its exploration activities, the Company temporarily suspended drilling under its Phase 3 drill program, and no drilling was conducted at the Kay Mine Project during the three months ended June 30, 2026. The suspension will remain in place while the Company completes a comprehensive synthesis of all Kay Mine Project data through artificial-intelligence ("AI") targeting studies. Data evaluated in the AI studies includes soil and rock geochemistry; ground EM geophysics; airborne magnetic and VTEM geophysics; gravity geophysics; an airborne hyperspectral survey; multi-element drill assays; and all lithologic, structure, and geologic data gathered during drill logging. The intent of the AI studies is to comprehensively evaluate potential drilling targets for expansion of the Kay Deposit and the generation of additional exploration targets outside the Kay Deposit, with a view to optimizing subsequent drilling and informing future exploration decisions. Upon completion of the AI targeting studies, management will evaluate the Company's exploration priorities and may adopt a revised exploration plan. Any such plan may or may not be characterized as a continuation of the Phase 3 drill program, and may be designated as a new phase of exploration (for example, Phase 4) or such other designation as management determines appropriate.

On June 30, 2025, the Company announced its initial Mineral Resource Estimate ("MRE") for the Kay Deposit. The underground MRE includes 9.28 million tonnes grading 1.39 g/t Au, 27.6 g/t Ag, 0.97% Cu, 0.33% Pb, and 2.39% Zn in the Indicated category, and 0.86 million tonnes grading 1.06 g/t Au, 15.4 g/t Ag, 0.87% Cu, 0.20% Pb, and 1.68% Zn in the Inferred category, at a base-case cut-off grade of 1.00% CuEq.

On April 30, 2026, the Company announced the results of the preliminary economic assessment ("PEA") on the Kay property produced by G Mining Services Inc. Highlights included a base case after-tax NPV5% of US$-6 million and IRR of 4.9% at US$4.70/lb copper, US$1.27/lb zinc, US$3,100/oz gold and US$38/oz silver; and a spot case after-tax NPV5% of US$445 million and IRR of 14.9% at US$6.05/lb copper, US$1.57/lb zinc, US$4,745/oz gold and US$77.48/oz silver. (The base case used historical price per MetalpriceAPI and long-term consensus as of March 3, 2026 per Broker Consensus Estimates from CIBC Capital Markets; the spot case was based on average metal price of Wednesday April 22, 2026 per MetalpriceAPI.) The PEA envisioned production of 127 Mlbs copper, 293 Mlbs zinc, 258 koz gold, and 4,712 koz silver of payable production over the 10 years of conceptual mine life. The study was based on the Kay 2025 MRE of 9.28 Mt grading 3.18% CuEq in the Indicated category and 0.86 Mt grading 2.44% CuEq in the Inferred category. The average life-of-mine direct operating cost is US$138.47/t milled, including mining, processing, general services and administration (G&A), concentrates transportation and refining, and power cost. Initial capital costs total US$609 million (including US$84 million of contingency), covering all costs to develop the property with a process plant designed to nominally treat 0.7 Mtpa of fresh rock, excluding pre-production net revenue, and including US$87 million of sustaining capital costs. Sustaining Capital is evaluated at US$87 million. The study included 6.6M tonnes of mineralized material mined, leaving the remainder of the 9.28M tonnes Indicated and 0.86M tonnes Inferred in the MRE to potentially be included in future studies.

On January 26, 2026, the Company submitted an Exploration Plan of Operations ("EXPO") to the Bureau of Land Management ("BLM") proposing 63 drill pads and related access roads in order to gain access to exploration and drill targets throughout the Kay property. On March 23, 2026, BLM deemed the EXPO complete. On April 16, 2026, a memorandum of understanding ("MOU") was signed between the Company and BLM outlining the duties and agreements relating to production of an environmental assessment ("EA") report evaluating the impact of the EXPO's proposed actions. The MOU included a schedule that anticipates completion of the EXPO process by Q1 2027 or earlier. As of June 30, 2026, the applicant-prepared EA is progressing and is being authored by WestLand Engineering and Environmental Services in coordination with BLM, which remains responsible for its accuracy, scope and content. BLM consultation with indigenous tribes in the area was ongoing as of June 30, 2026, and the utilization of cultural site avoidance strategies is anticipated to result in mutually agreeable outcomes. The initial evaluation of biological resources documented in a biological evaluation has not identified any anticipated effects to listed or endangered species, or other significant impacts to sensitive species of concern, again due to the utilization of numerous best management practices and extensive use of existing disturbance areas. If fully determined by the BLM, the schedule for completion of the EA will remain on track, and no anticipated schedule disruptions have been identified.

Current Plans Related to the Kay Mine Project

Since completion of its Phase 2 expansion drill program in June 2023, the Company has drilled approximately 65,200 metres of its Phase 3 drill program at the Kay Mine Project, comprising Resource Drilling on the Kay Deposit that supported the MRE and Exploration Drilling on targets outside the Kay Deposit. No metres were drilled during the three months ended June 30, 2026 as a result of the temporary suspension of drilling pending completion of the AI studies referred to above. Upon completion of the AI targeting studies, management will evaluate the Company's exploration priorities and may adopt a revised exploration plan. Any such plan may or may not be characterized as a continuation of the Phase 3 drill program, and may be designated as a new phase of exploration (for example, Phase 4) or such other designation as management determines appropriate. The Company is currently positioning its technical work to improve on the results of the recently published Kay Deposit Preliminary Economic Assessment by gathering baseline environmental data for permitting, and performing metallurgical and geochemical studies, in anticipation of further economic studies and mine design to continue the transition towards mine development.

The following table summarizes the approximate metres drilled by the Company during its Phase 1, Phase 2 and Phase 3 drilling programs to June 30, 2026:

Entire Drill Program at the Kay Project	Three Months Ended June 30, 2026 (m)	Total as at June 30, 2026 (m)
Resource Drilling (1)	0	108,788
Exploration Drilling (2)	0	38,396
	0	**147,184**

Notes:
(1) Drilling on the Kay Deposit ("Resource Drilling").
(2) Expansion drilling on the exploration targets outside of the Kay Deposit ("Exploration Drilling").

The Phase 3 drill program has consisted of two portions: (a) Resource Drilling on the Kay Deposit which supported the MRE, and (b) Exploration Drilling on targets outside of the Kay Deposit. While approximately 10,800 metres of Exploration Drilling remains to be completed in the Phase 3 drill program, following completion of the AI-assisted targeting work currently underway, management will evaluate the Company's exploration priorities and determine the scope, pace and cost of future exploration, taking into account permitting progress, strategic corporate decisions regarding the pace of exploration and spending, and the availability of financing. Future exploration may or may not be characterized as a continuation of the Phase 3 drill program, and may be designated as a new phase of exploration (for example, Phase 4) or such other designation as management determines appropriate.

The Company has completed a property-wide airborne hyperspectral survey of the Kay property, which mapped on-surface mineral chemistry related to mineralization. The Company has received the hyperspectral survey data and the results of the survey are being used in an artificial intelligence (AI) study, together with all of the property's geochemical, geophysical, and drilling data, in order to comprehensively generate exploration and drilling targets throughout the property. That AI targeting study remains in progress.

The Company is also undertaking stand-alone interpretation and targeting studies of the hyperspectral survey data in order to support geologic understanding, refine drill targeting, and inform the AI study.

The Company anticipates the following milestones for the Kay Mine Project in 2026:

1) Conduct comprehensive drill targeting using artificial intelligence studies and all available project data.
2) Receive approval for the project's Exploration Plan of Operations to facilitate additional exploration drilling on the project.

Sugarloaf Peak Project

The Company, through its wholly-owned subsidiary, owns 100% of the Sugarloaf Peak Project, which is located on 4,412 acres of BLM claims in La Paz County, Arizona.

During Q3 and Q4 of 2025, the Company conducted an initial 5,000-metre reverse circulation drill program at the Sugarloaf Peak Project. A total of 5,186 m was drilled in 25 reverse-circulation drill holes. The results of this drilling were announced on December 2, 2025; January 13, 2026; and March 2, 2026.

Current Plans Related to the Sugarloaf Peak Project

The Company is currently conducting a comprehensive exploration synthesis consisting of 1,542 surface rock samples for multi-element geochemistry; IP-resistivity geophysics and airborne magnetic and radiometric geophysics; an airborne hyperspectral survey; geologic reviews of previous mapping, drill core, and drill cuttings; AI targeting studies; and a thorough integration of historical data. The intent of this exploration program is to integrate new modern geochemical, geophysical, and geologic data with historical data in order to comprehensively target drilling for expanded deposit size and higher gold grades. As of June 30, 2026, geophysical surveys are complete and have been interpreted; an airborne hyperspectral survey has been completed; and geologic synthesis, final surface rock sample analyses, and AI targeting studies are underway. This work is expected to be complete during Q3 2026, to be followed by planning and permitting for additional drill holes on the project.

The Company anticipates the following milestone for the Sugarloaf Peak Project in 2026: Completion of Sugarloaf Peak geochemical and geophysical surveys followed by targeting through geologic synthesis and AI targeting studies.

2026 Outlook

Looking ahead, the Company remains focused on the following key priorities for 2026:

1) Advancement of permitting activities, including advancement of the Kay Mine Exploration Plan of Operations (EXPO) aligned with updated federal permitting priorities;
2) Exploration and drill targeting at the Kay Mine Project based on the completed property-wide airborne hyperspectral survey and the synthesis of all technical data to date in AI targeting studies; and
3) Completion of Sugarloaf Peak geochemical and geophysical surveys, followed by targeting through geologic synthesis and AI targeting studies, to be followed by drill planning and permitting.

Other Corporate Highlights

On January 23, 2026, the Company issued 50,664 common shares from vesting of 50,664 deferred share units ("DSUs").

On May 20, 2026, the Company granted 2,639,901 stock options to directors, officers and employees of the Company. The stock options have an exercise price of $0.50 per share, expire five years from the date of grant, and vest 1/3 on the grant date and 1/3 on each of the first and second anniversaries of the grant date. The Company also granted 1,049,000 restricted share units ("RSUs") and 418,000 DSUs. The RSUs vest in three equal annual instalments beginning on the first anniversary of the grant date, and the DSUs vest on the first anniversary of the grant date and are settled only following cessation of service. All of these awards were granted under the Company's Omnibus Equity Incentive Plan. The $0.50 exercise price reflects the closing price of the common shares on the TSX on March 26, 2026, being the date on which the Board originally approved the value of the long-term incentive awards, rather than the closing price on the formal grant date.

On June 25, 2026, following the meeting of shareholders, Ankit Shah was elected as a director of the Company. In connection with his election to the Board, the Company granted him 285,974 stock options under the Company's Omnibus Equity Incentive Plan with an exercise price of $0.50 per share, expiring in 5 years. The options vest 1/3 on grant date, 1/3 on the one year anniversary of the grant date, and 1/3 on the two year anniversary of the grant date.

As a result of the pricing methodology described above, the stock options granted on May 20, 2026 and June 25, 2026 were granted with an exercise price materially above the market price of the common shares on their respective dates of grant. The closing price of the common shares on the TSX was $0.185 on May 20, 2026 and $0.17 on June 25, 2026, in each case compared to the $0.50 exercise price of those options. Accordingly, all of the stock options granted during the three months ended June 30, 2026 were out of the money on the date of grant and, as at the date of this MD&A, remain out of the money.

Summary of Quarterly Information

Three Months Ended	Total Revenue $	Profit or Loss: Net loss $	Profit or Loss: Basic and Diluted Loss Per Share $ (9)
September 30, 2024	-	(5,719,602) (1)	(0.06)
December 31, 2024	-	(6,351,553) (2)	(0.05)
March 31, 2025	-	(4,858,463) (3)	(0.04)
June 30, 2025	-	(4,542,349) (4)	(0.03)
September 30, 2025	-	(4,147,683) (5)	(0.03)
December 31, 2025	-	(5,548,398) (6)	(0.04)
March 31, 2026	-	(3,134,126) (7)	(0.02)
June 30, 2026	-	(1,990,843) (8)	(0.01)

Notes:

(1) Net loss of $5,719,602 includes salaries and benefits of $284,006, exploration and evaluation expenditures of $5,685,929, office and general of $46,376, professional fees of $162,617, business development of $99,438, share-based payments recovery of $495,084, filing fees of $96,040, depreciation of $16,916, and interest income of $176,636.

(2) Net loss of $6,351,553 includes salaries and benefits of $758,916, exploration and evaluation expenditures of $4,865,884, office and general of $230,239, professional fees of $178,767, business development of $57,618, share-based payments of $285,091, filing fees of $89,217, depreciation of $16,916, and interest income of $131,095.

(3) Net loss of $4,858,463 includes salaries and benefits of $237,965, exploration and evaluation expenditures of $4,253,854, office and general of $126,388, professional fees of $69,995, business development of $34,229, share-based payments of $229,484, filing fees of $57,386, depreciation of $12,148, and interest income of $162,987.

(4) Net loss of $4,542,349 includes salaries and benefits of $309,713, exploration and evaluation expenditures of $3,446,417, office and general of $109,253, professional fees of $204,852, business development of $65,175, share-based payments of $495,036, filing fees of $64,649, depreciation of $12,148, and interest income of $164,894.

(5) Net loss of $4,147,683 includes salaries and benefits of $228,871, exploration and evaluation expenditures of $3,570,876, office and general of $68,024, professional fees of $106,397, business development of $39,184, share-based payments of $172,051, filing fees of $62,566, depreciation of $12,148, and interest income of $112,434.

(6) Net loss of $5,548,398 includes salaries and benefits of $870,036, exploration and evaluation expenditures of $4,193,643, office and general of $120,360, professional fees of $90,746, business development of $98,825, share-based payments of $286,704, filing fees recovery of $1,894, depreciation of $12,148, and interest income of $122,170.

(7) Net loss of $3,134,126 includes salaries and benefits of $199,294, exploration and evaluation expenditures of $2,291,346, office and general of $206,514, professional fees of $73,462, business development of $34,846, share-based payments of $276,296, filing fees of $84,906, depreciation of $8,503, and interest income of $41,041.

(8) Net loss of $1,990,843 includes salaries and benefits of $230,503, exploration and evaluation expenditures of $1,302,043, office and general of $87,505, professional fees of $75,757, business development of $32,308, share-based payments of $278,942, filing fees of $62,072, depreciation of $8,502, and interest income of $86,789.

(9) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property drill programs and the timing and results of the Company's exploration activities on its current properties. There are no general trends regarding the Company's quarterly results, and the Company's business of mineral exploration is not seasonal. Quarterly results can vary significantly depending on whether the Company has granted any stock options or paid any employee bonuses, and these are factors that account for material variations in the Company's quarterly net losses. General operating costs other than the specific items noted above tend to be quite similar from period to period.

Discussion of Operations

Three Months Ended June 30, 2026 Compared to Three Months Ended June 30, 2025

For the three months ended June 30, 2026, the Company's net loss was $1,990,843 (2025 – net loss of $4,542,349). The decrease in net loss is a result of the following:

- Exploration and evaluation expenditures decreased to $1,302,043 for the three months ended June 30, 2026 (2025 - $3,446,417) as the Company suspended its drilling program in the Kay Mine Project in Q2 2026.
- These decreases were partially offset by a decline in interest income to $86,789 for the three months ended June 30, 2026 (2025 - $164,894), reflecting lower average cash and investment balances during the period.
- All other expenses related to general working capital purposes.

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

For the six months ended June 30, 2026, the Company's net loss was $5,124,969 (2025 – net loss of $9,400,812). The decrease in net loss is a result of the following:

- Exploration and evaluation expenditures decreased to $3,593,389 for the six months ended June 30, 2026 (2025 - $7,700,271) as the Company suspended its drilling program in the Kay Mine Project in Q2 2026.
- Professional fees decreased to $149,219 for the six months ended June 30, 2026 (2025 - $274,847) mainly due to lower audit and legal costs incurred during the period.

- These decreases were partially offset by a decline in interest income to $127,830 for the six months ended June 30, 2026 (2025 - $327,881), reflecting lower average cash and investment balances during the period.
- All other expenses related to general working capital purposes.

Capital Management

The Company manages its capital with the objective of ensuring sufficient financial flexibility to achieve the ongoing business objectives, including primarily the completion of its mineral exploration programs, and also maintain flexibility insofar as funding of future growth opportunities and the pursuit of accretive acquisitions, if identified and deemed appropriate.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board on an ongoing basis.

The Company includes equity, comprising issued share capital, reserves and deficit, in the definition of capital, which as at June 30, 2026, totaled $11,875,458 (December 31, 2025 - $16,445,189).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties.

As the Company does not have a credit facility, it is not currently subject to any capital requirements imposed by a lending institution or regulatory body, other than the requirement of the TSX that the Company maintain adequate working capital or financial resources such that, in the opinion of the TSX, the Company will be able to continue as a going concern. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current statement of financial position date.

There were no changes in the Company's process, policies and approach to capital management during the period ended June 30, 2026.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

As of the date of this MD&A, there is no asset or business acquisition or disposition that would require disclosure under Form 51-102F1.

Commitments and Contingencies

Environmental Contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations have generally been becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and is materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Management Contracts

The Company is party to certain employment contracts. These contracts provide that, in the event the employment or engagement of the applicable individual is terminated without cause within 12 months following a change of control, aggregate additional payments of approximately $1,240,000 would become payable, comprising base salary and short-term incentive entitlements. In the absence of a change of control, the aggregate amount payable under these contracts upon a termination without cause is approximately $680,000. These amounts are not additive, and the aggregate amount payable in connection with a change of control is inclusive of, and not in addition to, the amounts otherwise payable upon a termination without cause. As a triggering event has not taken place, the contingent payments have not been reflected in the consolidated financial statements. The minimum amount due in one year pursuant to these contracts is $680,000.

Liquidity and Capital Resources

At June 30, 2026, the Company had $998,504 in cash and $10,083,329 in investments (December 31, 2025 - $556,280 in cash and $15,953,541 in investments). Investments can be liquidated if the Company deems it prudent to do so.

At June 30, 2026, accounts payable and accrued liabilities were $601,175 (December 31, 2025 - $1,550,021) and the Company had current assets in excess of current liabilities of $10,924,121 (December 31, 2025 - $15,476,847).

The Company has no operating revenues and therefore must utilize its funds from financing transactions to maintain its capacity to meet ongoing operating activities.

As of June 30, 2026 and to the date of this MD&A, the cash resources and investments of the Company are held with Canadian chartered banks. The Company has no variable interest rate debt and its credit and interest rate risk is minimal. Accounts payable and accrued liabilities are short-term and non-interest-bearing.

Cash used in operating activities was $5,490,317 for the six months ended June 30, 2026 (2025 – $9,327,294), consisting primarily of expenditures for exploration and evaluation. Operating activities were affected by a net loss of $5,124,969, offset by share-based payments of $555,238, depreciation of $17,005, and reduced by accrued interest of $62,329 and use of cash of $875,262, resulting from the net change in non-cash working capital balances due to changes in amounts receivable, prepaid expenses and deposits, and accounts payable and accrued liabilities.

Cash provided by investing activities was $5,932,541 for the six months ended June 30, 2026 (2025 – $8,801,107). Investing activities included redemption of investments of $16,011,767, offset by purchase of investments of $10,079,226.

There was no cash used in or provided by financing activities for the six months ended June 30, 2026 (2025 – $522,000 provided from the exercise of stock options).

As of June 30, 2026, based on current projections, the Company's working capital is sufficient to meet its planned objectives.

The table below outlines the Company's estimated use of proceeds from the bought deal public offering completed on December 20, 2024, as disclosed in the short form prospectus dated December 19, 2024 (the "December 2024 Prospectus"), and actual expenditures incurred to June 30, 2026.

Use of Capital	Use of proceeds [1] $	Actual expenditures incurred to June 30, 2026 $	Variance [2] $
Kay Mine Project Exploration Expenditures			
- HQ core drilling (all-in cost) [3]	12,700,000	14,377,000	1,677,000
- Technical Studies [4]	1,400,000	1,043,000	(357,000)
- Permitting and environmental [5]	2,800,000	1,093,000	(1,707,000)
- Land and property fees	600,000	Nil	(600,000)
Total Kay Mine	**17,500,000**	**16,513,000**	**(987,000)**
Sugarloaf Peak Exploration Expenditures			
- Drilling (all-in cost)	3,000,000	2,441,000	(559,000)
- Care and maintenance	70,000	103,000	33,000
Total Sugarloaf Peak	**3,070,000**	**2,544,000**	**(526,000)**
General, Corporate and Administrative Expenses	**2,500,000**	**3,436,000**	**936,000**
TOTAL	**23,070,000**	**22,493,000**	**(577,000)**

Notes:
(1) As estimated and disclosed in the December 2024 Prospectus.
(2) Variance represents actual expenditures incurred to June 30, 2026 less the estimated use of proceeds disclosed in the December 2024 Prospectus. Amounts in brackets represent expenditures below the amount estimated. The principal variances reflect a greater number of drilling metres completed at the Kay Mine Project than originally estimated, offset by lower expenditures on technical studies, permitting and environmental work and land and property fees, as a result of the sequencing of the permitting process and the temporary suspension of drilling, and higher general, corporate and administrative expenditures reflecting a longer period of deployment than the twelve-month period originally estimated.
(3) Includes Resource Drilling and Exploration Drilling at the Kay Mine Project.
(4) Includes metallurgical test work and technical report costs related to the MRE and PEA.
(5) Includes permitting, environmental and community-related costs.

The estimated use of proceeds disclosed in the December 2024 Prospectus was prepared in respect of the period ending December 31, 2025 only and was not intended to govern the entirety of the Company's Phase 3 drill program or any subsequent exploration activities. The net proceeds of the December 2024 offering have been substantially deployed and, accordingly, no amounts remain to be expended pursuant to the December 2024 Prospectus. The Company does not expect to present this comparison in subsequent periods. Management does not believe that the variances described above have had, or are expected to have, a material adverse effect on the Company's ability to achieve its business objectives and milestones.

The Company may require additional capital to fund future exploration. Following completion of the AI targeting studies, management will determine the scope, pace and cost of future exploration.

Trends and Economic Conditions

Management regularly monitors economic financial market conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Until recently, equity markets in the junior resource exploration sector have been difficult. To date, the Company has been able to raise sufficient capital to fund exploration programs on both properties. The global economy is currently characterized by increased volatility and uncertainty.

Apart from these factors and the risk factors noted under the headings "Risk Factors" and "Commitments and Contingencies", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Transactions with Related Parties

Related parties include the Board, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Remuneration of directors and key management personnel of the Company was as follows:

	Three Months Ended June 30, 2026 $	Three Months Ended June 30, 2025 $	Six Months Ended June 30, 2026 $	Six Months Ended June 30, 2025 $
Salaries and benefits	164,835	213,092	354,100	398,600
Share-based payments	241,016	391,697	458,384	580,765
Professional fees (1)	13,251	20,075	38,534	34,388
	419,102	**624,864**	**851,018**	**1,013,753**

Notes:
(1) Included in professional fees for the three and six months ended June 30, 2026 is $13,251 and $38,534, respectively (2025 - $20,075 and $34,388, respectively) paid to Marrelli Support Services Inc. ("MSSI") for an employee of MSSI to act as the Chief Financial Officer ("CFO") of the Company and provide bookkeeping services.

As at June 30, 2026, $22,250 (December 31, 2025 - $384,000) was owed to officers and directors of the Company and this amount was included in accounts payable and accrued liabilities. The amount owing is unsecured, non-interest-bearing with no fixed terms of repayment.

Share Capital

As at August 13, 2026, the date of this MD&A, 137,756,815 common shares, 5,943,116 stock options, 1,449,910 RSUs, and 784,823 DSUs were issued and outstanding. No warrants or other convertible securities were outstanding.

Subsequent Events

Subsequent to June 30, 2026, there were no material transactions or events, other than those described in this MD&A, that would materially affect the Company's financial position, financial performance or liquidity.

Cumulative Exploration and Evaluation Expenditures

As at June 30, 2026, the Company has incurred cumulative exploration and evaluation expenditures of approximately $104 million since inception.

Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and CFO, together with management, evaluated the design and operating effectiveness of the Company's disclosure controls and procedures as at June 30, 2026. Based on that evaluation, the CEO and the CFO concluded that the design and operation of these disclosure controls and procedures were effective as at June 30, 2026 to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would be made known to them by others within those entities and that information required to be disclosed by the Company in its annual and interim filings and other reports submitted under securities legislation was recorded, processed, summarized and reported within the periods specified in securities legislation.

Internal Controls over Financial Reporting

The CEO and the CFO, with the assistance of management, continuously evaluate the effectiveness of the Company's internal controls over financial reporting ("ICFR"). Based on this evaluation as at December 31, 2025, the CEO and the CFO concluded that the Company's ICFR did not include preventative controls related to identification of cut-off errors. As of the end of the period covered by this MD&A and the financial statements, management has implemented a remediation plan which includes additional controls over cash receipt and payment transactions through reviews and approvals performed by our CEO and CFO to significantly mitigate segregation of duties issues and to review its policies and procedures with respect to its various financial reporting processes to ensure that all accounts are reconciled, all transactions are captured and adjustments are identified. The CEO and the CFO, with the assistance of management, will continue to monitor and evaluate this remediation plan and its effectiveness on the Company's ICFR throughout fiscal 2026.

Other than the remediation activities described above, there were no changes in the Company's ICFR during the three months ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, within the Company have been detected. Therefore, no matter how well-designed, ICFR has limitations and can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

The Company assesses internal controls over financial reporting on an ongoing basis and, where determined appropriate, proactively implements enhancements to the design of controls required to support anticipated changes to and growth of the business. Due to operational, financial and administrative changes which may occur as the Company evolves beyond an early-stage exploration company, changes will be required to the Company's internal controls over financial reporting in order to maintain reasonable assurance regarding the reliability of the Company's financial reporting and preparation of financial statements.

Changes in Accounting Policies including Initial Adoption

Effective January 1, 2026, the Company adopted the amendments to IFRS 9, Financial Instruments relating to the derecognition of financial liabilities settled through electronic payment systems. The adoption did not have a significant impact on the Company's financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements, which replaces IAS 1, was issued in April 2024 and is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted. The Company is assessing the expected effect of IFRS 18 on the presentation and disclosure in its financial statements.

Critical Accounting Estimates

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Significant accounting estimates and assumptions as well as significant judgements in applying the Company's accounting policies are detailed in the notes to the audited consolidated financial statements for the years ended December 31, 2025 and 2024, filed on SEDAR+ at www.sedarplus.ca.

Preliminary Economic Assessment

On April 30, 2026, the Company announced the results of the PEA for the Kay Mine Project prepared by G Mining Services Inc. in accordance with NI 43-101. The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the results, projections, assumptions or economic and operating parameters set out in the PEA, including projected mine life, throughput, capital and operating costs, metal recoveries, payable production, net present value, internal rate of return, payback period or sensitivities thereto, will be realized.

The PEA is based on assumed metal prices, foreign exchange rates, capital and operating costs, recoveries, throughput rates, permitting outcomes and other assumptions described in the Company's news release dated April 30, 2026 and the technical report to be filed in respect of the PEA, any of which may prove to be inaccurate. Adverse changes to any of these assumptions, or to commodity prices generally, may have a material adverse effect on the economic viability of the Kay Mine Project.

The PEA is not, and should not be construed as, a pre-feasibility or feasibility study, and there is no assurance that the PEA will be realized or that the Kay Mine Project will be advanced to development or production. The Company's ability to advance the Kay Mine Project beyond the PEA stage will depend on, among other things, additional drilling and technical work, completion of further economic studies, the receipt and maintenance of all required permits and licences, the availability of financing on acceptable terms, and prevailing market conditions.

Risk Factors

The following are certain risk factors relating to the business of the Company. The following information is a summary only of certain risk factors. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected. Shareholders and prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. For additional risk factors refer to the section entitled "Risk Factors" in the Company's Annual Information Form for the fiscal year ended December 31, 2025 available on SEDAR+ at www.sedarplus.ca.

Exploration, Development and Operating Risks

Mining and exploration operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

The exploration for and development of mineral deposits involves significant risks which may not be eliminated even with a combination of careful evaluation, experience and knowledge. While the discovery of minerals may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes, and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of the minerals and proximity to infrastructure; mineral prices, which are highly cyclical; and government regulations, including regulations on prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot be accurately predicted but their combination may result in the Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company on the search and evaluation of minerals will result in discoveries of commercial quantities of ore or other minerals.

Exploration Properties Title

Although the title to the properties in which the Company holds an interest was reviewed by or on behalf of the Company, no formal title opinions were delivered to the Company and, consequently, no assurances can be given that there are no title defects affecting such properties. Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects.

Financial Instruments

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, foreign currency risk and price risk).

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, investments, amounts receivable and reclamation bond. Cash and investments are held with Canadian chartered banks, from which management believes the risk of loss to be minimal.

Amounts receivable includes sales tax recoverable which is receivable from government authorities in Canada. Reclamation bond is held with relevant government authorities in the United States. Management believes that the credit risk with respect to these amounts receivable is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at June 30, 2026, the Company had cash of $998,504 and investments of $10,083,329 (December 31, 2025 - cash of $556,280 and investments of $15,953,541) to settle current liabilities of $601,175 (December 31, 2025 - $1,550,021). All of the Company's financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

The Company obtained its financing through private placements and public offerings. Negative trends in the general equity market and the fall in commodity prices can adversely impact the Company's ability to obtain financing at favourable terms. If the Company cannot obtain the necessary financing to fund its operating and exploration activities, it might not be able to continue as a going concern entity.

There can be no assurance that additional financing, if and when required, will be available or on terms acceptable to the Company.

Market Risk

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

Interest Rate Risk

The Company has cash balances. The Company's current policy is to invest surplus cash in high yield savings accounts with a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered bank.

Foreign Currency Risk

Currency risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign currency exchange rates. The Company's currency risk primarily arises from financial instruments denominated in US dollars. The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in US dollars. As at June 30, 2026, a 10% fluctuation in the US dollar against the Canadian dollar would not have a significant effect on profit and loss.

Impact of international conflicts and trade disputes on the Company's business

International conflicts and geopolitical tensions, including war, military action, terrorism, trade disputes, tariffs, and related international responses, have historically caused, and may continue to cause, volatility and uncertainty in global commodity and financial markets and supply chains.

Tariffs and the threat of tariffs by the United States against Canada and other jurisdictions, along with retaliatory responses, have increased uncertainty around the cost and supply of goods and services. Such measures can disrupt global trade, affecting prices, exchange rates, the availability of goods and services, and production and consumption patterns. These disruptions may negatively impact the Company through higher costs, limited supply availability, unfavourable exchange rates, and reduced pricing or sales of its products if and when production begins.

Ongoing international conflicts and geopolitical tensions may materially adversely affect the Company's business through rising commodity prices and supply-chain disruptions. Oil and gas prices have fluctuated due to these conflicts. Should these ongoing conflicts escalate further, or new geopolitical conflicts arise, a global economic downturn could result, adversely impacting the Company.

Tariff-related tensions have also increased stock market volatility. This volatility may limit access to capital markets, hinder financing efforts, and lead to less favourable pricing or greater shareholder dilution in the event of a successful financing.

The scope, duration, and consequences of ongoing conflicts, trade disputes, and international responses remain uncertain. These events may amplify the impact of other risks discussed in this MD&A and the Company's Annual Information Form for the fiscal year ended December 31, 2025, including commodity price volatility and broader financial market conditions.

Competition May Hinder Corporate Growth

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies for the acquisition of properties producing, or capable of producing, precious and base metals, as well as for the recruitment and retention of qualified employees and contractors. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties or skilled resources on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

Additional Capital

The exploration and development of the Company's properties may require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of the Company's properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

Commodity Prices

The price of the common shares, the Company's financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of commodities. Commodity prices fluctuate widely and are affected by numerous factors beyond the

Company's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major commodity-producing countries throughout the world. The price of commodities has fluctuated widely in recent years, and future serious price declines could cause continued development of the Company's properties to be impracticable. Future production from the Company's properties is dependent on commodity prices that are adequate to make these properties economic.

In addition to adversely affecting the Company's reserve and/or resource estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Government Regulation

The mining, processing, development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Exploration may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, export controls, export taxes, currency availability, foreign exchange controls, income taxes, tariffs, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety. This may affect both the Company's ability to undertake exploration and development activities on present and future properties in the manner contemplated, and its ability to continue to explore, develop and operate those properties in which it has an interest or for which it has obtained exploration and development rights to date.

Although the Company believes that its exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Political Risks

All of the Company's current operations are conducted in Arizona and Ontario, and as such, are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, renegotiation or nullification of existing concessions, licenses, permits and contracts, and changes in taxation policies.

Future political actions cannot be predicted and may adversely affect the Company. Changes, if any, in mining or investment policies or shifts in political attitude in the state of Arizona or province of Ontario may adversely affect the Company's business, results of operations and financial condition. Future operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. The possibility that future governments may adopt substantially different policies, which may extend to the expropriation of assets, cannot be ruled out.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's consolidated business, results of operations and financial condition.

Labour and Employment Matters

While the Company has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations which may be introduced by the relevant governmental authorities in whose jurisdictions the Company carries on business. Adverse changes in such legislation may have a material adverse effect on the Company's business, results of operations and financial condition.

Market Price of Common Shares

Securities of micro- and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The Company's share price is also likely to be significantly affected by short-term changes in commodity prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the common shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not continue to follow the Company; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of common shares; the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the common shares that persists for a significant period of time could cause the Company's securities to be delisted from the exchange on which they trade, further reducing market liquidity.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares. The Company has previously completed private placements at prices per share which are from time to time lower than the market price of the common shares. Accordingly, a significant number of shareholders of the Company have an investment profit in the common shares of the Company that they may seek to liquidate.

Conflicts of Interest

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the *Canada Business Corporations Act* and other applicable laws.

Management

The success of the Company is currently largely dependent on the performance of its management. Shareholders will be relying on the good faith, experience and judgment of the Company's management and advisers in supervising and providing for the effective management of the business of the Company. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its management or other qualified personnel required to operate its business. Failure to do so could have a materially adverse effect on the Company and its prospects.

Directors and officers of the Company may also serve as directors and/or officers of other public companies from time to time.

The Company has not purchased "key-man" insurance, nor has it entered into non-competition and non-disclosure agreements with management and has no current plans to do so.

Permitting Matters

The Company's operations are subject to receiving and maintaining permits and licenses from appropriate governmental authorities from time to time. Although the Company currently has all required permits and licenses for its operations as currently conducted at both the Kay Mine Project and the Sugarloaf Peak Project, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits and licenses for the existing operations or additional permits or licenses for all future new operations. Prior to any development on any of its properties, the Company must receive permits and licenses from appropriate governmental authorities. There can be no assurance that the Company will receive and/or continue to hold all permits and licenses necessary to develop or continue operating at any particular property, or that any such licenses or permits awarded will not be cancelled pursuant to applicable legislation.

Insurance and Uninsured Risks

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in exploration, development, monetary losses and possible legal liability.

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

Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties. Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and/or mineral exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses or capital expenditures or require abandonment or delays in development of new mineral exploration properties.

Infrastructure

Mineral exploration, processing, mining, development and related activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

No Assurance of Mineral Production

There is no assurance that commercial quantities of minerals will be discovered at any of the Company's current or future properties, nor is there any assurance that the exploration programs thereon will yield any positive results. Even if commercial quantities of minerals are discovered, there can be no assurance that any of the Company's properties will ever be brought to a stage where mineral resources can profitably be produced thereon. Factors which may limit the ability of the Company to produce mineral resources from its properties include, but are not limited to, the price of the mineral resources for which the Company is exploring, availability of additional capital and financing and the nature of any mineral deposits.

Use of Artificial Intelligence in Exploration Targeting

The Company uses artificial intelligence and machine learning tools ("AI tools") to support the interpretation of exploration data and the generation and prioritization of exploration and drill targets at both the Kay Mine Project and the Sugarloaf Peak Project. These AI tools do not replace geological judgment, the oversight of a Qualified Person, or technical validation through fieldwork and drilling, and all exploration targets generated through AI-assisted workflows are reviewed and validated by experienced geologists before the Company acts on them.

The outputs of AI tools depend on the availability, quality, completeness and representativeness of the underlying datasets and on the design of the models and algorithms applied to those datasets. Incomplete, inaccurate or unrepresentative data, flawed model design, or models trained principally on the characteristics of known deposits may produce targets that are erroneous, biased toward previously identified styles of mineralization, or otherwise not indicative of the presence of mineralization. The complexity and limited transparency of certain AI models may also make it difficult for the Company to understand how a particular output was generated, to identify errors, or to anticipate unintended consequences.

The Company relies, and expects to continue to rely, on third-party software providers, data platforms and analytical service providers in connection with its AI-assisted exploration workflows. Any interruption, limitation, change in commercial terms, loss of access, cybersecurity incident or failure affecting those providers or platforms could adversely affect the Company's exploration data analysis, target generation and project evaluation activities and could result in delays or additional costs. The use of AI tools may also give rise to risks relating to the confidentiality of the Company's proprietary technical data, the ownership of AI-generated outputs, and the potential infringement of third-party intellectual property rights.

The legal and regulatory framework governing artificial intelligence is evolving rapidly in Canada, the United States and other jurisdictions, and the Company may incur additional compliance costs or become subject to new obligations, liability or enforcement action as a result of the adoption or amendment of such laws and regulations. In addition, the Company may face scrutiny in respect of its disclosure concerning the use and results of AI tools.

There can be no assurance that the Company's use of AI tools or AI-assisted workflows will improve exploration success, reduce exploration costs, or lead to the identification of additional mineral resources or the discovery of economically recoverable mineralization. If the AI targeting studies currently underway do not generate targets that the Company considers sufficiently prospective, the Company may be required to reconsider the scope, timing and cost of future exploration programs generally, which could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Cybersecurity Risks

The information systems of the Company and any third-party service providers and vendors are vulnerable to an increasing threat of continually evolving cybersecurity risks. These risks may take the form of malware, computer viruses, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks, and may occur from inside or outside of the respective organizations. Cybersecurity risk is increasingly difficult to identify and quantify and cannot be fully mitigated because of the rapid evolving nature of the threats, targets and consequences. Additionally, unauthorized parties may attempt to gain access to these systems through fraud or other means of deceiving third-party service providers, employees or vendors. The operations of the Company and its service providers depend, in part, on how well networks, equipment, information technology ("IT") systems and software are protected against damage from a number of threats. These operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. However, if the Company or its service providers are unable or delayed in maintaining, upgrading or replacing IT systems and software, the risk of a cybersecurity event such as cable cuts, power loss, hacking, computer viruses and theft could materially increase. Any of these and other events could result in information system failures, delays and/or increases in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the reputation and results of operations of the Company. While the Company implements protective measures to reduce the risk of and detect cyber incidents, cyber-attacks are becoming more sophisticated and frequent, and the techniques used in such attacks change rapidly.

Forward-Looking Statements

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws. Forward-looking statements and information include, but are not limited to, statements or information concerning: the future financial and operating performance of AMC and its business, operations and properties; the future price of copper, gold, silver, zinc and other metals; the potential quantity and/or grade of minerals; the potential size of a mineralized zone or potential expansion of mineralization; proposed exploration and development of the Company's exploration property interests, including the timing, scope and budget of such activities; the Company's continued exploration, development and permitting activities at the Kay Mine Project, including the timing and outcome of the BLM Exploration Plan of Operations and other anticipated permits and the related Environmental Assessment process; the temporary suspension of drilling at the Kay Mine Project pending completion of the Company's targeting work, the evaluation of exploration priorities following completion of that targeting work, and the potential adoption of a revised exploration plan, which may or may not be characterized as a continuation of the Phase 3 drill program, or may be designated as a new phase of exploration (for example, Phase 4) or such other designation as management determines appropriate; the potential to expand the Kay Mine Project Mineral Resources through continued drilling, including at depth and along strike; the advancement of the Kay Mine Project through subsequent stages of technical study; exploration at the Sugarloaf Peak Project, including the comprehensive exploration synthesis, geologic and AI targeting studies, and follow-on planning, permitting and drilling; the timing and amount of estimated future production; the interpretation and actual results of historical production and drill results at the Company's exploration properties; the reliance on technical information provided by third parties; the Company's use of artificial intelligence and machine learning tools in exploration data interpretation and target generation, and the outcomes of that work; the timing and amount of estimated capital, operating and exploration expenditures; the results, conclusions, projections, assumptions and economic and operating parameters of the 2026 PEA for the Kay Mine Project, including projected mine life, throughput, capital and operating costs, metal recoveries, payable production, net present value, internal rate of return, payback period and sensitivities thereto; metal price assumptions; the timing and content of the technical report supporting the PEA; the costs and timing of the development of new deposits and of future exploration, acquisition and development activities; estimated exploration budgets and the timing of expenditures; community relations activities; requirements for additional capital; government regulation of exploration and mining operations; permitting requirements and timing; environmental risks and reclamation expenses; existing, pending or threatened claims, litigation or other proceedings; title disputes; the ability to continue exploration in accordance with the requirements of applicable mining laws in Arizona; limitations of insurance coverage; future issuances of common shares to satisfy obligations under stock options and other equity compensation arrangements or in connection with the acquisition of exploration properties or other land acquisitions; and the timing and possible outcome of regulatory and permitting matters; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

Forward-looking statements and information involve known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of AMC to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements and information. Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward-looking statements and forward-looking information. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "will", "projects", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including among other things, assumptions about future prices of copper, gold and other metal prices, changes in the worldwide price of other commodities such as coal, fuel and electricity, fluctuations in resource prices, currency exchange rates and interest rates, favourable operating conditions, political stability, changes in national and local government legislation, including permitting and licensing regimes and taxation policies and the enforcement thereof; proposed tariff and other trade measures that may be imposed by the United States and proposed retaliatory tariffs and other measures by trading partners, obtaining governmental approvals and financing on time, obtaining renewals for existing licenses and permits and obtaining required licenses and permits, labour stability, stability in market conditions, stability of relationship with joint venture partners; stability of relationship with local stakeholders; availability of equipment, accuracy of any mineral resources, anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of AMC and there is no assurance they will prove to be correct.

Furthermore, such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or forward-looking information. Such factors include, among others: general business, economic, competitive, political, regulatory and social uncertainties; disruptions or changes in the credit or securities markets and market fluctuations in prices for the Company's securities; judgement of management when exercising discretion in their use of proceeds from a financing; potential dilution of common share voting power or earnings per common share as a result of the exercise of stock options, RSUs or DSUs, future financings or future acquisitions financed by the issuance of equity; campaigns by investors to effect changes in management; discrepancies between actual and estimated mineral resources; discrepancies between actual and assumed or estimated mineral grades or recovery rates; the Company is an exploration stage company with no history of pre-tax profit and no income from its operations and there can be no assurance that the Company's operations will be profitable in the future; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; possible variations of mineral grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, cave-ins, pitwall failures, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and losses; political instability, hostilities, insurrection or acts of war or terrorism; the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; the Company's ability to renew existing permits or obtain required permits; changes in government legislation and regulation; fluctuations in commodity prices; requirements for future funding to satisfy contractual obligations and additional capital needs generally; changes or disruptions in market conditions; market price volatility; increased infrastructure and/or operating costs; reclamation costs; the Company has limited operating history and no history of earnings; reliance on a finite number of properties; limits of insurance coverage and uninsurable risk; contests over title to properties; environmental risks and hazards; limitations on the use of community water sources; the need to obtain and maintain licenses and permits and comply with laws and regulations or other regulatory requirements; competitive conditions in mineral exploration and mining business; the ability of the Company to retain its key management employees and shortages of skilled personnel and contractors; potential acquisitions and their integration with the Company's current business; influence of third party stakeholders; risks of litigation; the Company's system of internal controls; conflicts of interest; credit and/or liquidity risks; and the risks involved in the exploration, development and mining business generally. Although we have attempted to identify important factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those described in forward-looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended.