ARRAS
MINERALS CORP.

Management's Discussion and Analysis

For the three and six months ended April 30, 2026 and 2025
(Expressed in United States dollars)

INTRODUCTION

This management's discussion and analysis ("**MD&A**") has been prepared by management in accordance with the requirement of NI 51-102 as of June 25, 2026, reviews and summarizes the activities of Arras Minerals Corp. (the "**Company**" or "**Arras**") for the three and six months ended April 30, 2026 and 2025 and was prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. This MD&A is intended to supplement the Company's unaudited condensed interim consolidated financial statements for the three and six months ended April 30, 2026 and the Company's audited consolidated financial statements for the year ended October 31, 2025, and the related notes contained respectively therein which have been prepared under IFRS. All amounts are in United States dollars ("**$USD**") unless otherwise specified.

Management is responsible for the preparation and integrity of the condensed interim consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

The Company's common shares are traded on the TSX Venture Exchange (the "**TSXV**") under the symbol "ARK" and on the OTC Markets under the symbol "ARRKF". Its most recent filings are available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and can be accessed at www.sedarplus.ca.

GENERAL BUSINESS OVERVIEW

Arras Minerals Corp. ("**Arras")** is a Canadian exploration and development company advancing a portfolio of copper and gold assets in northeastern Kazakhstan.

Arras was incorporated on February 5, 2021, under the *Business Corporations Act* (British Columbia). The Company's head office is located at Suite 1508, 999 West Hastings Street, Vancouver, British Columbia, Canada, V6C 2W2 and its registered and records office is located at Suite 2600, 1066 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3X1.

On February 3, 2022, the Company purchased 100% of the issued and outstanding shares of Ekidos Minerals LLP ("Ekidos") and Ekidos became a wholly owned subsidiary of the Company. Ekidos is in the business of the exploration and evaluation of mineral properties.

The Company's assets consist of a number of exploration licenses located in northeastern Kazakhstan, including the Elemes copper-gold porphyry project. Operations are conducted through Ekidos.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

The following selected information has been derived from the Company's condensed interim consolidated financial statements for the three and six months ended April 30, 2026 and 2025 and should be read in conjunction with the Company's condensed interim consolidated financial statements, which are available at www.sedarplus.com:

SUMMARY OF FINANCIAL RESULTS

	April 30, 2026	October 31, 2025
	$	$
Cash and cash equivalents	5,709,390	10,401,194
Mineral properties	1,415,956	1,415,956
Total assets	11,501,857	14,515,818
Current liabilities	528,724	652,390
Total liabilities	693,591	652,390
Working capital	8,875,196	12,022,581

(Expressed in United States Dollars, except as noted)

	For the three months ended April 30, 2026	For the three months ended April 30, 2025	For the six months ended April 30, 2026	For the six months ended April 30, 2025
	$	$	$	$
Expenses				
Exploration	2,412,179	561,240	3,137,451	1,351,630
Personnel	324,854	326,071	564,976	567,059
Marketing and shareholders' communication	108,929	48,486	168,133	112,783
Directors' fees	70,697	116,426	142,591	147,138
Professional services	48,344	69,690	59,212	80,356
Office and administrative	32,522	15,480	59,245	29,583
Depreciation	17,393	20,173	44,521	40,750
Loss from operations	(3,014,918)	(1,157,566)	(4,176,129)	(2,329,299)
Interest income	26,364	21,420	92,518	24,417
Management fee and reimbursement	-	45,095	14,148	78,581
Foreign currency translation gain	201,101	261,467	653,438	238,322
Change of fair value of warrant derivative	-	(1,298,085)	-	(2,179,405)
Other income (loss)	227,465	(970,103)	760,104	(1,838,085)
Net and Comprehensive Loss for the Period	(2,787,453)	(2,127,669)	(3,416,025)	(4,167,384)
Basic and Diluted Loss Per Common Share	(0.02)	(0.02)	(0.03)	(0.04)
Weighted Average Number of Common Shares Outstanding	122,201,715	104,193,636	122,135,596	97,328,142

RESULTS OF OPERATIONS

For the three months ended April 30, 2026 and 2025

For the three months ended April 30, 2026, the Company had no revenue and incurred a net loss of $2,787,000 compared to a net loss of $2,128,000 for the same period last year.

Exploration costs and Related Costs
Exploration costs increased $1,851,000 to $2,412,000 for the three months ended April 30, 2026 as compared to 561,000 for the same period last year. The increase was primarily due to an increase in exploration activities at the Elemes Project and increased wages, which were offset by a decrease in stock-based compensation and site operation. In the comparative period, $567,000 in funding was received from Teck to cover project expenditures pursuant to the Teck Alliance Agreement. No such amounts were received in the current period due to the termination of the Alliance Agreement.

A summary of the material components of the Company's exploration expenses during the three months ended April 30, 2026 and 2025 are as follows:

(Expressed in United States Dollars, except as noted)

		For the three months ended April 30, 2026		For the three months ended April 30, 2025
Drilling and sampling	$	1,810,143	$	539,472
Personnel		403,381		284,164
Site operations		143,964		180,620
Stock-based compensation		25,175		91,939
Professional services		-		3,000
Insurance		3,837		3,888
Travel		7,405		13,915
Depreciation		18,274		10,894
Teck Alliance Agreement funding		-		(566,652)
Total Exploration and Related Costs	$	2,412,179	$	561,240

Corporate General and Administrative Expenses

A summary of the material components of the Company's general and administrative expenses during the three months ended April 30, 2026 and 2025 are as follows:

		For the three months ended April 30, 2026		For the three months ended April 30, 2025
Personnel	$	279,345	$	172,167
Personnel – stock-based compensation		45,509		153,904
Directors' fees		35,871		31,288
Directors' fees – stock-based compensation		34,826		85,138
Professional services		48,344		69,690
Marketing and shareholders' communication		108,929		48,486
Office and administrative		32,522		15,480
Depreciation		17,393		20,173
Total Corporate Costs	$	602,739	$	596,326

Personnel
Personnel costs increased $107,000 to $279,000 for the three months ended April 30, 2026 as compared to the $172,000 for the same period last year. The increase in the salary costs was mainly due to the timing of accrued bonus, increased bonus and salary in the current period.

Personnel – stock based compensation
Personnel stock based compensation expenses decreased $108,000 to $46,000 in three months ended April 30, 2026 compared to $154,000 of personnel stock-based compensation in the same period last year. The decrease was mainly due to stock options granted in the three months ended April 30, 2025, whereas there were none granting in the current period.

Directors' fees
Directors' fees increased $5,000 to $36,000 for the three months ended April 30, 2026 as compared to the $31,000 for the same period last year. The increase was mainly due to higher statutory contributions compared to the same period last year.

Directors' fees – stock based compensation
Directors' stock based compensation decreased $50,000 to $35,000 for the three months ended April 30, 2026 as compared to the $85,000 for the same period last year. The decrease was mainly due to stock options granted in the three months ended April 30, 2025, whereas there were none granting in the current period.

Professional services
Professional fees decreased $22,000 to $48,000 for the three months ended April 30, 2026 as compared to the $70,000 for the same period last year. The decrease was mainly due to decrease in legal fees compared to the same period last year.

Marketing and shareholder's communication
Marketing and shareholders' communication increased $61,000 to $109,000 for the three months ended April 30, 2026 as compared to $48,000 for the same period last year. The increase was mainly due to a timing of the listing and exchange fees and a $44,000 increase in the marketing promotion activities in the current period.

Office and administrative
Office and administrative costs increased $18,000 to $33,000 for the three months ended April 30, 2026 as compared to $15,000 for the same period last year. The increase was mainly due to an increase in travel expenses and the costs associated with the relocation of the Company's new corporate office during the current period.

Depreciation
Depreciation costs decreased by $3,000 to $17,000 for the three months ended April 30, 2026 as compared to $20,000 for the same period last year. The decrease was mainly due to a new corporate office lease with lower lease payments that commenced in December during the current period.

Other income (loss)
The Company recorded other income of $227,000 for the three months ended April 30, 2026, as compared to other loss of $970,000 for the comparable period last year. The significant factors contributing to other income in the three months ended April 30, 2026 were primarily due to $201,000 in foreign currency exchange gain and $26,000 of interest income. The significant factors contributing to other losses in the three months ended April 30, 2025 were primarily due to a $1,298,000 change in the fair value of the warrant derivative liability due to an increase in the fair value of warrants with a $CDN exercise price from January 31, 2025 to April 30, 2025. This was offset by a $ 261,000 foreign currency exchange gain, $21,000 of interest income and $45,000 in management fees from Teck pursuant to Teck Alliance Agreement, as described in the "Discussion of Operations" section below.

<u>For the six months ended April 30, 2026 and 2025</u>

For the six months ended April 30, 2026, the Company had no revenue and incurred a net loss of $3,416,000 compared to a net loss of 4,167,000 for the same period last year.

Exploration costs
Exploration costs increased $1,785,000 to $3,137,000 for the six months ended April 30, 2026 as compared to $1,352,000 for the same period last year. The increase was primarily due to an increase in exploration activities at the Elemes Project and increased wages, which was offset by $142,000 funding received in the current period compared to $1,023,000 funding received in the same period last year, to cover project expenditures pursuant to the Teck Alliance Agreement.

(Expressed in United States Dollars, except as noted)

A summary of the material components of the Company's exploration expenses during the six months ended April 30, 2026 and 2025 are as follows:

		For the six months ended April 30, 2026		For the six months ended April 30, 2025
Drilling and sampling	$	2,071,593	$	1,297,371
Personnel		839,266		607,292
Stock-based compensation		57,237		98,740
Site operations		257,927		309,103
Professional services		324		6,000
Insurance		7,674		7,776
Travel		14,251		26,828
Depreciation		30,792		21,447
Teck Alliance Agreement funding		(141,613)		(1,022,927)
Total Exploration and Related Costs	$	3,137,451	$	1,351,630

Corporate General and Administrative Expenses

A summary of the material components of the Company's general and administrative expenses during the six months ended April 30, 2026 and 2025 are as follows:

		For the six months ended April 30, 2026		For the six months ended April 30, 2025
Personnel	$	461,510	$	413,155
Personnel – stock-based compensation		103,466		153,904
Directors' fees		67,377		62,000
Directors' fees – stock-based compensation		75,214		85,138
Professional services		59,212		80,356
Marketing and shareholders' communication		168,133		112,783
Office and administrative		59,245		29,583
Depreciation		44,521		40,750
Total Corporate Costs	$	1,038,678	$	977,669

Personnel
Personnel costs increased $49,000 to $462,000 for the six months ended April 30, 2026 as compared to $413,000 for the same period last year. The increase in the salary costs was mainly due to an increased bonus and salary in the current period.

Personnel – stock based compensation
Personnel stock based compensation expenses decreased $51,000 to $103,000 for the six months ended April 30, 2026 as compared to $154,000 personnel stock-based compensation in the same period last year. The decrease was mainly due to stock options granted in the six months ended April 30, 2025, whereas there were none granting in the current period.

Directors' fees
Directors' fees increased $4,000 to $67,000 for the six months ended April 30, 2026 as compared to the $62,000 for the same period last year. The increase was mainly due to higher statutory contributions compared to the same period last year.

Directors' fees – stock based compensation
Directors' stock based compensation decreased $10,000 to $75,000 for the six months ended April 30, 2026 as compared to the $85,000 for the same period last year. The decrease was mainly due to stock options granted in the six months ended April 30, 2025, whereas there were none granting in the current period.

(Expressed in United States Dollars, except as noted)

Professional services
Professional fees decreased $21,000 to $59,000 for the six months ended April 30, 2026 as compared to $80,000 for the same period last year. The decrease was mainly due to a decrease in legal fees during the same period last year.

Marketing and shareholder's communication
Marketing and shareholders' communication increased $55,000 to $168,000 for the six months ended April 30, 2026 as compared to $113,000 for the same period last year. The increase was mainly due to increased investor relations and marketing activities.

Office and administrative
Office and administrative costs increased $30,000 to $59,000 for the six months ended April 30, 2026 as compared to the $30,000 for the same period last year. The increase was mainly due to an increase in travel expenses and the costs associated with the relocation of the Company's new corporate office during the current period.

Depreciation
Depreciation costs increased by $4,000 to $45,000 for the six months ended April 30, 2026 as compared to $41,000 for the same period last year. The increase were mainly due to a new corporate office lease that commenced in December and a previous corporate office lease ended in February during the current period.

Other income (loss)
The Company recorded other income of $760,000 for the six months ended April 30, 2026, as compared to other losses of $1,838,000 for the comparable period last year. Other income in the current period were primarily due to a $653,000 foreign currency exchange gain, $93,000 of interest income and $14,000 in management fees from Teck pursuant to Teck Alliance Agreement. Other losses in the comparable period were primarily due to a $2,179,000 change in the fair value of the warrant derivative liability which was due to an increase in the fair value of warrants with a $CDN exercise price from October 31, 2024 to April 30, 2025. This was offset by a $238,000 foreign currency exchange gain, $24,000 of interest income and $79,000 in management fees from Teck pursuant to Teck Alliance Agreement.

DISCUSSION OF OPERATIONS

Exploration and Evaluation Assets

On June 10, 2025, the Company announced that it had elected not to exercise the purchase option for the Beskauga property, and the Beskauga Option Agreement was mutually terminated by Copperbelt AG and the Company. As a result, the Company recorded an impairment of $3,619,303 to the capitalized property concession balance relating to Beskauga.

Property concessions – October 31, 2024	$	5,035,259
Impairment		(3,619,303)
Property concessions – April 30, 2026 and October 31, 2025	$	1,415,956

The remaining capitalized balance represents expenditures in Ekidos Minerals LLP at Ekidos, Stepnoe, Akkuduk, Norgubek, Maisor and Elemes exploration licenses as of the acquisition date of Ekidos Minerals LLP.

Exploration Licenses

On May 20, 2021, Ekidos LLP entered into the Maikain Joint Venture Agreement (the "**Maikain JV Agreement**") with Orogen LLP, a company incorporated under the laws of Kazakhstan, in connection with, among other things, mineral license applications for, and further exploration and evaluation of, certain properties in an area of interest, including the Akkuduk, Nogurbek, Maisor, Elemes, Aktasty, Besshoky, Aimandai and South Bosshakol properties located in

(Expressed in United States Dollars, except as noted)

Kazakhstan. The Maikain JV Agreement expired on May 20, 2024, so any new licenses entered into by Ekidos will not be subject to this agreement after this date. However, the Maikain JV Agreement does not terminate and continues in full force and effect with respect to any mineral licenses held by or on behalf of the Maikain joint venture as of the date of expiry.

As of April 30, 2026, Arras's wholly owned subsidiary, Ekidos LLP, has been granted 17 exploration licenses in Kazakhstan. These exploration licenses have been granted for an initial 6-year period, with the possibility of a 5-year extension from the effective dates.

Property	Exploration License	Year Granted	Exploration Blocks
Ekidos	875-EL	2020	118
Stepnoe	876-EL	2020	174
Akkuduk	1178-EL	2021	116
Nogurbek	1413-EL	2021	141
Maisor	1471-EL	2021	200
Elemes	1555-EL	2022	198
Aktasty	1675-EL	2022	197
Besshoky	1819-EL	2022	37
Aimandai	1840-EL	2022	50
South Bozshakol	1866-EL	2022	86
Azhe - 1	2207-EL	2023	58
Karatol - 2	2208-EL	2023	24
Tay	2241-EL	2023	56
Beskauga West	2345-EL	2024	8
Beskauga East	2346-EL	2024	8
Karatol - 3	2367-EL	2024	45
Karatol - 1	2608-EL	2024	44

Each exploration block is approximately 2.1 square kilometres.

Exploration License Map

The location of all Licenses mentioned are shown in the map below.

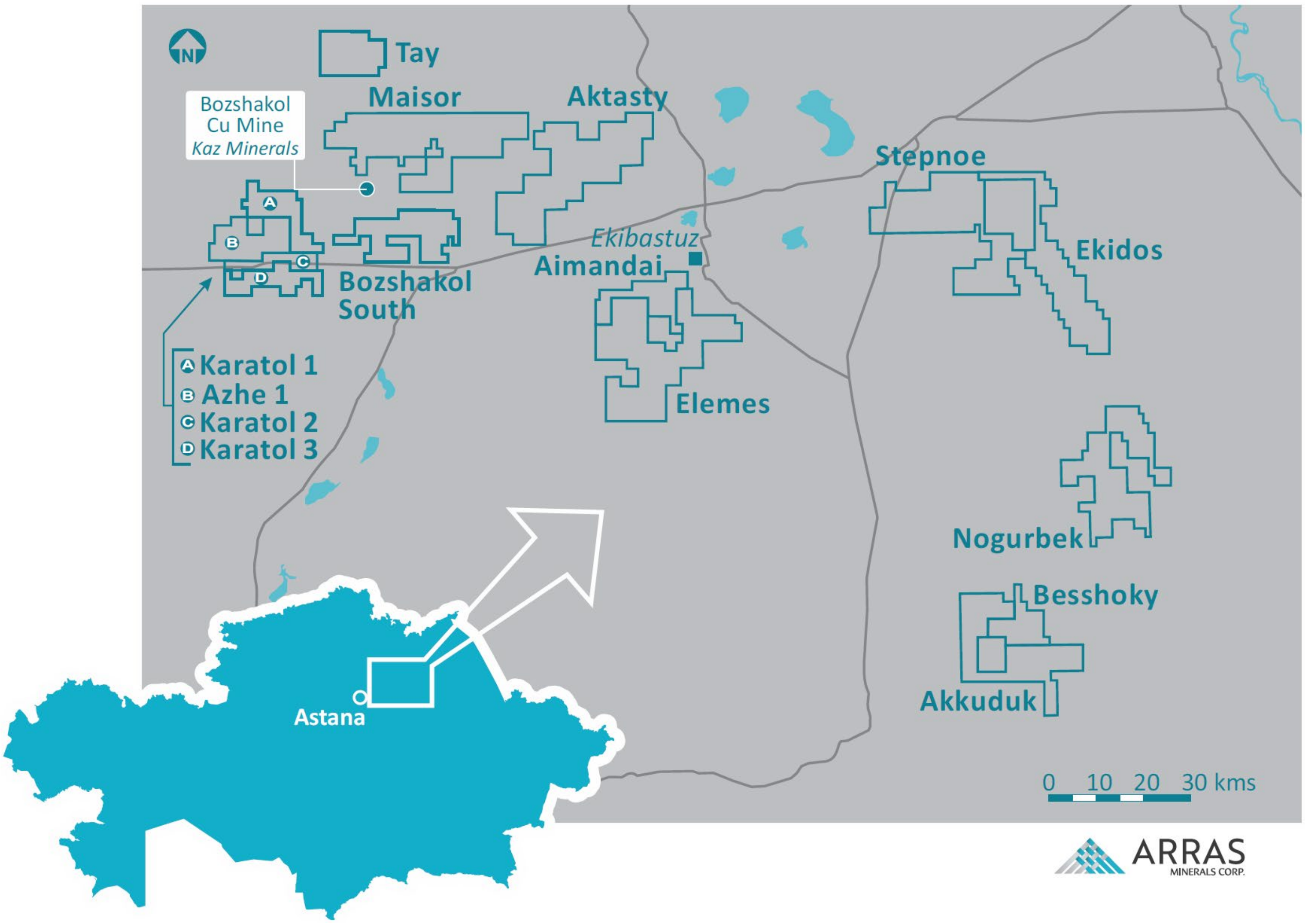

***Figure 1.** Map showing Arras' mineral licences.*

Teck Alliance Agreement

On December 6, 2023, the Company entered into the Teck Alliance Agreement and received $1,497,668 cash, including $1 million for the reimbursement of certain related expenses made by the Company prior to the Teck Alliance Agreement and $497,668 for exploration activities expected to be committed to or completed by December 31, 2023. Upon the terms and subject to the conditions set forth in the Teck Alliance Agreement, in order for Teck Resources Limited ("Teck") to earn and maintain its option, Teck had to incur $5 million in exploration expenditures on two licenses packages totaling approximately 1,736 square kilometers located in Pavlodar, Kazakhstan by December 31, 2025 (the "Initial Exploration Period"). Of this, $2 million was a firm commitment to be completed in calendar year 2024. Arras initially acted as manager of the projects under the Teck Alliance Agreement and Teck funded the projects on a quarterly basis based on an agreed upon project budget.

On the completion of the Initial Exploration Period, Teck was able to exercise an option in the Teck Alliance Agreement by selecting up to four designated properties up to 120 square kilometers each. Teck would have had to pay $500,000 for each designated property to the Company as an additional reimbursement for the previously invested exploration expenditures. Teck agreed to pay to the Company a management fee for administrative services between 5% to 10%

of certain exploration expenditures, excluding capital asset purchases. During the six months ended April 30, 2026 and 2025, $14,148 and $78,581 were recognized as management fees, respectively.

Teck had three options to earn and maintain its option:

- "First Option": Teck could elect to solely fund $5.5 million in 2024 and 2025 calendar years, and on completion will be deemed to own 51% of the designated property,
- "Second Option": Teck could elect to solely fund $18 million over the next three years ($5 million committed in Year 1) to earn an additional 14% (total of 65%) of the designated property,
- "Third Option": Teck could elect to solely fund $24 million over four years ($6 million committed in Year 1) to earn an additional 10% (total of 75%) of the designated property.

On February 9, 2026, the Teck Alliance Agreement was mutually terminated by Teck and the Company. Teck had incurred $4,972,000 of the required expenditure.

Exploration Plan for 2026

For 2026, Arras plans to continue its aggressive exploration efforts, building on the significant exploration progress in 2025, focusing on the Company's Elemes license.

The 2026 work program at Elemes includes:

- An expanded Phase 2 Elemes drill program, with an additional 20,000 metres of core drilling planned
- Primary emphasis on expanding the scale of Berezski Central and Berezski North targets
- Additional drilling extending the footprint of Berezski East Target and to find the source of the porphyry mineralization identified at the Novii target
- 6,000 metres of Top of Bedrock ("KGK") drilling planned at both Berezski and Aimandai Trends to accelerate target definition in these zones.

For the former Teck Strategic Alliance licenses, 2026 exploration plans include:

- At Shiderty (located within the Aktasty license), Bozshakol South and Besshoky targets, conducting MT and Gravity surveys, with follow-up diamond drilling.
- At Tort Kuduk (located within the Karatol 3 license), conducting a ground magnetic survey over the target and the large copper geochemical anomaly to the southwest to better define targets for follow-up drilling.
- At Akkuduk and Nogurbek, conducting IP surveys over the areas with historic drilling to help identify mineralization and follow-up with a drill program focusing on confirming the historic drill data to determine the size potential of the targets.

Additionally, as the Teck Strategic Alliance was focused on copper porphyry systems, initial targets identified to be more precious metals oriented were not advanced upon. Arras plans to include these targets in its 2026 exploration plans.

SHARE CAPITAL HIGHLIGHTS

During the six months ended April 30, 2026

On March 13, 2026, 241,196 RSUs that were granted in 2025 were settled as common shares of the Company.

During the six months ended April 30, 2025

On April 17, 2025, the Company completed a private placement, issuing a total of 18,941,177 common shares at a price of $CDN 0.85 per common share for gross proceeds of $CDN 16,100,000 ($11,487,692). The Company paid finder's fees totaling $CDN 771,105 ($550,200) to agents with respect to certain purchasers who were introduced to the Company. The Company incurred other offering costs associated with this private placement in the amount of $174,257.

(Expressed in United States Dollars, except as noted)

On April 17, 2025, options to acquire 300,000 common shares were exercised for options exercised at $CDN 0.50 per common share for aggregate gross proceeds of $105,381.

On March 17, 2025, Silver Bull Warrants to acquire 21,500 common shares were exercised at an exercise price of $0.25 per common share (exercise price per Arras share issuable). The Company received gross proceeds of $5,375. The Company incurred other costs associated with this warrant exercise in the amount of $862.

On March 14, 2025, options to acquire 100,000 common shares were exercised by way of a cashless exercise whereby the recipient elected to receive 47,435 common shares without payment of the exercised price and the remaining options for 52,565 common shares were cancelled.

On March 14, 2025, 1,495,484 RSUs that were granted in 2024 were settled as common shares of the Company.

From January 20, 2025 to March 14, 2025, warrants to acquire 10,134,332 common shares were exercised at an exercise price of $CDN 0.40 per common share for aggregate gross proceeds of $CDN 4,053,733 ($2,834,418).

SUBSEQUENT EVENTS

On June 11, 2026, options to acquire 100,000 common shares were exercised at $CDN 0.50 per common share for aggregate gross proceeds of $35,732.

On June 12, 2025, options to acquire 3,800,000 common shares were exercised at $CDN 0.50 by way of a cashless exercise whereby the recipients elected to receive 2,221,010 common shares without payment of the exercised price and the remaining options for 1,578,990 common shares were cancelled.

On June 15, 2026, the Company announced a Bought Deal LIFE Offering (the "Financing"), pursuant to which it will issue 18,382,175 common shares at a price of $CDN 1.36 per common share for gross proceeds of $CDN 24,999,758. The Financing is expected to close on or about July 7, 2026.

SUMMARY OF SELECTED HIGHLIGHTS OF QUARTERLY INFORMATION

The following tables contain quarterly information for the last eight quarters of the Company from May 1, 2024 through April 30, 2026:

	April 30, 2026	January 31, 2026	October 31, 2025	July 31, 2025
	$	$	$	$
Balance Sheet				
Current assets	9,403,920	12,205,624	12,674,971	13,502,952
Current liabilities	528,724	740,679	652,390	668,579
Working capital, excluding warrant derivative liability	8,875,196	11,464,945	12,022,581	12,834,373
Shareholders' Equity	10,808,266	13,424,535	13,863,428	14,750,470
Operations				
Total revenue	-	-	-	-
Net loss	(2,787,453)	(616,727)	(1,460,202)	(5,328,976)

(Expressed in United States Dollars, except as noted)

	April 30, 2025	January 31, 2025	October 31, 2024	July 31, 2024
	$	$	$	$
Balance Sheet				
Current assets	14,699,585	1,613,645	2,711,032	4,224,357
Current liabilities	460,105	2,456,064	1,645,387	2,293,290
Working capital (deficit), excluding warrant derivative liability	14,230,480	950,452	2,027,419	2,112,620
Shareholders' Equity	19,840,584	4,775,375	6,735,161	7,827,890
Operations				
Total revenue	-	-	-	-
Net loss	(2,127,669)	(2,039,715)	(1,202,913)	(692,408)

Arras is focused on the exploration and development of the Elemes Project and the Company's various other exploration licenses and does not yet generate any revenue. Changes in net income and loss from one period to another depends largely on exploration activities, corporate and administrative expenditure, granting of stock options and the timing of the relevant vesting schedules, which are offset by any other income accrued in the period.

The fluctuations in working capital from quarter to quarter are dependent upon financing of the Company's operations.

LIQUIDITY AND CAPITAL RESOURCES

The net working capital of the Company at April 30, 2026 was $8,875,000 (October 31, 2025: $12,023,000).

For the six months ended April 30, 2026, the Company used $4,635,000 in cash for operating activities compared to $2,039,000 in the same period last year. The increase was mainly the result of the Company increasing exploration activities in the current period. The Company recorded a $142,000 exploration reimbursement in the current period compared to the $1,023,000 exploration reimbursement from Teck in the same period last year. The Company's cash flows from operations are negative as it is an exploration-stage company.

For the six months ended April 30, 2026, the Company had net cash used in financing activities of $50,000 in repayment of the lease liability. For the six months ended April 30, 2025, the Company had net cash provided by financing activities of $13,671,000, which were the net proceeds of the private placement completed, the net proceeds of warrant exercised and the net proceeds from stock option exercised, which was offset by $47,000 in repayment of the lease liability.

Cash flows used in investing activity for the six months ended April 30, 2026 were $7,000 for the purchase of computer equipment. Cash flows used in investing activity for the six months ended April 30, 2025 were $26,000 for the purchase of mining equipment.

Liquidity Outlook

At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits and raise cash through financings. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

As of April 30, 2026, the Company has $9.2 million in exploration expenditure commitments (to be spent over the next 3 years) mandated by relevant Kazakh government authorities to keep its exploration licenses in good standing, and $300,000 in lease commitments relating to future contractually obligated payments of its corporate office.

(Expressed in United States Dollars, except as noted)

	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Total
Lease commitments	62,000	62,000	62,000	62,000	52,000	300,000
Exploration licenses expenditure commitments	2,767,000	3,044,000	3,348,000	-	-	9,159,000
	2,829,000	3,106,000	3,410,000	62,000	52,000	9,459,000

In order to finance the Company's operations, future exploration programs, make payments and undertake expenditures to maintain the effectiveness of the expenditure commitments and to cover administrative and overhead expenses, the Company will need to raise funds through equity issuances, from the exercise of warrant, debt, deferral of payments to related parties, or other forms of raising capital. Many factors influence the Company's ability to raise funds, including the health of the resources market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the short and long term but recognizes that there will be risks involved which may be beyond its control.

Going Concern

The Company's interim consolidated financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at April 30, 2026, the Company has not yet achieved profitable operations. This condition indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance the Company's operations, future exploration programs and to cover administrative and overhead expenses. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values. The condensed interim consolidated financial statements of the Company for the three and six months ended April 30, 2026 do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

OFF- BALANCE SHEET TRANSACTIONS

The Company has no off-balance sheet arrangements as at April 30, 2026 or at the date of this MD&A.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include those persons having 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 Company's Board of Directors and corporate officers.

At April 30, 2026, and October 31, 2025, accounts payable and accrued liabilities contained the following amounts due to related parties:

(Expressed in United States Dollars, except as noted)

		April 30, 2026		October 31, 2025
CEO (1)	$	59,508	$	137,258
President (2)		83,802		137,258
CFO (3)		36,164		84,568
Directors' fees (4)		54,320		32,525
Directors' fees (4)		24,840		14,850
Directors' fees (4)		24,896		14,907
Directors' fees (4)		11,174		7,811
Directors' fees (4)		13,069		1,370
Directors' fees (4)		-		3,079
Total	$	307,773	$	433,626

(1) *Includes unsettled RSUs for 2026 and accrued bonus for 2025.*
(2) *Includes a monthly payroll and unsettled RSUs for 2026, and accrued bonus for 2025.*
(3) *Includes unsettled RSUs for 2026 and accrued bonus for 2025.*
(4) *For unpaid directors' fees and unsettled DSUs for 2026 and 2025.*

During the six months ended April 30, 2026 expenses totalling $171,772 (April 30, 2025 - $155,553) were incurred by Silver Bull on the Company's behalf pursuant to the Separation and Distribution Agreement, which provides for a framework for the relationship between the parties during and after the Distribution. If specific identification of expenses is not practicable, a proportional cost allocation based on management's estimation is applied. As at April 30, 2026, $21,933 (October 31, 2025 - $22,285) due to related party consists of amounts due to Silver Bull for office related costs and salaries reimbursements. The balance of due from and due to related party is interest free and is to be repaid on demand.

Silver Bull continues to incur the salaries of its employees and other office-related overhead costs and charge Arras for a portion of these costs on a pro-rata cost-recovery basis.

		April 30, 2026		April 30, 2025
Personnel	$	189,473	$	170,816
Office and administrative		3,207		7,843
Office rent reimbursement		(20,908)		(23,106)
	$	171,772	$	155,553

During the six months ended April 30, 2026 and 2025, the Company paid or accrued the following amounts to officers, directors or companies controlled by officers and/or directors:

		April 30, 2026		April 30, 2025
Share-based payments	$	249,138	$	230,920
CEO		123,255		142,376
President		123,255		142,376
CFO		73,218		73,188
Directors' fees		21,796		21,581
Directors' fees		9,989		9,693
Directors' fees		9,989		9,693
Directors' fees		10,898		9,705
Directors' fees		9,989		10,126
	$	631,527	$	649,658

PROPOSED TRANSACTIONS

The Company has no proposed transactions that have not been disclosed herein as at April 30, 2026 or as at the date of this MD&A.

FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, accounts payables and accrued liabilities, lease liabilitie and due from related party. The carrying values of these financial instruments approximate their respective fair values due to the term of these instruments.

The Company's financial instruments classified as Level 1 in the fair value hierarchy are cash and cash equivalents, accounts payable and accrued liabilities and due to related party.

The warrant liability derivative is not traded in an active market, and the fair value is determined using valuation techniques. The estimates may be significantly different from those recorded in the consolidated financial statements because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market. All changes in the fair value are recorded in the consolidated statement of operations and comprehensive loss each reporting period. This is considered to be a Level 3 financial instrument.

The carrying values approximate the fair values due to the short-term maturity of these instruments. There were no transfers between fair value levels during the six months ended April 30, 2026.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's credit risk on other receivables is negligible.

The Company's primary exposure to credit risk is its cash and cash equivalents of $5,709,000 as at April 30, 2026. Management believes that the credit risk concentration with respect to cash and cash equivalents is remote as it maintains accounts with highly rated financial institutions. Cash and cash equivalents are denominated in $USD, $CDN and Kazakh Tenge, and consist of guaranteed investment certificates for the terms of less than 100 days acquired from a Canadian financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating investing and financing activities. As at April 30, 2026, the Company had net working capital of $8,875,000 (October 31, 2025 – $12,023,000) and cash and cash equivalents of $5,709,000 (October 31, 2025 - $10,401,000), and is not exposed to significant liquidity risk at this time. Furthermore, as the Company is in the exploration stage, it will periodically have to raise funds to continue operations and intends to raise further financing through equity offerings.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

The Company is not currently exposed to any significant interest rate risk or other price risk. The Company is exposed to foreign currency risk with respect to cash denominated in Canadian dollars. As at April 30, 2026 and October 31, 2025, a 10% strengthening (weakening) of the Canadian dollar against the United States dollar would have increased (decreased) the Company's comprehensive loss by approximately $377,000 for the six months ended April 30, 2026 (October 31, 2025 - $706,000).

The Company also maintains a minimum cash balance of local currency in bank account in Kazakhstan and the Company assessed such foreign currency risk as low.

The Company has not hedged any of its foreign currency risks.

Commodity Price Risk

The ability of the Company to raise funds to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of copper and gold. The Company monitors copper and gold prices to determine the appropriate course of action to be taken.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities, revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgment on matters which are inherently uncertain. Details of the Company's significant accounting policies can be found in note 3 of the condensed interim consolidated financial statements for the three and six months ended April 30, 2026 and note 3 of the Company's annual consolidated financial statements for the year ended October 31, 2025 filed on SEDAR on February 26, 2026.

OUTSTANDING SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of Common Shares without par value. As of the date of this MD&A, the Company had 124,633,838 Common Shares and 3,710,000 stock options issued and outstanding.

QUALIFIED PERSON AND INFORMATION CONCERNING ESTIMATES OF MINERAL PROJECTS

All of the scientific and technical information contained in this MD&A has been reviewed and/or approved by Matthew Booth, Vice President of Exploration of Arras Minerals Corp., a member of the American Institute of Professional Geologists, and a "Qualified Person" for the purposes of National Instrument 43-101 - Standards of Disclosure for Minerals Projects.

RISKS AND UNCERTAINTIES

The Company's business, operations and future prospects are subject to significant risks. For details of these risks, refer to the risk factors set forth in the Company's final long form prospectus ("**Final Long Form Prospectus**"), filed on SEDAR on May 31, 2022.

Management is not aware of any significant changes to the risks identified in the Final Long Form Prospectus. Such risk factors could materially affect the Company's business, operations, prospects and share price and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations, prospects and share price of the Company. If any of the risks actually occur, the business of the Company may be harmed, and its financial condition and results of operations may suffer significantly.

FORWARD-LOOKING STATEMENTS

Certain statements, other than statements of historical fact, contained in this MD&A constitute "forward-looking information" within the meaning of certain securities laws, including the *Securities Act* (British Columbia) and are based on expectations, estimates and projections as of the date on which the statements are made in this MD&A. Forward-looking statements include, without limitation, statements with respect to:

- The sufficiency of our existing cash resources to enable us to continue our operations as a going concern;
- the prospects of entering the development or production stage with respect to the Elemes Project;
- the Company's planned activities at the Elemes Project in 2026 and beyond;
- the Company's ability to obtain and hold additional concessions in the Elemes Project area;
- the Company's planned activities at its exploration licenses in 2026 and beyond;
- the sufficiency of the Company's surface rights in respect of the Elemes Property if a mining operation is determined to be feasible;
- the potential acquisition of additional mineral properties or property concessions;
- the impact of recent accounting pronouncements on the Company's financial position, results of operations or cash flows and disclosures;
- the Company's ability to raise additional capital and/or pursue additional strategic options, and the potential impact on its business, financial condition and results of operations of doing so or not; and
- the impact of changing foreign currency exchange rates on the Company's financial condition.

The words "plans", "expects", "scheduled", "budgeted", "projected", "estimated", "timeline", "forecasts", "anticipates", "suggests", "indicative", "intend", "guidance", "outlook", "potential", "prospects", "seek", "strategy", "targets" or "believes", or variations of such words and phrases or statements that certain future conditions, actions, events or results "will", "may", "could", "would", "should", "might" or "can", or negative versions thereof, "be taken", "occur", "continue" or "be achieved", and other similar expressions, identify forward-looking statements. Forward-looking statements are necessarily based upon management's perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management as of the date on which the statements are made in this MD&A, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect.

In addition to the various factors and assumptions set forth in this MD&A, the material factors and assumptions used to develop the forward-looking information include, but are not limited to:

- the future prices of metals and other commodities;
- the ability to raise any necessary additional capital on reasonable terms to advance exploration and development of the Elemes Project and the Company's other exploration licenses;
- the demand for and stable or improving price of metals and other commodities;
- general business and economic conditions will not change in a material adverse manner;
- the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the accuracy of budgeted exploration costs and expenditures;
- future currency exchange rates and interest rates;
- operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner;
- the Company's ability to attract and retain skilled personnel and directors;
- political and regulatory stability;
- the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms;
- obtaining required renewals for existing approvals, licenses and permits on favourable terms;
- requirements under applicable laws;
- sustained labour stability;
- stability in financial and capital markets; and
- availability of equipment.

By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. Known and unknown risk factors, many of which are beyond the control of the Company, could cause actual results to differ materially from the forward-looking information in this MD&A. Such factors, without limitation, the following, which are discussed in greater detail in the "Risk Factors" section of the Final Long Form Prospectus:

- the Company's ability to continue as a going concern;
- uncertain whether the Company's will be able to maintain sufficient cash to accomplish our business objectives;
- exploration activities require significant amounts of capital that may not be recovered;
- the Company's ability to meet its current and future capital requirements on favorable terms or at all;
- the Company being an exploration stage mining company with no history of operations;
- the Company having no commercially mineable ore body;
- the reliability of Mineral Resource estimates;
- the Company's ability to acquire additional mineral properties or property concessions;
- inherent risks in the mineral exploration industry;
- risks relating to fluctuations of metal prices;
- risks relating to competition in the mining industry;
- risks relating to the title to the Company's properties;
- risks relating to the Company's option and joint venture agreements;
- risks associated with joint ventures;
- ability to obtain required permits;
- timing of receipt and maintenance of government approvals;
- compliance with laws is costly and may result in unexpected liabilities;
- success depends on developing and maintaining relationships with local communities and other stakeholders;
- risks relating to social and environmental activism;
- risks relating to evolving corporate governance and public disclosure regulations;
- risks relating to foreign operations;
- risks relating to worldwide economic and political events;
- risk of political and economic instability in Kazakhstan;
- the Company's financial condition could be adversely affected by changes in currency exchange rates;
- risks relating the Company's "foreign private issuer" status;
- risks relating to the Company's possible status as a passive foreign investment company;
- risks relating to volatility in the Company's share value;
- further equity financings leading to the dilution of the Company's Common Shares;
- the Company's Common Shares continuing not to pay dividends;
- risks relating to information systems and cybersecurity;
- the Company's ability to retain key management, consultants and experts necessary to successfully operate and grow its business;
- the Company's overlapping officers and directors with Silver Bull may give rise to conflicts of interest;
- the Company's reliance on international advisors and consultants;
- risks relating to changes in tax laws; and
- risks relating to changes in regulatory frameworks or regulations affecting the Company's activities.

These risk factors are not intended to represent a complete list of the factors that could affect the Company and investors are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.