



Tectonic Metals Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2025 and 2024

This management's discussion and analysis ("MD&A") of the financial condition and results of operations of Tectonic Metals Inc. (the "Company" or "Tectonic"), together with its wholly owned subsidiaries constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended March 31, 2025 and 2024. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations*. This MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the three months ended March 31, 2025 and 2024 (the "Financial Statements") which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee, including International Accounting Standards 34 *Interim Financial Reporting*. In addition, the MD&A should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2024 and 2023 (the "Annual Financial Statements"), as some disclosures from the Annual Financial Statements have been condensed or omitted.

In this MD&A, unless the context otherwise dictates, a reference to "us", "we", "our", or similar terms refers to the Company. The results for the periods presented are not necessarily indicative of the results that may be expected for any future period. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively.

All monetary amounts in the MD&A are expressed in Canadian dollars, the presentation currency of the Company and its subsidiaries, except number of shares or as otherwise indicated. References to "USD" or "US\$" are to US dollars. The functional currency of the Company and its subsidiaries is disclosed in the notes to the Financial Statements. Additional information regarding the Company is available on SEDAR+ at www.sedarplus.ca and the Company's website at www.tectonicmetals.com. This MD&A has been prepared effective as of May 29, 2025 (the "MD&A Date").

FORWARD-LOOKING STATEMENTS

This MD&A includes forward-looking statements that are based upon current expectations, which involve risks and uncertainties associated with our business and the environment in which the business operates. Any statements contained herein that are not statements of historical fact may be deemed to be forward looking statements, including those identified by the expressions "considers", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved", or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may", "future", "expected", "will", "intends", and "estimates". By their very nature forward-looking statements 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 the forward-looking statements. The Company provides 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.

NATURE OF OPERATIONS AND GOING CONCERN

Tectonic Metals Inc. was incorporated on April 7, 2017, under the laws of the British Columbia Business Corporations Act. The Company's head office is at 1400 - 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5.

The Company is listed on the Toronto Venture Exchange ("TSXV") trading under the symbol "TECT" and is co-listed on the United States ("US") OTCQB, trading under the symbol "TETOF" and the Frankfurt Stock Exchange, trading under the symbol "T15B".

The Company's principal business activities include the acquisition and exploration of mineral exploration and evaluation assets in the US. The Company has not yet determined whether its exploration and evaluation assets contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

The Financial Statements are prepared on a going concern basis, which contemplates that the Company will be able to continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. There is no certainty that additional financing at terms that are acceptable to the Company will be available, and an inability to obtain financing would have a direct impact on the Company's ability to continue as a going concern. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Management intends to finance its operations for the upcoming year with the proceeds from equity financing, and its current working capital.

2024-2025 EXPLORATION HIGHLIGHTS

Drill Discovery and Program Results - On March 3, 2025, the Company announced a significant newly drilled gold discovery at the 1.5 kilometre ("km") by 0.5 km Alpha Bowl Target ("Alpha Bowl"), extending the confirmed mineralized strike length of the Chicken Mountain gold system ("Chicken Mountain") from 2 km to 3 km. To date, all 86 holes drilled at Chicken Mountain intersected gold mineralization (a 100% drill success rate) and all mineralization remains open along strike and at depth. The Chicken Mountain intrusion is one of six kilometre-scale potential gold deposits at Tectonic's Flat Gold Project ("Flat").

Additional assay results from twelve holes drilled on Chicken Mountain confirmed and expanded upon known zones of gold mineralization and identified higher grade corridors within the bulk tonnage target.

Key highlights include:

- Alpha Bowl discovery drill hole CMD24-026 returned **65.53m at 1.22 g/t Au** including **18.29m at 2.22 g/t Au with 6.10m at 6.01 g/t Au and 1.52m at 21.72 g/t Au**. This hole was drilled some 800m north of the nearest Chicken Mountain drill hole (DDH97-02CM) which returned **7.01m of 4.57 g/t Au**.
- Notable intercepts from Chicken Mountain include CMR24-020 which returned **10.67m at 0.99 g/t Au, 12.19m at 1.07 g/t Au and 39.62m at 0.81 g/t Au** all contained within a broader **152.40m interval at 0.56 g/t Au**, ending in mineralization.

Metallurgical Testing - On September 19, 2024, the Company announced its first-ever scoping metallurgical heap leach column results, achieving impressive gold recoveries of 96% and 91% from two composites representing general lower and higher-grade material. These column tests were conducted on coarse ¾ inch material, representing a mix of oxidized and non-oxidized fresh mineralization selected from historic ½ NQ-sized drill core from 9 drill holes from the Chicken Mountain Intrusion at Tectonics' Flat in southwestern Alaska.

Key highlights include:

- Rapid Leach Kinetics: Over 80% gold recovery was achieved within 29 days for the higher gold grade composite column and within 36 days for the slightly lower gold grade composite column.
- Heap Leach Validated: Column test results confirm the potential for heap leach processing at Flat, including both oxidized and non-oxidized fresh mineralization.
- Non-Oxidized Fresh Mineralized Rock Demonstrates Amenable to Heap Leaching: Results indicate that gold recoveries are not significantly influenced by the presence or absence of oxides, depth of mineralization, and non-oxidized mineralization demonstrates amenability to heap leaching.
- No Agglomeration Required: Tests confirmed that agglomeration was not necessary, which has the potential to further enhance processing efficiency and lower costs.

- Potential for Run-of-Mine Heap Leaching: Metallurgical testing, including bottle rolls and column tests, indicates that the mineralization at Flat is not grind sensitive. Similar to the mineralization at the Fort Knox Mine, gold at Flat is fracture-controlled, enabling efficient leach solution access and faster gold recovery even on coarse material. This style of gold mineralization is well-suited for heap leaching, presenting a cost-effective extraction opportunity, particularly if uncrushed run-of-mine material is amenable to heap leaching as it is at Fort Knox.

Assay Results - On September 5, 2024, the Company announced assay results from four historical core holes drilled in 2003 at Flat. These 2024 drill assay results have revealed multiple new, intrusion-hosted gold corridors at the Chicken Mountain Zone and validated the presence of a Reduced Intrusion-Related Gold System (RIRGS) at Golden Apex, one of six identified intrusion targets at Flat. These four drill holes totaling 1,043.5 meters with 720 meters recently assayed by Tectonic, are situated in largely unexplored areas of the Flat Project. The infill sampling and assaying by Tectonic resulted in the identification of new mineralized zones, confirmation of historical intersections, new sampling results in increased mineralized widths, and validation of geochemical and geophysical vectors to mineralization.

Key highlights include:

- At the Golden Apex target drill hole GA03-02 returned **12.34m at 1.05 g/t Au, 22.86m at 1.00 g/t Au and 12.65m at 0.72 g/t Au** hosted within hornfels and volcanic rock, which validated the presence of RIRGS distal mineralization.
- At the Chicken Mountain target, assaying of unsampled sections of two historical drill holes significantly enhanced both the width and grade of gold mineralization compared to the selectively sampled intervals from 2003 historical analyses. Drill hole CM03-25 returned **35.06m at 1.05 g/t Au and 7.62m at 5.66 g/t Au** and drill hole CM03-26 returned **19.81 m at 0.53g/t Au and 7.62m at 1.00 g/t Au**.

CORPORATE HIGHLIGHTS

During the three months ended March 31, 2025 and period to the MD&A Date

On May 20, 2025, the Company consolidated its issued share capital on a ratio of ten (10) to one (1) new post-consolidated common share (the "Share Consolidation"). All current and comparative references to the number of common shares, weighted average number of common shares, loss per share, stock options and warrants have been restated to give effect to this Share Consolidation.

On May 20, 2025, the Company closed a private placement (the "2025 Private Placement") and issued 25,472,600 units at a price of \$0.50 per unit for gross proceeds of \$12,736,300. Each unit consists of one common share and one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of \$0.75 and expires on May 20, 2027. Pursuant to the 2025 Private Placement, the Company incurred cash share issuance costs of \$335,700 and issued 671,400 finders' warrants. Each finders' warrant is exercisable at a price of \$0.75 and expires on May 20, 2027.

The Company will use the funds from the 2025 Private Placement to fund exploration at Flat, specifically for Alpha Bowl, and for working capital.

During the year ended December 31, 2024

On November 4, 2024, the Company granted an aggregate of 900,000 incentive stock options.

On November 1, 2024, the Company closed the third and final tranche of a private placement (the "2024 Private Placement") and issued 2,819,520 units at a price of \$0.60 per unit for gross proceeds of \$1,691,712. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of \$1.00 and expires on November 1, 2026. The Company paid cash share issuance costs of \$105,057, of which \$1,537 was to a related party, and issued 163,571 finders' warrants. Each finders' warrant is exercisable at a price of \$1.00 and expires on November 1, 2026.

On October 18, 2024, the Company paid US\$25,000 (CAD\$34,275) for the option payment on the Porterfield Property.

On October 3, 2024, the Company closed the second tranche of the 2024 Private Placement and issued 978,033 units at a price of \$0.60 per unit for gross proceeds of \$586,820. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of \$1.00 and expires on October 3, 2026. The Company paid cash share issuance costs of \$52,101, of which \$9,738 was to a related party, and issued 46,200 finders' warrants. Each finders' warrant is exercisable at a price of \$1.00 and expires on October 3, 2026.

On August 16, 2024, the Company closed the first tranche of the 2024 Private Placement and issued 5,117,714 units at a price of \$0.60 per unit for gross proceeds of \$3,070,639. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of \$1.00 and expires on August 16, 2026. The Company paid cash share issuance costs of \$186,728, of which \$23,780 was to a related party and issued 166,943 finders' warrants. Each finders' warrant is exercisable at a price of \$1.00 and expires on August 16, 2026.

The Company will use the funds from the 2024 Private Placement to fund exploration at Flat and for working capital.

ABOUT CRESCAT CAPITAL

Crescat is a global macro asset management firm headquartered in Denver, Colorado, which deploys tactical investment themes based on proprietary value-driven equity and macro models. Crescat's investment goals are to provide industry-leading absolute and risk-adjusted returns over complete business cycles with low correlation to common benchmarks, and they apply their investment process across a mix of asset classes and strategies.

At the Company's Annual General and Special Meeting on September 21, 2023, the Company received approval from disinterested shareholders for Crescat to become a Control Person as defined by the Securities Act and in the TSXV's policies. This allows Crescat to hold over 20% of the Company's issued and outstanding common shares. As at March 31, 2025, Crescat held approximately 17.05% of the outstanding shares in the Company.

ABOUT DOYON, LIMITED

With more than 12.5 million acres of land and over 20,000 shareholders, Doyon, Limited ("Doyon") is the largest private landholder in Alaska and in North America. As one of Alaska's largest for-profit Native Regional Corporations, Doyon's mission is to continually enhance its position as a financially secure Native corporation and promote the economic and social well-being of its shareholders and future shareholders. They focus on strengthening the Native way of life and protecting and enhancing their land and resources.

Doyon is the second largest shareholder in Tectonic, via several strategic investments directly into the Company. Tectonic and Doyon initially partnered in the summer of 2018, where Tectonic was granted exclusive rights to explore, develop and mine all minerals, ores and mineral products extracted on several projects, which are situated on Doyon land. In the summer of 2021, Tectonic was granted similar rights on Flat, situated on Doyon land. Forming partnerships and establishing production lease agreements on Tectonic's early-stage projects at the onset is a critical component of the Company's business model. Such discovery-to-production agreements manage risks and align the interests and expectations of all parties involved, so the task of advancing a project from discovery through to the development of a mine is aligned and more streamlined.

SCIENTIFIC AND TECHNICAL INFORMATION

Scientific and technical information presented in this MD&A has been approved by Peter Kleespies, M.Sc., P.Geo, Vice President, Exploration, a qualified person who by reason of education, affiliation with a professional association and past relevant work experience, fulfills the requirements of a Qualified Person, as defined in NI 43-101 *Standards of Disclosure for Mineral Projects*.

DISCUSSION OF OPERATIONS

TIBBS

Overview

The Tibbs project ("Tibbs") is located in the Goodpaster Mining District approximately 175 kilometres southeast of Fairbanks, Alaska, and 35 kilometres east of the Northern Star Resources' Pogo Mine. The project is accessible via helicopter and historic winter trails and hosts an airstrip in the Tibbs Creek drainage. The property covers 29,280 acres of highly prospective geology hosting over 25 target areas and historic lode gold production in three locations.

Tectonic completed exploration work at the property over four consecutive campaigns beginning in 2017, with a gradual progression from grassroots methodologies such as geological mapping and power auger soil sampling, heli-portable excavator trenching, and airborne magnetic and electromagnetic geophysics through to RAB drilling campaigns in 2019 and 2020. Soil geochemical sampling in 2020 identified previously unknown, high-tenor gold, arsenic, and bismuth soil anomalies west of the previous exploration in similar host rocks as the Pogo deposit. Tectonic's 2021 program was the first core drilled on the property since 2011 and the first oriented core in the property's history. The program was designed to obtain structural control on high-grade mineralization drilled by the Company over the previous two seasons, while testing newly discovered exploration targets with similar structural, geological, and geochemical features as mineralization at the Pogo Gold Mine.

On June 15, 2017, the Company and Tibbs Creek Gold, LLC ("TCG") entered into a mining lease and option agreement (the "Tibbs Agreement") where TCG granted to the Company the full and exclusive right to use, occupy and carry out mineral exploration, production and extraction activities on Tibbs to earn a 100% interest in Tibbs. Tibbs comprises 169 claims covering a total of 5,457.5 hectares located in the Big Delta B1 Quadrangle of the Fairbanks Recording District in the state of Alaska. The Tibbs Agreement is for a period of 10 years terminating June 15, 2027. The Tibbs Agreement grants TCG a 2.5% net smelter return royalty ("NSR"), of which 1.5% can be purchased for US\$1,500,000.

Option payments and exploration commitments

In consideration, the Company has paid TCG a total of \$513,430 (US\$380,000) up to March 31, 2025. Pursuant to the option agreement, the Company is required to pay a US\$50,000 option payment each June from 2021 to 2027 (the "Tibbs Anniversary Payments") and was required to incur an aggregate US\$1,000,000 in exploration expenses by June 2022. As of December 31, 2021, the Company had fulfilled this exploration expenditure commitment. During the three months ended March 31, 2025, no field work was conducted at the Tibbs Property.

Further, the Company has agreed to pay TCG a cash payment of US\$1,000,000 if the Company commences commercial production on Tibbs. The Company has the option to acquire Tibbs at any time during the lease term by making a lump sum payment equal to the aggregate amount of any remaining Tibbs Anniversary Payments. If, during the term of the Tibbs Agreement, the Company completes a preliminary economy assessment, the Company must make a cash payment of US\$25,000 each year to TCG in addition to the Tibbs Anniversary Payments.

FLAT

Overview

Flat is a large scale, intrusion-hosted gold system and the 3rd largest placer mining district in Alaska. Historical exploration work demonstrated continuity of low-grade gold mineralization (approximately one g/t Au) but has shown potential for discrete high-grade mineralization (greater than 20 g/t Au), as observed in similar geological settings such as the Fort Knox gold mine.

In September 2021, the Company entered into a mining lease agreement with Doyon for a 100% interest in Flat located 40 kilometers north of the Donlin Gold Project, owned and operated by Barrick Gold Corp. and Novagold Resources Inc., and located in the Kuskokwim Mineral Belt, Alaska. The agreement covers all aspects of exploration, development, production and royalties, including key environmental, social and governance provisions. The initial term of the lease is for 15 years and includes renewal clauses to extend the lease period up to the entire operational period of the mine. Doyon was granted a 2% NSR for precious minerals and a 1% NSR for base minerals until the fifth anniversary of commencement of commercial production. Doyon was granted a 3% NSR for precious minerals and a 2% NSR for base minerals from the fifth to tenth anniversaries of commercial production. After the tenth anniversary of commercial production, the production royalty for precious minerals will be the greater of a 4% NSR or 15% of net proceeds, and the production royalty for base minerals will be the greater of a 3% NSR or 15% of net proceeds.

Option payments and exploration commitments

In consideration, the Company has paid Doyon \$253,773 (US\$190,000) for annual lease payments from lease inception to March 31, 2025. To retain its right to the option, the Company is required to pay annual lease payments to the lessor of:

- US\$40,000 each January from 2022 to 2025 (2022, 2023, 2024, and 2025 payments were paid);
- US\$50,000 each January from 2026 to 2030;
- US\$100,000 each January thereafter. If the Company exercises its option to extend the lease term, this payment will be increased to US\$200,000; and
- US\$150,000 upon completion of a feasibility study.

Pursuant to the mining lease agreement, in addition to the annual lease payments noted above, the Company is required to incur the following amounts for exploration expenses on Flat to maintain the lease agreement in good standing:

	US\$
2021-2023 (fulfilled/met)	1,000,000
2024-2026 (fulfilled/met)	2,000,000
2027-2029	2,500,000
Each three-year lease period commencing 2030	2,500,000

Eligible expenses include all actual direct costs incurred related to the exploration and development of Flat, including, without limitation, costs related to services performed outside of the property and reasonably allocated to operations on the property. The Company is permitted to carry-forward excess expenses and apply them against a future year. As of March 31, 2025, the Company has incurred approximately US\$7,900,000 in cumulative expenses on Flat and has completed all expenditures in accordance with the mining lease agreement.

Pursuant to the mining lease agreement with Doyon, the Company has committed to contributing a US\$10,000 scholarship per year to the Doyon Foundation for the term of the lease. The scholarship amount increases to US\$50,000 each year following the commencement of commercial production at Flat. On April 30, 2025, the Company fulfilled its annual commitment.

PORTERFIELD

On October 18, 2023, the Company entered into a mining lease agreement for a 100% interest in the Porterfield Property ("Porterfield") located immediately north of the Company's Flat Project in Alaska. The initial term of the lease is 20 years. The lessor was granted a 2% NSR for precious minerals and all other mineral products produced and sold from the Porterfield Property. At any time after the exercise of the option to purchase, the Company may buy back 1% of the NSR for US\$1,500,000.

In consideration, the Company has paid \$68,549 (US\$50,000) for annual lease payments from lease inception to March 31, 2025. To keep the property lease in good standing, the Company is required to pay annual lease payments to the lessor of:

- US\$25,000 each October from 2024 to 2026 (2024 payment was paid);
- US\$50,000 each October from 2027 to 2028; and
- US\$50,000 on each subsequent October from 2029 to 2043.

At any time prior to October 18, 2029, the Company can exercise the option to purchase the claims by tendering either (i) a cash payment of US\$200,000, (ii) common shares of the Company equivalent in value to US\$200,000, or (iii) any combination of cash and common shares as elected by the Company.

Pursuant to the mining lease agreement, in addition to the annual lease payments noted above, the Company is required to incur the following amounts for exploration expenses on Porterfield to maintain the lease agreement in good standing:

	US\$
Before December 1, 2024 (fulfilled/met)	50,000
Before December 1, 2025	100,000
Before December 1, 2026	100,000
Before December 1, 2027	200,000
Before December 1, 2028	200,000

As at March 31, 2025, the Company incurred US\$136,442 in cumulative expenses on Porterfield.

MFB

MFB is an area of land of approximately 4,960 acres adjacent to Flat that the Company staked in 2023 that the Company began exploration activities on during the year ended December 31, 2024.

HEALTH AND SAFETY, ENVIRONMENT AND COMMUNITY

Health and safety

There were no fatalities or lost-time injuries reported at any of the Company's project sites.

Environment

There were no environmental issues reported at any of the Company's project sites.

Community

As per the Flat agreement, the Company committed to contributing to the Doyon Foundation an aggregate US\$50,000 scholarship over the term of the lease. On April 30, 2025, the Company fulfilled its current year's commitment. The Doyon Foundation was established as a separate non-profit charitable organization in 1989 by Doyon. Doyon Foundation's mission is to provide educational, career and cultural opportunities to enhance the identity and quality of life for Doyon shareholders. Doyon Foundation carries out its mission by providing basic and competitive scholarships, works with organizations to place interns and advance traditional Native knowledge by partnering with various organizations.

EXPLORATION AND EVALUATION ASSETS AND EXPENSES

A summary of the Company's exploration and evaluation assets is as follows:

	Tibbs	Flat	Porterfield	Total
	\$	\$	\$	\$
Balance, December 31, 2023	445,162	512,348	34,275	991,785
Cash acquisition payments	68,268	57,240	34,274	159,782
Balance, March 31, 2025 and December 31, 2024	513,430	569,588	68,549	1,151,567

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and to the best of its knowledge, title to the properties is in good standing.

A summary of the Company's exploration and evaluation expenses for the three months ended March 31, 2025 is as follows:

	Tibbs	Flat	Porterfield	MFB	Support and other	Total
	\$	\$	\$	\$	\$	\$
Administrative expenses	-	-	-	-	4,475	4,475
Camp expenses	1,065	355	780	-	-	2,200
Claim maintenance	-	-	275	275	-	550
Computer software	2,540	8,950	2,540	3,540	1,885	19,455
Conference and conventions	-	-	-	-	18,884	18,884
Geological and geophysical consulting	-	101,704	771	-	6,101	108,576
Laboratory expenses	-	14,081	-	-	-	14,081
Land management	-	449	-	-	-	449
Salaries	-	25,965	220	-	17,177	43,362
Travel and meals	-	1,179	-	-	43,804	44,983
	3,605	152,683	4,586	3,815	92,326	257,015

A summary of the Company's exploration and evaluation expenses for the three months ended March 31, 2024 is as follows:

	Tibbs	Flat	Porterfield	Support and other	Total
	\$	\$	\$	\$	\$
Administrative expenses	-	-	2,569	6,893	9,462
Camp expenses	2,692	16,045	-	-	18,737
Computer software	-	2,575	282	8,857	11,714
Conference and conventions	-	-	-	8,714	8,714
Geological and geophysical consulting	7,868	95,278	634	11,562	115,342
Laboratory expenses	1,209	166,537	-	-	167,746
Salary	-	-	-	43,348	43,348
Sponsorship expense	-	-	-	15,000	15,000
Travel and meals	-	-	-	33,554	33,554
	11,769	280,435	3,485	127,928	423,617

SUMMARY OF QUARTERLY RESULTS

The following table shows results from the previous eight fiscal quarters:

Quarter ending	Exploration and evaluation assets	Working capital	Net loss and comprehensive loss	Basic and diluted loss per share
	\$	\$	\$	\$
March 31, 2025	1,151,567	1,490,678	(833,126)	(0.02)
December 31, 2024	1,151,567	2,180,170	(1,287,829)	(0.02)
September 30, 2024	1,060,053	1,200,750	(2,345,292)	(0.07)
June 30, 2024	1,060,053	602,088	(646,738)	(0.01)
March 31, 2024	991,785	1,295,919	(810,915)	(0.09)
December 31, 2023	991,785	1,996,734	(2,915,676)	(0.09)
September 30, 2023	641,318	3,314,826	(5,200,079)	(0.20)
June 30, 2023	641,318	3,871,737	(484,036)	(0.04)

The summary of the last eight quarters reflects significant losses most notably in Q3 2023 which occurred as a result of the higher exploration and evaluation expenses on the Company's inaugural Flat drill program which took place in the Alaskan summer, with some costs running into Q4 2023. Due to the seasonality of drilling programs, exploration and evaluation expenditures are higher in Q3 and Q4 of the respective fiscal years. The working capital of the Company fluctuates depending upon the cash inflows from private placements and the cash outflows from the exploration and evaluation expenses noted above. Exploration and evaluation assets are made up of capitalized option payments and remediation liabilities, offset by any impairments recognised when projects are discontinued.

PERFORMANCE

	Q1 2025	Q1 2024
	\$	\$
Operating expenses (income)		
Accounting and legal fees	75,606	78,297
Accretion expense	2,940	2,709
Corporate development	126,882	53,103
Depreciation	896	610
Employee benefits and salaries	107,299	79,170
Exploration and evaluation expenses	257,015	423,617
Foreign exchange loss (gain)	2,166	(1,075)
General and administration	34,397	30,601
Insurance	13,231	11,619
Investor relations	54,076	56,507
Listing and filing fees	14,405	15,402
Share-based compensation	140,146	56,107
Travel and meals	13,589	12,083
	842,648	818,750
Other income		
Interest income	9,522	7,835
Net loss and comprehensive loss	(833,126)	(810,915)

Q1 2025 compared to Q1 2024

The Company recorded a net loss and comprehensive loss of \$833,126 compared to \$810,915 in the prior year comparable period. The primary drivers of this increase in net loss were as follows:

- Corporate development increased to \$126,882 from \$53,103 in the prior year comparable period due to additional corporate advisory services, for which the costs were amortised on a monthly basis, to promote the profile of the Company in the current period.
- Employee benefits and salaries increased to \$107,299 from \$79,170 in the prior year comparable period due to the hiring of a new full-time employee in Q2 2024 to replace a consultant.
- Share-based compensation increased to \$140,146 from \$56,107 in the prior year comparable period due to the vesting of a large number of stock options granted to a consultant in Q4 2024.

Partially offsetting the increase in net loss and comprehensive loss was a decrease of exploration and evaluation expenses to \$257,015 compared to \$423,617 in prior year comparable period due to the diamond core analysis conducted in Q1 2024 to report results on the 2023 Flat drill program.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

The Company has no cash inflow from operations. Its only significant source of funds since incorporation has been the sale of its common shares.

The Company's ability to continue as a going concern is dependent upon the ability to fund any additional losses we may incur. There is no certainty that additional financing at terms that are acceptable to the Company will be available, and an inability to obtain financing would have a direct impact on the Company's ability to continue as a going concern. These conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The Company's Financial Statements were prepared on a going concern basis, which implies that the Company will realize its assets and discharge its liabilities in the normal course of business. The Financial Statements do not reflect adjustments to the carrying values and classifications of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

As at March 31, 2025, the Company had sufficient cash on hand to discharge its financial liabilities as they become due but will require additional funding to continue operations.

Cash flow activities

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

	Q1 2025	Q1 2024
	\$	\$
Cash used in operating activities	(760,616)	(1,078,381)
Net change in cash and cash equivalents	(760,616)	(1,078,381)
Cash and cash equivalents, beginning of period	1,971,424	2,381,310
Cash and cash equivalents, end of period	1,210,808	1,302,929

Cash used in operating activities decreased to \$760,616 compared to \$1,078,381 in Q1 2025 due to significant accounts payable settlements in Q1 2024 to settle accounts payable balances held at December 31, 2023 which related to the Company's 2023 Flat drill program.

Capital resources

The Company considers capital to include items within shareholders' equity. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and evaluation of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or issue debt instruments. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

The properties in which the Company currently has an interest are in the exploration stage and are not positive cash-flow generating; as such, the Company has historically relied on the equity markets to fund its activities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any capital restrictions and the Company's approach to capital management has not changed.

RELATED PARTY TRANSACTIONS

Key management personnel are those having the authority and responsibility for planning, directing, and controlling the Company. A summary of the Company's related party transactions with its key management personnel during the three months ended March 31, 2025 and 2024 is as follows:

	Q1 2025	Q1 2024
	\$	\$
Accounting and legal fees	49,456	45,613
Employee benefits and salaries	72,504	62,500
Exploration and evaluation expenses	46,250	43,750
Share-based compensation	26,850	29,029
	195,060	180,892

As at March 31, 2025, accounts payable and accrued liabilities contain amounts due to related parties of \$124,486 (December 31, 2024 - \$190,269). The amounts have no specified terms of repayment and are due upon demand.

OFF-BALANCE SHEET ARRANGEMENTS

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

PROPOSED TRANSACTIONS

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

SIGNIFICANT ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

FINANCIAL RISK MANAGEMENT

Fair value of financial instruments

As at March 31, 2025, the Company's financial instruments consist of cash and cash equivalents, deposits, and accounts payable and accrued liabilities, all of which are measured at amortized cost.

The carrying value of cash and cash equivalents, deposits, and accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Financial instruments risk

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

Credit risk

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

Interest rate risk

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

Liquidity risk

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

Commodity price risk

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

Foreign exchange risk

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

The Company's current exploration and evaluation assets are located in Alaska, USA, with related expenses incurred primarily in US dollars, while the functional and presentational currency of the Company and its subsidiaries is the Canadian dollar. The exchange rate from January 1, 2025 to March 31, 2025, has ranged from US\$0.706 to US\$0.685 per Canadian dollar (C\$1.4166 to C\$1.4603 per US dollar).

A summary of the Company's financial instruments held in US dollars, expressed in Canadian dollars is as follows:

	March 31, 2025	December 31, 2024
	\$	\$
Cash	67,006	100,016
Deposits	263,447	263,685
Accounts payable and accrued liabilities	(86,161)	(60,086)
	244,292	303,615

As at March 31, 2025, a 5% change in the foreign exchange rates would result in a change in net loss of \$12,215 (December 31, 2024 - \$15,181). The Company has no hedging agreements in place with respect to foreign exchange rates.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value. The Company had the following outstanding securities (as impacted by the 10 to 1 Share Consolidation):

	March 31, 2025	MD&A Date
	#	#
Common shares	41,985,378	67,457,970
Stock options	1,946,500	1,946,500
Warrants	10,395,039	36,538,984

RISKS AND UNCERTAINTIES

For a detailed listing of the risk factors faced by the Company, please refer to the Company's MD&A for the years ended December 31, 2024 and 2023 as on SEDAR+ at www.sedarplus.ca