



Tectonic Metals Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2026 and 2025 and the period up to May 28, 2026

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, 2026 and 2025. 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, 2026 and 2025 (the "Financial Statements") which have been prepared in accordance with IAS 34 *Interim Financial Reporting*. Accordingly, the MD&A should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2025 and 2024 (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 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 28, 2026 (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 TSX 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. Management intends to finance its operations for the upcoming year with the proceeds from equity financing, and its current working capital.

2026-2025 EXPLORATION HIGHLIGHTS

On May 19, 2026, the Company announced the appointment of Maggie Layman as Vice President, Exploration and the transition of Peter Kleespies to Chief Geological Officer. Maggie Layman is a registered Professional Geoscientist (P.Geo.) with over 20 years of experience in mineral exploration and advanced-stage project development across North America.

Flat Gold Project (“Flat”) 2026 Drill Program

On May 6, 2026 the Company announced the launch of a 40,000-metre drilling program utilizing five drill rigs at Flat, representing the largest exploration campaign in the Company’s history. The program is designed to generate data to support a maiden NI 43-101 mineral resource estimate targeted for Chicken Mountain, expand and upgrade high-grade gold mineralization at the Chicken Mountain area and conduct district-scale discovery drilling across the broader property.

Flat 2025 Drill Discovery and Program Highlights

On June 2, 2025, the Company announced the launch of a phase one, multi-rig drill exploration program at Flat (“Phase One”). Key program targets and objectives include:

- **Alpha Bowl:** Primary 2025 drill target area, focus on building upon the Alpha Bowl discovery with a series of diamond drill holes up to 300 metres in length supplemented with Reverse Circulation (“RC”) drilling to cover the expansive area with key objectives of defining grade, continuity and establishing geological and structural controls on intrusion hosted gold mineralization discovered in 2024.
- **Chicken Mountain:** Drilling of metallurgical holes (“PQ cores”) to collect 2-inch material for additional coarser crush heap leach column testing and drilling of RC holes targeting high grade corridors and near surface mineralization.
- **Golden Apex:** Drilling of greenfields exploration holes at Golden Apex and other underexplored intrusion hosted gold targets within the Flat project area.

On September 2, 2025, the Company announced the successful completion of its 2025 Phase One drill program at Flat.

As part of the Phase One drill program, a total of 7,718 metres were drilled across 48 holes using both diamond core and RC drilling methods. Phase One drilling targeted multiple intrusion-related gold systems, including Alpha Bowl, which received the majority of drill metres, as well as Chicken Mountain, Golden Apex, Black Creek and Jam. Complementing the drilling, Tectonic also completed a 2,125 line-kilometre high-resolution drone airborne magnetic survey, providing the first modern coverage of all six priority, district-scale intrusive targets at Flat.

On September 25, 2025, the Company announced the phase two drill program at Flat (“Phase Two”) which commenced on August 15, and which completed on November 12, 2025.

During the Phase Two drill program, a total of 10,654 metres were drilled across 77 holes using two diamond core rigs and one RC rig. Phase Two drilling comprised mainly sectional drilling at the Chicken Mountain target as the initial stage of resource delineation with a total of 15 diamond core and 54 RC holes completed. An additional 3 diamond core holes and 4 RC holes were completed on the Alpha Bowl target during Phase Two, as follow-up to Phase One results.

Drilling at Flat during the Phase One and Phase Two programs in 2025 totaled 18,372 metres in 125 holes. During Phase Two, infrastructure upgrades were completed on Flat to advance the project towards year-round drilling capacity.

Chicken Mountain Highlights

On November 26, 2025, the Company announced drill results from the Chicken Mountain target at Flat, which was comprised of the initial five diamond core and five RC holes drilled during the Phase One program. These Chicken Mountain drill results confirm grade, thickness, continuity and scale, reinforcing a bulk-tonnage, open-pit, heap leach opportunity.

Please refer to the November 26, 2025 news release: Tectonic Metals Intersects 1.46 g/t Au Over 26 metres Within Broader Zone of 0.69 g/t Au Over 125 metres in First 2025 Drill Hole at Chicken Mountain, Flat Gold Project, Alaska.

On December 22, 2025, the Company announced drill assay results from 11 drill holes completed during the 2025 drill campaign at Chicken Mountain and the Adit Zone, located within Flat. Results from 9 RC and 2 diamond drill holes outline a 550-metre-wide mineralized section across the Chicken Mountain - Adit Zone zone intersection area.

Please refer to the December 22, 2025, news release: Tectonic Metals Drills 4.05 g/t Au Over 30.48 Metres, Including 8.84 g/t Au Over 13.72 metres at Flat Gold Project, Alaska.

On January 22, 2026, the Company announced additional drill assay results from 42 drill holes from the Chicken Mountain zone at Flat.

Please refer to the January 22, 2026, news release: Tectonic Metals Drills 9.94 g/t Au over 36.58 metres including 15.73 g/t Au over 22.86 metres with 104.23 g/t Au over 3.05 metres at Chicken Mountain, Flat Gold Project.

Assay results from 42 drill holes - 4 diamond core holes and 38 RC holes - representing approximately 3,950 metres of the 18,372 total metres, drilled as part of the Company's 2025 program, targeted step-out expansion and early-stage resource delineation in the southern portion of the Chicken Mountain intrusion. Results demonstrate continuity and predictability of the mineralized envelope at Chicken Mountain and have identified multiple emerging higher grade corridors.

On February 5, 2026, the Company announced final assay results from the 2025 drill program on Chicken Mountain at Flat. These results delivered thick, at or near-surface intercepts that reinforce Chicken Mountain as a bulk-tonnage, heap leachable reduced intrusion-related gold system ("RIRGS").

Please refer to the February 5, 2026, news release: Tectonic Metals Drills 272 metres of 0.50 g/t Au and 277 metres of 0.49 g/t Au; Confirms Bulk-Tonnage Potential at Heap-Leachable Chicken Mountain, Flat Gold Project, Alaska.

The 2025 drilling program has successfully advanced Chicken Mountain from an exploration target into a kilometre-scale resource growth opportunity, expanding the continuously mineralized footprint and delineating higher-grade corridors that may support potential starter-pit development scenarios.

Assay results from 16 drill holes are reported herein: 9 diamond core holes and 7 RC holes - representing approximately 3,535 m of drilling from the Company's 18,372m 2025 program. Drilling targeted step-out expansion and early-stage resource delineation in the central area of the Chicken Mountain intrusion and all assay results from the Company's 2025 drill program are now reported.

Alpha Bowl Highlights

On January 15, 2026, the Company announced additional assay results from 24 drill holes completed during the 2025 drill campaign at Alpha Bowl.

Please refer to the January 15, 2026, news release: Tectonic Metals Drilling Transforms Alpha Bowl from Discovery to Emerging Large-Scale Resource Growth Opportunity: 820 m × 600 m × 400 m Gold Footprint Defined.

Results from the 24 drill holes reported included 9 diamond core holes and 15 RC holes demonstrate geological and mineralized continuity between Alpha Bowl and Chicken Mountain, establishing a gold system extending more than 3 km along strike that remains open at depth and in all directions. Drilling continues to expand and define Alpha Bowl as a coherent three-dimensional mineralized body measuring approximately 820 metres along strike, 600 metres in width, and extending to at least 400 metres in depth.

While the system demonstrates bulk-tonnage potential, the presence of higher-grade intervals warrants infill and expansion drilling and presents the opportunity for multiple higher-grade starter pits that could significantly enhance project economics. These higher-grade intervals are not considered as random; current analysis models them with structural controls and fluid focusing mechanisms within the broader mineralized system.

Black Creek, Jam, Golden Apex, and Northern Extension of Alpha Bowl Highlights

On January 29, 2026, the Company announced results from 2025 regional exploration drilling at four target areas on Flat. These results are highlighted by the discovery of at-surface, high-grade gold mineralization at the Black Creek Intrusion Target located 6 km north of the Company's core Chicken Mountain intrusion.

Please refer to the January 29, 2026 news release: Tectonic Metals Drills 4.50 g/t Au over 48.77 metres with 7.79 g/t Au over 24.38 metres at New Target, Flat Gold Project, Alaska.

Tectonic drill hole CMR25-059 returned 4.50g/t Au over 48.77 m, including a high-grade core of 7.79g/t Au over 24.38 m with 15.19g/t Au over 6.10 m, starting from surface. At present, the intercepts are reported as downhole lengths, as insufficient data exists to determine true widths. Mineralization occurs as quartz veinlets and stringers hosted in hornfelsed, oxidized siltstones and intermediate dykes along the eastern contact of the Black Creek. This represents Tectonic's first-ever drilling at Black Creek and marks the first drilling in the area since 2003, confirming a significant new gold zone that expands the known footprint of Flat's RIRGS.

Wide-spaced exploratory drilling (four RC holes and two diamond holes) expanded Alpha Bowl mineralized footprint 500 metres north from previously reported 2025 drill assay results, extending the drilled strike length of the Chicken Mountain- Alpha Bowl system to 3.3 km.

Tectonic completed its first-ever drilling at Jam, one of the regional intrusion targets, located some 10 km north of Chicken Mountain with a two-hole RC fence targeting blind mineralized intrusion at depth along strike from the historic Nielsen Prospect showing. Both holes intersected augite basalt with quartz-sulphide veining from collar to total depth, returning multiple narrow >1.0 g/t Au intercepts within a broader 10-25 metre mineralized envelope.

CORPORATE HIGHLIGHTS

During the three months ended March 31, 2026 and period to the MD&A Date

On January 5, 2026, the Company appointed Eira Thomas, co-founder of Tectonic, as Chair of the Board of Directors.

On January 5, 2026, the Company granted 100,000 deferred share units ("DSUs") to certain directors.

On January 5, 2026, the Company granted 25,000 restricted share units to the Company's Chief Executive Officer.

On January 5, 2026, the Company granted 780,000 stock options to certain directors, officers and employees. Each option has an exercise price of \$0.90 per share and expires on January 5, 2031, vesting over an 18-month period in equal installments every 6 months.

On March 3, 2026, the Company closed a private placement (the “March 2026 Private Placement”) and issued 42,806,500 common shares at a price of \$2.15 per share for gross proceeds of \$92,033,975. Pursuant to the March 2026 Private Placement, the Company incurred share issuance costs of \$333,526 and paid \$4,553,636 in cash finders’ fees. In March 2026, the Company began to use the funds from the March 2026 Private Placement to fund exploration at Flat and for working capital.

On May 19, 2026, the Company granted 420,000 stock options to certain officers, employees and consultants. Each option has an exercise price of \$2.50 per share and expires on May 19, 2031, vesting over a 36-month period in equal installments every 12 months.

On May 19, 2026, the Company granted 21,000 restricted share units to an officer of the Company, which will vest over a 36-month period in equal installments every 12 months.

The Company issued 576,850 shares pursuant to the exercise of 576,850 warrants with an exercise price of \$1.00 for gross proceeds of \$576,850.

The Company issued 723,320 shares pursuant to the exercise of 723,320 warrants with an exercise price of \$0.75 for gross proceeds of \$542,490.

During the year ended December 31, 2025

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 “May 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 May 2025 Private Placement, the Company incurred cash unit issuance costs of \$452,878, of which \$29,930 was to a related party, and issued 707,400 finders’ warrants. Each finders’ warrant is exercisable at a price of \$0.75 and expires on May 20, 2027. In June 2025, the Company began to use the funds from the May 2025 Private Placement to fund exploration at Flat, specifically for Alpha Bowl, and for working capital.

On May 30, 2025, the Company granted 3,860,000 stock options to certain officers, employees, and consultants. Each option has an exercise price of \$0.75 per share and expires on May 30, 2030, vesting over an 18-month period in equal installments every 6 months.

On September 24, 2025, the Company granted 260,000 stock options to certain employees. Each option has an exercise price of \$1.25 per share and expires on September 24, 2030, vesting over an 18-month period in equal installments every 6 months.

On August 20, 2025, the Company closed a private placement (the “August 2025 Private Placement”) and issued 22,323,831 common shares at a price of \$0.95 per share for gross proceeds of \$21,207,639. Pursuant to the August 2025 Private Placement, the Company incurred cash share issuance costs of \$1,350,172, of which \$55,477 was to a related party, and issued 1,068,086 finders’ warrants. Each finders’ warrant is exercisable at a price of \$1.23 and expires on February 20, 2027. The Company began to use the funds from the August 2025 Private Placement to fund the exploration at Flat, specifically for Alpha Bowl, and for working capital.

SIGNIFICANT INVESTORS

The Company maintains strong relationships with several key institutional and strategic investors, including Crescat Capital (“Crescat”) and Doyon, Limited (“Doyon”).

ABOUT CRESCAT

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, 2026, Crescat held approximately 17.95% of the outstanding shares in the Company.

ABOUT DOYON

With more than 12.5 million acres of land and over 20,000 shareholders, Doyon is the largest private landholder in Alaska. 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.Geol., Chief Geological Officer, 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 13,480 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 \$581,465 (US\$430,000) up to March 31, 2026. 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.

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 economic 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 (the "Flat Lease Agreement") with Doyon for a 100% interest in Flat located 40 kilometres north of the Donlin Gold Project, owned and operated by Paulson Advisers LLC. and Novagold Resources Inc., and located in the Kuskokwim Mineral Belt, Alaska. The Flat Lease Agreement covers all aspects of exploration, development, production and royalties, including key environmental, social and governance provisions. The initial term of the Flat Lease Agreement 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 \$322,624 (US\$240,000) for annual lease payments from lease inception to March 31, 2026. 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 (2026 payment was paid);
- 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 Flat 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 (fulfilled/met)	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 at March 31, 2026, the Company has incurred approximately US\$22,978,719 in cumulative expenses on Flat and has completed all expenditure requirements to date in accordance with the mining lease agreement.

The Company has rights to over 90,000 acres of land (the "Flat Project Lands") pursuant to the Flat Lease Agreement. Pursuant to an amendment dated February 1, 2026, the parties removed a clause which potentially required the Company to relinquish up to 50% of the Flat Project Lands, or provide sufficient geological justification to retain the entire land package (or greater than 50% thereof) by or before March 1, 2026. As there was clear geological justification to retain the entire land package, the parties agreed to simply remove the clause.

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 17, 2026, 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 \$103,418 (US\$75,000) for annual lease payments from lease inception to March 31, 2026. 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 and 2025 payments were 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 (fulfilled/met)	100,000
Before December 1, 2026 (fulfilled/met)	100,000
Before December 1, 2027	200,000
Before December 1, 2028	200,000

As at March 31, 2026, the Company incurred US\$290,522 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 and 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 Lease Agreement, the Company committed to contributing to the Doyon Foundation an aggregate US\$50,000 scholarship over the term of the lease. On April 17, 2026, the Company fulfilled its current year's commitment of \$10,000. 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, 2024	513,430	569,588	68,549	1,151,567
Cash acquisition payments	68,035	68,851	34,869	171,755
Restoration provision	-	139,142	-	139,142
Balance, March 31, 2026 and December 31, 2025	581,465	777,581	103,418	1,462,464

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, 2026 is as follows:

	Tibbs	Flat Porterfield	MFB	Support and other	Total
	\$	\$	\$	\$	\$
Administrative expenses	-	-	-	5,598	5,598
Camp expenses	888	472,919	-	-	473,807
Claim maintenance	-	27,887	4,129	1,754	33,770
Computer software	5,044	54,069	5,044	5,043	76,919
Conference and conventions	-	-	-	29,540	29,540
Drilling program	-	653,832	-	-	653,832
Geological and geophysical consulting	-	189,913	2,271	2,271	249,455
Laboratory expenses	-	707,291	-	-	707,291
Land management	13,859	7,226	-	-	21,085
Salaries	-	151,249	-	328,205	479,454
Travel and meals	-	6,762	-	27,060	33,822
	19,791	2,271,148	11,444	9,068	453,122
					2,764,573

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	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

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, 2026	1,462,464	95,375,492	(3,791,037)	(0.04)
December 31, 2025	1,462,464	12,590,799	(5,903,754)	(0.07)
September 30, 2025	1,219,602	18,410,757	(10,622,358)	(0.14)
June 30, 2025	1,219,602	8,250,751	(5,738,598)	(0.11)
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)

The summary of the last eight quarters reflects significant losses most notably in Q3 2025 which occurred as a result of the higher exploration and evaluation expenses on the Company's 2025 Flat drill program. Working capital increased in Q1 2026 and Q3 2025 mainly due to closing of the March 2026 Private Placement and August 2025 Private Placement, respectively. These funds enabled the Company to conduct a large-scale targeted drill program at Flat, which in turn contributed to higher net loss and comprehensive losses from exploration and evaluation expenses.

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 2026	Q1 2025
	\$	\$
Operating expenses		
Accounting and legal fees	134,621	75,606
Accretion expense	4,379	2,940
Corporate development	174,372	126,882
Depreciation	221,551	896
Employee benefits and salaries	429,698	107,299
Exploration and evaluation expenses	2,764,573	257,015
General and administration	104,750	34,397
Insurance	11,008	13,231
Investor relations	58,820	54,076
Listing and filing fees	30,392	14,405
Share-based compensation	679,113	140,146
Travel and meals	68,303	13,589
	4,681,580	840,482
Other income (expenses)		
Foreign exchange gain (loss)	755,239	(2,166)
Interest income	135,304	9,522
Net loss and comprehensive loss	(3,791,037)	(833,126)

Q1 2026 compared to Q1 2025

The Company recorded a net loss and comprehensive loss of \$3,791,037 compared to \$833,126 in the prior year comparable period. The primary drivers of this increase in net loss were as follows:

- Depreciation increased to \$221,551 from \$896 in Q1 2025 mainly due to depreciation applied to the \$2,397,238 of exploration equipment purchased in the current period, to be used on the Flat 2026 drill program.
- Employee benefits and salaries increased to \$429,698 from \$107,299 in Q1 2025 mainly due to the hiring of additional full-time employees and bonuses paid to management.
- Exploration and evaluation expenses increased to \$2,764,573 from \$257,015 in Q1 2025 due costs incurred to prepare and improve infrastructure ahead of the 2026 Flat drill program.
- General and administration increased to \$104,750 from \$34,397 in Q1 2025 mainly due to recruiting costs for the hiring of additional full-time employees, and a general increase in overall administrative costs consistent with the significant funds raised and preparation for the Company's largest exploration campaign to date.
- Share-based compensation increased to \$679,113 from \$140,146 in Q1 2025 due to the vesting of a large number of stock options granted to directors, employees, and consultants in Q2 2025 and Q1 2026, in addition to the vesting of deferred share units and restricted share units granted in Q1 2026.
- Travel and meals increased to \$68,303 from \$13,589 in Q1 2025 mainly due to increased attendance of conferences and conventions across Canada, the United States and Switzerland.

Partially offsetting the increase in net loss and comprehensive loss were increases to certain incomes as follows:

- Interest income increased to \$135,304 from \$9,522 in Q1 2025 due to interest income earned on the Company's cash proceeds from the March 2026 Private Placement in Q1 2026.
- Foreign exchange gain increased to \$755,239 from loss of \$2,166 in Q1 2025 due to the impact of foreign exchange fluctuations on the Company's US dollar cash balances purchased with the Company's cash proceeds from the March 2026 Private Placement in Q1 2026.

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 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, 2026 the Company had sufficient cash on hand to discharge its financial liabilities as they become due but will require additional funding to continue future operations.

Cash flow activities

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

	Q1 2026	Q1 2025
	\$	\$
Cash used in operating activities	(3,587,538)	(760,616)
Cash used in investing activities	(2,160,533)	-
Cash provided by financing activities	88,192,551	-
Net change in cash and cash equivalents	82,444,480	(760,616)
Cash and cash equivalents, beginning of period	12,542,192	1,971,424
Cash and cash equivalents, end of period	94,986,672	1,210,808

Cash used in operating activities increased to \$3,587,538 compared to \$760,616 in Q1 2025 due to higher exploration and evaluation expenses incurred for preparation and infrastructure improvements required for the 2026 Flat drilling program.

Cash used in investing activities increased to \$2,160,533 compared to \$nil in Q1 2025 due to purchases of exploration equipment to be used in the 2026 Flat drill program.

Cash provided by financing activities increased to \$88,192,551 compared to \$nil in Q1 2026 due to the March 2026 Private Placement, which closed on March 3, 2026 for gross proceeds of \$92,033,975 in addition to the exercise of 1,049,004 warrants for gross proceeds of \$917,424.

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 with 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, 2026 and 2025 is as follows:

	Q1 2026	Q1 2025
	\$	\$
Accounting and legal fees	108,520	49,456
Employee benefits and salaries	335,000	72,504
Exploration and evaluation expenses	105,000	46,250
Share-based compensation	543,404	26,850
Share issuance costs	38,610	-
	1,130,534	195,060

As at March 31, 2026 accounts payable and accrued liabilities contain amounts due to related parties of \$381,747 (December 31, 2025 - \$148,020). 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, 2026 and as at the MD&A date.

PROPOSED TRANSACTIONS

The Company had no proposed transactions as at March 31, 2026 and as at the MD&A date, other than those disclosed elsewhere in the MD&A.

CHANGES IN ACCOUNTING POLICY

The same accounting policies are disclosed in Note 3 of the Annual Financial Statements with exception to the following accounting policies that were added as applicable for the period ended March 31, 2026:

Deferred share units (“DSUs”)

The Company accounts for share-based compensation associated with DSU grants using a fair value-based method. The fair value of DSUs are measured at the date of grant using the Company’s share price and recognized as a share-based compensation expense over the vesting period. Prior to obtaining shareholder approval or in the event this approval is never obtained, the Company is required to settle the DSUs in cash. Accordingly, the applicable fair value is recognized in accounts payable and accrued liabilities and is remeasured at fair value at each reporting date until settlement. Upon obtaining shareholder approval, the fair value of the DSUs recognized in accounts payable and accrued liabilities will be transferred to reserves. When the shares associated with DSUs are issued, the applicable fair value is transferred from reserves to share capital.

Restricted share units (“RSUs”)

The Company accounts for share-based compensation associated with RSU grants using a fair value-based method. The fair value of RSUs is measured at the date of grant using the Company’s share price and is recognized as a share-based compensation expense over the vesting period, with the offsetting credit to reserves. When the shares associated with RSUs are issued, the applicable fair value is transferred from reserves to share capital.

A summary of pronouncements that have been issued but are not yet effective are disclosed in the notes to the Annual Financial Statements.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

FINANCIAL RISK MANAGEMENT

Fair value of financial instruments

As at March 31, 2026 the Company's financial instruments consist of cash and cash equivalents, short-term investment, deposits, and accounts payable, all of which are measured at amortized cost.

The carrying value of cash and cash equivalents, short-term investment, 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, short-term investment and deposits. The risk exposure is limited because the Company places its cash and cash equivalents and short-term investment in institutions of high credit worthiness within Canada. In addition, the Company holds its deposits with reputable companies in the drilling industry that it has engaged previously. These deposits will be offset against the exploration expenses incurred on the Flat drill program.

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 shares or debt as required. As at March 31, 2026 the Company had sufficient cash on hand to discharge its financial liabilities as they become due and has assessed liquidity risk as minimal.

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, 2026 to March 31, 2026 has ranged from US\$0.740 to US\$0.717 per Canadian dollar (C\$1.351 to C\$1.395 per US dollar).

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

	March 31,	December 31,
	2026	2025
	\$	\$
Cash and cash equivalents	41,329,121	1,098,951
Deposits	2,136,891	178,178
Accounts payable and accrued liabilities	(740,987)	(58,881)
	42,725,025	1,218,248

As at March 31, 2026 a 5% change in the foreign exchange rates would result in a change in net loss and comprehensive loss of \$2,136,251 (December 31, 2025 - \$60,912). 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:

	March 31,	MD&A
	2026	Date
	#	#
Common shares	134,013,171	134,264,337
Stock options	6,620,000	7,040,000
Warrants	30,727,455	30,476,289
Deferred share units	100,000	100,000
Restricted share units	25,000	46,000

Subsequent to the three months ended March 31, 2026

Subsequent to March 31, 2026, the Company issued 54,166 common shares pursuant to the exercise of warrants at an exercise price of \$1.00 per share for gross proceeds of \$54,166.

Subsequent to March 31, 2026, the Company issued 197,000 common shares pursuant to the exercise of warrants at an exercise price of \$0.75 per share for gross proceeds of \$147,750.

On May 19, 2026, the Company granted 420,000 stock options to certain officers, employees and consultants. Each option has an exercise price of \$2.50 per share and expires on May 19, 2031, vesting over a 36-month period in equal installments every 12 months.

On May 19, 2026, the Company granted 21,000 restricted share units to an officer of the Company, which will vest over a 36-month period in equal installments every 12 months.

RISKS AND UNCERTAINTIES

The risk factors faced by the Company are the same as compared with risk factors disclosed in the Company's Annual MD&A for the years ended December 31, 2025 and 2024 as on SEDAR+ at www.sedarplus.ca with exception to the following updated risk:

Military conflict in Ukraine, Iran and other areas:

The ongoing military conflict in Ukraine could lead to heightened volatility in the global financial markets, increased inflation, and turbulence in mining markets. The evolving conflict involving Iran and persistent geopolitical and political risks in the Persian Gulf region create significant uncertainty for global economic conditions, including potential disruptions to energy markets, supply chains, trade flows and financial systems. Such uncertainty, escalation or further deterioration in regional stability may materially and adversely affect the global economy and could have a corresponding adverse effect on the Company's business, financial condition, operating results and future outlook.

While the Company does not have any direct exposure or connection to Russia or Ukraine, or Iran and the gulf area, it remains uncertain as to how such events and any related economic sanctions could impact the global economy. Any negative developments in respect thereof could have an adverse effect on the Company's business, operations, financial condition, and the value of the Company's securities.