HANNAN METALS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED FEBRUARY 28, 2026

This discussion and analysis of financial position and results of operation is prepared as at April 20, 2026 and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the nine months ended February 28, 2026 of Hannan Metals Ltd. ("Hannan" or the "Company"). The following disclosure and associated financial statements are presented in accordance with IFRS Accounting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward-looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated exploration programs and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to identify one or more economic deposits on its properties, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement it business strategies, that the political environment in which the Company operates will continue to support the development and operation of mining projects, the threat associated with outbreaks of viruses and infectious diseases, risks related to negative publicity with respect to the Company or the mining industry in general, unexpected geological conditions, local community relations, dealings with non-governmental organizations, delays in operations due to permit grants, environmental and safety risks. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. In particular, the current state of global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedarplus.ca or the Company's website www.hannanmetals.com and readers are urged to review these materials.

Company Overview

The Company is a reporting issuer in British Columbia and Alberta and listed on the TSX Venture Exchange ("TSXV") under the symbol "HAN". Hannan holds a significant tenure position in Peru, where the Company is focused on two new frontier areas in the sub-Andean zone: the Valiente copper-gold project (the "Valiente Project") and the San Martin copper-silver project (the "San Martin Project").

At San Martin, discovered in 2019, the Company signed a US $35,000,000 earn-in and Joint Venture agreement with JOGMEC in 2020. The San Martin Project covers a basin-scale high-grade sediment-hosted copper-silver system extending over 200 km x 100 km. The Valiente Project, located 300 km south of San Martin, targets Miocene-age porphyry copper-gold deposits in a back-arc setting. With discoveries spanning from 2021 through 2025, the Valiente Project represents a potential new metallogenic province of Peru.

Peru's political governance is characterized by instability with frequent changes in leadership. Since October 2025, Peru has been led by interim President José Jerí and there have been changes in cabinet appointments. General elections are scheduled to be held April 12, 2026. The Company actively monitors Peru's changing political and regulatory landscape.

Directors and Officers

As of the date of this MD&A the directors and officers of the Company are as follows:

Michael Hudson	Director, CEO, Executive Chairman
Georgina Carnegie	Director
Nick DeMare	Director
David Henstridge	Director
Katty Vargas	Director
Harvey Lim	CFO
Mariana Bermudez	Corporate Secretary

Properties Update

Valiente Project (Copper-Gold, Peru, 100% Hannan)

Hannan holds 910 sq km of mineral tenure at Valiente. The Company has identified seven mineralized systems over a 140 km x 50 km area. The Valiente Project has seen significant developments during the second half of 2024 and throughout 2025, particularly at the Previsto, Vista Alegre, Ricardo Herrera and Sortilegio prospects.

Belen: Vista Alegre, Ricardo Herrera, and Sortilegio Prospects

In November 2024, the Company received environmental approval ("DIA") for its first drill program at the Belen prospect, covering 40 drill platforms across 702 hectares. In February 2025, the Company received the Authorization for Exploration Activities permit from the Ministry of Mines ("MINEM"), which allows the Company to start access works for the maiden drill program. With archaeological monitoring and forestry permits subsequently advanced, the Company completed the final steps required to begin drilling.

On May 11, 2025, drilling commenced at Belen. A total of eight diamond drill holes for 3,124.85 metres were completed across three prospects at Belen (Vista Alegre, Ricardo Herrera and Sortilegio), representing the first-ever drilling in this emerging Miocene back-arc porphyry-epithermal belt in Peru. Drilling at Belen is now complete. Rehabilitation of drill platforms is ongoing.

The Company continues to maintain strong community engagement, working closely with local landholders at sites of activity and employing local people for access works, drill mobilization, and ongoing support of the program.

This significant milestone encompasses three key prospects within an 8 km by 2 km trend:

(i) **Ricardo Herrera (porphyry copper-gold):** In December 2024, IP surveys revealed two significant anomalies. The main anomaly extends for 1,000 m strike length and 250 m width, with chargeability values ranging from 12-15 m and peaks to 26 m, defined to 350 m depth. The anomaly demonstrates strong correlation with outcropping porphyry-style mineralization within a multi-stage calc-alkaline intrusion, a well-defined positive magnetic anomaly, and a distinctive "bulls-eye" soil anomaly containing Cu-Au-Zn-Pb. A parallel target measuring 400 m by 200 m was also identified, representing a blind target within the permitted drilling area. Fourteen drill platforms have been approved for this prospect. Two holes have been completed here, with all assays received. Geological logging paired with assays confirmed the presence of a multiphase intrusive system, with up to seven intrusive phases intersected in both drillholes. The intrusions range in composition and texture from fine-grained hornblende–biotite monzodiorite porphyry, crowded plagioclase-biotite-hornblende diorite porphyry, through to a series of possible syn-mineral monzonite to quartz monzonite porphyries. Alteration across the system is incipient to weak, characterized by biotite-epidote assemblages with a later chlorite overprint. Mineralization observed to date is minor and discontinuous, consisting of occasional magnetite-epidote-pyrite stringers, rare quartz-pyrite-molybdenite veins, and quartz-pyrite ± chalcopyrite porphyry-style veins and veinlets, as well as epidote-pyrite ± chalcopyrite veinlets. The data indicate two overprinting hydrothermal events: an earlier copper-molybdenum event followed by a later gold–silver event associated with subsequent intrusive phases, with vein stages comparable to those found in Au-rich porphyry copper systems. The highest individual assays in both drillholes were: 0.6 g/t Au over 1.1 m, 0.63% Cu over 0.1 m, and 862 ppm Mo over 0.6 m.

(ii) **Vista Alegre (epithermal gold):** In December 2024, IP surveying identified two distinct types of anomalies. The first comprises a high chargeability - low resistivity zone extending over 2.4 km strike length and up to 500 m depth, coinciding with gold-in-soil values up to 0.23 ppm. The second consists of high chargeability - high resistivity zones over 1 km strike length, correlating with mineralized boulders that have returned assays up to 1.98 g/t gold and 29 g/t silver. Twelve drill platforms have been approved for this prospect. Three drillholes have been completed at this prospect, with all assays returned. All three holes tested IP and geochemical anomalies and only intercepted peripheral/leakage structures. Drill holes returned up to 0.4 g/t Au interpreted as surficial enrichment in the top 90 m regolith profile. SWIR data and geochemical anomalies near end of holes HDDVA001 and 002 indicate the presence of hotter, ore-bearing fluids. Follow up drilling is planned at Vista Alegre targeting the source of high-grade boulders and high-resistivity anomalies.

(iii) **Sortilegio (porphyry copper-gold):** In January 2025, advanced geophysical surveys delineated an extensive 1.2 km chargeability anomaly extending to 500 m below surface. Two distinct targets were identified: 1) Shallow Structural target with high-chargeability anomalies mapped below the surface extending up to 600 m along north-south oriented structures, demonstrating spatial correlation with gossanous gold-mineralized float on surface; and 2) Deep Porphyry Target with a major chargeability anomaly extending 1.2 km in strike length, commencing at 850 m RL (250 m below surface) and extending to 600 m RL (500 m below surface). Thirteen drill platforms have been approved for this prospect. Active social work at Sortilegio commenced in July 2025 and is ongoing presently. Two drillholes have now been completed at Sortilegio. The first drillhole (HDDSL001) intersected a composite mafic to felsic intrusive complex with broadly equigranular textures, interpreted to have formed at approximately 5–6 km depth, below the typical level of porphyry mineralization. The chargeability anomaly is now interpreted to reflect elevated primary magnetite within a gabbro–diorite phase; however, locally aplitic groundmass textures in a K-feldspar megacrystic quartz monzonite confirm the magma had the capacity to generate magmatic-hydrothermal fluids, a positive indicator for the broader belt. A second hole tested a coincident IP and geochemical anomaly approximately 600 m to the southeast, targeting the source of anomalous gossanous boulders (0.2–0.8 g/t Au).

Previsto Prospect

At Previsto Central, the Company made substantial advancements throughout 2024 and 2025.

In February 2025, channel sampling revealed high-grade alkalic-type epithermal gold mineralization with 69.1 m at 2.4 g/t gold ("Au") including 26.0 m at 5.4 g/t Au. The north-south channel (CH15486) also returned 13 g/t Ag and includes peak assays of 3.0 m @ 12.7 g/t Au, 49 g/t Ag, 43 g/t Te; 3.0 m @ 11.2 g/t Au, 53 g/t Ag, 36 g/t Te; and 0.7 m @ 16.1 g/t Au, 60 g/t Ag, 48 g/t Te. The channel remains open to both the north (4.8 g/t Au last assay) and south (0.8 g/t Au last assay). An east-west channel (CH16401) that joins the northern end of CH15486 assayed 7.0 m @ 1.2 g/t Au and 19 g/t Ag. This finding is located within a larger 4 km x 4 km gold-in-soil anomaly.

In March 2025, the Company reported the identification of a significant copper porphyry target at Previsto, located only 1,300 m from the previously identified high-grade gold mineralization. Systematic channel sampling across four parallel creeks (spaced 130 m to 290 m apart) confirmed 750 m of continuous copper mineralization with widths up to 192 m. Results from 768.7 m of channel sampling include:

- CH15447: 48.0 m @ 0.12% Cu
- CH15430: 107.0 m @ 0.09% Cu
- CH14555: 126.0 m @ 0.22% Cu
- CH15391: 192.0 m @ 0.17% Cu

In April 2025, Hannan extended the high-grade gold mineralization at Previsto. A southward extension of the main trench assayed 135.2 m @ 1.3 g/t Au, confirming continuity of mineralization. Additional channels 20 metres to the north cut new high-grade zones, with results including 11.3 m @ 3.7 g/t Au (with a peak of 1.7 m @ 23.4 g/t Au) and 2.3 m @ 18.8 g/t Au. In June 2025, mapping and trenching identified two new mineralized zones, broadening the strike length of the high-grade system to around 650 metres. The southern zone, some 150–200 metres south of the main trench, produced panel samples averaging 0.3 g/t Au, while the western zone, 80 metres west of the original mineralization, returned trench results such as 21 m @ 0.46 g/t Au (including 3 m @ 1.87 g/t Au). These new zones complemented the previously announced high-grade intercepts like 135.2 m @ 1.3 g/t Au, 11.3 m @ 3.7 g/t Au, and 2.3 m @ 18.8 g/t Au, demonstrating that the gold system was significantly more extensive than initially outlined.

In July 2025, Previsto's footprint expanded further with continued high-grade results. On July 2, 2025 new channels perpendicular to earlier sampling returned 13.6 m @ 2.1 g/t Au and 4.6 m @ 7.2 g/t Au, while an outcrop 255 metres south-southwest assayed 2.2 g/t Au, extending the mineralized trend to about 750 metres of strike. Later in July, systematic sampling extended the footprint even more - 30 m east, 400 m south, and 230 m southeast of the high-grade core. These results suggested the presence of a large alkaline epithermal gold system, characterized by broad zones of low- to moderate-grade mineralization interspersed with high-grade shoots.

On September 2, 2025, Hannan reported the Honda Creek discovery, a new 2 km × 0.8 km gold-anomalous zone located 1.3 - 2.1 km south-southwest of Previsto Central, with rock chips up to 0.92 g/t Au and soils to 0.70 g/t Au. Hosted in Chonta Formation limestone and siltstone with low copper (<500 ppm), it represents a distinct gold-only system that could be carbonate-replacement or sediment-hosted. The find extends the Previsto mineralized footprint to over 5 km of strike, reinforcing the district-scale potential of the Valiente Project.

On October 6, 2025, Hannan reported results from field campaigns at Honda Creek and Previsto Central that identified a new high-grade gold occurrence 400 m southwest of the existing high-grade footprint, with a panel sample returning 4.8 g/t Au and 36.3 g/t Ag. Across ~1.8 km² of sampling, 149 in-situ rock chips (and further channel and soil samples) revealed widespread anomalous gold (max 4.8 g/t Au, average 0.1 g/t) and copper (max 1.0% Cu, average 430 ppm Cu) values, confirming continuity between known zones, and suggesting a new structurally controlled trend.

On December 17, 2025, Hannan reported the confirmation of a kilometre-scale gold system at the Previsto prospect. New channel sampling results validated a 1.2 km mineralized trend stretching from Previsto Central to Mirador Creek, with highlights including 10.5 m @ 0.5 g/t Au (including 4.9 m @ 1.1 g/t Au) and 10.4 m @ 0.7 g/t Au. These results confirmed the continuity of high-grade structures first identified in October and expanded the district's potential with the identification of a possible second heat source at Upper Honda Creek, located 2 km southwest of Previsto Central. The systematic field campaign, which included 44 channels and 79 rock-chip samples, defined widespread gold-silver-copper mineralization, reinforcing the Company's model of a large-scale, multi-phase alkaline epithermal system within a largely untapped gold district.

On January 29, 2026, Hannan provided an update on the Belen drilling program and reported that an independent geological review by Dr. Alan Wilson (GeoAqua Consultants) had confirmed clear similarities in alteration assemblages and mineralization styles at Previsto to major alkaline epithermal deposits globally, including Cripple Creek (>28 Moz Au), Porgera (>34 Moz Au), and Emperor (>9.9 Moz Au). The Las Helenas zone at Previsto features roscoelite-adularia-fluorite alteration and Au-Ag-Te-V geochemistry characteristic of these world-class systems, confirming Previsto as the Company's highest-priority target. The DIA drill permit application at Previsto (DIA Amanecer) was confirmed for submission by Q2 2026.

On February 18, 2026, Hannan reported the identification of two new high-grade trends developing 1 km south of Previsto Central. Rock chip results extended a 42 m mineralized trend at Mirador Creek, with a highlight sample of 6.7 g/t Au, 34 g/t Ag and 40 ppm Cu. A new, entirely separate high-grade zone was confirmed 300 m west of the Mirador Creek trend via a 2.4 m channel returning 1.8 g/t Au, 4 g/t Ag and 258 ppm Cu. Work at Honda Creek confirmed a geochemically distinct signature lacking the Cu-Mo-V association of Previsto Central, supporting the interpretation of multiple independent heat and metal sources within the district. Soil geochemistry at Palestina Creek, located 0.25–0.7 km higher in elevation than Previsto Central, returned peak values of 211 ppb Au, indicating a further independent bedrock source yet to be discovered. In aggregate, 92 channel samples totalling 161 m and 124 rock chip samples defined widespread gold-silver-copper mineralization across Mirador Creek, Honda Creek, and Palestina Creek.

On April 1, 2026, Hannan reported further new results from systematic field campaigns at Previsto. Rock saw channel sampling at Mirador Creek confirmed continuity of high-grade gold mineralization over a 42 m trend, with a best channel result of 2.8 m grading 1.74 g/t Au, 13 g/t Ag and 96 ppm Cu, including telluride minerals - a signature commonly associated with high-grade gold deposits. Combined with previous work, sampling defined a new copper zone 1.2 km south of Previsto Central and 2 km south of the previously reported copper zone, with a footprint of 320 m x 200 m returning six rock chip samples with copper grades of 0.2% to 1.0%. Magmatic fertility analysis of the Previsto intrusive suite yielded a mean Strontium/Yttrium (Sr/Y) ratio of 93, well above the >35 threshold that identifies intrusions capable of concentrating large metal endowments, with peak values exceeding 5,000. These data confirm that the hydrothermal engine at Previsto has the scale and chemistry consistent with a district-scale mineral system capable of hosting multiple deposits.

The mineralization remains open under cover to the north, south, and east.

The Company's first geophysical Induced Polarization survey at Previsto Central, completed in October 2024, confirmed a substantial 6 km x 6 km copper-gold porphyry and epithermal gold mineral system. The survey identified seven high-priority targets, including two porphyry targets within a 5 km by 1 km intrusive trend and five epithermal targets that correlate with extensive gold soil anomalies.

In April 2026 the Company completed and announced the results of a high-resolution remote geological mapping and photogrammetry study over the Previsto Prospect. The results identified a major new zone of prospectivity - "Previsto Far North" - extending the district-scale mineralizing corridor an additional ~6.7 km to the north and effectively doubling the known prospective footprint of this emerging alkalic porphyry-epithermal gold-copper district.

Two key points are as follows

(i) **District Doubled**: Identification of the new Previsto Far North zone creates a continuous ~13 km prospective corridor from Previsto Central to the newly defined northern limits - doubling the district's footprint and reinforcing the scale of this unique project.

(ii) **Same System, Much Bigge**r: Previsto Far North sits along-strike and in the hanging wall of the same regional Andean thrust fault that controls mineralization at Previsto Central. Structural, textural, geophysical, and geochemical signatures all match - this is not a new target, it is the same large mineralizing system extending much further than previously recognised.

The Company continues to advance multiple work programs at Previsto, including expanded soil sampling and channel sampling programs, detailed prospecting, geological mapping and structural analysis, implementation of further induced polarization geophysical surveys and detailed geochemical interpretation, and advancement of drill permitting

San Martin JV Project (Copper-Silver, Peru)

The Company has not received official formal notice from JOGMEC regarding the continuation of funding for ongoing exploration programs at San Martin. There is uncertainty as to the future of the joint venture until such formal notification is received.

Future Developments

Looking ahead through 2026, the Company is focused on advancing Previsto as its highest-priority target. Drilling at Belen (DIA Valiente) is now complete, with eight holes for 3,124.85 m drilled across Vista Alegre, Ricardo Herrera and Sortilegio. At Previsto (DIA Amanecer), field programs continue with systematic extension of the Mirador Creek gold and copper zones and structural mapping to define drill targets. The DIA drill permit application for Previsto is to be submitted by the second half of calendar 2026, positioning the Company to commence its maiden drilling program at this highly prospective target.

Qualified Person

Mr. Michael Hudson, the Company's Chairman and CEO, a Fellow of the Australasian Institute of Mining and Metallurgy, has reviewed and verified the contents of this document.

Selected Financial Data

The following selected quarterly financial information is derived from the unaudited condensed consolidated interim financial statements of the Company and prepared using IFRS.

	Fiscal 2026			Fiscal 2025				Fiscal 2024
Three Months Ended	**Feb 28/26 $**	**Nov 30/25 $**	**Aug 31/25 $**	**May 31/25 $**	**Feb 28/25 $**	**Nov 30/24 $**	**Aug 31/24 $**	**May 31/24 $**
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(280,064)	(366,440)	(656,552)	(396,079)	(282,554)	(1,084,175)	(277,142)	(169,094)
Other Items	26,477	22,969	36,904	(15,702)	(92,949)	101,582	36,303	51,859
Net loss	(253,587)	(343,471)	(621,648)	(411,781)	(375,503)	(982,593)	(240,839)	(117,235)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Statement of Financial Position:								
Working capital	7,741,478	8,041,513	2,078,134	2,305,154	1,892,693	2,426,734	3,391,564	737,851
Total assets	21,310,380	20,362,285	12,925,356	11,112,804	9,907,681	10,223,391	10,411,714	6,878,744
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

As at the date of this MD&A, the Company has not earned any production revenue, nor found proved reserves on any of its unproven mineral interests; therefore, the expenses are not subject to seasonal fluctuations or general trends. The Company's expenses and cash requirements will fluctuate from quarter to quarter depending on the level of activity and, therefore, lack some degree of comparability. The Company's quarterly results may be affected by many factors such as timing of exploration activities, share-based payment costs, marketing activities and other factors that affect Company's exploration and financing activities. Furthermore, the Company's net loss/income may also be affected by interest rates received on cash and foreign exchange fluctuations.

Three Months Ended February 28, 2026 Compared to Three Months Ended February 28, 2025

During the three months ended February 28, 2026 ("Q3/2026") the Company reported a net loss of $253,587 compared to a net loss of $375,503 for the three months ended February 28, 2025 ("Q3/2025"), a decrease in loss of $121,916. The decrease in loss is primarily attributed to a $85,199 fluctuation in foreign exchange, from a foreign exchange loss of $111,277 in Q3/2025 to a loss of $26,078 in Q3/2026, and $nil in general exploration expenses in Q3/2026 compared to $40,031 in Q3/2025, when the Company incurred due diligence costs on the Cerro Rolando Project. In addition, the Company generated a $34,227 increase in interest income, from $18,328 reported in Q3/2025 compared to $52,555 in Q3/2026 due to higher levels of cash held from the recently completed private placement.

Nine Months Ended February 28, 2026 Compared to Nine Months Ended February 28, 2025

During the nine months ended February 28, 2026 (the "2026 period") the Company reported a net loss of $1,218,706 compared to a net loss of $1,598,935 for the nine months ended February 28, 2025 (the "2025 period"), a decrease in loss of $380,229. The Company recognized a decrease in general and administration expenses of $338,815, from $1,643,871 during the 2025 period to $1,305,056 during the 2026 period and a $47,710 fluctuation in foreign exchange, from a loss of $43,009 in the 2025 period to a gain of $4,701 in the 2026 period. Significant variances in general and administration expenses are as follows:

(i) a decrease of $631,615 in share-based compensation, from $827,652 in the 2025 period compared to $196,037 in the 2026 period on the granting and vesting of share options;

(ii) investor relations increased by $75,748, from $104,906 in the 2025 period to $180,654 in the 2026 period. The Company has retained Swiss Resources Capital AG ("SRC") to provide investor relations services to the Company for a monthly fee of €1,500. In addition, during the 2026 period the Company also engaged Resource Stock Digest to provide a three month advertising and marketing campaign for US $125,000; and

(iii) incurred general exploration of $285,770 in the 2026 period compared to $148,724 in the 2025 period primarily for the due diligence exploration program on the Cerro Rolando Project and review of other exploration and evaluation assets.

The Company holds its cash in interest bearing accounts in major financial institutions. Interest income is generated from the deposits and fluctuates primarily with the levels of cash on deposit. During the 2026 period the Company recorded interest income of $81,649 compared to $87,945 during the 2025 period.

Exploration and Evaluation Assets

During the 2026 period the Company incurred a total of $5,668,018 (2025 - $3,105,584) on the acquisition, exploration and evaluation of its unproven resource assets of which $765,338 (2025 - $969,475) was incurred on its San Martin JV Project and $4,902,680 (2025 - $2,136,109) on the Valiente Project. In addition, the Company recorded a cost recovery of $808,387 (2025 - $1,115,421786,513) on its San Martin JV Project as JOGMEC reimbursed the Company for all project related costs and credited management fees billed to JOGMEC of $ 50,521 (2025 - $69,082). See also "Properties Update".

Exploration and acquisitions costs incurred during the 2025 period are as follows:

	San Martin JV Project $	Valiente Project $	Total $
Balance at May 31, 2025	166,684	8,249,001	8,415,685
Exploration costs			
Assays	-	374,446	374,446
Community	4,671	60	4,731
Drilling and consulting	429,762	2,059,073	2,488,835
Geology	-	189,228	189,228
Insurance	-	19,800	19,800
Legal	7,182	8,682	15,864
Logistics, camp costs and labour	61,022	1,412,717	1,473,739
Travel	-	11,140	11,140
VAT incurred	58,113	436,658	494,771
	560,750	4,511,804	5,072,554
Acquisition costs			
License applications and fees	204,588	390,876	595,464
Other			
Cost recoveries	(808,387)	-	(808,387)
Management fees	(50,521)	-	(50,521)
	(858,908)	-	(858,908)
Balance at February 28, 2026	73,114	13,151,681	13,224,795

Financing Activities

2026 Period

On November 19, 2025 the Company completed the initial tranche of a non-brokered private placement and issued 9,379,747 common shares at a price of $0.75 per share, for $7,034,810. On December 12, 2025 the Company completed the final tranche of the private placement and issued 2,801,924 common shares for an additional $2,101,443.

In addition, during the 2026 period the Company issued a total of 7,600,987 common shares on the exercise of warrants and share options for $2,678,216.

2025 Period

On June 27, 2024 the Company completed a non-brokered private placement of 10,593,513 units at $0.35 per unit, for total proceeds of $3,707,730. The Company plans to use the net proceeds from the private placement to fund exploration expenditures at the Company's Valiente Project and continued due diligence on the Cerro Rolando Chile

Project, as well as for general working capital and corporate purposes. In addition the Company issued 595,820 common shares on the exercise of share options for proceeds of $167,335.

Financial Liquidity and Capital Resources

The Company has a history of losses with no operating revenues and, as at February 28, 2026, the Company had working capital of $7,741,478. The Company's San Martin JV Project is funded by an arms length party under the JOGMEC JV Agreement and its other mineral property interests and operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. Although management considers that the Company has adequate resources to maintain its core operations and discharge its obligations as they become due in the next twelve months, the Company recognizes that it will be required to obtain additional financing to conduct planned exploration programs on its existing exploration and evaluation assets. While the Company has been successful in securing financings in the past there can be no assurance that it will be able to do so in the future.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of the Company's critical accounting estimates and sources of estimation is included in Note 3 to the May 31, 2025 audited annual consolidated financial statements.

Changes in Accounting Policies

A detailed summary of all the Company's significant accounting policies and accounting standards and interpretations issued but not yet effective, is included in Note 3 to the May 31, 2025 audited annual consolidated financial statements.

Transactions with Related Parties

(a) *Transactions with Key Management Personnel*

The Company has determined that key management personnel consists of the executive members of the Company. During the 2026 and 2025 period the following amounts were incurred with respect to the Company's CEO (Mr. Hudson), former President (Mr. Dahlenborg) and the CFO (Mr. Lim):

	2026 $	2025 $
Professional fees - Mr. Hudson	90,000	90,000
Professional fees - Mr. Dahlenborg (resigned as President May 5, 2025)	-	127,503
Professional fees - Mr. Lim	11,250	11,250
	101,250	228,753

During the 2026 period the Company incurred a total of $101,250 (2025 - $228,753) to key management personnel for their services which have been allocated based on the nature of the services provided: expensed $89,250 (2025 - $83,250) to director and officer compensation; and capitalized $12,000 (2025 - $145,503) to exploration and evaluation assets. As at February 28, 2026 $40,000 (May 31, 2025 - $19,650) remained unpaid.

During the 2025 period the Company also recorded $286,800 share-based compensation for share options granted to key management personnel as follows:

(b) *Transactions with Other Related Parties*

(i) During the 2026 and 2025 period the following amounts were incurred with respect to current and former non-management directors (Nick DeMare, David Henstridge, Georgina Carnegie, and Katty Vargas) and the Corporate Secretary (Mariana Bermudez) of the Company:

	2026 $	2025 $
Professional fees - Mr. DeMare	11,250	11,250
Professional fees - Mr. Henstridge	11,250	11,250
Professional fees - Ms. Carnegie	11,250	11,250
Professional fees - Ms. Vargas (1)	178,965	26,235
Professional fees - Ms. Bermudez	36,000	31,500
	248,715	91,485

(1) Ms. Vargas was appointed as a director on November 11, 2024 and the figure represents amounts paid to Ms. Vargas in her capacity as the general manager of the Peruvian subsidiaries. Ms. Vargas does not receive any additional compensation in her role as a director of the Company.

During the 2026 period the Company incurred a total of $248,715 (2025 - $91,485) to non-management directors and officers of the Company which have been allocated based on the nature of the services provided: expensed $69,750 (2025 - $65,250) to directors and officers compensation; and capitalized $178,965 (2025 - $26,235) to exploration and evaluation assets. As at February 28, 2026 $6,250 (May 31, 2025 - $119,250) remained unpaid.

During the 2025 period the Company also recorded $254,400 share-based compensation for share options granted to its non-management directors and the Corporate Secretary

(ii) During the 2026 period the Company incurred a total of $38,800 (2025 - $35,800) to Chase, a private corporation owned by Mr. DeMare, for accounting and administration services provided by Chase personnel, excluding Mr. DeMare. As at February 28, 2026 $1,200 (May 31, 2025 - $6,100) remained unpaid.

During the 2025 period the Company also recorded $30,000 share-based compensation for share options granted to Chase.

Risks and Uncertainties

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should consider investing in the Company's common shares.

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares with no par value. As at April 20, 2026, there were 144,817,363 issued and outstanding common shares and 5,976,600 share options outstanding at exercise prices ranging from $0.25 to $0.94 per share.