WEST RED LAKE

GOLD MINES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the 13 months ended December 31, 2024 and 12 months ended November 30, 2023
(Expressed In Canadian dollars, unless otherwise stated)

This Management's Discussion and Analysis ("MD&A") was prepared as of April 23, 2025 and provides an analysis of the financial and operating results of West Red Lake Gold Mines Ltd. ("West Red Lake", "WRLG" or "the Company") for the 13 months ended December 31, 2024. Additional information regarding West Red Lake, as well as other information filed with the Canadian regulatory authorities under the Company's profile on the System for Electronic Document Analysis and Retrieval Plus ("SEDAR+") at www.sedarplus.ca. All monetary amounts are in Canadian dollars unless otherwise specified.

The following discussion and analysis of the financial condition and results of operations of West Red Lake should be read in conjunction with the Company's audited consolidated financial statements for the 13 months ended December 31, 2024 as well as the audited consolidated financial statements for the years ended November 30, 2023 and November 30, 2022 and the related notes (the "Annual Financial Statements"), which have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") (the "IFRS").

This MD&A should also be read in conjunction with the Company's most recently filed annual information form ("AIF"). Other than the information set out under the heading 'Risk Factors' in the AIF, which is incorporated by reference herein, the AIF does not constitute part of this MD&A.

The Audit Committee of the Company's Board of Directors (the "Board") reviews and recommends for approval to the Board, who then review and approve, the Annual Financial Statements and this MD&A. This MD&A contains forward-looking information. Please see the section, "Cautionary Note Regarding Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions used to develop the Company's forward-looking information.

CAUTIONARY NOTE REGARDING FORWARD – LOOKING INFORMATION

This MD&A contains or incorporates by reference "forward-looking statements" (also referred to as "forward-looking information") within the meaning of applicable Canadian securities legislation. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of the Company's operating environment. All statements, other than statements of historical fact, are forward-looking statements. In this MD&A, forward-looking statements include, but are not limited to statements regarding the Company's future results and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company's actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the uncertainties associated with: regulatory and permitting considerations, financing of the Company's acquisitions and other activities, exploration, development and operation of mining properties and the overall impact of misjudgments made in good faith in the course of preparing forward-looking information. Forward-looking statements involve risks, uncertainties, assumptions, and other factors including those set out below, that may never materialize, prove incorrect or materialize other than as currently contemplated which could cause the Company's results to differ materially from those expressed or implied by such forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of fact and may be forward-looking statements. Such factors include, among others: risks related to: exploration and development activities at the Company's projects, and factors relating to whether or not mineralization extraction will be commercially viable; risks related to mining operations and the hazards and risks normally encountered in the exploration, development and production of minerals, such as unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction and removal of materials; uncertainties regarding regulatory matters, including obtaining permits and complying with laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters, and the potential for existing laws and regulations to be amended or more stringently implemented by the relevant authorities; uncertainties regarding estimating mineral resources, which estimates may require revision (either up or down) based on actual production experience; risks relating to fluctuating metals prices and the ability to operate the Company's projects at a profit in the event of declining metals prices and the need to reassess feasibility of a particular project that estimated mineral resources will be recovered or that they will be recovered at the rates estimated; risks related to title to the Company's properties, including the risk that the Company's title may be challenged or impugned by third parties; the ability of the Company to access necessary resources, including mining equipment and crews, on a timely basis and at reasonable cost; risks related to high inflation, interest rate increases and price volatility; geopolitical risks and tariffs; competition within the mining industry for the discovery and acquisition of properties from other mining companies; risks related to the stage of the Company's development, including risks relating to limited financial resources, limited availability of additional financing and potential dilution to existing shareholders; reliance on its management and key personnel; inability to obtain adequate or any insurance; currently unprofitable operations; risks regarding the ability of the Company and its management to manage growth; potential conflicts of interest; risks related to the restrictive covenants contained in the Nebari Credit Facility and the ability for the Company to obtain additional financing; risks relating to being able to service the Company's current debt obligations under the Gold-Linked Note and Nebari Credit Facility; and all those risks identified in the section entitled "Risk Factors" in this MD&A and other risk factors identified in the AIF.

The foregoing list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and the Company's actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this MD&A.

Investors are cautioned not to put undue reliance on forward-looking statements, and investors should not infer that there has been no change in the Company's affairs since the date of this MD&A that would warrant any modification of any forward-looking statement made in this document, other documents periodically filed with or furnished to the relevant securities regulators or documents presented on the Company's website. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to the Company's disclosure obligations under applicable Canadian securities regulations. Investors are urged to read the Company's filings with Canadian securities regulatory agencies, which can be viewed online at www.sedarplus.ca.

BUSINESS OVERVIEW

West Red Lake is an exploration and development stage company that is focused on advancing and developing its flagship Madsen Gold Mine project (the "Madsen Property" or "Madsen Mine") and the associated 47 sq-kilometer ("km^2") highly prospective land package in the Red Lake Gold District of Ontario. West Red Lake also holds the wholly owned Rowan Property in Red Lake, with a property position covering 31 km^2 including three past producing gold mines – Rowan, Mount Jamie, and Red Summit.

The Company was incorporated on March 4, 1993 under the Business Corporations Act (Ontario) as New Dolly Varden Minerals Inc., and continued under the Business Corporations Act (British Columbia) on November 27, 2017 as DLV Resources Ltd. On July 15, 2022, the Company consolidated its then outstanding common shares on the basis of five (5) old common shares for one (1) new common share. The Company changed its name to West Red Lake Gold Mines Ltd. on December 29, 2022, and is listed on the TSX Venture Exchange ("TSXV") under the symbol 'WRLG'. The Company's registered and records office is 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3. The Company is a reporting issuer in each of the provinces of Canada, other than Quebec.

HIGHLIGHTS

Operational

On January 7, 2025, the Company published the results of the Madsen Mine Pre-Feasibility Study ("PFS"). The PFS validated the rationale to restart the Madsen Mine by generating strong economic results, including almost $70 million in average annual free cash flow over 6 full production years.

In 2024 to date, West Red Lake completed significant mine restart preparatory work at the Madsen Mine relating to drilling, underground development, capital projects, mill restart and bulk sampling.

Capital Projects

The Company completed a series of capital projects at Madsen all designed to support efficient mine operations. Major projects included a 4-foot tailings dam lift, commencement and completion of the 1,448 metre connection drift connecting the two sides of the mine, and construction of workforce accommodation and mine dry facilities. The Company also selected, received, and commissioned multiple additions to rolling stock (eg. haul trucks, Anfo loader, and jumbo drill) and completed many smaller projects such as improved propane reticulation, a new Enterprise Resource Planning system, installation and commissioning of a crusher, and improved maintenance logistics.

Mill Restart

The mill was started up on March 10, 2025, after 28 months of maintained dry shutdown. Ahead of restart, the Company's mill team completed extensive pre-commissioning work, including replacing mill liners and discharge lines, cycling process water through the system, and revitalizing the carbon in pulp and carbon circuits.

Bulk Sample

The Company completed a test mining program which successfully produced the bulk sample from stopes which began processing in March 2025. The stopes of the bulk sample will be processed sequentially, after which independent authorities will complete full reconciliation calculations between expected and actual tonnes, grade, and ounces for each stope.

Corporate

On February 25, 2025, the Company issued 23,628,000 charity flow-through units pursuant to a bought deal public offering at a price of $0.8487 per unit for total gross proceeds of $20,053,085. Each flow-through unit consisted of one common share and one common share purchase warrant, issued as a "flow-through share" exercisable at $0.90 until February 25, 2028.

On December 31, 2024 the Company entered into a credit agreement (the "Nebari Agreement") with Nebari Natural Resources Credit Fund II LP ("Nebari") pursuant to which the Company will borrow up to a maximum principal amount of US$35 million (the "Nebari Credit Facility") to be issued in three tranches of : (i) US$15 million ("Tranche 1"), (ii) US $15 million ("Tranche 2"), and (iii) US$5 million ("Tranche 3"). Tranche 1 was drawn down on December 31, 2024. US$7.5 million of Tranche 2 was drawn down on March 19, 2025. The Nebari Credit Facility is guaranteed by the Company's wholly-owned subsidiaries, West Red Lake Gold Mines (Ontario) Ltd. and Red Lake Madsen Mine Ltd. (collectively, the "Guarantors"). The Guarantors and the Company have entered into security arrangements with Nebari while also initially securing the Nebari Credit Facility by way of: (i) a pledge of 100% of all shares of the Guarantors (the "Share Pledges"); and (ii) a registered, perfected first priority senior security interest in, lien on and pledge of all intercorporate debt between the Company and the Guarantors.

On October 24, 2024, the Company issued 41,666,800 units at a price of $0.69 per unit pursuant to a bought deal public offering. Each unit consisted of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share exercisable at $0.90 until October 24, 2027 (the "October 2024 Offering"). The total gross proceeds of the October 2024 Offering was $28,750,092.

On May 16, 2024, the Company issued 31,944,700 units pursuant to a bought deal public offering at a price of $0.72 per unit for total gross proceeds of $23,000,184. Each unit consisted of one common share and one common share purchase warrant exercisable at $1.00 until May 16, 2026. The Company also issued 11,236,000 charity flow-through units at a price of $0.89 per charity flow-through unit for total gross proceeds of $10,000,040. Each flow-through unit consisted of one common share and one common share purchase warrant, issued as a "flow-through share" exercisable at $1.00 until May 16, 2026.

On April 3, 2024, a fund managed by Sprott and the Company entered into a debt amendment agreement allowing the remaining balance of the promissory note of US$2,901,631 (the "Promissory Note") to be converted into Gold-Linked Note Units (as defined below). On April 3, 2024, the remaining balance of the Promissory Note of US$2,901,631 was converted into 2,901.631 Gold-Linked Note Units.

On March 19, 2024 and April 3, 2024, the Company issued an aggregate of 24,264 units (the "Gold-Linked Note Units") at a price of US$1,000 per Gold-Linked Note Unit for total gross proceeds of $32,944,473 (US$24,264,000). Each of the Gold-Linked Note Units consists of a gold-linked note in the aggregate principal amount of US$1,000 (the "Gold-Linked Notes") and 710 common share purchase warrants exercisable at $0.95 until March 19, 2029. The Gold-Linked Notes represent senior unsecured obligations of the Company. The Gold-Linked Notes bear a 12% per annum coupon, calculated and payable quarterly in arrears, and will mature on December 31, 2029. Commencing January 1, 2026, the Company will place gold in escrow on a quarterly basis into a gold trust account. The aggregate principal amount of Gold-Linked Notes outstanding will be repaid by the Company on a quarterly basis, commencing on March 31, 2026, and with the final payment on December 31, 2029. The Gold-Linked Notes will amortize based on a guaranteed floor price of US$1,800 per ounce of gold (the "Floor Price"). Any excess proceeds by which the gold price exceeds the Floor Price will be paid to investors as a premium.

In December 2023, a fund managed by Sprott Resource Lending Corp. ("Sprott") converted $3,588,000 (US$2,631,463) of the Promissory Note into 6,900,000 units of the Company at a price of $0.52 per unit, with each unit consisting of one common share and one common share purchase warrant exercisable at $0.68 per share purchase warrant until November 28, 2026.

Further detail on all financings can be found in the Liquidity and Capital Resources section below.

PROPERTY OVERVIEW

The Company is focused on advancing and developing its flagship Madsen Property and the associated 47 km^2 highly prospective land package in the Red Lake district of Ontario. The highly productive Red Lake Gold District of Northwestern Ontario, Canada has yielded over 30 million ounces of gold from high-grade zones and hosts some of the world's richest gold deposits. The Company also holds the wholly owned Rowan Property in Red Lake, with a property position covering 31 km^2 including three past producing gold mines - Rowan, Mount Jamie, and Red Summit.

The Madsen Property

On June 16, 2023, the Company completed the acquisition of the Madsen Mine Property, in the Red Lake Gold District of Northwestern Ontario, through the acquisition of all of the issued and outstanding common shares of Pure Gold Mining Inc. (the "Madsen Acquisition"). The Madsen Property comprises a contiguous group of 241 mining leases, mining patents and unpatented mining claims covering an aggregate area of 4,648 hectares (46.5 km^2), next door to major operators - Barrick, Kinross and Evolution Mining.

The Madsen Property is located in the Red Lake district of Northwestern Ontario, approximately 440 km northwest of Thunder Bay, Ontario, 260 km east-northeast of Winnipeg, Manitoba and 10 km south-southwest via provincial highway ON-618 S from the town of Red Lake. The mine is adjacent to the community of Madsen. Access to the Madsen Property is via the Mine Road off ON-168 S and access to the town of Red Lake is via ON-105 N from the Trans-Canada Highway / ON-17 and via commercial airline flying into the Red Lake Municipal Airport.

Major infrastructure at the Madsen Property includes paved highway and secondary road access, ample fresh water supply, low-cost hydroelectric power from the provincial grid, an operational processing, and tailings facility, two underground access portals and ramps, a 1,273 meter shaft and significant underground development along with supporting ancillary surface facilities.

The Madsen Property, is centered around the Madsen Mine, which produced 2.5 million ounces of gold at an average grade of 9.7 grams per tonne ("g/t") (7.9 million tonnes) between 1938 and 1976, 1997 to 1999 and then again in 2021, when 27,438 ounces of gold were produced at an average grade of 4.3 g/t and in 2022, when 20,301 ounces of gold were produced at an average grade of 3.8 g/t.

(expressed in Canadian dollars, except as noted)

Technical Report

The National Instrument 43-101 ("NI 43-101") Technical Report on the Madsen Property from SRK Consulting (Canada) Inc. entitled "NI 43-101 Technical Report and Prefeasibility Study for the Madsen Mine, Ontario, Canada" and dated February 2025, with an effective date of January 7, 2025, was filed on SEDAR+ at www.sedarplus.ca on February 18, 2025.

Resource Estimate

The Madsen Property presently hosts a NI 43-101 Mineral Resource Estimate as shown in Table 1.

Table 1: Mineral Resource Statement, PureGold (Madsen) Mine, Red Lake, Ontario (effective date December 31, 2021)

Classification	Deposit – Zone	Tonnes	Gold Grade (g/t)	Total Gold (troy oz)
Indicated	Madsen – Austin	4,147,000	6.9	914,200
	Madsen – South Austin	1,696,000	8.7	474,600
	Madsen – McVeigh	388,700	6.4	79,800
	Madsen – 8 Zone	152,000	18	87,700
	Fork	123,800	5.3	20,900
	Russet	88,700	6.9	19,700
	Wedge	313,700	5.6	56,100
	Total Indicated	**6,909,900**	**7.4**	**1,653,000**
Inferred	Madsen – Austin	504,800	6.5	104,900
	Madsen – South Austin	114,100	8.7	31,800
	Madsen – McVeigh	64,600	6.9	14,300
	Madsen – 8 Zone	38,700	14.6	18,200
	Fork	298,200	5.2	49,500
	Russet	367,800	5.8	68,800
	Wedge	431,100	5.7	78,700
	Total Inferred	**1,819,300**	**6.3**	**366,200**

Notes:

1) Mineral Resources estimated in accordance with CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines, CIM, November 29, 2019 by Cliff Revering, P.Eng, Qualified Person.
2) Mineral resources are not mineral reserves and do not have demonstrated economic viability
3) Mineral resources are reported at a cut-off grade of 3.38 g/t Au
4) Mineral resources are reported using a gold price of US$1,800/oz
5) Excludes depletion of mining activity during the period from January 1, 2022 to the mine closure on October 24, 2022 as it has been deemed immaterial and not relevant for the purpose of this report.
6) All figures have been rounded to reflect the relative accuracy of the estimate

(expressed in Canadian dollars, except as noted)

Reserve Estimate

The Madsen Mine has been mined extensively from the mid-1930s to the mid-1970s with more than 8.9 Mt of ore being extracted. Much of the higher-grade material in the mineral resource model is remnants contained in sill pillars and/or immediately adjacent to the historic shrinkage stopes. The mineral reserves are contained within a mining area with a strike length of 1,250 m and a 1,200 m vertical extent with a 60° plunge to the SSE. The mineral reserves follow the trend of the historic shrinkage stopes. The strike length of the historic development is 2,000 m with a 1,300 m vertical extent. This presents unique challenges and opportunities for modern mining operations using trackless, mechanized equipment.

The Madsen Property presently hosts a NI 43-101 Mineral Reserve Estimate as shown in Table 2.

Table 2: Mineral Reserve Statement, Madsen Mine, Red Lake, Ontario (effective date June 30, 2024)

Classification	Deposit - Zone	Tonnes (kt)	Gold Grade (g/t)	Contained Metal (koz Au)
Probable	Madsen - Austin	778	7.37	184
	Madsen - South Austin	861	8.21	227
	Madsen - McVeigh	66	7.37	16
	Madsen - 8 Zone	118	13.38	51
Proven + Probable		**1,823**	**8.16**	**478**

Notes:

1) Mineral Reserves estimated in accordance with CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines, CIM, November 29, 2019 by Stephen Taylor, P.Eng., Qualified Person.
2) Longhole stope cut-off grade of 4.30 gpt Au based on an estimated operating cost of C$287.34/t including mining, plant and G&A. The mining cost component was benchmarked based on an operating mine in Ontario.
3) Mechanized Cut and Fill stope cut-off grade of 5.28 gpt Au based on an estimated operating cost of C$$354.90/t including mining, plant and G&A.
4) Mineral reserve estimates based on a gold price of US$1,680/oz and an exchange rate of 1.31 C$/US$.
5) Incremental development cut-off grade of 1 gpt Au.
6) A small amount of incremental longhole tonnes were included at a cut-off grade of not less than 3.4 gpt Au, these must be immediately adjacent to economic stopes that will pay for the capital to access area.

<u>2024 Exploration Program – Madsen Underground Drill and Development</u>

During the exploration drilling program period beginning January 2024 through to December 2024 the Company completed a total of 51 holes for 9,021m of NQ diamond drill core (Expansion) and 604 holes for 53,646m of BQ diamond drill core (definition). Drilling was focused on the main Madsen deposit consisting of the Austin, South Austin, North Austin and McVeigh Zones. The 2024 underground drilling program was highly successful and helped to build a robust in-situ inventory of high confidence ounces to support mine restart activities.

A total of 3,065 linear meters of underground development was completed at the Madsen Mine from January 2024 through to December 2024.

<u>2024 Exploration Program – Madsen Regional Surface Program</u>

During the 2024 surface drilling program at the Madsen Property, the Company completed a total of 32 holes for 11,749m of NQ diamond drill core testing four target areas across the Madsen Mine Property, including: Upper 8, MJ, North Venus and North Shore. The program was successful in defining a new high-grade shoot at the Upper 8 target. Additionally, broad zones of Madsen-style alteration were intercepted at the North Shore target marking this as a high-priority target area for follow-up work. A regional surface mapping and sampling campaign was also completed with an emphasis on the eastern side of the Madsen Property within the Confederation Assemblage of rocks. The program was successful in defining a number of high-quality surface geochemical anomalies warranting additional work.

The Rowan Property

On December 30, 2022, the Company completed the acquisition of the Rowan Property (the "RLG Acquisition") situated in the Red Lake Archean Greenstone Belt, which hosts the high-grade gold mines of the Red Lake Gold District. The Rowan Property includes the Rowan Mine, The NT Zone, Mount Jamie Mine, and the Red Summit Mine. The Rowan Property is comprised of 146 claims – 58 patented claims, 20 leased, 65 staked crown and 3 under license of occupation.

The 3,100-hectare Rowan Property covers 12 km of strike length on the regional east-west trending Pipestone Bay St Paul Deformation Zone. Three former gold mines – Rowan Mine, Mount Jamie Mine, and Red Summit Mine – are all situated along the deformation zone on the Company's property. A second regional gold bearing structure, the NT Zone, trends northeast on the property and intersects with the Pipestone Bay St Paul Deformation Zone approximately 1km east of the Rowan Mine.

Fifteen kms to the east of the Rowan Property a similar geological setting occurs proximal to the world-class Red Lake Mine and Campbell Mine, providing a favourable exploration model. This similar geological setting illustrates the significant exploration potential for high-grade gold zones on the Company's Rowan Property.

Geologically, the Rowan Property is situated at the west end of the Red Lake Gold District which is comprised of a series of six metavolcanic/metasedimentary supracrustal assemblages intruded by several bodies of variable size, form, and composition. All of the assemblages have undergone several phases of deformation and metamorphism. The rocks, of Mesoarchean and Neoarchean age, form part of the larger Uchi Subprovince of the Superior Province of the Canadian Shield. At least two major deformation events have affected the rocks of the Red Lake Gold District resulting in the generation of interference fold structures on all scales. Major gold deposits in the Red Lake Gold District are associated with regional scale deformation zones.

Community and Indigenous Group Engagement

The Company is committed to identifying, building on its current and new relationships, establishing effective and open mechanisms for communication in areas where its operations may touch as management develops its current and long-term plans to achieve the Company's vision.

OPERATIONS OUTLOOK

The Company continues to execute on its vision to put the Madsen Mine back into production and to unlock significant value for its shareholders. In 2025, the Company will complete its test mining and bulk sample program to increase the understanding of the mining at the Madsen Property and demonstrate the effectiveness of the Company's systematic approach. Following the completion of the test mining and bulk sample program, the Company expects to ramp up operations at the Madsen Mine with an ongoing focus on safety and sustainability of the mine.

HEALTH, SAFETY AND ENVIRONMENT

West Red Lake places the health and safety of its people as the highest priority and is committed to sustainable development in a safe and responsible manner. The Company recognizes that the long-term sustainability of its business is dependent upon elite stewardship in both the protection of the environment and the careful management of the exploration, development, and extraction of mineral resources.

Management is focused on maintaining a strong culture of safety, which includes equipping people with the tools, training, and mindset to result in constant safety awareness. West Red Lake strives for an incident-free workplace, while also recognizing the need for emergency preparedness. The Company has a site-specific emergency response plan and conducts periodic exercises followed by critical analysis that evaluates the response and recommends improvements. This plan will be reviewed annually.

West Red Lake takes a proactive and long-term approach to risk management that supports investment in the practices needed to be successful and meet commitments.

(expressed in Canadian dollars, except as noted)

FINANCIAL RESULTS

Financial results for the four and 13 months ended December 31, 2024 and the three and 12 months ended November 30, 2023 (unaudited)

	Four months ended December 31, 2024	Three months ended November 30, 2023	**13 months ended December 31, 2024**	12 months ended November 30, 2023
Expenses				
Exploration and evaluation expenses	**$37,973,926**	$14,229,879	**$84,701,695**	$22,810,001
Marketing, travel and investor relations	**2,918,230**	408,693	**5,263,138**	2,708,425
Salaries, benefits and directors' fees	**1,734,977**	262,112	**3,996,081**	854,530
Consulting	**571,928**	374,759	**1,502,332**	1,198,855
Professional fees	**315,001**	197,467	**1,481,038**	428,288
Office and administration	**201,821**	196,343	**403,945**	380,080
Regulatory and filing	**16,860**	22,298	**175,546**	148,495
Share-based compensation	**1,402,833**	999,641	**5,442,832**	3,622,876
Depreciation	**632,198**	250,402	**1,682,723**	250,402
	(45,767,774)	(16,941,594)	**(104,649,330)**	(32,401,952)
Finance expense	**(1,915,243)**	(133,556)	**(6,655,944)**	(268,980)
Change in fair value of Gold-Linked Notes	**(2,223,989)**	-	**(6,489,537)**	-
Loss on debt conversion	**-**	-	**(126,459)**	-
Finance income	**349,015**	123,917	**1,309,256**	475,450
Other income	**1,553,454**	-	**2,919,775**	-
Foreign exchange loss	**(2,211,487)**	(91,478)	**(2,097,792)**	(311,157)
Loss	**$(50,216,024)**	$(17,042,711)	**$(115,790,031)**	$(32,506,639)
Other comprehensive income	**30,344**	-	**108,989**	-
Loss and comprehensive loss	**$(50,185,680)**	$(17,042,711)	**$(115,681,042)**	$(32,506,639)
Basic and diluted loss per share	**$(0.18)**	$(0.09)	**$(0.45)**	$(0.30)
Weighted average number of common shares outstanding - basic and diluted	**299,148,470**	186,321,795	**258,972,224**	108,640,544

Four months ended December 31, 2024 versus three months ended November 30, 2023

The Company recorded a loss of $50,216,024 in the four months ended December 31, 2024 (the "Current Quarter") compared to $17,042,711 in the three months ended November 30, 2023 (the "Prior Year Quarter"). The increase in loss was the result of the following:

- Exploration and evaluation expenses increased by $23,744,047 to $37,973,926 in the Current Quarter compared to $14,229,879 in the Prior Year Quarter. The increase was the result of the ramp up in exploration and evaluation work performed at the Madsen Mine.

- Marketing, travel and investor relations fees increased by $2,509,537 to $2,918,230 in the Current Quarter from $408,693 in the Prior Year Quarter. As a result of the effort to create market awareness about the Rowan and Madsen Mine acquisitions (the "Acquisitions"), the Company incurred costs attending conferences, meeting with investors and engaging investor and communication services. The increase in spend was the result of a planned expansion of additional marketing strategies in the Current Quarter.

- Salaries, benefits, directors' fees, and consulting fees increased by $1,670,034 to $2,306,905 in the Current Quarter from $636,871 in the Prior Year Quarter. As a result of the Acquisitions, the Company developed a fully staffed corporate office. This required the hiring of additional staff and consultants in 2024 as the Company advanced the restart of the Madsen Mine. The Company also incurred expenses for annual performance payments in the Current Quarter.

- Professional fees increased by $117,534 to $315,001 in the Current Quarter from $197,467 in the Prior Year Quarter. This increase is the result of additional accounting and legal costs due to the increase in the Company's activities.

- Office and administration remained relatively consistent at $201,821 in the Current Quarter compared to $196,343 in the Prior Year Quarter.

- Regulatory and filing fees remained relatively consistent at $16,860 in the Current Quarter compared to $22,298 in the Prior Year Quarter.

- Share based compensation expense increased by $403,192 to $1,402,833 in the Current Quarter from $999,641 in the Prior Year Quarter. The Current Quarter share-based compensation expense is primarily the result of stock options, restricted share units and deferred share units which were granted in the year ended November 30, 2023 and a subsequent grant in April 2024 that continue to vest in the Current Quarter. Share based compensation is a non-cash expense which reflects the amortization of the estimated fair value over the vesting period.

- Depreciation was $632,198 in the Current Quarter compared to $250,402 in the Prior Year Quarter, because of increased equipment additions during the 13 months ended December 31, 2024.

- Finance income increased by $225,098 to $349,015 in the Current Quarter from $123,917 in the Prior Year Quarter. The increase was due to the holding of increased cash balances in the Current Quarter.

- Fair value loss on Gold-Linked Notes of $2,223,989 incurred in the Current Quarter period related primarily to the increase of price of gold from August 31, 2024 to December 31, 2024.

- Finance expense increased by $1,781,687 predominately as a result of financing and interest costs of the Gold-Linked Notes issued in 2024 of $1,593,586.

- Other income of $1,553,454 in the Current Quarter is the result of the amortization of the flow-through premium liability.

- Foreign exchange loss was $2,211,487 in the Current Quarter compared to foreign exchange gain of $91,478 in the Prior Year Quarter. The Current Quarter foreign exchange gain primarily relates to the US$ denominated Gold-Linked Notes. The Prior Year Quarter foreign exchange loss primarily relates to the US$ denominated Promissory Note.

13 months ended December 31, 2024 versus 12 months ended November 30, 2023

The Company recorded a loss of $115,790,031 in the 13 months ended December 31, 2024 ("the 13 Month Period") compared to $32,506,639 in the 12 months ended November 30, 2023 ("the 12 Month Period"). The increase in loss was the result of the following:

- Exploration and evaluation expenses increased by $61,891,694 to $84,701,695 in the 13 Month Period compared to $22,810,001 in the prior 12 Month Period. The increase was the result of an increase in exploration and evaluation work performed at the Madsen Mine.

- Marketing travel, and investor relations fees of $5,263,138 in the current 13 Month Period were higher than the $2,708,425 in the prior 12 Month Period due to additional marketing strategies to increase awareness of WRLG information and planned activities.

- Salaries, benefits, directors' fees, and consulting fees increased by $3,445,028 to $5,498,413 in the current 13 Month Period from $2,053,385 in the prior 12 Month Period. As a result of the Acquisitions, the Company hired additional staff including the current Chief Executive Officer, current Chief Financial Officer during mid-late 2023, and further team members in 2024. In addition, the Company commenced the payment of director fees. The Company also incurred expenses for recruitment and annual performance payments in the current 13 Month Period.

- Professional fees increased by $1,052,750 to $1,481,038 in the current 13 Month Period from $428,288 in the prior 12 Month Period. This increase is the result of increased accounting and legal costs due to the increase in the Company's activities.

- Office and administration costs of $403,945 in the current 13 Month Period were similar to $380,080 in the prior 12 Month Period.

- Regulatory and filing fees increased by $27,051 to $175,546 in the current 13 Month Period from $148,495 in the prior 12 Month Period. This increase is the result of increased listing costs due to the increase in the Company's activities.

- Share based compensation expense increased by $1,819,956 to $5,442,832 in the current 13 Month Period from $3,622,876 in the prior 12 Month Period. The current 13 Month Period share-based compensation expense is primarily the result of stock options, restricted share units and deferred share units which were granted during the 12 Month Period ended November 30, 2023 and continue to vest in the current 13 Month Period and the grant of options, restricted share units and deferred share units granted in April 2024. Share based compensation is a non-cash expense which reflects the amortization of the estimated fair value over the vesting period.

- Depreciation was $1,682,723 in the current 13 Month Period compared to $250,402 in the prior 12 Month Period as a result of plant and equipment additions in the 13 Month Period.

- Finance income increased to $1,309,256 in the current 13 Month Period from $475,450 in the prior 12 Month Period. The increase was due to the increased cash balances in the current 13 Month Period.

- Fair value loss on Gold-Linked Notes of $6,489,537 incurred in the current 13 Month Period related to the increase of the gold price from the closing of the Gold-Linked Note Offering during the year to December 31, 2024.

- Finance expense increase of $6,655,944 predominately related to the financing and interest costs of the Gold-Linked Notes issued in 2024 of $5,756,260.

- Other income of $2,919,775 in the current 13 Month Period is the result of the sale of gold processed during the mill clean-up of $1,624,761 and amortization of the flow-through premium liability of $1,295,014.

- Foreign exchange loss was $2,097,792 in the current 13 Month Period compared to a loss of $311,157 in the prior 12 Month Period. The current 13 Month Period foreign exchange gain primarily relates to the US$ denominated Gold-Linked Notes. The prior 12 Month Period foreign exchange loss primarily relates to the US$ denominated Promissory Note.

(expressed in Canadian dollars, except as noted)

Liquidity and Capital Resources

As of December 31, 2024, the Company had a working capital balance (current assets less current liabilities) of $14,856,425 and has a US$20 million undrawn balance under the Nebari Credit Facility. The Company does not currently have a recurring source of revenue. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company

Financings

On February 25, 2025, the Company issued 23,628,000 charity flow-through units pursuant to a bought deal public offering at a price of $0.8487 per unit for total gross proceeds of $20,053,085. Each flow-through unit consisted of one common share and one common share purchase warrant, issued as a "flow-through share" exercisable at $0.90 until February 25, 2028. The Company paid cash commissions and finders fees of $1,087,210 in relation to the financing and paid $668,279 in other costs related to the offering. Total costs and expenses related to the offering totaled $1,755,490. On February 28, 2025, the 23,628,000 warrants being the number of warrants issued pursuant to the units and charity flow-through units commenced trading on the TSX-V, under the symbol WRLG.WT.C.

On October 24, 2024, the Company issued 41,666,800 units at a price of $0.69 per unit pursuant to a bought deal public offering. Each unit consisted of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share exercisable at $0.90 until October 24, 2027. The total gross proceeds of the October 2024 Offering was $28,750,092. Total costs and expenses related to the offering totaled $2,347,604. On October 28, 2024, the 41,666,800 warrants being the number of warrants issued pursuant to the October 2024 Offering commenced trading on the TSX-V, under the symbol WRLG.WT.B. The proceeds will be used for the exploration and development of the Madsen Mine and general working capital purposes.

On May 16, 2024, the Company issued 31,944,700 units pursuant to a bought deal public offering at a price of $0.72 per unit for total gross proceeds of $23,000,184. Each unit consisted of one common share and one common share purchase warrant exercisable at $1.00 until May 16, 2026. The proceeds were used for the exploration and development of the Madsen Mine and general working capital purposes. The Company also issued 11,236,000 charity flow-through units a price of $0.89 per charity flow-through unit for total gross proceeds of $10,000,040. Each flow-through unit consisted of one common share and one common share purchase warrant, issued as a "flow-through share" exercisable at $1.00 until May 16, 2026. The Company paid cash commissions and finders fees of $1,889,404 in relation to the financing and paid $1,117,402 in other costs related to the offering. Total costs and expenses related to the offering totaled $3,006,806. On May 30, 2024, the Company commenced trading on the TSX-V of 43,180,700 warrants being the aggregate number of warrants issued pursuant to the units and charity flow-through units, under the symbol WRLG.WT.

Summary of Flow-through Financings

Flow-through Financings	Net Proceeds	Amount Incurred	Remaining to be Incurred
June and August 2023 Flow-Through Share Gross Proceeds ("CEE FTS")	$ 7,600,000	$ 7,600,000	$ nil
May 2024 Flow-Through Share Gross Proceeds ("CDE FTS")[1]	$ 10,000,040	$ 6,700,000	$ 3,300,040
February 2025 Flow-Through Share Gross Proceeds[2,3]	$ 20,053,085	$ nil	$ 20,053,085

[1] The Company completed the CDE FTS Madsen expenditures before March 31, 2025
[2] The Company expects to complete the required portion of the CDE Madsen expenditures by December 31, 2025
[3] The Company expects to complete the required portion of the CDE Madsen expenditures by February 20, 2026

Gold-Linked Notes

On March 19, 2024 the Company issued US$22,340,000 of Gold-Linked Notes as described in the Highlights section for which the funds were used to continue to advance the development of a restart plan for the Madsen Mine as well as for working capital and general corporate purposes.

Nebari Credit Facility

On December 31, 2024 the Company entered into the Nebari Agreement with Nebari pursuant to which the Company will borrow up to a maximum principal amount of US$35 million.

The proceeds from the Nebari Credit Facility will be used for: 1) completing the remaining capital costs to restart the Madsen Mine, and 2) other corporate, exploration and working capital expenses.

Repayment of 50% of principal outstanding via fixed straight-line amortization commences on the 15th month following the draw-down of Tranche 1. The remaining 50% of borrowed funds are due on the maturity date. The Nebari Credit Facility may be repaid prior to maturity at any time subject to the additional payment of a make-whole threshold.

Interest will accrue on the advanced outstanding principal amount of the loan based on a floating rate per annum equal to the sum of: (i) the three-month term SOFR reference rate administered by CME Loan Party Benchmark Administration Limited (CBA) (the "Term SOFR"), as determined on the first date of each calendar month; and (ii) 8.0% per annum, provided that, if the Term SOFR is less than 4.0%, it shall be deemed to be 4.0%.

In addition, the Company is paying to Nebari an administration fee of $30,000 per annum and an arrangement fee in the amount of 1.5% of the funded amount for each Tranche.

No finder's fees are payable in connection with the Nebari Credit Facility. The maturity date of the Nebari Credit Facility will be the date that is 42 months following the closing of Tranche 1.

The Company will issue on the closing of each Tranche a number of non-transferable common share purchase warrants (the "Loan Bonus Warrants"). With respect to Tranche 1, the Company issued 5,867,376 Loan Bonus Warrants at an exercise price of CAD$ 0.73 (using a USD/CAD exchange rate of 1.436) per common share, which will expire on the date that is 42 months from the date of issuance, being June 30, 2028. For Tranche 2, the Company has issued 2,691,934 Loan Bonus Warrants at an exercise price of CAD$ 0.7969 (using a USD/CAD exchange rate of 1.4301) per common share, which will expire on June 30, 2028. The Loan Bonus Warrants are subject to a statutory hold period of four months and one day under applicable securities laws. Upon the drawdown of the remaining US$7.5 million for Tranche 2 and US$5 million Tranche 3, the Company will issue or each, the Canadian equivalent of 20% of the loan amount being drawn in respect of each Tranche *divided* by a Canadian dollar amount equal to a 30% premium to the lower of: (A) the lowest 20-day VWAP of the Company's share price prior to: (i) the date which the Company issues its request for the advance in respect of each Tranche; (ii) the date of the first public announcement regarding the Company's intention to draw the loan each Tranche; and (iii) the closing date of the advance of each Tranche, and (B) the common share price of the most recent equity raise, subject to compliance with TSXV policies.

Net Change in Cash Position

The net change in cash position during the current thirteen-month period was an increase of $20,571,146 compared to an increase of $14,667,628 in the prior twelve-month period, attributable to the following components of the statement of cash flows:

- The Company's operating outflow before working capital adjustments was $94,600,453 during the current thirteen-month period ended December 31, 2024 compared to $28,122,767 in the prior twelve-month period ended November 30, 2023. This increase in cash outflow was due to the Acquisitions and resulting increased expenses as discussed in the Financial Results section above.

(expressed in Canadian dollars, except as noted)

- The Company's investing outflow was $6,872,300 during the current thirteen-month period compared to an outflow of $4,392,679 in the prior twelve-month period. The current thirteen-month period outflow is due to the acquisition of additional equipment in comparison to the prior twelve-month period.

- The Company's financing inflow was $108,345,998 in the current thirteen-month period ended December 31, 2024 compared to $45,205,865 in the prior twelve-month period ending November 30, 2023. The cash inflow was primarily due to the issuance of the Gold-Linked Notes, draw of the Nebari Credit Facility and the 2024 financings as described above. The cash inflow during the twelve-month period ended November 30, 2023 was due to financings.

Capital Management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration, development and evaluation of assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting, and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain the future development of the business.

In the management of capital, the Company considers all components of equity and debt, net of cash, and is dependent on third party financing, whether through debt, equity, or other means. Although the Company has been successful in raising funds to date, there is no assurance that the Company will be successful in obtaining required financing in the future or that such financing will be available on terms acceptable to the Company.

The properties in which the Company currently has an interest are in the exploration and development stage. As such, the Company has historically relied on the equity and debt markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it determines that there is sufficient geologic or economic potential and if it has adequate financial resources to do so. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period. In the management of capital, the Company included the components of equity, Gold-Linked Notes payable, the Nebari Credit Facility and the Promissory Note, net of cash.

Capital, as defined above, is summarized in the following table:

		December 31, 2024		November 30, 2023
Equity	**$**	**29,462,889**	$	66,034,404
Gold-Linked Notes		**37,572,512**		-
Nebari Credit facility		**18,913,101**		-
Promissory Note		**-**		7,515,048
Less: Cash and cash equivalents		**(36,880,004)**		(16,308,858)
Less: Restricted cash		**(169,913)**		(169,913)
	$	**48,898,585**	$	57,070,681

(expressed in Canadian dollars, except as noted)

Contractual Obligations and Commitments

Significant undiscounted obligations and commitments as at December 31, 2024 are as follows:

	Less than 1 year	1 to 3 years	4 to 5 years	Over 5 years	Total
Trade & other payables	$24,664,809	$-	$-	$-	$24,664,809
Lease payments	1,687,780	2,403,710	286,521	-	4,378,011
Nebari Credit facility	2,855,776	28,919,616	-	-	31,775,392
Gold-Linked Notes[1]	4,690,635	26,873,431	22,182,796	-	53,746,862
Provision for reclamation and closure	-	-	-	32,039,838	32,039,838
	$33,899,000	**$58,196,757**	**$22,469,317**	**$32,039,838**	**$146,604,912**

[1] The Gold-Linked Notes commitment is based on a US$1,800 gold price and includes coupon interest

Summary of Quarterly Results

Summary of Quarterly Results (Unaudited)

	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Loss and comprehensive loss	$ (50,185,680)	$ (27,095,091)	$ (23,239,397)	$ (15,160,874)
Basic and diluted loss per share	(0.18)	(0.10)	(0.10)	(0.07)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Loss and comprehensive loss	$ (17,042,711)	$ (11,382,466)	$ (2,058,702)	$ (2,022,760)
Basic and diluted loss per share	(0.09)	(0.07)	(0.04)	(0.05)

The loss per period has fluctuated depending on the Company's activity level and periodic variances in certain items, including the respective timing of the Acquisitions in 2023 which led to the exploration expenses being incurred on the Madsen Mine and Rowan Property, issuance of equity-based awards and corresponding share-based compensation, recognized changes in fair value and finance expense related to the gold-linked notes and other general and administrative expenses as discussed in the Financial Results section. Expenses increased with a resulting increase in loss and comprehensive loss in Q1 2023 and Q2 2023 as a result of the acquisition of the Rowan Property with a further increase in Q3 2023 through to Q4 2024 as a result of the acquisition of the Madsen Mine.

Summary of Selected Annual Financial Results

Summary of Select Annual Financial Results (Audited)

	December 31, 2024	November 30, 2023	November 30, 2022
Loss and comprehensive loss	$ (115,681,042)	$ (32,506,639)	$ (192,309)
Basic and diluted loss per share	(0.45)	(0.30)	(0.01)
Total assets	136,892,494	98,012,760	1,859,457
Total liabilities	107,429,605	31,978,356	71,433

The Company does not derive any revenue from its operations except for interest income from its cash. Its primary focus is restarting the Madsen Mine site in alignment with current permits, while de-risking the resource by continued definition drilling and development.

The significant fluctuations in loss are mainly the result of the exploration and expenses incurred on the Madsen

(expressed in Canadian dollars, except as noted)

Mine and Rowan Property that were acquired during the Prior Year; issuance of equity-based awards and corresponding share based compensation recognized and other general and administrative expenses as discussed in the Financial Results section. During the Current Year, additional fluctuation in loss related to the change in fair value and finance expenses related to the Gold-Linked Notes Offering. Prior to the Acquisitions, the Company was inactive and had minimal expenses.

Interest income recorded as finance income has fluctuated depending on cash balances available to generate interest and the earned rate of interest.

The loss per period has also fluctuated depending on the Company's activity level and periodic variances in certain items, including the respective timing of Acquisitions in 2023.

The increase in total assets year over year coincides with the Acquisitions, increased cash due to financings and increase in plant and equipment. 2023 total assets primarily comprised of cash and cash equivalents.

The increase in total liabilities in 2023 relates primarily to the Madsen Acquisition, including the Promissory Note, accounts payable and accrued liabilities and provision for reclamation and closure. In 2024, the increase related to the issuance of the Gold-Linked Notes and the Nebari Credit Facility.

Related Party Transactions

		4 months ended December 31, 2024		3 months ended November 30, 2023		**13 months ended December 31, 2024**		12 months ended November 30, 2023
Salaries, benefits and directors' fees	**$**	**1,131,831**	$	323,900	**$**	**2,564,803**	$	617,550
Share-based compensation	**$**	**1,100,928**	$	546,721	**$**	**3,910,374**	$	1,679,528
Consulting fees	**$**	**-**	$	-	**$**	**-**	$	36,750

Consulting fees relate to consulting services from Weymark Consulting Ltd., which is a company associated with Ryan Weymark, a former director of the Company, in relation to various financial modelling and technical studies. Officers and directors of the Company were also reimbursed for out-of-pocket expenses incurred in the normal course of operations.

As of December 31, 2024 and November 30, 2023, $nil amounts were owing to officers and directors or companies controlled by officers and directors of the Company.

Outstanding Share Data

As of April 23, 2025, the Company has 345,463,527 common shares, 21,995,575 stock options, 7,530,002 restricted share units, 2,397,000 deferred share units and 165,822,408 warrants issued and outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

SEGMENT INFORMATION

The Company operates in one reportable segment, being the acquisition, exploration and development of gold properties. All of the Company's assets are located in Canada.

ACCOUNTING POLICY OVERVIEW

Critical Accounting Policies and Judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognized in the Company's consolidated financial statements include determining if the acquisitions were an asset purchase or business acquisition, determining the acquirer in the acquisitions and the assessment of the Company's ability to continue as a going concern. Refer to the Annual Financial Statements for further detail on the Critical Judgments.

Key Sources of Estimation Uncertainty

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities include impairment of long-lived assets, Gold-Linked Notes share-based compensation, provision for reclamation and closure and income taxes. Refer to the Annual Financial Statements for further detail of the Company's critical accounting estimates.

Changes in Accounting Policies Including Initial Adoption

Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendments to IAS 12)

In May 2021, the IASB issued targeted amendments to IAS 12 – *Income Taxes* to specify how companies account for deferred tax on transactions such as leases and decommissioning obligations. In specific circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations. The amendments are effective for annual periods beginning on or after January 1, 2023. The Company adopted these amendments in the three months ended February 29, 2024. These amendments did not have a material effect on the Company's financial statements.

Amendment to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1, Presentation of Financial Statements and the IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on the application of materiality judgments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Guidance and illustrative examples are added in the Practice Statement to assist in the application of materiality concepts when making judgments about accounting policy disclosures. The amendments are effective for annual periods beginning on or after January 1, 2023, with early adoption permitted. Prospective application is required on adoption. The Company adopted these amendments and it did not have a material effect on the Company's consolidated financial statements.

Amendment to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7, Contracts Referencing Nature-dependent Electricity. These amendments aimed to ensure that nature-dependent electricity contracts, where contractual features can expose a company to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions, are appropriately reflected in the financial statements.

The amendments include clarifying the application of the "own use" requirements to these contracts in assessing whether derivative accounting is required, permitting hedge accounting if these contracts are used as hedging instruments and requiring new disclosures that discuss the effect of these contracts on a company's financial performance and cash flows. The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. The clarifications regarding the "own use" requirements are applied retrospectively, but the guidance permitting hedge accounting is applied prospectively to new hedging relationships designated on or after the date of initial application. The Company is currently assessing the effect of these amendments on the consolidated financial statements.

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7. These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs, and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. The Company is currently assessing the effect of these amendments on the consolidated financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three main categories of operating, investing and financing, and by specifying certain defined totals and subtotals. An entity may use certain subtotals of income and expenses in public communications outside the financial statements to communicate management's view of an aspect of the financial performance of the entity as a whole to users, and these subtotals are not specifically required by IFRS Accounting Standards. IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation that apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required and early application is permitted. The Company is currently assessing the effect of this new standard on the consolidated financial statements.

Gold-Linked Notes

The Gold-Linked Notes are recorded at fair value through profit or loss. Fair values of the Gold-Linked Notes have been determined based on a valuation methodology that captures all the features in a set of partial differential equations that are then solved numerically to arrive at the value of these financial instruments. The fair value estimates are based on numerous assumptions including, but not limited to, commodity prices, time value, volatility factors, risk-free rates and credit spreads. The fair value estimates may differ from actual fair values and these differences may be significant and could have a material impact on the Company's financial position and results of operations.

(expressed in Canadian dollars, except as noted)

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts payable and accrued liabilities, Gold-Linked Notes, Nebari Credit Facility and Promissory Note.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values.

The three levels of the fair value hierarchy are:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – inputs that are not based on observable market data.

Cash and cash equivalents, restricted cash and accounts payable and accrued liabilities are classified as level 1 in the fair value hierarchy. The fair values of the Company's cash and cash equivalents, restricted cash, accounts payable and accrued liabilities and Promissory Note approximate their carrying values due to their short-term nature. The fair value of the Gold-Linked Notes have been determined based on a valuation model using Level 2 inputs, including gold price volatility, forward gold prices, credit spread and forward yield curves. The fair value of the Level 3 Nebari Credit Facility matches the carrying value because the Nebari Credit Facility was entered into on December 31, 2024. In future periods, the Nebari Credit Facility will be re-assessed based on current market conditions.

Risk Factors

Readers of this MD&A should give careful consideration to the information included or incorporated by reference in this document and the Company's Annual Financial Statements and related notes for the 13 months ended December 31, 2024. For further details of risk factors, please refer to the AIF filed on SEDAR+ at www.sedarplus.ca, the Annual Financial Statements, and the below discussions.

This section does not describe all risks applicable to the Company, its industry or its business, and is intended only as a summary of certain material risks of significance to this MD&A. If any of the risks or uncertainties set out in the AIF or this MD&A actually occur, the Company's business, financial condition, operating results or share price could be harmed substantially and could differ materially from the plans and other forward-looking statements discussed in this MD&A.

Financial Risks

The Company is exposed to varying degrees of a variety of financial instrument-related risks. The Board approves and monitors the risk management processes, controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments potentially subject to credit risk are cash and cash equivalents and restricted cash. The Company holds cash and cash equivalents with large Canadian banks. Accordingly, the Company does not believe it is subject to significant credit risk. The Company's maximum exposure to credit risk is as follows:

		December 31, 2024		November 30, 2023
Cash and cash equivalents	**$**	**36,880,004**	$	16,308,858
Restricted cash		**169,913**		169,913
	$	**37,049,917**	$	16,478,771

Interest Rate Risk

Interest rate risk consists of the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Nebari Credit Facility interest is subject to the three-month Term SOFR rate, with a minimum value of 4%, in addition to the fixed 8% rate. The Term SOFR rate is published by the CBA on a public platform. The SOFR term is consistent with the Nebari Credit Facility interest period of three months. An increase in the three-month Term SOFR rate by 1% will increase the Company's interest expense by $0.2 million per annum.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital to meet short-term obligations. As of December 31, 2024, the Company had a working capital balance (current assets less current liabilities) of $14,856,425. The Company recorded a loss of $115,790,031 and a cash outflow from operating activities of $80,592,165 for the 13 months ended December 31, 2024 and had an accumulated deficit of $167,412,189 as of December 31, 2024. The Company does not currently have a recurring source of revenue. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company.

Foreign Currency Risk

The functional currency of the Company and its subsidiaries is the Canadian dollar. The Company is affected by currency transaction risk and currency translation risk. Consequently, fluctuations of the Canadian dollar in relation to other currencies impact the fair value of financial assets, liabilities and operating results. Financial assets and liabilities subject to currency translation risk primarily includes US dollar denominated cash, Gold-Linked Notes and the Nebari Credit Facility. The Company maintains Canadian and US dollar bank accounts in Canada.

As at December 31, 2024, the Company's US dollar net financial liabilities were US$25,974,909. Thus a 10% change in the Canadian dollar versus the US dollar exchange rates would give rise to a $3,737,530 change in loss and comprehensive loss. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Price Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatility. Future changes in commodity prices may impact the valuation of long-lived assets and gold-linked notes including payment of the premium relating to the gold-linked notes. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action, if any, to be taken by the Company.

Other Risk Factors

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration and development of mining properties. For a comprehensive list of the risks and uncertainties facing the Company, please see "Risk Factors" in the Company's most recent AIF available on SEDAR+ at www.sedarplus.ca. There have been no material changes to the Company's risk factors included in the AIF.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive

Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements and MD&A.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

TECHNICAL DISCLOSURE

The technical and scientific information contained within this MD&A has been reviewed and approved by Will Robinson, P.Geo., Vice-President of Exploration and Maurice Mostert, P Eng, Vice-President of Technical Services of the Company, both considered a Qualified Person in their respective areas as defined by NI 43-101.