

MOON RIVER MOLY LTD.

(FORMERLY MOON RIVER CAPITAL LTD.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Dated August 26, 2025

For Three and Six months ended June 30, 2025

(Form 51-102F1)

This Management's Discussion and Analysis ("**MD&A**") reviews the activities of Moon River Moly Ltd. ("**Moon River**" or the "**Company**") and analyses its financial results for the three and six months ended June 30, 2025.

For a more complete understanding of the Company's financial condition and results of operations, this MD&A should be read together with the unaudited condensed interim consolidated financial statements and accompanying notes for the three and six months ended June 30, 2025, and the audited consolidated financial statements and the accompanying notes for the year ended December 31, 2024, copies of which are filed on www.sedarplus.ca.

The Company prepares its financial statements in accordance with International Financial Reporting Standards and interpretations ("**IFRS Accounting Standards**") as issued by the International Accounting Standards Board ("**IASB**"), and these statements are filed with the relevant regulatory authorities in Canada.

This MD&A contains forward-looking statements that are subject to risks and uncertainties as discussed under "Risk Factors" and "Forward Looking Statements" sections. This MD&A also includes the disclosure of certain non-IFRS financial measures. Refer to the "Non-IFRS Financial Measures" section for further information,

All monetary amounts are in Canadian dollars unless otherwise stated.

COMPANY OVERVIEW

Moon River was incorporated under the laws of the Province of Ontario on August 6, 2019. The Company completed its initial public offering on March 20, 2020. The Company's registered office is located at 100 King Street West, Suite 7010, Toronto, Ontario M5X 1B1.

On November 15, 2023, the Company completed the acquisition of the rights and interests in the Davidson Property, located near the town of Smithers, British Columbia (the "**Davidson Property**" or "**Davidson Project**"). The Davidson Property is comprised of six mineral leases covering approximately 1,632 hectares and nine mineral claims covering 2,780.81 hectares, hosting a large molybdenum-tungsten deposit. The acquisition of the Davidson Property constituted a Qualifying Transaction, and the Company transformed from a Capital Pool Company, within the meaning of the TSX Venture Exchange ("**TSXV**") Policy 2.4, to a Tier 2 mining issuer listed on the TSXV. Its common shares resumed trading on the TSXV under the symbol "MOO" on November 20, 2023.

Effective May 17, 2024, the Company filed articles of amendment and changed its name from Moon River Capital Ltd. to Moon River Moly Ltd., which identifies Molybdenum as the current focus of its business plans both at the Davidson Project and through its interest in the Endako Mine, located approximately 160 kilometres west of Prince George, British Columbia.

On May 30, 2024, Moon River closed the acquisition, through its wholly owned subsidiary Moon River Molybdenum BC Ltd, of a 25% participating interest in the Endako Molybdenum Mine, which includes an open-pit molybdenum mine, concentrator, and roaster, located approximately 161 kilometres west of Prince George, British Columbia (the "**Endako Mine**").

Q2 AND RECENT HIGHLIGHTS – ORE SORTING STUDY

During Q2 Moon River commissioned ore sorting supplier Ganzhou HPY Technology Co. Ltd. ("**HPY**") to perform a study on the amenability of the mineralized material at the Endako Mine to ore particle sorting. The initial study was conducted using a 50-kilogram ore sample. The initial study indicated that the mineralized material at the Endako Mine in central British Columbia may be amenable to ore particle sorting and the incorporation of ore sorting could significantly improve the overall feed grade to the processing plant.

Ore sorting is a process that separates economically valuable rock from non-valuable rock. It uses a mineral pre-concentration technology that employs sensors to identify and separate ore particles based on their physical or chemical properties, ultimately improving the grade of the ore feed to processing plants. The benefits of ore sorting include improved feed grade to the processing plant, reduced processing costs, increased efficiency and reduced environmental impacts. Sensor-based ore sorting has been used in the mining industry since the 1970s, but recent technological advances in sorting technology have greatly improved its effectiveness.

Traditional XRT ore sorting technology uses sensors to analyze the X-ray attenuation characteristics of minerals, which are associated with their atomic composition and mass density. Additionally, HPY has also developed a Photon Series Sensor system which utilizes groundbreaking technology capable of directly detecting elemental composition within the ore. This advanced capability enables more precise identification of target minerals, significantly improving ore enrichment and detection accuracy.

The XRT X-Ray sorting technology results from the HPY study on a 50-kilogram sample from the Endako Mine indicate approximately 88.6% metal retention and a rejection rate (waste) of approximately 40%. The table below shows the initial HPY results for the XRT sorting test work.

Ore category	Yield%	Mo Grade%	Mo Metal
Hi grade Ore	60.28	0.04	88.61
Medium-high grade ore	10.28	0.02	7.56
Medium grade ore	1.87	0.01	0.69
Medium-low grade ore	2.8	0.004	0.41
Low grade ore	24.77	0.003	2.73
Raw Ore	100.00	0.027	100.00

HPY's new Photon Series Sensor imaging technology sorting test work indicated approximately 80.7% metal retention and a rejection rate of approximately 79.4%. The following table shows the results for this test work.

Ore category	Yield%	Mo Grade%	Mo Metal Distribution Rate %
Hi grade Ore	20.62	0.12	80.70
Medium-high grade ore	27.84	0.009	8.17
Medium grade ore	25.26	0.007	5.77
Medium-low grade ore	16.49	0.007	3.76
Low grade ore	9.79	0.005	1.60
Raw Ore	100.00	0.031	100.00

Next Steps

Moon River has engaged A-Z Mining Professionals Ltd. ("**AMPL**") to prepare a Preliminary Economic Analysis (the "**Endako PEA**") to evaluate restarting the Endako Mine. Based on the results from the work conducted by HPY, ore sorting will be incorporated in the PEA. The Endako PEA is expected to be completed early in the fourth quarter of 2025.

In addition to the Endako PEA, Moon River is continuing with ore sorting investigations. A 5-tonne bulk sample has been collected from the Endako Mine and sent out for further testing and analysis. Results from this work are expected later this year or early next year,

On the Davidson Property, the Company engaged AMPL to prepare an updated PEA that incorporates the results from the metallurgical test work as well as the results from the test work regarding the amenability of ore particle sorting. The updated Davidson PEA should be completed in late Q3 or early Q4.

DAVIDSON PROJECT

Davidson Agreement

The Davidson Property consists of six mineral leases covering 1,631.80 hectares and eleven mineral claims covering 3,266.36 hectares located near the town of Smithers, British Columbia, which host a molybdenum-tungsten deposit.

The rights to remove and ship therefrom all ore, bullion, concentrates and minerals recovered in any manner from the Davidson Property (collectively, the “**Rights**”) were held by Generation Mining Limited (“**GM**”) through the Davidson Agreement, which was entered on April 1, 2016, between a predecessor of GM and Roda Holdings Inc. (“**Roda**”). The Company entered into an Asset Purchase Agreement dated September 13, 2023 (the “**APA**”) with GM to acquire all of GM’s Rights in the Davidson Property. Pursuant to the APA, GM assigned the Davidson Agreement to the Company, and the Company consequently acquired GM’s Rights in the Davidson Property.

Roda maintains registered title to the Davidson Property, and shall transfer the title to Moon River upon either: (i) Moon River obtaining bona fide funding commitments in amounts sufficient to construct a mine capable of mining at least 500,000 tons of ore per year where registration of title documents is required by the parties providing funding; or (ii), on notice to Roda of commencement of commercial production at levels sufficient to result in the mining of at least 500,000 tons of ore within one year from commencement of commercial production. In consideration of the Rights, Moon River shall pay Roda \$100,000 per fiscal year and reimburse Roda for the annual lease and property maintenance payments in connection with the mining leases.

Upon transfer of title from Roda to Moon River, Moon River shall pay Roda a 3% NSR. If the NSR payments to Roda in a fiscal year are less than \$100,000, Moon River must make a payment to Roda equivalent to the difference between the NSR payments for the fiscal year and \$100,000. As security for the performance of Moon River’s obligations under the Davidson Agreement, Roda also has a first ranking mortgage of and security interest in Moon River’s right, title and interest in the Davidson Agreement, the Davidson Property and minerals and mineral products extracted or produced therefrom.

Moon River has a right of first refusal in respect of the transfer from Roda to any third party of all or any part of the Davidson Property, the NSR, or any of Roda’s rights under the Davidson Agreement.

The acquisition of the Rights to the Davidson Property closed on November 15, 2023. In consideration for the acquisition of the Rights, Moon River paid GM an aggregate of \$2,880,000 in cash and common shares of Moon River. The Company incurred mineral evaluation costs of \$63,366 (2024 - \$108,194) and \$269,571 (2024 - \$372,853) respectively, on the Davidson Property in the three and six months ended June 30, 2025.

Drill Program

On January 29, 2024, the Company announced that assays from 41 samples of mineralization from the Davidson Project contained significant amounts of REEs, tungsten, copper and gallium. During Q2 2024, the Company received all necessary approvals, including working with the Office of the Wet’suwet’en to receive the approvals from Cas Yikh (Grizzly House), of the Wet’suwet’en Nation to conduct a drill program. In Q3 2024, the Company commenced and completed a two-hole drill program to obtain fresh drill core, which is being used to conduct preliminary metallurgical studies to determine the economic viability of recovering REEs, tungsten, gallium and copper as well as the amenability to ore particle testing. The drill program consisted of 1,205 meters in two holes.

Technical Report

The Davidson Project is located in the Bulkley Valley of west central British Columbia, approximately 9 kilometers northwest of the town of Smithers on the southwest flank of Hudson Bay Mountain. The high cirque valley on the east side of Hudson Bay Mountain is occupied by the retreating Kathlyn Glacier. Molybdenum tungsten (scheelite) mineralization on the Davidson Property is associated with a main granodiorite sill of the Bulkley Plutonic Suite that has intruded the Hazelton Group volcanics towards the end of the Cretaceous Period.

Molybdenum was first reported in outcrop on Hudson Bay Mountain by the Geological Survey of Canada in 1944. The first claims were staked by William Yorke-Hardy in 1957. The mineral leases comprising the Davidson Property are contiguous, date back to the 1960s and are currently registered to the name of Mr. Don Davidson. All mineral leases have been legally surveyed by a B.C. land surveyor and the survey has been approved by the Surveyor General.

A feasibility study was prepared in respect of the Davidson Property in 2008 and an updated technical report and resource estimate was completed on September 1, 2016, which identified mineralization of approximately 2.5 kilometers across and extending up to 2 kilometers in depth, consisting of moderately to steeply dipping stock-work veins ranging from hairline to 5 millimeters in width. The results of these technical reports have not been verified by a "Qualified Person", as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and should not be relied upon. Moon River is not treating this feasibility study or previous mineral resource estimates as being current and are superseded by the updated mineral resource estimate presented below.

The Company commissioned an updated technical resource report, compliant with NI 43-101, on the Davidson Property, which was completed effective August 11, 2023 (the "Technical Report") by A-Z Mining Professionals Ltd. ("AMPL") and was filed on SEDAR+ on September 19, 2023. The Technical Report reaffirmed the findings of the technical report completed in 2016 and identified the following measured, indicated and inferred resource estimates at various MOS₂ cut-off:

Measured And Indicated Combined Resources					
Category	Cut-off Grade MoS ₂	Tonnes	Grade MoS ₂	Grade Mo	Contained Mo kg
Measured and Indicated	>0.10	291,479,000	0.18	0.11	314,500,000
Measured and Indicated	>0.15	161,056,000	0.23	0.14	222,000,000
Measured and Indicated	>0.20	83,509,000	0.29	0.17	145,200,000
Measured and Indicated	>0.25	43,896,000	0.35	0.21	92,100,000
Measured and Indicated	>0.30	24,119,000	0.41	0.25	59,400,000
Measured and Indicated	>0.35	14,681,000	0.47	0.28	41,400,000
Measured and Indicated	>0.40	9,039,000	0.53	0.32	28,700,000
Measured and Indicated	>0.45	5,625,000	0.59	0.35	19,900,000

Inferred Resources					
Category	Cut-off Grade MoS ₂	Tonnes	Grade MoS ₂	Grade Mo	Contained Mo kg
Inferred	>0.10	225,817,000	0.15	0.09	203,000,000
Inferred	>0.15	78,990,000	0.20	0.12	94,700,000
Inferred	>0.20	25,039,000	0.26	0.15	39,000,000
Inferred	>0.25	11,907,000	0.30	0.18	21,400,000
Inferred	>0.30	3,789,000	0.37	0.22	8,400,000
Inferred	>0.35	1,786,000	0.42	0.25	4,500,000
Inferred	>0.40	677,000	0.50	0.30	2,000,000
Inferred	>0.45	404,000	0.55	0.33	1,300,000

The Technical Report recommended the Company complete a Preliminary Economic Assessment for the Davidson Project, immediately and re-establishment of road access to the Davidson Property through the clearance of vegetation and trees and upgrading of the roadway, to facilitate site visit access required for the completion of the Preliminary Economic Assessment.

Preliminary Economic Assessment

Following the recommendation from the Davidson Technical Report, AMPL completed a Preliminary Economic Assessment on the Davidson Project (the “**Davidson PEA**”) dated February 2024. The Davidson PEA, filed on SEDAR+ dated April 2, 2024 as amended May 7, 2025, recommended the development of an underground mine with potentially economic mineralization processed in an underground, on-site processing facility, with an estimated 20-year mine life.

Highlights

- Pre-tax net present value (“**NPV**”) of \$1.04 billion and Internal Rate of Return (“**IRR**”) of 32% and an after-tax NPV of \$602 million and an IRR of 24% at an 8% discount rate and assuming a long-term molybdenum (“**Mo**”) price of \$US47.39 per kilogram (“**kg**”) or \$US21.50 per pound (“**lb**”);
- 20-year mine life based on 7,000 tonnes of mill throughput per day or 2.5 million tonnes per year;
- Initial capital cost of \$575 million including \$109 million of contingency;
- Annual average production of 4,543,000 kg or 10,015,500 pounds of Mo;
- Average cash cost of \$21.68 per kg or \$9.84 per lb and All-In Sustaining Cost (“**AISC**”) of \$22.79 per kg or \$10.34 per lb of Mo;
- Underground mine, with underground processing facilities, using all electric mining equipment minimizes the surface footprint, resulting in a very low carbon emitting operation;
- A measured and indicated mineral resource of 43,896,000 tonnes grading 0.35% MoS₂ (0.21% Mo);
- A 3.3-year payback;
- Life-of-mine direct income and mining taxes in excess of \$1 billion;
- Does not include potential byproduct contributions from tungsten, gallium and copper;
- Additional drilling to support metallurgical test work to determine the economic recoverability of potential byproduct metals was completed in Q3 and metallurgical tests are currently ongoing. An updated Davidson PEA will follow in mid 2025.

Project Design

The Davidson Project deposit is located inside Hudson Bay Mountain and does not outcrop on surface. The deposit has an existing portal on the east side of the mountain and over 2,100 metres (“**m**”) of exploration drifting. The access road and portal can be seen from the town of Smithers. The proposed underground mine access and surface facilities will be located on the west side of the mountain (out of sight of the town of Smithers) with the existing eastern portal used only for initial development.

To minimize the surface footprint of the whole operation, the processing plant will be located underground in specially designed and excavated openings at the top elevation of the mining zones. This eliminates having to move mineralized material from the underground to a surface processing plant 8 km away. This also eliminates material for processing being trucked on surface and the need for a source of backfill material from surface as well. Mill tailings will provide a ready source of material for backfilling mined areas and significantly reduces the size of the tailings management facility on surface.

The mine will utilize already proven rubber-tired, battery-powered and automated mining equipment wherever possible to minimize manpower requirements, underground ventilation volumes, mine air heating costs and CO₂ emissions.

Surface infrastructure required would include:

- Upgrading of access road
- Powerline construction

- Electrical substations and distribution
- Site roads and materials handling area
- Maintenance shop/offices/dry/warehouse complex (temporary)
- Two cement storage silos
- Water supply system and water treatment plant
- Dry stack tailings impoundment area
- Development waste storage
- Landfill site
- Sewage disposal site

The mine will employ over 200 persons in operation. During pre-production, a contractor workforce will be employed. There is a history of mining in the region and many skilled workers in the area currently work from Smithers that has a population of 5,400 people and also has many support services.

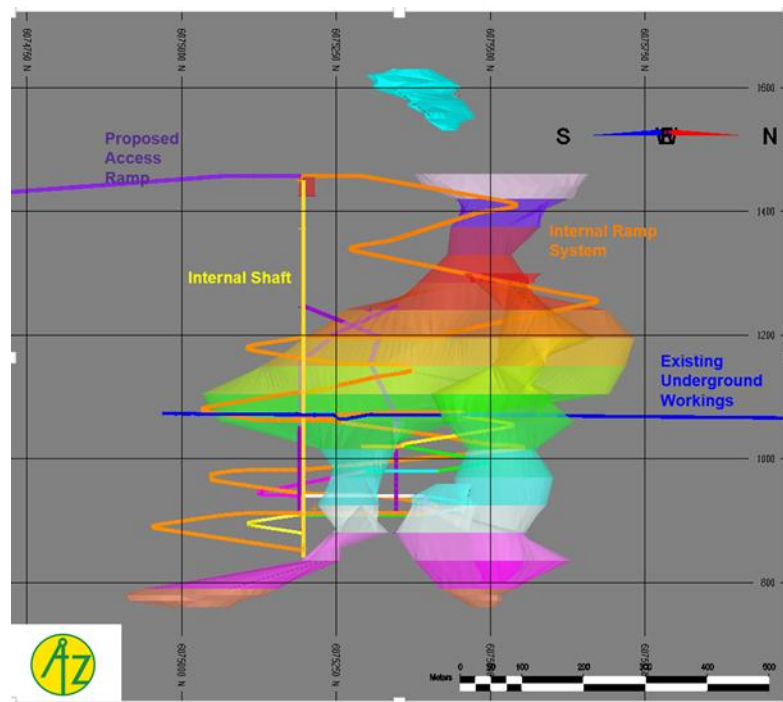
Mine Plan

Underground mining methods will be utilized to extract the potentially economic mineralization of the deposit. An underground internal ramp from the bottom to the top of the mining zone will access mining areas and the underground processing plant facility. In total, some 34,000 m of development will be required to bring the deposit into production.

The mining method to be employed would be Longhole Open Stopping with cemented paste (densified tailings) backfill to maximize recovery of potentially economic mineralization. Dilution of 5% has been included in the mined potentially economic mineralization at a grade of 0.18% MoS₂.

The mineralized zone is large and irregular shaped, with higher grade concentrations towards the center of the mineralized zones being mined. The mine would produce 7,000 tonnes per day of potentially economic mineralization. The mineralized zone geometry is highly amenable to bulk mining of large tonnage stopes with inherent economies of scale and low mining costs. The stopes will be approximately 160,000 tonnes each.

The figure below illustrates the underground mine design:



Potentially economic mineralization removed from stopes by load-haul-dump (LHD) units will be sent by ore passes to jaw crushers at the bottom of the mine and then to a secondary cone crusher. The crushed potentially economic mineralization will be conveyed to a vertical lift conveyor system which feeds the fine ore bin connected to the underground processing facility.

Other underground facilities will include:

- Paste backfill plant
- Equipment maintenance shops and underground warehouses
- Explosives storage magazines
- Refuge stations
- Fuel bays
- Materials storage areas
- Main dewatering sumps
- Offices
- Warehousing facilities

Processing

The processing plant, located completely underground, will be a conventional flotation plant producing a molybdenum concentrate for shipment to smelters.

The potentially economic mineralization from the mine vertical lift conveyor system would feed the grinding circuit consisting of two ball mills operating in parallel. Flotation of the molybdenum concentrate will comprise a rougher/scavenger circuit followed by two stages of concentrate cleaning, with regrind. The concentrate stream from flotation will be filtered and dried for shipment to a smelter. The processing plant is expected to have a recovery rate of 92% molybdenum into concentrate.

Large processing equipment (crushers and grinding mills) will be located in individual opening rooms and interconnected with piping. Other smaller equipment will be installed in groupings in other opening rooms. The construction cost of an underground plant is not significantly different from that for a plant located on surface.

The tailings will be primarily made into paste backfill for backfilling of stopes with the balance pumped to a dry stack tailings facility where the water is removed, and tailings stacked in a near dry form in a permanent storage facility.

Mineral Resources

Mineral Resources used for the Davidson PEA were based on the latest resource estimates calculated and reported in the Technical Report.

Category	Cut-off Grade MoS₂	Tonnes	Grade MoS₂	Grade Mo	Contained Mo kg.	Contained Mo lbs.
Measured	>0.25	24,269,000	0.37	0.22	53,800,000	118,609,000
Indicated	>0.25	19,627,000	0.32	0.19	37,600,000	82,894,000
Measured & Indicated	>0.25	43,896,000	0.35	0.21	92,100,000	201,503,000
Inferred	>0.25	11,907,000	0.30	0.18	21,400,000	47,179,000

1. Mineral Resources were estimated using the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.
2. Mineral Resources that are not Mineral Reserves and do not have demonstrated economic viability.
3. The Davidson PEA mine plan and economic model include numerous assumptions and the use of Inferred Resources. Inferred Resources are considered to be too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and to be used in an economic analysis except as allowed for by NI 43-101 in

MANAGEMENT'S DISCUSSION AND ANALYSIS

PEA studies. There is no guarantee that Inferred Resources can be converted to Indicated or Measured Resources, and as such, there is no guarantee the economics described herein will be achieved.

4. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.
5. The approximate 2-year trailing average (to January 31, 2024) metal price for molybdenum US\$47.40/ kg or US\$21.50/lb was used in estimating the Mineral Resources and a CAD:US Dollar exchange rate of \$0.74 was used.
6. A description of the key assumptions, parameters, and methods used to estimate the resources, and any known risks, as well as the data verification processes, are contained in the Technical Report dated September 13, 2023 and filed on SEDAR+.

Capital Expenditures

The estimated project total pre-production capital expenditure, inclusive of contingencies and working capital, is approximately \$575 million. A summary of project pre-production capital expenditures is presented in the following table.

Component	Year -3 (\$'000)	Year -2 (\$'000)	Year -1 (\$'000)	Year 1 (\$'000)	Total (\$'000)
Exploration	\$ 1,000	\$ 1,000	\$ 1,000		\$ 3,000
Mine	\$34,377	\$ 52,739	\$ 50,440	\$ 24,124	\$161,680
Equipment Leasing	\$ 9,441	\$ 8,952	\$ 8,462		\$ 26,855
Processing Plant		\$ 70,000	\$ 50,125	\$ 35,000	\$155,125
Underground Infrastructure		\$ 4,886	\$ 1,815	\$ 23,375	\$ 30,077
Surface Infrastructure & Mobile Equipment	\$23,636	\$ 1,463	\$ 13,361		\$ 38,461
Tailings Management Facilities			\$ 9,150		\$ 9,150
Owner's Costs	\$ 3,700	\$ 3,700	\$ 3,700		\$ 11,099
Contingency	\$18,039	\$ 35,685	\$ 34,513	\$ 20,625	\$108,862
Working Capital				\$ 20,679	\$ 20,679
Mine Closure			\$ 10,000		\$ 10,000
Total Pre-Production Capital Expenditures	\$90,193	\$178,425	\$182,567	\$123,803	\$574,987

Operating Costs

The estimated total average operating cost (excluding smelting and refining) for the mine is approximately \$38.24 per tonne of potentially economic mineralization. This equates to \$21.68 per kg of Mo (\$9.84 per lb). The following table presents a summary of life of mine average operating costs per tonne.

Component	Cost per Tonne
Diamond Drilling - Infill	\$ 0.50
Underground Mining	\$ 21.07
Processing	\$ 10.94
Tailings Management Facility	\$ 1.34
Mine Indirects	\$ 1.29
Surface Department	\$ 0.90
General & Administration	\$ 2.20
Total Minesite Operating Cost	\$ 38.24

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Analysis

The expected cash flow estimates are calculated using the forecast mine plan, operating costs, and capital expenditures incorporating expected long-term metal prices based on the two-year trailing average of molybdenum on the London Metals Exchange of US \$47.39 per kg or US\$21.50 per pound.

A summary of the expected parameters used for the financial analysis is presented below. The overall level of accuracy of this study is approximately $\pm 40\%$.

Parameter	
Long term Metal Price	\$US47.39/kg or \$US21.50/lb.
CAD:US Dollar Exchange Rate	\$0.74
Diluted Potentially Economic Resource	49,125,000 tonnes
Dilution	5% (with adjacent mineralization grade)
Average Millhead Grade	0.34% MoS ₂
Recovery	92%
Payability	97%
Pre-Production Capital Expenditures	\$575 million
Total Sustaining Capital Expenditures	\$79 million
Working Capital included in Pre-Production Capex	\$21 million
Reclamation & Closure Costs	\$10 million
Estimated Operating Costs	\$38.24/tonne
Life of Project	20 years

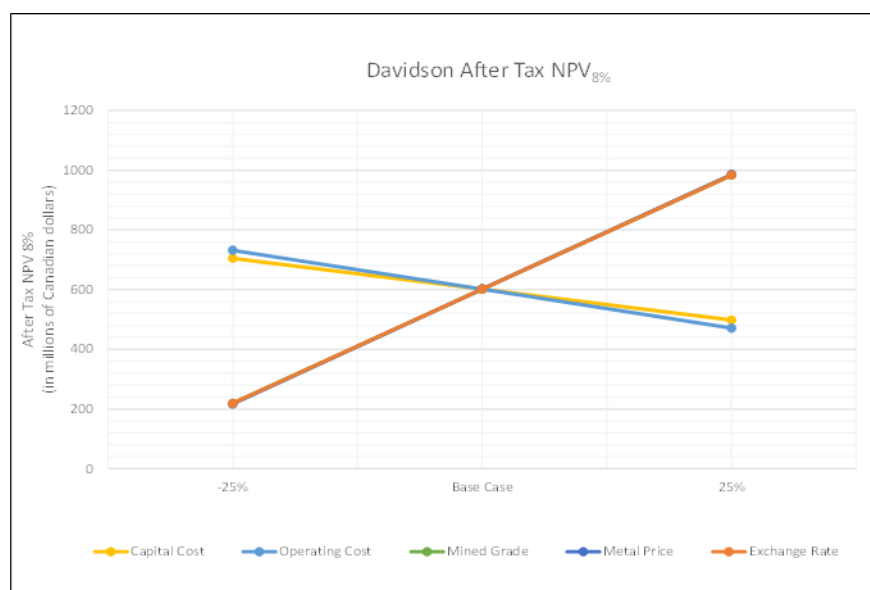
The Davidson Project's expected investment and returns based on the base case cashflow parameters are shown below.

	Pre-Tax	After Tax
Undiscounted Net Revenue	\$ 5.8 billion	\$5.8 billion
Undiscounted Total Cash Flow	\$ 3.0 billion	\$1.9 billion
NPV at 5%	\$ 1.5 billion	\$931 million
NPV at 8%	\$ 1.0 billion	\$602 million
NPV at 10%	\$ 815 million	\$447 million
IRR	32%	24%
Payback Period	3.3 Years	

Sensitivity Analysis

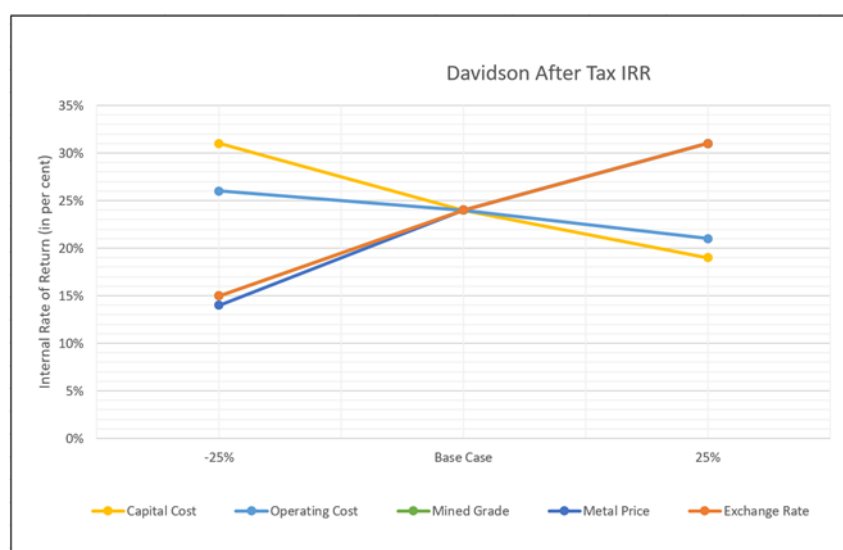
Sensitivity analyses were performed for capital expenditures, operating costs, mined grades, metal prices and currency exchange rates using 25% positive and negative variations. The Project is most sensitive to the mined grade, metal price and the exchange rate and less sensitive to capital and operating costs. The results of the sensitivity analysis for positive and negative changes of 25% in key project parameters are presented in the following tables and graphs.

Parameter	After Tax NPV 8% (in \$millions)		
	-25%	Base Case	25%
Capital Cost	705	602	498
Operating Cost	732	602	471
Mined Grade	219	602	984
Metal Price	217	602	986
Exchange Rate	219	602	984



Note: The lines for Grade, Metal price and Exchange Rate are virtually the same and overlay each other.

Parameter	After Tax IRR		
	-25%	Base Case	25%
Capital Cost	31%	24%	19%
Operating Cost	26%	24%	21%
Mined Grade	15%	24%	31%
Metal Price	14%	24%	31%
Exchange Rate	15%	24%	31%



Note: The lines for Grade and Metal Price are virtually the same and overlay each other.

ENDAKO MINE

The Acquisition

Moon River signed a share purchase agreement (the “SPA”) dated February 28, 2024 with Sojitz Corporation (“Sojitz”), a Japanese multi-national company, to indirectly acquire through the acquisition of Sojitz Moly Resources Inc. (“SMR”) (the “Endako Acquisition”), a wholly-owned subsidiary of Sojitz, (i) a 25% participating interest in the Endako Mine in British Columbia, and (ii) cash provided by Sojitz to SMR to fund the ongoing care and maintenance and reclamation costs at the Endako Mine.

The acquisition closed on May 30, 2024, and SMR was renamed Moon River Molybdenum BC Ltd. (“Moon River BC”).

Pursuant to the SPA, the Company acquired all issued and outstanding common shares of Moon River BC (formerly SMR) in consideration for \$1 and four earn-out payments, contingent on the annualized average market price of molybdenum reaching or exceeding US\$26 per pound (USD per lb Mo) during the prior year, payable annually to Sojitz beginning on May 30, 2027 and ending on May 30, 2030 (the “Earn Out Payments”) in accordance with the following table:

Average market price of molybdenum during the prior year (USD per lb Mo)	Payment to Sojitz (CAD)
Less than \$26.00	\$0
\$26.00-\$26.99	\$2,000,000
\$27.00-\$27.99	\$2,200,000
\$28.00-\$28.99	\$2,400,000
\$29.00-\$29.99	\$2,600,000
\$30.00 or higher	\$2,800,000

The Earn Out Payments payable by the Company to Sojitz shall not exceed \$10 million in the aggregate and are payable irrespective of whether or not the Endako Mining Complex is in production at such time. On the date of the Endako Acquisition, the market price of molybdenum was US\$22.87. As at June 30, 2025, the market price of molybdenum was US\$21.87 (December 31, 2024 - US\$21.08) (source: London Metals Exchange <https://www.lme.com/Metals/EV/LME-Molybdenum-Platts#Price+graph>). The fair value of the Earn Out Payments was estimated to be approx. \$2,550,000 at the time of the Endako Acquisition and as at June 30, 2025.

The estimated fair value was calculated using the Monte Carlo pricing model with the following assumptions: volatility of 28%, risk free interest rate of 4.2% and discount rate of 10.5%. The most significant input impacting fair value is the volatility assumption. A 20% increase in the volatility assumption would decrease the fair value of the instrument by approximately \$45,000. Conversely, a 20% decrease would increase the fair value by approximately \$10,000.

On closing, Sojitz injected cash in Moon River BC (formerly SMR) in the aggregate of \$42,144,180 of which:

- (i) \$15,475,000, in the form of a cash backed letter of credit issued to the benefit of the BC government, represent Moon River BC’s portion of the Endako environmental reclamation security currently required by the BC government;
- (ii) \$24,669,180, less certain bank charges, were deposited into an irrevocable single-purpose trust account at TSX Trust Company for the exclusive purpose of providing funding for Moon River BC’s 25% share of the care and maintenance of the Endako Mine and satisfaction of other environmental obligations of Moon River BC relating to the Endako Mine; and
- (iii) \$2,000,000 cash.

Management determined that the assets and liabilities acquired do not constitute a business and therefore accounted for the Endako Acquisition as an asset acquisition.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The aggregate purchase consideration including transaction costs incurred directly associated with the Endako Acquisition was as follows:

Cash consideration	\$	1
Fair value of Earn Out Payments		2,550,000
Transaction costs		123,981
Total consideration paid	\$	<u>2,673,982</u>

The Company allocated the purchase consideration to the acquired assets and liabilities based on their relative provisional fair values at the date of acquisition as follows:

Net assets 100% owned by Moon River BC (previously SMR):

Reclamation bond	\$	15,475,000
Cash in escrow for care & maintenance and additional reclamation costs		24,411,494
Cash		<u>2,000,000</u>
Total cash and restricted cash acquired		41,886,494
Deferred tax benefit on accumulated non-capital losses		<u>-</u>
		41,886,494

Moon River BC's share of net assets (liabilities) at the Endako JV:

Cash and cash equivalents		329,856
Amounts receivable		2,730
Prepaid expenses		121,215
Property, plant and equipment		2,248,282
Parts & supplies inventory		152,302
Accounts payable & accruals		(180,402)
Provision for reclamation		(28,195,457)
Provision for care & maintenance and additional reclamation costs		<u>(13,691,038)</u>
	\$	<u>2,673,982</u>

Moon River BC has accumulated non-capital losses of over \$142 million as of the fiscal year ended December 31, 2024, which could potentially be utilized by Moon River BC in the future. The deferred tax benefit on these accumulated non-capital losses is not recognized and valued at \$nil as the Endako Mine is held on care and maintenance.

The Endako Mine

Moon River BC is the holder of a 25% participating interest in the Endako Mine pursuant to an Exploration, Development and Mine Operating Agreement dated as of June 12, 1997 (the "JVA") entered into between SMR (now Moon River BC) and Thompson Creek Mining Ltd. (now Thompson Creek Metals Company Inc.) ("TCM"), a subsidiary of Centerra Gold Inc. ("Centerra")

The following information on the Endako Mine is based on public disclosure by Centerra included in its 2024 Annual Information Form dated March 27, 2025, available on SEDAR+ at www.sedarplus.ca:

TCM holds a 75% participating interest in, and is the manager of, the Endako Mine.

The Endako Mine includes an open-pit molybdenum mine, concentrator, and roaster, located approximately 161 kilometres west of Prince George, British Columbia. The Endako Mine consists of three open pits which were amalgamated as part of a mine and mill expansion completed in June 2012. The processing facilities, which were upgraded and augmented, include a 55,000 ton (50,000 tonnes) per day concentrator, a 35,000 - 40,000 pounds per day capacity molybdenum roaster (and an additional non-operating roaster), tailings and reclaim water ponds, a crushing plant, waste rock dumps, an administrative building, a truck shop/warehouse, a change house, a first aid station, a laboratory, a garage and other shops. The power supply of the site is provided by a nine-kilometre, 69 kV power line owned by B.C. Hydro from a nearby substation. Water for the milling process is re-circulated from the tailings facility while make-up water is pumped from nearby François Lake. Operations at the Endako Mine began in 1965 and were suspended in December 2014 as a result of market conditions and the Endako Mine has been held on a care and maintenance basis since July 2015.

There are no royalties, back-in rights, encumbrances on title or other agreements, other than the JVA.

The table below summarizes the historical mineral resource estimates for the Endako Mine:

Historical Resource Estimates	Tonnes (Kt)	Mo Grade (%)	Contained Molybdenum (Mlbs)
Measured	47,100	0.05	48
Indicated	122,175	0.04	118
Total Measure and Indicated	169,275	0.04	166
Inferred	47,325	0.04	44

A qualified person has not done sufficient work to classify the historical estimates as current mineral resources and Moon River is not treating the historical estimates as current mineral resources. The historical mineral resource estimates above were prepared in 2011 and were estimated based on a molybdenum price of \$14.00 per pound and an exchange rate of 1USD to 1.25CAD. The open pit mineral resources are constrained by a pit shell and are estimated based on a 0.025% molybdenum cut-off grade. Further information concerning the Endako Mine deposit is described in the technical report dated September 12, 2011, and filed on SEDAR+ at www.sedarplus.ca by TCM. Such technical report describes the exploration history, geology, and style of molybdenum mineralization at the Endako Mine. Sample preparation, analytical techniques, laboratories used, and quality assurance-quality control protocols used during the exploration drilling programs are reported to have been consistent with industry standards and carried out by independent, certified assay labs.

OUTLOOK

At the Endako Mine, Moon River is working on preparing a PEA to evaluate restarting the mine. Based on the results from the work conducted by HPY, ore sorting will be incorporated in the Endako PEA. The Endako PEA is expected to be completed early in the fourth quarter of 2025.

In addition to the Endako PEA, Moon River is continuing with ore sorting investigations. A 5-tonne bulk sample has been collected from the Endako Mine and sent out for further testing and analysis. Results from this work are expected later this year or early next year,

At the Davidson Property, the Company engaged AMPL to prepare an updated PEA that incorporates the results from the metallurgical test work as well as the results from the test work regarding the amenability of ore particle sorting. The updated Davidson PEA should be completed in late Q3 or early Q4.

Qualified Person and Technical Report

The scientific and technical content of this MD&A was reviewed, verified, and approved by Mr. Brian LeBlanc, P. Eng., President of A-Z Mining Professionals Ltd., a "Qualified Person" as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

RESULTS OF OPERATIONS

The Company recorded no revenue for the three and six months ended June 30, 2025 and 2024. The Company recorded interest income of \$301,086 (2024 - \$172,125) and \$654,107 (2024 - \$186,812) respectively, during three and six months ended June 30, 2025 from short-term guaranteed investment certificates and cash deposit.

For the three months ended June 30, 2025, the Company recorded a net income of \$1,761,038 (2024 - net loss of \$207,880) or \$0.05 (2024 - loss of \$0.01) per share. The net income during the quarter was mainly a result of a gain in the fair value of the reclamation provision of \$2,179,911(2024 - \$130,447) due to a favorable change in the estimated reclamation cash flow and discount rate. The change in the fair value of the reclamation provision over the six-month period however, is a net loss of \$105,572 (2024 - gain of \$130,447). For the six months ended June 30, 2025, the company recorded a net loss of \$837,613 or \$0.03 per share (2024 - \$909,056 or \$0.03 per share).

The operating expenses included acquisition and evaluation expenses in the total of \$258,355 (2024 - \$31,316) and \$513,168 (2024 - \$383,917) respectively, for the three and six months ended June 30, 2024.

The Company incurred corporate administration expenses of \$458,077 (2024 - \$463,013) and \$865,926 (2024 - \$826,276), for the three and six months ended June 30, 2025.

In connection with the Endako Acquisition, the Company recognized a provision for reclamation and a provision for care and maintenance arising from the Company's obligation for the 25% share of the closure costs and care and maintenance expenses at the Endako Mine.

At June 30, 2025, the provision for reclamation is \$23,625,938 (December 31, 2024 - \$24,840,390). The decrease of \$1,214,452 during the six months ended June 30, 2025 are due to payments of reclamation expenditures made in the period partially offset by the net increases in the provision arising from the changes in closure cost estimates and accretion of the liability. The provision is reviewed and adjusted at each balance sheet date to reflect changes in the discount rate used and future cash flows to settle the reclamation obligation.

At June 30, 2025, the Company's total care and maintenance provision amounts to \$11,050,653 (December 31, 2024 - \$12,302,179). The Company's share of the care and maintenance expenses were \$1,251,526 (2024 - \$309,621) during the six-month period ended June 30, 2025. The amount is recorded as a reduction to the care and maintenance provision at June 30, 2025. The provision is reviewed and adjusted at each balance sheet date to reflect changes in the discount rate used and future cash flows to settle the obligation. There are no material revisions to the provision resulted from the changes in discount rate and future cash flows at June 30, 2025.

SUMMARY OF QUARTERLY RESULTS

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Net loss	(837,613)	(2,598,651)	(194,374)	(2,188,388)	(207,880)	(701,176)	(3,761,154)
Net income(loss) per share							
- Basic and diluted	0.053	(0.079)	(0.006)	(0.066)	(0.006)	(0.021)	(0.260)
Total assets	37,655,377	38,849,247	40,936,776	45,466,559	47,955,023	1,564,969	2,267,378
Working capital	833,471	1,957,524	1,973,127	16,645,331	17,180,515	1,409,561	1,991,070

Net loss of \$3,761,154 in Q4 2023 includes a cost of \$3,041,891 incurred for the acquisition of the Davidson Property in November 2023.

Net losses for Q2 2024 and onwards include the Company's 25% share of the net losses of the Endako JV following the acquisition of the 25% interest in the Endako Mine on May 30, 2024. Accordingly, the total assets and working capital for Q2 2024 and onwards include the Company's 25% share of the total assets and working capital of the Endako JV. The net income in Q2 2025 was a result of a gain in the fair value of the reclamation provision of \$2,179,911(2024 - \$130,447) due to a favorable change in the estimated reclamation cash flow and discount rate.

ACQUISITION AND EVALUATION EXPENDITURES

The following table summarizes the Company's cumulative acquisition, exploration and evaluation expenditures which have been expensed according to the Company's accounting policy:

	June 30 2025 \$	Additions 2025 \$	December 31 2024 \$	Additions 2024 \$	December 31 2023 \$
Davidson Property	4,617,784	269,571	4,348,213	975,018	3,373,195
Endako Mine	409,494	243,597	165,897	86,495	79,402
Total	5,027,278	513,168	4,514,110	1,061,513	3,452,597

CORPORATE ADMINISTRATION EXPENSES

	Six months ended June 30	
	2025 \$	2024 \$
Share-based payment	101,415	119,667
Professional fees	100,796	34,991
Listing, filing & investor relations	260,810	80,743
Office and general	402,905	127,862
	865,926	363,263

LIQUIDITY AND CAPITAL RESOURCES

The Company's objective when managing capital is to maintain adequate levels of funding to support the acquisition, evaluation and exploration of mineral properties and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financings. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

At June 30, 2025, the Company had total current assets of \$6,363,342 (December 31, 2024 – \$9,158,645), including cash and cash equivalents of \$2,050,978 (December 31, 2024 – \$2,286,359), to settle accounts payable and accrued liabilities of \$1,926,851 (December 31, 2024 – \$2,006,075). Included in the cash and cash equivalents are the Company's share of cash held in the Endako JV accounts of \$289,226 at June 30, 2025 (December 31, 2024 - \$552,025).

Cash used in operating activities amounted to \$735,381 (2024 – \$933,295) for the six months ended June 30, 2025.

The Company has a cash backed letter of credit in the amount of \$15,475,000, issued to the benefit of the BC government as reclamation bond for the Endako Mine. In addition, at June 30, 2025, cash and short-term investments held in escrow funds of \$16,989,380 (December 31, 2024 - \$19,197,146) are available to fund the Company's share of the ongoing care and maintenance expenditures and reclamation expenses at the Endako Mine. Total restricted cash at June 30, 2025 amounted to \$32,464,380 (December 31, 2024 - \$34,672,146).

Subsequent to the end of Q2 on July 4, 2025, the province of British Columbia issued an amended permit to increase the reclamation security on the Endako Mine. As a result, the Company's share of the reclamation bond on the Endako Mine, in the form of a cash backed letter of credit, will increase by \$9,630,000 to \$25,105,000. The increase will be funded by the Company's restricted cash held in escrow.

The Company's proceeds from investing activities during the six months ended June 30, 2025 consist of a \$500,000 (2024 - \$nil) GIC that matured during the quarter. The Company had no financing activities during the six months ended June 30, 2025 and 2024..

At June 30, 2025, the Company had not achieved profitable operations and expects to incur further losses in the development of its business. The Company has continued to rely on equity financing to fund its working capital requirements. Refer to note 1 of the consolidated financial statements with respect to going concern.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES

The Company's related parties consist of its directors, officers, and significant shareholders.

During the six months ended June 30, 2025, a total amount of \$171,000 (2023 - \$178,000) were expensed for professional services provided by key management and officers of the Company, including \$60,000 (2024 - \$82,000) by a company controlled by the Chief Executive Officer and Director of the Company; \$45,000 (2024 - \$35,000) by a company controlled by Chief Financial Officer of the Company; and gross Director's fees of \$30,000 (2024 - \$30,000) paid to the Executive Chairman and Director of the Company. In addition, the Company paid total gross Director's fees of \$63,750 (2024 - \$33,750) to three non-executive Directors during the six months ended June 30, 2025.

During the six months ended June 30, 2025, the Company paid office rent of \$15,000 (December 31, 2024 - \$15,000) to Generation Mining Limited, a significant shareholder of the Company.

Included in accounts payable and accrued liabilities at June 30, 2025 is \$2,825 (December 31, 2024 - \$2,825) due to the related parties of the Company. Such amounts were due on demand, unsecured and non-interest bearing.

ACCOUNTING POLICIES AND ESTIMATES**Critical accounting estimates**

The preparation of the Company's financial statements in conformity with IFRS Accounting Standards requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from those estimates.

Judgments are made in the selection and assessment of the Company's accounting policies. Estimates are used mainly in determining the measurement of recognized transactions and balances. Estimates are based on historical experience and other factors, including expectations of future events believed to be reasonable under the circumstances. Judgments and estimates are often interrelated. The Company's judgments and estimates are continually re-evaluated to ensure they remain appropriate. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Refer to note 2 of the consolidated financial statements for a summary of critical judgements and estimates.

Adoption of New Accounting Standards

There are currently no accounting standards issued but not yet effective that the Company anticipates will have any material impact on the Company's unaudited condensed interim financial statements or disclosure.

New standards and amendments issued and applicable to the Company are described below:

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures);
- enhanced principles on aggregation and disaggregation of totals and disclosures which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1 while many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. The Company will perform an assessment of the impact of this new standard on its financial statements prior to the effective date of January 1, 2027.

The standards and interpretations within IFRS Accounting Standards are subject to change. For further details, please refer to note 3 of the consolidated financial statements at December 31, 2024 filed on www.sedarplus.ca.

NON-IFRS FINANCIAL MEASURES

The Company has included certain terms or performance measures commonly used in the mining industry that are not defined under IFRS Accounting Standards in this MD&A. These include Operating Costs, Cash Cost, AISC, Pre-Production Capital Expenditures, Sustaining Capital Expenditures, Life of Mine Average Operating Costs. Non-IFRS measures do not have any standardized meaning prescribed under IFRS Accounting Standards, and therefore, they may not be comparable to similar measures employed by other companies. The data presented are intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS Accounting Standards. Non-IFRS financial measures used in this MD&A and common to the mining industry are defined as follows:

Operating Costs include mining, processing, general and administrative, concentrate transportation costs, treatment and refining charges, etc.

Cash costs include on-site mining costs plus on-site G&A, royalties/production taxes and permitting/community costs related to current operations, less by-product credits, if any.

AISC includes total cash costs plus reclamation costs, exploration and study costs, sustaining capital exploration/development and sustaining capital expenditure.

RISK FACTORS

In conducting its business, the Company faces a number of risks common to the mining and exploration industry. These are summarized below. There are also certain specific risks (including those listed below), associated with an investment in the Company and prospective investors should carefully consider these specific risk factors associated with an investment in the Company.

Limited Operating History

The Company has a limited operating history. The Company does not have any history of earnings or profitability. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business particularly in the junior mineral exploration sector. The Company will have limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company will be able to generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Financing Risks

The Company's ability to continue exploration, evaluation and development of its properties will be dependent upon its ability to raise additional financing. No assurances can be made that the Company will be able to raise such additional capital.

At June 30, 2025, the Company had not achieved profitable operations, had an accumulated deficit since inception and expects to incur further losses in the development of its business. The Company has relied on equity financing to fund its working capital requirements. The Company will need to generate additional financial resources in order to fund its planned exploration programs and continue as a going concern. There is a risk that additional financing will not be available to the Company on a timely basis or on acceptable terms.

While Moon River has sufficient financial resources necessary to undertake its currently planned activities, there can be no assurance that the Company will be successful in obtaining any additional required funding necessary to conduct additional exploration or evaluation, if warranted, on the Company's current properties or any properties that may be acquired or to develop mineral resources on such properties, if commercially mineable quantities of such resources are located thereon. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interest in such properties. If additional financing is raised through the issuance of equity or convertible debt securities of the Company, the interests of shareholders in the net assets of the Company may be diluted.

Exploration and Development Risk

Mining operations generally involve a high degree of risk. The Company's operations will be subject to all the usual hazards and risks normally encountered in the exploration, development and production of mineral properties, including unusual and unexpected geologic formations, seismic activity, explosions, rock bursts, cave-ins, flooding, pit wall failure and other conditions involved in drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, delays in mining, monetary losses and possible legal liability.

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines and no assurance can be given that minerals will be discovered in sufficient quantities or having sufficient grade to justify commercial operations or that funds required for development can be obtained on a timely basis. Mineral exploration involves many risks and uncertainties, and success in exploration is dependent on a number of factors, including the quality of management, quality and availability of geological expertise and the availability of exploration capital. Substantial expenditures are required to establish Mineral Resources and Mineral Reserves, complete drilling and to develop processes to extract the minerals, develop mining and processing facilities and suitable infrastructure at any site chosen for mining, and establish commercial operations. Also, substantial expenses may be incurred on exploration projects which are subsequently abandoned due to poor exploration results or the inability to define reserves which can be mined economically. Even if an exploration program is successful and economically recoverable minerals are found, it can take a number of years from the initial phases of drilling and identification of the mineralization until production is possible, during which time the economic feasibility of extraction may change and the minerals that were economically recoverable at the time of discovery cease to be economically recoverable. There can be no assurance that the minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production-scale operations.

The commercial viability of the Molybdenum tungsten (scheelite) projects and other properties in which the Company may acquire an interest in the future depends upon a number of factors, all of which are beyond the control of the Company, including, but not limited to: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; Molybdenum tungsten (scheelite) prices, which are highly cyclical; general and local labour market conditions; the proximity and capacity of milling facilities; local, provincial, federal and international government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection; ongoing costs of production; and availability and cost of additional funding. The exact effect of these factors, either alone or in combination, cannot be accurately predicted and their impact may result in the Company not being able to economically extract minerals from any identified mineral resource or mineral reserve which, in turn, could have a material and adverse impact on the Company's cash flows, earnings, results of operations and financial condition and prospects. The Company cannot provide any certainty that the exploration or development programs planned by the Company will result in a profitable commercial mining operation in respect of the gold projects or other properties in which the Company may acquire an interest in the future.

Dependence on the Properties

The Davidson Project and the Endako Mine will account for all of the Company's future operations. Any adverse development affecting the progress of the Davidson Project such as, but not limited to, obtaining development financing on commercially suitable terms, hiring suitable personnel and mining contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Company's financial performance and results of operations. Ongoing activity at the Davidson Project will be undertaken without established Mineral Reserves and the economic viability of the operations on the Davidson Project has not been established. Any adverse development causing increased care and maintenance and reclamation obligations at the Endako Mine may also have a material adverse effect on the Company's financial performance and results of operations.

Uncertainty of Resource Estimates

No assurance can be given that any tonnages and grades will be achieved or that any level of recovery will be realized. The grade of mineralization recovered may differ materially and adversely from the estimated average grades in any current or future resource estimates. Future production could differ dramatically from resource estimates for, among others, the following reasons:

- mineralization or formations could be different from those predicted by drilling, sampling and similar examinations;
- increases in operating mining costs and processing costs could adversely affect Mineral Resources;
- the grade of the Mineral Resources may vary significantly from time to time and there is no assurance that any particular grade may be recovered from the Mineral Resources; and
- declines in the market price of minerals may render the mining of some or all the Mineral Resources uneconomic.

Any of these factors may require the Company to reduce its Mineral Resource estimates or increase its cost estimates. Short-term factors, such as the need for the additional development of a deposit or the processing of new different grades, may impair the Company's profitability. Should the market price of minerals fall, the Company could be required to materially write down its investment in mining properties or delay or discontinue production or the development of new projects.

Commodity Prices

The profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. These factors include interest rates, the rate of inflation or deflation, global and regional supply and demand, consumption patterns, forward sales by producers, currency exchange fluctuations, speculative activities and increased production due to improved mining and production methods. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political and economic developments in major Molybdenum tungsten (scheelite)-producing countries throughout the world. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be uneconomic.

The Company's future revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of Molybdenum tungsten (scheelite). The prices of these commodities are affected by numerous factors beyond the Company's control.

Uncertainty in Establishing Mining Operations or Profitable Operations

The future development of the Property will require additional financing, permits, design, construction, processing plant, and related infrastructure. As a result, the Company will be subject to all of the risks associated with establishing mining operations and business enterprises, including: (a) the timing and cost, which will be considerable, of obtaining all necessary permits including environmental, construction, and operating permits; (b) the timing and cost, which will be considerable, of the construction of mining and processing facilities; (c) the availability and costs of skilled labour, power, water, transportation, and mining equipment; (d) the availability and cost of appropriate smelting and/or refining arrangements; (e) the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits; and (f) the availability of funds to finance construction and development activities.

It is common in new mining operations to experience unexpected problems and delays during permitting, construction, and development. In addition, delays in the commencement of mineral production often occur, and once commenced, the production of a mine may not meet expectations or the estimates set forth in feasibility or other studies. Accordingly, there are no assurances that the Company will successfully establish mining operations or become profitable.

Development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, and government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's business, plans, prospects, financial condition and results.

Governmental Regulations

The Company's operations and exploration and development activities are subject to extensive Laws and regulations governing various matters, including: (a) environmental protection; (b) management and use of toxic substances and explosives; (c) management of natural resources; (d) management of tailings and other wastes; (e) mine construction; (f) exploration, development of mines, production and post-closure reclamation; (g) exports; (h) price controls; (i) taxation and mining royalties; (j) regulations concerning business dealings with indigenous groups; (k) labour standards and occupational health and safety, including mine safety; and (l) historic and cultural preservation. Failure to comply with applicable Laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities, enjoining or curtailing operations, or requiring corrective measures, installation of additional equipment, or remedial actions, any of which could result in the Company incurring significant expenditures. the Company may also be required to compensate private parties suffering loss or damage by reason of a breach of such Laws, regulations, or permitting requirements. It is also possible that future Laws and regulations, or a more stringent enforcement of current Laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations, if any, and delays in the development of the Property.

Rights of Indigenous Peoples

Various international, national, state and provincial Laws, codes, resolutions, conventions, guidelines, treaties and other principles and considerations relate to the rights of indigenous peoples. The Company will hold exploration interests in respect of operations located in some areas that may be presently or previously inhabited or used by indigenous peoples. Many of these impose obligations on the government to respect the rights of indigenous peoples. Some mandate consultation with indigenous peoples regarding actions which may affect indigenous peoples, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national requirements, principles and considerations pertaining to indigenous peoples continue to evolve and be defined. The Property is subject to the risk that one or more groups of indigenous peoples may oppose operation or new development. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the operator's activities. Opposition by indigenous peoples to such activities may require modification of or preclude the operation or development of projects or may require the entering into of agreements with indigenous peoples. Claims and protests of indigenous peoples may disrupt or delay activities of the operators of assets in respect of which the Company holds an exploration interest which may result in a material adverse effect on the Company profitability, results of operations and financial condition and the trading price of its securities.

Permits and Licences

The mining and exploration activities of the Company will require permits from various governmental authorities and such operations are, and will be, governed by Laws and regulations governing exploration, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety, mine permitting and other matters. Companies engaged in mining and exploration activities generally experience increased costs and delays as a result of the need to comply with applicable Laws, regulations and permits. While the Company believes that it will have all permits and licences necessary to carry on activities on the Property after completion of the Transaction, a substantial number of additional permits and licenses may be required after the completion of the Transaction. The Company anticipates that it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct and that it intends to comply in all material respects with the terms of such licenses and permits; however, there can be no assurance that all permits that the Company may require for mining and exploration will be obtainable on reasonable terms or on a timely basis, or that such Laws and regulations would not have an adverse effect on any project that the Company may undertake. The company believes it is in substantial compliance with all material Laws and regulations which currently apply to its activities. However, there may be unforeseen environmental liabilities of the Company resulting from exploration and/or mining activities and these may be costly to remedy.

Environmental Risks

The Company's operations will be subject to Laws and regulations regarding environmental matters, the use or abstraction of water, and the discharge of mining wastes and materials. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Furthermore, any failure to comply fully with all applicable Laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations. Environmental Laws and regulations change frequently, and the implementation of new, or the modification of existing, Laws or regulations could harm the Company. The Company cannot predict how agencies or courts in foreign countries will interpret existing Laws and regulations or the effect that these adoptions and interpretations may have on the Company's business or financial condition.

The Company may be required to make significant expenditures to comply with governmental Laws and regulations. Any significant mining operations will have some environmental impact, including land and habitat impact, arising from the use of land for mining and related activities, and certain impact on water resources near the project sites, resulting from water use, rock disposal and drainage run-off. No assurances can be given that such environmental issues will not have a material adverse effect on the Company's operations in the future. Environmental hazards may exist on the Property which are unknown to the Company at the present time and which have been caused by previous or existing owners or operators of the Property. While the Company believes it does not currently have any material unsatisfied environmental obligations, exploration activities may give rise in the future to significant liabilities on the Company's part to the government and third parties and may require the Company to incur substantial costs of remediation.

Failure to comply with applicable Laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Additionally, the Company may not maintain insurance against environmental risks. As a result, any claims against the Company may result in liabilities the Company will not be able to afford, resulting in the failure of the Company's business. Failure to comply with applicable Laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable Laws or regulations. Amendments to current Laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation of existing Laws, could have a material adverse impact on the Company and cause increases in exploration expenses or capital expenditures or require abandonment or delays in the development of new exploration properties.

Mineral Property Title Risks

Establishing title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. While the Company has investigated title to the Property and, to the best of its knowledge, title to the Property is in good standing, mineral properties may be subject to prior unregistered agreements or transfers and title may be affected by such undetected defects. There may be valid challenges to the title of the Property which, if successful, could impair exploration, development and/or operations. The Property may be subject to aboriginal land claims, prior unregistered agreements or transfers and title may be affected by undetected defects. The Company cannot give any assurance that title to the Property will not be challenged.

Defects in or disputes relating to the interests the Company holds or acquires may prevent it from realizing the anticipated benefits from these interests. Material changes could also occur that may adversely affect management's estimate of the carrying value of the Company's interests and could result in impairment charges. While the Company currently seeks, and the Company will seek, to confirm the existence, validity, enforceability, terms and geographic extent of the interests it acquires, there can be no assurance that disputes or other problems concerning these and other matters or other problems will not arise. Confirming these matters is complex and is subject to the application of the Laws of each jurisdiction to the particular circumstances of each parcel of mineral property and to the documents reflecting the interest. The discovery of any defects in, or any disputes in respect of, the Company's interests, could have a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of its securities.

A defect in the chain of title to one of the Company's interests or necessary for the anticipated development or operation of a particular project to which an interest relates may arise to defeat or impair the claim of the operator to a property which could in turn result in a loss of the Company's interest in respect of that property. In addition, claims by third parties or aboriginal groups in Canada and elsewhere may impact the operator's ability to conduct activities on a property to the detriment of the Company's interests. To the extent an owner or operator does not have title to the property, it may be required to cease operations or transfer operational control to another party. Certain interests can be contractual in nature, rather than an interest in land, with the risk that an assignment, bankruptcy or insolvency proceeding by an owner will result in the loss of any effective interest in a particular property. Further, even in those jurisdictions where there is a right to record or register interests held by the Company in land registries or mining recorders offices, such registrations may not necessarily provide any protection to the Company. As a result, known title defects, as well as unforeseen and unknown title defects may impact operations at a project in respect of which the Company has an interest and may result in a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of its securities.

Reliance on Third Parties' Reviews, Reports and Projections

The Company relies upon third parties to provide analysis, reviews, reports, advice and opinions regarding the Company's projects. There is a risk that such analysis, reviews, reports, advice, and opinions are inaccurate, in particular with respect to resource estimation, process development and recommendations for products to be produced as well as with respect to economic assessments including estimating the capital and operation costs of the Company's project and forecasting potential future revenue streams. Uncertainties are also inherent in such estimations.

Dependence on Key Individuals

Locating and developing mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration, development and production personnel involved. The success of the Company is largely dependent on the performance of its key personnel. The Company's success is also largely dependent on its ability to hire and retain other highly qualified personnel. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for this workforce is intense. As the Company's business activity grows, the Company will require additional key executive, financial, operational, administrative and mining personnel. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. These individuals are in high demand and the Company may not be able to attract the personnel it needs. Failure to retain key personnel or to attract and retain additional key individuals with necessary skills could have a materially adverse impact on the Company's business, its operating results as well as its overall financial condition. The Company has not purchased any "key-man" insurance with respect to any of its directors, officers or key employees and has no current plans to do so.

Conflicts of Interest

Certain of the proposed directors and/or officers of the Company, are or will be, and may continue to be, involved in other business ventures through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the Company. Situations may arise where the other interests of these directors and officers conflict with, or diverge from, the Company's interest. Certain of such conflicts may be required to be disclosed in accordance with procedures and remedies, as applicable, under corporate Law, however, such procedures and remedies may not fully protect the Company. In addition, in conflict of interest situations, the directors and officers of the Company may owe the same duty to another company and will need to balance their competing interests. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable to the Company.

Uninsured or Uninsurable Risks

In the course of exploration, development and production of mineral resource properties, several risks and, in particular, significant risks that could result in damage to, or destruction of vessels and producing or processing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons.

Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Company. The Company cannot be certain that insurance will be available on acceptable terms or conditions. In some cases, coverage may not be acceptable or may be considered too expensive relative to the perceived risk.

Factors Beyond the Company's Control

Disruptions in the activities of the Company may be caused by natural disasters, effects of climate change and man-made activities, pandemics, trade disputes and disruptions, war, terrorism, and any other form of economic, health, or political disruptions. The Company's financial condition is reliant on continued operations, and in circumstances where continued operations are not possible, the Company is likely to experience a decline in its revenue and may suffer additional disruptions in the form of lack of access to its workforce, customers, technology, or other assets. The extent of the impact on the Company will vary with the extent of the disruption and cannot be adequately predicted in advance.

FINANCIAL INSTRUMENTS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

Fair value

The carrying amounts for cash, marketable securities, amounts receivable and accounts payable and accrued liabilities on the statements of financial position approximate their fair value because of the limited term of these instruments.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by major Canadian banks. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Credit risk

Credit risk is the risk that a client or vendor will be unable to pay or receive any amounts owed or owing by the Company. Management's assessment of the Company's risk is low as it is primarily attributable to funds held in Canadian banks.

Liquidity Risk

Liquidity risk encompasses the risk that the Company cannot meet its financial obligations as they come due. At June 30, 2025, the Company had cash and cash equivalents of \$2,050,978 (December 31, 2024 – \$2,286,359) to settle accounts payable and accrued liabilities of \$1,926,851 (December 31, 2024 – \$2,006,075). The Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

Market Risk

Market risk is the risk that the fair value or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company currently does not have any financial instruments that would be impacted by changes in market prices.

Capital Risk

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain and explore its mineral properties. The capital structure of the Company consists of capital stock for common shares and reserves for stock-based compensations.

Sensitivity Analysis

Cash and cash held in escrow and as reclamation bond is invested in investment-grade short-term deposit certificates. Given management's knowledge and experience in the financial markets, sensitivity to a plus or minus 1% change in rates, based on the current balance of cash and restricted at June 30, 2025, would result in \$345,000 in income or loss on the net loss during a one-year period.

Foreign Currency Risk

As at June 30, 2025, the Company did not hold any material balances in foreign currencies that would give rise to exposure to foreign exchange risk.

Fair Value Hierarchy

The Company values financial instruments carried at fair value using quoted market prices, where available. Quoted market prices represent a Level 1 valuation. When quoted market prices are not available, the Company maximizes the use of observable inputs within valuation models. When all material inputs are observable, the valuation is classified as Level 2. Valuations that require the significant use of unobservable inputs are considered Level 3. Level 3 fair values are based on a number of valuation techniques other than observable market data. The Earn Out Payments arising from the Endako Acquisition are carried at level 3 values on the balance sheet of the Company at June 30, 2025.

OUTSTANDING SHARE CAPITAL

The Company has unlimited authorized share capital of a single class of common shares. Each common share entitles the holder to one vote. The common shares rank equally for dividends and for all distributions upon dissolution or wind up.

The following table outlines the Company's common shares and other securities issued and outstanding at June 30, 2025 and the date of this MD&A.

Issued and Outstanding	August 26, 2025	June 30, 2025
Common Shares	32,960,000	32,960,000
Warrants	336,280	336,280
Stock Options	3,291,666	3,291,666

ADDITIONAL INFORMATION

Additional information about the Company is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

FORWARD-LOOKING STATEMENTS

This management's discussion and analysis contains certain forward-looking statements relating to, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, possible introduction of ore sorting and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves the grade and recovery of ore which is mined varying from estimates, failure to incorporate ore sorting into future mine plans, or that the expected benefits of ore sorting will prove to be correct, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, uncertainty regarding the ability to complete additional financings, the requirement that equity financings require approval of the Board of Directors and regulatory approval, delays in the development of projects changes in exchange rates, fluctuations in commodity prices, inflation and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.