REPORT DATE:
NOVEMBER 16, 2026

This Management Discussion and Analysis (the "MDA") provides relevant information on the operations of American Copper Development Corporation (the "Company") to the Report Date and the financial condition of the Company for the period ended September 30, 2026.

This document contains forward looking statements. Please see section "*Forward-Looking Statements*".

The MDA should be read in conjunction with the Company's condensed interim consolidated financial statements for the period ended September 30, 2026, and the consolidated financial statements and notes thereto for the year ended December 31, 2025, and dated April 17, 2026.

The Company is in the business of mineral exploration. Activities include the evaluation, acquisition and exploration of mineral exploration properties, for the purpose of discovering an economic mineral deposit. The realization of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves and future profitable production or proceeds from the disposition of these assets. The carrying values of exploration and evaluation assets do not necessarily reflect their present or future values.

All monetary amounts in this MDA and in the financial statements are expressed in Canadian dollars, unless otherwise stated. Financial results are being reported in accordance with IFRS Accounting Standards ("IFRS").

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these financial statements together with other financial information included in these filings. The Board of Directors approves the audited consolidated financial statements and MDA and ensures that management has discharged its financial responsibilities.

The Company's head office is located at 705-1030 West Georgia Street, Vancouver, BC, and its registered and records office is located at 2501-550 Burrard Street, Vancouver, B.C. The Company was incorporated under the Business Corporations Act (British Columbia) on February 5, 2020. To date,the Company has not earned operating revenue.

OVERALL PERFORMANCE

EXPLORATION AND PROJECTS

The principal asset of the Company is the Lordsburg Project.

Lordsburg Project

The Lordsburg project is comprised of 1,205 contiguous Federal patented and unpatented lode mining claims, covering 9,462 hectares in area controlled by the Company; including three patent lode mining claims are under a mining lease with an option to purchase with Comstock Allied, LLC, and 57 BLM unpatented lode mining claims are under option with Soloro Copper and Gold Corporation ("Soloro") and Pyramid Peak Mining, LLC. The project is located immediately south of the town of Lordsburg (population 2,335) in southwest New Mexico, approximately 250 kilometers east of Tucson, Arizona, and 500 kilometers south of Albuquerque, New Mexico. Lordsburg is the county seat of Hidalgo County and lies on Interstate 10 and the Union Pacific railroad.

On October 6, 2026, the Company and Soloro agreed to extend the due date of the remaining advance royalty payment of US$50,000 to October 7, 2027, for consideration payment of US$10,000 (paid) and a US$5,000 (paid) advance against the Advanced Royalty Payment. The option period can be extended for an additional five years subject to an annual US$100,000 advance royalty. The Company will also be responsible for all claim maintenance fees and must incur US$250,000 in property exploration expenditures by April 30, 2023 (incurred), and an additional US$1,750,000

by October 7, 2027. If the option period is extended the property exploration expenditures must be made by October 7, 2032.

The northern portion of the project has a long history of underground mining for silver, gold, copper, and lead. The earliest non-native visitors to the area were survey parties of the United States military sent to scout railroad routes to the west coast by the United States government between 1854-1873. They were followed by prospectors and early miners seeking silver and gold, and later, copper and lead.

A host of small underground mines were in operation but only a handful achieved significant production of precious and base metals. The Atwood group, the Henry Clay, the Emerald, Superior, Jim Crow, Bonney, Miser's Chest, Bluebird, and Robert E. Lee mines account for most of the historic production. The last of these mines ceased operations in the 1970's. The search for, and mining of smelter flux feed was the last active successful mining activity in the district, and ended in the 1990's. Since that time, the only mining related activity has been exploration for silica flux, base and precious metal veins and limited exploration work for porphyry copper deposits by the antecedent companies of American Copper Development Corp.

The oldest rocks in the Lordsburg district are Cretaceous, pre-Laramide age metasediments and overlying basaltic-andesite and rhyolitic volcanic rocks. These sequences were intruded by a Laramide age, intermediate, porphyritic, composite stock that altered the older rocks to propylitic assemblages and generated the mineralized veins exploited by the historic underground mines. Later, post-Laramide andesites and rhyolitic pyroclastic rocks and recent alluvium partially covered the Laramide age porphyry. The Laramide rocks of Southwestern New Mexico were emplaced during a period of regional tectonic compression and then subjected to regional extension during the middle and later Tertiary. This change resulted in post mineral rotation, segmentation, and burial of post-Laramide and older rocks under Quaternary and recent alluvial deposits. The Lordsburg district was subjected to similar tectonic stresses.

The wall rock alteration assemblages, the composite nature of the Lordsburg stock, the presence of breccia pipes and felsic and mafic dikes, and the geometry of vein and fault patterns point to the possible presence of an actively differentiating porphyry system that could have generated a porphyry copper deposit. The extensional tectonic regime, considered in its regional context raises the distinct possibility that a porphyry copper deposit in the Lordsburg district could be rotated, and/or structurally dismembered, and/or buried beneath later cover.

Limited modern mineral exploration at Lordsburg has been focused on porphyry copper deposits. Regional geological synthesis and project scale geological mapping campaigns, geochemical sampling, and geophysical surveys led to diamond drilling campaigns by Entrée Gold, Santa Fe Gold and American Copper Development Corporation, testing only a small portion of the project area. Between 2008 and 2009, Entrée Gold Inc. mapped the eastern and southeastern portion of the district, collected soil and rock geochemical samples, completed magnetic, audio-frequency magneto telluric and induced polarization surveys, and drilled 13 core holes, encountering potassic alteration on surface, and low-grade porphyry copper mineralization in eight of 13 core holes. Santa Fe Gold Company mapped, sampled, and conducted a limited scale, controlled source, audio-frequency magneto telluric survey in the northern part of the project area in 2011. Their work was largely focused on the search for narrow vein, underground base, and precious metal feed for their Bonney mill and for smelter flux, but they recognized the pervasive and intensive propylitic alteration of the Laramide andesites and granodiorite stock. Their drilling was not designed specifically to test for porphyry copper mineralization however, their geologists recognized metallogenic and wall rock alteration zoning patterns that indicated the possible presence of a porphyry centers beneath the 85 and the Misers Chest mines. Waterton Global Resource Management completed high-level desktop studies of the district between 2016 and 2020, that included a green-rock study, a review of satellite and hyperspectral data, and processing of publicly available magnetic data, concluding that porphyry copper potential in the district warranted further investigation.

American Copper Development Corporation commissioned a 3D Titan DCIP and MT survey of the entire Lordsburg District, completed between August 2022 and January 2023. The 3D DCIP and MT survey and data generated by Entrée Gold and Santa Fe Gold selected multiple drill targets. An initial 5,000m drill program to test for porphyry copper mineralization began on March 25, 2023, and was completed on July 5, 2023. Six drill holes were completed for a total of 4,662m. Final analytical results were released to the public on September 11, 2023, www.newsfilecorp.com/release/180134.

QUALIFIED PERSONS

Mark Osterberg Ph D., a "Qualified Person" as defined by NI 43-101, has reviewed the scientific and technical information that forms the basis for the mineral property disclosure of the Lordsburg Project in this MDA and has approved the disclosure herein. Mr. Osterberg is independent of the Company.

SUMMARY OF QUARTERLY RESULTS

The following selected financial data have been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements. The following is a summary of selected financial data for the Company for its eight completed financial quarters ended September 30, 2026.

Quarter Ended Amounts in 000's	Sep 30, 2026	June 30, 2026	Mar. 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025	Mar. 31, 2025	Dec. 31, 2024
Net gain (loss)	(63)	(40)	(54)	219	(363)	(59)	(58)	(17,185)
Earnings (loss) per share – basic and diluted	(0.01)	(0.00)	(0.00)	0.01	(0.02)	(0.00)	(0.00)	(0.95)
Total assets	1,009	1,009	1,021	1,059	858	155	175	224
Working capital(deficit)	(10)	368	441	182	290	(552)	(493)	(435)

During the quarter ended September 30, 2026, the Company incurred general and administrative expenditures of $61,746 which included consulting of $21,000, professional fees of $18,371 and other of $22,375.

During the quarter ended June 30, 2026, the Company incurred general and administrative expenditures of $43,758 which included consulting of $21,000, professional fees of $8,812 and other of $13,946.

During the quarter ended March 31, 2026, the Company incurred general and administrative expenditures of $55,535 which included consulting of $21,000, professional fees of $20,212 and other of $14,323.

During the quarter ended December 31, 2025, the Company incurred general and administrative expenditures of $71,279 which included consulting of $24,500, professional fees of $15,288 and other of $31,555. The Company also reversed an impairment on exploration and evaluation assets of $293,906.

During the quarter ended September 30, 2025, the Company completed a private placement with gross proceeds of $1,216,297, incurred general and administrative expenditures of $97,641 which included consulting of $31,500, professional fees of $25,347 and other of $40,794. The Company also incurred an impairment on exploration and evaluation assets of $265,428.

During the quarter ended June 30, 2025, the Company incurred general and administrative expenditures of $45,240 which included consulting of $21,000, professional fees of $10,155 and other of $14,085. The Company also incurred an impairment on exploration and evaluation assets of $14,962.

During the quarter ended March 31, 2025, the Company incurred general and administrative expenditures of $45,885 which included consulting of $3,067, professional fees of $21,251 and other of $21,567. The Company also incurred an impairment on exploration and evaluation assets of $13,516.

During the quarter ended December 31, 2024, the Company incurred general and administrative expenditures of $90,507 which included consulting of $57,337, professional fees of $12,870 and other of $20,301. The Company also incurred an impairment on exploration and evaluation assets of $17,114,259.

Nine Months ended September 30, 2026 compared to nine months ended September 30, 2025

The Company's general and administrative costs were $161,046 (2025 - $ 188,701), and reviews of the major items are as follows:

- Consulting fees of $63,000 (2025 - $55,567) consisting of fees paid to the CEO of $Nil (2025 - $17,500),

fees to the VP Exploration of $Nil (2025 - $3,067) fees to the CFO of $31,500 (2025 - $17,500) and payments for office administration of $31,500 (2025 - $17,500);

- Professional fees of $47,403 (2025 - $ 56,689) consisting of legal of $20,622 (2025 - $ 30,089) and accounting and audit of $26,781 (2025 - $26,600);

- Shareholder relations of $4,051 (2025 - $ 2,468); and

- Regulatory and transfer agent fees of $32,808 (2025 - $ 37,864) which consisted of regulatory of $12,225 (2025 - $10,790) for monthly maintenance fees, OTC Markets of $17,253 (2025 - $16,767) and transfer agent fees of $3,330 (2025 - $ 10,307).

Other items

- Impairment on exploration and evaluation assets of $Nil (2025 - $293,906) on the Lordsburg Property and the Company has resumed exploration in 2026.

Three Months ended September 30, 2026 compared to three months ended September 30, 2025

The Company's general and administrative costs were $61,746 (2025 - $97,641), and reviews of the major items are as follows:

- Consulting fees of $21,000 (2025 - $31,500) consisting of fees paid to the CEO of $Nil (2025 - $10,500), fees to the VP Exploration of $Nil (2025 - $ Nil) fees to the CFO of $10,500 (2025 - $10,500) and payments for office administration of $10,500 (2025 - $10,500);

- Professional fees of $18,371 (2025 - $25,347) consisting of legal of $5,395 (2025 - $15,247) and audit and accounting of $12,976 (2025 - $10,100); and

- Regulatory and transfer agent fees of $12,395 (2025 - $12,249) which consisted of regulatory of $3,960 (2025 - $2,625), OTC Markets of $5,766 (2025 - $5,749) and transfer agent of $2,669 (2025 - $3,875).

Other items

- Impairment on exploration and evaluation assets of $Nil (2025 - $265,428) on the Lordsburg Property and the Company has resumed exploration in 2026.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2026, the Company has working capital deficit of ($10,518) (December 31, 2025, working capital of $182,139). The Company currently has no operating revenues and relies primarily on equity financing for cash to run its business. Because of economic conditions, globally, there is uncertainty in capital markets, and the Company anticipates that it and others in the mineral resource sector may have limited access to capital. Although the business and assets of the Company have not changed, investors have increased their risk premium and their overall equity investment in the mining sector has diminished. The Company continually monitors its financing alternatives and expects to increase its treasury through private placements to support and bolster its exploration activities.

The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. There can be no assurance that such funds will be available on favorable terms, or at all.

During the nine months ended September 30, 2026

On February 23, 2026, the Company entered into a debt settlement agreement to settle an aggregate of $350,000 in outstanding debt related to certain milestone payment obligations through the issuance of 1,166,666 common shares at a deemed price of $0.30 per share to a non-related party.

On June 30, 2026, the Company had 88,889 warrants exercised for proceeds of $26,667.

During fiscal 2025

On February 24, 2025, the Company consolidated its common shares on the basis of five pre-consolidated common shares for one post-consolidated common shares of the Company resulting in 18,580,452 common shares and on March 20, 2025, had 3 common shares returned to treasury.

On August 14, 2025, the Company closed a non-brokered private placement of 5,405,763 units at a price of $0.225 per unit for gross proceeds of $1,216,297. Each unit will be composed of one common share of the company and one transferable share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of $0.30 per common share expiring February 14, 2027. Share issue costs of $11,640 were incurred in connection with the shares issued and were recorded as an offset to share capital.

In connection with the non-brokered private placement, the 5,405,763 common shares and 5,405,763 transferable share purchase warrants were subject to a voluntary lock up ("lock up shares"). 1/3rd of the lock up shares and warrants were each released on February 14, 2026, and August 14, 2026, and the last 1/3rd of the lock up shares and warrants will get released on February 14, 2027.

SHARE CAPITAL

(a) As of the date of the MDA the Company has 25,241,767 issued and outstanding common shares. The authorized share capital is unlimited no-par value common shares.

(b) As at the date of the MDA the Company has 230,000 incentive stock options outstanding.

(c) As at the date of the MDA the Company has 5,316,874 share purchase warrants.

RELATED PARTY TRANSACTIONS

Key management personnel include those people who have authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Key management personnel compensation for the period ended September 30, were:

	2026	2025
Short-term benefits paid or accrued:		
Consulting fees	$ 31,500	$ 35,000
Total remuneration	$ 31,500	$ 35,000

OFF BALANCE SHEET ARRANGEMENTS

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

INVESTOR RELATIONS

The Company has no investor relations contracts and Anthony Paterson, CEO, handles any matters in regard to investor relations.

PROPOSED TRANSACTIONS

Currently the Company is not a party to any material proceedings. The Company continually evaluates new opportunities, including new properties by staking, acquisition or joint venture, and corporate consolidation or merger opportunities.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting year. Areas requiring the use of estimates in the preparation of the Company's financial statements, the carrying value and the recoverability of the exploration and evaluation assets included in the Statement of Financial Position, the assumptions used to determine the fair value of share-based payments in the Statement of Comprehensive Loss, and the estimated amounts of reclamation and environmental obligations. Management believes the estimates used are reasonable; however, actual results could differ materially from those estimates and, if so, would impact future results of operations and cash flows.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no changes in the Company's significant accounting policies during the period ended September 30, 2026, that had a material effect on its financial statements. The Company's significant accounting policies are disclosed in Note 2 to its audited annual financial statements for the year ended December 31, 2025.

NEW STANDARDS AND INTERPRETATIONS

Future changes in accounting policy

Several new standards, and amendments to standards and interpretations, are not yet effective for the period ended September 30, 2026, and have not been applied in preparing the financial statements. These new standards are either not applicable or are not expected to have a significant impact on the Company's financial statements.

RISKS AND UNCERTAINTIES

Liquidity, Financing and Going Concern Risks

The Company has limited financial resources. There is no assurance given by the Company that it will be able to secure the financing necessary to explore, develop and produce its mineral properties. The Company does not presently have sufficient financial resources or operating cash-flow to undertake by itself all its planned exploration and development programs. The development of the Company's properties may therefore depend on the Company's ability to obtain additional required financing. There is no assurance the Company will be successful in obtaining the required financing on terms acceptable to it, or at all, the lack of which could result in the loss or substantial dilution of its interests (as existing or as proposed to be acquired) in its properties. The Company's ability to continue as a going concern is dependent on its ability to raise equity capital financings, exploration success, the attainment of profitable operations and the completion of further share issuances to satisfy working capital and operating needs.

The Company, as of September 30, 2026, has working capital deficit of ($10,518) (December 31, 2025, working capital of $182,139).

Exploration and Development Risks

There is no assurance given by the Company that its exploration and development programs and properties will result in the discovery, development or production of a commercially viable deposit or ore body. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration activities will result in any discoveries of bodies of commercial ore. The economics of developing mineral properties are affected by many factors including capital and operating costs, variations of the grades and tonnages of ore mined, fluctuating metal prices, costs of mining and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Substantial expenditures are required to establish resources or reserves through drilling and other work, to develop metallurgical processes to extract metal from ore, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for exploration and/or development can be obtained on a timely basis. The marketability of any metals or minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for precious and base metals, the proximity and capacity of required

processing facilities, mineral markets and required processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

Estimates of Mineral Deposits

The Company provides no assurance that any estimates of mineral deposits or resources will materialize on any of its properties. No assurance can be given that any identified mineralization will be developed into a coherent mineralization deposit, or that such deposit will even qualify as a commercially viable and mineable ore body that can be legally and economically exploited. Estimates regarding mineralized deposits can also be affected by many factors such as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grades and tonnages of ore ultimately mined may differ from that indicated by drilling results and other exploration and development work. There can be no assurance that test work and results conducted and recovered in small-scale laboratory tests will be duplicated in large-scale tests under on-site conditions. Material changes in mineralized tonnages, grades, dilution and stripping ratios or recovery rates may affect the economic viability of projects. The existence of mineralization or mineralized deposits should not be interpreted as assurances of the future delineation of ore reserves or the profitability of any future operations.

Commodity Prices

The Company provides no assurance that commodity prices will not change. The mining industry is competitive, and commodity prices fluctuate so that there is no assurance, even if commercial quantities of a mineral resource are discovered, that a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered. The prices of precious and base metals fluctuate on a daily basis, have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the Company's control, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the U.S. dollar relative to other currencies), interest rates, central bank transactions, world supply for precious and base metals, international investments, monetary systems, and global or regional consumption patterns (such as the development of gold coin programs), speculative activities and increased production due to improved mining and production methods. The supply of and demand for precious and base metals are affected by various factors, including political events, economic conditions and production costs in major producing regions, and governmental policies with respect to precious metal holdings by a nation or its citizens. The exact effect of these factors cannot be accurately predicted, and the combination of these factors may result in the Company not receiving adequate returns on invested capital or the investments retaining their respective values. There is no assurance that the prices of gold, silver and other precious and base metals will be such that the Company properties can be mined at a profit. The Company is particularly exposed to the risk of movement in the price of copper. Declining market prices for silver and/or gold could have a material effect on the Company's profitability.

Cost Estimates May not be Accurate

The Company prepares budgets and estimates of cash costs and capital costs for our operations and our main costs relate to material costs, workforce and contractor costs, and energy costs. As a result of the substantial expenditures involved in the development of mineral projects and the fluctuation of costs over time, development projects may be prone to material cost overruns. Our actual costs may vary from estimates for a variety of reasons, including short-term operating factors; inflation and/or interest rates; revisions to development plans; risks and hazards associated with mining; natural phenomena, such as inclement weather conditions, water availability and unexpected labour issues, labour shortages, strikes or community blockades and quality of existing infrastructure being less than expected. Many of these factors are beyond our control and the inaccuracy of any estimates may result in the Company requiring additional capital and time to execute on its development and exploration plans.

Operating Hazards and Other Uncertainties

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risk, including:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- labour disputes and shortages;
- supply and shipping problems and delays;

- shortage of equipment and contractor availability;
- unusual or unexpected geological or operating conditions;
- fire;
- changes in the regulatory environment; and
- natural phenomena such as inclement weather conditions, floods, and earthquakes

These or other occurrences could result in damage to, or destruction of, mineral properties, personal injury or death, environmental damage, delays in mining, monetary losses, and possible legal liability. The Company could also incur liabilities as a result of pollution and other casualties all of which could be very costly and could have a material adverse effect on the Company's financial position and results of operations.

Competition
The Company competes with larger, better capitalized competitors in the mining industry and the Company provides no assurance that it can compete for mineral properties, future financings, technical expertise, the recruitment and retention of qualified employees and the purchase or lease of equipment and third-party servicing companies.

Title Matters
The Company provides no assurance given that it owns legal title to its mineral properties. The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to any of its mining concessions, claims and/or leases may come under dispute. While the Company has diligently investigated title considerations to its mineral properties, in certain circumstances, the Company has only relied upon representations of property partners and government agencies. There is no guarantee of title to any of its properties. The properties may be subject to prior unregistered agreements or transfers, and title may be affected by unidentified and undetected defects. Native land claims or claims of aboriginal or indigenous title may be asserted over areas in which the Company's properties are located. The Company provides no assurances that the concessions under application will be granted to it.

Community Groups
There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the jurisdictions in which it owns properties, NGOs or local community organizations could direct adverse publicity and/or disrupt the Company's operations in respect of one or more of its properties due to political factors, activities of unrelated third parties on lands in which it has an interest or its operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the Company's reputation and financial condition or its relationships with the communities in which it operates, which could have a material adverse effect on its business, financial condition, results of operations, cash flows or prospects.

Permits and Licenses Risks
The operations of the Company will require licenses and permits from various governmental authorities. The Company believes 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 intends to comply in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that the Company will be able to obtain and maintain, at all times, all licenses and permits required to undertake its proposed exploration or to place its properties into commercial production and to operate mining facilities if its exploration programs are successful. Amendments to current laws and regulations governing the operating and activities of the Company and the more stringent implementation thereof could have a substantial adverse impact on the business, financial condition, and the results of operations of the Company. Obtaining necessary permits, leases and licenses can be a complex, time consuming process and the Company cannot be certain that it will be able to obtain necessary permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits, leases and licenses and complying with these permits and applicable laws and regulations could stop, delay or restrict the Company from proceeding with the development of an exploration project or the development and operation of a mine. Any failure to comply with applicable laws and regulations or permits could result in interruption or closure of exploration, development or mining operations, or

fines, penalties, or other liabilities. The Company could also lose its licenses or permits under the terms of its existing agreements.

Environmental and Other Regulatory Requirements

The Company provides no assurance that it has met all environmental or regulatory requirements. The current or future operations of the Company, including exploration and development activities and commencement of production on its properties, require permits from various foreign, federal, state and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required in order for the Company to commence exploration, development or production on its various properties will be obtained. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, are necessary prior to operation of the other properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence exploration, construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions 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 exploration, development and mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. New laws or regulations or amendments to current laws, regulations and permits governing operations and activities of exploration and mining companies, or more stringent implementation of current laws, regulations or permits, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Reclamation

Land reclamation requirements for the Company's properties may be burdensome. There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of any potential waste rock and/or tailings and/or revisions to government regulations. Therefore, additional funds, or reclamation bonds or other forms of financial assurance may be required over the tenure of the Company's properties to cover potential risks. These additional costs may have material adverse impact on the financial condition and results of the Company.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Geopolitical Risk

The Company may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Company cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Company and may adversely affect its business.

Foreign Countries and Regulatory Requirements

The Company's mineral property interests are in countries outside of Canada, and mineral exploration and mining activities may be affected in varying degrees by political stability, changes in foreign policy, and government regulations relating to the mining industry. Any changes in regulations, foreign policy, or shifts in political attitudes may vary from country to country and are beyond the control of the Company and may adversely affect its business and its ability to operate in foreign jurisdictions. Such changes have, in the past, included nationalization of foreign owned businesses and properties. The Company's ability to operate its business may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, income and other taxes and duties, tariffs, trade, expropriation of property, environmental legislation and mine safety. These uncertainties may make it more difficult for the Company to obtain any required production financing for its mineral properties.

Litigation affecting Mineral Properties

Potential litigation may arise on a mineral property on which the Company has an interest (for example, litigation with the original property owners or neighbouring property owners). The results of litigation cannot be predicted with certainty and defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. If the Company is unable to resolve these disputes favorably or if the cost of the resolution is substantial, such events may have a material adverse impact on the ability of the Company to carry out its business plan.

Changes in Tax Laws Impacting the Company

There can be no assurance that new tax laws, regulations, policies, or interpretations will not be enacted or brought into being in the jurisdictions where the Company has interests that could have a material adverse effect on the Company. Any such change or implementation of new tax laws or regulations could adversely affect the Company's ability to conduct its business. No assurance can be given that new taxation rules or accounting policies will not be enacted or that existing rules will not be applied in a manner which could result in the profits of the Company being subject to additional taxation or which could otherwise have a material adverse effect on the profitability of the Company, the Company's results of operations, financial condition, and the trading price of the Company's securities. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make royalties or other investments and dispositions by the Company less attractive to counterparties. Such changes could adversely affect the ability of the Company to acquire new assets or make future investments and dispositions.

The Canadian Extractive Sector Transparency Measures Act (Canada) ("ESTMA"), which became effective June 1, 2015, requires public disclosure of payments to governments by mining and oil and gas companies engaged in the commercial development of oil, gas and minerals who are either publicly listed in Canada or with business or assets in Canada. Mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments and including Indigenous groups. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments, and any other prescribed payment over $100,000. Failure to report, false reporting, or structuring payments to avoid reporting may result in fines. If the Company becomes subject to an enforcement action or in violation of ESTMA, this may result in significant penalties, fines and/or sanctions imposed on us resulting in a material adverse effect on our reputation.

Uninsured Risks

The Company provides no assurance that it is adequately insured against all risks. The Company maintains insurance in such amounts as it considers to be reasonable, however, such insurance may not cover all the potential risks associated with its activities, including any future mining operations. The Company may not be able to obtain or maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration or production may not be available to the Company on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it is does not insure against or in future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on Company's business, financial condition, results of operations or prospects.

No Assurance of Profitability
The Company has no history of earnings and due to the nature of its business there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its common shares or from the sale or optioning of a portion of its interest in its resource properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether a commercial deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Currency Fluctuation and Foreign Exchange Controls
The Company maintains a portion of its funds in U.S. dollar. Certain of its property and related contracts are denominated in U.S. dollars. The Company's operations in countries other than Canada are normally carried out in the currency of that country and make the Company subject to foreign currency fluctuations and such fluctuations may materially affect its financial position and results. In addition, future contracts may not be denominated in Canadian dollars and may expose the Company to foreign currency fluctuations, and such fluctuations may materially affect its financial position and results.

Dependence on Key Individuals
The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on it.

While certain of the Company's officers and directors have experience in the exploration of mineral producing properties, the Company will remain highly dependent upon contractors and third parties in the performance of its exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms.

Substantial Number of Authorized but Unissued Shares
The Company has an unlimited number of common shares which may be issued by the Company's Board without further action or approval of the Company's shareholders. While the Company's Board is required to fulfil its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's shareholders.

Potential Volatility of Market Price of Common Shares and Related Litigation Risks
Securities of publicly listed companies such as the Company have, from time to time, experienced significant price and volume fluctuations unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the market price of Common Shares. In addition, the market price of the Common Shares is likely to be highly volatile. Factors such as gold prices, the average volume of shares traded, announcements by competitors, changes in stock market analysts' recommendations regarding the Company and general market conditions and attitudes affecting other exploration and mining companies may have a significant effect on the market price of the Company's Common Shares. It is likely that the Company's results or development and exploration activities may fluctuate significantly or may fail to meet the expectations of stock market analysts and investors and, in such event, the market price of the Common Shares could be materially adversely affected. In the past, securities class action litigation has often initiated following periods of volatility in the market price of a company's securities. Such litigation, if brought against the Company, could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on the Company's business, financial position and results of operations.

Future Sales of Common Shares by Existing Shareholders
Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares. The Company has previously completed private placements at prices per share which may be, from time to time, lower than the market price of the common shares. Accordingly, a significant number of the Company's shareholders at any given time may have an investment profit in the common shares that they may seek to liquidate.

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's recent invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on supply chain disruptions may adversely affect the Company's business, financial condition and results of operations. The extent and duration of the current Russia-Ukraine conflict and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified in this MD&A, including those relating to commodity price volatility and global financial conditions. The situation is rapidly changing and unforeseeable impacts, including on our shareholders and counterparties on which we rely and transact, may materialize and may have an adverse effect on the Company's business, results of operation and financial condition.

Conflicts of Interest

The Company provides no assurance that its directors and officers will not have conflicts of interest from time to time. The Company's directors and officers may serve as directors or officers of other mineral exploration and development companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the Company's directors and management may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The interests of these companies may differ from time to time. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against any resolution involving any such conflict. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of the Province of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether the Company will participate in any particular exploration or mining project at any given time, the directors will primarily consider the upside potential for the project to be accretive to shareholders, the degree of risk to which the Company may be exposed and its financial position at that time.

Global Economy Risk

The United States and Canadian governments announced new tariffs on imported good. This has caused significant economic uncertainty and market volatility. Management is actively assessing the situation and the effects on the Company, if any, are currently uncertain.

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by various credit crises and significant fluctuations in fuel and energy costs and metals prices, inflation rates, interest rates and significant fluctuations in commodity prices as a result of the ongoing military conflict. Many industries have been impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to international events, as government authorities may have limited resources to respond to future crises. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, supply chain disruptions, sovereign debt crises, fuel and energy costs, economic recession, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's growth and profitability. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, the strength and confidence in the U.S. dollar, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Company's securities.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk factors

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.

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to receivables is remote as they are due from the Government of Canada. The Company's cash is deposited in accounts held at a large financial institution in Canada. As such, the Company believes the credit risk with cash is remote. Receivables comprise input tax receivables due from the Government of Canada. The Company has no debt and considers the credit risk of receivables to be low.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have enough liquidity to meet liabilities when due. As of September 30, 2026, the Company had a cash balance of $153,867 (December 31, 2025 - $594,489) to settle current liabilities of $177,080 (December 31, 2025 - $447,599). All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company intends to raise additional equity financing in the coming fiscal year to meet its obligations.

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 demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company has no debt and is not subject to significant exposure to interest rate risk.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to assets, liabilities and expenditures that are denominated in USD.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss, the ability to obtain financing, or the ability to obtain a public listing due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

CAPITAL MANAGEMENT

The Company defines capital that it manages as shareholders' equity, consisting of issued common shares, stock options and warrants included in reserve, and subscriptions receivable.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration and development of exploration and evaluation assets. 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 future development of the business.

The properties in which the Company currently has an interest is in the exploration stage as such the Company has historically relied on the equity markets to fund its activities. The Company will also assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has, or as access to adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the year.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. Information concerning mineral resource/reserve estimates and the economic analysis thereof contained in preliminary economic analyses or prefeasibility studies also may be deemed to be forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining that mineralization, if a mineral deposit were developed and mined. Forward-looking statements are typically identified by words such as believe, expect, anticipate, intend, estimate, postulate, plans and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its specific mineral properties or exploration and evaluation assets;
- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company's exploration programs;
- the Company's estimates of the quality and quantity of the resources and reserves at its mineral properties;
- the timing and cost of planned exploration programs of the Company and the timing of the receipt of result thereof;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations; and
- the Company's expectation that it will be able to add additional mineral projects of merit to its existing property portfolio.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's inability to raise the necessary capital to be able to continue in business and to implement its business strategies, to identify one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on several assumptions which may

prove incorrect, including, but not limited to, assumptions about:

- the level and volatility of the price of commodities;
- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration;
- conditions in the financial markets generally;
- the Company's ability to attract and retain key staff;
- the nature and location of the Company's mineral exploration projects, and the timing of the ability to commence and complete the planned exploration programs; and
- the ongoing relations of the Company with its regulators.

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. The current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to sustain operations.

APPROVAL

The Board of Directors of the Company has approved the disclosures in this MDA.

ADDITIONAL SOURCES OF INFORMATION

Additional disclosures pertaining to the Company, including its most recent financial statements, management information circular, material change reports, press releases and other information, are available on the SEDAR website at www.sedarplus.ca. Readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.