AuMEGA Metals Ltd

Management's Discussion and Analysis

For the quarter ended 31 March 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("**MD&A**") of AuMEGA Metals Ltd ("**AuMEGA**" or the "**Company**") for the quarter ended March 31, 2025 should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and notes thereto for the quarter ended March 31, 2025. All amounts in this MD&A are in Canadian dollars unless otherwise stated. This MD&A is intended to help the reader understand the significant factors that influence the Company and its subsidiaries (collectively, the "**Group**") and such factors that may affect its future performance. This MD&A has been prepared as of April 28, 2025.

The unaudited condensed consolidated interim financial statements were prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and International Financial Reporting Standards IAS 34 'Interim Financial Reporting'. Please consult the unaudited condensed consolidated interim financial statements for the quarter ended March 31, 2025, for more complete financial information.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements and "forward-looking information" within the meaning of applicable Canadian securities laws (collectively, "forward-looking statements"). These statements relate to future events or the Company's future performance, business, operations and condition of the Company. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions (including negative and grammatical variations). These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following: development of resources by AuMEGA; treatment under governmental regulatory and taxation regimes; the Company's ability to raise capital; prospecting at the Hermitage property and the timing thereof; the Company's future funding obligations; the Company making long-term decisions that are in the best interest of the business and its owners and that manage the Company's risks; the potential of the Hermitage Project; the implementation or completion of the Company's exploration initiatives on its projects; the Company's ability to fund its future obligations and the sources of such funding; the Company's strategy to enhance shareholder value through significant gold discoveries in Newfoundland; whether the Company's technical analysis, geological expertise, and sound commercial judgment will enable the Company to enhance shareholder value; the Company's cash flow forecasts for the 12 months ending March 31, 2026; the Company's plans to continue its focus on exploration and development of mineral interests; the Company's expectation to incur losses until such time as a property enters into commercial production and generates sufficient revenues to fund its continuing operations; the Company's future operating expenses and capital expenditures; the Company's approach to managing liquidity will enable the Company to have sufficient cash to meet its liabilities when they are due without incurring unacceptable losses or risking damage to the Company's reputation; resuming the Bunker Hill winter drill program in July 2025 and the number of metres of Diamond and Reverse Circulation drilling; timing of Bunker Hill assay results from winter RC and diamond drilling; spring and summer exploration targeting undrilled zones at Central Zone SW and Cape Ray West; delineation of several key areas for follow-up, including targeted diamond drilling and additional prospecting at Hermitage; the Company's intention to initiate detailed geological mapping and prospecting activities across key target areas; upcoming fieldwork aimed at further evaluating Blue Cove's potential; the Company's continued periodic review of disclosure controls and procedures and internal control over financial reporting; and the Company's ability to fund its operational and administrative expenditure and continue to operate as a going concern.

Forward-looking statements are made based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. With respect to forward-looking statements listed above and contained in this MD&A, the Company has made assumptions regarding, among other things: the legislative and regulatory environment; the unpredictability of changes to the market prices for minerals; that costs related to development of mineral properties will remain consistent with historical experiences; anticipated results of exploration activities; the costs of its exploration activities; the Company's ability to obtain additional financing on satisfactory terms; mining development risks; litigation risks; liquidity risks; the speculative nature of mineral exploration; the global economic climate; dilution; and share price volatility. Although the Company has attempted to identify important factors that could cause` actual results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actual results, performance or achievements not to be as anticipated, estimated or intended.

The Company's actual results, performance or achievements could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth in this MD&A under the heading "Risk Factors" including the following: volatility in the market prices of minerals, uncertainties associated with estimating mineral resources, geological problems, technical problems, exploration problems, processing problems, liabilities and risks including environmental liabilities and risks inherent in the exploration and mining, fluctuations in currency and interest rates, incorrect assessments of the value of acquisitions, unanticipated results of exploration activities, competition for capital, competition for acquisitions of mineral resources and reserves, competition for undeveloped lands, competition for skilled personnel, political risks and unpredictable weather conditions.

CAUTIONARY NOTE REGARDING MINERAL RESOURCES

Scientific and technical information contained in this MD&A was reviewed and approved by Spencer Vatcher (Principal at Silvertip Exploration) for AuMEGA, who is a "qualified person" as defined by Canada's National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. Mineral resources which are not mineral reserves do not have demonstrated economic viability. Information on data verification performed on, and other scientific and technical information relating to, the Company's mineral property mentioned in this MD&A is included in the technical report titled "Technical Report on the Cape Ray Gold Project, Newfoundland, Canada" dated May 28, 2024 (with an effective date of May 26, 2024), prepared by Trevor Rabb (P. Geo.) and Ronald Voordouw, (P. Geo) of Equity Exploration Consultants Ltd., and Andrew Kelly (P. Eng.) of Blue Coast Research, a copy of which is available under the Company's profile at www.sedarplus.ca.

Business Overview

Core Business

AuMEGA Metals Ltd is an Australian corporation with a dual listing. Its primary listing is on the Australian Securities Exchange ("ASX") under the ticker AAM, with a secondary listing on the TSX Venture Exchange ("TSXV") under the ticker AUM. The Company is also quoted in the United States on the OTCQB under the symbol AUMMF.

AuMEGA's registered office is located at 24 Hasler Road, Osborne Park, Western Australia 6017, with a Canadian office at 10060 Jasper Avenue, Tower 1, Edmonton, Alberta, T5J 3R8. The Company operates through two wholly owned subsidiaries:

- **Matador Canada Pty Ltd**, incorporated in Western Australia on March 21, 2018
- **Cape Ray Mining Limited**, incorporated in Nova Scotia on September 4, 2019

Exploration Focus and Asset Portfolio

AuMEGA is a mineral exploration company focused on advancing its principal gold assets in Newfoundland and Labrador, Canada—specifically on the island of Newfoundland.

The Company controls a substantial tenement package primarily located along the Central Regional Structural Zone (CRSZ), Newfoundland's largest known gold-bearing structure. This highly prospective corridor also hosts Calibre Mining's 5.1-million-ounce Valentine Gold Mineral Resource.

AuMEGA's current Mineral Resource Estimate[1] includes:

- **Indicated**: 6.2 million tonnes at 2.25 g/t gold for 450,000 ounces
- **Inferred**: 3.4 million tonnes at 1.44 g/t gold for 160,000 ounces

The Company's CRSZ tenements span approximately 110 kilometres of continuous strike in a largely underexplored region. Additionally, the Hermitage Project—covering a 27-kilometre strike along the Hermitage Flexure—hosts multiple gold and critical mineral showings. AuMEGA also holds an option to acquire 100% of the Blue Cove Copper Project, further diversifying its portfolio.

[1] News Release dated 30 May 2023

Strategic Positioning

AuMEGA is supported by a strong base of strategic and institutional investors, including B2Gold, a globally recognized gold producer with a proven track record in exploration, development, and operations.

The Company's strategy is to deliver long-term shareholder value through major gold discoveries in Newfoundland. This is underpinned by a disciplined exploration approach, deep technical expertise, and prudent, risk-managed decision-making—ensuring operational control and capital efficiency across all activities.

Financial Overview

The Company closed the first quarter ended 31 March 2025 with a cash balance of $13.1 million, compared to $15.7 million as at 31 December 2024. The decrease primarily reflects expenditures associated with the Company's winter drill program at the Bunker Hill Project ("Bunker Hill").

First Quarter 2025 Highlights

Exploration

- **Bunker Hill Summer to Resume in July**: Diamond drilling to restart with the goal of completing up to 10,000 metres of diamond and reverse circulation (RC) drilling.
- **Bunker Hill Winter Assays Pending**: Results from winter RC and diamond drilling expected shortly, with consistent news flow to follow.
- **Strategic Bunker Hill Project Expansion**: New claims staked south of Bunker Hill provide full strike extent of primary shear zone.
- **Cape Ray Spring and Summer Exploration**: Exploration to target undrilled zones at Central Zone SW and Cape Ray West.
- **Blue Cove Gold Sample[2]**: Highest-ever gold assay (2.57 g/t Au) recorded during first-pass prospecting.
- **District-Scale Upside**: Multiple underexplored targets across a highly prospective land package.

[2] News release dated 10 April 2025

Corporate

- **Strong Financial Position:** Ended the quarter with a robust cash balance of CAD $13.1 million.
- **Executive Appointment:** After quarter-end, appointed highly experienced geologist Mike Skead as President.
- **Political Recognition:** Cape Ray identified as a “top priority” project by the Canadian Conservative Party, promising expedited support if elected.
- **Continued Regional M&A Activity:** Proposed merger of Equinox Gold and Calibre Mining highlights the Cape Ray-Valentine shear as an emerging gold mining district.

Selected Financial Information

The following table summarizes key first quarter 2025 financial information:

	3 months ended March 31 2025	3 months ended March 31 2024
	(‘000s)	*(‘000s)*
Other Income	1,105	50
Net (loss)	(367)	(586)
Net comprehensive (loss)	(367)	(586)
Per common share, basic (cents)	(0.07)	(0.11)
Per common share, diluted (cents)	(0.07)	(0.11)

Statement of Financial Position Data		
	As at March 31 2025	**As at December 31 2024**
	('000s)	*('000s)*
Cash and cash equivalents	$13,069	$15,727
Current assets	$14,809	$17,305
Current liabilities	$4,358	$4,085
Exploration and evaluation assets	$52,380	$49,069
Total Assets	$67,387	$66,598
Total Liabilities	$13,471	$12,423
Working capital surplus	$10,451	$13,220

No dividends were declared on the Company's outstanding shares during the reporting periods.

The net loss for the three months ended 31 March 2025, was $0.4 million compared to a net loss of $0.6 million for the corresponding three-month period ended 31 December 2024. The decrease was driven primarily by an increase in other income relating to settlement of flow-through share premium liability, which was partially offset by higher income tax expenses and share based payment expenses.

Summary of Quarterly results								
	March 31 2025	**December 31 2024**	**September 30 2024**	**June 30 2024**	**March 31 2024**	**December 31 2023**	**September 30 2023**	**June 30 2023**
	('000s)	*('000s)*	*('000s)*	*('000s)*	*('000s)*	*('000s)*	*('000s)*	*('000s)*
Net (loss)	(367)	(1,610)	(928)	(941)	(732)	(3,622)	(863)	(1,457)
Per common share, basic (cents)	(0.07)	(0.29)	(0.18)	(0.18)	(0.14)	(1.98)	(0.27)	(0.46)

Explanation of Quarterly results

During the three months ending 31 March 2025, the Company recorded a net loss of $0.4 million. The net loss was mainly comprised of administration expenses of $0.3 million, consultants and management expenses of $0.2 million, share-based payments expense of $0.1 million and business development costs of $0.1 million. It was offset by settlement of flow-through share premium liability of $1.0 million and interest income of $0.1 million

During the three months ending 31 December 2024, the Company recorded a net loss of $1.6 million. The net loss was mainly comprised of exploration and evaluation asset write-offs of $0.5 million, administration expense of $0.3 million, consultants and management expenses of $0.4 million, share-based payments expense of $0.1 million and taxation expense of $0.4 million. It was offset by settlement of flow-through share premium liability of $0.2 million and interest income of $0.1 million.

During the three months ending 30 September 2024, the Company recorded a net loss of $0.9 million. The net loss was mainly comprised of administration expenses of $0.2 million, consultants and management expenses of $0.2 million, share-based payments expense of $0.4 million and taxation expense of $0.5 million. It was offset by settlement of flow-through share premium liability of $0.4 million and interest income of $0.1 million.

During the three months ending 30 June 2024, the Company recorded a net loss of $0.9 million. The net loss was mainly comprised of administration expenses of $0.4 million, consultancy and management expenses of $0.2 million, share-based payments expense of $0.4 million and taxation expense of $0.4 million. It was offset by settlement of flow-through share premium liability of $0.4 million and government grants of $0.1 million.

During the three months ending 31 March 2024, the Company recorded a net loss of $3.6 million. The net loss was mainly comprised of administration expenses of $0.3 million, consultants and management expenses of $0.3 million, share-based payments expense of $0.1 million and a one-off impairment charge of $2.8 million. It was offset by settlement of flow-through share premium liability of $0.1 million.

During the three months ending 31 December 2023, the Company recorded a net loss of $1.5 million. The net loss was mainly comprised of administration expenses of $0.3 million, consultants and management expenses of $0.3 million, share-based payments expense of $0.7 million and a one-off impairment charge of $2.8 million.

During the three months ending 30 September 2023, the Company recorded a net loss of $0.9 million. The net loss was mainly comprised of administration expenses of $0.5 million, consultants and management expenses of $0.2 million, share-based payments expense of $0.1 million. It was offset by settlement of flow-through share premium liability of $0.1 million.

During the three months ending 30 June 2023, the Company recorded a net loss of $1.5 million. The net loss was mainly comprised of administration expenses of $0.5 million, consultants and management expenses of $0.3 million, share-based payments expense of $0.2 million and income tax expense of $0.4 million. It was offset by settlement of flow-through share premium liability of $0.1 million.

Discussion of Operations

During the first quarter, the Company launched a major winter drill program targeting high-priority exploration areas at Bunker Hill. The program commenced in February with diamond drilling at the Nitty Gritty target, utilizing two diamond drill rigs. Nitty Gritty is considered a compelling copper-gold prospect, supported by results from the Company's Summer 2024 prospecting campaign, which returned outcrop samples grading up to 17% copper and 19.1 g/t silver[3].

Upon completion of drilling at Nitty Gritty (with assays currently pending), the Company advanced its efforts in early March to a second target located approximately four kilometres from Bunker Hill West. This area is also viewed as highly prospective, particularly for high-grade gold mineralization. Historical prospecting in this zone returned outcrop samples grading 18.67 g/t and 12.25 g/t gold[4], reinforcing its potential for a significant gold discovery.

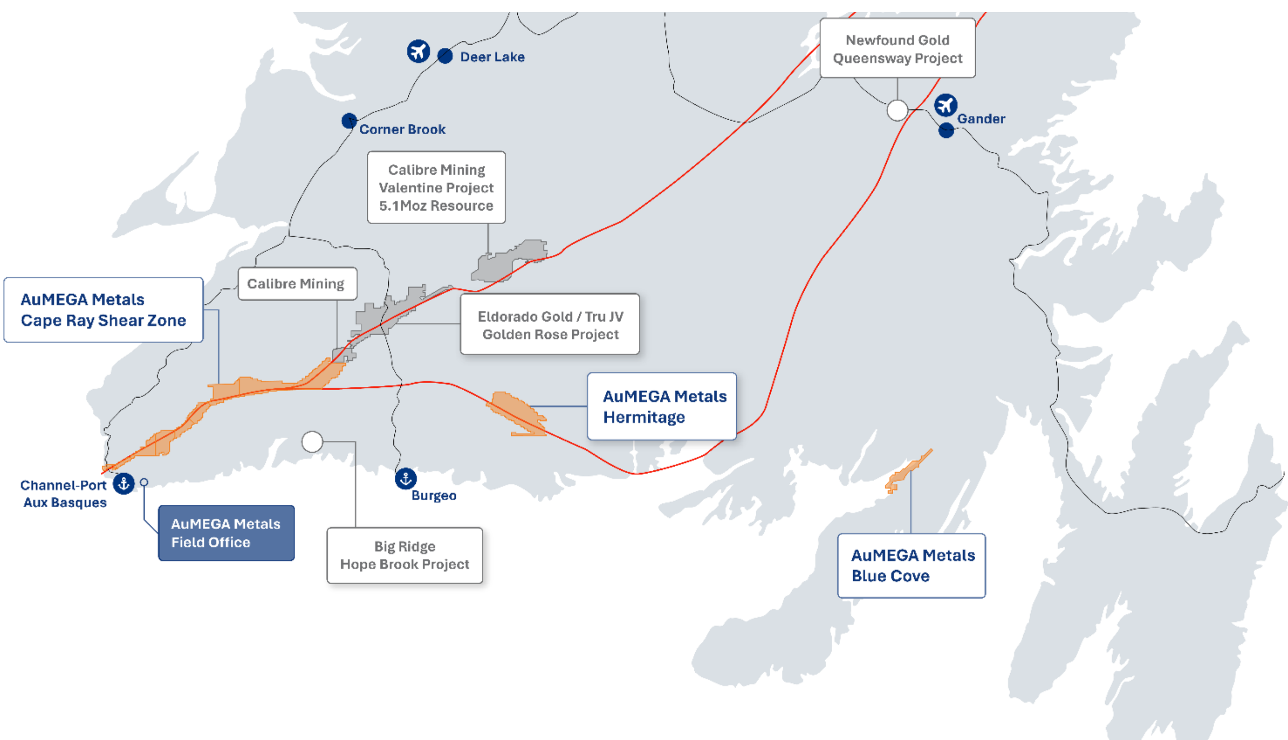

FIGURE 1: AUMEGA PORTFOLIO OF PROJECTS

[3] News release dated 24 September 2024
[4] News releases dated 22 March 2023 and 24 September 2024

Exploration Activities

Bunker Hill Winter Drill Program

The 2025 winter drill program at Bunker Hill concluded on 22 April 2025, with demobilization of equipment earlier than expected due to milder-than-expected weather conditions. At peak activity, the program deployed two diamond drill rigs and one RC drill rig.

Despite weather-related constraints shortening the duration of the program, the Company successfully completed 14 diamond drill holes at various targets including Nitty Gritty and 147 short RC holes across the corridor between Nitty Gritty and Bunker Hill West. In total, the Company drilled nearly 5,000 metres during the winter campaign.

Diamond drilling is scheduled to resume in July 2025, with the objective of completing the metres originally planned. The high-priority Bunker Hill West target, which could not be drilled during the winter due to time limitations, is expected to be a key focus when drilling resumes. The Company also plans to leverage the existing winter camp infrastructure to support expanded exploration efforts throughout the summer months.

Samples from multiple RC holes and the initial diamond drill holes have been submitted for gold analysis by fire assay and multi-element analysis. Assay results are pending.

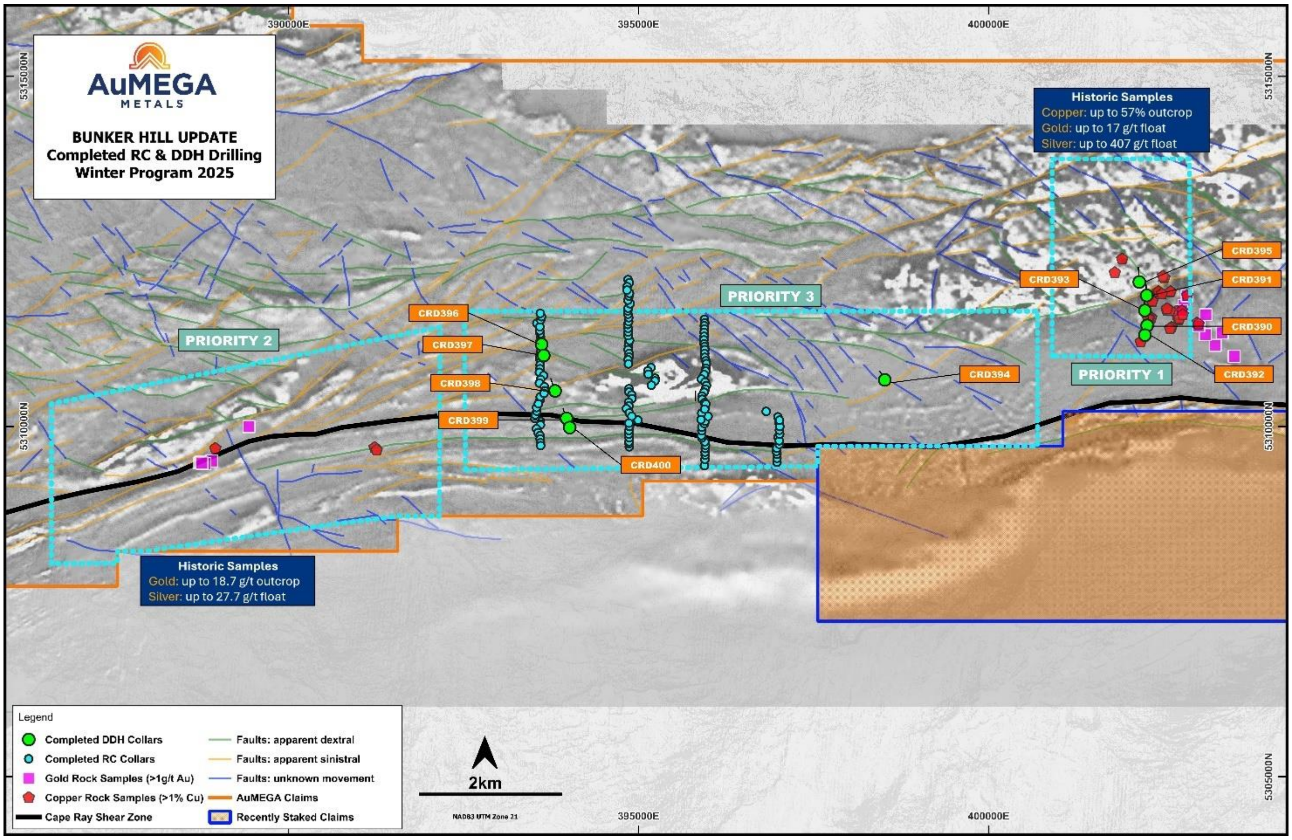

FIGURE 2: BUNKER HILL DRILL PROGRAM[5]

Bunker Hill Mineral Claims Acquired

On 8 April 2025, the Company strategically expanded the Bunker Hill Project[6] footprint through the staking of 173 mineral claims, covering an additional 43 km^2 along the southern margin of the project area. These newly acquired claims became available for staking and were promptly secured based on internal and third-party assessments highlighting their high prospectivity with potential splays from the Cape Ray Shear extending into this area.

The staked area encompasses the full strike length of the primary structural corridor and significantly increases the Company's area of influence. It also captures several north-south trending, cross-cutting brittle structures identified in the high-resolution geophysical survey completed by the

[5] News releases dated 15 October 2024, 6 April 2023, 22 March 2023 and 14 April 2021
[6] News release dated 10 April 2025

Company in 2024[7]. This expansion further strengthens the geological potential of the Bunker Hill Project and supports the Company's long-term exploration strategy.

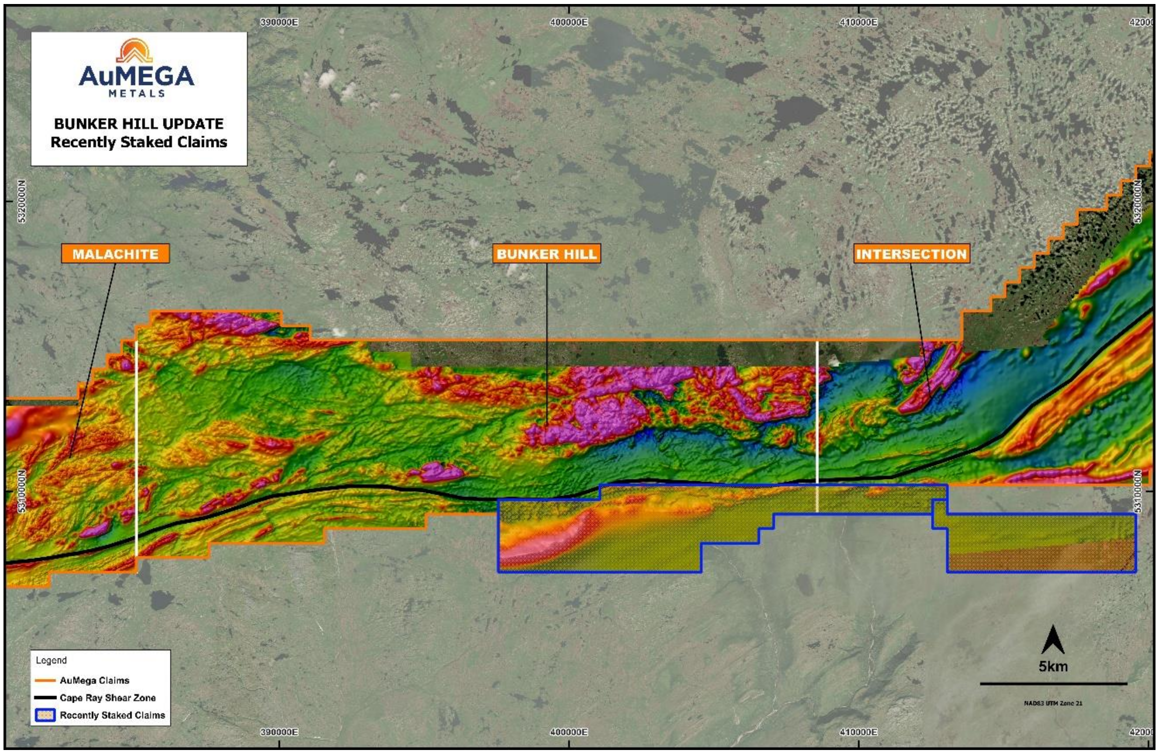

FIGURE 3: RECENTLY STAKED CLAIMS AT BUNKER HILL. IMAGE IS REDUCED TO POLE AIRBORNE MAGNETICS

Hermitage Gold and Antimony Project

Hermitage Property comprises 27 kilometres of continuous strike along the Hermitage Flexure—a major crustal-scale suture zone that marks the boundary between the Dunnage and Gander geological zones. The Dunnage Zone hosts volcanic and turbidite sequences that are regionally recognized for their potential to host gold deposits, both in Newfoundland and in globally significant gold camps such as the Bendigo Terrane in Victoria, Australia—home to Agnico Eagle's high-grade Fosterville Gold Mine.

[7] News release dated 24 October 2024

In early February 2025, the Company announced the results of a high-resolution airborne magnetic [8]geophysical survey over the Hermitage Gold-Antimony Project ("Hermitage"). The survey covered approximately 234 km^2 and comprised 4,756 line-kilometres. Key findings from the program include:

- **Significant Geological Complexity:** The survey revealed a network of second- and third-order fault systems across the full 27-kilometre strike, underscoring the structural complexity and exploration potential of the Project.
- **Correlation with High-Grade Samples:** Several major structural features correspond with previously reported high-grade surface samples, including 7.31 g/t gold, 193 g/t silver, and 2,044 ppm stibnite (antimony).[9]
- **Target Definition in Progress:** A detailed geophysical interpretation is currently underway to define specific drill targets. These targets will inform upcoming prospecting activities and support the Company's inaugural diamond drill campaign, planned for later in 2025.

This latest work highlights the Project's potential to host a significant gold-antimony system within a geologically favorable setting analogous to several globally recognized mining districts.

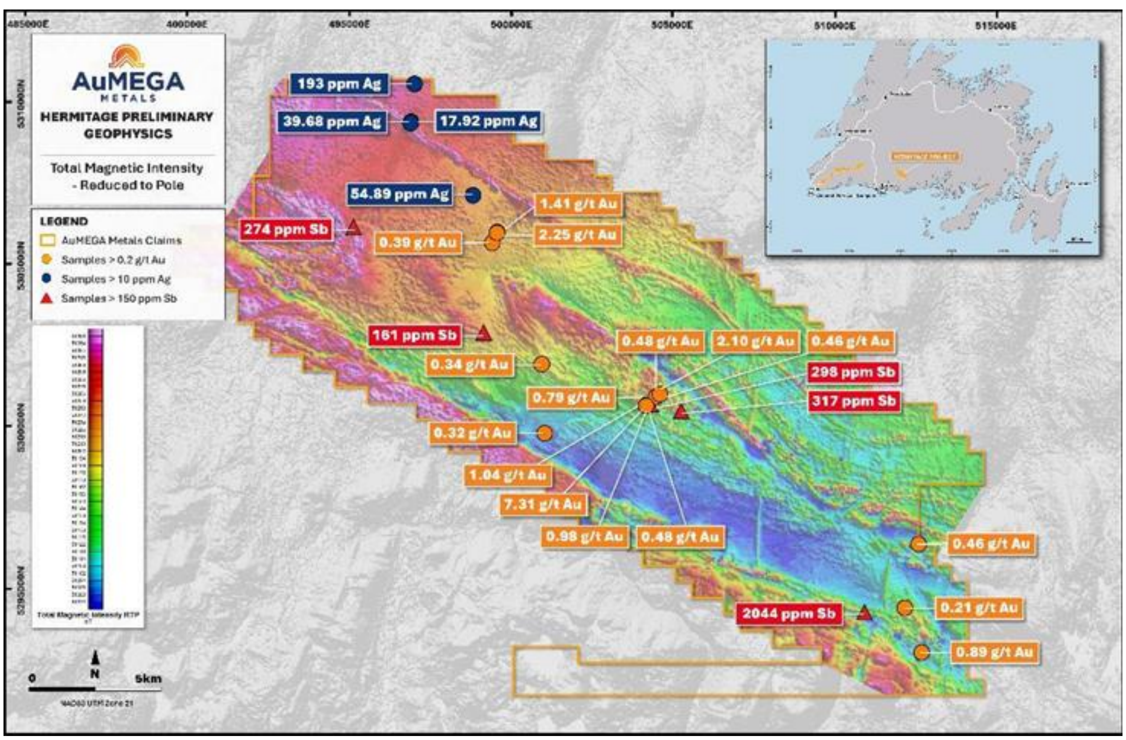

FIGURE 4: HERMITAGE HIGH-RESOLUTION AIRBORNE MAGNETIC SURVEY

[8] News release dated 4 February 2025
[9] News releases dated 5 September 2024, 4 July 2024, 2 November 2023, 13 September 2023 and 17 May 2023

Airborne Magnetic Survey Overview

The Company completed a high-resolution airborne magnetic survey across the Hermitage project area in late 2024. The survey, conducted by SHA Geophysics, covered approximately 234 km^2, encompassing 4,756 line-kilometres flown at 50-metre line spacing and a sensor height of 30 metres. The program spanned 27 kilometres of continuous strike along the Hermitage Flexure, targeting a structurally complex and underexplored region of Newfoundland.

Survey Results and Interpretation

The airborne magnetic imagery has unveiled significant structural boundaries and large-scale deformation features, further supporting Hermitage's classification as a high-priority Greenfields exploration target. Uniquely, the Hermitage structural corridor trends northwest-southeast—opposite to the predominant northeast-southwest structural orientation observed elsewhere in the province—highlighting its distinct geological setting.

The geophysical results indicate that the Hermitage structural domain is highly favourable for the development of large dilation zones capable of hosting mineralizing fluids. This is analogous to structural and mineralization styles observed along the same regional suture at Newfound Gold's (TSXV: NFG) Queensway Project.

Anomalous to high-grade gold-antimony-silver mineralization has been identified across the full 27-kilometre strike, hosted within quartz and quartz-carbonate veins in mixed sedimentary and volcanic rocks. Due to limited outcrop exposure, the Company focused early prospecting efforts on accessible stream beds. These areas have yielded the highest-grade surface samples to date, including:

- **Gold:** Up to 7.31 g/t
- **Silver:** Up to 193 g/t
- **Stibnite (Antimony):** Up to 2,044 ppm

Numerous quartz-carbonate vein systems—interpreted to be late to syn/post-deformation—have been observed in the limited exposures available. Many of these mineralized zones correspond with northeast-southwest trending fault structures evident in the magnetic data, suggesting a strong structural control on mineralization.

The Company has delineated several key areas for follow-up, including targeted diamond drilling and additional prospecting. Early fieldwork success, despite minimal surface exposure, underscores the potential for undiscovered primary gold mineralization under shallow cover. The presence of multiple deformation and veining phases further supports an active and prolonged mineralizing system within this highly prospective geological setting.

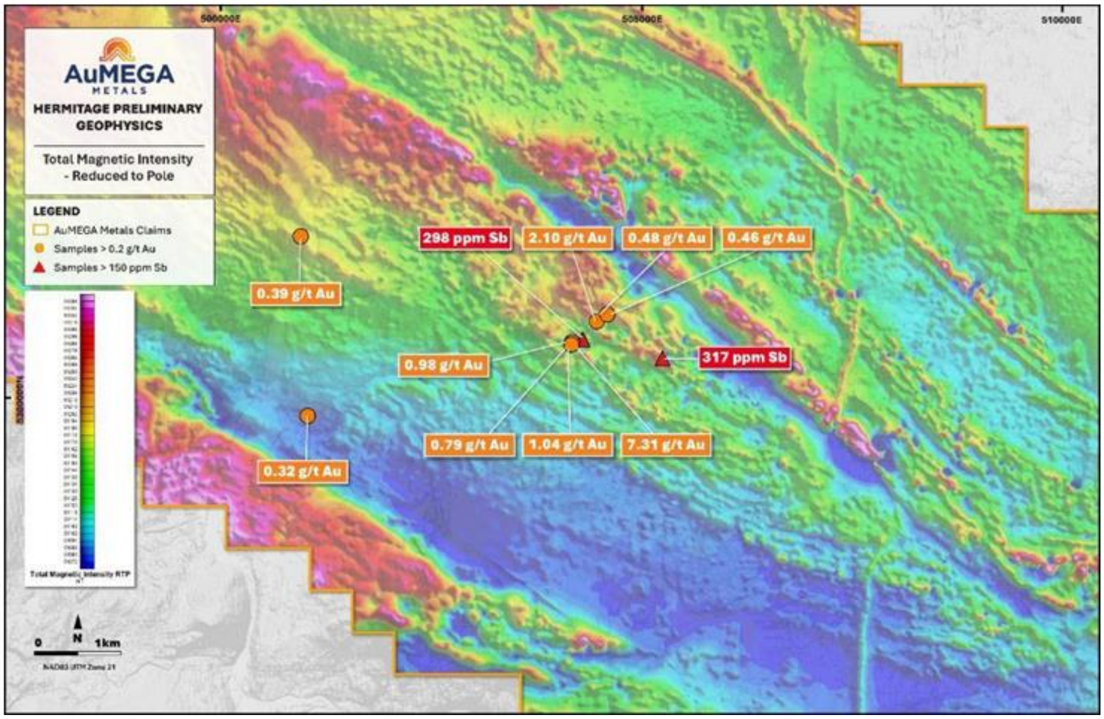

FIGURE 5: CENTRAL ZONE OF HERMTIAGE

Next Steps at Hermitage

The Company is currently conducting a comprehensive interpretation of the recently acquired geophysical data in conjunction with historical exploration results. This analysis will inform the next phase of fieldwork planned for 2025.

The Company intends to initiate detailed geological mapping and prospecting activities across key target areas identified through the airborne magnetic survey. These programs will refine drill targeting and enhance geological understanding across the 27-kilometre strike length.

Blue Cove Prospecting Update

In late 2024, the Company completed a broad, reconnaissance-style prospecting program at the Blue Cove Project, located on Newfoundland's Burin Peninsula. This underexplored property spans approximately 25 kilometres of strike length and represents a significant Greenfields exploration opportunity within the Company's portfolio.

A total of 22 rock samples were collected during the program, returning assay results ranging from background levels to a peak gold value of **2.57 g/t gold** (Sample MR001961). This sample—collected from a previously unsampled and unexplored part of the property—represents the highest gold assay ever recorded at Blue Cove[10].

Another notable result includes **302 ppb gold** from Sample MR001953, taken from the northeastern margin of the claim block. Both samples were collected from quartz veins measuring 1 to 1.5 metres wide and hosted within mafic volcanic rocks. The presence of widespread veining in these areas is considered highly encouraging and suggests the potential for broader mineralized systems across the property.

Due to access limitations during the program, the Company was unable to sample the historical Blue Cove copper-silver showing—where historical assays have returned values of up to **10.6% copper** and **106 g/t silver**. This high-priority target will be a focus of upcoming fieldwork aimed at further evaluating its potential.[11]

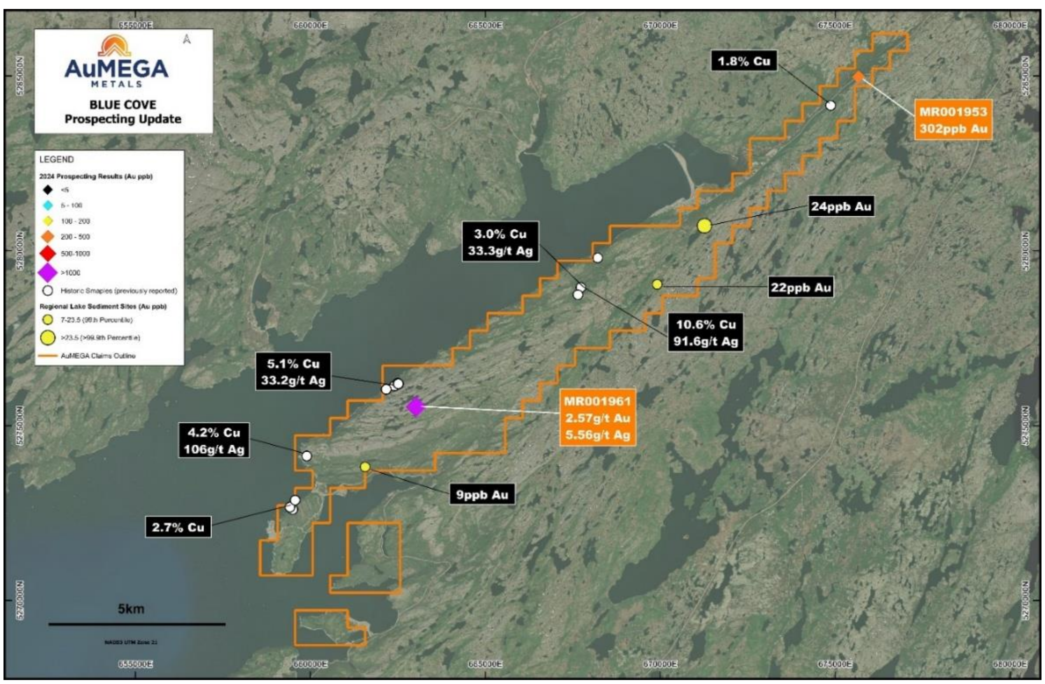

FIGURE 6: BLUE COVE PROSPECTING SAMPLE LOCATION

[10] News release dated 10 April 2025
[11] News release dated 1 May 2024

Strategic Appointment of President

Following the end of the quarter, AuMEGA announced the appointment of Mike Skead as President, effective 1 May 2025. Mr. Skead will be a senior executive with the Company and will drive the exploration strategy, lead the exploration programs and play a key role in driving value creation for shareholders.

Mr. Skead has over 30 years of international experience in mineral exploration and development. He holds a BSc (Honours) in Geology from the University of Cape Town and an MSc in Exploration Geology from Rhodes University. His expertise spans multiple deposit types including orogenic lode gold, copper-gold porphyry, epithermal gold-silver, and sediment-hosted gold systems.

Prior to joining AuMEGA, Mr. Skead held senior leadership roles with several globally recognized mining companies, including:

- Vice President of Project Development at GT Gold Corp.
- Director of Geoscience at Newmont Corporation
- Senior positions at Goldcorp, Dundee Resources, Banro Corporation, Ashanti Goldfields, SAMAX Resources Ltd., and Genmin

His track record of exploration success and project execution in remote regions will be instrumental in advancing AuMEGA's growth ambitions.

Liquidity, Capital Resources, and Outlook

The Company had $13.1 million in cash as at 31 March 2025 and the Company's cash flow forecasts for the 12 months ending 31 March 2026 indicate that the Company expects to meet its committed operational and administrative expenditures and thus continue to operate as a going concern.

No adjustments have been made relating to the recoverability and classification of recorded asset amounts nor to the amounts or classification of liabilities that might be necessary should the Group not continue as a going concern.

To facilitate the management of its capital requirements, the Company prepares annual operating budgets which are approved by the Board of Directors. The Company regularly monitors its cash flow and prepares regular forecasts based on changes in operations and/or economic conditions to facilitate management of its capital requirements.

Contractual Obligations					
Payments Due by Period *('000s)*	**Total**	**Less than 1 year**	**1-2 years**	**2-5 years**	**After 5 years**
Non-interest bearing					
Trade Payables	$2,398	$2,398	-	-	-
Interest bearing					
Lease liabilities	$51	$35	$15	-	-
Total Contractual Obligations	**$2,499**	**$2,434**	**$15**	**-**	**-**

The Company's approach to liquidity management is focused on maintaining sufficient cash reserves to meet all financial obligations as they become due under both normal and stressed conditions while avoiding unacceptable losses or reputational risk.

As the Company currently has no revenue, income, or operating cash flow, it is entirely dependent on raising capital through the issuance of shares or other securities to fund its operations. There is no assurance that such funding will be available in the required amounts, on acceptable terms, or at all.

The carrying value of mineral exploration and evaluation assets is dependent on several factors, including the discovery of economically viable mineral resources, the Company's ability to secure financing for development, and the eventual generation of profits through production or sale of its mineral interests. The realized value of these assets may differ materially from the amounts recorded in the financial statements.

The interim financial statements have been prepared on a going concern basis, which assumes the Company will continue to operate and meet its obligations in the ordinary course of business for the foreseeable future.

As at 31 March 2025, the Company held cash of $13.1 million, down from $15.7 million as at 31 December 2024. The decline is primarily attributable to expenditures related to the winter drill program at Bunker Hill.

Current assets also declined as at 31 March 2025 compared to 31 December 2024, reflecting the drawdown in cash and cash equivalents due to continued investment in exploration activities.

Total liabilities increased to $13.5 million as at 31 March 2025, up from $12.4 million at year-end 2024, driven by a rise in deferred tax liabilities. The Company remains debt-free.

Capital Resources

To effectively meet its capital requirements, the Company prepares annual operating budgets, which are reviewed and approved by the Board of Directors. The Company also conducts regular cash flow monitoring and updates its financial forecasts to reflect changes in operational activities and broader economic conditions.

In addition, the Company has specific expenditure commitments related to its mineral licenses to maintain them in good standing.

Commitments				
Payments Due by Period *('000s)*	**Total**	**Less than 1 year**	**1-5 years**	**More than 5 years**
Minimum licence expenditure	$1,700	$1,396	$13	$291

Flow-through Financings

Historically, the Company has entered into flow-through private placements ("FT Placements") to fund exploration activities, the most recent being the 2024 FT Placements. Canadian tax rules require the Company to spend flow-through funds on "Canadian exploration expenses" (as defined in the Income Tax Act (Canada) by the end of the calendar year following the year in which they were raised.

The Company indemnified the subscribers of flow-through shares from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements.

In 2023, the Company completed a flow-through offering for $4.3 million, thus committing to spend this amount by 31 December 2024 on "Canadian exploration expenses" which qualify as "flow-through mining expenditures", as these terms are defined in the Income Tax Act (Canada) ("Resource Expenditures").

The premium on the $4.3 million flow-through offering amounted to $1.0 million. As at 31 December 2024, the Company had expended all the 2023 FT Placement amount on resource expenditures.

During the 2024 financial period, the Company completed a flow-through offering for $12.3 million, thus committing to spend this amount by 31 December 2025 on Canadian exploration expenses which qualify as flow-through mining expenditures, as these terms are defined in the Income Tax Act (Canada).

The premium on the $12.3 million flow-through offering amounted to $3.1 million. As at 31 March 2025, the Company had expended $3.8 million of the 2024 FT Placement amount on resource expenditures. The Company has until 31 December 2025 to spend the remaining outstanding balance of approximately $8.5 million on Resource Expenditures.

The Company may be subject to interest on flow-through proceeds ("Part XII.6 tax") renounced under the look- back rules in respect of prior years, and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on Canadian exploration expenses. Any Part XII.6 tax is expensed as incurred, as an operating expense.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the Company's financial performance.

Related Party Transactions

There was $0.2 million paid during the quarter ended 31 March 2025 to related parties relating to Director fees and the salary of the Managing Director.

Critical Accounting Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Share-based Payment Transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Black-Scholes option pricing model or Monte-Carlo simulation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Exploration and Evaluation Costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production include the level of reserves and resources, future technological changes, which could impact on the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Impairment of Exploration and Evaluation Assets

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment on a regular basis or whenever impairment indicators are present. When information becomes available suggesting that the recovery of expenditure which had previously been capitalised is unlikely or that the Group no longer holds tenure, the asset is tested to determine the recoverable amount and assess whether this is below carrying amount. If the recoverable amount is below the carrying amount, then the asset is impaired.

Changes in Accounting Policies including Initial Adoption

There have not been any material changes to the Company’s accounting policies during the most recently completed financial period.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 March 2025. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 (IAS 18) Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces AASB 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027, and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Financial Instruments and Other Instruments

Financial risk management objectives

The consolidated entity's principal financial assets comprise cash and other receivables. The consolidated entity's principal financial liabilities comprise trade creditors. The main purpose of these financial instruments is to manage cash flow and assist the consolidated entity in its daily operational requirements.

The consolidated entity is exposed to interest rate risk, liquidity risk and credit risk in respect to the financial instruments that it held at the end of the financial year.

This note presents information about the consolidated entity's exposure to each of the above risks. The Board has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established by the Board to identify and analyse the risks faced by the consolidated entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Market risk

Foreign currency risk

The foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value because of movements in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at 31 March 2025, the Company is exposed to currency risk as some transactions and balances are denominated in Australian dollars. As at 31 March 2025, a 10% change of the Canadian dollar relative to the Australian dollar would have net financial impact of approximately $0.4 million (31 December 2024 - $0.3 million). The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

Credit risk

The Company's credit risk is mainly attributable to its liquid financial assets: cash and cash equivalents. The Company deposits cash with high credit quality financial institutions and the credit risk is minimal. The Company's maximum exposure to credit risk is $13.1 million which is the carrying value of the Company's cash and cash equivalents as at 31 March 2025.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at 31 March 2025, the Company had available a cash and cash equivalents balance of $13.1 million (31 December 2024 – $15.7 million) to settle current liabilities of $4.4 million (31 December 2024 — $4.1 million).

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
Consolidated – 2024 ***('000s)***	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables	-	2,398	-	-	-	2,398
Total non-derivatives		2,398	-	-	-	2,398

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Disclosure of Outstanding Share Data

The following is a description of the outstanding equity securities and convertible securities previously issued by the Company above:

Shares Outstanding Date	April 16, 2025	March 31, 2025	December 31, 2024
Common shares	787,012,708	787,012,708	787,012,708
Stock Options	33,446,305	33,446,305	33,446,305
Zero Priced Options (RSUs)	14,252,880	14,252,880	14,252,880
Performance rights (PSUs)	8,530,499	8,530,499	8,530,499

Risk Factors

The Company is in the business of exploring and developing mineral properties. It is exposed to several risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation and other risks. The Company currently has no source of revenue other than interest income. The Company will rely mainly on equity financing to fund exploration, development and other activities. The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to, and other risks may exist.

Additional Capital

The Company plans to continue its focus on exploration and development of mineral interests. The Company will use its operating cash flow to carry out such endeavors. However, the Company will require substantial additional financing to move forward with the development and production of a future mine. Further exploration and development capacities may be dependent upon its ability to obtain financing through equity or debt, and there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Company's projects.

Financing Risks

The Company may require financing in the future to continue to develop its business and there can be no assurance that such financing will be available or, if available, that it will be on reasonable terms. If financing is obtained by issuing common shares or securities convertible into or exercisable for common shares, control of the Company may change, and investors may suffer additional dilution. To the extent financing is not available, lease payments, work commitments, rental payments, and option payments, if any, may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company.

Community and Stakeholder Relations

The Company's relationships with the community in which it operates are critical to ensure the future success of its existing operations. The future success of the Company is reliant on a healthy relationship with local communities in which the Company operates. While the Company is committed to operating in a socially responsible manner, there is no guarantee that its efforts will be successful, in which case interventions by third parties could have a material adverse effect on the Company's business, financial position and operations.

Company Evolution

The exploration for, and development of, mineral deposits involve a high degree of risk. Few properties which are explored are ultimately developed into producing mines. To mitigate this risk, the Company undertakes systematic and staged exploration and testing programs on its mineral properties and, subject to the results of these exploration programs, the Company will then progressively undertake a number of technical and economic studies with respect to its projects prior to making a decision to mine. However, there can be no guarantee that the studies will confirm the technical and economic viability of the Company's mineral properties or that the properties will be successfully brought into production.

Conflicts of Interest

Certain directors and officers of the Company are also directors, officers and/or shareholders of other companies that are similarly engaged in the business of natural resource exploration, development and production. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

Future Profits/Losses and Production Revenues/Expenses

The Company has no history of operations and expects that its losses will continue for the foreseeable future. The Company does not expect to receive revenues from operations or be profitable in the foreseeable future, if at all. The Company expects to incur losses until such time as a property enters commercial production and generates sufficient revenues to fund its continuing operations. Development will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability. The Company's operating expenses and capital expenditure may increase in subsequent years due to the cost of employees, consultants, service providers and equipment associated with advancing exploration and development. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the Company's strategic analyses, the rate at which operating losses are incurred, the execution of any joint venture or other agreements with strategic partners, and the Company's acquisition of additional properties and other factors, many of which factors are beyond the Company's control.

Commodity Prices

If the Company has a producing mine in the future, the profitability of the Company's business will be largely contingent on the market price for the minerals sold by the Company. A significant reduction in the market price of the minerals sold by the Company for any extended period could have a materially adverse effect on the Company's profitability and cash flow. Global minerals prices fluctuate widely and are affected by numerous factors beyond the Company's control, including global demand and production levels, political and economic conditions, producer hedging activities, speculative activities, inflation, interest rates and currency exchange rates.

Dependence on Key Personnel

The Company is heavily dependent on its key personnel and on its ability to motivate, retain and attract highly skilled people. If, for any reason, any one or more of such key personnel do not continue to be active in the Company's management, the Company could be adversely affected. There can be no assurance that the Company will successfully attract and retain additional qualified personnel to manage growth effectively and could have a material adverse effect on the Company's business, financial condition or results of operations.

Market Price of the Shares and Share Price Volatility

The market price for the Company's common shares cannot be assured. Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The trading price of the Company's common shares may be subject to large fluctuations. For the same reason, the value of any of the Company's securities convertible into, or exchangeable for, common shares may also fluctuate significantly, which may result in losses to investors. The price of the Company's common shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. Factors that may contribute to volatility in the securities of the Company include macroeconomic developments globally, and market perceptions of the attractiveness of particular industries. The price of the Company's common shares is also likely to be significantly affected by short-term changes in mineral prices or in its financial condition or results of operations.

Other factors unrelated to the Company's performance that may have an effect on the price of the Shares include the following: lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of the common shares; the size of the Company's public float may limit the ability of some institutions to invest in the shares; and a substantial decline in the price of the common shares that persists for a significant period of time could cause the common shares to be delisted from the exchange on which they trade, further reducing market liquidity. The market price for the shares may also be affected by the Company's ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of the common shares.

In the past, following periods of volatility in the market price of a Company's securities, shareholders have often instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial cost and diversion of management attention and resources, which could materially and adversely harm the Company and its financial position.

Dividend Policy

Investors in the Company's securities cannot expect to receive a dividend on their investment in the foreseeable future, if at all. Accordingly, it is unlikely that investors will receive any return on their investment in the Company's securities other than through possible share price appreciation.

Internal Controls Over Disclosure and Financial Reporting

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") are responsible for designing disclosure controls and procedures to ensure that material information is being recorded, processed, summarized, and reported to senior management, including the certifying officers and members of the Company's Audit Committee on a timely basis, so that appropriate decisions can be made regarding public disclosure. In addition, the CEO, and CFO are responsible to design, or cause to be designed under their supervision, internal controls over financial reporting ("ICFR"), to a standard that provides reasonable assurance of the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

Disclosure Controls and Procedures

Disclosure controls and procedures, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Audited Filings, means controls and other procedures of an issuer that are designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, audited filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by an issuer in its annual filings, audited filings or other reports filed or submitted under securities legislation is accumulated and communicated to the issuer's management, including its certifying officers, as appropriate to allow timely decisions regarding required disclosure. An evaluation of the effectiveness of the Company's disclosure controls and procedures was conducted as of March 31, 2025, by and under the supervision of the Company's management, including the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that the disclosure controls and procedures were effective.

Internal Controls Over Financial Reporting

The Company's management, including the CEO, and CFO, has evaluated the design of the Company's ICFR using the control framework and criteria established by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management has concluded that the Company's ICFR as at March 31, 2025, were designed and operate effectively and provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. There were no changes to ICFR during the quarter.

Limitations on the effectiveness of disclosure controls and internal controls over financial reporting

It should be noted that while the Company's CEO and CFO believe that the Company's internal controls system and disclosure controls and procedures provides a reasonable level of assurance that the objectives of the control systems are met, they do not expect that the Company's control system will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential conditions. The Company will continue to periodically review our disclosure controls and procedures and internal control over financial reporting and may make modifications from time to time as considered necessary or desirable.