MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

Background

This Management Discussion and Analysis ("MD&A") of Zephyr Minerals Ltd. ("Zephyr" or the "Company"), is dated August 25, 2026 and provides management's analysis of the unaudited financial operating results for the period ended June 30, 2026. This MD&A should be read in conjunction with the audited consolidated financial statements and accompanying notes for years ended December 31, 2025 and December 31, 2024 which have been prepared in accordance with IFRS Accounting Standards for financial statements. All amounts are in Canadian dollars unless otherwise specified. The financial statements and additional information, including news releases and technical reports referenced herein, are available on SEDAR+ at www.sedarplus.ca under the Company's name.

The common shares of Zephyr are traded on the TSX Venture Exchange under the symbol **ZFR** and on the OTC under the symbol **ZPHYF.** Additional information can be found on the Company's website at www.zephyrminerals.com.

Forward-Looking Information

Certain statements in this MD&A are forward-looking statements or information (collectively "forward-looking statements"). The Company is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "will", "should", "could", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "projects", "predicts", "targets", "potential", "continue", "could", "vision", "goals", "objective" and "outlook"), including statements concerning the Company's application for a mining permit and future work programs on the Company's mineral properties, are not historical facts, may be forward-looking, and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the ability of the Company to obtain necessary financing; anticipated costs; the exploration potential of its Dawson property; success in obtaining a mining permit for the Dawson property; management's view that the Dawson property has benign environmental characteristics; the certainty that potential property acquisitions and joint venture negotiations will ultimately be successfully concluded; management's view that the Archean greenstone belts in Zimbabwe as being underexplored and having the potential to host gold deposits similar in style and size to those in the Canadian Archean greenstone belts in Ontario and Quebec; the successful outcome of the Company's two Exclusive Prospecting Orders in Zimbabwe; the results of a preliminary economic assessment and compliance with state permitting requirements. Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. Risk factors emerge from time to time, that could cause actual results to differ materially from those contained in forward-looking statements, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, those discussed in the "Other Risks and Uncertainties" section of this MD&A below and in the Company's continuous disclosure materials filed from time to time on SEDAR+ and general conditions in the economy and capital markets.

Company Overview

Zephyr is a gold exploration and development company with activities in the USA and Zimbabwe. Through its wholly owned subsidiary, Zephyr Gold USA Ltd. ("Zephyr USA"), the Company holds a 100% interest in mineral claims in Colorado, referred to as the Dawson Property (the "Dawson" or the "Property"). Dawson comprises an advanced gold project hosting an inferred gold resource that is compliant with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), with exploration potential over a 3.8 km strike length.

In 2021, the Company established a wholly owned subsidiary, Sutter Mining (Private) Limited ("Sutter"), in Zimbabwe to identify and evaluate prospective mineral properties in the country. Zephyr's expansion into Zimbabwe was prompted by an amendment to the country's Indigenization and Economic Empowerment Act permitting 100% foreign ownership of mining properties, together with the presence of geological environments considered prospective for gold.

Financing

On February 5, 2026, the Company completed a private placement through the issuance of 5,200,000 units at a price of $0.05 per unit raising $260,000. Each unit consists of one common share and one whole common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.10 per share for a period of twenty-four months from the closing date.

On July 25, 2025, the Company completed a private placement through the issuance of 6,500,000 units at a price of $0.04 per unit raising $260,000. Each unit consists of one common share and one whole common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.08 per share for a period of thirty-six months from the closing date.

Project Updates

United States

Dawson
The Company's focus on its Dawson gold property continues to be on generating the necessary data to support the resubmission of its mining permit application to the Colorado Division of Reclamation, Mining and Safety ("DRMS"). In addition to the ongoing water monitoring program, which will be concluded in December 2026, studies completed and/or underway include hydrogeological, wildlife and blasting studies. The Company remains on track to resubmit its mining permit application in January 2027.

On June 30, 2021, the Company filed an application for a mining permit with DRMS. On October 14, 2021, Zephyr received a response from DRMS outlining a number of issues relating to the application for which additional information and clarification were required. Zephyr provided responses to these issues on February 9, 2022. On March 23, 2022, DRMS provided further comments outlining matters requiring additional information and clarification. The principal issues related to groundwater monitoring wells and sampling methodology, mine pool water, reagent storage, potential impacts to Grape Creek, environmental protection facilities and technical matters relating to certain design details.

DRMS required the Company to drill five additional groundwater monitoring wells, as well as one compliance well, and required five quarters of monitoring and sampling data from the additional wells before the mining permit application could be considered. The Company subsequently withdrew the mining permit application to allow time to complete the required well drilling and monitoring program. Due to financial constraints, the required drilling program was not completed at that time.

Following the posting of additional reclamation bonding of US$26,337 in 2025, the Company received the required Notice of Intent ("NOI") permit necessary to proceed with the groundwater well drilling program. Contractors for road and site preparation and well drilling were engaged in the second quarter of 2025, and the drilling program was completed at the end of October 2025.

In December 2025, the Company awarded a tender for a comprehensive 15-month groundwater and surface water monitoring program. The first, second and third quarters of the monitoring and sampling program were successfully completed in December 2025, March 2026 and June 2026, respectively. In addition to the water monitoring program, the Company is updating its previous mining permit application to address updated regulatory requirements and adequacy issues identified in the earlier submission. Subject to additional funding, the remaining monitoring program is expected to be completed by the end of 2026, with resubmission of the mining permit application targeted for January 2027.

Upon satisfying the technical requirements of DRMS, with the groundwater monitoring program being a primary requirement, the Company expects the mining permit application to proceed to the Mined Land Reclamation Board ("MLRB") for consideration. Following approval by the MLRB, the Company will seek a Conditional Use Permit ("CUP") from Fremont County, which is also required before potential mine construction can commence.

Dawson is comprised of 57 contiguous unpatented lode mining claims, eight patented lode mining claims and two patented placer claims covering approximately 505 hectares (1,249 acres). Dawson encompasses five contiguous gold-mineralized areas over a strike length of approximately 3.8 km, which are, from east to west, Sentinel, Dawson, Copper King, Windy Gulch and Windy Point. The inferred gold resources identified to date at Dawson are confined to the Dawson and Windy Gulch zones, with the remaining three zones representing gold-prospective areas along the geologically favourable trend.

Surface rights total approximately 301 acres and are sufficient for the current mine development plans. Zephyr leases the 50% interest in the eight patented lode mining claims that it does not own through a Mining Lease and Agreement, and leases the 50% interest in the placer claim that it does not own through a property lease agreement, effectively providing Zephyr with 100% control of these claims.

Twenty-one of the 57 unpatented claims and the eight patented lode mining claims are subject to a sliding-scale Net Smelter Return ("NSR"), pursuant to which Zephyr may be required to pay up to a 3% NSR under the Mining Lease and Agreement.

The NI 43-101 compliant mineral resource estimate for the Dawson and Windy Gulch zones was initially completed in 2013 and subsequently updated in 2015. The Dawson zone resource estimate was used in the preparation of a Preliminary Economic Assessment completed in 2017. The resource estimates and economic assessment were disclosed in technical reports entitled "Resource Estimate Technical Report for the Dawson Property Fremont County, Colorado, USA," effective July 19, 2013, "Updated National Instrument 43-101 Technical Report for the Dawson Property, Colorado, USA," effective August 26, 2015, and "National Instrument 43-101 Technical Report for the Dawson Property, Colorado, USA," effective March 21, 2017.

The potential to expand the mineral resources at Dawson is considered significant, with identified drill targets below the current inferred gold resource at the Dawson zone, at the Sentinel zone to the east, and at the Windy Gulch and Windy Point zones to the west. Subject to successful permitting and the availability of funding, the Company plans to construct a ramp to access the Dawson gold deposit and establish underground drill stations to conduct infill drilling within the current inferred gold resource and test deeper targets for additional gold mineralization.

Zimbabwe

<u>Exclusive Prospecting Orders</u>
The Company has two Exclusive Prospecting Order ("EPO") applications in Zimbabwe, numbered 17/2021 and 33/2021, covering approximately 124,000 hectares in the Manicaland and Mashonaland Central Mining Districts.

Subsequent to June 30, 2026, the Company announced that Sutter had received notice from the Ministry of Mines and Mining Development (the "MMMD") that the applications had been rejected. The notice did not provide specific reasons for the rejection. On July 24, 2026, the Company submitted a formal appeal seeking reconsideration of the EPO applications and clarification regarding the basis for the rejection. The timing and outcome of the appeal process remain uncertain, and there can be no assurance that the applications will ultimately be approved or that EPOs will be granted.

<u>MAP Gold Mine</u>
On February 7, 2023, the Company entered into an option agreement to acquire up to an 80% interest in the MAP Gold Mine property ("MAP Gold Mine") in Mashonaland Central, Zimbabwe from an arm's length citizen of Zimbabwe and his privately owned corporation.

MAP Gold Mine is a small scale combined open cast and shallow underground operation with gold being recovered from three open pits (eluvial gold) and four adits driven on a shear zone. Pit 1 is approximately 60m by 70m and

Pit 2 which is similar in size is located approximately 300m south-south-east of Pit 1. A new pit, Pit 3 has recently been started 85m southwest of Pit 1 (between Pits 1 & 2), and was reported by the optionor to contain eluvium grading 3 to 4 g/t gold. A grab sample taken by Zephyr from Pit 3 returned an assay of 4.4 g/t gold. To date almost all mining has been in the eluvium with one shallow dipping (35 to 45 degrees) northeast trending shear zone having been discovered at Pit 2. The gold mineralized shear zone is being mined by the optionor via shallow adits dug at four locations in highly weathered sheared greenstone along approximately 15m of strike length. Grab sampling by Zephyr of the shear zone stock piles from the four adits returned assays ranging between 1.6 g/t gold and 13.8 g/t gold. Unfortunately, the exposure in the adits is insufficient to discern the total width of the shear zone. Pits 1, 2 and 3 are located across a width of 300m perpendicular to the strike of the gold mineralization in the shear zone in Pit 2. These new discoveries warrant a proposed exploration program including drill testing for a potential large tonnage deposit comprising possible multiple gold mineralized shear zones.

MAP Gold Mine lies within Archean aged greenstones and was mapped on a 1:100,000 scale by the Geological Survey of Zimbabwe between 1985 and 1988. The local area was mapped as metarhyolite with a northeast trending dolerite dike that transects the property. One and a half kilometers (1.5 km) west of the property is a major regional fault which trends north-northeast. Waste rock in dump material around Pit 1 is predominantly talc schist and at Pit 2 it is predominantly highly weathered Greenstones.

MAP Gold Mine is a new gold discovery found in 2020 when farm workers working their fields noticed quartz fragments in the soil (eluvium) which they then panned and found to be gold bearing. Since that time the size of the deposit being worked has continued to expand with eluvial pits now found over an area of approximately 70m by 300m. Exploration potential remains open in all directions. The area of the workings is approximately 3.5% of the largely eluvium covered claims which total approximately 65 hectares.

Under the terms of the agreement, Zephyr can acquire 75% of MAP Gold Mine by paying US$165,000 over two years as well as certain monetary payments based on the quantity of gold discovered. In addition, in the event a mine is built, Zephyr will pay the optionor US$250,000 upon declaration of commercial production. At Zephyr’s discretion, it has the right to buy 20% of the optionor’s 25% interest, hereby increasing Zephyr’s interest in the property to 80%. The optionor is permitted to continue small scale mining within prescribed parameters from areas currently being mined until Zephyr makes a decision to transfer the claims into a new operating company, owned as to Zephyr 75% (with option to go to 80%) and the optionor 25% (potentially decreased to 20%). Certain conditions need to be met before exploration can begin including acquiring four additional claims which are included in the agreement. These conditions remain outstanding, and as a result no exploration work has been conducted on this property. Efforts continue to resolve this final issue prior to commencing exploration on the property.

Mineral Exploration Property Expenditures

The Company’s Exploration and evaluation property expenditures for the periods ended June 30, 2026 and December 31, 2025 are summarized below:

	Dawson	MAP Gold	Total
	$	$	$
January 1, 2025	**5,104,685**	**14,042**	**5,118,727**
Acquisition costs & claims fees	15,733	-	15,733
Advanced royalty payment	34,505	-	34,505
Camp costs & field operations	3,819	-	3,819
Consulting	1,320		1,320
Environmental studies & permitting	229,381	-	229,381
Reclamation obligation	36,432	-	36,432
Disposition	(15,745)	-	(15,745)
	305,445	-	305,445

	Dawson	MAP Gold	Total
	$	$	$
December 31, 2025	**5,410,130**	**14,042**	**5,424,172**
Camp costs & field operations	3,110	-	3,110
Environmental studies & permitting	150,432	-	150,432
Foreign exchange – capitalized reclamation obligation	5,030	-	5,030
June 30, 2026	**5,568,702**	**14,042**	**5,582,744**

Outlook

United States

Dawson

Management continues to view the Dawson section as having the potential to support an economic, near-term, low-capital-expenditure, low-operating-cost, high-grade underground gold mine. Subject to obtaining the required mining and other regulatory approvals and securing the necessary funding, the Company intends to construct a ramp to access the Dawson gold deposit and conduct underground infill drilling to increase confidence in the existing inferred gold resource, as well as deeper drilling with the objective of expanding the resource.

The Company is currently completing a comprehensive 15-month groundwater and surface water monitoring program required to support the resubmission of its mining permit application. Three of the required five quarters of monitoring and sampling were successfully completed in December 2025, March 2026 and June 2026, with the remaining two quarters, in September and December, expected to be completed by the end of 2026. In parallel, the Company is updating its previous mining permit application to address updated regulatory requirements and adequacy issues identified in the previous application. These include, but are not limited to, wildlife, blasting and hydrogeological studies. Subject to additional funding, the Company currently targets resubmission of the mining permit application in January 2027.

There can be no assurance that the Company will ultimately obtain the required mining permit or other regulatory approvals necessary to develop the Dawson gold deposit. However, Management remains optimistic regarding the potential for successful permitting based on the environmental characteristics of the project and the progress made to date in addressing the outstanding permitting requirements.

The Company is also evaluating the potential for placer gold within its wholly owned Judith Patented Placer Claim, located in the gulch that drains from the Windy Gulch gold deposit and Windy Point gold showings. The Company intends to conduct exploratory trenching to evaluate the volume, grade and distribution of gold within the gravels. This work was delayed from the first quarter of 2026 due to the availability of a key participant and recovery equipment and has not yet commenced. If the placer evaluation program identifies potentially economic gold mineralization, and subject to applicable permitting requirements, the Company may consider developing a gold recovery plan.

The Company is also reviewing its existing drill-hole database to identify additional zones of gold mineralization below the 5 g/t cut-off grade used in the 2017 Preliminary Economic Assessment. This effort is expected to be completed in late Q3 or early Q4. The current resource estimate for the Dawson Gold Deposit was completed in 2013, when the gold price was approximately US$1,300 per ounce. Management believes that the significantly higher gold price environment may support evaluation of a lower cut-off grade in a future resource assessment, which could potentially increase the volume of mineralization considered for inclusion in a mineral resource. Any such change would require appropriate technical evaluation and does not constitute an updated mineral resource estimate.

Zimbabwe

EPOs

The Company has two EPO applications, numbered 17/2021 and 33/2021, covering approximately 124,000 hectares (approximately 1,240 km²) in Zimbabwe. The applications progressed through the required review process, including consideration by the Attorney General's Office and the Mining Affairs Board.

Subsequent to June 30, 2026, the Company received notice from the MMMD that the two EPO applications had been rejected. The notice did not provide specific reasons for the rejection. On July 24, 2026, the Company submitted a formal appeal seeking reconsideration of the applications and clarification regarding the basis for the rejection. The timing and outcome of the appeal process remain uncertain, and there can be no assurance that the applications will ultimately be approved or that the EPOs will be granted.

If granted, the EPOs would provide the Company with exclusive rights to prospect for gold, base metals and lithium over the approximately 124,000-hectare prospective land position.

Qualified Person

Brian Arkell, B.S. Geology and M.S. Economic Geology, SME (Registered Member), AusIMM (Fellow) and SEG (Fellow), is a Director of the Company, and a Qualified Person as the term is defined under National Instrument 43-101, has reviewed and approved the scientific and technical disclosure contained in this MD&A.

Selected Financial Information

The following table presents selected financial information derived from the Company's unaudited condensed consolidated financial statements for the six-month period ended June 30, 2026 and the audited consolidated financial statements for the years ended December 31, 2025 and December 31, 2024.

		Six months ended June 30, 2026		Year ended December 31, 2025		Year ended December 31, 2024
Net loss	$	234,421	$	231,535	$	175,288
Net loss per share – basic and diluted		0.003		0.003		0.002
Total assets		5,925,459		5,612,773		5,335,942
Working capital (deficiency)		56,048		(39,357)		41,174
Total non-current financial liabilities		167,387		162,358		131,276

Results of Operations – Six Month Period Ended June 30, 2026

The expenses incurred during the six month periods ended June 30, 2026 and 2025 are detailed in the following table:

		6 months ended June 30, 2026		6 months ended June 30, 2025
Filing fees	$	15,714	$	13,675
Foreign exchange loss		(3,083)		2,276
Investor relations		914		6,356
Professional fees		19,657		16,037
General and administrative		5,042		9,022
Rent		6,510		6,510
Travel		302		1,465
Transfer agent		10,326		10,068
Wages and consulting fees		30,989		12,000
Share-based payments		148,050		96,000
Net loss for the period		**234,421**		**173,409**

The loss for the six months ended June 30, 2026 was $234,421 compared to a loss of $173,409 for the same period in 2025. Management continues to focus on managing and controlling cash operating costs.

Investor relations expenses decreased to $914 for the six months ended June 30, 2026, compared to $6,356 for the same period in 2025, following the termination of an investor relations services contract in the first quarter of 2025. Wages and consulting fees increased to $30,989 for the six months ended June 30, 2026, compared to $12,000 for the same period in 2025, primarily due to increased compensation compared to the prior period.

The Company recorded a non-cash share-based payments expense of $148,050 for the six months ended June 30, 2026, compared to $96,000 for the same period in 2025.

Liquidity and Capital Resources

The Company's working capital was $56,048 at June 30, 2026, compared to a working capital deficiency of $85,097 at June 30, 2025. On February 5, 2026, the Company completed a private placement of 5,200,000 units at $0.05 per unit for gross proceeds of $260,000. The improvement in working capital primarily reflects the proceeds from the private placement, partially offset by continued investment in the Dawson Property and the net loss incurred during the period.

Statement of Compliance

The unaudited condensed consolidated financial statements, to which this MD&A relates, have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IASB"). The significant accounting policies applied in the unaudited condensed consolidated financial statements are consistent with those applied in the Company's audited consolidated financial statements for the year ended December 31, 2025.

Approval of the Financial Statements

The condensed consolidated financial statements were approved and authorized for issue by the Audit Committee and Board of Directors of the Company on August 25, 2026.

Basis of Presentation

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

Judgments made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements, and estimates with a significant risk of material adjustment in the current and following fiscal years, are discussed in Note 3(i) to the financial statements.

Going Concern

The Company holds a 100% interest in mineral claims in Colorado, USA, collectively referred to as the Dawson Property (the "Property"). The Company also has two EPO applications, submitted in 2021, covering approximately 124,000 hectares in Zimbabwe. The Company's objective is to explore and evaluate its mineral properties to determine whether they contain economic resources warranting further development. Subsequent to June 30, 2026, the applications were rejected by the MMMD, and the Company submitted a formal appeal seeking reconsideration.

The Company's condensed consolidated financial statements as at June 30, 2026 have been prepared on a going concern basis, which assumes that the Company will continue to realize its assets and discharge its liabilities in the normal course of business.

During the six months ended June 30, 2026, the Company incurred a net loss of $234,421 and has no operating revenues. While the Company has sufficient working capital to meet its current obligations, it will require additional financing to fund its planned exploration and corporate activities, including completion of the Dawson groundwater monitoring program and preparation and resubmission of the mining permit application.

On February 5, 2026, the Company completed a private placement of 5,200,000 units at $0.05 per unit for gross proceeds of $260,000. Management continues to evaluate financing opportunities to fund the Company's planned activities.

Management's assessment of the Company's ability to continue as a going concern considers all available information for a period of at least 12 months from the end of the reporting period. The Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing. If the Company is unable to secure adequate financing, it may be required to reduce or suspend its exploration and evaluation activities, dispose of assets, seek financing on less favourable terms, or pursue other alternatives. These material uncertainties cast significant doubt on the Company's ability to continue as a going concern. The condensed consolidated financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may be necessary if the Company is unable to continue as a going concern.

Cash Requirements

As at June 30, 2026, the Company has cash of $180,474, working capital of $56,048 and shareholders' equity of $5,613,187. The Company's principal cash requirements for the remainder of 2026 will relate to expenditures required to advance the Dawson Property, together with administrative expenditures and the settlement of accounts payable. The Company expects to spend approximately $300,000 during the remainder of 2026, primarily to complete the groundwater monitoring program and address outstanding matters related to the resubmission of the mining permit application for the Dawson Property. The Company will require additional financing to fund these expenditures and its ongoing corporate activities.

Contractual and Other Obligations

Dawson

Zephyr USA is currently required to make annual advance royalty payments in terms of its Mining Lease and Agreement in the amount of US$25,000 per year. These advance royalties can be applied in the future to reduce the actual production royalty expense incurred. The Company paid and recorded the 2026 obligation in fiscal 2025. To date Zephyr USA has made advance royalty payments totalling US$629,000 which can be so applied. Zephyr USA is also obliged to make a payment of US$90,000 in the event of embarking on an underground program. Zephyr USA is also required to make annual payments of US$200 for each of the unpatented claims that form part of Dawson in order to keep them in good standing and pays approximately US$3,000 in property taxes for its patented mining claims.

Outstanding Share Data

	August 25, 2026	**June 30, 2026**	**June 30, 2025**
Common Shares Outstanding	93,286,985	93,286,985	79,086,985
Fully Diluted Common Shares Outstanding	115,600,985	115,600,985	91,043,235

As at June 30, 2026 the Company had a total of 93,286,985 Common Shares outstanding, and there were a total of 8,750,000 incentive stock options outstanding exercisable for 8,750,000 Common Shares. In addition, there were a total of 13,200,000 warrants exercisable for 13,200,000 Common Shares and 364,000 finder's fee warrants exercisable for 364,000 Common Shares.

As of August 25, 2026, the Company had a total of 93,286,985 Common Shares outstanding, and there were 8,750,000 incentive stock options outstanding exercisable for 8,750,000 Common Shares. In addition, there were a total of 13,200,000 warrants exercisable for 13,200,000 Common Shares and 364,000 finder's fee warrants exercisable for 364,000 Common Shares.

See "Financing" in this MD&A for information on issuances of Common Shares by the Company.

Financial Instruments

The Company's exposure to financial instrument risks, including credit, liquidity and foreign currency risk, has not materially changed from that disclosed in the Company's annual consolidated financial statements for the year ended December 31, 2025.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of the Board of Directors and corporate officers. Included in accounts payable and accrued liabilities is $40,849 (2025 - $36,422) due to parties related to officers and directors.

The remuneration of directors and other members of key management personnel during the periods ended June 30, 2026 and 2025 were as follows:

		2026		2025
	$		$	
Salaries and consulting fees		29,000		12,000
Share-based payments		148,050		96,000
	$	177,050	$	108,000

During the six-month period ended June 30, 2026, rent of $6,510 (2025 – $6,510) was paid or became payable to an officer of the Company for the Company's office in Halifax, Nova Scotia. The rental term is month-to-month.

An officer of the Company deferred payment of fees earned during the first quarter of 2024 in the amount of $25,605 by way of a non-interest-bearing, unsecured promissory note. The promissory note is repayable on January 31, 2028, or such other date as may be agreed between the officer and the Company.

Subsequent Events

On July 21, 2026, the Company announced that its Zimbabwe subsidiary, Sutter Mining (Pvt) Ltd., received notice from the Ministry of Mines and Mining Development that its two Exclusive Prospecting Order ("EPO") applications numbered 17/2021 and 33/2021 have been rejected. The notice of rejection did not provide specific reasons for the decision. On July 24, 2026 the Company submitted a formal appeal to seek full reconsideration of the applications.

Off Balance Sheet Arrangements

During the period, the Company did not enter into any off balance sheet transactions or commitments as defined by National Instrument 51-102 – Continuous Disclosure Obligations.

Critical Accounting Estimates

Significant accounting policies used by the Company are disclosed in Note 3 of the consolidated financial statements for the year ended December 31, 2025. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of accrued liabilities, the variables used in the determination of the fair value of stock options granted and warrants issued, and the determination of the valuation allowance for future tax assets. While management believes the estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

New Accounting Standards and Amendments

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements ("IFRS 18"), which will replace IAS 1 and introduce new requirements for the presentation and disclosure of information in financial statements. IFRS 18 introduces new totals and subtotals in the statement of profit or loss, requirements for the disclosure of management-defined performance measures, and additional requirements regarding the aggregation and disaggregation of information. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier adoption permitted, and is required to be applied retrospectively. The Company is currently assessing the potential impact of IFRS 18 on its consolidated financial statements

Other Risks and Uncertainties

The Company is subject to various risks and uncertainties associated with its mineral exploration and development activities, including those described in the Company's MD&A for the year ended December 31, 2025. There have been no material changes to the risks and uncertainties described therein, except as noted below.

Permits and Licenses

The Company continues to require various permits and regulatory approvals to advance the Dawson Property. During the current period, the Company completed three of the five quarters of groundwater monitoring required to support the resubmission of its mining permit application. Subject to completion of the remaining monitoring program and other regulatory requirements, the Company currently expects to resubmit its mining permit application in January 2027. There can be no assurance that the application will be accepted or that the required mining permit and other regulatory approvals will ultimately be obtained.

Foreign Operations

Subsequent to June 30, 2026, the Company's two EPO applications in Zimbabwe were rejected by the Ministry of Mines and Mining Development. On July 24, 2026, the Company submitted a formal appeal seeking reconsideration of the applications. The timing and outcome of the appeal process remain uncertain, and there can be no assurance that the appeal will be successful or that the EPOs will ultimately be granted.

Influence of Significant Shareholders

The Company has one significant shareholder of which the Company is aware, who beneficially owns approximately 11.2% of the outstanding common shares.

Other Information

The financial statements and additional information regarding the Company are available on SEDAR+ at www.sedarplus.ca.