Lion Copper and Gold Corp.

Management's Discussion and Analysis

For the years ended December 31, 2025

Dated: March 31, 2026

(In thousands of U.S. dollars except for shares and per share amounts)

This Management's Discussion and Analysis ("**MD&A**") of Lion Copper and Gold Corp. ("**LCG**") and its wholly owned subsidiary, Quaterra Alaska Inc. ("**QTA**") (collectively "**Lion Copper**" or the "**Company**"), dated **March 31, 2026**, should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2025, and related notes thereto, which have been prepared in accordance with accounting principles generally accepted in the United States ("**U.S. GAAP**").

Additional information about the Company, including the Company's press releases, quarterly and annual reports is available through the Company's filings with the securities regulatory authorities in Canada at www.sedarplus.com or the United States Securities Exchange Commission ("**SEC**") at www.sec.gov/edgar. Information about mineral resources, as well as risks associated with investing in the Company's securities is also contained in the Company's most recently filed Form 10-K.

John Banning, Chief Executive Officer for the Company, is a Qualified Person ("**QP**") under National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("**NI 43-101**"), and has approved the scientific and technical information in this MD&A.

ABOUT LION COPPER'S BUSINESS AND OUTLOOK

Lion Copper is a US-focused exploration and development company whose operations are primarily on advancing its flagship Yerington Copper Project in Lyon Country, Nevada, United States.

Effective January 1, 2023, the Company adopted U.S. GAAP and began reporting as a U.S. domestic issuer under SEC regulations after determining it no longer qualified as a foreign private issuer.

On March 18, 2022, the Company entered into an earn-in agreement with Rio Tinto America Inc. ("**Rio Tinto**"), which was subsequently assigned to Nuton LLC ("**Nuton**"), a Rio Tinto Venture, (the "**Earn-In Agreement**"). The Agreement covers the Company's copper projects located in Mason Valley, Nevada (the "**Mining Assets**"), including the historical Yerington deposit, the MacArthur deposit, the Wassuk property, the Bear deposit, and associated water rights.

Under the Earn-In Agreement, Nuton may earn an initial 65% interest in the Mining Assets through staged funding commitments totaling $59,000, which includes completion of a feasibility study ("**FS**"). The staged funding commitments and completion milestones are summarized below:

- ✓ Stage 1: $4,000 – completed in December 2022
- ✓ Stage 2: $5,000 plus $2,500 Stage 3 advancement – completed in January 2024
- ✓ Stage 2b: $11,500 Stage 3 advancement – completed in September 2024
- ✓ Stage 2c: $5,000 Stage 3 advancement – completed in September 2025
- ➢ Stage 3: $31,000 committed to completion of the feasibility study

In September 2025, the Company completed and filed a pre-feasibility study ("**PFS**") for the Yerington Copper Project, prepared in accordance with NI 43– 101 standards. The PFS evaluated the technical and economic viability of developing the Yerington Copper Project using Nuton® technology under certain operating assumptions.

Completion of the PFS supported Nuton's decision to advance to Stage 3 and fund the FS. Advancement of the project beyond the feasibility stage will depend on the results of the FS, prevailing copper price, permitting approvals, and future investment decisions.

Upon completion of the FS, Nuton and the Company will decide whether to create an investment vehicle into which the Mining Assets will be transferred, with Nuton holding not less than 65% interest in the investment vehicle.

The Company's near-term priorities include progressing the feasibility study, advancing permitting, and evaluating staged development options balancing capital requirements, technical considerations and market conditions.

The Company's outlook remains subject to risks and uncertainties, including copper price volatility, permitting timelines, project execution and access to capital.

PERFORMANCE HIGHLIGHTS

Nuton Elects to Proceed to Feasibility Study ("FS") and Commit Up to $31 Million

On November 24, 2025, the Company announced that Nuton elected to proceed to Stage 3 and to fund the definitive FS under the Option Agreement.

In January 2026, the Company received $30,500, net the $19,000 previously advanced, toward Stage 3 activities.

Pre-Feasibility Study Completed

The Company announced the results of the PFS on August 5, 2025 and published the related technical report on September 18, 2025. In February 2026, the Company filed an S-K 1300 compliant Technical Summary Report related to the PFS.

The PFS demonstrated a base case post-tax net present value (**NPV**) (7%) of $694,000 and an Internal Rate of Return ("**IRR**") of 14.6% with payback at 6.7 years based on a copper price of $4.30/lb. The study estimates average annual production of 120 million pounds of refined copper cathode over a 12-year mine life, with a peak of 151 million pounds in Years 5-7.

Convertible Debenture Financing Closed

On November 6, 2025, the Company completed a private placement of a 12-month convertible debenture for gross proceeds of $2,700. The debenture bears interest at 12% per annum and is convertible into common shares of the Company at $0.0965 per share. Interest may be settled in common shares at the prevailing market price upon repayment or conversion, at the Company's discretion.

The proceeds from the debenture were used to acquire the Hunewill property in Nevada and for general working capital purposes. A portion of the debenture is secured by the Hunewill property.

Water Rights Reinstated

On March 13, 2025, the Company announced the successful negotiation of a settlement agreement with the Nevada Division of Water Resources and the Nevada State Engineering (collectively, the "**State**") to reinstate 3,452.8 ac-ft of previously forfeited water rights essential for the development of the Yerington Copper project. As a result, the State has officially rescinded its notice of forfeiture, thus restoring all the Company's 6,014.5 ac-ft of water rights to good standing. This Settlement Agreement effectively terminates the legal proceedings initiated by the Company to defend its water rights.

MINERAL PROPERTIES

All the Company's mineral properties are held under the Company's wholly owned subsidiary, Singatse Peak Services, LLC ("**SPS**").

The Yerington Copper Project, integrates the Yerington and MacArthur deposits, located in Nevada's Yerington Copper District. The PFS, prepared by *Samuel Engineering Inc.* with input from independent qualified persons, evaluates the potential development of an integrated open-pit mining operation utilizing heap leach processing and solvent extraction and electrowinning processing ("**SX/EW**") facilities to produce refined copper cathode.

The PFS estimates initial capital of $724 million, including mine development, heap leach pads, SW/EW, an acid plant, and related infrastructure. Operating costs are estimated at $1.92 per pound and $2.67 per pound on an all-in-sustaining cost ("**AISC**") basis.

The economic results presented in the PFS are sensitive to copper prices and other key assumptions. Mineral resources included in the PFS are not mineral reserves and there is no certainty that the economic results presented in the PFS will be realized.

Following completion of the PFS, the Company is advancing the project toward a definitive FS, permitting and additional engineering work. These activities are being supported under the Earn-In Agreement with Nuton.

Mineral Reserves

The PFS includes the first Mineral Reserve estimate for the Project. The PFS is based on Mineral Reserves. The reserve estimate is based on pit designs using a copper price of $3.90/lb with cut-off grades ranging from 0.03 to 0.07% CuT for oxide material and 0.09% CuT for sulfide material.

Pit Area	Proven			**Probable**			**Total**		
Ore Type	Tons (kt)	Grade (Cu%)	Copper Mlbs	Tons (kt)	Grade (Cu%)	Copper Mlbs	Tons (kt)	Grade (Cu%)	Copper Mlbs
Yerington Pit/VLT									
Oxide	34,295	0.22	148.3	73,681	0.13	193.1	107,976	0.16	341.5
Sulfide	81,037	0.30	481.1	152,761	0.24	732.3	233,798	0.26	1,213.3
MacArthur Area									
Oxide	110,224	0.19	411.7	54,553	0.16	173.5	164,777	0.18	585.2
Sulfide	-	-	-	-	-				
Total Oxide	144,519	0.19	560.0	128,234	0.14	366.7	272,753	0.17	926.7
Total Sulfide	81,037	0.30	481.1	152,761	0.24	732.3	233,798	0.26	1,213.3
Total Reserve	**225,556**	0.23	**1,041.1**	**280,995**	**0.20**	**1,099.0**	**506,551**	**0.21**	**2,140.0**

Note: This Mineral Reserve estimate has an effective date of May 31, 2025, and is based on the mineral resource estimates for Yerington and VLT dated March 17, 2025 by AGP Mining Consultants Inc. and MacArthur Area Pits dated March 17, 2025 by Independent Mining Consultants Inc. The Mineral Reserve estimate was completed under the supervision of Gordon Zurowski, P.Eng. of AGP, who is a Qualified Person as defined under NI 43-101. Mineral Reserves are stated within the final pit designs based on a $3.90/lb copper price.

1. The copper cutoff grades used were:

Yerington Pit – 0.05% copper (oxide ROM), 0.09% copper (sulfide)
Vat Leach Tailings (VLT) Pit – 0.03% copper (oxide ROM)
MacArthur – 0.05% copper (oxide ROM)
Gallagher Pit – 0.07% copper (oxide ROM)
North Ridge Pit – 0.06% copper (oxide ROM)

2. Open pit mining costs varied by area and elevation with waste of $2.53/t, oxide material at $2.49/t and sulfide at $2.22/t. Incremental costs of $0.027/25ft bench were applied below the 4225 foot elevation for waste and oxide and 0.024/t for sulfide material below the 4225 foot elevation.
3. Processing costs were based on the use of an acid plant at site with crushing for sulfide material. The processing costs by pit area were:
   Yerington Pit – $2.00/t ore (oxide ROM), $4.44/t (sulfide)
   VLT Pit – $1.34/t ore (oxide ROM)
   MacArthur – $1.67/t ore (oxide ROM)
   Gallagher Pit – $2.14/t ore (oxide ROM)
   North Ridge Pit – $1.73/t ore (oxide ROM)
   G&A costs were $0.49/t ore.
4. Process copper recoveries varied by material and area and were as follows:
   Yerington Pit – 70% (oxide ROM), 74% (sulfide)
   VLT Pit – 75% (oxide ROM)
   MacArthur – 55% (oxide ROM)
   Gallagher Pit – 54% (oxide ROM)
   North Ridge Pit – 55% (oxide ROM)

Mineral Resources (Inclusive of Mineral Reserves)

The resource estimate is based on pit designs using a net copper price of $4.22/lb with cut-off grades ranging from 0.03 to 0.07% CuT for oxide material and 0.08% CuT for sulfide material.

Pit Area	**Measured**			**Indicated**			**Measured + Indicated**		
Resource Type	Tons (kt)	Grade (Cu%)	Copper Mlbs	Tons (kt)	Grade (Cu%)	Copper Mlbs	Tons (kt)	Grade (Cu%)	Copper Mlbs
Yerington Pit/VLT									
Oxide	37,531	0.21	157.6	96,556	0.13	257.9	134,087	0.16	417.0
Sulfide	84,163	0.30	505.0	263,230	0.22	1,158.2	347,393	0.24	1,663.2
MacArthur Area									
Oxide	163,333	0.18	577.8	155,086	0.15	471.6	318,419	0.17	1,049.4
Sulfide	-	-	-	-	-	-	-	-	-
Total									
Oxide Total	200,864	0.19	735.4	251,642	0.15	729.4	452,506	0.16	1,464.9
Sulfide Total	84,163	0.30	505.0	263,230	0.22	1,158.2	347,393	0.24	1,663.2
Total	**285,027**	**0.22**	**1,240.4**	**514,872**	**0.18**	**1,887.6**	**799,899**	**0.20**	**3,129.0**

Pit Area	**Inferred**		
Resource Type	Tons (kt)	Grade (Cu %)	Copper Mlbs
Yerington Pit/VLT			
Oxide	67,338	0.11	145.8
Sulfide	67,576	0.17	229.8

MacArthur Area			
Oxide	23,169	0.15	67.9
Sulfide	-	-	-
Total			
Oxide Total	90,507	0.12	213.6
Sulfide Total	67,576	0.17	229.8
Total	**158,083**	**0.14**	**443.4**

Notes:

1. Mineral Resources are reported in situ for Yerington and MacArthur and the effective date is March 17, 2025. The VLT Mineral Resources are not in situ and the effective date is March 17, 2025. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resource estimate will be converted into Mineral Reserves. The Mineral Resource Estimate of Yerington and the VLT was performed by Mr. Tim Maunula, P. Geo of T. Maunula & Associates Consulting and the MacArthur Area Pits by Mr. Herb Welhener, MMSA-QPM, Vice President of Independent Mining Consultants Inc. Both responsible parties are both Qualified Persons under NI 43-101 standards. All figures are rounded to reflect the relative accuracy of the estimates and totals may not add correctly.
2. Mineral Resources of the Yerington pit area are reported within a conceptual pit shell that used the following input parameters: a variable break-even economic cut-off grade of 0.04 % TCu and 0.08% TCu, for oxide and sulfide material respectively, based on assumptions of a net copper price of US$4.22 per pound (after transportation and royalty charges), 70% recovery in oxide material, 74% recovery in sulfide material, base mining costs of $2.49/st for oxide and $2.22/st for sulfide, and processing plus G&A costs of $2.00/st for oxide and $4.44/st for sulfide.
3. Mineral Resources of the VLT are reported within a conceptual pit shell that used the following input parameters: a break-even cut-off grade of 0.03 % TCu based on assumptions of a net copper price of US$4.22 per pound (after smelting, refining, transportation and royalty charges) and 75% recovery in oxide material.
4. Mineral Resources of the MacArthur pit area are reported within a conceptual pit shell that used the following input parameters: a break-even cut-off grade of 0.05 % for the MacArthur pit, 0.07 % TCu for the Gallagher pit, and 0.06 % TCu for the North Ridge pit. Metal price of $4.22 per pound (after smelting, refining, transportation, and royalty charges); process costs between $1.67 and $2.14/st; and base mining costs for heap tonnage of $2.49/st and $2.53/st for waste,
5. Recovery of Total Copper in redox zones of leach cap, overburden, oxide and mixed: MacArthur domain 55%, North Ridge domain 53%, Gallagher domain 54%.

Mining Methods

Open pit mining offers the best approach for development of the deposits based on the size of the resource, tenor of the grade, grade distribution and proximity to topography for the deposits.

The PFS mine schedule totals 506.6 Mt of heap leach feed grading 0.21% copper over a processing life of14 years. Open pit waste tonnages from the various areas total 159.8 Mt and will be placed into waste storage areas adjacent to the open pits. The overall open pit strip ratio is 0.32:1 (waste: heap feed).

Three heap leach facilities will be used to provide copper solution to the processing (SX/EW) facilities. The sulfide HLF located near the Yerington pit will utilize the Nuton process for the leaching of sulfide feed from the Yerington pit. The Nuton facility will have a peak feed rate of 35 Mtpa through a crushing plant. The Yerington pit is the only supply of sulfide material for the PFS. The other process stream will employ conventional oxide copper leaching technology with ROM material. One oxide HLF will be located at Yerington for the Yerington oxide and VLT material while the other oxide HLF will be adjacent to the MacArthur pits.

The current mine plan includes minimal pre-stripping as the bottom of the existing pit still contains material suitable for placement on a HLF with conventional leaching and use of the Nuton process for the sulfide materials.

The open pit mining starts in Year 1 and continues uninterrupted until early in Year 12.

Project Economics

Capital Costs

The capital cost estimate encompasses all direct and indirect expenditures, complete with appropriate contingencies for the various facilities required to commence production, as outlined in this study. It's important to note that all equipment and materials are assumed to be new, and the estimate does not incorporate allowances for potential scope changes, escalation, or fluctuations in exchange rates. The execution strategy is rooted in an engineering, procurement, and construction management (EPCM) implementation approach, with Lion CG overseeing construction management and the packaging of discipline-based construction contracts.

This capital cost estimate for the Project has been developed to align with the requirements of a PFS, encompassing the costs associated with designing, constructing, and commissioning the necessary facilities.

Yerington Copper Project Capital Cost Estimate			
Area	**Initial Capital (M$)**	**Sustaining Capital (M$)**	**Total Capital (M$)**
Open Pit Mining	22.8	40.7	63.5
Processing	143.4	318.5	461.9
Infrastructure	176.4	228.1	404.5
Acid Plant/CoGen	130.2	114	244.2
Dewatering	42.5	17.5	60
Indirects	74.0	125.7	199.7
Contingency	134.7	163.2	297.9
Total	**724.0**	**1007.7**	**1731.7**

Operating Costs

Yerington Copper Project Operating Costs – Life of Mine			
Area	**Life of Mine ($/t moved)**	**Life of Mine ($/t process feed)**	**Life of Mine ($/lb copper payable)**
Open Pit Mining	2.55	3.35	1.18
Processing	1.42	1.87	0.66
G&A	0.19	0.24	0.09
Total Operating Cost	**4.16**	**5.47**	**1.92**

General data sources and assumptions used as the basis for estimating the process operating costs include:

- Average production rate of 34 Mtpa for the Nuton circuit
- Labor requirements as developed by AGP and Samuel Engineering
- Unit cost of electrical energy of $0.065/kWhr
- Unit cost of diesel fuel of $3.03/gal

- Taxes are excluded from the G&A but are applied to the financial model

Financial Evaluation – Base Case @ $4.30/lb Copper

Yerington Copper Project Financial Evaluation			
Parameter	Unit	Pre-tax	Post-tax
Net Revenue	$USM	2,914	2,315
NPV (7%) (LOM)	$USM	$975	$694
IRR (LOM)	%	16.9%	14.6%
Payback	Years	6.4	6.7
Cash Costs[1]	$US/lb payable	$1.92	
AISC[1]	$US/lb payable	$2.67	
Copper – Payable	Mlbs	1,443	
Mine Life	Years	12	
Average Annual Production LOM	Mlbs	120	
LOM Production	tons	721,352	

Water Rights

Separate from the reinstatement of the Company's water rights, on May 20, 2025, the Company participated in a prehearing conference at the Nevada Division of Water Resources (NDWR) office in Carson City, Nevada in the matter of protested applications 93718-93721 and 93723-93725 to change points of diversion, places of use, and/or manner of use for existing water rights. The prehearing conference was held as part of the statutory process for resolving protested water rights applications.

On June 26, 2025, the Company received a Notice of Procedures and Disclosures from NDWR, which provided notice from the Stage Engineer that he intends to hold a hearing to consider the matter of protested Applications 93718 through 93725. The received Notice follows the statutory process for resolving protested water rights applications, it outlines the schedule for evidentiary exchange and the issues to be addressed by the parties.

Bear Deposit

Studies were conducted and are ongoing to evaluate the Mineral Resource estimate potential of the Bear Deposit.

RESULTS OF OPERATIONS

For the year ended December 31, 2025, the Company continued to advance the Yerington Copper Project while maintaining its corporate and administrative functions.

The Company reported net income for 2025, primarily driven by a non-cash gain of $26,381 recognized on the deconsolidation of Falcon Copper Corp. ("**FCC**") on December 31, 2025. This gain reflects the accounting impact of derecognizing FCC's net liabilities and recognizing the Company's retained interest at fair value. As a non-cash item, this gain is not indicative of the Company's underlying operating performance.

Operating expenses for the year consisted primarily of general and administrative costs, including personnel, professional fees and share-based compensation, as well as exploration and evaluation expenditures related to the Yerington Copper Project.

As an exploration and development company with no operating revenues, the Company's financial results continue to be influenced by non-cash items, such as share-based compensation as well as financing and investing activities.

(in thousands of U.S. dollars except for share and per share amounts)		Year ended December 31, 2025		2024
Expenses				
Exploration and evaluation		4,032		8,243
General and administration		10,066		5,014
Share-based compensation		8,772		1,523
Impairment		266		-
Gain on deconsolidation of FCC		(26,381)		-
Nuton LLC Deposit		(6,210)		(10,966)
Other expenses		5,072		927
Net gain(loss) and comprehensive gain (loss)		**4,383**		**(4,741)**
Loss and comprehensive loss attributable to:				
Lion Copper and Gold Corp.		14,771		(3,934)
Non-controlling interest		(10,388)		(807)
Earning (loss) per share, diluted	$	0.04	$	(0.01)
Earning (loss) per share, basic	$	0.03	$	(0.01)
Weighted average number of common shares		411,971,205		375,049,165

Deconsolidation of Falcon Copper Corp.

The Company's reported results for the year ended December 31, 2025, include the consolidation of Falcon Copper Corp. up to December 31, 2025. As a result, certain amounts in the consolidated financial statements reflect FCC's standalone activities and are not indicative of the Company's ongoing cost structure following deconsolidation.

A summary of FCC's impact is as follows:

Reported operating expenses	$	**16,660**
Operating expenses - Falcon Copper Corp.		
Exploration and evaluation		1,227
General and adminstrative		6,242
Share-based compensation		6,797
		14,266
Nuton LLC deposit		(6,210)
Lion Copper Standalone operating expenses	**$**	**8,604**

The increase in operating expenses and share-based compensation in 2025 was primarily attributable to FCC's activities, including the establishment of its independent management team and related equity incentive arrangements.

Following the deconsolidation of FCC on December 31, 2025, these costs will no longer be included in the Company's results, and future periods are expected to more closely reflect the Company's standalone operations.

Upon deconsolidation, the Company derecognized FCC's assets, liabilities and non-controlling interests, and recognized its retained investment in FCC at fair value. FCC's results of operations are included in the Company's consolidated financial statements for the year ended December 31, 2025 up to the date of deconsolidation. The Company recognized a non-cash gain of $26,381 in connection with the deconsolidation.

The deconsolidation does not materially impact the comparability of the Company's operating results for 2025 and 2024, as FCC was deconsolidated at year end. However, it significantly impacts the presentation of the Company's financial position as at December 31, 2025 and will affect the composition of future results, as FCC will no longer be consolidated and will instead be accounted for under the equity method.

Exploration and Evaluation

Exploration and evaluation activities include technical studies, property maintenance, environmental work, and drill programs. During 2025, the Company focused on completing the PFS for the Yerington Copper Project, resulting in much lower drilling-related expenditures compared to 2024.

Exploration and evaluation expenditures incurred in 2025 and 2024 are summarized below:

	Year ended December 31, 2025			Year ended December 31, 2024		
	SPS	**FCC**	**Total**	**SPS**	**FCC**	**Total**
Property Maintenance	$ 361	$ 764	**$ 1,125**	$ 369	$ 352	**$ 721**
Assay & Labs	54	-	**54**	441	1	**442**
Drilling	119	-	**119**	3,672	-	**3,672**
Environmental	365	-	**365**	680	-	**680**
Geological	-	-	**-**	-	3	**3**
Geophysical	-	300	**300**	45	35	**80**
Technical Study	1,889	-	**1,889**	2,569	-	**2,569**
Field Support	17	163	**180**	21	55	**76**
	$ 2,805	$ 1,227	**$ 4,032**	$ 7,797	$ 446	**$ 8,243**
Funded by Nuton LLC	(2,805)	-	**(2,805)**	(7,797)	-	**(7,797)**

General and Administrative

The $5,052 increase in general administrative expenses in 2025 was primarily due to higher personnel and professional fees of FCC with its corporate development and structuring initiatives. Excluding FCC, the Company's standalone general and administrative expenses remained stable compared to prior year.

	Year ended December 31,							
	LCG	QTA	FCC	**2025**	LCG	QTA	FCC	**2024**
Professional fees	$ 472	$ 1,114	3,487	**$ 5,073**	$ 616	$ 1,065	$ 414	**$ 2,095**
Salaries, bonuses and benefits	388	1,256	2,043	**3,687**	201	1,093	497	**1,791**
Office expenses	62	200	461	**723**	288	153	261	**702**
Travel	9	76	249	**334**	-	105	76	**181**
Investor relations	152	-	-	**152**	123	-	-	**123**
Transfer agent and regulatory	81	14	2	**97**	116	6	-	**122**
	$ 1,164	**$ 2,660**	**$ 6,242**	**$ 10,066**	$ 1,344	$ 2,422	$ 1,248	**$ 5,014**
Nuton LLC funded	**(1,100)**	**(2,305)**	**-**	**(3,405)**	(1,014)	(2,155)	-	**(3,169)**

Share-based Compensation

Share-based Compensation for the year was $8,772 compared to $1,523 in 2024.

	Year ended December 31,					
	LCG	**FCC**	**2025**	**LCG**	**FCC**	**2024**
Share-based compensation	$ 1,975	$ 6,797	**$ 8,772**	$ 1,523	$ -	**$ 1,523**

The increase was primarily attributable to $6,797 of share-based compensation recognized by FCC, related to option awards granted under FCC's own equity incentive arrangements to its management and employees. These awards are separate from the Company's stock option plan and reflect FCC's establishment of an independent management team in the third quarter of 2025.

Excluding FCC, the Company's share-based compensation remained consistent with the prior year, reflecting routine grants under the Company's stock option plan.

Fourth Quarter

During the three months ended December 31, 2025, the Company:

- Closed a convertible debenture for $2,700. The debenture bears interest at 12% per annum and is convertible into common shares of the Company at $0.0965 per share. Interest may be settled in common shares at the prevailing market price upon repayment or conversion, at the Company's discretion.
- Purchased the Hunewill property located in Lyon County, Nevada for $1,312.
- Reassessed the control in FCC and determined deconsolidation effective December 31, 2025.
- In December 2025, Falcon Copper completed a $26.3 million private placement financing to support its exploration initiatives in the Western United States.

Summary of quarterly results

	Q4'25	Q3'25	Q2'25	Q1'25	Q4'24	Q3'24	Q2'24	Q1'24
General administration	(8,306)	(6,470)	(1,570)	(2,492)	(1,856)	(1,502)	(1,358)	(1,821)
Fair value (loss) gain on derivative liabilities	(1,851)	261	(1,008)	(774)	39	439	(427)	680
Foreign exchange gain (loss)	(2)	(21)	19	(30)	(28)	(4)	(7)	(1)
Interest and other	(1,254)	(530)	(76)	(72)	387	(41)	(95)	(119)
Gain on deconsolidation	26,381	-	-	-	-	-	-	-
Loss on convertible debentures	-	-	-	-	-	-	-	(1,750)
Exploration expenditures	(849)	(1,033)	(987)	(1,163)	(1,603)	(1,591)	(2,389)	(2,660)
Nuton LLC deposit	583	1,474	1,940	2,213	2,310	2,336	3,102	3,218
Net loss	**14,702**	**(6,319)**	**(1,682)**	**(2,318)**	**(751)**	**(363)**	**(1,174)**	**(2,453)**
Basic income/(loss) per share	**0.05**	**(0.01)**	**-**	**-**	**-**	**-**	**-**	**(0.01)**

The Company's results have been driven by its general corporate and exploration activities. Other income and expenses fluctuate due to changes in the fair value of the Company's convertible notes and investment in associate.

LIQUIDITY AND CAPITAL RESOURCES

The Company's primary sources of liquidity are funding received under the Earn-In Agreement with Nuton and proceeds from equity or debt financing. The Company does not currently generate operating revenues and continues to rely on external financing to fund corporate overhead and working capital requirements. In addition, future development beyond the feasibility study stage will require additional funding. There can be no assurance that additional funding will be available on acceptable terms, or at all.

In January 2026, the Company received $30,500 from Nuton in connection with Stage 3 funding. As of March 25, 2026, cumulative funding received from Nuton totals **$58,500**.

Nuton funding is intended to support costs associated with the Yerington Copper Project, including technical studies, engineering, permitting and certain allocable project overhead expenses. While a portion of general and administrative costs is covered by this funding, the Company remains responsible for the balance of its corporate general and administrative expenses.

On November 6, 2025, the Company completed a private placement of a 12-month convertible debenture for gross proceeds of $2,700.

In November 2025, the Company acquired the Hunewill property, located adjacent to the Yerington Copper project, for total consideration of $1,312, including transaction costs. A portion of the debenture is secured by the Hunewill property.

During 2025, the Company repaid $6 in convertible debentures and received $127 from the exercise of stock options. In January 2026, the Company also received $567 cash dividend from Falcon Butte.

Cash on hand is approximately **$32,168,** as of **March 31, 2026.**

The following table summarizes the Company's cash flows for the years ended December 31, 2025, and 2024:

		2025		2024
Cash provided (used) by operating activities	$	(13,166)	$	3,942
Cash used in investing activities		(28,719)		(210)
Cash provided by financing activities		36,250		1,957
Increase in cash and cash equivalents		(5,635)		5,689
Cash and cash equivalents, beginning of year		7,999		2,310
Cash and cash equivalents, end of year	**$**	**2,364**	**$**	**7,999**

Cash flows for the year ended December 31, 2025 include the impact of FCC's operating, investing and financing activities prior to deconsolidation and are therefore not directly comparable to future periods.

Management believes that cash, including the Stage 3 funding for project expenditure, is sufficient to support planned FS activities. The Company may require additional financing to repay its outstanding debentures due in November 2026 and to advance corporate initiatives.

(in thousands)		December 31, 2025		December 31, 2024
Financial Position				
Cash	$	2,364	$	7,999
Investments		18,548		1,102
Mineral properties		7,986		7,902
Other assets		570		137
Total assets	**$**	**29,468**	**$**	**17,140**
Total Liabilities	**$**	**6,082**	**$**	**7,741**
Total equity	**$**	**23,386**	**$**	**9,399**
Working capital (deficiency)	**$**	**(3,157)**	**$**	**346**

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include its directors and officers whose remuneration was as follows, subject to change of control provisions for officers:

		Years ended December 31		
		2025		2024
Salaries and bonuses	$	2,278	$	553
Directors' fees		90		-
Share-based compensation		6,402		850
	$	8,770	$	1,403

Certain officers are entitled to payment upon a change of control in accordance with their employment agreements. Share-based compensation represents the fair value of stock options granted to directors and officers during the year.

In 2025, members of the Board were granted stock options of FCC with a fair value of $2,103. One of the Company's Co-Chairmans, who also serves as a Chairman of FCC, received a cash bonus of $500 from FCC.

During the year ended December 31, 2025, an immediate family member of an executive officer was employed by the Company as a temporary employee and received salary. In addition, a firm affiliated with this individual provided services to the Company and related parties. Total compensation and service fees for the year were $120.

In connection with the Falcon Butte acquisition, Falcon Butte declared and paid dividends directly to its shareholders, including two directors of the Company. The Company did not fund these payments and the amounts received by the two directors were not material.

The Chief Executive Officer and Chief Financial Officer of FCC received salaries of $199 and $49, respectively, and were granted FCC stock options with fair values of $1,505 and $19, respectively. The Chief Executive Officer also received a bonus of $500. These amounts are included in the table above.

During 2025 and 2024, certain directors and officers participated in financing transactions with the Company.

During 2025, $Nil interest was accrued and remained unpaid related to convertible debentures held by directors and officers (2024 - $160 accrued and paid). The debentures bear interest at 12% per annum (2024 – 20%) and mature on November 8, 2026 (2024 - February 16, 2025).

OUTSTANDING SHARE INFORMATION

As of the date of this MD&A, the Company has:

- 421,997,186 common shares;
- 76,090,965 stock options, exercisable at prices ranging from CAD 0.07 to CAD 0.245, with expiration dates between June 18, 2026 and September 8, 2030; and
- 7,500,000 performance options, exercisable at $0.08, with an expiration date of April 5, 2030; and
- 119,205,501 warrants exercisable ranging from approximately $0.056 - $0.0965 expiring from March 8, 2029 through November 6, 2030.

SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements for the year ended December 31, 2025 have been prepared in accordance with U.S. GAAP.

See Note 2 to the consolidated financial statements for significant accounting policies used in the preparation of the consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES & JUDGMENTS

The preparation of these consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the application of policies, reported amounts and disclosures. By their nature, these estimates and judgments are subject to uncertainty and the effect on these consolidated financial statements of changes in such estimates in future periods could be significant. Actual results could differ from those estimates.

See Note 2 for critical accounting judgements and estimates disclosed in the audited consolidated financial statements for the year ended December 31, 2025.

The Company, through its investment in FCC, recognized warrants issued in connection with an acquisition that were valued using a Monte Carlo simulation model. The valuation constitutes a significant accounting estimate due to the complexity of the instruments and the use of unobservable level 3 inputs within the fair value hierarchy.

The Monte Carlo model incorporates the contractual terms of the warrants, including a valuation cap, discounts to future financing prices, and market-based pricing mechanisms that determine the exercise price. The model simulates a range of potential future equity values for FCC and estimates the expected payoff of the warrants on a probability-weighted basis.

Significant assumptions used in the valuation include expected volatility of 100%, a risk-free interest rate of 3.7%, a valuation cap of $250,000, and a 50% probability of achieving specified qualifying events or milestones. The fair value measurement is particularly sensitive to changes in the probability of achieving qualifying events and the valuation cap. Possible changes in these assumptions could result in a material change in the estimated fair value of the warrants.

As FCC is a private entity with no observable market inputs, management engaged an independent valuation specialist to assist in the determination of fair value; however, these estimates remain inherently uncertain and subject to significant judgments. Actual results may differ materially from the estimates, which could have a material impact on the Company's financial statements.

OFF - BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as of this MD&A date.

PROPOSED TRANSACTIONS

The Company is exploring potential strategic initiatives to support growth and operations. These initiatives are at an early stage, and no decisions have been made.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements within the meaning of applicable United States and Canadian securities laws, including the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are often identified by words such as "believe", "anticipate", "expect", "estimate", "may", "plan", "potential", "will", "should" or similar expressions.

These forward-looking statements include, but are not limited to, statements regarding the economic projections, development potential, and anticipated outcomes described in our 2025 pre-feasibility study for the Yerington Copper Project, as well as statements regarding our future operations, objectives, expectations, and financial performance. These statements reflect management's current expectations, estimates, assumptions, and beliefs as of the date of this MD&A regarding future events and results.

Forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such statements. These risks include, among others, uncertainties related to mineral resource and mineral reserve estimates; assumptions underlying our pre-feasibility study; the availability of financing; reliance on third-party partners; permitting and regulatory approvals; environmental, technical and operational risks; and general economic and market conditions. For a more detailed discussion of these risks, see *Item 1A – Risk Factors* in our most recent Annual Report on Form 10-K.

Forward-looking statements concerning mineral resources, mineral reserves, and project economics are based on technical reports prepared in accordance with applicable disclosure standards. Such technical information is inherently uncertain and subject to significant assumptions regarding geological interpretation, engineering and metallurgical performance, capital and operating costs, copper prices, and other factors, many of which are beyond our control and difficult to predict accurately.

Readers are cautioned not to place undue reliance on forward-looking statements. Except as required by applicable law, we undertake no obligation to update or revise any forward-looking statements to reflect new information, future events, or otherwise.