



Lion Copper and Gold Corp.

Management's Discussion and Analysis For the three months ended March 31, 2026

Dated: May 15, 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. and its subsidiaries (collectively, "**Lion Copper**" or the "**Company**"), dated **May 15, 2026**, should be read in conjunction with the condensed interim consolidated financial statements for the three months ended March 31, 2026 and the 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 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, of 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

Lion Copper was incorporated in British Columbia, Canada, on May 11, 1993, and its common shares are listed on the Canadian Securities Exchange ("**CSE**") under the symbol "LEO" and quoted for trading on the OTCQB Market under the symbol "LCGMF".

The Company continues to advance its strategic arrangement with Nuton LLC ("**Nuton**") in respect of the Yerington Copper Project located in Nevada, United States.

Under the March 2022 option to earn-in agreement, Nuton may earn a 65% interest in the Company's copper project through a three-stage funding framework. Following completion of Stage 1 and Stage 2, Nuton elected to proceed to Stage 3 in November 2025, and the parties executed a definitive earn-in agreement on December 19, 2025.

In January 2026, the Company finalized the Stage 3 program budget and received \$30,500 from Nuton to advance Stage 3 activities. Nuton funding continues to support advancement of the project while reducing the need for significant direct funding by the Company.

The Company expects to continue advancing feasibility study ("**FS**") and permitting throughout 2026 and will provide updates as material development occur.

Upon completion of the FS, Nuton and the Company will determine whether to establish an investment vehicle to which the Mining Assets will be transferred, with Nuton holding a minimum 65% interest.

MINERAL PROPERTIES

Yerington Copper Project

During the three months ended March 31, 2026, the Company commenced execution of Stage 3, focused on advancing the DFS and supporting permitting efforts.

The Company has appointed Samuel Engineering, Inc. ("**Samuel**") as lead consultant for the Definitive Feasibility Study ("**DFS**") of its flagship Yerington Copper Project in Nevada, USA and NEXUS Environmental Consultants Inc. ("**NEXUS**") as lead consultant for permitting and environmental management. Lion hosted a multi-day DFS and permitting workshop at the Yerington project site, bringing together all core members of the study team.

Multiple drilling campaigns have also commenced to de-risk and optimize project design. Resource drilling commenced to upgrade the mineral resource of the Vat Leach Tailings ("**VLT**") to reserve status. This drilling program started in February 2026 and is to be completed in May 2026. The additional reserve will be incorporated into the DFS. Additionally, piezometer and geotechnical drilling have started within the Yerington pit area. This drilling started in March 2026 and is to be completed June 2026. These drilling programs are designed to advance the understanding of groundwater conditions, optimize pit slope design and stability analysis, and advance environmental and permitting workstreams.

Nuton continues to advance metallurgical studies on sulfides via column testing.

RESULTS OF OPERATIONS

For the three months ended March 31, 2026, the Company reported net loss of \$6,393, primarily driven by non-cash \$3,755 loss in investment of Falcon Copper Corp. ("**FCC**") and \$2.677 fair value loss on derivative liabilities.

Following the deconsolidation of FCC effective December 31, 2025, FCC's operating expenses are no longer included in the Company's consolidated financial statements. As a result, the current financial results are not directly comparable to those of the same period last year. Accordingly, the decrease in the current period operating expenses primarily reflects the accounting impact of the deconsolidation and related changes in presentation, rather than a reduction in the underlying operating costs of the Company.

Operating expenses includes 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)	Three months ended March 31, 2026	
	2026	2025
Expenses		
Exploration and evaluation	\$ 934	\$ 1,163
General and administration	959	1,406
Share-based compensation	7	1,086
Nuton LLC Deposit	(1,765)	(2,213)
Other expenses	6,258	876
Net loss and comprehensive loss	(6,393)	(2,318)
Loss and comprehensive loss attributable to:		
Lion Copper and Gold Corp.	(6,393)	(1,555)
Non-controlling interest	-	(763)
loss per share, basic and diluted	\$ (0.02)	\$ (0.01)
outstanding	416,411,259	411,011,264

SUMMARY OF QUARTERLY RESULTS

(in thousands except for per share amounts)	Q1'26	Q4'25	Q3'25	Q2'25	Q1'25	Q4'24	Q3'24	Q2'24
Exploration expenditures	\$ (934)	\$ (849)	\$ (1,033)	\$ (987)	\$ (1,163)	\$ (1,603)	\$ (1,591)	\$ (2,389)
General administration	(959)	(4,374)	(2,887)	(1,399)	(1,406)	(1,122)	(1,373)	(1,358)
	(1,893)	(5,223)	(3,920)	(2,386)	(2,569)	(2,725)	(2,964)	(3,747)
Fair value (loss) gain on derivative liabilities	(2,677)	(1,851)	261	(1,008)	(774)	39	439	(427)
Foreign exchange gain (loss)	3	(2)	(21)	19	(30)	(28)	(4)	(7)
Interest and other	(3,584)	(1,254)	(530)	(76)	(72)	387	(41)	(95)
Gain on deconsolidation	-	26,381	-	-	-	-	-	-
Share-based compensation	(7)	(3,932)	(3,583)	(171)	(1,086)	(734)	(129)	-
	(8,158)	14,119	(7,793)	(3,622)	(4,531)	(3,061)	(2,699)	(4,276)
Nuton LLC funded	1,765	583	1,474	1,940	2,213	2,310	2,336	3,102
Net (loss) income for period	(6,393)	14,702	(6,319)	(1,682)	(2,318)	(751)	(363)	(1,174)
Basic(loss) income per share	\$ (0.02)	\$ 0.05	\$ (0.01)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

LIQUIDITY AND CAPITAL RESOURCES

The Company has not earned any revenue. Its operations have been dependent mainly on the Nuton LLC funding in the last few years without diluting shareholders' value.

In January 2026, the Company received \$30,500 from Nuton in connection with Stage 3 funding, with aggregate total of \$58,500 as of this MD&A date under the Nuton agreement.

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.

In January 2026, the Company also received \$557 cash dividend from Falcon Butte Minerals Corp. in connection with the disposal of its shares in December 2025.

Cash on hand is approximately \$29,250 as of May 15, 2026.

The following table summarizes the Company's cash flow for the three months ended March 31, 2026, and 2025:

	2026	2025
Cash provided (used) by operating activities	\$ 29,616	\$ (2,362)
Cash used in investing activities	(39)	-
Cash provided by financing activities	497	696
Increase (decrease) in cash and cash equivalents	30,074	(1,666)
Cash and cash equivalents, beginning of period	2,364	7,999
Cash and cash equivalents, end of period	\$ 32,438	\$ 6,333

Year to date the Company has received aggregate proceeds of \$1,214 from the exercise of stock options and warrants.

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)	March 31, 2026	December 31, 2025
Financial Position		
Cash	\$ 32,438	\$ 2,364
Investments	15,049	18,548
Mineral properties	7,986	7,986
Other assets	58	570
Total assets	\$ 55,531	\$ 29,468
Total Liabilities	\$ 31,750	\$ 6,082
Total equity	\$ 23,781	\$ 23,386
Working capital (deficiency)	\$ 698	\$ (3,157)

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:

	Three months ended March 31,	
	2026	2025
Salaries and bonuses	\$ 138	\$ 215
Share-based compensation	7	658
	\$ 145	\$ 873

These transactions have occurred in the normal course of the business and are measured at the equivalent amount of the services rendered.

OUTSTANDING SHARE INFORMATION

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

- 431,137,702 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 \$0.056 - \$0.0965 expiring from March 8, 2029 through November 6, 2030.

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 several 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.