



Management's Discussion & Analysis

For the year ended December 31, 2024

(Expressed in Canadian dollars)

Honey Badger Silver Ltd.

Management's Discussion & Analysis

For the year ended December 31, 2024

The following is management's discussion and analysis ("MD&A") of the results of operations and financial condition of Honey Badger Silver Inc. (the "Company") for the year ended December 31, 2024, and up to the date of this MD&A. This MD&A should be read in conjunction with the accompanying audited consolidated financial statements for the year ended December 31, 2024, together with the notes thereto (the "Financial Report").

All financial information in this MD&A is derived from the Company's consolidated financial statements prepared in accordance with IFRS Accounting Standards and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is April 23, 2025.

CORPORATE OVERVIEW AND OUTLOOK

The Company is a publicly traded company incorporated in Ontario in 1992. The Company's common shares are listed for trading on the TSX Venture Exchange (the "TSX-V") under the symbol "TUF" and on the OTCQB Venture Market in the United States under the symbol "HBEIF". The Company corporate office is located at Unit 1 – 15782 Marine Drive, Vancouver, BC, V4B 1E6 and the Company's registered and records office is located at 199 Bay Street, Suite 5300, Commerce Court West, Toronto, Ontario, M5L 1B9.

The Company is engaged in identifying, evaluating, acquiring, and exploring silver-based and other metals-based assets, including high-grade properties, and projects with existing mineral resources/reserves and cash-flowing metal royalties and streams. The Company has several projects in Canada.

EXPLORATION PROJECTS

Yukon Properties

On June 4, 2021, the Company completed the acquisition of three silver properties located in Yukon, Canada comprised of the Plata, Groundhog, and Hy properties. In consideration, the Company issued 6,106,091 common shares valued at \$4,524,613 to Strategic Metals Ltd., a public company which a former director of the Company is also the Chief Executive Officer, President and a director.

Plata

Plata lies within the Tintina Gold Belt and displays many similarities to the Keno Hill Silver Camp located about 180 km to the west. The Keno Hill Silver Camp is Canada's second-largest primary producer of silver with production from approximately thirty-five vein deposits between 1913 and 1989. A reported 2,041 tonnes of hand sorted material were shipped from high grade veins on the Plata property to a smelter, yielding about 9,020 kg (290,000 ounces) of silver; this equates to a recovered silver grade of approximately 4,420 grams per tonne (g/t) silver.

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On March 5, 2024, the Company announced the acquisition of additional claims adjacent to its Plata Project. Recent compilation work on the Company's Plata Project confirmed similarities to the adjacent exciting Rogue Project owned by Snowline Gold (TSX-V: SGD). Rogue appears to be one of the most exciting and potentially one of the largest recent mineral discoveries anywhere in the world. The claims were staked by ECEE Money Ltd. ("ECEE"), a private corporation controlled by W. Douglas Eaton, a former director of the Company, with the concurrence and knowledge of the Company. ECEE has transferred ownership of the claims to the Company at no cost, subject to a 2% net smelter royalty ("NSR") on future commercial gold production. The NSR applies only to gold.

On June 20, 2024, the Company announced that it believes it has identified a "Snowline-style" geologic target at its Plata Project, located adjacent to Snowline Gold Corp.'s major discovery in the Tintina Gold Belt of the Yukon Territory. In a news release and webinar dated March 7, 2024, the Company discussed in detail the theory that Plata fits the Reduced Intrusive zonation model defined at Snowline's Rogue Project, with the critical link provided by discovery of intrusive-hosted Type IV veins during the 2023 field season. Also announced June 20, 2024, the Company has engaged ExploreTech to analyze geophysical data at Plata to refine the highest-potential targets. ExploreTech is an innovative geoscience computing company founded by Stanford alumni geophysicist Alex Miltenberger PhD and geologist Tyler Hall PhD. ExploreTech uses innovative data interpretation methods including proprietary xFlare™ technology to interpret geophysical data in conjunction with geologic data. This methodology has been successful in siting drill holes which intersected mineralization in multiple geologic settings. At Plata, their work is expected to provide insight as to the possible shape, size, and location of a buried intrusion which would represent a significant mineralized target.

Groundhog

Silver mineralization was first discovered in the road-accessible Groundhog area in 1956. Since that time over one hundred showings have been discovered in the district by various operators. One of these showings was bulk sampled in 1988 and 1995. This work resulted in the removal of 52.5 tonnes grading approximately 3,800 g/t silver. A rock sample from the property returned 11,663.5 g/t silver.

The Project is located 50 km south of Ross River and approximately 25 km west of the former Ketza Mine, which produced over 57,500 ounces of gold and 33,400 ounces of silver from replacement-style manto deposits within a geologic region known as the Ketza Uplift. Groundhog hosts numerous mineralized showings with manto-hosted and fracture-hosted silver-lead-zinc mineralization. Historical grades range up to 18,120 g/t silver, 85% lead, 23.6% zinc and 5.91 g/t gold, within the Seagull Uplift, a structural environment similar to, and tectonically linked to, the Ketza Uplift.

On March 23, 2023, the Company announced exploration results from its 2022 program which included the collection of 49 rock samples and 488 soil samples. Three main types of mineralization were discovered on the Groundhog property: veins and breccia zones, replacement (manto) mineralization, and stratiform mineralization.

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Hy

The road accessible Hy property covers many silver occurrences that were first discovered on the property in 1964. Three mineralized zones were the primary focus of past exploration with the areas between them essentially unexplored. Bulldozer stripping and trenching returned 684.0 g/t silver, 9.20% zinc and 11.01% lead over 1.83 metres from a chip sample at Showing A and 370.3 g/t silver, 8.22% lead and 14.01% zinc over 3.20 metres from a chip sample collected from the Hillside Showing.

Clear Lake

On March 29, 2022, the Company completed the acquisition of the Clear Lake silver/zinc/lead property located in Yukon, Canada. In consideration, the Company paid \$250,000 cash and granted a 1% net smelter return ("NSR") royalty on all metals other than silver.

The Clear Lake deposit hosts a historical NI 43-101 Inferred Resource prepared by SRK for Copper Ridge Exploration, of 7.76 million tonnes grading 22 grams per tonne silver, 7.6% zinc and 1.08% lead, containing 5.5 million ounces of silver, 1.4 billion pounds of zinc and 185 million pounds of lead.

Northwest Territories Property

Sunrise Lake

On October 17, 2023, the Company entered into a purchase agreement with SSR Mining Inc. ("SSR") to acquire 100% of SSR's Sunrise Lake silver project in the Northwest Territories, Canada. In consideration, the Company granted SSR a 4% NSR royalty on any future production from the project, half (2%) of which may be purchased by the Company at any time prior to commencement of construction at the project for US\$10 million.

Sunrise Lake is located in the Northwest Territories, Canada, 130 kilometers northeast of Yellowknife, and hosts silver-gold and base metal mineralization outlined by 21,774 meters of surface diamond drilling since its discovery in 1987. The Sunrise Lake deposit is a volcanogenic massive sulphide deposit comprising a steeply dipping lens three-to-four meters thick, 120 meters wide and 190 meters long. Underlying the mineralization is lower grade disseminated mineralization up to about 50 meters in thickness. Numerous exploration targets have been identified on the property. The project comprises six contiguous mining leases totaling 1,621 hectares, with annual lease payments of about \$8,000 and no minimum work commitments.

Sunrise Lake has an estimated historical resource comprising Indicated: 1.522 million tonnes grading 262 grams/tonne silver, 6.0% zinc, 2.4% lead, 0.08% copper, and 0.67 grams/tonne gold and Inferred: 2.555 million tonnes grading 169 grams/tonne silver, 4.4% zinc, 1.9% lead, 0.07% copper, and 0.51 grams/tonne gold. This represents contained silver of approximately 12.8 million ounces Indicated and 13.9 million ounces Inferred. Expressed as silver equivalent ounces, the contained metal is approximately 28.7million ounces silver equivalent Indicated and 35 million ounces silver equivalent Inferred.

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Nunavut Property

Nanisivik Property, Nunavut

In 2021 and 2022, the Company staked certain claims in Nunavut, Canada known as the Nanisivik silver property.

On September 13, 2023, the Company announces its plans for exploration work on its wholly owned Nanisivik Project near Arctic Bay, Nunavut.

In 2021 and 2022, the Company staked claims totaling 5,723 hectares over the Nanisivik Mine area. The Nanisivik Mine (near Arctic Bay, Nunavut) produced over 20 million ounces of silver between 1976 and 2002, from 17.9 million tons of ore, grading 9% zinc, 0.72% lead, and 35 grams per ton silver. In addition to the polymetallic orebody, previous exploration identified massive sulphide bodies (principally pyrite), totaling about 100 million tons, containing base metal and silver values not economic at the time.

On May 2, 2024, the Company announced the acquisition of the historic drill data base for the Nanisivik Project which contains extremely valuable geologic information about the claims. The data base contains the results from decades of drilling at Nanisivik that the Company estimates would cost well over \$40 million to replicate today. The Company has been searching for this information since staking Nanisivik and were able to acquire it after months of effort utilizing our extensive contacts in the mining industry. The Company is examining the data to identify potential mineralization at Nanisivik that could be economic at today's metals prices. The Company expects this to lead to multiple areas and potential targets for further examination and evaluation. Nanisivik could have an eventual resource of up to 100 million ounces of silver at a grade of 30-50 grams per ton silver. The prospectivity is supported by the reported large tonnages of pyrite bodies at Nanisivik containing anomalous concentrations of silver as well as, locally, germanium, gallium, and indium. In addition, with a deep-sea port being constructed adjacent to the Nanisivik Mine, the pyrite bodies themselves may have significant commercial value.

On September 16, 2024, the Company announced that a detailed review of the recently acquired historic database of drilling and assays at its Nanisivik project had shown very encouraging results for silver mineralization in multiple areas that were not mined.

On October 21, 2024, the Company announced that it staked 10 claims totaling 7,650 hectares at the Nanisivik project bringing the total to 14 mineral claims covering some 13,373 hectares. These claims cover geophysical anomalies identified during the Company's review of the historic data base.

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Yava Property, Nunavut

On October 1, 2024, the Company issued 4,250,000 common shares value at \$340,000 to acquire the Yava project located in Nunavut, Canada.

On October 28, 2024, the Company announced that it has added, by low cost staking, additional claims to the Yava project.

Yava is located 45 kms from Glencore's Hackett River Project, one of the largest undeveloped silver resources in the world. The new claims increase the Company's land position in this rich district from 1,280 hectares to 4,395 hectares. The new claims cover a number of untested magnetic and electromagnetic anomalies and silver occurrences that occur along strike and adjacent to the Yava deposit and add greatly to the Company's expansion potential in the district.

QUALIFIED PERSON

Dorian L. (Dusty) Nicol (PG, FAusIMM), the Company's Qualified Person as defined by NI 43-101, has reviewed and approved the exploration information contained in this MD&A.

SELECTED ANNUAL INFORMATION

	Year ended December 31, 2024	Year ended December 31, 2023	Year ended December 31, 2022
Statement of Loss:			
Net revenues	\$Nil	\$Nil	\$Nil
Net loss	\$2,127,298	\$1,840,895	\$1,636,801
Basic and diluted loss per share	\$0.04	\$0.05	\$0.05
Financial Position:			
Total assets	\$649,365	\$344,009	\$638,977
Total liabilities	\$388,753	\$552,498	\$307,086

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RESULTS OF OPERATIONS

The loss for the year ended December 31, 2024 was \$2,127,298 compared to \$1,840,895 for the year ended December 31, 2024.

During the year ended December 31, 2024, the Company paid or accrued consulting fees of \$760,543 to senior management which was comparable to the prior period of \$742,818.

Exploration and evaluation expenditures for the year ended December 31, 2024 totalled \$558,293 compared to \$260,428 in the comparative year. In both years, the Company's exploration and evaluation expenditures were primarily data interpretation on its Yukon and Nunavut properties. In addition, on October 1, 2024, the Company issued 4,250,000 common shares value at \$340,000 to acquire the Yava project located in Nunavut, Canada.

Marketing, promotion and travel costs for the year ended December 31, 2024 were \$306,985 compared to \$466,086 in the comparative year and relates to market awareness activities.

Non-cash share-based compensation for the year ended December 31, 2024 was \$254,829 (2023 - \$104,070) and relates to options that vested during the year.

On September 30, 2024, the Company issued 1,026,180 common shares valued at \$76,964 to settle trade and accounts payable of \$101,738, and accordingly recorded a gain on settlement of trade and other payables of \$24,774.

During the year ended December 31, 2024, Red Cloud forgave certain amounts owing from the Company and accordingly, the Company recorded a gain on forgiveness of trade and other payables of \$75,200 for the year ended December 31, 2024.

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SUMMARY OF QUARTERLY RESULTS

	3 Months Ended December 31, 2024		3 Months Ended September 30, 2024		3 Months Ended June 30, 2024		3 Months Ended March 31, 2024	
Total revenues	\$	-	\$	-	\$	-	\$	-
Net loss	\$	(914,285)	\$	(302,747)	\$	(560,626)	\$	(349,640)
Basic and diluted loss per share	\$	(0.02)		(0.00)	\$	(0.01)	\$	(0.01)

	3 Months Ended December 31, 2023		3 Months Ended September 30, 2023		3 Months Ended June 30, 2023		March 2, 2021 to March 31, 2023	
Total revenues	\$	-	\$	-	\$	-	\$	-
Net loss	\$	(446,375)	\$	(634,961)	\$	(420,062)	\$	(339,497)
Basic and diluted loss per share	\$	(0.01)	\$	(0.02)	\$	(0.01)	\$	(0.01)

FOURTH QUARTER

The Company began the fourth quarter with \$268,064 cash. During the three months ended December 31, 2024, the Company spent \$597,872 on operating activities, net of working capital changes, and received \$479,908 from financing activities, to end at December 31, 2024 with \$150,100 cash.

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LIQUIDITY AND CAPITAL RESOURCES

The Company began the fiscal year with \$252,241 cash. During the year ended December 31, 2024, the Company spent \$1,771,241 on operating activities, net of working capital changes, and received \$1,669,100 from financing activities, to end at December 31, 2024 with \$150,100 cash.

On April 10, 2024, the Company completed a non-brokered placement through the issuance of 16,749,000 units at a price of \$0.05 per unit for gross proceeds of \$837,450 and the issuance of 5,642,307 flow-through shares at a price of \$0.065 per flow-through share for gross proceeds of \$366,750. The Company paid cash finder's fees of \$7,130 and issued 97,000 broker warrants on the same terms as the private placement warrants. The Company paid other share issue costs of \$7,878.

On December 16, 2024, the Company completed the first tranche of a private placement through the issuance of 4,657,692 units at a price of \$0.13 per unit for gross proceeds of \$605,500 and 687,500 flow-through shares at a price of \$0.16 per flow-through share for gross proceeds of \$110,000. The Company paid cash finder's fees of \$7,250 and issued 51,875 broker warrants on the same terms as the private placement warrants.

As at December 31, 2024, the Company had working capital of \$260,612.

On January 3, 2025, the Company completed the second and final tranche of a private placement through the issuance of 1,619,230 units at a price of \$0.13 per unit for gross proceeds of \$210,500 and 465,000 flow-through shares at a price of \$0.16 per flow-through share for proceeds of \$74,400. During the year ended December 31, 2024, the Company received proceeds of \$64,500 which were recorded as an obligation to issued shares as at December 31, 2024. The Company paid cash finder's fees of \$5,464 and issued 27,900 broker warrants on the same terms as the private placement warrants.

However, management estimates that the Company does not have sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

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RELATED PARTY TRANSACTIONS

Related party transactions

	Year ended December 31,	
	2024	2023
Consulting fees		
Chairman	\$ 300,000	\$ 300,000
Chief Executive Officer	260,000	120,000
Golden Oak *	120,000	75,250
Former Chief Executive Officer	-	56,270
Former Chief Executive Officer	-	3,750
Former President	-	20,000
Grove **	-	113,400
	680,000	688,670
Exploration and evaluation expenditures		
Former Chief Operating Officer	-	20,000
Former President	-	2,500
	-	22,500
Marketing, promotion and travel		
Red Cloud ***	85,000	81,200
Sharechest ****	1,000	6,000
	86,000	87,200
Share-based compensation	199,205	31,873
Total	\$ 965,205	\$ 830,243

* Golden Oak Corporate Services Ltd. ("Golden Oak") is a consulting company controlled by the Chief Financial Officer and Corporate Secretary of the Company. Golden Oak provides the services of a Chief Financial Officer, Corporate Secretary, and accounting and administrative staff to the Company.

** Grove Corporate Services Ltd. ("Grove") is a consulting company which provided the services of a Chief Financial Officer, Corporate Secretary, and accounting and administrative staff to the Company.

*** Red Cloud Securities Inc. and Red Cloud Financial Services Inc. (collectively "Red Cloud") are owned 100% by Red Cloud Mining Capital Inc., whose Chairman is also the Chairman of the Company.

**** Sharechest Inc. ("Sharechest") is a company controlled by the Chairman of the Company.

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Related party balances

		December 31, 2024	December 31, 2023
Chairman	Fees	\$ 154,250	\$ 238,410
Chairman	Expenses	19,983	66,657
Golden Oak	Expenses	3,032	632
Red Cloud	Fees	-	75,200
Sharechest	Fees	-	1,695
Total		\$ 177,265	\$ 382,594

All amounts owing are unsecured, non-interest bearing and due on demand.

During the year ended December 31, 2024, Red Cloud forgave certain amounts owing from the Company and accordingly, the Company recorded a gain on forgiveness of trade and other payables of \$75,200 for the year ended December 31, 2024.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The components of exploration and evaluation assets are described in Note 6 to the Financial Report.

OUTSTANDING SHARE DATA AS AT THE DATE OF THIS MD&A

Authorized: an unlimited number of common shares without par value.

	Number of Shares	Warrants	Stock Options
Balance, December 31, 2024	73,214,670	16,659,030	5,986,107
Private placement	2,084,230	1,647,130	-
Exercise of warrants	550,000	(550,000)	-
Options cancelled	-	-	(247,632)
Balance, the date of this MD&A	75,848,900	17,756,160	5,738,475

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FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVTOCI"); or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

		December 31, 2024	December 31, 2023
Cash	Amortized cost	\$ 150,100	\$ 252,241
Funds held in trust	Amortized cost	300,000	-
Subscriptions receivable	Amortized cost	40,000	-
Marketable securities	FVTPL	34,696	52,043
Trade and other payables	Amortized cost	(147,351)	(166,254)
Due to related parties	Amortized cost	(177,265)	(382,594)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying values of cash, funds held in trust, subscriptions receivable, trade and other payables, and due to related parties approximate their fair values due to their short-term nature. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost. The Company's marketable securities are held in a company with an active market and are classified as current assets at fair value.

Risk management

The Company's financial instruments are exposed to certain financial risks, which include credit risk, liquidity risk, and such market risks as interest rate risk, market price risk, and commodity risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk

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management framework. The Board has implemented and monitors compliance with risk management policies as set out herein.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation and causes the other party to incur a financial loss. The Company's credit risk consists primarily of cash. The credit risk is minimized by placing cash and investing short term investments with major Canadian financial institutions. Management believes that the credit risk concentration with respect to its bank deposits is remote since all cash is held with financial institutions of reputable credit. The Company's receivables relate to government goods and services taxes and have negligible counterparty default risk.

Liquidity Risk

The Company's liquidity risk is the risk that Company has insufficient funds to settle its contractual financial liabilities. The Company manages this risk by ensuring sufficient funds are available as contractual cash flows become due.

As at December 31, 2024, the Company had a cash and funds held in trust of \$450,100 to settle trade and other payables and due to related parties of \$324,616.

While the Company has been successful in obtaining the required funding in the past to meet its financial obligations, there is no assurance that future financings will be available.

Market risks

The Company's market risk arises from changes in interest rates, market prices, commodity prices, and foreign exchange rates that could have an impact on profit or loss. This includes:

- a) Interest rate risk is the sensitivity of the fair value or of the future cash flows of a financial instrument to changes in interest rates. The Company does not have any financial assets or liabilities that were subject to variable interest rates.
- b) Market price risk is the sensitivity of the fair value of the Company's marketable securities to price volatility. The fair value of its portfolio is not material, and any market price risk is considered insignificant.
- c) Commodity price risk is the sensitivity of the fair value of the future cash flows of mineral assets. The Company manages this risk by continually monitoring base and precious metal prices and commodity price trends to determine the appropriate timing for funding the exploration of its mineral assets, or for the acquisition or disposition of mineral-based assets.
- d) Currency risk is the sensitivity of the fair value or of the future cash flows of financial instruments to changes in foreign exchange rates. The Company does not have any financial assets or liabilities that are subject to variable foreign exchange rates and as such the Company is not subject to currency risk.

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CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS Accounting Standards requires Management to make judgments, estimates, and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Judgments, estimates and assumptions are continuously evaluated and are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience. However, actual outcomes may differ from the amounts included in the financial statements.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could have an effect on the amounts recognized in the financial statements relate to the following:

Going concern assumption

In the determination of the Company's ability to meet its ongoing obligations and future contractual commitments management relies on the Company's planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations for a period of one year. Changes in estimated cash use may alter the Company's ability to meet its ongoing obligations and future contractual commitments and could result in adjustments to the amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

Income taxes and the recovery of deferred taxes

The measurement of income taxes payable and deferred income tax assets and liabilities requires Management to make judgments in the interpretations and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of consolidated financial statements.

Deferred flow-through premium estimates

Recorded costs of flow-through share premium liabilities reflect premiums received by the Company on the issue of flow-through shares. The premium is subject to measurement uncertainties and requires the Company to assess the value of non-flow-through shares. The determination is subjective and does not necessarily provide a reliable single measure of the fair value of the premium liability.

Share-based compensation

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them. The value of the share-based payment expense for the period along with the assumptions and model used for estimating fair value for share-based compensation transactions are disclosed in note 10.

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Warrants

The Company may issue units in their financings, comprised of common shares and common share purchase warrants. The fair value of the warrants issued on the closing is estimated, and reflected in the reserve for warrants account until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital. If the warrants expire unexercised, the amount recorded is transferred to contributed surplus.

NEW ACCOUNTING PRONOUNCEMENTS

New accounting policy

The following amendments to existing standards have been adopted by the Company commencing January 1, 2024:

Amendments to IAS 1 Presentation of Financial Statements clarify how to classify debt and other liabilities as current or non-current. The amendments help to determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or noncurrent. The amendments also include clarifying the classification requirements for debt an entity might settle by converting it into equity. The adoption of these amendments did not materially impact the condensed interim consolidated financial statements of the Company.

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of December 31, 2024 and have not been applied in preparing the condensed interim consolidated financial statements.

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are based on a number of assumptions and are subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, assumptions regarding future uranium prices, debt and equity financing market conditions, receipt of regulatory approvals, and other factors set forth under "Forward Looking Statements" and "Risk Factors" in the Amended and Restated Filing Statement of the Company dated September 21, 2023. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. New factors emerge from time to time, and it is not possible for the Company to predict all of them, or assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Any forward-looking statements contained in this MD&A are expressly qualified in their entirety by this cautionary statement.

ADDITIONAL INFORMATION

Additional information relating to the Company is available at SEDAR+ and on the Company's website <https://honeybadgersilver.com/>.