Talisker RESOURCES

Management's Discussion & Analysis

For the years ended December 31, 2024 and 2023

Dated March 31, 2025

This management's discussion and analysis (this "MD&A") reflects the assessment by management of the results and financial condition of Talisker Resources Ltd. ("Talisker" or the "Company") and should be read in conjunction with the audited consolidated financial statements of the Company for the years ended December 31, 2024 and 2023 and the notes thereto (the "Financial Statements"). Management is responsible for the preparation of the Financial Statements and this MD&A. The Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). This MD&A and the Financial Statements are available on SEDAR+ (www.sedarplus.ca) under Talisker's issuer profile and on Talisker's website (www.taliskerresources.com).

This MD&A has been prepared as of March 31, 2025. All dollar figures in this MD&A are expressed in Canadian dollars unless stated otherwise.

Qualified Person

The scientific and technical information contained in this MD&A has been approved by Leonardo de Souza (BSc, AusIMM (CP) Membership 224827), Talisker's Vice President, Exploration and Resource Development, who is a "qualified person" within the meaning of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101").

Outlook and Strategy and Recent Developments

OUTLOOK AND STRATEGY

Talisker remains focused on advancing its exploration and development activities, with a particular emphasis on the Bralorne Gold Project. The Company's strategy for the upcoming quarters centres on completing critical exploration, development, and operational milestones while maintaining strong engagement with Indigenous communities and adhering to environmental and regulatory standards.

Bralorne Gold Project

Talisker continues to advance its development and exploration work at the Bralorne Gold Project, with key activities scheduled for Q1 and Q2 2025 including:

- Exploration Drilling: A comprehensive 2,400-metre diamond drilling program will be initiated to refine the geological model for the ore zones. This drilling will be conducted from both surface and underground locations, with the objective of further delineating the mineralized areas and supporting future resource estimates.

- Mine Development: Development activities will focus on establishing access to the stoping panels at the Mustang Mine (formerly the BK Zone). Ore extraction is expected to begin in Q2 2025.

- Project Milestones: Talisker will also continue development activities, including ramp-up to the planned development rate of 12 metres per day starting in August 2025.

Greenfield Exploration and Permitting

Beyond the Bralorne Gold Project, Talisker remains committed to its greenfield projects, which include several promising exploration properties across British Columbia. The Company plans to continue its exploration activities to maintain mineral claims in good standing as well as advancing drill permit applications and focus exploration activities to expand on existing discoveries where Talisker has identified high potential for gold mineralization.

Recent Developments and Technologies

Talisker is actively evaluating and implementing new technologies to enhance the efficiency of its operations. For example, in February 2025, Talisker announced promising results from preliminary tests of laser sorting technologies at the Bralorne Gold Project. This technology has shown potential for significantly improving ore processing efficiency by selectively concentrating gold-bearing quartz, while rejecting a substantial proportion of waste rock. These developments could lead to cost reductions and improved operational profitability in the near future.

Financing and Liquidity

While Talisker continues to expand its exploration and development activities, the Company will remain reliant on external financing to fund its ongoing and future programs. Talisker will continue to explore various financing options, including equity issuances, royalty agreements, and debt financing. The Company's ability to raise funds through these mechanisms will be key to maintaining its operational momentum and achieving long-term growth.

Indigenous Relations and Community Engagement

Talisker is committed to maintaining and enhancing its relationships with Indigenous communities, particularly those surrounding the Bralorne Gold Project. The Company has worked diligently to build meaningful partnerships and will continue to engage in open and transparent dialogue with local communities to ensure that project developments align with their cultural, environmental, and economic interests. The Company's approach to Indigenous relations is underpinned by respect, transparency, and a commitment to mutual benefit.

RECENT DEVELOPMENTS

On March 18, 2025, the Company entered into a mining services contract ("Mining Services Contract") with Thyssen Mining Construction of Canada Ltd. ("Thyssen") to provide mining services at its Mustang Mine. Thyssen is a well-established underground mining contractor known for its proven track record of delivering high-quality, efficient mining services. The Company will benefit from Thyssen's expertise, resources, and capabilities in underground mining, which are essential for achieving the production targets outlined in the Mustang Mine's production plan. This agreement will directly contribute to the Company's operational efficiency and long-term success, as it provides access to specialized mining services that are critical to the efficient development and extraction of mineral resources. Additionally, Thyssen's involvement allows the Company to leverage their established reputation and capabilities in the industry, which can enhance the credibility and reliability of the project. As a result, this agreement is strategically important for the Company, as it not only strengthens its operational capacity but also ensures the achievement of key production milestones, which are central to the overall success of the Mustang Mine project.

On February 26, 2025, the Company announced promising results from preliminary testing of ore sorting technologies at its Bralorne Gold Project. A series of samples were collected from multiple zones within the Bralorne Mine Area to evaluate the potential effectiveness of laser sorting. Key highlights of the study included:

- Results indicate strong associations between gold and quartz, indicating that laser sorting technology could be highly effective in enhancing the efficiency of ore processing;
- Laser concentration produced an increase from the average feed grade of 14.4 grams per tonne gold to a final sorted product grade of 27.8 grams per tonne gold; and
- Sorting rejected between 35% and 55% of total rock mass and achieved gold recoveries of between 95% and 99%.

On February 11, 2025, the Company announced the status of mining contractor mobilization and pre-development activities at the Bralorne Gold Project including:

- All operational staff and contractors have arrived at site with necessary mining equipment;
- Ground control management and ventilation plans for the Mustang Mine have been finalized;
- Mine rescue training for the underground teams has been completed;
- Pre-construction activities are well underway with additions to the workshop and storage units already completed and the re-establishment of compressed air, water and power services;
- Minor ground support rehabilitation, installation of ventilation and safety infrastructure has been completed;
- Drilling and blasting of the first long hole stope is expected to take place in May with remaining production from development on the Alhambra, BK and BK9870 veins; and
- Development is planned to continue at 6 metres per day until August when it is planned to increase to 12 metres per day

On January 30, 2025, the Company announced the acquisition of the Golden Hornet Project ("Golden Hornet") post completion of the option agreement entered into with Rich River Exploration Ltd. ("Rick River") in January 2020. In connection with the acquisition of Golden Hornet, Talisker also negotiated the purchase of the 2% Net Smelter Royalty granted to Rich River in connection with the option agreement for total aggregate consideration of $100,000, with 1% being purchased for cancellation by Talisker in consideration for the payment of $38,000 in cash and $12,000 through the issuance of 36,363 shares of Talisker at a price of $0.33 per share (the "Royalty Purchase"), and the other 1% being purchased by Osisko Gold Royalties Ltd ("Osisko") pursuant to a first right of refusal granted under the royalty purchase agreement entered into between, among others, the Company and Osisko, in December 2021 (the "RPA") (see news release of December 6, 2021). In accordance with the terms of the RPA and the completion of the option agreement, Talisker and Osisko have entered into a royalty agreement whereby Osisko will now hold a 2% net smelter returns royalty on all production from Golden Hornet, the Blue Jay and the Barnato properties.

On January 8, 2025, the Company announced that the 2025 Mustang Mine Plan has been completed and reviewed with the relevant inspectors from the British Columbia Ministry of Mines and Critical Minerals. The final mine plan will be submitted 10 days before the start of mining operations pursuant to regulatory requirements. Geotechnical mapping of the Mustang decline and historic 980 level was conducted during November and December with submission of the Ground Control Management Plan expected by the end of January (completed). A ventilation audit was also conducted in December and the Mustang Ventilation Plan was completed during January.

In October and November 2024, the Company secured financing through four separate transactions: (i) US$11,750,000 from the second draw of the royalty agreement with Sprott Private Resource Streaming and Royalty (B) Corp. ("Sprott Second Draw") - see note 8 in the audited financial statements); (ii) a $4,000,000 convertible debenture from the Phoenix Gold Fund ("Phoenix Convertible Debenture"); (iii) a non-brokered private placement of $1,332,000 of gold-linked notes (the "Gold Linked Note Financing"); and (iv) a $1,100,000 convertible debenture from Spartan MM Fund ("Spartan Convertible Debenture"). Additional details are included below.

Convertible Debentures

Phoenix Convertible Debenture

- The Phoenix Convertible Debenture is an unsecured obligation of the Company in the principal amount of $4 million. It bears interest at a rate of 12% per annum, calculated and payable quarterly in arrears, and has a term of three years.
- Phoenix may convert the principal amount to common shares of Talisker at a conversion price of $0.50 on the trading day prior to the date of the convertible debenture.
- Talisker has the option to convert all or any portion of the convertible debenture into shares if the closing price of the Shares on the TSX is at least 130% of the Conversion Price for each of the 20 trading days before a notice of conversion is delivered to Phoenix. If shares are issued to Phoenix pursuant to the Company's conversion right and Phoenix wishes to sell any Shares, Talisker also has the right to identify a purchaser for such shares.

- In connection with issuing the Phoenix Convertible Debenture, the Company issued 500,000 Shares representing a finder's fee of $200,000, which is equal to 5% of the principal amount of the convertible debenture.

Spartan Convertible Debenture

- The Spartan Convertible Debenture is an unsecured obligation of the Company in the principal amount of $1.1 million. It bears interest at a rate of 12% per annum, calculated and payable quarterly in arrears, and has a term of three years.
- Spartan may convert the principal amount to common shares of Talisker at a conversion price of $0.56 on the trading day prior to the date of the convertible debenture.
- Talisker has the option to convert all or any portion of the convertible debenture into shares if the closing price of the Shares on the TSX is at least 130% of the Conversion Price for each of the 20 trading days before a notice of conversion is delivered to Spartan. If shares are issued to Spartan pursuant to the Company's conversion right and Spartan wishes to sell any Shares, Talisker also has the right to identify a purchaser for such shares.
- No finder's fees were paid by the Company in connection with issuing the Spartan Convertible Debenture.

Gold-Linked Note Financing

- The Company has issued notes in the aggregate principal amount of $1,332,000 on October 17, 2024.
- The notes represent senior unsecured obligations of the Company and are not convertible into shares.
- The notes will bear interest at a rate of 15% per annum and mature on December 31, 2027.
- The principal amount of the notes was used to calculate the quantity of gold (the "Gold Quantity") to be represented by the notes, being the deemed number of ounces of gold using a price (the "Floor Price") of US$2,500. The Gold Quantity will be reduced on each of December 31, 2025, December 31, 2026 and December 31, 2027, by that number of ounces that represents 15%, 25% and 60%, respectively, of the Gold Quantity on the closing of the Gold-Linked Note Financing, by the payment of the Deemed value of such Gold Quantity. The "Deemed Value" means the applicable Gold Quantity multiplied by the Gold Price (the "Gold Price" being the greater of: (a) the Floor Price; and (b) the "London Gold Fix" price per ounce (in U.S. dollars) as of the 15th day of the month of such payment date).
- Interest shall be calculated and payable quarterly in arrears, with the interest payable being calculated based on the Deemed Value of the Gold Quantity on the applicable interest payment date.
- In connection with the Gold-Linked Note Financing, the Company paid a finder's fee of $65,350, the amount equal to 5% of the gross proceeds of the Gold-Linked Note Financing.

Sprott Second Draw

As part of the closing of the Sprott Second Draw, Sprott entered into a subordination agreement with Osisko Gold Royalties Ltd. ("Osisko") which, among other matters, provided that the security interest over all present and after-acquired personal property of Bralorne Gold Mines Ltd. ("Bralorne") (including a pledge of shares of Bralorne by the Company and a debenture by Bralorne) granted in favour of Sprott will be subordinated to the security interest over all present and after-acquired personal property of Bralorne (including a pledge of shares of Bralorne by the Company and a debenture by Bralorne) granted in favour of Osisko. The Company also entered into an agreement with Sprott to amend the royalty agreement dated June 9, 2023, between Sprott, the Company and Bralorne (the "Sprott Royalty Agreement").

The material amendments to the Sprott Royalty Agreement include the following:

- *Buyback Right* – The various time frames for exercise by Bralorne of its right to buy back up to 50% of the royalty have each been pushed back by six months, with the first period commencing on or before June 30, 2025 (was December 31, 2024) and the outside date ending June 30, 2029 (was December 31, 2028). The Company continues to have the right to satisfy the buyback right in cash or in Shares (subject to a 4.9% ownership limit, calculated at the time of the buyback), at the Company's sole discretion (and subject to prior approval of the TSX).

- *Production Target* – The time frame for the quarterly production target of 17,500 ounces has been pushed back, such that such target applies for the quarters ending March 31, 2028 (was September 30, 2026) and June 30, 2028 (was December 31, 2026).

On July 29, 2024, the Company announced a non-brokered private placement of units of the Company to raise up to $2 million through the issuance of units priced at $0.40 per unit with each unit comprising one common share and one-half common share purchase warrant (the "Private Placement"), with each whole warrant exercisable at $0.60 for a period of two years post closing. The Private Placement was upsized to raise up to $2.3 million on August 9, 2024. On August 12, 2024, the Company closed the first tranche of the Private Placement with the issuance of 5,425,500 units for aggregate gross proceeds of $2.17 million. In connection with the first tranche, the Company also paid 6% cash finder's fee and 6% finder's warrants to certain finders, with each finder's warrant entitling the holder to purchase one common share at an exercise price of $0.46 until August 12, 2026. On September 11, 2024, a further upsize of the Private Placement was undertaken and the Company closed the second and final tranche of the Private Placement with the issuance of 875,000 units for aggregate gross proceeds of $350,000. When combined, the first and second tranches of the Private Placement raised aggregate gross proceeds of $2,520,200. No finder's fees were paid in connection with the second tranche of the Private Placement.

On October 4, 2024, Matthew Filgate resigned from the position of Vice President, Corporate Development and effective July 1, 2024, Michael McPhie resigned from the position of Vice President, Sustainability and External Affairs.

On June 3, 2024, the Company provided an update on the royalty agreement in relation to the Bralorne Gold Project with Sprott stating that the Sprott Second Draw of US$11,750,000 was approved, subject to conclusion of amended documentation and satisfaction of closing conditions.

On May 13, 2024, the Company, through its 100% owned subsidiary Bralorne Gold Mines Ltd. ("Bralorne"), signed an Ore Hauling Agreement (the "Ore Hauling Agreement") with Stromsten Enterprises in partnership with Bridge River Management Corporation to transport material from its 100% owned Mustang Mine at the Bralorne Gold Project located in British Columbia. Under the Ore Hauling Agreement, gold ore will be trucked to milling facilities to be processed. As at the date of this MD&A, a total of approximately 5,523 tonnes of previously stockpiled material has been hauled to the Craigmont milling facility.

On April 15, 2024, the Company announced results from its summer 2023 mapping and surface sampling campaign at the Ladner Gold Project, where a total of 175 rock samples were collected between mid-June and mid-September 2023 by a small mapping team. The focus of the mapping was centered on the areas of known mineralization adjacent to the historic Carolin underground mine and the McMaster prospect. It was noted that these preliminary results demonstrated the consistency of gold grades across a broad area and that the sampling program indicated additional mineralized zones in the same setting as the Caroline mine, along strike, yet to be fully explored.

On April 9, 2024, the Company, through its 100% owned subsidiary Bralorne, announced an agreement (the "Milling Agreement") with Nicola Mining Inc. ("Nicola"). As part of the Milling Agreement, Nicola will process up to 6,300 tonnes of previously stockpile mined at the Bralorne Gold Project at Nicola's Craigmont Mill in Merritt, British Columbia. As of the date of this MD&A, the Company has shipped approximately 5,523 tonnes of previously stockpiled material to the Craigmont Mill. Processing commenced in July 2024 and was completed in September 2024 with 105 dry tonnes of float concentrate, and 70kg of gravity concentrate bagged during that period. Clean up of mill from program was completed in mid October and transport of float concentrate to refinery for sale also occurred during the month.

On April 4, 2024, the Company announced the signing of a non-binding Letter of Intent ("LOI") to form a joint venture with Regeneration Enterprises Inc. ("Regeneration") to process the Ladner Tailings Resource (the "Proposed JV") owned by New Carolin Gold Corp. ("New Carolin"), a 100% owned subsidiary of Talisker. The Ladner Gold Project contains a tailings indicated mineral resource of approximately 445,000 tonnes grading at 1.64 g/t for 24,000 oz of gold and an inferred mineral resource of 93,000 tonnes grading at 1.64 g/t for 5,000 oz of gold, representing an estimated 60% of the tailings material. The remaining 40% remains undrilled. A 2011 study by the Engineering Department at the University of British Columbia consisting of material regrind to P80 of 93µm returned average concentrate leach recoveries of 81.6% for the tailings material. The Proposed JV is planned to be undertaken in five phases (phase 1 – sampling (completed by December 31, 2024); phase 2 – design (completion by December 31, 2025; phase 3 – construction (completion by December 31, 2026); phase 4 – production (throughout 2027, 2028, 2029); and phase 5 – site rehabilitation (completion by December 31, 2030). Regeneration will secure funding for each phase unless otherwise agreed upon in the definitive agreements. As at the date of this MD&A, definitive agreements have not been entered into.

Indigenous Relationships and Engagement

Talisker prides itself on the meaningful and constructive relationships that have been built with Indigenous communities throughout the southern parts of British Columbia. This includes members of the St'át'imc nations whose lands the Bralorne Gold Project is a part of. The St'át'imc are the original inhabitants of the territory which extends north to Churn Creek and to South French Bar; northwest to the headwaters of Bridge River; north and east toward Hat Creek Valley; east to the Big Slide; south to the island on Harrison Lake and west of the Fraser River to the headwaters of Lillooet River, Ryan River and Black Tusk.

Talisker is also engaged with several Indigenous communities in and around the areas surrounding other exploration properties such as Ladner Creek, Dora and Spences Bridge. In all cases, the Company approaches these discussions in a spirit of openness, reconciliation and long term beneficial relationship development.

Talisker has an Exploration Agreement with one of the St'át'imc communities, Xwísten, and close working relationships with several of the other seven St'át'imc communities. This includes a working Environmental Monitoring Board (EMB) meeting quarterly and representatives from four of the 10 St'át'imc communities as directed by the British Columbia Ministry of Environment and Climate Change Strategies.

In the context of the future expansion and development of the Bralorne Gold Project and consistent with commitments under the existing Exploration Agreement, on September 21, 2023, Talisker entered into a Bridging Agreement with Xwísten at the Bralorne Gold Project. Talisker also works with other St'át'imc communities who have expressed interest in the Bralorne Gold Project on mutually beneficial economic and communications opportunities and protocols.

All activities proposed in the permit amendment process will continually be shared with and discussed with the management, technical advisors, and leadership of Xwísten and the other designated St'át'imc communities to ensure all necessary measures are in place to protect the natural environment, culture, and heritage of the Bridge River area.

(in Canadian dollars unless otherwise noted)

EXPLORATION PROPERTIES

The exploration and evaluation expenses for the Company are summarized as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Bralorne Gold Project	**$ 443,762**	$ 5,554,988	**$ 6,117,880**	$ 6,424,541
Spences Bridge Gold Project	**9,468**	28,513	**118,330**	374,143
Ladner Gold Project	**155,718**	23,425	**236,745**	565,923
Exploration and evaluation expenditures	**$ 608,948**	$ 5,606,926	**$ 6,472,955**	$ 7,364,607

The exploration and evaluation expenses for the Company by expenditure classification are summarized as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Consulting	**$ 153,521**	$ 2,178,774	**$ 1,138,887**	$ 2,970,989
Salaries and wages	**308,039**	379,280	**1,971,076**	1,710,304
Drilling	**-**	1,379,383	**1,200,474**	1,379,383
Assays	**4,169**	107,067	**150,148**	134,090
Field supplies and administrative	**241,457**	1,718,808	**1,578,293**	2,755,838
Travel and other	**7,384**	17,706	**39,910**	30,441
Equipment rentals	**12,627**	117,145	**223,549**	464,276
Share based payments	**-**	34,404	**187,041**	37,832
Equipment repairs and maintenance	**48,000**	126,230	**149,826**	140,811
Filing for the recovery of exploration and evaluation expenditures	**(166,249)**	(451,871)	**(166,249)**	(2,259,357)
Exploration and evaluation expenditures	**$ 608,948**	$ 5,606,926	**$ 6,472,955**	$ 7,364,607

The mine care and maintenance costs for the Company by expenditure classification are summarized as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Consulting	**$ 99,327**	$ 107,549	**$ 292,324**	$ 429,471
Salaries and wages	**103,728**	50,282	**414,400**	226,830
Field supplies and administrative	**36,024**	50,773	**79,700**	216,157
Assays	**14,800**	6,804	**49,961**	34,679
Share based payments	**-**	28,574	**-**	30,219
Equipment repairs and maintenance	**2,934**	103,223	**12,713**	119,776
Mine care and maintenance costs	**$ 256,813**	$ 347,205	**$ 849,098**	$ 1,057,132

Talisker's exploration projects include the Bralorne Gold Project and the Ladner Gold Project, both advanced stage projects with significant exploration potential from historical high-grade producing gold mines, as well as its Spences Bridge Gold Project where the Company holds ~85% of the emerging Spences Bridge Gold Belt and several other early-stage Greenfields projects listed below.

(in Canadian dollars unless otherwise noted)

Bralorne Gold Project

Located in southern British Columbia, the Bralorne Gold Project comprises the tenure owned by Bralorne Gold Mines Ltd., a wholly-owned subsidiary of Talisker, that comprises several historic mine workings (Pioneer, Bralorne, King and BRX mines) as well as additional tenure acquired by Talisker in 2020 and 2021. The Bralorne Gold Project currently comprises over 13,709.00 hectares over 66 claims, three leases and 197 Crown Grant claims. The Bralorne Gold mine complex produced approximately 4.2 million ounces of gold at a grade of 17.7 g/t Au from 30 veins in three adjacent mines; Bralorne, Pioneer and King, until eventual closure in 1971 due to depressed gold prices.

Resource definition drilling at the Bralorne Gold Project totaled approximately 130,971 metres (265 holes) since acquisition of the Bralorne Gold Project. Drilling commenced in February 2020 and ended in September 2022 in preparation for the technical report that was initiated in Q3 2022. During this time an additional 8,818.95 metres (14 holes) was drilled in BRX, which is north of the main Bralorne Mine Block.

In 2022, the Company engaged InnovExplo Inc. to prepare a technical report on the Bralorne Gold Project. The mineral resource estimate ("MRE") was announced on January 24, 2023 with the following key points:

- 117,000 tonnes with an average grade of 8.9 g/t Au for 33,000 ounces gold in the indicated category;
- 8.0 million tonnes at 6.3 g/t Au for 1.63 million ounces of gold in the inferred category;
- The mineral resource is defined approximately along a strike length of 4.5 km, to a depth of 700 m and remains open along strike and at depth;
- A total of 86 veins have been identified with 63 veins open along strike and at depth, 18 remain open at depth, and two remain open along strike;
- Talisker believes that exploration potential exists as proximal extensions of currently defined mineralized zones, laterally and at depth, and may yield somewhere between 2.0 and 2.5 million tonnes at grades between 6.0 and 9.0 g/t Au for 400,000 – 700,000 ounces gold. This exploration potential is supported by the drill hole and channel sample data used for the MRE at drill hole spacings greater than the inferred category resources. These targets are not mineral resource estimates, potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource, and it is uncertain if further exploration will result in the exploration targets being delineated as a mineral resource; and
- Regionally, mineralization has been identified to 2 km below surface, and along a strike length of 33 km.

Table 1: Bralorne Gold Project 2023 Mineral Resource Estimate

Bralorne Gold Project	Category	Cut-off Grade (g/t Au)	Tonnes (t)	Grade (g/t Au)	Ounces (oz Au)
King	Indicated	Long Hole > 2.65	111,300	8.61	30,800
		Cut and Fill > 3.10	5,900	13.45	2,600
	Inferred	Long Hole > 2.65	1,598,400	5.76	296,200
		Cut and Fill > 3.10	76,000	7.89	19,300
Bralorne	Inferred	Long Hole > 2.65	3,958,100	7.02	893,200
		Cut and Fill > 3.10	82,500	7.95	21,100
Pioneer	Inferred	Long Hole > 2.65	1,436,500	5.72	264,400
		Cut and Fill > 3.10	16,700	14.93	8,000
Charlotte	Inferred	Long Hole > 2.65	859,600	4.70	129,900
		Cut and Fill > 3.10	5,600	4.54	800
Total Indicated			117,200	8.85	33,400
Total Inferred			8,033,400	6.32	1,632,900

Notes:

- The independent qualified persons, as defined by NI 43-101, are Carl Pelletier, P.Geo., Vincent Nadeau-Benoit, P.Geo., and Eric Lecomte, P.Eng. (InnovExplo). The effective date of the MRE is January 20, 2023.
- The mineral resources are not mineral reserves as they do not have demonstrated economic viability.
- The MRE follows the 2014 CIM Definition Standards on Mineral Resources and Reserves and the 2019 CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines.
- A total of 86 veins were modelled for the Bralorne, King, Charlotte, and Pioneer deposits. Quartz vein core wireframes were modelled with a minimum thickness of 0.50 m. A brecciated alteration halo wireframe was modelled around each quartz vein core to produce two nested wireframes with a combined minimum total true thickness of 1.2 m.
- High grade capping, supported by statistical analysis, was applied to composited data inside the high-grade quartz veins for Pioneer (1.4 m) at 100 g/t Au, Bralorne (1.4 m) at 100 g/t Au, Charlotte (1.0 m) at 31 g/t Au and King (1.2 m) at 110 g/t Au for the drill hole samples and at 400 g/t Au for the underground samples and was applied to composited data inside the brecciated alteration halo for Pioneer (1.4 m) at 6.4 g/t Au, Bralorne (1.2 m) at 9.5 g/t Au, Charlotte (1.2 m) at 5.2 g/t Au and King (1.0 m) at 7.5 g/t Au. Compositing was completed using the grade of the adjacent material when assayed, or a value of zero when not assayed.
- The mineral resources for the Bralorne Gold Project deposit were estimated using Datamine Studio™ RM 1.9.36.0 software using hard boundaries on composited assays. The ID^2 method was used to interpolate a sub-blocked model (parent block size = 5 m x 5 m x 5 m);
- Indicated mineral resources were defined for blocks inside geological resource solids within 20 m of an underground chip sample (King only). Inferred mineral resources were defined for blocks inside geological resource solids within 50 m of a composite for the King and Charlotte Domains and within 60 m of a composite for the Bralorne and Pioneer Domains.
- Supported by measurements, a density ranging from 2.65 to 2.69 g/cm^3 was established for the high-grade quartz vein and from 2.69 to 2.75 g/cm^3 for the brecciated alteration halo. Historical underground infrastructures, underground mined volumes and a 5 m buffer around them were given a density value of 0 g/cm^3.
- The reasonable prospect for an eventual economic extraction is met by having used reasonable cut-off grades for underground scenarios, a minimum mining width, and constraining volumes (Deswik shapes). The estimate is reported for a potential underground scenario at cut-off grades, depending on the mining method, of 2.65 g/t Au (Long hole stoping mining method) or 3.10 g/t (Cut and Fill mining method) and were calculated using a gold price of US$1,650 per ounce, a US$:CA$ exchange rate of 1.30, a mining cost of C$98.49/t using the long hole stoping mining method or a mining cost of C$127.49/t using the Cut and Fill mining method, transport cost of C$8.00/t, environment and G&A cost of C$24.00/t, rehabilitation cost of C$4.00/t and processing cost of C$32.00/t. The cut-off grades should be re-evaluated considering future prevailing market conditions (metal prices, exchange rate, mining cost, etc.).
- Ounce troy is metric tons multiplied by grade (g/t) and divided by the constant of 31.10348. The number of tonnes and ounces has been rounded to the nearest thousand. Any discrepancy in the totals is due to rounding effects. The rounding followed the recommendations of NI 43-101.
- The qualified persons are not aware of any problem related to the environment, permits, mining titles or related to legal, fiscal, socio-political, commercial issues or any other relevant factor not mentioned in this MD&A, that could have a significant impact on the MRE.

The MRE incorporates the Bralorne, King, Charlotte, and Pioneer Deposits. The MRE is defined approximately over a strike length of 4.5 kilometres within the Bralorne Gold Project's 33-kilometre-long land package with a maximum width of approximately 750 metres, down to a maximum depth of 700 metres, with an average depth of 300 metres below surface.

The MRE for the Bralorne Gold Project is comprised of modern data collected by Talisker and validated historic data collected by previous operators. A total of 660 diamond drill holes (modern and historic), 13 modern reverse circulation drill holes, nine modern surface channel samples and 1,724 validated historic underground channel samples were used to constrain, model, and calculate the mineral resource bodies. A strong understanding of the controls of mineralization enabled the Company's technical team to construct a MRE constrained by lithology, alteration, structure, and mineralization. The MRE is supported by a robust 3D litho-structural model of the gold-bearing orogenic vein system.

See the technical report on the Bralorne Gold Project available on the Company's profile on SEDAR+ at www.sedarplus.ca for more information.

(in Canadian dollars unless otherwise noted)

Exploration Drill Program

Throughout 2022, the Company announced multiple high-grade results from its drill program that commenced in 2020. Talisker's drilling to date has produced 409 vein intersections with a combined weighted average diluted grade of 9.48 g/t Au over an average intersection of 1.72 metres. Major vein structures intersected are considered classic Bralorne crack-seal quartz-carbonate veins with densely banded sulphide septae. Crack-seal septae host fine-grained arsenopyrite and pyrite mineralization. Alteration halos consist of strong silica-sericite±mariposite alteration halos. All reported drill assay results are available on the Company's website and details on the drill program including assay results are included in the Company's press releases.

The Company believes that exploration potential exists as proximal extensions of currently defined mineralized zones, laterally and at depth, and may yield somewhere between 2.0 and 2.5 million tonnes at grades between 6.0 and 9.0 g/t gold for 400,000 – 700,000 ounces gold. This exploration potential is supported by the drill hole and channel sample data used for the MRE at drill hole spacings greater than the inferred category of mineral resources. These targets are not mineral resource estimates, potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource, and it is uncertain if further exploration will result in the exploration targets being delineated as a mineral resource.

Exploration Targets

Million Tonnes	Grade (g/t Au)	Au (oz)
2 – 2.5	6.0 – 9.0	400,000 – 700,000

In addition, there are 23 veins with one or more conceptual targets that have been identified based on non-compliant historic data. Non-compliant data does not meet the CIM requirements for the NI 43-101 standards of disclosure and may include assays from a lab that is not ISO certified, or drill holes without downhole survey data. These conceptual targets have not yet been drill tested by Talisker.

Based on the Company's plans, in conjunction with recommendations provided by the QP's for the MRE, future work to advance the project is separated into two phases. Phase 1 includes:

- Approximately 22,000 m of infill drilling to potentially convert inferred mineral resources to the indicated category in the currently defined high-grade quartz vein bodies;
- Approximately 20,000 m of exploration drilling within the current footprint of the MRE focusing on discovering new veins and expanding known veins at depth and laterally using 50 m step-outs to potentially increase the bulk of the inferred mineral resources down to a depth of around 700 m.
- Approximately 5,000 m of regional exploration drilling outside of the MRE footprint, following up on isolated intersections, surface geochemical anomalies, geophysical anomalies and geological and structural trends.
- Initiate engineering studies: mineral processing and mine plan design for Mustang Test Mining.
- Update the MRE using drill results completed in Phase 1 and preliminary results from the engineering studies to refine the optimization and cut-off grade parameters.
- In support of the MRE update, complete an updated NI 43-101 technical report.

Talisker completed some of the infill drilling recommended between September 2022 and December 2022 with 3,199 m being drilled in five holes. In Q4 2023, infill drilling re-commenced between mid-October 2023 to mid-December 2023 with a total of 47 holes drilled totaling 8,179.20 m. After a brief break in December 2023, drilling recommenced from January – February 2024. A total of 6,829.50 m was drilled in 34 holes in Q1 2024. Details of the drilling results were announced by the Company in press releases dated November 30, 2023, January 11, 17 and 22, February 6 and 29, March 4 and April 2 and 17, 2024. Total metres drilled by Talisker from February 2020 to February 2024 is 157,997.80 m in 365 diamond drill holes and RC holes.

Ladner Gold Project

Located in southern British Columbia, the Ladner Gold Project is comprised of 217 mineral claims over an area of approximately 28 by 5 kilometres (15,505 hectares) covering the northern part of the Coquihalla Gold Belt. The property is accessible by the Coquihalla Highway, with the former Carolin Gold Mine located approximately 6 kilometres from the Coquihalla Highway. The Ladner Gold Project has excellent infrastructure and an existing mine permit (1,300 tonnes per day), tailings storage facility, mine site and mill site. The most recent technical report titled "Technical Report on the Ladner Gold Project, British Columbia" with an effective date of May 29, 2015 (the "Ladner Gold Technical Report") provides for a combined total of 691,540 inferred ounces of gold (including 12,132,000 tonnes grading 1.53 g/t gold for 607,000 oz at the Carolin Mine, 3,575,000 tons grading 0.69 g/t gold for 79,540 oz at the McMaster Zone, and 93,000 tons grading 0.053 oz/ton for 5,000 oz at the Tailings deposit). Key assumptions, parameters, and methods used to prepare the mineral resource estimate are disclosed in the Ladner Gold Technical Report, which is available under New Carolin's SEDAR+ issuer profile at www.sedarplus.ca. More recent exploration results include a 2018 drill hole (18NC10) that intersected 93 m averaging 1.39 g/t Au, including 7 m of 5.75 g/t gold. Historic exploration drill results at the Ladner Gold Project were highlighted by 17.05 g/t Au over 10 m (hole 716-6), 10.85 g/t Au over 21.4 m (hole 600-3) and 4.97 g/t Au over 62.3m (hole IU-37).

In 2022, the Company compiled, reviewed, and interpreted historic geological, geochemical, and geophysical data from historic exploration programs to aid in targeting and exploration across the Ladner Gold Project. In 2023, the Company executed a three-month geological mapping program and surface sampling campaign which included the collection of 175 rock samples. The focus of the mapping was centered on the areas of known mineralization adjacent to the historic Carolin underground mine and the McMaster prospect. Mapping and sampling targeted major lithological contacts between the lower Ladner Group sediments, the Spider Peak volcanic succession, and the Coquihalla serpentine unit.

Of the 175 rock samples collected, 137 samples (78.3%) were anomalous for gold, 88 samples (50.3%) yielded above 0.1 g/t Au, 40 samples (22.8%) yielded above 0.5 g/t Au and 24 samples (13.7%) yielded more than 1.50 g/t Au. The top 24 samples include six samples (3.4%) that showed gold values above 6 g/t gold. The top result was a composite sample of sheeted quartz veins in aphanitic andesite which produced 97.70 g/t Au.

Spences Bridge Gold Project

The Spences Bridge Gold Project consists of 126,720 hectares (105 mineral claims) land package in the Spences Bridge Gold Belt in southern British Columbia and comprises the Company's Spences Bridge and Blustry Mountain claims. The Spences Bridge Gold Project, among other properties, was acquired from Sable Resources Ltd. ("Sable") and since the acquisition in April 2019, the Company has been actively involved in negotiations with small third party claim holders with a view to fully consolidate the belt. In connection with the acquisition, the Company assumed a strategic alliance that Sable had entered into with Westhaven Gold Corp. (formerly Westhaven Ventures Inc.) ("Westhaven") which owns the Shovelnose Project, Prospect Valley, Skoonka and Skoonka North properties that are contiguous to the Company's claims. The strategic alliance provides for an agreement whereby any ground staked within 5 kilometres of Westhaven's existing projects will be subject to a 2.5% net smelter royalty ("NSR"). Additionally, Westhaven has a 30 day right of first refusal for any properties within the same 5 kilometre radius.

On August 19, 2024, the Company sold 12 minerals claims (23,550 hectares) contiguous to Westhaven's Shovelnose Project to Westhaven for $20,000 cash and 1,500,000 shares of Westhaven and the grant of a 1% Net Smelter Returns Royalty ("NSR"). Westhaven has a first right to buy-back the NSR for $1 million.

In March 2025, 42 mineral claims (53,154 hectares), the Company deemed non-prospective within the Spences Bridge Gold Belt were allowed to lapse, thereby reducing the claim burden cost of maintenance.

(in Canadian dollars unless otherwise noted)

Summarized Financial Results

RESULTS OF OPERATIONS

For the year ended December 31, 2024, net loss amounted to $14,265,394, compared to a net loss of $12,641,589 in 2023. For the three-month period ended December 31, 2024, net loss amounted to $2,606,656, compared to a net loss of $7,823,308 in 2023. The increased net loss is primarily due a reduction in income tax recovery of $498,000 (2023 - $1,951,000) during the year ended December 31, 2024, related primarily to the Company's flow through commitments and expenditures.

Use of Proceeds - Reconciliation of Use of Proceeds from Private Placements

On November 6, 2023, the Company closed a non-brokered private placement for gross proceeds of $3,610,632. In connection with this financing, the Company issued an aggregate of 4,611,733 Units at a price of $0.30 per Unit for gross proceeds of $1,383,520, and 6,363,178 flow-through units at a price of $0.35 per flow-through unit for gross proceeds of $2,227,112.

On August 12, 2024 and September 11, 2024, the Company closed two tranches of a non-brokered private placement. In connection with the offering, the Company issued 6,300,500 units (the "Units") at a price of $0.40 per Unit for aggregate gross proceeds of $2,520,200.

The following table sets out a comparison of how the Company used the proceeds following the closing date, an explanation of the variances and the impact of the variance on the ability of the Company to achieve its business objectives and milestones.

Date	Intended Use of proceeds	Actual use of proceeds	Explanation of Variances
November 6, 2023	The gross proceeds received from the sale of the FT Shares will be used for exploration, and the balance of the financing will be used for general corporate purposes.	As of December 31, 2024, the Company spent $2,227,000 (December 31, 2023 - $272,000) in qualifying CEE expenditures.	As of December 31, 2024, the Company was committed to spending $nil (December 31, 2023 - $1,955,000 to be spent by December 31, 2024).
August 12 and September 11, 2024	The net proceeds of which are intended to be used by the Company for working capital and general corporate purposes.	As of December 31, 2024 the Company spent the entire amount in working capital and general corporate purposes.	The full amount raised has been spent as per the use of proceeds.

Expenses

For the years ended December 31, 2024 and 2023:

Expenses of $13,952,928 for the year ended December 31, 2024 were consistent in comparison with expenses of $14,254,390 for the year ended December 31, 2023. The slight increase for the period is primarily due to the following variances:

- Exploration and evaluation expenses decreased to $6,472,955 for the year ended December 31, 2024, from $7,364,607 for the same period in 2023. The decrease is due decreases in consulting and overhead costs as the Company conserved resources throughout a greater portion of the year and directed focus on preparing for the transition to development of the Bralorne project.

- Mine care and maintenance costs decreased to $849,098 for the year ended December 31, 2024, from $1,057,132 for the same period in 2023. The decrease is due to a decrease in water treatment cost of $240,161 (2023 - $279,578) and environmental costs of $608,937 (2023 - $777,554).

- Consulting and management expenses increased to $2,574,180 for the year ended December 31, 2024, from $1,954,582 for the year ended December 31, 2023. The amount increased due to management compensation related to reaching significant Company milestones.

- Administration costs increased from $1,136,386 for the year ended December 31, 2023, to $1,196,559 for the year ended December 31, 2024. Administration costs vary based on the level of activity and overhead costs incurred during each period with the expense remaining consistent between the two periods.

- Share-based payments increased to $702,950 for the year ended December 31, 2024, from $654,385 for the same period in 2023. Share-based payments vary based on the number of options and restricted share units ("RSUs") issued in the period and their related valuation. See note 19 of the audited consolidated financial statements for the years ended December 31, 2024 and 2023 for details on options and RSUs issued.

- Public company costs increased from $585,511 for the year ended December 31, 2023 to $976,943 for the year ended December 31, 2024. The amount varies based on the timing of various shareholder communications and investor relations activities which increased between the two periods.

- Travel and other costs decreased from $233,449 for the year ended December 31, 2023 to $66,681 for the year ended December 31, 2024. The amount decreased in line with the Company decreasing costs where possible.

- Depreciation of property, plant and equipment decreased from $1,268,338 for the year ended December 31, 2023 to $1,113,562 for the year ended December 31, 2024. The amount decreased in line with a decrease in overall asset base.

For the three-month periods ended December 31, 2024 and 2023:

Expenses of $2,588,293 for the three-month period ended December 31, 2024 decreased in comparison with expenses of $7,684,101 for the three-month period ended December 31, 2023. The variances for the period are primarily due to the following:

- Exploration and evaluation expenses decreased to $608,948 for the three-month period ended December 31, 2024, compared to $5,606,926 for the same period in 2023. The amount was lower than prior quarter due to limited activity during the third and fourth quarter of 2024 as the Company worked on finalizing its financing package. Upon completion of the financing in October and November 2024, the Company switched focus on development of Bralorne which is being recorded on the statement of financial position as construction in progress.

- Mine care and maintenance costs decreased to $256,813 for the three-month period ended December 31, 2024, from $347,205 for the same period in 2023. The amounts relate to water treatment cost of $47,894 (2023 - $41,164) and environmental costs of $208,919 (2023 - $306,041).

- Consulting and management expenses increased to $1,118,316 for the three-month period ended December 31, 2024, from $241,532 for the three-month period ended December 31, 2023. The amount increased due to management compensation related to reaching significant Company milestones.

- Administration costs decreased, going from $358,207 for the three-month period ended December 31, 2023, to $175,087 for the three-month period ended December 31, 2024. Administration costs vary based on the level of activity and overhead costs incurred during each period with the expense remaining relatively consistent between the two periods.

- Share-based payments decreased to $4,176 for the three-month period ended December 31, 2024, from $595,527 for the same period in 2023. Share-based payments vary based on the number of options and RSUs issued in the period and their related valuation. See note 19 of the audited consolidated financial statements for the years ended December 31, 2024 and 2023 for details on options and RSUs issued.

- Public company costs were consistent, going from $151,801 for the three-month period ended December 31, 2023 to $159,691 for the three-month period ended December 31, 2024. The amount varies based on the timing of various shareholder communications and investor relations activities which were consistent between the two periods.

- Travel and other costs decreased from $78,152 for the three-month period ended December 31, 2023 to $12,346 for the three-month period ended December 31, 2024. The amount decreased in line with the Company decreasing costs where possible.

- Depreciation of property, plant and equipment decreased from $304,751 for the three-month period ended December 31, 2023 to $252,916 for the three-month period ended December 31, 2024. The amount decreased slightly in line with a decrease in overall asset base.

Other Income/Expenses

During the year ended December 31, 2024, the Company recognized an unrealized loss of $75,000 (2023 - $nil), from the revaluation of Westhaven shares received during the year.

During the year ended December 31, 2024, the Company recorded interest expense of $172,230 (2023 - $nil) as well as interest accretion expense of $72,104 (2023 - $nil) in relation to its convertible debenture and gold linked note financings during the year.

The Company recorded interest accretion expense of $563,911 (2023 - $624,888) during the year ended December 31, 2024 and $141,748 (2023 - $157,505) during the three-month period ended December 31, 2024, representing interest accretion on the asset retirement obligations in connection with the Bralorne Gold Project and Ladner Gold Project.

The Company recorded an income tax recovery of $498,000 (2023 - $1,951,000) during the year ended December 31, 2024, upon the filing of renunciation documents with the Canada Revenue Agency which occurred during the year ended December 31, 2024.

The Company recorded an interest expense on financing component of deferred revenue of $694,111 (2023 - $nil) during the year ended December 31, 2024, related to the significant financing component of deferred revenue.

During the year ended December 31, 2024 the Company recognized income from gold sold from the Company's historical stockpiles of $321,602. The amount was a one time non recurring item recorded as other income in the statement of loss and comprehensive loss for the year ended December 31, 2024.

(in Canadian dollars unless otherwise noted)

SELECTED FINANCIAL INFORMATION

The information below should be read in conjunction with the Company's Financial Statements.

	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
	$	$	$
Loss			
- net loss	(14,265,394)	(12,641,589)	(19,033,361)
Loss per share			
- net loss (basic and diluted)	(0.15)	(0.16)	(0.06)
Total assets at end of year	45,228,144	37,868,094	44,639,036

SUMMARY OF QUARTERLY RESULTS

The following tables set forth selected financial information for each of the Company's eight most recently completed quarters:

	Q4 2024 $	Q3 2024 $	Q2 2024 $	Q1 2024 $
Expenses	(2,588,293)	(3,208,313)	(2,935,594)	(5,220,728)
Other income (expense)	(795,371)	(226,435)	(293,868)	(166,257)
Foreign exchange gain (loss)	597,008	3,329	81,056	(9,928)
Income tax recovery	180,000	-	-	318,000
Net loss	(2,606,656)	(3,431,419)	(3,148,406)	(5,078,913)
Basic and fully diluted income (loss) per share	(0.03)	(0.04)	(0.04)	(0.06)
Total assets at end of period	45,228,144	30,356,933	30,395,056	32,155,984

	Q4 2023 $	Q3 2023 $	Q2 2023 $	Q1 2023 $
Expenses	(7,684,101)	(3,218,228)	(838,232)	(2,513,829)
Other expense (income)	(79,421)	(129,409)	(83,482)	(141,296)
Foreign exchange loss (gain)	(59,786)	135,552	22,092	(2,449)
Income tax recovery	-	-	-	1,951,000
Net loss	(7,823,308)	(3,212,085)	(899,622)	(706,574)
Basic and fully diluted loss per share	(0.10)	(0.04)	(0.01)	(0.01)
Total assets at end of period	37,868,094	38,419,259	41,494,864	42,641,767

Expenses fluctuated somewhat quarter over quarter ranging from a low of $838,232 in the second quarter of 2023 to a high of $7,684,101 in the fourth quarter of 2023. Expenses fluctuated based on budget and exploration plans and decreased in the later stages of 2022 and into 2023 as the Company conserved cash as market environment dictated at the time. The amount increased during Q4 of 2023 and into 2024 as the Company works towards commencing production at Bralorne.

(in Canadian dollars unless otherwise noted)

Disclosure of Outstanding Share Data as of March 31, 2025

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited	99,814,294 common shares
Securities convertible or exercisable into voting or equity shares		a) Options to acquire up to 3,795,000 common shares b) RSUs to acquire up to 2,233,335 common shares c) 8,700,463 warrants exercisable to acquire the same number of common shares of the Company

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as of December 31, 2024.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, marketable securities, amounts receivable, reclamation deposits, accounts payable and accrued liabilities, convertible debentures, gold linked notes and leases payable.

Dividends

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its common shares in the foreseeable future.

LIQUIDITY AND CASH FLOWS

The Company is dependent upon raising funds in order to fund future exploration programs. See "*Capital Resources*", "*Financial Instruments and Other Instruments – Liquidity Risk*" and "*Risk Factors*".

The Company ended the fourth quarter of fiscal 2024 with cash of $14,811,384, compared to $8,461,525 as at December 31, 2023. The Company had working capital (current assets – current liabilities) of $14,434,578 as at December 31, 2024 compared to a working capital of $2,285,565 as at December 31, 2023.

Working capital is a non-IFRS measurement with no standardized meaning under IFRS. Working capital as of December 31, 2024 was calculated as the total of cash and cash equivalents of $14,811,384, marketable securities of $2,157,562, amounts receivable of $672,657, inventory of $158,654, prepaid expenses of $651,209, less accounts payable and accrued liabilities of $3,433,418, current portion of lease obligation of $234,941, current portion of gold linked notes of $217,753 and current portion of deferred revenue of $130,776.

Cash used by operating activities was $15,865,153 for the year ended December 31, 2024 compared to cash used by operating activities of $8,399,088 for the year ended December 31, 2023. Cash flows used by operating activities increased primarily due to the Company paying down its accounts payable and accrued liabilities during the year.

Cash flows used in investing activities was $2,715,642 for the year ended December 31, 2024, compared to cash provided by investing activities of $8,016,427 for the year ended December 31, 2023. Investing activities mainly related to purchases of property, plant and equipment and exploration and evaluation activities. The amount of cash provided by investing activities was lower in the current period primarily due to purchases of guaranteed investment certificates in the amount of $2,007,562 (2023 - $nil) during the current period. The amount also decreased as in prior year, the Company received proceeds from sale of the NSR of $nil (2023 - $8,586,706 (US$7 million net of cost).

Cash flows provided by financing activities were $24,208,529 for the year ended December 31, 2024, compared to $3,117,734 for the year ended December 31, 2023. The amount of cash provided by financing activities was higher than in the prior period primarily due to the proceeds from sale of the NSR of $15,661,075 (US$11.75 million net of costs) (2023 - $nil). The Company also completed private placements during the year ended December 31, 2024 of 6,300,500 shares for aggregate net proceeds of $2,407,775 (2023 – 10,974,911 shares for aggregate net proceeds of $3,422,528) as well as convertible debenture financing raising $5,016,226 net of costs (2023 - $nil), and gold linked note financing raising $1,251,310 net of costs (2023 - $nil).

GOING CONCERN NOTE

The consolidated financial statements have been prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Notwithstanding the royalty agreement, convertible debt financing and gold-linked note financing, the Company's ability to continue as a going concern is dependent upon attaining profitable operations, and the ability to raise further public equity or other financing to complete the development expenditures required to attain profitable operations. There is no assurance that these activities will be successful in the future. As at and for the year ended December 31, 2024, the Company had cash of $14,811,384 and the Company recorded an accumulated deficit of $110,889,073, net loss of $14,265,394 (2023: $12,641,589), and net cash used in operating activities of $15,865,153 (2023: $8,399,088). The Company has not reached profitable operations, and it still relies on its ability to raise capital. The current cash and cash equivalents balance may not be sufficient to finance continued operations for the 12 months following December 31, 2024; therefore, there is a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern. The Company continues to adopt the going concern basis in preparing its consolidated financial statements. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications that would be necessary if the going concern assumption was not appropriate and the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. These adjustments would be material to the consolidated financial statements.

TRANSACTIONS WITH RELATED PARTIES

The following is a summary of the Company's related party transactions during the years ended December 31, 2024 and 2023:

The Company charged rent and other costs in the amount of $nil for the year ended December 31, 2024 (2023 - $30,000) paid by Millennial Precious Metals Corp., a company with certain common directors and officers.

The Company charged rent in the amount of $81,000 for the year ended December 31, 2024 (2023 - $33,813) paid by JHI Associates Inc., a company with certain common officers.

The Company incurred operations costs in the amount of $nil for the year ended December 31, 2024 (2023 - $120,702) paid to JDS Energy & Mining Inc., a company with certain common former directors.

Compensation of Key Management Personnel of the Company

In accordance with IAS 24, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

(in Canadian dollars unless otherwise noted)

The remuneration of directors and key executives is determined by the compensation committee.

The remuneration of directors and other members of key management personnel during the years ended December 31, 2024 and 2023 were as follows:

	December 31, 2024	December 31, 2023
Short term employee benefits, director fees	**$ 2,323,557**	$ 2,146,405
Share based payments	**781,731**	722,031
	$ 3,105,288	$ 2,868,436

As at December 31, 2024, an amount of $626,390 (December 31, 2023 - $131,485) due to key management personnel, was included in accounts payable and accrued liabilities. This amount is unsecured, non-interest bearing and without fixed terms of repayment. A member of key management personnel participated in the gold linked note financing during 2024 and the carrying amount of the liability to this member of key management personnel under the gold linked notes at December 31, 2024 is $178,814.

The Company's Board of Directors has the overall responsibility for overseeing the Company's risk management policies. In conducting its business, the Company is exposed to various risks, including those described elsewhere in this MD&A. The Company cannot predict or identify all such risks, nor can it accurately predict the impact of such risks on its business, operations, or the extent to which one or more risks or events may significantly alter future financial position and results from those reported or projected in any forward-looking statements. Therefore, the Company advises the reader against relying on reported financial information and forward-looking statements to forecast actual future results. This MD&A and the accompanying financial information should be read in conjunction with this statement concerning risks and uncertainties. Some of the risks, uncertainties, and events that could impact the Company, its business, operations, and results are outlined in this section. However, the factors and uncertainties are not limited to those mentioned. The Company has policies and practices mandated by the Board of Directors to manage its risks, which encompass the risks described elsewhere in this MD&A and below.

CAPITAL RESOURCES

The Company has no history of revenues from its operating activities. The Company is not in commercial production on any of its mineral properties and accordingly does not generate cash from operations. During the year ended December 31, 2024, the Company had negative cash flow from operating activities, and the Company anticipates it will have negative cash flow from operating activities in future periods.

The Company has, in the past, financed its activities by raising capital through equity issuances. Until Talisker can generate a positive cash flow position to finance its exploration programs, the Company will remain reliant on the equity markets for raising capital, in addition to adjusting spending, disposing of assets and obtaining other non-equity sources of financing.

RISK FACTORS

The Company's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. The risk factors could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company.

The reader should carefully consider these risks as well as the information disclosed in the Corporation's financial statements, the Corporation's annual information form dated March 31, 2024, for the year ended December 31, 2023 (the "AIF"), and other publicly filed disclosure regarding the Company, which are available electronically on

SEDAR+ (www.sedarplus.ca) under Talisker Resources' issuer profile.

For additional discussion on the Company's risks, refer to "Cautionary Note Regarding Forward-Looking Information" and elsewhere in this MD&A as well as in the Company's annual information form for the year ended December 31, 2024.

Geopolitical and Economic Risk

In recent years, the invasion of Ukraine by Russia, the collapse of financial institutions such as the Silicon Valley Bank, and potential significant changes to U.S. trade policies under the Trump administration have severely impacted many local economies around the globe. Global stock markets also experienced great volatility, with governments and central banks having responded with monetary and fiscal interventions to stabilize economic conditions.

The continued impacts from the Russian invasion of Ukraine, the collapse of financial institutions such as the Silicon Valley Bank, the political and economic uncertainty under the new Trump administration in the U.S., and the resulting inflation and interest rate measures experienced globally, as well as the effects of certain countermeasures taken by central banks may adversely affect the Company. In particular, there continues to exist significant uncertainty about the future relationship between the U.S. and other countries (including Canada) with respect to trade policies, treaties and tariffs. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global trade and, in particular, trade between the impacted nations and the U.S. Any of these factors may have a negative impact on the global or Canadian economy, and on the Company's business, financial condition, and results of operations.

Nature of Mineral Exploration and Mining

The Company's future is dependent on its exploration and development programs. The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which may not be eliminated even through a combination of careful evaluation, experience and knowledge. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Company's exploration properties may be required to construct mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary or full feasibility studies on the Company's projects, or the current or proposed exploration programs on any of the properties in which the Company has exploration rights, will result in any profitable commercial mining operations. The Company cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing mineral reserves.

Estimates of mineral resources and any potential determination as to whether a mineral deposit will be commercially viable can also be affected by such factors as: the particular attributes of the deposit, such as its size and grade; unusual or unexpected geological formations and metallurgy; proximity to infrastructure; financing costs; precious metal prices, which are highly volatile; and governmental regulations, including those relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in the Company not receiving an adequate return on its invested capital or suffering material adverse effects to its business and financial condition. Exploration and development projects also face significant operational risks including but not limited to an inability to obtain access rights to properties, accidents, equipment breakdowns, labour disputes (including work stoppages and strikes), and other unanticipated interruptions.

Exploration, Development and Operations

The long term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors, including the Company's ability to extend the permitted term of exploration granted by the underlying concession contracts. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that any such deposit will be commercially viable or that the funds required for development can be obtained on a timely basis.

Mining without a Pre-Feasibility Study

The Company has chosen to advance the Mustang Mine into production without the benefit of completing a feasibility study demonstrating economic and technical viability or, an independent technical report confirming mineral reserves. Accordingly, readers should be cautioned that the Company's production decision has been made without a comprehensive feasibility study of established reserves or resources such that there is greater risk and uncertainty as to future economic results from the Mustang Mine and a higher technical risk of failure than would be the case if a feasibility study had been completed and relied upon to make such decision.

Early Stage Status and Nature of Exploration

The term "mineral reserve(s)" cannot be used to describe any of the Company's exploration properties, in part due to the early stage of exploration on the Company's exploration properties at this time. Any reference to potential quantities and/or grade is conceptual in nature, as there has been insufficient exploration to define any mineral resource and it is uncertain if further exploration will result in the determination of any mineral resource. Any information, including quantities and/or grade, described in this MD&A should not be interpreted as assurances of a potential mineral reserve, or of potential future mine life or of the viability or profitability of future operations.

Liquidity and Additional Financing

The Company's ability to continue its business operations is dependent on management's ability to secure additional financing. The Company's only source of liquidity is its cash and cash equivalent balances. Liquidity requirements are managed based upon forecasted cash flows to ensure that there is sufficient working capital to meet the Company's obligations.

The advancement, exploration and development of the Company's properties, including continuing exploration and development projects, and, if warranted, construction of mining facilities and the commencement of mining operations, will require substantial additional financing. As a result, the Company may be required to seek additional sources of equity financing in the near future. While the Company has been successful in raising such financing in the past, its ability to raise additional equity financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions, commodity price changes and economic downturns. There can be no assurance that the Company will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Company's objectives or obtained on terms favourable to the Company. Failure to obtain sufficient financing as and when required may result in the delay or indefinite postponement of exploration and/or development on any or all of the Company's properties, or even a loss of property interest, which would have a material adverse effect on the Company's business, financial condition and results of operations.

No Earnings and History of Losses

The business of developing and exploring resource properties involves a high degree of risk and, therefore, there is no assurance that current exploration programs will result in profitable operations. The Company has not determined whether any of its properties contains economically recoverable reserves of mineralized material and currently has not earned any revenue from its projects; therefore, the Company does not generate cash flow from its operations. There can be no assurance that significant additional losses will not occur in the future. The Company's operating expenses and capital expenditures may increase in future years with advancing exploration, development and/or production from the Company's properties. The Company does not expect to receive revenues from operations in the foreseeable future and expects to incur losses until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund continuing operations. There is no assurance that any of the Company's properties will eventually enter commercial operation. There is also no assurance that new capital will become available, and if it is not, the Company may be forced to substantially curtail or cease operations.

Market Price of the Common Shares

The Company's shares are listed on the TSX under the symbol "TSK" and the OTCQX Best Market under the symbol "TSKFF". The market price of securities of many companies, particularly exploration and development stage mining companies, experience wide fluctuations that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that an active market for the common shares will be sustained, or that fluctuations in the price of the common shares will not occur. The market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Volatility of Commodity Prices

The development of the Company's properties is dependent on the future prices of minerals and metals. As well, should any of the Company's properties eventually enter commercial production, the Company's profitability will be significantly affected by changes in the market prices of minerals and metals.

Precious metals prices are subject to volatile price movements, which can be material and occur over short periods of time and which are affected by numerous factors, all of which are beyond the Company's control. Such factors include, but are not limited to, interest and exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, speculative trading, the costs of and levels of precious metals production, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the U.S. dollar (the currency in which the prices of precious metals are generally quoted), and political developments.

The effect of these factors on the prices of precious metals, and therefore the economic viability of any of the Company's exploration projects, cannot be accurately determined. The prices of commodities have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) the Company's properties to be impracticable or uneconomical. As such, the Company may determine that it is not economically feasible to commence commercial production at some or all of its properties, which could have a material adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Industry and Economic Factors Affecting the Company

The Company is a junior resource issuer focused primarily on the evaluation, exploration and development of mineral properties and potential acquisition of mineral properties in the future. The Company's future performance is largely tied to the financial markets related to junior resource companies, which is often cyclical. The Company will continuously monitor several economic factors including the uncertainty regarding the price of gold, silver and copper and the availability of equity financing for the purposes of mineral exploration and development. The Company's future performance is largely tied to its ability to raise additional financing needed to fund its ongoing exploration and operating activities and to pursue the exploration and the development of its mineral property interests and the overall financial markets. Financial markets in the mining sector are likely to continue to be volatile reflecting ongoing concerns about the global economy. Companies worldwide have been affected negatively by these trends. As a result, the Company may have difficulties raising equity financing needed for the purposes of mineral exploration and development, particularly without excessively diluting the interests of its current shareholders. Should market volatility affect the Company's ability to raise equity financing as expected, the Company's current strategy is to continue a modest exploration program on its properties using existing cash and funds generated through equity financings if and when available and to seek out other prospective business opportunities, including entering into option arrangements and/or joint ventures. The Company believes that this focused strategy will enable it to pursue its business strategy and plans in the near term. These trends may limit the Company's ability to develop and/or further explore its properties, and/or acquire other property interests that could be acquired in the future. Management will monitor economic conditions and estimate their impact on the Company's plans, strategies and activities and incorporate these estimates in short-term operating and longer-term strategic decisions.

Title Matters

The acquisition of title to mineral properties is a very detailed and time-consuming process. The Company may not be the registered holder of some or all of the claims and concessions comprising the Bralorne and Ladner Gold Projects or any of the mineral projects of the Company. These claims or concessions may currently be registered in the names of other individuals or entities, which may make it difficult for the Company to enforce its rights with respect to such claims or concessions. There can be no assurance that proposed or pending transfers will be effected as contemplated. Failure to acquire title to any of the claims or concessions at one or more of the Company's projects may have a material adverse impact on the financial condition and results of operation of the Company**.**

In addition, title to, and the area of, mineral properties may be disputed. There is no guarantee that title to one or more claims or concessions at the Company's projects will not be challenged or impugned. There may be challenges to any of the Company's titles which, if successful, could result in the loss or reduction of the Company's interest in such titles. The Company's properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or to carry out and file assessment work, can lead to the unilateral termination of concessions by mining authorities or other governmental entities.

Environmental Risks and Hazards

The mining and mineral processing industries are subject to extensive environmental regulation for the protection of the environment. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. These regulations may adversely affect the Company or require it to expend significant funds. There is also a risk that environmental and other laws and regulations may become more onerous, making it costlier for the Company to remain in compliance with such laws and regulations.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties or by current or previous surface rights owners.

The Company cannot give any assurances that breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially and adversely affect its business, plans and financial condition. There is no assurance that any future changes to environmental regulation, if any, will not adversely affect the Company.

Significant liabilities exist on the project lands in the form of historic mine construction and development infrastructure, tailings dam(s), waste dump site, a mill site, a camp site, and other mining related infrastructure, disturbance, and equipment located on the property. The Company cannot guarantee that its estimation of the amount of these liabilities is accurate. The cost of addressing existing liabilities may be significantly higher than as currently estimated by the Company.

Key Person and Employee Retention Risk

Should key senior management positions become vacant, there could be a loss of knowledge and expertise, resulting in risk to executing our strategy. Additionally, suppose there is an increase in employee turnover or we receive fewer candidates for open positions. In that case, there may be a need for some departments to adjust initiatives or there may be an increase in operational incidents. The Company competes with exploration, mining and other companies to attract and retain key executives, employees, and third-party contractors with appropriate technical skills and managerial experience necessary to operate its business. As the Company operates in a remote area, attracting and retaining an appropriately skilled workforce can be particularly challenging.

There can be no assurance that the Company will be able to attract and retain skilled and experienced personnel. Although the Company believes it will be able to replace key employees within a reasonable time should the need arise, the loss of key personnel or failure to recruit and retain personnel for the Company's future operations and development could have a material adverse effect on its business and the results of operations.

Dependence on Key Personnel

The Company's future growth and its ability to develop depend, to a significant extent, on its ability to attract and retain highly qualified personnel. The Company relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Company will be able to retain such personnel. The loss of one or more key employees, consultants or members of senior management, if such persons are not replaced, could have a material adverse effect on the Company's business, financial condition and prospects. The Company currently does not have key person insurance on these individuals.

To operate successfully and manage its potential future growth, the Company must attract and retain highly qualified engineering, managerial and financial personnel. The Company faces intense competition for qualified personnel in these areas, and there can be no certainty that the Company will be able to attract and retain qualified personnel. If the Company is unable to hire and retain additional qualified personnel in the future to develop its properties, its business, financial condition and operating results could be adversely affected.

Influence of Third-Party Stakeholders

Some of the lands in which the Company holds an interest, or the exploration equipment and roads or other means of access which the Company intends to utilize in carrying out its work programs or general business activities, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims or do not consent to the Company carrying on activities on lands subject to their interests or claims, the Company's work programs may be delayed or prevented, even if such claims are not meritorious. Such claims or delays may result in significant financial loss and loss of opportunity for the Company.

The Company may need to enter into negotiations with landowners and other groups in local communities in British Columbia in order to conduct further exploration and development work on its properties. There is no assurance that future discussions and negotiations will result in agreements with landowners and other local community groups in British Columbia or if such agreements will be on terms acceptable to the Company so that the Company may continue to conduct exploration and development activities on these properties.

Term and Extension of Concession Contracts

Non-compliance with concession contracts may lead to their early termination by the relevant mining authorities or other governmental entities. A company whose concession contracts were subject to termination could be prevented from being issued new concessions or from keeping the concessions that it already held. The Company is not aware of any cause for termination or any investigation or procedure aimed at the termination of any of its concession contracts.

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operations and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth could have a material adverse impact on its business, plans, operations and prospects.

Governmental Regulation

The mineral exploration and development activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters in local areas of operation. Although the Company's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Amendments to current laws and regulations governing the Company's operations, or more stringent implementation thereof, could have an adverse impact on the Company's business and financial condition.

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of the Company's future operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities that could cause operations to cease or be curtailed. Other enforcement actions may include corrective measures requiring capital expenditures, the installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such mining activities and may have civil or criminal fines or penalties imposed upon them for violations of applicable laws or regulations.

Permitting

The operations of the Company require licenses and permits from various governmental authorities. The Company will use its best efforts to obtain all necessary licenses and permits to carry on the activities which it intends to conduct, and it intends to comply in all material respects with the terms of such licenses and permits. However, there can be no guarantee that the Company will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake its proposed exploration and development, or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of the Company's properties.

With respect to environmental permitting, the development, construction, exploitation and operation of mines at the Company's projects may require the granting of environmental licenses and other environmental permits or concessions by the competent environmental authorities. Required environmental permits, licenses or concessions may take time and/or be difficult to obtain, and may not be issued on the terms required by the Company. Operating without the required environmental permits may result in the imposition of fines or penalties as well as criminal charges against the Company for violations of applicable laws or regulations.

Surface Rights

The Company does not own all of the surface rights at its properties and there is no assurance that surface rights owned by the government or third parties will be granted, nor that they will be on reasonable terms if granted. Failure to acquire surface rights may impact the Company's ability to access its properties, as well as its ability to commence and/or complete construction or production, any of which would have a material adverse effect on the profitability of the Company's future operations.

Risk of Litigation

The Company may become involved in disputes with other parties in the future which may result in litigation or other legal proceedings. The results of legal proceedings cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it may have a material adverse impact on the ability of the Company to carry out its business plan.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although the Company believes that appropriate precautions to mitigate these risks are being taken, operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Company's future profitability and result in increasing costs and a decline in the value of the common shares. The Company does not maintain insurance against title, political or environmental risks.

While the Company may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Company's business and financial condition.

Global Financial Conditions

Current global financial conditions have been subject to increased volatility, and access to public financing, particularly for junior resource companies, has generally been negatively impacted. These factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, such financing may not be on terms favourable to the Company. If increased levels of volatility and market turmoil continue, and if global capital markets continue to display increased volatility in response to global events (including the COVID-19 pandemic, the Russian invasion of Ukraine and the collapse of financial institutions such as the Silicon Valley Bank), the Company's operations could be adversely impacted and the value and price of the common shares could be adversely affected.

Information Systems Security Threats

The Company's operations depend upon information technology systems which may be subject to disruption, damage or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks and defects in design.

Although to date the Company has not experienced any losses relating to cyber attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Competition

The mineral exploration and mining business is competitive in all of its phases. In the search for and acquisition of attractive mineral properties, the Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources. The Company's ability to acquire properties in the future will depend on its ability to select and acquire suitable exploration properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects, nor that it will be able to develop any market for the raw materials that may be produced from its properties. Any such inability could have a material adverse effect on the Company's business and financial condition.

Option and Joint Venture Agreements

The Company has and may continue to enter into option agreements and/or joint ventures as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Company. Pursuant to the terms of certain of the Company's existing option agreements, the Company is required to comply with exploration and community relations obligations, among others, any of which may adversely affect the Company's business, financial results and condition.

Under the terms of such option agreements the Company may be required to comply with applicable laws, which may require the payment of maintenance fees and corresponding royalties in the event of exploitation/production. The costs of complying with option agreements are difficult to predict with any degree of certainty; however, were the Company forced to suspend operations on any of its concessions or pay any material fees, royalties or taxes, it could result in a material adverse effect to the Company's business, financial results and condition.

The Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying concessions.

Acquisitions and Integration

From time to time, the Company may examine opportunities to acquire additional exploration and/or mining assets and businesses. Any acquisition that the Company may choose to complete may be of a significant size relative to the size of the Company, may change the nature or scale of the Company's business and activities, and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities, if any, depends upon its ability to obtain additional sources of financing, identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate any acquired operations successfully with those of the Company. Any acquisitions would be accompanied by risks. In the event that the Company chooses to raise debt capital to finance any such acquisitions, the Company's leverage will be increased. If the Company chooses to use equity as consideration for such acquisitions, existing shareholders may suffer significant dilution. There can be no assurance that the Company would be successful in obtaining additional sources of financing or in overcoming these risks or any other problems encountered in connection with such acquisitions.

Community Relationships

The Company's relationships with the communities in which it operates are critical to ensure the future success of its existing operations and the development of its projects.

There is no reason to believe at this time that there are, or will be, issues related to Indigenous land claims or objections locally. Indigenous engagement is a strong commitment of Talisker.

While the Company is committed to operating in a socially responsible manner and working towards entering into agreements in satisfaction of such requirements, there is no guarantee that its efforts will be successful, in which case interventions by third parties could have a material adverse effect on the Company's business, financial position and operations.

Conflicts of Interest

Certain directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration, development and mining operations. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company, and to disclose any interest they may have in any project or opportunity of the Company. In addition, each of the directors is required by law to declare his or her interest in and refrain from voting on any matter in which he or she may have a conflict of interest, in accordance with applicable laws.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centres and pools of labour, are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could impact the Company's ability to explore its properties, thereby adversely affecting its business and financial condition.

The Outstanding Common Shares Could be Subject to Dilution

The exercise of stock options and warrants already issued by the Company and the issuance of additional equity securities in the future could result in dilution in the equity interests of holders of common shares.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company classifies its financial instruments carried at fair value according to a three level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The three levels of fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for assets and liabilities, either directly or indirectly;
- Level 3 – Inputs for assets or liabilities that are not based on observable market data

The carrying value of cash and cash equivalents, reclamation deposits, accounts payable and accrued liabilities, and leases payables approximate fair value because of the limited terms of these instruments as well as the relatively short term nature of the instruments. The convertible debentures were issued in October, as such, given limited time has elapsed, carrying value approximates fair value. The carrying value of marketable securities reflects a level 1 fair value measurement. The carrying value of the derivative in gold linked notes reflects a level 2 fair value measurement.

Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents, amounts receivable and reclamation deposits. Management believes that the credit risk concentration with respect to the cash and cash equivalents, amounts receivable and reclamation deposits is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. As at December 31, 2024, the Company had a cash and cash equivalents balance of $14,811,384 (December 31, 2023 - $8,461,525) to settle current liabilities of $4,016,888 (December 31, 2023 - $7,315,780). Working capital for the Company as at December 31, 2024 was $14,434,578 (December 31, 2023 - $2,285,565).

The maturity profiles of the Company's contractual obligations as at December 31, 2024, are summarized as follows:

	Total	Less than 1 Year	1 to 5 Years	More than 5 Years
Accounts payable and accrued liabilities	$ 3,433,418	$ 3,433,418	$ -	$ -
Leases obligations	277,644	250,644	27,000	-
Convertible debentures	6,936,000	612,000	6,324,000	-
Gold linked notes	2,286,064	519,482	1,766,582	-
Provision for site reclamation and closure	18,209,280	-	-	18,209,280
Total	$ 31,142,406	$ 4,815,544	$ 8,117,582	$ 18,209,280

Market Risk

(a) Foreign Currency Risk

The Company's reporting currency is the Canadian dollar. The functional currency of the Company is the Canadian dollar.

Based on the foreign currency balances at December 31, 2024, a 10% change in foreign exchange rates between the Canadian dollar and these foreign currencies over the next year would affect net income by approximately $1,400,000 (2023 - $300,000). This analysis only addresses the impact on financial instruments with respect to currency movement and excludes other economic or geo-political implications of such currency fluctuation. In practice, actual results will likely differ from this analysis and the difference may be material.

The exposure of the Company's financial assets and liabilities as at December 31, 2024 is as follows:

	CDN Dollar	US Dollar	Total (in CDN dollars)
Financial assets			
Cash and cash equivalents	$ 3,108,056	$ 11,703,328	$ 14,811,384
Marketable securities	2,157,562	-	2,157,562
Amounts receivable	272,937	-	272,937
Reclamation deposits	1,468,300	-	1,468,300
Total	$ 7,006,855	$ 11,703,328	$ 18,710,183
Financial liabilities			
Accounts payable and accrued liabilities	$ 3,418,846	$ 14,572	$ 3,433,418
Gold linked notes	-	1,432,570	1,432,570
Convertible debentures	4,364,817	-	4,364,817
Leases payable	261,497	-	261,497
	$ 8,045,160	$ 1,447,142	$ 9,492,302

(b) Commodities Price Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to gold and silver to determine the appropriate course of action to be taken by the Company. Gold prices will also have an impact on the amount owing under the gold linked notes. A 10% change in gold prices over the next year would affect net income by approximately $200,000 (2023 - $nil).

(c) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. A 1% change in interest rates over the next year would affect net income by approximately $100,000 (2023 - $nil).

SIGNIFICANT ACCOUNTING ESTIMATES

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- ***Impairment of non-financial assets*** - The Company assesses its cash-generating units at each reporting date to determine whether any indication of impairment exists. Where an indicator of impairment exists or when exploration and evaluation assets are reclassified to property, plant and equipment upon reaching technical feasibility and commercial viability, an estimate of the recoverable amount is made, which is the higher of the fair value less costs of disposal and value in use. The determination of the recoverable amount requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and future operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

- ***Provision for site reclamation and closure*** – Provisions for site reclamation and closure have been created based on management estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability as shown in Note 15. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management and are based on current regulatory requirements. Significant changes in estimates of discount rate, contamination, restoration standards and techniques will result in changes to provisions from period to period. Actual reclamation and closure costs will ultimately depend on future market prices for the costs which will reflect the market condition at the time the costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for.

- **Convertible debentures and Gold Linked Notes** – The Company's convertible debentures and gold-linked notes represent management's best estimates and judgement in accounting for separate components of financial liability, derivative liability and an equity instrument. The identification of such components embedded within convertible debentures and gold-linked notes requires significant judgement given that it is based on the interpretation of the substance of the contractual arrangement. In the case of convertible debentures, the conversion option has a fixed conversion rate, the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual is accounted for as an equity instrument at issuance. In the case of gold linked notes, the embedded derivative is separated on issuance at fair value and is marked to market at each period end with changes in fair value recorded as gain on fair value of derivative. The financial liability, which represents the obligation to pay coupon interest on the gold linked notes in the future, is initially measured at its fair value and subsequently measured at amortized cost. The Company considered various factors to determine fair value, including: market rate of interest and forecast gold price expected over the life of the arrangement that is based on the forward curve for gold.

- **Determination of Commercial Viability and Technical Feasibility of the Bralorne Gold Project -** The application of the Company's accounting policy for mineral property development costs required judgment to determine when technical feasibility and commercial viability of the Bralorne Gold Project was demonstrable. The Company considered various factors, including:

    - the updated NI 43-101 resource estimate published in January 2023 together with the positive drilling engineering studies conducted subsequent to this estimate;

- fully permitted operations for mining and existing infrastructure requiring limited development to access ore;

- the results from the ore hauling agreement with Nicola Mining and the decision to start test production trucking of first ore with an expectation of generating a positive long-term return on the Bralorne Gold Project positive Net Present Value generated from a discounted cash flow model.

- The availability of funds to pursue the further development of the Bralorne Gold Project with the financing activities completed in the fourth quarter of 2024, including the second tranche of the royalty proceeds under the arrangement with Sprott.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"), including, but not limited to, statements relating to the future financial or operating performance of the Company, the Company's exploration projects, the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production (if any), capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration and development, use of proceeds from financings, requirements for additional capital, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, or development of the explorations projects. Often, but not always, forward-looking information can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information reflects the Company's beliefs and assumptions based on information available at the time such statements were made. Actual results or events may differ from those predicted in forward-looking information. All of the Company's forward-looking information is qualified by (i) the assumptions that are stated or inherent in such forward-looking information, including the assumptions listed below, and (ii) the risks described in the section entitled "*Risk Factors*" in this MD&A, the financial statements of the Company, and the sections entitled "*Risk Factors*" and "*Cautionary Statement Regarding Forward-Looking Information*" in the AIF of the Company for the fiscal year ended December 31, 2024, which are available on SEDAR+ (www.sedarplus.ca) under Talisker's issuer profile.

Although the Company believes that the assumptions underlying the forward-looking information contained in this MD&A are reasonable, this list is not exhaustive of the factors that may affect any forward-looking information. The key assumptions that have been made in connection with forward-looking information include the following: the significance of drill results and ongoing exploration activities; the estimation of mineral resources and the geology, grade and continuity of mineral deposits including but not limited to models relating thereto; timing to obtain assay results from labs; ability of exploration activities (including drill results) to accurately predict mineralization; the predictability of geological modeling; the accuracy of the Company's records of its property interests; the global economic climate; metal prices; environmental risks; community and non- governmental actions; that permits required for the Company's operations will be obtained on a timely basis in order to permit the Company to proceed on schedule with its planned drilling programs; that skilled personnel and contractors will be available as the Company's operations continue to grow; that the price of gold will exceed levels that will render the projects of the Company economical; the relevance of the assumptions, estimates and projections in technical reports; and that the Company will be able to continue raising the necessary capital to finance its operations and realize on its mineral resource estimates.

Forward-looking information involves known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; errors in geological modeling; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of grade or recovery rates; failure of plant and equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; and delays in obtaining governmental approvals or financing or in the completion of exploration or development activities.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure controls and procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings, or other reports filed or submitted by it under securities legislation is recorded, processed, summarized, and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal controls over financial reporting

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's internal controls over financial reporting include policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with the authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

As at December 31, 2024, there has not been any material change to internal controls over financial reporting for the period. Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting. As of December 31, 2024, the Chief Executive Officer and Chief Financial Officer have each concluded that the Company's internal controls over financial reporting, as defined in National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, are effective to achieve the purpose for which they have been designed. Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. The control framework used to evaluate the effectiveness of the design and operation of the Company's internal controls over financial reporting is the 2013 Internal Control – *Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's design of internal controls and procedures over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting during the period covered by this MD&A.

CORPORATE GOVERNANCE

Management and the Board recognizes the value of good corporate governance and the need to adopt best practices. The Company is committed to continuing to improve its corporate governance practices in light of its stage of development and evolving best practices and regulatory guidance.

The Board has adopted a board mandate outlining its responsibilities and defining its duties. The Board has four standing committees: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, and the Technical Committee. Each Committee has a committee charter, which outlines the committee's mandate, procedures for calling a meeting, and provides access to outside resources.

The Board has also adopted a code of ethics, which governs the ethical behavior of all employees, management and directors. Separate trading blackout and disclosure policies are also in place. For more details on the Company's corporate governance practices, please refer to Talisker's website (www.taliskerresources.com).

The Company's directors have expertise in exploration, metallurgy, mining, accounting, legal, banking, financing and the securities industry. The Board and each Committee meets at least four times per year.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this report. The consolidated financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this MD&A is consistent with that contained in the consolidated financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded. The Audit Committee has reviewed the consolidated financial statements with management. The Board of Directors has approved the consolidated financial statements on the recommendation of the Audit Committee.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's design of internal controls and procedures over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting during the period covered by this MD&A.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company's AIF for the year ended December 31, 2024 can be found on the Company's profile on SEDAR+ at www.sedarplus.ca.