

Northern Lights Resources Corp.

Management Discussion and Analysis

For the Six Months Ended October 31, 2025

December 29, 2025

The following management discussion and analysis should be read in conjunction with the unaudited condensed interim consolidated financial statements for the six months ended October 31, 2025 and audited consolidated financial statements for the year ended April 30, 2025, and related notes included therein, prepared in accordance with IAS 34, Interim Financial Report (“IAS 34”), as issued by the International Accounting Standards Board (“IASB”), and its interpretations, using accounting policies consistent with IFRS Accounting Standards (“IFRS”). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional regulatory filings for the Company can be found on the SEDAR+ website at www.sedarplus.ca. The Company’s website can be found at www.northernlightsresources.com.

Northern Lights Resources Corp. (the “Company” or “Northern Lights”) was incorporated under the laws of British Columbia on March 28, 2007. The Company’s principal business activities is acquiring projects for exploration and discovery of valuable mineral deposits . The Company was listed in October 2018 and traded on the Canadian Securities Exchange (“CSE”) under the symbol “NLR”.

Forward-Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, “forecast”, “estimate”, “expect” and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company’s current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements herein include, but are not limited to, statements relating to the timing, availability and amount of financings; expected use of proceeds; business objectives; the costs and timing relating to the potential acquisition of interests in mineral properties; the timing and costs of future exploration activities on the Company's future properties; success of exploration activities; permitting time lines and requirements for additional capital. In making forward-looking statements herein, the Company has applied several material assumptions, including, but not limited to, any additional financing needed will be available on reasonable terms, that general business and economic conditions will not change in a materially adverse manner, and that all necessary governmental approvals for the future exploration will be obtained in a timely manner and on acceptable terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the completion of financings and the use of proceeds; operations and contractual obligations; changes in exploration programs based upon results of exploration; future prices of metals; availability of third party contractors; availability of equipment; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks of the mineral exploration industry; environmental risks; community relations; and delays in obtaining governmental approvals or financing.

Going Concern

The condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. These conditions suggest a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. The condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

Mineral Properties

The current property portfolio and status are shown in the table below:

Name	Location	Target	Current Status
Medicine Springs	Nevada USA	Ag-Pb-Zn carbonate replacement (CRD)	<ul style="list-style-type: none">October 5, 2020 project optioned
Caldera Copper	Nevada USA	Cu porphyry-skarn-IOCG	<ul style="list-style-type: none">May 14, 2024 optioned propertyAfter initial assessment, option terminated in fiscal 2025
Secret Pass	Arizona USA	Au-Ag in epithermal veins and stockwork	<ul style="list-style-type: none">June 19, 2025 equity interest in project soldBuyer failed to meet purchase obligations, ownership retained by NLR
Horetzky Copper Project	British Columbia Canada	Porphyry style Cu	<ul style="list-style-type: none">October 24, 2024 optioned propertyCompilation of historical dataSurface sampling and geochemical analysisPlanned field programme quarter two of fiscal 2026
Pup Project	Yukon Territory Canada	Porphyry style Cu	<ul style="list-style-type: none">September 18, 2025 optioned propertySurface sampling and geochemical analysisGround magnetic survey

The Company is currently focused on three properties: Horetzky Copper Project, Pup, and Secret Pass.

Horetzky Copper Project

On October 24, 2024, the Company entered into a mineral property option agreement to acquire 100% of the Horetzky Copper Project in Babine Porphyry Copper Belt, British Columbia.

Pursuant to the option agreement, the Company is required to make aggregate considerations of cash payment of \$5,000, equity consideration of 7,500,000 common shares and incurring exploration expenditure of \$1,000,000.

- i) Cash payments of \$5,000 to be paid within 90 days of signing the option agreement (paid).
- ii) Share issuance
 - i) 500,000 common shares following the exercise of the option (issued and valued at \$17,500);
 - ii) An additional 1,000,000 common shares on or before October 15, 2025 (subsequently issued);
 - iii) An additional 2,000,000 common shares on or before October 15, 2026;
 - iv) \$300,000 or an additional 4,000,000 common shares on or before October 15, 2027;
 - v) \$125,000 or an additional 1,250,000 common shares by the earlier of the Optionee completing 5,000 metres of drilling or October 15, 2028; and
 - vi) \$125,000 or an additional 1,250,000 common shares within 30 days of the Company publicly disclosing an inferred or greater category or categories of a mineral resource, in accordance with the CIM definitions of a minimum of 1,000,000 ounces of gold or gold equivalent.
- iii) Exploration expenditures
 - i) incur \$50,000 on or before October 1, 2025 (incurred).
 - ii) incur an additional \$200,000 on or before October 15, 2026; and
 - iii) incur an additional \$750,000 on or before October 15, 2027.

The vendor will retain a Net Smelter Return (NSR) of 2.5%.

In connection with the transaction, the Company paid a finder's fee to an arms-length party of \$25,000, payable in shares of the Company (500,000 common shares issued and valued at \$17,500).

Pup Copper Project

On September 18, 2025, the Company entered into a mineral property option agreement to acquire 100% of the Pup Copper Project in the Yukon Territory by making the following considerations:

Pursuant to the option agreement, to acquire the property, the Company shall complete aggregate cash payments of \$5,000, issue equity consideration of up to 7,500,000 common shares and incur exploration expenditures totaling \$1,000,000, as follows:

Cash payments

- i) \$5,000 on or before January 30, 2026 (paid)

Share issuances:

- i) 500,000 common shares on or before January 30, 2026
- ii) 1,000,000 common shares on or before October 15, 2026
- iii) 2,000,000 common shares on or before October 15, 2027
- iv) \$300,000 of common shares or 4,000,000 common shares on or before October 15, 2027
- v) \$125,000 of common shares or 1,250,000 common shares on the earlier of the Company completing 5,000 metres of drilling or October 15, 2029
- vi) \$125,000 of common shares or 1,250,000 common shares within 30 days of the Company publicly disclosing an inferred or greater category or categories of a mineral resource, in accordance with the CIM definitions of a minimum of 1,000,000 ounces of gold or gold equivalent

*Exploration expenditures**

- i) incur \$35,000 of exploration expenditure on or before October 15, 2025 (incurred)
- ii) incur an additional \$165,000 expenditure on or before October 15, 2026
- iii) incur an additional \$300,000 expenditure on or before October 15, 2027
- iv) incur an additional \$500,000 exploration expenditure on or before October 15, 2028

**conditional on the Company diligently pursuing and receiving a Quartz Mining Land Use Period from the Yukon Government allowing for drilling (fulfilled).*

The vendor will retain a NSR of 2.5%, of which 1.0% can be purchased back by the Company for \$2,000,000 at any time up to the commencement of commercial production.

Secret Pass Gold Project

The Secret Pass Gold property consists of 868 hectares located in the heart of the Historic Oatman-Katherine gold mining district in northwest Arizona. This historical mining district produced 2 million ounces of gold and 1,000,000 ounces of silver between 1892 and 1940 at an average gold grade of over 15 g/t.

Results of Operations

The results of operations reflect the overhead costs incurred by the Company to maintain good standing with the various regulatory authorities and to provide an administrative infrastructure to manage the acquisition, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisition continues. The Company has not recorded, since the date of its incorporation, any revenues from its mineral exploration and development activities, nor does it expect to record any revenue over the course of the next 12 months.

General and Administrative Expenses

The Company incurred a loss and comprehensive loss for the six months period ended October 31, 2025 of \$329,317 (2024 – \$229,319).

A brief explanation of the significant changes in expense categories is provided below:

- i) Share-based compensation of \$182,300 (2024 - \$Nil) increased due to grant of stock options to officers, directors and consultants during the current period.
- ii) Realized loss on marketable securities \$Nil (2024 – \$317,015) due to no investment held during the current period.
- iii) Unrealized gain on marketable securities \$Nil (2024 – \$283,500) due to no investment held during the current period.
- iv) Write-off of exploration and evaluation assets \$Nil (2024 - \$46,240) due to the Company no further write off during the current period

The Company incurred a loss and comprehensive loss for the three months period ended October 31, 2025 of \$252,362 (2024 – \$60,285).

A brief explanation of the significant changes in expense categories is provided below:

- i) Share-based compensation of \$182,300 (2024 - \$Nil) increased due to grant of stock options to officers, directors and consultants during the current period.
- ii) Realized loss on marketable securities \$Nil (2024 – \$114,010) due to no investment held during the current period.
- iii) Unrealized gain on marketable securities \$Nil (2024 – \$174,370) due to no investment held during the current period .

Summary of Quarterly Results

The following table sets out selected consolidated quarterly information for the last eight quarters.

Three Months Ended	October 31, 2025	July 31, 2025	April 30, 2025	January 31, 2025
Interest Income	\$ -	\$ -	\$ -	\$ -
Exploration and Evaluation Assets	829,285	536,702	652,667	2,105,626
Deficit	11,254,081	11,046,719	10,924,764	9,582,728
Net Loss	(252,362)	(76,955)	(1,342,036)	(355,583)
Basic and Diluted Loss Per Share	(0.00)	(0.00)	(0.03)	(0.01)

Three Months Ended	October 31, 2024	July 31, 2024	April 30, 2024	January 31, 2024
Interest Income	\$ -	\$ -	\$ -	\$ -
Exploration and Evaluation Assets	2,068,553	2,086,012	2,098,499	2,078,147
Deficit	9,227,145	9,166,860	8,997,826	8,799,551
Net Loss	(60,285)	(169,034)	(198,275)	(155,127)
Basic and Diluted Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)

Liquidity and Capital Resources

At October 31, 2025, the Company had cash of \$315,957 (April 30, 2025 – \$1,052).

At October 31, 2025, the Company had a working capital deficiency of \$666,817 (April 30, 2025 – \$749,682).

The Company expects its current capital resources will not be sufficient to meet its business objectives or day-to-day operations through its next quarter or current operating year, and that its continuation as a going concern will be dependent on its ability to raise additional funds through equity issuances. There is no guarantee the Company will be successful in that regard. See “Overview and Going Concern” above.

Financial Risk Factors

The Company has applied a three-level hierarchy to reflect the significance of the inputs used in making fair value measurements. The three levels of fair value hierarchy are:

- 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 or liabilities, either directly or indirectly; and
- Level 3 – Inputs for assets or liabilities that are not based on observable market data.

The Company’s financial instruments consist of cash, marketable securities, accounts payable and accrued liabilities, convertible securities, and subscriptions receivable. The fair value of the accounts payable and accrued liabilities approximates their carrying values due to the short-term nature of these instruments. Cash and marketable securities are measured at fair value using level 1 inputs. Convertible securities are measured using level 2 inputs as it uses observable inputs other than quoted prices included within level 1.

The Company is exposed to a variety of financial risks by virtue of its activities including credit, liquidity, currency, interest rate, and other price risk. The Company's exposure to and management of these risks has not changed materially from that of the prior year.

a) **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. A portion of the Company's expenses are denominated in US dollars. As the Company's functional and presentation currency is the Canadian dollar, the Company is exposed to risk from changes in the US dollar exchange rate. The amounts are minimal and any risk due to foreign currency fluctuations is not significant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company exposure to price risk primarily attributed to marketable securities at April 30, 2025. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and subscriptions receivable. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada. The maximum exposure to credit risk is the aggregate carrying amount of cash and subscriptions receivable.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity risk is to ensure it has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company ensures that sufficient funds are raised from private placements, option exercises and warrant exercises to meet its working capital requirements, after taking into account existing cash and expected exercise of share purchase warrants and options.

Management believes that it will be successful in raising the necessary funds however, given the current market conditions, management believes that the raising of the required funds will take longer than is normal and will be at prices that may be less than desirable. There are no assurances that additional funds will be available on terms acceptable to the Company or at all. The Company does not have significant liquidity risk as all of its financial liabilities are current in nature.

Related Party Transactions

	Period ended October 31, 2025	Period ended October 31, 2024
Management fees	\$ 90,000	\$ 90,000
Professional fees	450	-
Share-based compensation	☐ 96,847	-
	<u>\$ 187,297</u>	<u>\$ 90,000</u>

Key management personnel are those personnel having the authority and responsibility for planning, directing, and controlling the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the period ended October 31, 2025, the Company:

- i) paid or accrued management fees of \$45,000 (2024 - \$45,000) to the former President of the Company.
- ii) paid or accrued management fees of \$45,000 (2024 - \$45,000) to the former Chief Executive Officer (“CEO”) of the Company.
- iii) paid or accrued professional fees of \$450 (2024 - \$Nil) to the Chief Financial Officer (“CFO”) of the Company.
- iv) recorded share-based compensation of \$96,847 (2024 - \$Nil) related to options granted to officers and directors of the Company.

Included in accounts payable and accrued liabilities as at October 31, 2025 is \$381,583 (April 30, 2025 - \$350,130) owed to officers of the Company.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Changes in Accounting Policies and Future Accounting Pronouncements

Please refer to the condensed interim consolidated financial statements for the six months ended October 31, 2025 located on www.sedarplus.ca.

Critical Accounting Estimates

Please refer to the condensed interim consolidated financial statements for the six months ended October 31, 2025 located on www.sedarplus.ca.

Contingencies

There are no contingent liabilities.

Management's Responsibility

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.

Changes in Management

On October 21, 2025, the Company announced Albert (Rick) Timcke has resigned as Chief Financial Officer ("CFO") of the Company. The Board of Directors (the "Board") has appointed Leon Ho as the CFO. Concurrently, the Board has appointed Steven McMullan as an additional director of the Company.

On November 6, 2025, the Company announced the appointment of Luka Capin to the Board, replacing Albert (Rick) Timcke, who resigned as Executive Chairman and Director.

On November 11, 2025, the Company announced Jason Bahnsen resigned as Chief Executive Officer but remains on the Board. Luka Capin assumed as the role of CEO from Jason Bahnsen.

On November 21, 2025, the Company announced the resignation of Albert (Rick) Timcke as President.

Other MD&A Requirements

As at December 29, 2025, the Company had the following outstanding:

Common shares – 68,488,704 outstanding

Options

Options Outstanding	Options Exercisable	Exercise Price	Expiry Date
50,000	50,000	\$0.70	January 13, 2026
2,400,000	2,400,000	\$0.08	September 18, 2027
3,750,000	3,750,000	\$0.05	November 7, 2029
6,200,000	6,200,000		

Warrants

Warrants Outstanding	Exercise Price	Expiry Date
4,000,000	\$0.05	February 7, 2027
3,150,000	\$0.10	July 27, 2027
8,000,000	\$0.06	September 16, 2028
4,000,000	\$0.10	December 17, 2028
19,150,000		

Qualified Person

Steven McMullan, P.Geol. supervised the preparation of and reviewed and approved the scientific and technical information pertaining to the mineral properties. Mr. McMullan is a qualified person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects.