

FOUNDERS METALS INC.
(the “Company” or “Founders Metals”)

Form 51-102F1
MANAGEMENT’S DISCUSSION and ANALYSIS
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2023

The following Management’s Discussion and Analysis (“MD&A”) supplements, but does not form part of, the condensed consolidated interim financial statements of the Company and the notes thereto for the three months ended November 30, 2023 (the “Financial Statements”). Consequently, the following discussion and analysis of the results of operations and financial condition of Founders Metals should be read in conjunction with the Financial Statements which have been prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts are stated in Canadian dollars unless otherwise indicated. The reader should be aware that historical results are not necessarily indicative of future performance. This MD&A has been prepared based on information known to management as of January 29, 2024.

Additional information relating to the Company, including regulatory filings, can be found on the SEDAR website at www.sedar.com.

Forward-Looking Statements

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of 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 such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below. The Company assumes no obligation to update or revise forward looking statements to reflect new events or circumstances except as required by law.

Description of Business

Founders Metals Inc. (“Founders” or the “Company”) was incorporated under the Canada Business Corporations Act on April 6, 2000. The Company’s common shares are listed for trading on the TSX Venture Exchange under the trading symbol “FDR”, on the Frankfurt Stock Exchange under the trading symbol “9DLO”, and on the OTCQX Markets under the trading symbol “FDMIF”.

The address of the Company’s corporate office and principal place of business is 250 Southridge NW, Suite 300, Edmonton, AB, T6H 4M9. The Company’s registered office is Suite 780 - 1111 West Hastings Street, Vancouver, BC V6E 2J3. The Company’s principal business is to explore and develop the gold and mineral exploration Antino Gold Project located in Suriname.

Recent Activity

Change to Management and Board

On January 5, 2024, Samuel Yik was appointed as a new Chief Financial Officer (“CFO”) and joined as a Corporate Secretary of the Company.

Private Placement

On November 28, 2023, the Company closed a bought deal private placement offering of 7,187,500 common shares of the Company at a price of \$0.80 per share for aggregate gross proceeds of \$5,750,000 (the "Offering"). In connection with the Offering, the Company paid a cash fee of \$345,000 and a cash finder's fee of \$3,000.

On August 28, 2023, the Company completed a non-brokered private placement by issuing 4,250,000 common shares of the Company at a price of \$0.40 per share for gross proceeds of \$1,700,000. The Company paid no commission or fees on the investment and all the securities issued in connection with the Private Placement are subject to a hold period expiring four months and a day from the date of issuance.

On March 21, 2023, the Company completed a non-brokered private placement by issuing 15,415,000 units of the Company at a price of \$0.20 per unit for gross proceeds of \$3,083,000. Each unit consists of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.35 for a period of two years from the date of issuance. The Company paid finders fees of \$34,475 and issued 193,375 finders' warrants, each exercisable to acquire one common share at \$0.20 per share for a period of 24 months from the date of issue.

Grant of Options and Restricted Share Units ("RSUs")

On October 4, 2023, the Company granted 950,000 stock options to certain directors, officers, and consultants of the Company. The stock options are exercisable at \$0.80 per share with a 5-year term and vest immediately.

On April 24, 2023, Founders Metals Board of Directors granted share-based incentive compensation to certain directors, officers, and consultants of the Company. Pursuant to its Option and RSU Plans, 2,810,000 Options and 2,575,000 RSUs have been issued. The stock options are exercisable at \$0.35 per share with a 5-year term and vest immediately. The RSUs vest one year from the date of grant.

Acquisition of the Antino Project Option in Suriname

On March 21, 2023, the Company completed the acquisition (the "Acquisition") from Orea Mining Corp. ("Orea") of the option (the "Option") to acquire up to 75% of the Antino Gold Project (the "Project") in Suriname from Nana Resources N.V. Pursuant to an assignment agreement (the "Assignment Agreement") signed on March 17, 2023, Orea assigned to the Company all of its option, rights, and obligations pursuant to an existing option agreement (the "Option") with Nana Resources N.V. ("Nana") dated March 16, 2022 to acquire up to 75% of the shares in the capital of Lawa Gold N.V. ("Lawa") which is the registered owner of 100% of the Project (the "Assignment"). To acquire the Option, the Company paid Orea \$500,000 cash and issued 1,000,000 common shares of the Company.

The Option to acquire up to 75% ownership of the Project and become operator of the Project under the Option is completed in three stages:

- 1) Option to acquire an initial 51% interest in the Project within three years of the Commencement Date by:
 - making cash payments totaling USD 1,650,000, of which only USD 350,000 is payable within the first year;
 - issuing common shares of the Company having a value of \$323,000 (of which \$95,000 may be settled in cash);
 - incurring a minimum of USD 6,000,000 in exploration expenses; and
 - completing a geological technical report prepared in accordance with National Instrument 43-101, containing a minimum of 500,000 oz Au in any category.

As at the date of this MD&A, the Company has made cash payments in the amount of USD 100,000, issued 1,475,000 common shares at a price of \$0.20 and incurred exploration expenditures of approximately USD 3,300,000 on the Antino Gold Project.

2) Option to acquire an additional 19% interest in the Antino Gold Project, for a total of 70% within two years of completion of the First Option Stage by:

- making cash payments totaling USD 1,500,000;
- issuing common shares of the Company having a value of \$19,000;
- incurring a minimum of USD 10,000,000 in exploration expenses; and
- completing a preliminary economic assessment technical report prepared in accordance with National Instrument 43-101.

In the event that the Company does not proceed with the completion of the Second Option Stage, the Company will transfer its interest in the Project back to the optionor.

3) Option to acquire an additional 5% in the Project, for a total of 75%, within three years of completion of the Second Option Stage by:

- incurring a minimum of USD 10,000,000 in exploration expenses; and
- completing a bankable feasibility study prepared in accordance with National Instrument 43-101.

Upon successful earn-in of the Project, the Company and the optionor, Nana, will form a joint venture with the objective of accelerating the project into commercial production.

Antino Gold Project

The Antino Gold Project is a resource definition stage gold exploration project located in southeastern Suriname, within the Guiana Shield Gold Belt (Figure 1). The project is approximately 275 km from the capital city of Paramaribo and is accessible by air to the Antino Camp airstrip, or by barge along the Maroni/Lawa River, which borders French Guiana. The 200 km² property holds rights to the exploitation of gold (Suriname Mining Titles), covering all necessary permits for exploration, drilling, and surficial/alluvial mining.



Figure 1: Antino Project Location in Broader Guiana Shield

The Antino Gold Project consists of two adjacent exploitation concessions (GMD-180A/16 and GMD-181A/16), each spanning 10,000 hectares. These concessions encompass a region with a history of producing over 500,000 ounces of gold through alluvial and surface mining. Gold discovery in the area dates back to 1881, attributed to the work of two French geologists, with mining activities persisting in various forms since that time. The project area includes two primary small-scale mining sites, Upper Antino and Buese, and multiple smaller artisanal mining operations located along the Antino and Maripasoula creeks. The widespread occurrence of alluvial mining across the property points to several potential primary gold sources. Moreover, the detection of in-situ gold across various locations on the property strongly suggests the presence of broad-scale, economically significant mineralization.

Infrastructure

The Antino Gold Project is supported by significant existing infrastructure that includes a permanent camp, a 1.3-kilometer runway, and a comprehensive network of well-maintained roads on the property. These roads provide easy access to the main exploration and surface mining areas as well as the Tabiki port, which serves as a landing site for barges and boats to the property. The French Guiana town of Maripasoula, with a population of approximately 12,000, is 12 km from the Main Antino Camp. This close proximity offers logistical advantages to the Antino Project, such as easy access to medical facilities, various exploration and drilling supply chains, and communication networks.

Historical Work

The Antino Project has leveraged a comprehensive historical dataset to expand known resource zones and pinpoint several high-priority exploration targets. 32,071 metres of historical drilling were completed on the property and consisted of approximately 60% diamond core drilling and 40% RC. Small-scale artisanal mining has historically targeted alluvial deposits and weathered bedrock (saprolite) material down to the depth of the fresh bedrock, typically between 40 and 80 metres below the surface. The primary processing method used is gravity separation of gold, which usually sees a recovery rate of 25-35%, indicating a promising opportunity for reprocessing the historical tailings.

Golden Star Resources spearheaded the first modern exploration program from 1993 to 1997, completing 6,051 metres of drilling over 59 drill holes, 7,614 auger drill points ranging from 1 to 15 meters in depth, and an extensive regional airborne magnetics/radiometrics survey. Golden Star also conducted trenching and took samples of panned gold concentrates.

Between 2006 and 2008, Reunion Gold carried out further exploration, which included 26,085 meters of both RC and diamond drilling over 299 drill holes (191 RC holes amounting to 8,973 meters and 108 DDH totalling 17,085 meters), 2,598 auger sampling sites, and 63 trenches totalling 7,962 meters. From 2015 to 2016, Nana Resources completed focused exploration programs around the primary gold production areas, which included mapping, trenching, deep auguring, and sampling.

Orea Mining's due diligence exploration work in 2021 featured channel and grab sampling, detailed mapping of the newly exposed pit walls and mining areas, re-evaluation of historical core samples, a new interpretation of historical airborne magnetic data, and a high-resolution LiDAR survey of the key exploration and mining areas.

The exploration history at the Antino Project reveals a dominant NW-NNW-oriented shear structure, with several secondary structures holding great promise. High-grade mineralization lenses, with some intervals showing grades well above 25 g/t gold with consistently traceable continuity along strike, have been identified in prominent areas such as Upper Antino and Buese (Figure 2). Furthermore, over twenty anomalous gold zones have been discovered through surface sampling across the Property. The Antino Structural Corridor, featuring significant mineralization, spans more than 8 kilometres along strike, with several nearby exploration targets identified through magnetic signatures, LiDAR lineaments, and auger sampling anomalies, pointing toward substantial potential for new discoveries along this primary structure.

The type of mineralization found at the Antino Project displays characteristics typical of an orogenic gold system, evidenced by regional-scale greenstone belts that have undergone extensive shearing and metamorphism, forming regular segments of distinct, high-grade gold contained within sheared quartz and quartz-carbonate veins. Various magmatic suites observed in surface mapping and drill cores, coupled with isolated instances of magmatic-hydrothermal style alterations documented in previous report logs, additionally indicate the possibility of intrusion-hosted bulk-tonnage style mineralization similar in character to the Omai mine in Guyana. Historical trenches, channel samplings, and drilling data in the primary Upper Antino and Buese target areas, as shown in Figure 2, are notable highlights.



Figure 2: Historical Drilling and Trench/Channel Highlights

Recent Activity on the Antino Property

In Q1 of 2024, Founders resumed drilling activities on the Antino Gold project with two diamond drills and a comprehensive drilling campaign focused on continuing the stepwise expansion of the Froyo Gold Zone as well as the drilling new exploration target areas in the Upper Antino prospect area. Since commencing its maiden drill campaign in June 2023, Founders successfully completed several major milestones including:

- 11,380 m of drilling in the Upper Antino exploration (Table 1, Figure 3-5)
- Geophysics surveys of two major prospect areas including (Figures 6-8):
 - o 52-line km in Upper Antino
 - Grid gradient
 - IP slices
 - o 46-line km in Buese
 - Grid gradient
 - IP slices
- Broad-scale surficial exploration program including:

- 273 metres of trenches
- 341 auger samples
- Detailed mapping of the Upper Antino and Buese areas, successfully confirming and discovery several new mineralized areas
- Completion of infrastructure upgrades including
 - Installation of high-speed internet communications (Starlink)
 - Updated electrical and plumbing systems
 - Installation of groundwater well system with UV and carbon filtration
 - Construction of a core processing facility capable of supporting a 3-drill program

Drilling

The 2023 drill program focused on understanding gold mineralization at upper Antino, and the Company followed a stepwise program of confirmation, infill and expansion of gold mineralization identified in historical drilling. These efforts successfully confirmed historical high-grade mineralization and delivered a major expansion of high-grade gold mineralization, adding over 200 metres along strike and over 80 m to depth within the Froyo-Ginger zones. (Table 1, Figures 3,4). In Q4 of 2023 and Q1 of 2024 (Figures 3, 5), Founders Metals discovered a broad zone of mineralization parallel to the main Froyo Gold Zone, significantly adding to the broad scale resource potential of the Antino Gold project.

Drill intercept highlights include:

- Drill hole 23FR003 intersected 12 m of 19.22 g/t Au including 3 m of 29.90 g/t Au & and 2.65 m of 22.37 g/t Au
- Drill hole 23FR009 intersected 9.00 m of 11.10 g/t Au including 6 m of 15.92 g/t Au and 4.25 m of 19.29 g/t Au
- Drillhole 23FR010 intersected 12.20 m of 8.75 g/t Au
- Drillhole 23FR014 intersected 15.50 m of 30.72 g/t Au including 5.80 m of 54.61 g/t Au
- Drill hole 23FR030 intersected 26.00 m of 6.35 g/t Au
- Drill hole 23FR026 intersected 1 metre of 231.92 g/t Au within 3 m of 99.51 g/t Au
- Drill hole 23FR038 intersected 13.0 m of 14.03 g/t Au from 77.0 to 90.0 m
- Drill hole 23FR036B intersected 10.0 of 24.46 g/t Au
- Drill hole 23FR041 intersected 14.5 m of 16.26 g/t Au
- Drill hole 23FR045 intersected 9.0 of 8.54 g/t Au
- Drill hole 23GG001 intersected 6.0 m of 94.69 g/t Au including 1.0 m of 434.98 g/t Au from 152 m down hole

Table 1: Drill Highlights

Drillhole	From (m)	To (m)	Interval (m)	Au (ppm)
23FR001	26	30.5	4.5	9.92*
23FR001	43	46	3	1.32
23FR001	51.5	52.5	1	2.01
23FR003	23	29	6	1.78
23FR003	55	67	12	19.22
	<i>incl</i> 56	59	3	29.9
	<i>incl</i> 63	65.65	2.65	22.37
23FR004	59	66	7	8.74
23FR004	59	61	2	22.81
23FR005	84.4	98	13.6	3.41
23FR005	129	136	7	7.54
23FR005	138	144.7	6.7	0.45
23FR006	64	71	7	4.09
23FR007	47.5	54.95	7.45	15.22
	48	53	5	No Recovery**
	<i>and</i> 54	54.95	0.95	115
23FR009	83	92	9	11.1
	<i>incl</i> 87	91.25	4.25	19.29
23FR010	95	98	3	7.12
	<i>incl</i> 97	98	1	19.1
23FR011	76	89	13	8.75
	<i>incl</i> 80	85	5	17.59
23FR012	57.36	62	4.64	11.51
23FR014	63.5	79	15.5	30.72
	<i>incl</i> 70.2	76	5.8	54.61
23FR015	41.5	50	8.5	6.17
	<i>incl</i> 43.5	50	5	10.08
23FR016	60.5	68	7.5	2.92
23FR017	67.5	69.3	1.8	5.49
	<i>and</i> 77	79.5	2.5	1.13
23FR018	87	94	7	8.12
23FR019	60	65	5	8.91
23FR022	152	158.8	6.8	13.97
23FR023	163.64	172	8.36	0.97
	<i>and</i> 230	237.3	7.3	2.2
23FR026	29	32	3	99.51
23FR027	22.5	33	10.5	8.93
23FR028	5.5	13.5	8	0.56
	<i>and</i> 22.5	34.5	12	1.21
23FR030	141	149	8	1.28

	and	182	208	26	6.35
23FR035		2.7	15.6	12.9	1.61
23FR036B		182.0	192.0	10.0	24.46
23FR037		3.6	14.1	10.5	3.42
	and	58	63	5	3.31
23FR038		4	11.6	7.6	4.5
	and	63	72	9	3.04
	and	77	90	13	14.03
23FR039		5.1	11.1	6	2.12
	and	69	71	2	1.51
23FR040		4	10	6	1.16
	and	78	86	8	12.34
23FR041		9	20	11	2.39
	and	52.7	67.2	14.5	16.26
23FR042		10	24	14	3.65
23FR044		42	55	13	6.29
	and	56	82	26	4.86
	and	117	123	6	8.52
23FR045		14.1	24.6	10.5	2.81
	and	30.0	35.0	5.0	4.18
	and	43.0	52.0	9.0	8.54
	and	62.0	75.0	13.0	5.21
	and	85.0	97.0	12.0	2.74
	and	136.0	143.0	7.0	4.79
23GG001		41.1	47.1	6	4.47
23GG001		125	134	9	22.84
23GG001		152	158	6	94.69
	incl	153	154	1	434.98
23GG001		193	199	6	2.92

*Intervals are core length and estimated to represent 85% or more of true width based on current drill data

*Sections of this interval returned <50% drill core recovery in saprolite overburden

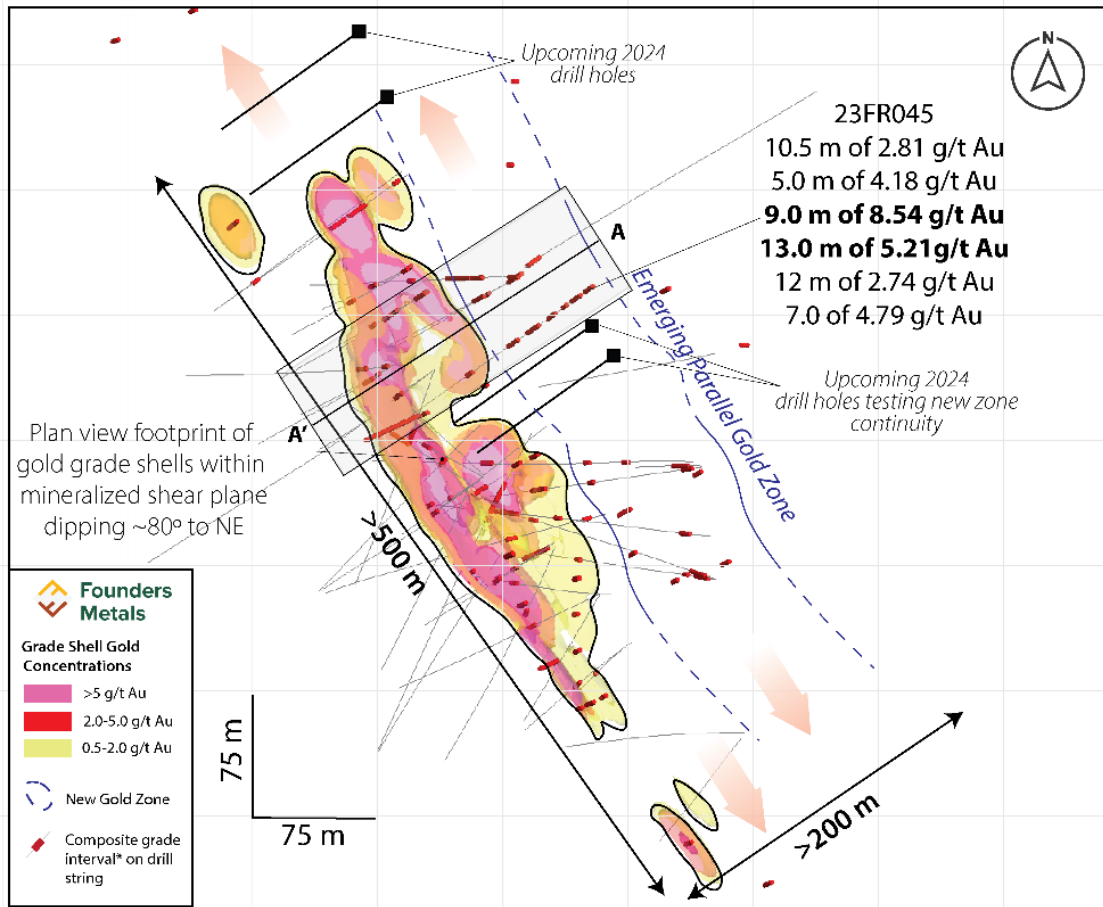


Figure 3: Froyo-Ginger Planview Map

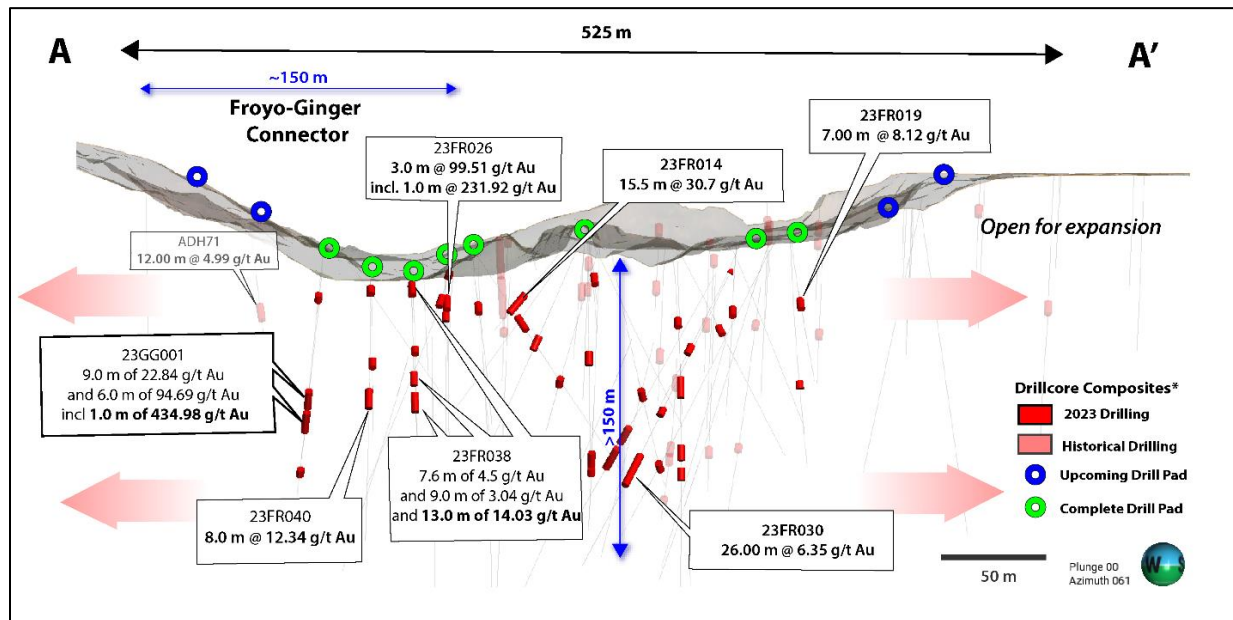


Figure 4: Froyo-Ginger Long Section

* Intervals are reported at a cut-off grade of 0.3 g/t Au using 5 metres minimum length and 5 metres maximum internal dilution.

**Intervals are core length and estimated to represent 85% or more of true width based on current drill data

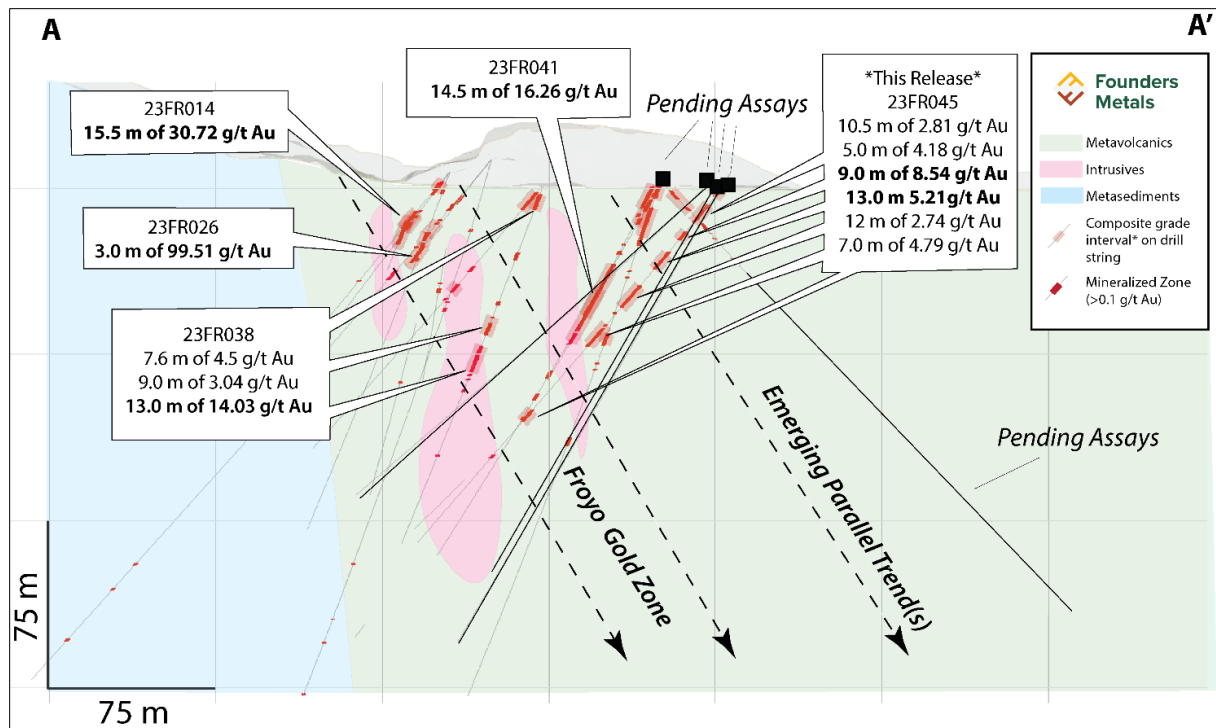


Figure 5. Cross section A-A' (see Figure 1 for location) showing distribution of gold mineralization along drill hole 23FR045. The section cuts 23FR041 drill core showing excellent grade distribution in sheared volcanic rocks. Strong silicification is observed throughout the interval* and sulphide content (pyrite & pyrrhotite) ranges from 3 to 20%.

Geophysics

Gold mineralization in the region is often spatially associated with northwest-trending shear structures that commonly include secondary and tertiary splays. Many high-grade gold zones occur where these shears intersect folded volcanic rocks - a common feature amongst Guiana Shield gold deposits. These features are identifiable with the new high-resolution data providing valuable information for drill targeting and identifying new exploration targets.

The geophysical surveys cover key targets within the Upper Antino and Buese areas, including established high-grade gold zones. A strong correlation between chargeability highs and gold mineralization is shown and supports significant potential to expand known gold mineralization to depth and further along strike.

Upper Antino Survey

- 18.5-line kilometres of grid gradient survey over 9 profiles transecting high-priority targets within the main Upper Antino prospect area
- 6.2-line kilometres of induced polarization over 3 profiles covering historically drilled high-grade target zones with confirmed high-grade mineralization from surface (Figure 6)
- 53-line kilometres of high-resolution ground magnetics over all main prospects within Upper Antino as well as a southern extension to target the dominant high-grade structure(s) along strike (Figure 5)

Buese Survey

- 24.0-line kilometres of grid gradient survey over 16 profiles transecting high-priority targets within the main Buese prospect area (Figure 7)

- 7.5-line kilometres of induced polarization over 5 profiles covering historically drilled high-grade target zones with confirmed high-grade mineralization from surface
- 46.5-line kilometres of high-resolution ground magnetics over 31 profiles

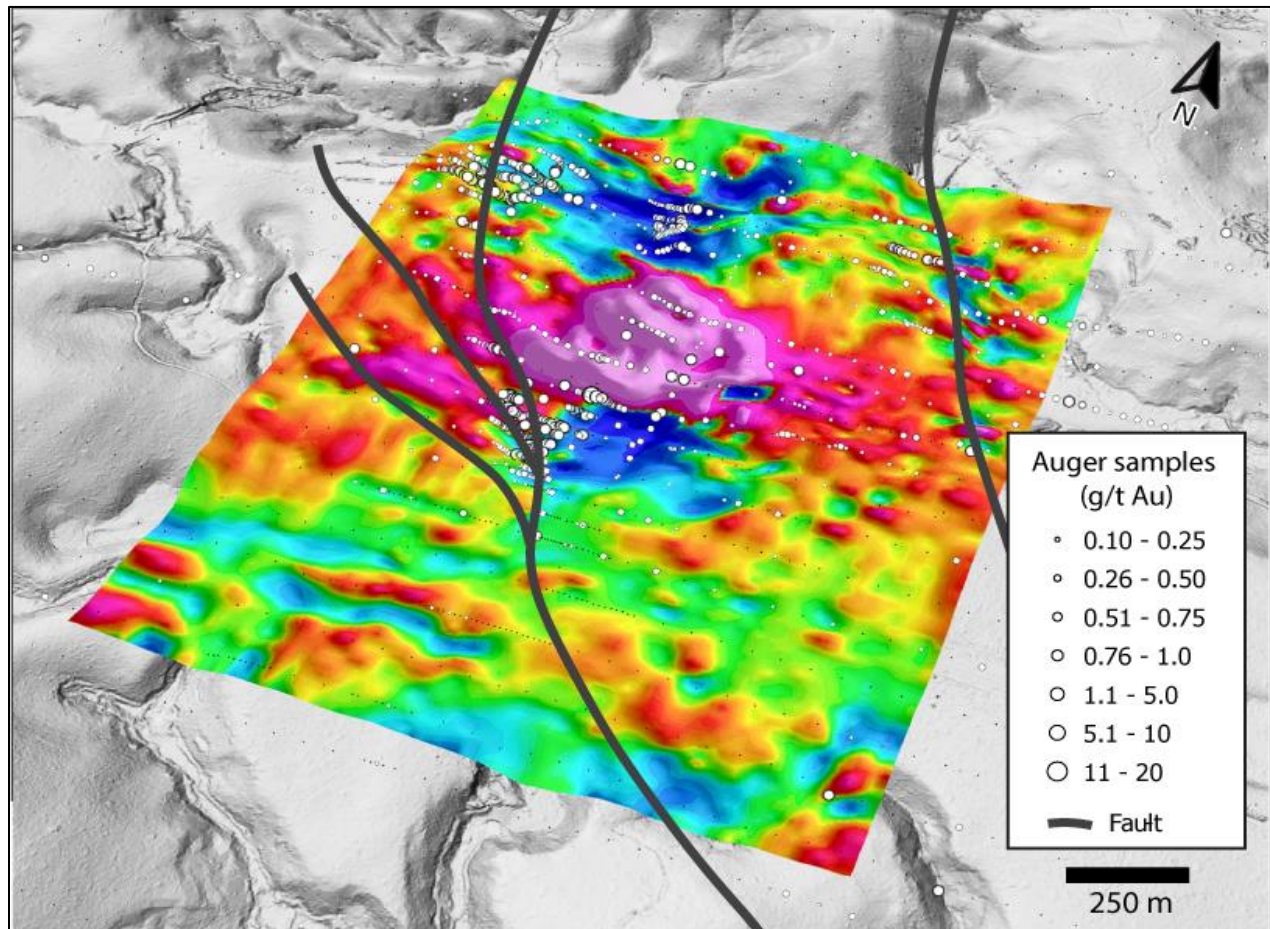


Figure 6: Ground Magnetics Survey of Upper Antino

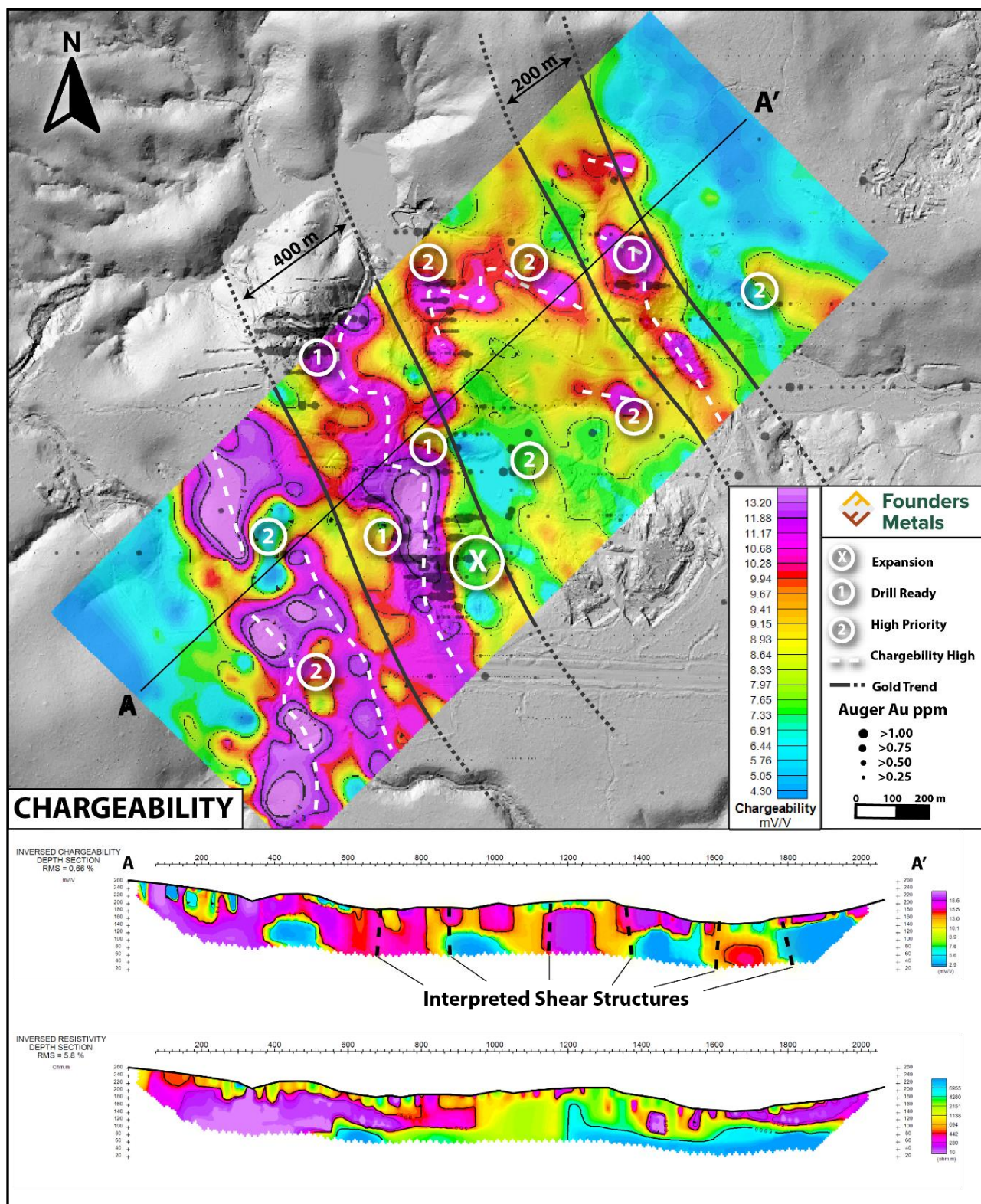


Figure 7: IP Survey of Upper Antino

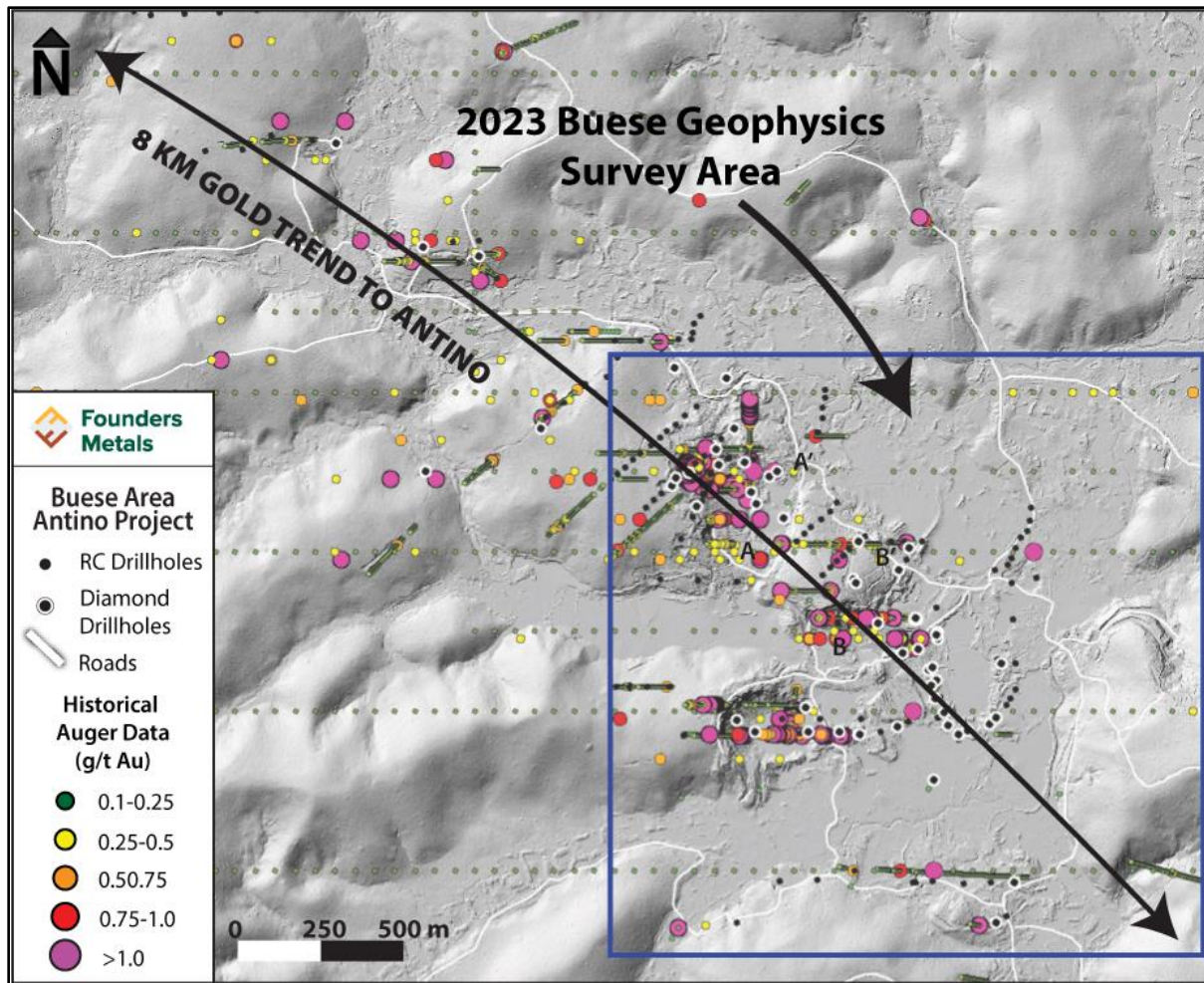


Figure 8: In Progress Geophysical Survey of Buese Prospect

Elmtree Project

On February 26, 2021, the Company acquired the Elmtree Gold Project, a mineral exploration property comprised of two mineral exploration properties, respectively, comprised of 24 and 25 contiguous mineral claims totalling 1,063,326 hectares in northeast New Brunswick.

The Company completed a three-cornered amalgamation (the "Amalgamation") of a wholly-owned subsidiary of Founders ("Sub1"), which acquired the Property, with another wholly-owned subsidiary of Founders ("Sub2"), which issued securities pursuant to the Bridge Financing and Concurrent Financing. In consideration for the Amalgamation, the security holders (other than Founders) of Sub1 and Sub2 exchanged their securities for like securities of Founders on a one-for-one basis, post-Consolidation, upon closing (the "Closing") of the Acquisition. As a consequence of the Amalgamation, Sub1 and Sub2 amalgamated under the Business Corporations Act (British Columbia) into a wholly owned subsidiary of Founders retaining the name 1290015 B.C. Ltd. ("Amalco") with Founders becoming the Resulting Issuer owning 100% of Amalco as the registered owner of the Elmtree Gold Project.

To acquire the property, the Company paid \$350,000 cash to the vendor and issued 14,000,000 common shares with an estimated fair value of \$0.45 per share for a total consideration of \$6,650,000. The vendor retains a 2% net smelter royalty. The Company also paid an arm's length third party a finders' fee of 200,000 common shares with an estimated fair value of \$0.45 per share.

Elmtree Project Overview

The Elmtree Property comprises 49 mineral claims totalling 1,063 hectares (ha) in northeastern New Brunswick, approximately 20 km northwest of Bathurst and within the Bathurst Mining Camp. The Bathurst area is a proven and profitable mining jurisdiction in a road-accessible area, hosting numerous volcanogenic massive sulphide (VMS) deposits, including the world-class Bathurst No. 12 Mine. The Property has been under active exploration since the late 1950s. However, substantial work began in 1984-1985 following the discovery of gold and base metal mineralization at the Discovery Zone (DZ) and West Gabbro Zone (WGZ).

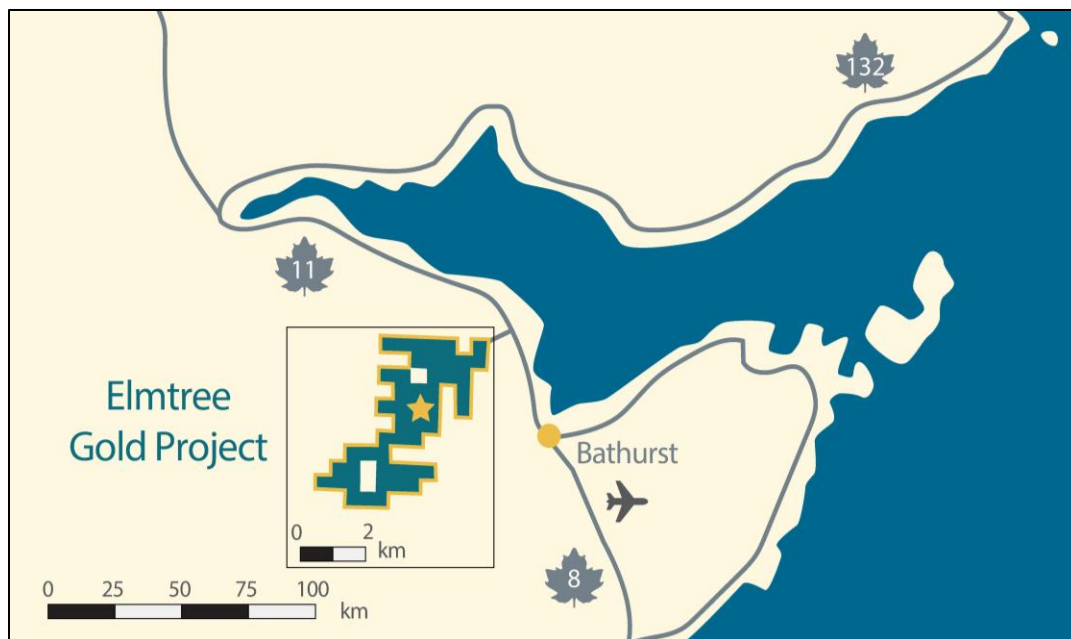


Figure 9: Project Location Map

Historical exploration work was focused on three gold deposits: the Discovery Zone, the West Gabbro Zone, and the South Gold Zone (Figure 9). Outside of these zones, the property remains underexplored for gold mineralization. Historical soil and geophysical surveys demonstrate strong correlations with the known gold mineralization and suggest the potential continuation of these gold-rich zones along strike and to depth. Elmtree project highlights include:

- Three existing gold-bearing zones, the higher-grade West Gabbro Zone, the South Gold Zone, and the original Discovery Zone. The West Gabbro and South Gold Zones primarily host gold mineralization, and the Discovery Zone contains both polymetallic (Sb, Zn, Pb, Ag) veins and gold
- Mineralization is structurally controlled by easterly-trending faults along the Elmtree Inlier's southern tectonic boundary
- Host rocks comprise strongly deformed Ordovician sedimentary rocks, including tectonic *mélange*, intruded by Ordovician gabbroic and felsic dykes/sills
- The highest gold grades are spatially associated with sulphide-rich zones within areas of intense silicification and quartz veining
- The sulphide assemblage is defined by arsenopyrite, pyrrhotite, pyrite, and chalcopyrite
- Alteration minerals include carbonate, quartz, chlorite, albite with sericite and saussurite
- The current modelled deposits are near-surface and potentially amenable to open pit mining
- The property is accessible year-round by paved, government-maintained roads and is adjacent to a major highway and power

- The property lies approximately 22 km by road to a year-round port and the Glencore Smelter (closed in 2019)
- The region has a skilled labour force with over 50 years of mining expertise

Recent Activity on the Elmtree Property

Data compilation and QA/QC of historical drilling

A database of historical exploration work completed on, and immediately adjacent to, Founders' claims was completed by Rogue Geoscience Inc. The compilation greatly expands earlier work² and represents the most thorough amalgamation of historical data on the property. The database includes:

- 27,155.5 m of diamond drill core with 10,645 sample assays, including all 196 historical Elmtree holes, most of which have been focused on the Discovery Zone, West Gabbro Zone, and South Gold Zone deposits
- 474 m of trenching with 441 chip sample assays, including 144 assays with gold concentrations above 1,000 parts per billion (ppb) gold (Au)
- 2,640 soil geochemical assays, including 164 analyses >100 ppb Au
- 64 rock samples with multi-element geochemical assays
- Georeferenced maps and data from numerous airborne and ground geophysical surveys, including magnetics, VLF-EM, radiometric, and IP surveys
- Newly reprocessed geophysical data where appropriate
- Georeferenced and digitized outcrop, alteration, and bedrock maps
- Compilation of historical structural measurements in the area
- All data has undergone rigorous QA/QC to ensure accuracy and to establish and maintain database integrity

UAV Magnetism Survey

A drone-based airborne magnetism survey was completed over the Elmtree Gold Project in July 2021. The survey was flown by Vision 4K, a specialist Canadian UAV/Drone-based geophysical survey provider.

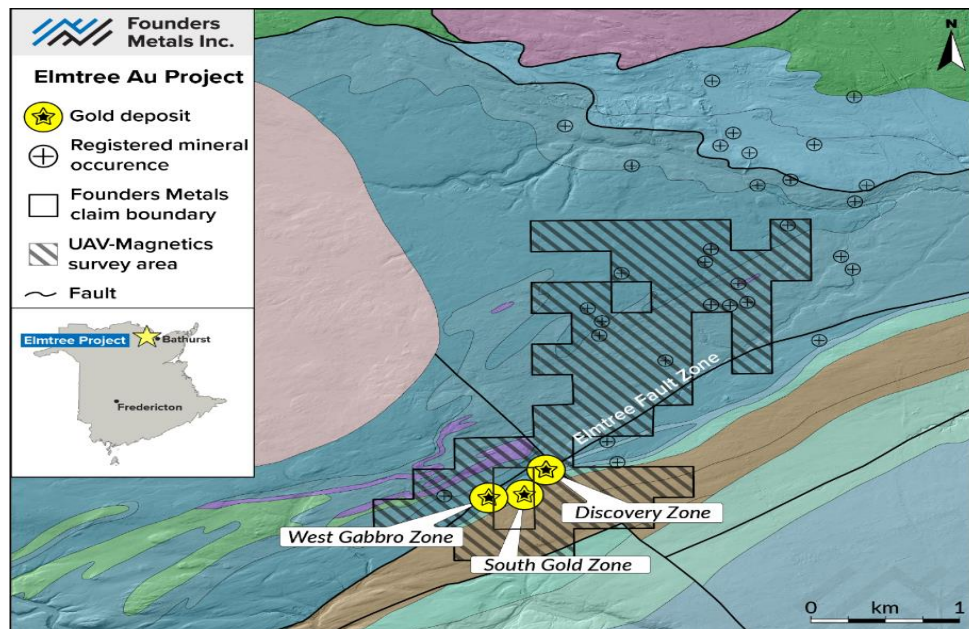


Figure 10: Map showing UAV magnetism survey coverage (hatched area). The regional geology overlay shows the coincidental nature of known gold mineralization with the Elmtree Fault Zone.

A high-resolution magnetic survey was chosen because a significant portion of the known Elmtree Gold Project's mineral resource¹ is hosted in iron-rich mafic rocks spatially associated with the Elmtree Fault Zone. The often highly magnetic nature of these rocks combined with higher concentrations of magnetic minerals (e.g., pyrrhotite) associated with the mineralized zones provides excellent targets for a detailed magnetics survey.

Survey highlights include:

- 855-line kilometres of drone-based airborne magnetics covering the entirety of Founders Metals' Elmtree Property
- 25 m spaced flight lines flown at a consistent 28 m elevation above ground level
- Ground-breaking, real-time obstacle avoidance system unique in North America allows the UAV to fly at the lowest consistent altitude throughout the survey
- With 1.2 m data collection intervals and flight speed up to 12 m/s (~43 km/h), the survey delivers consistent, high-resolution data at a much lower cost and in less time than traditional ground survey techniques.

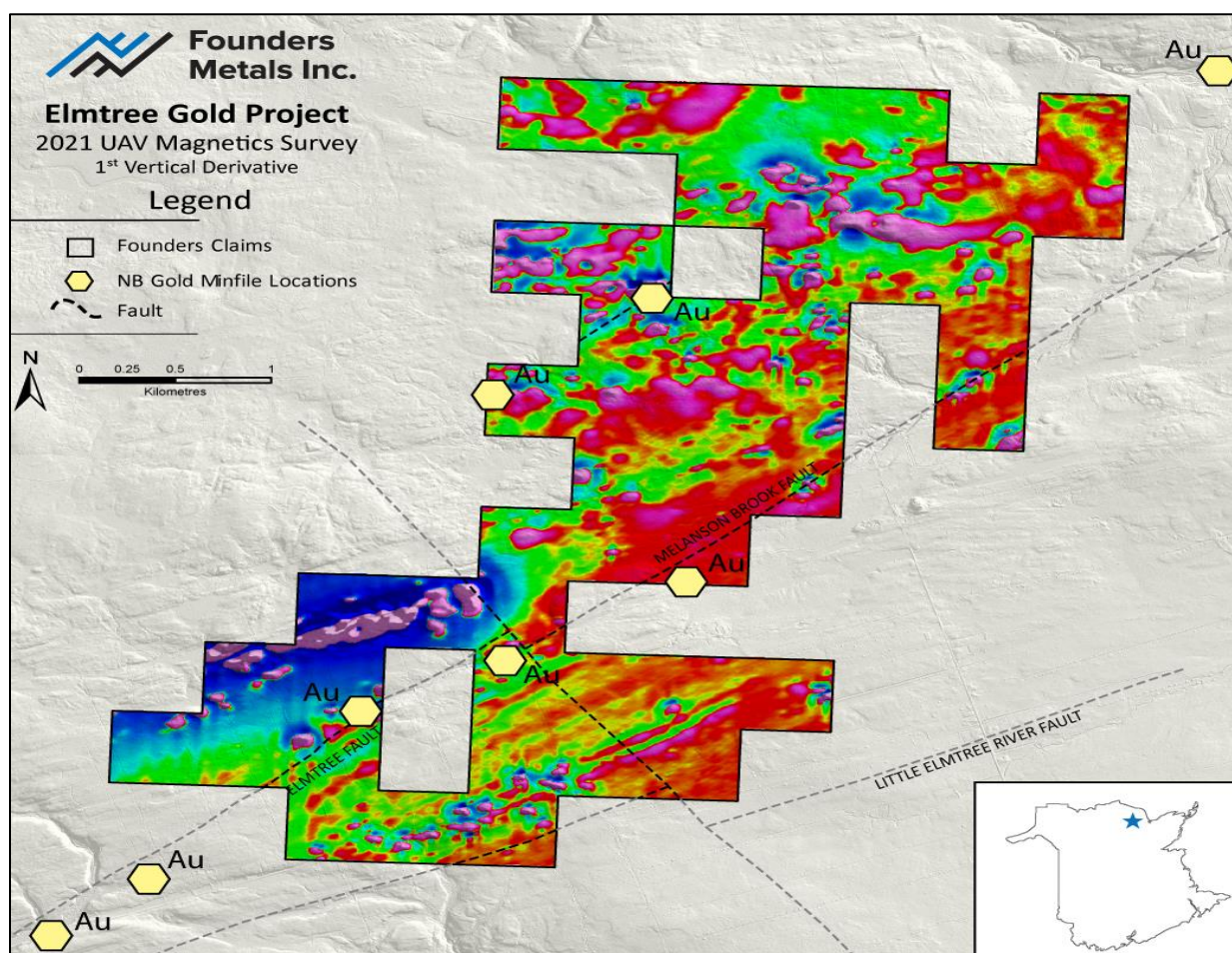


Figure 11: Map of 2021 UAV/drone magnetics survey (1st vertical derivative shown). Significant regional structures were added to demonstrate the spatial link between gold mineralization and northeast-trending structures.

Soil geochemical survey and prospecting/mapping program

Founders completed Ion Leach soil sampling over the entire Elmtree property to identify better mineralization and associated alteration through the thin, clay-rich, glacial cover. The first sampling phase extended historical soil grids around the known gold zones with samples every 25 metres along lines 50 m apart (Figure 10). Five percent of the

historical soil grids were resampled to test their validity and support this earlier work's integration into the Elmtree Project's geochemical database.

Coarser, 50x100 m, phase-two sampling was designed to follow up on numerous targets identified from historical surface sampling, geophysics, and preliminary results from the 2021 drone magnetics survey (Figure 9).

2021 New Brunswick Junior Mining Assistance Program Grant

The team at Founders is grateful to have received \$30,000 from the New Brunswick Department of Natural Resources and Energy Development under the New Brunswick Junior Mining Assistance Program. The funds were used during the 2021 field season on exploration expenditures and advancing the Elmtree property.

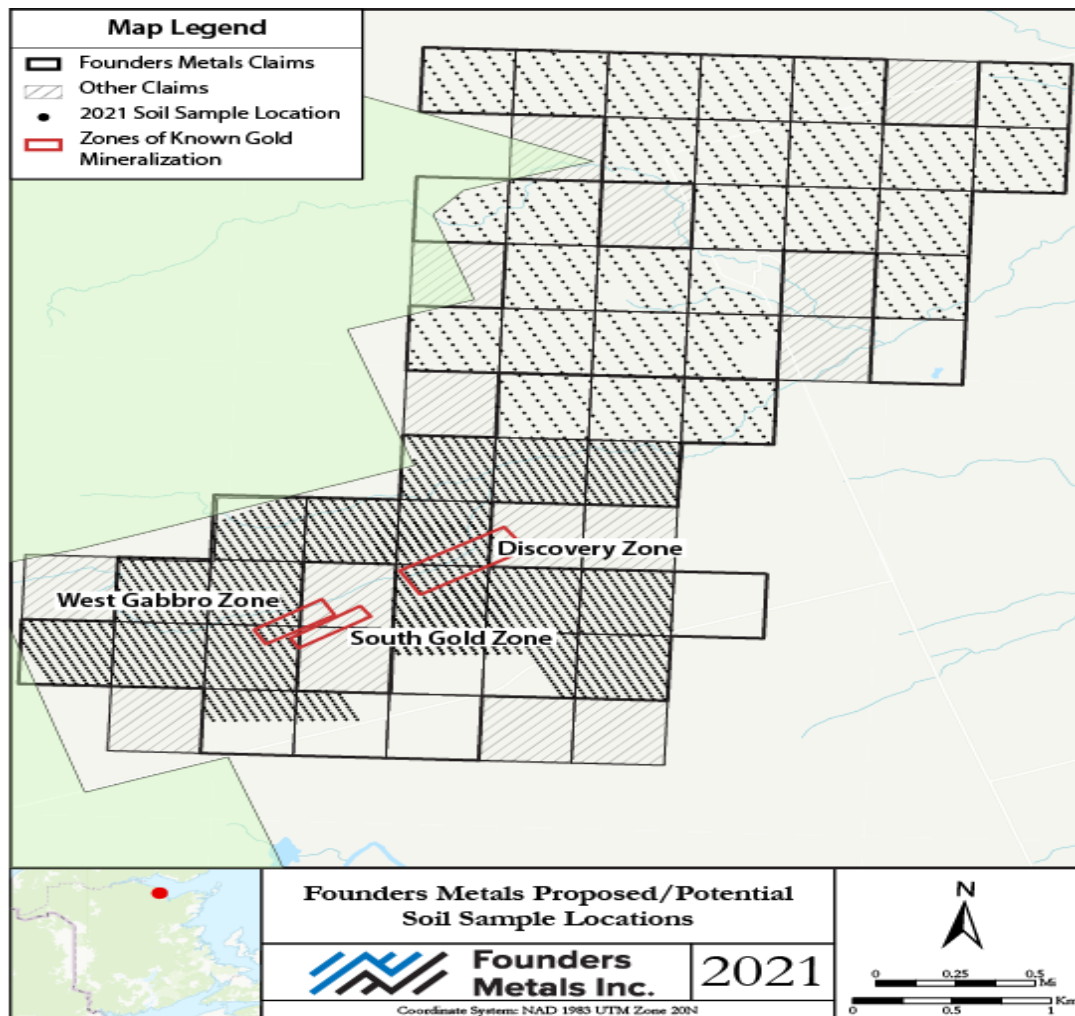


Figure 12: Map of 2021 soil geochemical samples over the Elmtree property.

2021 Preliminary drill results

The 2021 Drilling and exploration program focused on confirming and expanding historical gold mineralization at the Elmtree Gold Project. The Company drilled 2,311 m over 18 holes on the Elmtree Property. These holes intersected pervasive sulfidation in the iron-rich gabbroic host and abundant quartz/quartz-carbonate veining or brecciation. Gold mineralization has been identified in numerous holes, including EMT21-006 to EMT21-009, with intersections such as 2.06 grams per tonne (g/t) over 24.8 m core length (see Table 1 below). In addition, gold mineralization in

similarly altered, sulphide-rich zones are found locally within the hornfels sedimentary rocks surrounding the gabbro. Initial Elmtree drill highlights include:

- Drill hole EMT21-006 with 9.0 m of 2.11 g/t Au*
- Drill hole EMT21-007 with 59.0 m of 1.14 g/t Au*
- Drill hole EMT21-009 with 24.8 m of 2.06 g/t Au*

Table 2: Partial assay results from rushed West Gabbro Zone samples.

Drillhole	from (m)	to (m)	width (m)*	Au (g/t)
EMT21-006	35.2	44.2	9.0	2.11
EMT21-007	52.0	111.0	59.0	1.14
	57.0	61.0	4.0	4.97
<i>including</i>	70.8	73.4	2.6	3.84
	82.0	87.2	5.2	2.20
	107.9	109.8	1.9	2.45
EMT21-008	21.4	24.0	2.6	2.13
	42.3	44.0	1.7	1.36
	51.0	56.2	5.2	1.03
EMT21-009	17.9	42.7	24.8	2.06
	17.9	30.0	12.1	2.81
<i>including</i>	34.8	42.7	8.0	2.18

*Widths represent the core length. True width is estimated at 70-90% of core length.



Figure 13: (Left) Outcrop grab sample collected during 2021 prospecting at Elmtree. The sample contains pyrite, arsenopyrite, sphalerite, and galena. (Right) 2021 drill core photos showing pervasive alteration of Fe-bearing mafic minerals and abundant arsenopyrite throughout which correlates strongly to gold mineralization.

Throughout the 2021 program, the Company has flown an 855 line-km, high-resolution drone magnetics survey; collected 3,715 Ionic Leach soil samples and more than 160 rock grab samples. The 2021 surface sampling results will be combined with the geophysical data to generate additional drill targets on the property. Structural data collected from the oriented core is also being combined with the latest geophysical data to construct a detailed structural model of the gold deposit.

No work has been completed on the Elmtree Project since the acquisition of the Antino Project and the project is currently on care and maintenance until there is an improvement in the overall market conditions.

Works Cited

¹Murahwi, C.Z., San Martin, A.J. and Godard, M. (2011): Technical Report on the mineral resource estimate for the Elmtree Gold Property, Gloucester County New Brunswick, Canada; National Instrument 43-101 Technical Report prepared for CNRP Mining Inc. and Gorilla Resources Corp. by Micon International Limited, 125 p.

²Eccles, R.D. and Kruse, S. (2020): Technical Report on the Geological Introduction to Avalon Works Corp.'s Elmtree Gold Project, northeast New Brunswick, Canada by Apex Geoscience and Terrane Geoscience, 120 p.

Selected Annual Information

The following table summarizes audited financial data for operations reported by the Company for the past three fiscal years:

Fiscal period ended	August 31, 2023	August 31, 2022	August 31, 2021
Total Revenue (\$)	-	-	-
Total assets (\$)	14,977,360	9,893,683	10,701,373
Current liabilities (\$)	889,770	17,295	367,180
Non-current liabilities (\$)	-	-	-
Net loss (\$)	(1,862,254)	(485,772)	(901,258)
Basic and diluted loss per common share (\$)	(0.06)	(0.02)	(0.06)
Weighted average number of common shares outstanding	33,852,304	26,217,000	14,234,244

Summary of Quarterly Results

The following table summarizes financial data for the eight most recently completed quarters:

Quarter ended	Nov 30, 2023	Aug 31, 2023	May 31, 2023	Feb 28, 2023	Nov 30, 2022	Aug 31, 2022	May 31, 2022	Feb 28, 2022
Total Revenue (\$)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net income (loss) (\$)	(1,006,781)	(314,397)	(1,207,032)	(178,427)	(527,782)	(146,783)	(175,268)	(156,599)
Basic and diluted net income (loss) per common share (\$)	(0.02)	(0.01)	(0.03)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)

Results of Operations

During the three months ended November 30, 2023 ("the current quarter"), the Company incurred a net loss of \$1,006,781 (2022 - \$527,782) which includes the following:

- Advertising and promotion of \$250,062 (2022 - \$46,817) which includes website, PR & dissemination, and investor relations expense.
- General and administrative expenses of \$88,086 (2022 - \$36,132) which includes office expense, rent, insurance and bank fees.
- Management fees of \$70,500 (2022 - \$51,000) which includes fees paid to current and former key management and directors.
- Professional fees of \$28,638 (2022 - \$28,494) were incurred for general legal, accounting and audit fees.
- Project evaluation fees of \$365,384 which includes costs related to evaluating exploration projects in the comparative quarter.
- Regulatory and filing fees of \$46,887 (2022 - \$9,279) which includes transfer agent fees, filing fees with the TSXV and securities commissions.

Partially offsetting the above expenses, the Company received interest income of \$19,827 (2022 - \$9,324) and recognized a loss on foreign exchange of \$935 (2022 - \$Nil).

The Company also recognized a non-cash share-based compensation expense in the amount of \$541,500 (2022 - \$Nil) for Options issued to various directors, officers and consultants of the Company.

Other comprehensive loss for the three months ended November 30, 2023, totaled \$1,006,781 (2022 - \$527,782). Total comprehensive loss for the three months ended November 30, 2023, and 2022 is the sum of net income or loss and other comprehensive income or loss.

Financial Instruments

Fair value of financial instruments

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of hierarchy are:

- Level 1 - Quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

The Company's cash is classified as Level 1, whereas accounts payable and accrued liabilities are classified as Level 2. As at November 30, 2023, the Company believes that the carrying values of cash, accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Financial instruments risk

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is defined as the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The maximum exposure to credit risk is the carrying amount of the Company's financial assets. The credit risk is assessed as low.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle its obligations as they come due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds available to meet its short-term business requirements by considering the anticipated cash expenditures for its exploration and other operating activities, and its holding of cash and cash equivalents. The Company will pursue further equity or debt financing as required to meet its commitments. There is no assurance that such financing will be available or that it will be available on favourable terms.

As at November 30, 2023, the Company's financial liabilities consist of its accounts payable and accrued liabilities, which are all current obligations.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to foreign exchange risk is minimal. The foreign currency risk is assessed as low.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	November 30 2023	August 31 2023
Financial assets at amortized cost:		
Cash	\$ 5,786,556	\$ 2,02,169
Goods and services tax receivable	<u>60,218</u>	<u>85,606</u>
	<u>\$ 5,846,774</u>	<u>\$ 2,113,775</u>

Financial liabilities included in the statement of financial position are as follows:

	November 30 2023	August 31 2023
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	\$ 1,558,708	\$ 889,770
	<u>\$ 1,558,708</u>	<u>\$ 889,770</u>

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve investor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

Related party transactions

The Company incurred and paid fees to key management, consisting of directors and officers, for management and professional services as follows:

For the three months ended	November 30 2023	November 30 2022
Management fees paid to key management and directors	\$ 39,000	\$ 51,000
Management fees paid to companies controlled by directors, officers - capitalized to exploration and evaluation assets	45,000	9,000
Investor relations fees paid to a director	30,000	30,000
Project evaluation fees paid to key management and directors	-	10,000
	<u>\$ 114,000</u>	<u>\$ 100,000</u>

Liquidity and Capital Resources

The 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 obtain adequate financing in the future. Working capital on November 30, 2023 was \$4,441,782. As of the date of this MD&A, the Company has working capital of approximately \$4,800,000.

Outstanding Share Data

The following table summarizes the Company's outstanding share capital:

	January 29, 2024
Common shares outstanding	58,920,876
Options outstanding (average exercise price \$0.51)	4,137,000
Warrants outstanding (average exercise price \$0.53)	11,661,498
Restricted share units	2,575,000
Fully Diluted	77,294,374

As at November 30, 2023 and the MD&A date, 2,107,480 common shares are held in escrow.

Risks and Uncertainties

Mining Risks

The Company is subject to the risks typical in the mining business including uncertainty of success in exploration and development; operational risks including unusual and unexpected geological formations, rock bursts, particularly as exploration moves into deeper levels, cave-ins, flooding and other conditions involved in the drilling and removal of material as well as environmental damage and other hazards; risks that intended drilling schedules or estimated costs will not be achieved; and risks of fluctuations in the price of commodities and currency exchange rates. Metal prices are subject to volatile price movements over short periods of time and are affected by numerous factors, all of which are beyond the Company's control, including expectations of inflation, levels of interest rates, sale of gold by central banks, the demand for commodities, global or regional political, economic, and banking crises and production rates in major producing regions. The aggregate effect of these factors is impossible to predict with any degree of certainty.

Business Risks

Natural resources exploration, development, production, and processing involve several business risks, some of which are beyond the Company's control. These can be categorized as operational, financial, and regulatory risks.

Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, hiring, and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Financial risks include commodity prices, interest rates and foreign exchange rates, all of which are beyond the Company's control.

Regulatory risks include possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company and include increased fees for filings as well as the introduction of ever more complex reporting requirements, the cost of which the Company must meet to maintain its exchange listing.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Company will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive exploration and evaluation properties. The Company's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects.

No Operating History and Financial Resources

The Company does not have an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its cash resources are sufficient to cover its projected funding requirements for the remainder of the fiscal year. Additional funds will be required for general operating costs, and for further exploration to attempt to prove economic deposits and to bring such deposits to production. Additional funds will also be required for the Company to acquire and explore other mineral interests. The Company anticipates that its cash resources will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of its properties or to reduce or terminate its operations. Inferred mineral resources are not mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future.

Price Volatility and Lack of Active Market

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

Key Executives

The Company is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of the Company are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical

skill of the exploration personnel involved. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. The Company does not currently carry any key man life insurance on any of its executives.

Potential Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Off-Balance Sheet Transactions and Outlook

The Company does not have any off-balance sheet arrangements.

Qualified Person

The disclosures contained in this MD&A regarding the Company's exploration & evaluation properties have been prepared by, or under the supervision of Michael Dufresne, M.Sc, P.Geol., P.Geo., a principal of APEX Geoscience Ltd. and a Qualified Person for the purposes of National Instrument 43-101.

Approval

The Audit Committee on behalf of the Board of Directors of the Company approved the disclosures contained in this MD&A.

Other Information

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com.