



Royal Road

ROYAL ROAD MINERALS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024

Introduction

The following is a Management Discussion and Analysis (“MD&A”) of the financial condition and results of operations of Royal Road Minerals Limited (the “Company”) prepared by management as at April 28, 2025 and was reviewed and approved by the Audit Committee. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited consolidated financial statements of the Company and notes thereto for the year ended December 31, 2024. The information provided herein supplements but does not form part of the financial statements. All amounts are stated in Canadian dollars unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the board of directors of the Company (the “Board”), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR+ at www.sedarplus.ca.

Description of Business

The Company is a copper and gold focused mineral exploration and development company. The Company works with local partners, initially secures prospective regional land packages and then for any jurisdiction, focuses on a single asset, venturing, vending or relinquishing remaining assets. The Company currently operates in the Kingdom of Saudi Arabia, the Kingdom of Morocco, and in Colombia with its headquarters, management and control and certain administration functions in Jersey.

The Company was incorporated under the *Companies (Jersey) Law 1991* on May 6, 2010 as “Tigris Resources Limited”. The Company is a public company. On April 10, 2015, the Company changed its name to “Royal Road Minerals Limited” and amended its share capital structure by converting all of its par value shares to no par value shares and consolidating its then outstanding shares on the basis of two pre-consolidation shares for every one post-consolidation share. On April 15, 2015, the Company completed a business combination transaction (the “Arrangement”) by way of an arrangement under the *Business Corporations Act (Alberta)*, whereby the Company acquired its wholly-owned subsidiary Royal Road Minerals Canada Limited, a corporation resulting from the amalgamation of Kirkcaldy Capital Corp. and Royal Road Minerals Canada Limited. As a result of the Arrangement, on April 20, 2015, the ordinary shares of the Company were listed and commenced trading on the TSX Venture Exchange (the “TSXV”) under the trading symbol “RYR”. The Company’s registered and head office is located at Ground Floor, Portman House, 32 Hue Street, Saint Helier, Jersey, Channel Islands, JE2 3RE.

Corporate and Operational achievements

Corporate Update

On January 15, 2024, the Company announced that it was awarded preferred bidder status for the Jabal Sahabiyah Tender area in Saudi Arabia. The Jabal Sahabiyah project comprises 3 contiguous exploration licenses which were later granted to the Company's Saudi Arabian joint venture vehicle Royal Road Arabia (RRA) on June 26, 2024. The licences have an initial term of five years, with an option to renew every further five years for a total of fifteen years. RRA has committed to minimum expenditure of USD \$5.5 million over the first five years, success dependent subject to the surrender of a performance guarantee.

On January 31, 2024, the Company announced that Mr. Ghassane Benchekroun was appointed as a director of the Company and Ana Juarez resigned as a director of the Company. The Company also announced the cancellation of an aggregate of 7,200,000 stock options exercisable into common shares at a price of \$0.40. It has further granted an aggregate of 3,000,000 stock options to purchase common shares of the Company exercisable at a price of CAD \$0.15 per common share for a period of two years to Mr. Benchekroun and two new employees of the Company.

On May 7, 2024, the Company's 50% joint venture partner MSB Holding Limited transferred its share ownership and its underlying rights and obligations under the Joint Venture Shareholder Agreement to MIDU Company Limited ("MIDU"). MIDU is a part-owned Saudi Arabian subsidiary of MSB Holding Limited.

On July 3, 2024, the Company announced that RRA was awarded preferred bidder status for the Al Miyah Tender area in Saudi Arabia. In November 2024, upon RRA's request, the Ministry of Industry and Resources agreed to allow RRA to relinquish its rights to the Al Miyah tender. This decision enables RRA to concentrate on and expand its planned drilling activities in the Jabal Sahabiyah project area.

On September 3, 2024, the Company announced that it had entered into a Binding Letter of Intent to acquire 100% of the Lalla Aziza Copper Mine in Morocco. Lalla Aziza is an underground copper mine located in the High Atlas, approximately 90 kilometres southwest of Marrakesh. Subsequently, in December 2024, the Company signed a definitive agreement for the option to acquire 100% of the exploration licence of the Lalla Aziza project.

On September 30, 2024, RRA qualified for the Saudi Arabian Exploration Enablement Program which provides for reimbursement of up to USD \$2 million in exploration costs per exploration license. The qualification is specific to RRA's Jabal Sahabiyah project which is comprised of three contiguous exploration licenses. In January 2025, RRA entered into an agreement with the Ministry of Investment of the Kingdom of Saudi Arabia ("MISA") to participate in the Exploration Enablement Program ("EEP"), which allows for the reimbursement of certain exploration expenditure for up to SAR 7 million per license under the compliance of certain conditions for the first five exploration licenses and up to SAR 4 million per license for the next ten exploration licenses with a clawback condition repayable on mining production from the license. RRA can apply for this program for a maximum of fifteen licenses as per the regulation.

On October 23, 2024, RRA received the potential benefit of all requisite drilling permits for the Alouana copper-gold polymetallic project in Morocco where RRA has an option to acquire up to 100% of Izughar Resources S.R.L ("Izughar") a Moroccan company holding certain exploration titles located within an agreed Area of Interest incorporating the Alouana copper-gold polymetallic project. Once all the drilling permits were granted, RRA completed 22 reverse circulation drill holes for a total of 2036 meters at the Alouana project. In the first quarter of fiscal 2025 after interpreting the drilling results, it was management's view that this drilling program has sufficiently tested the immediate potential for economic resources at Alouana and that results are not encouraging enough to support further work. RRA has notified Izughar that it does not intend to pay the Option Payment and that it has withdrawn from the Agreement.

On February 1, 2025, the Company granted 4,400,000 stock options to certain employees and consultants at an exercise price of \$0.15 per common share, expiring on February 1, 2027, pursuant to the terms of the Company's stock option plan. The options vested 30% 90 days from the grant date, another 30% 180 days from the grant date and the remaining 40% 360 days from the grant date.

On March 4, 2025, the Company incorporated in Morocco a wholly owned subsidiary "Minéraux Chemin Réel SARL AU" ("MCRM") to operate in this country.

Mineral properties

Exploration update

Set forth in this section is a description of the Company's material mineral projects. All scientific and technical data contained in this MD&A have been reviewed and approved by Dr. Tim Coughlin, BSc (Geology), MSc (Exploration and Mining), PhD (Structural Geology), FAusIMM, President and Chief Executive Officer of the Company and a qualified person as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101").

Kingdom of Saudi Arabia ("KSA")

In June 2023, the Company entered into a Joint Venture Shareholder Agreement (the "Agreement") with MSB Holding Limited ("MSB") with respect to establishing a joint-venture company for the exploration of copper and gold resources in the Arabian Shield.

In August 2023, the Company incorporated Royal Road Arabia LLC ("RRA") a Saudi Arabian joint venture vehicle owned on a 50-50% basis by the Company and MSB. The Company is operator and the board of RRA is made up of an equal number of directors appointed by the Company and MSB.

A summary of the terms of the Agreement, is as follows:

- Whilst each Party holds 50% of the issued shares of RRA, the Board of RRA shall be made up of an equal number of directors appointed by the Company and MSB. If a Party's shareholding in RRA is reduced to 30% or less of the issued shares of RRA, that Party shall no longer be entitled to appoint any directors to the RRA.
- The Company will act as operator for the RRA and all operations in relation to RRA will be conducted on the basis of an approved program and budget prepared by the Company and approved by the board of RRA.
- If a Party fails to fund its relevant proportion of the funding required pursuant to a program and budget as and when required, such failure shall cause its shareholding in RRA to be diluted on a pro-rata basis.
- Provided that it owns more than 30% of the total issued shares in RRA, the non-contributing Party shall have a catch-up right to restore its 50% shareholding at such time as the Board has approved a further program and budget which requires further funding by the Parties.
- Dilution to below 20% shall convert to a net smelter royalty of 2%.
- The Agreement contains the usual provisions for agreements of its nature, such as customary deadlock provisions, transfer restrictions and matters reserved for shareholder approval.

On May 7, 2024, MSB transferred its share ownership and its underlying rights and obligations under the Agreement to MIDU. MIDU is a part-owned Saudi Arabian subsidiary of MSB.

RRA's business is conducted in accordance with the provisions of a Joint Venture Shareholder Agreement as described above. RRA is currently generating and assessing copper and gold target areas in the KSA, preparing to submit exploration license applications over newly identified areas of significant interest, and participating in the prequalification to bid for tender rounds during the year 2025.

As at the date of this MD&A, RRA has been capitalized for a total of SAR 27,500,000 (equivalent to USD \$7,333,333) of which 50% has been contributed by the Company for SAR 13,750,000 (equivalent to USD \$3,666,667). For the 2025 fiscal year the estimated budget for RRA is USD \$3.2 million.

In January 2024, RRA was awarded the status of Preferred Bidder of the Jabal Sahabiyah exploration area by the Ministry of Industry and Mineral Resources (MIMR) in a competitive Licensing Round. On June 26, 2024, three contiguous exploration licenses of the Jabal Sahabiyah project were granted to RRA with an area of 284 km². RRA conducted detailed mapping and sampling at Jabal Sahabiyah and generated several drilling targets.

RRA's fieldwork at Jabal Sahabiyah confirmed the presence of copper-gold and silver bearing gossans as well as vein-hosted gold potential. Results from historical exploration programs from the late 1970s and from 2000s have been compiled and integrated into the current program. First rock-chip samples were collected and results confirmed extensions to known targets as well as new mineralization potential. Geological mapping, structural analyses, ground and drone borne magnetics and radiometrics was conducted to help define drilling targets. Reverse circulation drilling and RAB drilling commenced at Jabal Sahabiyah in March 2025.

RRA has also been proactively advancing, rigorous and well-constrained target generation and regional exploration campaigns identifying new prospective areas and preparing to bid for new exploration licenses by way of the MIMR's 2025 tender rounds.

Morocco

In October 17, 2023, the Company announced that RRA entered into an option agreement to acquire up to 100% of Izughar, a Moroccan company holding certain exploration titles located within an agreed Area of Interest incorporating the Alouana copper-gold polymetallic project in eastern Morocco.

During 2024, RRA completed soil geochemical sampling, geological mapping, grab and channel rock-chip sampling, ground magnetics, infill soil sampling, mapping and sampling of historic underground workings across the Alouana area. With the collected information, RRA defined drilling targets at the Alouana project and applied for drilling permits with the relevant authorities. Once granted, during the fourth quarter of 2024, RRA completed 22 reverse circulation drill holes for a total of 2036 meters at the Alouana project.

Drilling intersected predominantly steeply dipping vein-breccia-hosted copper-bismuth-tungsten (\pm gold, silver and zinc) mineralization with best intersections in copper equivalent returning:

RC24AL003 From 3 to 17 meters **14 meters at 0.9% copper equiv.**
RC24AL004 From 12 to 17 meters **5 meters at 0.7% copper equiv.**
RC24AL006 From 0 to 8 meters **8 meters at 1.2% copper equiv.**
RC24AL007 From 0 to 17 meters **17 meters at 1.0% copper equiv.**
RC24AL019 From 43 to 53 meters **10 meters at 1.0% copper equiv.**

(Not true width and the Company does not have sufficient information to determine the true widths of the drill hole intersections).

The principal aim of this drilling program was to test for the continuity of shallow-dipping (shear and cleavage parallel) mineralization at depth. A significant thickness of this style of mineralization, combined with the (conjugate northeast and northwest trending) steep-dipping vein-breccia controlled mineralization, would possibly provide a bulk

volume significant enough for an open-pit type mining scenario along the Alouana ridge top. Shallow-dipping mineralization did not continue at depth, or significantly away from the immediate vicinity of steeper-dipping vein-breccia style mineralization and the grade and continuity of mineralization intersected within the vein-breccia bodies is not deemed significant enough to support a standalone underground operation. Additionally, gold results returned from sulphide mineralization were low (maximum 0.6 grams per tonne over a meter; RC24AL019 and RC24AL021) and the highest gold intersection in oxide material was 2.2 grams per tonne over a meter (RC24AL022). Highest individual one meter downhole sample results for other metals were, silver 98.3ppm, copper 3.6%, zinc 3.1%, bismuth 0.5% and tungsten 0.6%.

In the first quarter of 2025 after interpreting the drilling results, it was management's view that this drilling program has sufficiently tested the immediate potential for economic resources at Alouana and that results are not encouraging enough to support further work. RRA has notified Izughar that it does not intend to pay the Option Payment and that it has withdrawn from the Agreement.

On August 29, 2024, the Company entered into a binding letter of intent (the "LOI") with Carbomine SARL ("Carbomine"), which provides the Company with an option to acquire 100% of the Lalla Aziza mining license ("Lalla Aziza"), located in the Kingdom of Morocco.

The Company conducted geological mapping, underground and surface rock-chip and channel sampling and portable XRF (pXRF) soil sampling across the Lalla Aziza license area. The Company is currently preparing for initiating RC drilling activities at the Lalla Aziza project.

With the incorporation of "MCRM", the Company is now advancing regional exploration activities in Morocco and is actively applying for new licenses and analyzing more projects in country.

Colombia

In 2016 and 2017, the Company acquired 114 license applications amounting to approximately 350 thousand Hectares in the Western Cordillera of Nariño Province. The area under application extends down to the Ecuador border, sits upstream from the Magui-Payan and Barbacoas alluvial goldfields and surrounds many known operating gold mines, small gold workings and mapped porphyry copper occurrences. The region is relatively unknown from a geological and economic perspective due to security and access issues which prevailed prior to the 2016 peace agreement between the Government of Colombia and FARC rebels. As part of its commitment to the British Embassy's Peace and Business Initiative and in order to align the Company's activities with the peace process, in late 2017 the Company entered into a strategic alliance with Economías Sociales del Común ("ECOMUN"), a joint social and economic organization, formed by Presidential Decree on May 29, 2017, with funding and other support provided by the Colombian government and with the aim of collective and individual economic and social reincorporation of the members of the Revolutionary Armed Forces of Colombia People's Army (FARC-EP). The agreement anticipates that ECOMUN will assist the Company with local access and with its social license in Nariño Province.

In 2019, the Company completed a transaction to acquire a Colombian title package from AngloGold Ashanti comprising of mining concession agreements covering approximately 36,000 hectares of land, and the rights with respect to applications that have been made to acquire mining concessions over approximately 169,000 hectares of land, in the Nariño, Cauca, Antioquia and Caldas departments.

In 2022, the Company consolidated and reduced its title and title application holdings to a total of 181,500 hectares, comprising of 16 granted title areas and 85 title application areas.

Exploration activities in southern Colombia have been suspended due to civil unrest and the Company's exploration titles have been placed under force majeure.

Guintar-Niverengo-Margaritas (GNM) Project

The Company's principal focus for its exploration activities in Colombia in the GNM porphyry copper and gold project located in the province of Antioquia, in central northern Colombia. The GNM project area was acquired through the Company's purchase of Northern Colombia Holdings Limited. The titles are subject to a 50-50 exploration joint venture pursuant to a strategic alliance agreement dated March 2, 2020, between the Company and Mineros S.A. The Company is operator of the strategic alliance.

AngloGold-Ashanti ("AGA") commenced work on the project area in 2015 and completed two scout drilling campaigns for a total of 5662 meters. The Guintär title area covers an artisanal mining district with more than 50 known historic underground adits developed on steeply-dipping, broadly east-west oriented gold mineralized vein structures. AGA's 8-hole, scout-drilling program at Guintär targeted steeply-dipping sheeted vein structures and returned best results of; GUI-DD-009, 28 meters at 0.9 grams per tonne and GUI-DD-006, 12 meters at 1.8 grams per tonne gold (not true width). Outcrop on the neighboring Niverengo project area is limited and so AGA's drilling was focused on a 2000 by 800 meter wide target zone identified primarily using geophysical data and soil geochemical results. Best intersections were from NIV-DD-003, 36m @ 1.2g/t gold from surface and NIV-DD-004, 10m @ 1.6g/t gold and 88m @ 0.9g/t gold.

In 2020 the Company completed an initial 1179m diamond drilling program focused on the Niverengo project area. Drilling intersected skarn-style mineralization hosted primarily in folded calc-silicate sedimentary rocks and crosscutting east-west oriented pyrrhotite vein and breccia bodies with elevated gold, silver and copper. Best results were:

- NIV-DDH-007 14m at 4.1 g/t gold equivalent
- NIV-DDH-008 10m at 2.3 g/t gold equivalent
- NIV-DDH-010 18m at 1.9 g/t gold equivalent; and 21.5 meters at 1.3 g/t gold equivalent
- NIV-DDH-015 10.8m at 3.4 g/t gold equivalent

At Niverengo, gold mineralization is related to garnet, pyroxene skarn alteration and pyrrhotite vein and breccia bodies. Recent multi-element geochemical vector studies have identified that this assemblage may be laterally and vertically distal from the primary gold and/or copper source.

Drilling to test this theory and to potentially locate a primary intrusion-related source to mineralization commenced at the Guintär project area in July of 2021. The drilling intersected sheeted and stockwork-style veinlets in a porphyritic intrusive rock and returned significant results including:

- GUI-DD-012 303.7m at 0.7 g/t gold, 4.3 g/t silver and 0.22% copper; including 62m at 2.1 g/t gold, 12.4 g/t silver and 0.62% copper
- GUI-DD-013 126.0m at 0.8 g/t gold, 5.5 g/t silver and 0.40% copper; and 44m at 1.1 g/t gold and 2.1 g/t silver.

Drilling on the Guintär project recommenced in February 2022 and has returned further significant results including:

- GUI-DD-020 118.0 meters at 0.8 grams per tonne gold, 3.8 grams per tonne silver and 0.17% copper Including (from 6.0 meters), 54.0 meters at 1.0 grams per tonne gold, 5.5 grams per tonne silver and 0.24% copper

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- GUI-DD-021 181.0 meters at 0.9 grams per tonne gold, 3.6 grams per tonne silver and 0.20% copper Including (from 148.0 meters), 43.0 meters at 2.4 grams per tonne gold, 8.0 grams per tonne silver and 0.40% copper
- GUI-DD-024 177.0 meters at 0.8 grams per tonne gold, 3.3 grams per tonne silver and 0.16% copper

Also, during 2022, the Company drilled gold mineralized quartz-vein structures on the neighboring El Aleman title over which it has an option agreement to acquire an 80% interest with the best drill result returning:

- ALM-DD-001 80.5 meters at 1 gram per tonne gold, including 18 meters at 3 grams per tonne gold (from 323 meters down hole depth).

In September 2022, the Company and Mineros elected to suspend exploration activities on GNM until such time as the Colombian legal and political framework became more certain.

In May 2023, the Company agreed to terminate all agreements governing joint exploration activities and underlying rights with and between Mineros and the Company and its related subsidiaries in Nicaragua, Argentina and Colombia. The effect of these terminations are full and final and such that Mineros shall withdraw their 50% contractual interest in the GNM properties in Colombia and the Company shall retain a 100% of those properties and that the Company shall withdraw its contractual interests in the exploration strategic alliance in Nicaragua, underlying properties and royalty rights and Mineros (through its subsidiary Hemco Nicaragua S.A) shall retain 100%.

Exploration activities in Colombia have been suspended due to civil unrest and the Company's exploration titles have been placed under Force Majeure.

In the fourth quarter of 2024, the Company paid US\$75,000 to the Aleman project titleholders due to the completion of certain regulatory approvals for the Concession Contract.

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Exploration Expenditures

Expenditures in the Company's projects are as below (figures in CAD):

	Year ended December 31, 2024
<u>Morocco Project</u>	
Lalla Aziza	<u>\$ 562,059</u>
<u>Colombia Projects</u>	
GNM	315,142
Southern Block Regional	80,165
Admin	138,381
Total Colombia	<u>533,688</u>
<u>Nicaragua Project</u>	
Other	<u>2,627</u>
<u>Argentina Project</u>	
Santo Domingo	<u>59,898</u>
Total Direct Exploration	<u>\$ 1,158,272</u>

Exploration activities in 50% joint venture with Royal Road Arabia LLC

The share of the Company's exploration activities in RRA are as below:

**Year Ended
December 31, 2024**

Exploration activities in the Kingdom of Saudi Arabia and Morocco: \$1,983,180

Trends

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risk Factors" below.

Outlook

The Company is in the exploration stage and is subject to risks and challenges similar to companies in a comparable stage. These risks include, but are not limited to, the challenges of securing adequate capital in view of exploration, development and operational risks inherent in the mining industry as well as global economic and gold price volatility and the impact of the global disruption in equity markets as a result of an uncertain global geopolitical environment. There is no assurance that the Company's funding initiatives will continue to be successful to fund its planned exploration activities, which are focused on advancing mineral exploration activities in the Kingdom of Saudi Arabia and the Kingdom of Morocco.

Critical judgments in applying the Company's accounting policies

In the application of the Company's accounting policies, which are described in Note 2 in the financial statements, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The most significant critical judgment that members of management have made in the process of applying the entity's accounting policies are as follows:

Functional currency

Management uses its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. As part of this approach, management gives priority to indicators like the currency that mainly influences costs and the currency in which those costs will be settled and the currency in which funds from financing activities are generated. The functional currency of the parent is the Canadian dollar. The Company has determined the functional currency of its Colombian, Saudi, Nicaraguan and Argentinian subsidiaries to be the Colombian Peso, Saudi Riyal, Nicaraguan Cordoba and Argentinian Peso, respectively.

Impairment of exploration and evaluation assets

Management reviews the carrying values of exploration and evaluation assets whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Factors which could trigger an impairment assessment include, but are not limited to, an expiry of the right to explore in the specific area during the period or will expire in the near future, and is not expected to be renewed; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and management has decided to discontinue such activities in the specific area; interruptions in exploration and evaluation activities; and a significant drop in current or forecasted base and precious metal prices.

Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Black-Scholes Option Pricing Model was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility, expected life of the instrument, forfeiture rate, and future risk-free rate. Because the Company's stock options and warrants have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Financial Performance

SUMMARY OF SELECT ANNUAL INFORMATION			
	2024	2023	2022
Revenue	-	-	-
Operating Expenses	(5,577,472)	(15,785,510)	(13,790,773)
Comprehensive Income (Loss)	(4,587,691)	(13,847,517)	(12,150,851)
Basic and Diluted Income (Loss)	(0.02)	(0.06)	(0.05)
Total Assets	9,826,158	14,273,906	28,062,571

SUMMARY OF SELECT QUARTERLY INFORMATION				
	2024			
	December 31	September 30	June 30	March 31
Total Assets	9,826,158	11,159,653	12,433,799	13,238,583
Working Capital	8,196,057	10,308,461	11,035,129	11,302,572
Shareholders' Equity	9,511,368	10,939,388	12,070,687	12,774,103
Operating Expenses	(1,889,316)	(1,169,116)	(903,676)	(1,615,364)
Net Loss	(1,450,222)	(1,104,867)	(806,502)	(1,264,675)
Basic and Diluted Loss per Share	(0.01) [▼]	(0.00) [▼]	(0.00) [▼]	(0.00)
	2023			
	December 31	September 30	June 30	March 31
Total Assets	14,273,906	22,823,491	24,321,973	26,103,267
Working Capital	13,386,751	15,444,711	16,865,537	18,634,921
Shareholders' Equity	13,907,551	22,170,243	23,817,627	25,368,269
Operating Expenses	(9,658,159)	(2,469,921)	(1,933,359)	(1,724,071)
Net Loss	(9,472,014)	(2,382,758)	(1,881,761)	(1,728,735)
Basic and Diluted Loss per Share	(0.04)	(0.01)	(0.01)	(0.01)

December 31, 2024

Net loss consisted primarily of exploration and evaluation expenditures of \$647,311 and loss from exploration activities in Royal Road Arabia joint venture of \$778,610. The exploration expenditure is within quarterly spending expectations. Other expenditures included \$208,685 and \$181,801 for employee salaries and benefits and general and administrative expenditures, respectively.

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September 30, 2024

Net loss consisted primarily of loss from exploration activities in the RRA joint venture of \$404,006 and exploration and evaluation expenditures of \$220,307. The exploration expenditure is within quarterly spending expectations. Other expenditures included \$223,526 and \$183,012 for employee salaries and benefits and general and administrative expenditures, respectively.

June 30, 2024

Net loss consisted primarily of loss from exploration activities in RRA joint venture of \$403,858 and exploration and evaluation expenditures of \$115,412. The exploration expenditure is within quarterly spending expectations. Other expenditures included \$139,288 and \$145,122 for employee salaries and benefits and general and administrative expenditures, respectively.

March 31, 2024

Net loss consisted primarily of loss from exploration activities in RRA joint venture of \$396,706 and exploration and evaluation expenditures of \$175,242. The exploration expenditure is within quarterly spending expectations. Other expenditures included \$388,587 and \$334,088 for employee salaries and benefits and general and administrative expenditures, respectively.

December 31, 2023

Net loss consisted primarily of impairment of exploration and evaluation assets of \$6,167,438 and exploration and evaluation expenditures of \$1,388,253. Other expenditures included \$727,731 and \$497,024 for loss on sale of exploration and evaluation assets and loss from joint venture, respectively.

September 30, 2023

Net loss consisted primarily of exploration and evaluation expenditures of \$1,368,877 and stock based compensation of \$275,196. The exploration expenditure is within quarterly spending expectations. Other expenditures included \$409,287 and \$173,093 for employee salaries and benefits and general and administrative expenditures, respectively.

June 30, 2023

Net loss consisted primarily of exploration and evaluation expenditures of \$721,828 and stock based compensation of \$276,474. Other expenditures included \$382,798 and \$264,969 for employee salaries and benefits and general and administrative, respectively.

March 31, 2023

Net loss consisted primarily of exploration and evaluation expenditures of \$516,243 and a loss from joint operations with Hemco of \$130,531. Other expenditures included \$321,286 and \$459,741 for general and administrative expenditures and employee salaries and benefits, respectively.

Financial Performance

For the three months ended December 31, 2024, compared with the three months ended December 31, 2023:

For the three months ended December 31, 2024, the Company's net loss was \$1,450,222 compared to a net loss of \$9,472,014 for the comparable period. The decrease in net loss of \$8,021,792 was as result of the following:

- During the three months ended December 31, 2023, the Company recorded an impairment of exploration and evaluation assets of \$6,167,438 compared to \$nil for 2024. In 2023, the impairment was due to civil unrest in Colombia and the Company's Colombian exploration titles being placed under force majeure.
- During the three months ended December 31, 2023, the Company recorded a loss on sale of exploration and evaluation assets of \$727,731 compared to \$nil for 2024. In 2023, the Company divested a Colombian exploration asset as part of its strategy to exit the Colombian market.
- During the three months ended December 31, 2024, exploration and evaluation expenditures decreased by \$740,942 compared to the 2023 comparable period. Exploration and evaluation expenditures varied based on budgeted plans and the Company's focus on the joint venture with RRA.
- Interest income for the three months ended December 31, 2024, declined by \$524,585 compared to the same period in 2023, primarily due to the Company's liquidation of its GICs.

For the year ended December 31, 2024, compared with the year ended December 31, 2023:

For the year ended December 31, 2024, the Company's net loss was \$4,626,266 compared to a net loss of \$15,465,268 for the comparable period. The decrease in net loss of \$10,839,002 was as result of the following:

- During the year ended December 31, 2023, the Company recorded an impairment of exploration and evaluation assets of \$6,167,438 compared to \$nil for 2024. In 2023, the impairment was due to civil unrest in Colombia and the Company's Colombian exploration titles being placed under force majeure.
- During the year ended December 31, 2023, the Company recorded a loss on sale of exploration and evaluation assets of \$727,731 compared to \$nil for 2024. In 2023, the Company divested a Colombian exploration asset as part of its strategy to exit the Colombian market.
- During the year ended December 31, 2024, exploration and evaluation expenditures decreased by \$2,836,929 compared to the 2023 comparable period. Exploration and evaluation expenditures varied based on budgeted plans and the Company's focus on the joint venture with RRA.
- Loss from exploration activities in the RRA joint venture for the year ended December 31, 2024, increased by \$1,486,156 compared to the prior year. The increase reflects a full year of activity in the joint venture during 2024, compared to only four months of activity in 2023.

Liquidity and Financial Position

As at December 31, 2024, the Company has a working capital of \$8,196,057 (December 31, 2023 - \$13,386,751); the continuing operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that additional funds will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company.

The Company derives no income from operations, as all of its projects since inception have been exploration projects. Accordingly, the activities of the Company have been financed by private placements of securities. As the Company does not expect to generate cash flows from operations in the near future, it will continue to rely primarily upon the sale of securities to raise capital. As a result, the availability of financing, as and when needed, to fund the Company's activities cannot be assured. See "Risk Factors" below.

Transactions with Related Parties

In accordance with IAS 24, key management personnel are persons responsible for planning, directing, and controlling the activities of an entity, and include executive and non-executive directors. The key management personnel of the Company are the directors and officers of the Company. No individual party had overall control of the Company during the periods being presented. Transactions between the Company and its subsidiaries have been eliminated on consolidation.

The remuneration of directors and other members of key management personnel for the periods presented was as follows:

	Year Ended	
	December 31,	
	2024	2023
Salaries	\$ 558,210	\$ 814,272
Stock based compensation	\$ 98,796	\$ 353,916
Professional fees	\$ 30,286	\$ 30,005

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of its properties. The capital of the Company consists of share capital, warrants, contributed surplus and accumulated deficit, which at December 31, 2024 totaled \$9,511,368 (December 31, 2023 - \$13,907,551). The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Properties in which the Company currently has an interest are in the exploration stage, as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Financial Risks

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values because of their current nature.

Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consists of bank deposits which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Interest rate risk

The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Management considers interest rate risk to be minimal given that, as at December 31, 2024, the term deposit was invested at a fixed rate.

Foreign exchange risk

As at December 31, 2024, the cash and cash equivalents was \$7,978,352 (December 31, 2023 - \$6,494,812). The Company's cash and cash equivalents are denominated in the following currencies:

	<u>As at</u> <u>December 31, 2024</u>	<u>As at</u> <u>December 31, 2023</u>
Denominated in Canadian dollars	334,006	454,034
Denominated in Australian dollars	194	620
Denominated in US dollars	7,429,976	5,719,692
Denominated in British pound	118,810	208,927
Denominated in Colombian pesos	85,786	97,238
Denominated in Nicaraguan Cordoba	-	2,579
Denominated in CHF	79	79
Denominated in Agerntine pesos	3,102	8,041
Denominated in Euro	4,060	1,344
Denominated in Saudi riyal	2,339	2,258
	<u>\$ 7,978,352</u>	<u>\$ 6,494,812</u>

Off-Balance Sheet Agreements

The Company has not entered into any off-balance sheet arrangements as of the date of this report.

Outstanding Share Capital

As of the date of this MD&A, the Company has 265,695,801 common shares outstanding and 15,800,000 stock options.

Risk Factors

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR+ (www.sedarplus.ca).

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

Nature of Mineral Exploration and Mining

The Company's future is dependent on the Company's exploration and evaluation programs. The exploration and evaluation of mineral deposits involves significant financial risks over a prolonged period of time, which a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Company's exploration properties may be required in constructing 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 feasibility studies or final 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 operation. The Company cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing Mineral Reserves. The Company's exploration and evaluation may be hampered by mining, heritage and environmental legislation, industrial accidents, industrial disputes, cost overruns, land claims and compensation and other unforeseen contingencies.

The Company does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by the Company towards the search for and evaluation of mineral deposits will result in discoveries that are commercially viable. Whether a deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as its size and grade, proximity to infrastructure, financing costs and governmental regulations, including regulations 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 invested capital or have a material adverse effect on the Company's business and financial condition. In addition, assuming discovery of a commercial ore-body, depending on the type of mining operation involved, several years can elapse from the initial phase of drilling until commercial operations are commenced. Most of the above factors are beyond the Company's control.

Limited Operating History

The Company's properties are in the exploration stage and are not commercially viable at this time. The Company has not recorded any revenues from mining operations and there is no certainty that the exploration expenditures towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of ore or that the Company will generate revenue, operate profitably or provide a return on investment in the future. There can be no assurance that significant additional losses will not occur in the future. The operating expenses and capital expenditures may increase in subsequent years with advancing exploration, evaluation, development of properties if proven successful and/or production of the properties. The Company does not expect to receive revenues from operations in the foreseeable future. The Company expects to incur losses until such time as its properties enter into commercial production and generate sufficient revenue to fund its continuing operations. The development of the

Company's properties will require the commitment of substantial resources and there can be no assurance that the Company will be able to finance its operations externally.

There can be no assurance that the Company's exploration programs will result in locating commercially exploitable mineral ores or that its properties will be successfully developed. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

Requirement for Further Financing

The further exploration of the various mineral properties in which the Company holds interests and the acquisition of additional properties depends upon the Company's ability to obtain financing through joint ventures of projects, debt financing, equity financing or other means. There can be no assurance that the Company will be able to raise the balance of the financing required or that such financing can be obtained without substantial dilution to shareholders. Failure to obtain additional financing on a timely basis could cause the Company to reduce or terminate its operations or lose its interest in one or more of its properties.

In order to continue exploring the Company's mineral properties and acquiring additional properties, management will be required to pursue additional sources of financing. While management has been successful in obtaining such financing in the past, there is no assurance that it will be successful in the future. Failure to obtain sufficient financing may result in delaying or indefinitely postponing exploration, evaluation, development of or production on any or all of the Company's properties if they are proven successful, or even loss of property interest. It may also prevent the Company from meeting its obligations under agreements to which it is a party as a result of which, its interest in the properties may be reduced. There can be no assurance that additional capital or other types of financing, if needed, will be available or, if available, the terms of such financing will be favourable to the Company.

The amount of administrative expenditures is related to the level of financing and exploration activities that are being conducted, which in turn may depend on our recent exploration experience and prospects, as well as general market conditions relating to the availability of funding for exploration-stage resource companies. As a result, there may not be predictable or observable trends in our business activities and comparison of financial operating results with prior years may not be meaningful.

Title Matters

The Company has taken reasonable measures, in accordance with industry standards for properties at the same stage of exploration as those of the Company to ensure proper title to its properties. However, there is no guarantee that title to any of its properties will not be challenged or impugned. Title insurance generally is not available for mining claims in Canada and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be limited. The Company's properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate the 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, carry out and file assessment work, may invalidate title to portions of the properties where the mineral rights are not held by the Company.

Market Factors and Volatility of Mineral Prices

There is no assurance that a profitable market will exist for the sale of mineralized material which may be acquired or discovered by the Company. There can be no assurance that ore prices received will be such that the Company's properties can be mined at a profit. Prices of minerals have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control. Commodity prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and

regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

Future mineral prices cannot be accurately predicted. A severe decline in the price of a mineral being produced or expected to be produced by the Company would have a material adverse effect on the Company, and could result in the suspension of mining operations by the Company if such mining operations have commenced. Factors impacting the price of ore include political and economic conditions in mineral producing and consuming countries and production levels and costs of production in other jurisdictions.

Environmental Regulations and other Regulatory Requirements

The Company is subject to substantial environmental and other regulatory requirements and such regulations are becoming more stringent. All phases of exploration and development operations are subject to environmental regulations. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. 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 in which the Company holds interests which are presently unknown to the Company and which have been caused by previous or existing owners or operators of the properties.

Although the Company intends to comply fully with all environmental regulations, failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Conflicts of Interest

Certain directors and officers of the Company may become or are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company will be 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 which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict is required under the *Companies (Jersey) Law 1991* to disclose his interest.

Market Price of Common Shares

Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in precious and base metal mineral prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company's securities; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Company's securities, if listed on an exchange, to be

delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the price of the Common Shares at any given point in time may not accurately reflect the Company's long-term value.

Foreign Jurisdictions

Certain of the Company's projects are located in foreign jurisdictions and are subject to risks relating to political stability and changes in laws relating to foreign ownership, government participation, taxation, royalties, duties, rates of exchange, exchange controls, export controls, land use and operational safety, and the potential for terrorism or military repression. Because a significant percentage of its operating costs, exploration expenditures and lease maintenance and acquisition costs are denominated in Colombian Pesos, the Company's results of operations are subject to the effects of fluctuations in exchange rates and inflation. The Company does not engage in any hedging activities to minimize such risks.

Climate change

The Company is exposed to risks from climate change including a possible increase in severity of extreme weather events, such as tornados, droughts, floods, and fires. Climate change may also result in longer-term shifts in precipitation and temperature and increased variability in weather. Climate change-related risks may also be associated with the transition to a lower-carbon global economy, which may be reflected in changes to fiscal and environmental policies, legal actions, technology changes, market responses, and reputational considerations. The effect of these environmental and economic, and legal shifts on the Company are difficult to quantify at the present time.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this MD&A constitute forward-looking statements; as such term is defined under applicable securities laws. These statements relate to future events or future performance and reflect management's expectations and assumptions regarding the growth, results of operations, performances and business prospects and opportunities of the Company. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "intend", "will", "project", "could", "believe", "predict", "potential", "should" or the negative of these terms or other similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance, achievements or events to differ materially from those anticipated, discussed or implied in such forward-looking statements. The Company believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A and should be considered carefully and investors should not place undue reliance on them as the Company cannot assure investors that actual results will be consistent with these forward-looking statements.

These statements speak only as of the date of this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about: (i) general business and economic conditions; (ii) the supply and demand for, deliveries of, and the level and volatility of prices of gold and other precious metals; (iii) the timing of the receipt of any outstanding regulatory and governmental approvals for the Company's projects; (iv) the ability to meet social and environmental standards and expectations; (v) the availability of financing for the Company's development of its properties on reasonable terms; (vi) the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; (vii) the ability to attract and retain skilled staff; (viii) exploration and development timetables; and (ix) capital expenditure and operating cost estimates.

These forward-looking statements involve risks and uncertainties relating to, among other things, exploration and development risks, changes in commodity and, particularly, gold prices, access to skilled mining personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors contained in this MD&A. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities law.