

ROME RESOURCES LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Nine and Three Months Ended

June 30, 2023

**Suite 700 688 W. Hastings Street,
Vancouver, BC V6B 1P1**

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE NINE AND THREE MONTHS ENDED JUNE 30, 2023

The following discussion and analysis was prepared as of August 22, 2023 and should be read in conjunction with the Company's interim unaudited condensed financial statements and notes thereto for the nine and three months ended June 30, 2023 and 2022. These accounts, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*

This Management Discussion and Analysis contains forward-looking statements. Forward-looking statements are statements which relate to future events. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our industry, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

Further information is available on the SEDAR website, www.sedar.com.

DESCRIPTION OF BUSINESS

Rome Resources Ltd. was incorporated in British Columbia on April 11, 1990 and continued its incorporation into Yukon on August 27, 2001, and continued back into British Columbia on August 25, 2005. The Company is a reporting issuer in British Columbia and Alberta, and is listed on the TSX Venture Exchange under the symbol RMR and in Frankfurt under the symbol 33R.

The Company received a Cease Trade Order (CTO) on April 1, 2016 and trading was halted from then. The CTO was issued due to non-filing of quarterly and annual filings. In 2020 the Company started a reactivation program, bringing the financials up-to-date. On May 13, 2022, the Company received notice from the British Columbia Securities Commission, informing the Company that all required records had been filed and the Cease Trade Order (CTO) issued on April 1, 2016, was revoked. On November 18, 2022, the Company received approval from the TSX to resume trading on November 22, 2022 on the TSX Venture Exchange as a tier 2 issuer.

FINANCIAL ANALYSIS

Quarter and nine months ended June 30, 2023 compared to June 30, 2022

Results for the nine months ended June 30, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Legal	\$ 124,635	\$ 153,802
Consulting Fees	73,974	—
Accounting and audit	40,422	24,050
Transfer agent and regulatory fees	43,170	30,582
Promotion and advertising	69,181	—
Interest and bank charges	1,905	415
Office expense	1,262	264
	<u>354,549</u>	<u>209,113</u>
Stock based compensation	1,087,944	—
Share of losses in associate	7,436	—
Gain on settlement of accounts payable	<u>(10,345)</u>	<u>(151,318)</u>
Net (Gain) Loss for the period	\$ <u>1,439,584</u>	\$ <u>57,795</u>
Net (Gain) Loss per share	\$ <u>0.02</u>	\$ <u>0.00</u>

For the nine months ended June 30, 2023 the Company recorded a loss of \$1,439,584 or \$0.02 per share compared to \$57,795 or \$0.00 per share for the same nine-months of 2022. During the current nine-month period a portion of accounts payable was negotiated to a reduced amount resulting in a gain of \$10,345. During the 2022 nine-month period, the Company negotiated the settlement of certain accounts payable via shares and wrote off an amount payable to a former director of the Company. These amounts are included in the gain on the write down of accounts payable of \$151,318.

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FINANCIAL ANALYSIS, continued

Nine months ended June 30, 2023 compared to June 30, 2022, continued

Legal fees for the nine-month period ended June 30, 2023, were \$124,635 compared to \$153,802 in the 2022 nine-month period. Accounting and audit fees for the 2023 period were \$40,422 compared to \$24,050 in 2022, the increase in the current period was due to an over accrual of audit fees for the comparative nine-month period. Consulting fees were \$73,974 for the current period, compared to \$nil for the nine months ended June 30, 2022. The company incurred \$69,181 in promotion and advertising expenses related to the creation of the company's website. Promotion and advertising costs in the 2022 six months were \$Nil. The increased consulting, promotion and advertising costs are due to the current activity of the Company.

During the current nine-month period transfer agent and regulatory fees were \$43,170 and are made up of listing and filing fees of \$36,577 and transfer agent fees of \$6,593 compared to \$30,582 during the nine-months ended June 30, 2022 (made up of \$28,109 of listing and filing fees and \$2,473 of transfer agent fees). The Company incurred high listing and filing fees in 2022 as a result of the company's successful efforts to have the cease trade order lifted. During 2023, the company incurred filing fees that are related to the financing efforts of the Company and transfer agent fees, due as the company is actively trading since the cease trade order was lifted.

During the current nine-month period, the company granted stock options to directors and officers of the company resulting in stock-based compensation of \$1,087,944 (2022 - \$Nil), and recorded \$7,436 (2022 - \$Nil) as its share of the losses incurred by an associated company, Medidoc-RD Congo SARLU. The loss excluding these two items was \$344,004.

Results for the three-months ended June 30, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Legal	\$ 37,918	\$ 85,740
Consulting Fees	44,674	—
Accounting and audit	13,225	6,550
Transfer agent and regulatory fees	21,491	4,311
Promotion and advertising	54,645	—
Interest and bank charges	488	190
Office expense	458	110
	<u>172,899</u>	<u>96,901</u>
Stock based compensation	146,458	—
Share of losses in associate	3,322	—
	<u>146,458</u>	<u>—</u>
Net (Gain) Loss for the Quarter	\$ 322,679	\$ 96,901
Net (Gain) Loss per share	\$ 0.00	\$ 0.00

During the three-months ended June 30, 2023, the Company incurred legal fees of \$37,918 compared to \$85,740 in the same three-months of 2022. Transfer agent and regulatory fees were \$21,491 compared to \$4,311 in 2022. For the current period, the Company incurred legal and regulatory fees related to a private placement, for approval related to the subsequent share issuances for the acquisition of a further 26% indirect interest in PR 15130 (exploration and evaluation asset) and for incentive stock options granted during the current three months.

Accounting fees in the 2023 three-months were \$13,225 compared to \$6,550 in 2022. The current period increase was due an adjustment to the amount accrued for audit fees. During the three-months ended June 30, 2023, the Company incurred consulting fees of \$44,674 and promotion and advertising of \$54,645 compared to \$Nil for consulting, promotion and advertising in the June 30, 2022 quarter. These costs are due to the creation of the Company's website, for consulting fees paid to a director and fees accrued for services provided to the company in the current period.

During the 2023 three-month period, the company granted stock options resulting in stock-based compensation of \$146,458 (2022 - \$Nil) and recorded \$3,322 (2022 - \$Nil) as its share of the losses incurred by an associated company, Medidoc-RD Congo SARLU. The loss excluding these two items is \$172,899.

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Liquidity and Capital Resources

Cash and Solvency

As at June 30, 2023, the Company has cash and equivalents of \$332,126 (June 30, 2022 - \$720,895). Working capital amounted to a deficiency of \$59,355 as at June 30, 2023 compared to working capital of \$652,822 as at June 30, 2022. As the Company has no sources of revenue, it will have to rely upon the sale of equity securities, including private placements, exercise of warrants, and exercise of options, to provide funding for exploration and development of its mineral interests, and for administrative expenses.

Operating Activities

Operating activities used during the nine months ended June 30, 2023 was \$108,612 and for the three months was \$573,243, compared to \$679,105 during the nine-months and \$607,745 for the quarter ended June 30, 2022.

Investing Activities

Investing activities used during the June 30, 2023 nine-month period were \$3,350,032 made up of \$1,783,276 in exploration and evaluation costs and \$1,566,756 for the acquisition of an associated company. For the three-months investing activities were \$480,150 made up of \$40,718 in exploration and evaluation costs and \$439,432 for the acquisition of an associated company.

Financing Activities

Financing activities during the nine -months ended June 30, 2023 were proceeds of \$3,887,118, net of share issue costs, from shares issued less \$840,000 for share subscriptions received in advance. For the June 30, 2023 quarter financing activities were proceeds of \$1,071,968 from a private placement, net of share issue costs. For the 2022 nine-month period financing activities were \$1,400,000, made up of \$650,000 from the proceeds of share issuances and \$750,000 advanced to the Company for a future private placement. For the three-months ended June 30, 2022, financing activities were \$730,000 made up of \$650,000 received from shares issued and \$80,000 advanced to the company towards a future private placement.

Financial Instruments

The Company classifies its financial assets in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (“FVTOCI”) or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company’s accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statement of profit or loss in the period. Cash is considered as FVTPL.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss) in which they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

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Financial Instruments, continued

Financial liabilities and equity: Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss (FVTPL) – This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Amortized cost – This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities are included in this category. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire.

Related Party Transactions

During the current period there was \$18,000 (2022 - \$Nil) accrued to a director, David Jenkins, for consulting services rendered to the Company and \$15,685 (2022 - \$2,800) was paid to Sheryl Jones, the CFO of the Company for accounting services.

Due to related parties totaling \$274,409 is due to Dr. Georg Schnura, a director of the Company. Accounts receivable of \$5,850 is due from a related company for the balance owing for the sale of a former subsidiary of the Company. As at June 30, 2022, due to related parties totalling \$22,960 is due to directors or a corporation controlled by a director or officer of the Company. During the June 30, 2022 nine-months, \$367,364 of related party debt was settled by the issuance of shares and a portion of the related party payable was negotiated down to a reduced amount and was paid in cash. The accounts reflect the lower amount resulting in a gain on the write down of accounts payable for the June 30, 2022 period.

Outstanding Share Data

As at August 22, 2023, there were 86,265,939 common shares outstanding; of which 15,209,452 shares are held in escrow. 15,000,000 shares will be released in equal tranches of 15% every six months starting on November 18, 2023. The release of 209,452 of the escrowed shares is subject to the approval of the regulatory authorities having jurisdiction. There are 4,000,000 stock options outstanding exercisable at \$0.26, 3,300,000 expire on February 9, 2026, 200,000 expire on February 20, 2026; and 500,000 expire on April 27, 2026. In addition, there were 7,800,000 share purchase warrants outstanding exercisable to purchase one common share at \$0.25, 5,600,000 expire on November 18, 2023, and 2,200,000 expire on June 9, 2025.

Changes in accounting policies and recent accounting pronouncements

There have been no changes in accounting policies or recent accounting pronouncements which the Company expects to have a material impact on financial position or results.

Bisie North Tin Project - Walikale District of the North Kivu Province in eastern Democratic Republic of the Congo ("DRC")

During the nine months ended June 30, 2023, the Company received regulatory approval to two option agreements made effective as of the 15th day of August 15, 2022 to acquire majority interests in two properties situated in the Walikale District of the North Kivu Province in eastern Democratic Republic of the Congo ("DRC"). The two contiguous properties are referred to collectively as the "Bisie North Tin Project".

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Bisie North Tin Project - Walikale District of the North Kivu Province in eastern Democratic Republic of the Congo ("DRC"), continued

Exploration Permit PR 13274

The Company has entered into an option agreement to acquire up to a 71% interest in the issued and outstanding shares in Medidoc-RD Congo SARLU ("MRDC"). Pursuant to this agreement:

- The Company has acquired a 30% interest in MRDC by issuing 9,000,000 common shares (issued November 2022), and by funding exploration and evaluation expenditures totalling CAD\$250,000 ("MRDC First Option"). Documentation for the formal transfer of this interest has been processed by the regulatory authorities in the DRC.
- The Company can acquire a further 41% interest in MRDC (for a total interest of 71%) by issuing a further 30,000,000 common shares, and funding additional exploration and evaluation expenditures totalling CAD\$1,750,000 (for a total of CAD\$2,000,000) on or before 31 January 2024 ("MRDC Second Option").

During the nine-months ended June 30, 2023 the Company advanced a total of US\$1,209,383 (CAD \$1,566,756) to MRDC.

MRDC holds a 72.5% interest in PR 13274. The remaining 27.5% interest is held by Investissement et de Developpement Immobilier S.A.R.L ("IDI"). MRDC and IDI operate the permit under a joint venture agreement. MRDC is the operator of the joint venture. The Company is responsible for funding exploration and development expenditures at PR 13274.

MRDC was incorporated in the DRC in 2021 for the purpose of mineral exploration in the DRC. MRDC's only activities since incorporation have been acquiring an interest in and funding exploration of PR 13274.

Exploration Permit PR 15130

The Company has also entered into an option agreement to acquire up to a 51% interest in PR 15130. Pursuant to this agreement:

- the Company acquired a 25% interest in PR 15130 by issuing 3,000,000 common shares (issued November 2022), and by funding exploration expenditures totalling CAD\$250,000 (completed January 2023) ("CTC First Option").
- The Company can acquire a further 26% interest in PR 15130 (for a total interest of 51%) by issuing a further 6,000,000 common shares, and funding additional exploration expenditures totalling CAD\$1,750,000 (for a total of CAD\$2,000,000) on or before 31 January 2024 ("CTC Second Option"). (exercised subsequent to the period)

During the nine-months ended June 30, 2023 the Company advanced a total of US\$1,402,263 (CAD \$1,783,276); To September 30, 2022 the Company advanced a total of US\$400,000 (CAD \$516,790) to MRDC, recorded as property investigation expense.

Subsequent to the period, the company has acquired a further 26% indirect interest in PR 15130 (for a total indirect interest of 51%) by funding additional exploration expenditures totalling CAD\$1,750,000 at exploration permit PR 15130 and by issuing a total of 6,000,000 RMR shares, of which 2,000,000 shares were issued to Mark Gasson, the Company's president; 2,000,000 shares were issued to Dr. Andreas Reitmeier and 2,000,000 shares were issued to Klaus Eckhof. The 6,000,000 shares are restricted from trading until November 26, 2023 and, in addition thereto, are subject to escrow provisions.

During the period, the Company entered into a binding term sheet ("Term Sheet") with Palm Constellation SARL ("Palm") pursuant to which the Company agreed to acquire, from Palm, a 15% indirect interest in Exploration Permit 15130 ("PR15130"), which is one of two licences that comprise the Bisie North Tin Project located in the Walikale District of the North Kivu Province in eastern DRC. The Company can acquire the additional 15% indirect interest in PR15130 by issuing 5,000,000 units in the capital of the Company to Palm, where each unit will consist of one common share of the Company and one common share purchase warrant exercisable for two years at \$0.50 per share. The 5,000,000 units will not be issuable by the Company until after: (a) a new joint venture company ("JV Company") has been incorporated to hold PR 15130; (b) PR15130 has been transferred to such newly incorporated JV Company, free and clear of all charges, encumbrances and claims; and (c) Palm has transferred a 15% interest in the JV Company to the Company

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Information on the Company's Exploration Programs

Information on exploration of Rome's projects is available in News Releases and Annual Reports. These are available on SEDAR. The reader is referred to these for details of the geological setting and exploration activities undertaken on the Bisie North Tin Project.

Qualified Person

Dr Deon Vermaak is a qualified geologist and a consultant of Rome Resources Ltd and is a registered Professional Natural Scientist (Geological Science) with the South African Council for Natural Scientific Professions (SACNASP Reg. No. 400074/03). Dr Vermaak is a qualified person (QP) as defined in National Instrument 43-101. The technical data in this Mineral Properties section has been approved by him.

Summary of Quarterly Results

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters:

Quarter Ended: Year:	June 30, 2023	Mar 31, 2023	Dec 31, 2022	Sept 30, 2022	June 30, 2022	Mar 31, 2022	Dec 31, 2021	Sept 30, 2021	June 30, 2021
Total Revenues	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(Gain) Loss in total per share basis ⁽¹⁾	\$ <u>322,679</u>	\$ <u>1,044,345</u>	\$ <u>72,560</u>	\$ <u>640,436</u>	\$ <u>96,901</u>	\$ <u>(31,217)</u>	\$ <u>(7,889)</u>	\$ <u>(8,255)</u>	\$ <u>(2,004)</u>
	\$ <u>(0.00)</u>	\$ <u>(0.01)</u>	\$ <u>(0.00)</u>	\$ <u>(0.02)</u>	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>

Trends, Risks and Uncertainties

The Company is in the process of exploring and developing its exploration and evaluation assets. The recoverability of the amounts recorded is dependent upon the existence of economically recoverable reserves, and the ability of the Company to obtain necessary financing to complete their development.

Investor Relations

No investor relations firms were retained by the Company during the period ended June 30, 2023.

Management

During the current period, Serge Nawej Tshitembu has been appointed to the Company's board of directors in place of Patrick Flint who resigned as a director of the Company. The Board thanks Mr. Flint for his contributions during the period he served as a director.

Subsequent Events

Subsequent to June 30, 2023, the Company:

- Exercised this option and acquired a further 26% indirect interest in PR 15130 by issuing a total 6,000,000 common shares. The 6,000,000 shares are restricted from trading until November 26, 2023 and, in addition thereto, are subject to escrow provisions. The company's holdings in interest in PR 15130 is 51%. (Refer to Note 5 of the Company's financial statements).
- PR 13274 was converted to small scale exploitation permit PEPM 13274 which is valid for 5 years.

Approval

The Board of Directors of the Company has approved this Management Discussion and Analysis. Additional information is available on the SEDAR website, www.sedar.com.