

ROME RESOURCES LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Fiscal Year Ended

September 30, 2023

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

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

The following discussion and analysis was prepared as of January 29, 2024 and should be read in conjunction with the Company's annual audited financial statements and notes thereto for the years ended September 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 in particular regarding the future price of certain commodities. 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.

Selected Annual Information

The following table sets forth selected financial information for the Company for the last three completed financial years ended September 30, 2023, 2022 and 2021. This information has been derived from the Company's audited financial statements for 2023, 2022, and 2021, of those years, and should be read in conjunction with those financial statements and the notes thereto.

	As at and for the financial year ended,		
	<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>
	<u>2023</u>	<u>2022</u>	<u>2021</u>
(a) Total Revenues	\$ —	\$ —	\$ —
(b) Income (Loss):			
i) In total	\$ (1,453,898)	\$ (698,230)	\$ (15,327)
ii) On a per share basis	\$ (0.02)	\$ (0.02)	\$ (0.00)
(c) Total assets	\$ 5,779,037	\$ 749,502	\$ 5,850
(d) Total liabilities	\$ 938,236	\$ 161,739	\$ 606,807
(e) Total shareholders' equity (deficiency)	\$ 4,840,801	\$ 587,763	\$ (600,957)

Results for the three years have been prepared using International Financial Reporting Standards ("IFRS"). The functional currency and presentation currency under IFRS is the Canadian dollar.

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Financial Analysis

Year 2023 compared to 2022 and 2021

The results for the three years ended September 30, 2023, 2022 and 2021 are as follows:

	<u>2023</u>		<u>2022</u>		<u>2021</u>
Property investigation costs	\$ —	\$	516,790	\$	—
Legal	141,056		208,915		10,036
Transfer agent and regulatory fees	52,348		63,531		5,250
Accounting and audit	79,303		38,600		—
Consulting	154,974		18,326		—
Travel, promotion and advertising	115,809		2,540		—
Interest and bank charges	2,723		583		41
Office Expense	1,261		263		—
Total Expenses	<u>547,474</u>		<u>849,548</u>		<u>15,327</u>
Stock based compensation	912,013		—		—
Share of losses in associate	4,756		—		—
Gain on settlement of accounts payable	(10,345)		(151,318)		—
Net loss for the period	<u>\$ 1,453,898</u>	\$	<u>698,230</u>	\$	<u>15,327</u>

During the 2023 fiscal year the company recorded a gain on the settlement of accounts payable totalling \$10,345 (2022 - \$151,318, 2021 \$Nil) and recorded property investigation costs of \$Nil (2022 - \$516,790, 2021 - \$Nil). In addition, the Company incurred stock-based compensation expense of \$912,013 for options granted to directors and officers (2022 and 2021 \$Nil) and shared losses of \$4,756 of an associated company. The loss excluding these two items was \$547,474 (2022 - \$849,548, 2021 \$15,327).

During the current year, the company focused their efforts to raise funds and to explore the exploration and evaluation assets held in the Democratic Republic of the Congo (“DRC”). The 2023 fiscal expenses reflect those efforts. During the 2022 fiscal year, the company was working hard to be reactivated and to have the trading halt rescinded, and all incurred expenses during that time were for that purpose. During the 2021 fiscal year, the Company incurred minor transfer agent, regulatory, legal, bank fees and office expenses. The amounts recorded by the Company were minimal due to its inactivity.

Legal fees for the year ended Sept 30, 2023, were \$141,056 compared to \$208,915 in the 2022 period and \$10,036 in the 2021 year. Accounting and audit fees for the 2023 year were \$79,303 compared to \$38,600 in 2022 and \$Nil in 2021, the increase in the current period was due to an over accrual of audit fees for the comparative year and an increase in the current year audit fee. Consulting fees were \$154,974 for the current period, compared to \$18,326 for the 2022 year and \$Nil for the 2021 fiscal year. The Company incurred \$115,809 in travel promotion and advertising expenses related to financing efforts and the creation of the Company’s website. Promotion and advertising costs in the 2022 year were \$2,540 and in 2021 were \$Nil. The increased consulting, travel, promotion and advertising costs are due to the current activity of the Company.

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.

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Financial Analysis, continued

Quarterly Results

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

	2023	2022
Consulting	81,000	18,326
Travel, promotion and advertising	46,628	2,540
Accounting and Audit	38,882	14,550
Legal	16,420	55,114
Transfer agent and regulatory fees	9,177	32,948
Interest and Bank Charges	818	168
Office Expense	—	—
Property Investigation costs	\$ —	\$ 516,790
	192,925	640,436
Stock Based Compensation	(175,931)	
Share of losses in associate	(2,680)	—
Net Loss for the Quarter	\$ 14,314	\$ 640,436
Net Loss per share	\$ (0.00)	\$ (0.02)

For the quarter ended September 30, 2023 the Company recorded a loss of \$14,314 or \$0.00 per share compared to \$640,436 or \$0.02 per share compared for the three months ended September 30, 2022.

During the quarter ended September 30, 2023, the increased consulting, travel, promotion and advertising costs are due to the current activity of the Company. The Company's costs were mainly focused on their exploration and evaluation assets held in the Democratic Republic of the Congo ("DRC"). For 2022, the Company property investigation costs of \$516,790 and incurred higher legal, regulatory and transfer agent fees due to its efforts to be reactivated and have the trading halt rescinded. The occurrence of consulting, promotion and other costs in 2022 is also reflective of those efforts.

Liquidity and Capital Resources

Cash and Solvency

As at September 30, 2023, the Company had cash and equivalents of \$87,687 compared to \$743,652 at September 30, 2022. working capital amounted to a deficiency of \$850,549 compared to working capital of \$587,763 as at September 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 interest, and for administrative expenses.

Operating Activities

As at September 30, 2023, cash flows from operating activities was \$4,674 compared to cash flows used of \$714,934 in the same period of 2022.

Financing Activities

Financing activities during the period ended September 30, 2023 was \$3,295,467, and was made up of \$3,894,923 received from private placements that closed during the year less \$840,000 received in the prior year, plus \$240,544 received in loans. During September 30, 2022, financing activities was \$1,458,586 and consisted of \$618,586 received from a private placement financing, plus \$840,000 was received for a future financing.

Investing Activities

Investing activities used during the September 30, 2023 year were \$3,956,106 and is made up of \$2,143,299 in exploration and evaluation costs and \$1,812,807 for the acquisition of an associated company (net of shared losses).

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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 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 profit or loss in the period.

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.

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.

The Company has classified its cash FVTPL. Receivables are classified as amortized cost. Accounts payable and accrued liabilities, due to related parties, and loans payable are classified as amortized cost.

Related Party Transactions

During the current year there was \$24,000 (2022 - \$18,000) paid to a director, David Jenkins, for consulting services rendered to the Company and \$21,543 (2022 - \$4,600) was paid to Sheryl Jones, the CFO of the Company for accounting services. In addition, there is \$309,409 (2022 – \$65,896) payable to a director, Dr. Georg Schnura for cash advances and expenses incurred during the year on behalf of the Company. In addition, there was US\$78,000 (C\$106,176 paid to Jamie Anderson, the exploration manager for consulting fees related to the associated company and the exploration and evaluation claim.

The Company entered into a non-arm’s length agreement with MRDC (Associated Company). Mark Gasson, the President of the Company serves as management of MRDC.

During the year ended September 30, 2022 there was \$12,000 accrued to a director, for consulting services rendered to the Company and \$4,600 was paid to the CFO of the Company for accounting services.

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Related Party Transactions, continued

As at September 30, 2023 due to related parties totaling \$349,935 (September 30, 2022 - \$77,896) is due to directors or a corporation controlled by a director or officer of the Company, or to corporations owned by a former director or officer of the Company. During the year ended September 30, 2022, \$367,364 of related party debt was settled by the issuance of shares. In addition, during the year ended September 30, 2023, the Company received loans from related parties totalling \$200,000. These loans were unsecured, interest free and were settled via the issuance of shares subsequent to the period.

Outstanding Share Data

As at January 29, 2024, there were 120,350,939 common shares outstanding; of which 42,209,452 shares are held in escrow, the release of the balance of these shares is subject to the approval of the regulatory authorities having jurisdiction. There were 12,200,000 share purchase warrants outstanding to purchase 2,200,000 common shares of the company at \$0.25 and expire on June 9, 2025, and 10,000,000 common shares of the company at \$0.25 per share on or before the later of the final repayment date or the extended repayment date (as defined in the loan agreement with Pathfinder Minerals as mentioned in subsequent events. There are 4,250,000 share purchase options outstanding exercisable at \$0.26, 3,300,000 expire on February 9, 2026 200,000 expire on February 20, 2026, 500,000 expire on April 27, 2026; and 250,000 expire on November 6, 2026. Subsequent to September 30, 2023 warrants to purchase 5,600,000 common shares of the company at \$0.25 per share expired unexercised.

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 twelve months ended September 30, 2023, the Company received regulatory approval to two option 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".

Exploration Permit PR 13274/Small Mining Permit PEPM 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 year ended September 30, 2023 the Company advanced a total of US\$1,328,186 (CAD \$1,812,806) to MRDC.

During the twelve-month period the PR 13274 was converted into a small mining permit, PEPM 13274 effective from July 18, 2023 and valid for 5 years.

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.

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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

Subsequent to the period, the company has now acquired a further 41% interest in MRDC (29.725% indirect interest in PEPM 13274 for a total indirect interest of 51.475%) by funding additional exploration expenditures totalling CAD\$1,750,000 at exploration permit PEPM 13274 and by issuing a total of 30,000,000 RMR shares, of which 10,000,000 RMR shares were issued to Mark Gasson; 10,000,000 RMR shares were issued to Dr. Andreas Reitmeier and 10,000,000 RMR shares were issued to Klaus Eckhof. The 30,000,000 RMR shares are restricted from trading until April 20, 2024 and, in addition thereto, are subject to escrow provisions.

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 year ended September 30, 2023 the Company advanced a total of US\$1,575,704 (CAD \$2,143,300). To September 30, 2022 the Company advanced a total of US\$400,000 (CAD \$516,790) to MRDC, recorded as property investigation expense.

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

General Information on Rome's Exploration Programs General 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 this for summaries of the geological setting, exploration activities on these and ongoing projects.

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.

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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:	Sept 30, 2023	June 30, 2023	Mar 31, 2023	Dec 31, 2022	Sept 30, 2022	June 30, 2022	Mar 31, 2022	Dec 31, 2021	Sept 30, 2021
Total Revenues	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(Gain) Loss in total per share basis ⁽¹⁾	\$ <u>14,314</u>	\$ <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>(0.00)</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>

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. Management is actively looking into new projects and to reactivate the Company. Management is diligently working to reactivate the Company raise funds and inject new ventures.

Investor Relations

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

Subsequent Events

Subsequent to September 30, 2023 the Company:

- Announced and closed a non-brokered private placement of 3,600,000 units in the at a price of \$0.20 per unit, for gross proceeds of up to \$720,000. The proceeds consisted of cash of \$320,000 plus \$400,000 of loans payable (referred to in note 5) converted into shares through this private placement financing. Each unit is comprised of one common share and one share purchase warrant, where each warrant entitles the holder to purchase one additional common share at a price of \$0.25 per share for two years.
- Granted 250,000 incentive stock options ("Options") to a director pursuant to its stock option plan. The Options have a three-year term and an exercise price of \$0.26 per common share, and vest immediately.
- Entered into a shares for debt agreement with an arms-length creditor to settle \$99,425 in debt owed by issuing 485,000 common shares at a deemed issue price of \$0.205 per share. All Shares issued in connection are subject to a statutory hold period of four months plus a day from the date of issuance of the Debt Shares in accordance with applicable securities legislation.
- Entered into a non-binding heads of terms providing for the potential acquisition of the issued and outstanding securities of the Company by Pathfinder Minerals Plc ("Pathfinder"), a UK company quoted on AIM, which would constitute a reverse takeover of the Company by Pathfinder under the AIM Rules for Companies (the "AIM Rules") and a reorganization under Part 8 of Policy 5.3 of the TSX Venture Exchange ("TSX-V"). Related to the Proposed Acquisition, Pathfinder has agreed to lend the Company up to C\$2,500,000 on an unsecured basis, subject to the finalization of loan documentation with the Company. The TSX Venture Exchange ("TSXV") has conditionally accepted for filing the loan between the Company and Pathfinder.

ROME RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Subsequent Events, continued

- The loan amendment agreement dated January 10, 2024 with Pathfinder Minerals Plc ("Pathfinder"), which amends the loan agreement (as amended, the "Loan Agreement") between the Company and Pathfinder announced on December 28, 2023. The Company also announces that the TSX Venture Exchange ("TSXV") has conditionally accepted for filing the loan, between the Company and Pathfinder, whereby a total of CDN\$2,500,000 has been loaned to the Company. The Loan has a term of up to 24 months. The Company must repay the Loan, together with a fixed payment on the Loan equal to 10% of the outstanding balance of the Loan, which fixed payment will increase to 15% of the outstanding balance of the Loan if the proposed transaction between the Company and the Lender announced by the Company on November 29, 2023 (the "Transaction") terminates prior to April 15, 2024 or such later date as may be agreed between Pathfinder and Rome. Additionally, the TSXV has conditionally accepted for filing the issuance of up to 12,500,000 non-transferable bonus warrants to the Lender in connection with the Loan. Each bonus warrant is exercisable into one common share at no less than \$0.25 until the earlier of the term of the Loan or a maximum of five years.
- Pursuant to the Loan Agreement, Pathfinder has loaned a total of \$2,500,000 to Rome. The Loan Agreement provides for the grant of loan bonuses to Pathfinder whereby a total of 10,000,000 share purchase warrants will be issued to Pathfinder in connection with the Loan. Each warrant will be exercisable to purchase one common share in the capital of the Company at a price of \$0.25 per share on or before the later of the Final Repayment Date or the Extended Repayment Date (as defined in the Loan Agreement). The Final Repayment Date is 12 months from January 12, 2024.
- If the Loan is either reduced or repaid on or before January 12, 2025, then a pro rata number of the Warrants will have their term reduced to the later of one year from issuance of the Warrants and 30 days from the reduction or repayment of the Loan.
- If the Transaction terminates before April 15, 2024 or such later date as may be agreed between Pathfinder and Rome, then the Loan Agreement provides for Rome to grant a further loan bonus to Pathfinder comprised of an additional 2,500,000 Warrants.
- Announced that it has fully exercised the second option under its option agreement for MDRC As a result, the Company has increased its earned undivided indirect interest in and to exploration permit PEPM 13274 from 21.75% to 51.475%. Pursuant to the option agreement, the Company has now acquired a further 29.725% indirect interest in PEPM 13274 (for a total indirect interest of 51.475%) by funding additional exploration expenditures totalling CAD\$1,750,000 at exploration permit PEPM 13274 and by issuing a total of 30,000,000 common shares, The 30,000,000 common shares are restricted from trading until April 20, 2024 and, in addition thereto, are subject to escrow provisions.

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.