



**VORTEX METALS INC.  
(FORMERLY, VICTORY CAPITAL CORP.)**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024**

**(Expressed in Canadian Dollars)**

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the financial results of Vortex Metals Inc., formerly, Victory Capital Corp. (the "Company" or "Vortex") financial statements. The information provided herein should be read in conjunction with the Company's consolidated interim financial statements for the three and six months ended June 30, 2024, compared to the three and six months ended June 30, 2023.

The following information should be read in conjunction with the Corporation's June 30, 2024 condensed interim financial statements with accompanying notes and related MD&A for the year ended December 31, 2023, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar figures are expressed in Canadian dollars unless otherwise stated. These documents and additional information on the Corporation are available on SEDAR website at [www.sedar.com](http://www.sedar.com).

There can be no assurance that such information will prove to be accurate, and readers are cautioned not to place undue reliance on this forward-looking information. All currency amounts are expressed in Canadian dollars unless otherwise noted. This MD&A has been prepared as of August 26, 2024

### **BUSINESS OVERVIEW**

The Company was incorporated under the Business Corporation Act (Ontario) ("ONBCA") on November 6, 2009. On April 27, 2022, the Company changed its name to Vortex Metals Inc. The Company is listed on the TSX Venture Exchange (the "Exchange") under the trading symbol "VMS". The Company registered office is located at Suite 1500, 409 Granville St, Vancouver, British Columbia.

The Company completed its amalgamation transaction (the "Transaction") with Acapulco Gold Holdings Ltd. (formerly Acapulco Gold Corp.) ("AGH") pursuant to the amalgamation agreement dated February 5<sup>th</sup> 2021 (the "Amalgamation Agreement"). The transaction was completed by way of a share exchange between the shareholders of AGH and the Company. In exchange for 100% of the issued and outstanding shares of Acapulco, the shareholders of AGH received an aggregate of 6,744,102 shares of the company. The transaction completed on April 27, 2022 and constituted a reverse acquisition ("RTO"). In concurrent of the RTO, the Company also issued 25,000,000 shares to Paradex Inc. and various other parties, upon the completion of the purchase of the Riqueza Marina, Zaachila and El Rescate Projects and 1,587,205 shares issued to certain finders in connection with the completion of the qualifying transaction. AGH has been identified for accounting purposes as the acquirer, and accordingly the Company is considered to be a continuation of AGH. The consolidated financial statements for the year ended December 31, 2023 include the results of operations of Vortex from April 27, 2022. The comparative figures are those of AGH prior of the reverse acquisition.

The Company is a junior mineral exploration stage company in the business of acquiring, exploring, and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the company holds a 100% interest in the Riqueza Marina Project, Zaachila Project and the El Rescate Project each located in Mexico.

### **GOING CONCERN**

This MD&A and the financial statements for the three and six months ended June 30, 2024 have been prepared on the basis that the Company will remain a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business for the Company's next fiscal year. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favorable, or at all.

As at June 30, 2024, the Company had not advanced its exploration and evaluation assets to commercial production, is not able to finance its day-to-day activities through operations, had an accumulated deficit of \$7,891,920 and insufficient financial resources to achieve profitable operations or become cash flow positive, and the management of the Company cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital to finance that objective.

The Company's ability to continue as a going concern is dependent upon the ability to find, acquire and develop various businesses with growth potential, its ability to obtain the necessary financing to carry out this strategy and to meet its corporate overhead needs and discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Therefore, this indicates a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

On April 25, 2024, the Company completed a private placement whereby it issued 19,369,411 units at \$0.09 per unit for total proceeds of \$1,743,247. Each unit was comprised of one common share in the capital of the Company and one share purchase warrant allowing the holder to purchase one common share at a price of \$0.135 per share until April 25, 2026.

As a result of the above, realization values may be substantially different from the carrying values shown and the interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

## **MINERAL PROPERTIES**

### **The Illapel Copper Project, Chile**

On May 1, 2024, the Company received final approval from the TSX Venture Exchange ("TSX" or the "Exchange") for its proposed acquisition of up to an 80-per-cent interest in the Illapel copper project (the "Illapel Project") in Chile, pursuant to an option agreement ("Option Agreement") dated Nov. 17, 2023, with Windows Minerals SCM and SLM Rio 27 de Farellon Sanchez (together with Windows, the optionors).

The highlights of the Illapel Copper Project are as follows:

- Comprised of three mineral licenses totaling approximately 6,000 hectares;
- Right of first refusal on the currently operating Rio 27 copper mine with average grade of 1.39 per cent copper for processed ore;
- Proximity to the El Espino copper project, with an estimated value of US\$380-million;
- North and south of Rio 27 mine: Mineralization extending along strike from the Rio 27 mine;
- Permitted for drilling -- epithermal gold-copper targets: Mapping and drilling of epithermal veins in the concession's western portion;
- Proximity to major infrastructure, paved roads, power grid and water;
- Low elevation, 1,500 metres above sea level with year-round drilling conditions.

Pursuant to the terms of the Option Agreement, the Company has an option to earn a 60-per-cent interest in the Illapel Project (the first option) by making total cash payments of at least US\$1.1-million over a four-year period, issuing a maximum of 23 million common shares of the company over a six-year period, incurring exploration expenditures on the Illapel project totaling US\$10-million over a five-year period, and completing a prefeasibility study within the next six years.

If the first option is exercised in full, the optionors have agreed to grant an exclusive option to the company to acquire an additional 20-per-cent interest in the entity that will be incorporated upon exercise of the first option, following the terms set out in the option agreement.

All common shares issued pursuant to the option agreement will be subject to a contractual restriction on transfer from the date of issuance in accordance with the following schedule: (a) 25 per cent within six months of the issue date; (b) 25 per cent within eight months of the issue date; (c) 25 per cent within 10 months from the issue date; and (d) 25 per cent within 12 months of the issue date.

Upon exercise of the first option, the optionors will be granted a 2.5-per-cent net smelter returns (NSR) royalty on the Illapel project. The company can buy back 0.5 per cent of the NSR for \$1.75-million. If the company incurs in excess of \$10-million in exploration expenditures within a five-year period after closing but does not exercise the first option, then Windows will grant the company a 1.5-per-cent net smelter returns royalty (the expenditure return royalty) on the Illapel project and a mortgage and prohibition to transfer the Illapel project in favour of the company to secure payment of the expenditure return royalty.

In connection with the option agreement, the company will paid a finder's fee to Ishkan Inc. US\$10,000 in cash; and issued 237,500 common shares as consideration common shares are issued to Windows, with both the cash and common share issuances made pursuant to the option agreement in accordance with a predetermined issuance schedule. The exchange has approved the finder's fee.

### **The Riqueza Marina Project, Zaachila Project and El Rescate Project, Mexico**

On March 16, 2022, the Company entered into an amended and restated agreement of purchase and sale with Zalamera in relation to the Riqueza Marina Project, Zaachila Project and the El Rescate Project each located in Mexico. Immediately preceding the completion of the RTO with Vortex, the Company will issue a total of 25,000,000 common shares and will pay \$200,000 and assumed liabilities of \$551,838 incurred in relation to the properties. Upon completion of the environmental impact assessment study and receipt of drill permits the Company will pay \$300,000 over 38 months and once the first set of core samples are obtained the Company will pay an additional \$150,000. The Company will also grant a 3% net smelter returns royalty (“NSR”) over the properties.

#### **Overview**

The Riqueza Marina-Zaachila project (RQMZ) consists of four exploration concessions in two distinct blocks, Riqueza Marina and Zaachila, within an underexplored, and minimally understood, volcanogenic massive sulfide (VMS) district in southern Oaxaca, Mexico. The concessions cover a cumulative area totaling 15,308 Hectares.

#### **Qualified Person statement**

Rob Johansing, M.S., a Qualified Person as defined by National Instrument 43-101, prepared the information that forms the basis for this written disclosure.

## **FINANCIAL REVIEW**

For a discussion of the factors affecting the company's losses see "Summary of the quarterly results" and "Results of operations" below.

### **Result of operations for the three months ended June 30, 2024**

During the three months ended June 30, 2024 the Company had a total comprehensive loss of \$908,391, an increase in loss of \$360,828, as compared to the net and comprehensive loss of \$547,563 for the three months ended June 30, 2023. The following discussion explains the variations in the key components of these numbers.

The significant changes in comprehensive loss from the prior year are as follows:

- Management fees of \$9,815 related to consulting fees, professional fees and salaries paid to officers of the company.
- Advertising and promotion of \$13,483 and transfer agent and filing fees of \$47,362, related to increased level of financing activities.
- Exploration and evaluation expenditures of \$(91,666).
- Travel of \$35,461.

### **Result of operations for the six months ended June 30, 2024**

During the six months ended June 30, 2024 the Company had a total comprehensive loss of \$1,096,565, an increase in loss of \$263,984, as compared to the net and comprehensive loss of \$832,581 for the six months ended June 30, 2023. The following discussion explains the variations in the key components of these numbers.

The significant changes in comprehensive loss from the prior year are as follows:

- Management fees of \$(7,801) related to consulting fees, professional fees and salaries paid to officers of the company.
- Advertising and promotion of \$37,074, transfer agent and filing fees of \$31,510, related to increased level of financing activities.
- Exploration and evaluation expenditures of \$(119,287) driven by the acquisition of Chilean properties.
- Travel of \$23,833 driven by the acquisition of Chilean properties.

### Summary of Quarterly Results

Results for the most recent quarters ending with the last quarter for the period June 30, 2024:

	For the Three Months Ended			
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
	\$	\$	\$	\$
Interest Income	-	-	-	33,523
Net loss	(908,391)	(238,519)	(526,131)	(637,953)
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)	(0.01)

	For the Three Months Ended			
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
	\$	\$	\$	\$
Interest Income	10,692	5,993	42	8,733
Net loss	(547,563)	(285,018)	(578,480)	(1,198,075)
Basic and diluted loss per share	(0.01)	(0.04)	(0.01)	(0.02)

Mineral exploration is typically a seasonal business, and accordingly, the Company's operating expenses, and cash requirements will fluctuate depending upon the season and the level of activity. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen, and the Company is able to secure equity financing with favorable terms, the Company's activity levels and the size and scope of planned exploration projects will typically increase.

### Exploration and Evaluation Asset and Expenditures Table

On March 16, 2022, AGH entered into an amended and restated agreement of purchase and sale with Zalamera in relation to the Riqueza Marina Project, Zaachila Project and the El Rescate Project each located in Mexico. Immediately preceding the completion of the RTO (Note 4) the Company issued a total of 25,000,000 common shares (valued at \$5,000,000) paid \$200,000 and assumed liabilities of \$551,838 incurred in relation to the properties. Upon completion of the environmental impact assessment study and receipt of drill permits the Company will pay \$300,000 over 38 months and once the first set of core samples are obtained the Company will pay an additional \$150,000. The Company granted a 3% net smelter returns royalty ("NSR") over the properties.

Exploration and evaluation expenditures for the six months ended June 30, 2024 and 2023.

	Riqueza Marina Property	Zaachila Property	Illapel Copper Property	Total
<b>Exploration and Evaluation Expenditures</b>				
For the six months ended June 30, 2023				
Geological	\$ 57,536	\$ 114,437	\$ -	\$ 171,973
Total, June 30, 2023	\$ 57,536	\$ 114,437	\$ -	\$ 171,973
For the six months ended June 30, 2024				
Assay	\$ -	\$ -	\$ 1,567	\$ 1,567
Geological	1,050	40,800	9,269	51,119
Total, June 30, 2024	\$ 1,050	\$ 40,800	\$ 10,836	\$ 52,686

*Vortex Metals Inc. (Formerly, Victory Capital Corp.)  
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	Riqueza Marina Property	Zaachila Property	Illapel Copper Property	Total
<b>Property Investigation Costs</b>				
For the six months ended June 30, 2023				
Assay	\$ -	\$ -	\$ -	-
Geophysics	-	-	-	-
Geological	-	-	-	-
<b>Total, June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
For the six months ended June 30, 2024				
Assay	\$ -	\$ -	\$ -	-
Geophysics	-	-	24,651	24,651
Geological	-	-	-	-
<b>Total, June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>24,651 \$</b>	<b>24,651</b>

**Liquidity and Capital Resources**

To date the Company has financed its operations through the sale of its common shares, a loan and a promissory note. As at June 30, 2024, the Company had working capital deficit of \$1,385,287 (December 31, 2023 – working capital \$1,666,0222), comprised of \$851,126 (December 31, 2023 - \$414,473) in current assets and \$2,236,413 (December 31, 2023 - \$2,080,495) in current liabilities.

The Company has no source of revenue, income or cash flow. It is wholly dependent upon raising monies through the sale of its Common Shares to finance its business operations. The Company expects to raise additional funds through public or private equity funding, joint venture arrangements, bank debt financing or from other sources. There can be no assurances that this capital will be available in amounts or on terms acceptable to the Company, or at all.

On April 25, 2024, the Company completed a private placement whereby it issued 19,369,411 units at \$0.09 per unit for total proceeds of \$1,743,247. Each unit was comprised of one common share in the capital of the Company and one share purchase warrant allowing the holder to purchase one common share at a price of \$0.135 per share until April 25, 2026.

**Cash Flows**

Cash used in operating activities for the six months ended June 30, 2024 was \$926,299 compared to cash used \$1,776,398 for the year ended December 31, 2023.

Cash used in investing activities for the six months ended June 30, 2024 was \$344,091 compared to \$Nil in the comparative year.

Cash provided by financing activities for the six months ended June 30, 2024 was \$1,647,348. compared to \$Nil in the comparative year.

### Transactions with Related Parties

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

The Company entered into the following transactions with related parties, not disclosed elsewhere in these consolidated financial statements:

	For the six months ended June 31,	
	2024	2023
	\$	\$
Professional fees	-	-
Consulting fees	112,238	115,519
Salaries	95,000	99,519
Rent*	6,000	6,000
Total	213,238	221,038

\*Rent is recorded in office expense.

### CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized, and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.
- The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.
- The fair value of stock options and warrants issued are subject to the limitations of the Black-Scholes option pricing model which incorporated market data and involved uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model required the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

- The determination of functional currency of the Company and its subsidiary.
- Business combinations and reverse take-over - Judgment is used in determining whether an acquisition is a business combination or an asset acquisition. The Company must determine whether it is the acquirer or acquiree in each acquisition. Under IFRS 3 –Business Combinations, the acquirer is the entity that obtains control of the acquiree in the acquisition. If it is not clear which company is the acquirer, additional information must be considered, such as the combined entity’s relative voting rights, existence of a large minority voting interest, composition of the governing body and senior management, and the terms behind the exchange of equity interest.

### **New Accounting Standards and Accounting standards not yet effective**

The Company did not adopt any new accounting standards or amendments.

### **Off-Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements as at June 30, 2024 and to the date of this MD&A.

### **Financial Instruments and Related risks Classifications**

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of receivables, accounts payable and accrued liabilities, loan, subscriptions received in advance and promissory note approximates fair value due to the short-term nature of the financial instruments. Cash is valued at a level 1 fair value measurement.

The company’s financial assets and liabilities are classified as follows:

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
	\$	\$
<b>Financial assets:</b>		
<b>Fair Value through profit and loss</b>		
Cash	\$ 670,829	\$ 293,871
Receivables	<u>121,889</u>	<u>97,704</u>
	<u>\$ 792,718</u>	<u>\$ 391,575</u>
<b>Financial Liabilities:</b>		
<b>Other Financial Liabilities</b>		
Accounts Payables	\$ 2,236,413	\$ 2,080,495

The fair values of the Company’s cash, short-term investments, accounts payable and accrued liabilities, loan, promissory note and subscriptions received in advance approximate their carrying amounts due to the short-term nature of these instruments.

## **FINANCIAL INSTRUMENT RISK EXPOSURE**

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At June 30, 2024, the Company was exposed to credit risk on its cash.

The Company's cash are held with a high credit quality financial institution in Canada and as at June 30, 2024, management considers its exposure to credit risk to be low.

### **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At June 30, 2024, the Company had cash of \$670,829 (December 31, 2023 - \$293,871) and accounts payable and accrued liabilities of \$2,236,413 (December 31, 2023 - \$2,080,495) with contractual maturities of less than one year. The Company assessed its liquidity risk as moderate as at June 30, 2024.

### **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at June 30, 2024.

#### *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at June 30, 2024, the Company is exposed to foreign currency risk, as it has cash, accounts payables and accrued liabilities denominated in US Dollars and Mexico Peso. Based on its volume of transactions, the Company determines its foreign currency risk is not significant.

#### *Price risk*

As a mining company, the Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

As at June 30, 2024, the company determines its price risks associated to commodity price is not significant.

## **Capital management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and evaluation of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' deficiency.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

## **OUTSTANDING SHARE CAPITAL DATA**

At the date of this MD&A, the Company had 80,046,970 common shares issued and outstanding (December 31, 2023 - 60,080,059).

On April 25, 2024, the Company completed a private placement whereby it issued 19,369,411 units at \$0.09 per unit for total proceeds of \$1,743,247. Each unit was comprised of one common share in the capital of the Company and one share purchase warrant allowing the holder to purchase one common share at a price of \$0.135 per share until April 25, 2026.

The Company has authorized an unlimited number of common shares without par value.

At the date of this MD&A, the Company has 10,414,417 share purchase warrants outstanding. 1,732,800 warrants outstanding exercisable at \$0.20 into one common share expired at April 27, 2024 unexercised

At the date of this MD&A, the Company has stock options outstanding as followed:

1. 4,050,000 stock options outstanding exercisable at \$ 0.20 into common shares expiring on July 28, 2032;
2. 400,000 stock options outstanding exercisable at \$0.10 into common shares expiring on January 17, 2029;
3. 350,000 stock options outstanding exercisable at \$0.10 into common shares expiring on January 17, 2034;
4. 675,000 stock options outstanding exercisable at \$0.10 into common shares expiring on June 26, 2029;
5. 950,000 stock options outstanding exercisable at \$0.10 into common shares expiring on June 26, 2034.

In addition, the Company granted 1,000,000 restricted share units (RSUs) to certain directors and officers of the Company that vest one year after the grant date.

## **ESCROWED SHARES**

On completion of the Qualifying Transaction, certain Principals (as defined in the policies of the Exchange) of the Resulting Issuer holding an aggregate of 4,547,994 Resulting Issuer Shares are subject to escrow in accordance with Policy 5.4 – Escrow, Vendor Consideration and Resale Restrictions of the Exchange (“Policy 5.4”). At the date of this MD&A, 1,364,398 shares of these 4,547,994 shares are in escrow.

In addition, certain former shareholders of Vortex entered into a CPC Escrow Agreement (the “CPC Escrow Agreement”) with the Exchange and Computershare Investors Services Inc., as escrow agent, in respect of 1,200,000 Resulting Issuer Shares. Under the terms of the CPC Escrow Agreement, 25% of the escrowed shares will be released at the time of the Final Exchange Bulletin, with an additional 25% released on each 6-month anniversary thereafter. Computershare Investors Services Inc. acts as escrow agent in respect of the CPC Escrow Agreement. At the date of this MD&A, zero share of these 1,200,000 shares are in escrow.

In addition, on completion of the Qualifying Transaction, certain former shareholders of AGH holding an aggregate of 26,157,651 Resulting Issuer Shares are subject to seed share resale restrictions (“SSRR”) pursuant to section 10 of Policy 5.4 and have entered into a Value Security Escrow Agreement (as such term is defined under the policies of the Exchange) with TSX Trust Company. At the date of this MD&A, all 11,770,942 shares are in escrow.

## **OUTLOOK**

The Company plans to conduct exploration at Illapel Copper Project in Chile. Further exploration and corporate costs are expected to be funded through future equity financing.

In 2024, the Company will initiate a first-pass exploration program, which includes:

- Immediate testing of high-priority, drill-ready targets north and south of the Rio 27 mine;
- Detailed mapping, sampling and drilling of targets linked to the epithermal veins in the western concession area;
- Initiation of mapping and sampling across promising structural formations and dikes, enriched with crosscutting ocoite and copper oxides, identified throughout the project area.

This program aims to swiftly evaluate high-priority targets while expanding the company's regional geological exploration to discover new drilling sites.

## **RISKS AND UNCERTAINTIES**

The Company’s business remains mineral property acquisition, exploration and development business and as a result it may be exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company’s business, results of operations, and financial performance in future periods. Refer to the Company’s Filing Statement dated April 4th, 2022 for a list of risk factors impacting the Company.

*It is management’s assessment that Vortex will require additional funding in the future to further advance its exploration assets.*

The Company does not have any source of revenue, will require additional funding and has historically relied upon equity subscriptions to satisfy its capital requirements and will likely continue to depend upon these sources to finance its activities. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms.

*Vortex is subject to government regulation:*

The Company’s mineral exploration is, and any development activities will be, subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company’s operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

*Exploration, development and mining activities can be hazardous and involve a high degree of risk:*

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

*Vortex may be adversely affected by fluctuations in metal prices:*

The value and price of the Company's common shares, the Company's financial results, and exploration, development and mining activities of the Company, if any, may be significantly adversely affected by declines in the price of metals. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

*Infrastructure:*

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate infrastructure could significantly delay or prevent the Company exploring and developing its projects and could result in higher costs.

*Vortex does not and likely will not insure against all risks:*

The Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

*Vortex may be subject to disputes:*

The Company may be involved in disputes with other parties in the future, which may result in litigation or arbitration. The results of litigation or arbitration cannot be predicted with certainty. If the Company is unable to resolve these disputes favorably, it may have a material adverse impact on the Company.

All industries, including the mining industry, are subject to legal claims that are with and without merit. Due to the inherent uncertainty of the litigation process and dealings with regulatory bodies, there is no assurance that any legal or regulatory proceeding will be resolved in a manner that will not have a material and adverse effect on the Company.

*Vortex is dependent on key personnel:*

The Company's success depends in part on its ability to recruit and retain qualified personnel. Due to its relatively small size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible and human error could result in a significant uninsured loss to the Company.

*Vortex's officers and directors may have potential conflicts of interest:*

The Company's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of the Company's time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

*Permits, licenses and approvals:*

The operations of the Company will require licenses and permits from various governmental and nongovernmental authorities. The Company intends to obtain all necessary licenses and permits required to carry on with activities which it proposes to conduct under applicable laws and regulations. However, such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no assurance that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and extraction operations on its mining properties.

*No Known Mineral Reserves or Mineral Resources:*

There are no known bodies of commercial minerals on the mining property to be purchased by the Company. The exploration programs undertaken and proposed constitute an exploratory search for mineral resources and mineral reserves or programs to qualify identified mineralization as mineral reserves. There is no assurance that the Company will be successful in its search for mineral resources and mineral reserves.

*Title to mineral property:*

The mineral property interests acquired by the Company may be affected by undetected defects in title, such as the reduction in size of the mining titles and other third-party claims such as First Nations claims, affecting the Company's interests. Maintenance of such interests is subject to ongoing compliance with the terms governing such mining titles. Mining properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company does not have title to any of its mining properties could cause the Company to lose any rights to explore, develop and extract any ore on that property, without compensation for its prior expenditures relating to such property.

*Potential Political, Social and Economic Instability in Mexico:*

The principal mineral property interests of the Company are located exclusively in Mexico. Although the Company believes that the current conditions in Mexico are relatively stable and conducive to conducting business, the Company's current and future mineral exploration and mining activities could be impacted by adverse political or economic developments. Such adverse developments may include obstruction of surface access to the land, the imposition of unfavorable government regulations on foreign investment, production and extraction limitations, prices, exports, income taxes, expropriation of property, environmental compliance and worker safety.

*Reputational risk:*

Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Although we believe that we operate in a manner that is respectful to all stakeholders and take care in protecting our image and reputation, we do not have control over how we are perceived by others. Any reputation loss could result in decreased investor confidence and increased challenges in developing and maintaining community relations which may have adverse effects on the Company and the price of the Company's securities.

**CONFLICTS OF INTEREST**

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the ONBCA dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the ONBCA. In accordance with the laws of the Province of Ontario, the directors and officers of Vortex are required to act honestly, in good faith, and in the best interest of Vortex.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This MD&A includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this MD&A, other than statements of historical fact, are forward-looking statements. When used in this MD&A, words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", "foresee" and other similar terminology, or sentences/statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

These statements reflect the Company's current expectations regarding future events, performance and results, and is accurate only at the time of this MD&A, and may be superseded by more current information. Forward-looking statements also involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or its mineral projects to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or information.

In making such statements, the Company has made assumptions regarding, among other things: general business and economic conditions; the availability of additional; the supply and demand for, inventories of, and the level and volatility of the prices of metals;; the timing and receipt of governmental permits and approvals; changes in regulations; political factors; the accuracy of the Company's interpretation of the geology of the Company's properties and prospective properties; the availability of equipment, skilled labour and services needed for the exploration of mineral properties; and currency fluctuations.

Although the forward-looking statements or information contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. They should not be read as guarantees of future performance or results. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the factors discussed below and under "Risks and Uncertainties";

unanticipated changes in general business and economic conditions or conditions in the financial markets; fluctuations in the price of metals; stock market volatility; the availability of exploration capital and financing generally; changes in national and local government legislation; changes to taxation; changes in interest or currency exchange rates; loss of key personnel; inaccurate geological assumptions; competition; unavailability of materials and equipment; government action or delays in the receipt of permits or government approvals; and unanticipated events related to health, safety and environmental matters, including the impact of epidemics.

Forward-looking information is designed to help readers understand management's current views of the Company's near and longer-term prospects, and it may not be appropriate for other purposes. The Company will not update any forward-looking statements or forward-looking information unless required to by applicable securities laws.