

ARIZONA METALS CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

Introduction

The following interim Management Discussion & Analysis ("MD&A") of Arizona Metals Corp. ("AMC" or the "Company") for the three and nine months ended September 30, 2024 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2023. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A. Additional information, including the annual information form for the year ended December 31, 2023, has been filed electronically through SEDAR+ at www.sedarplus.ca.

This MD&A has been prepared in compliance with section 2.2 of Form 51-102F1, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended December 31, 2023 and 2022, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2024, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of November 14, 2024, unless otherwise indicated.

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

Description of Business

The Company is a mineral exploration company based in Toronto, Ontario, focusing on the exploration and development of mineral resource properties in Arizona. The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "AMC" and on the OTCQX under the symbol "AZMCF". On October 13, 2022, the Company's common shares were delisted from the TSX Venture Exchange upon graduation to the TSX.

AMC owns, through its wholly-owned subsidiaries, 100% of the Kay Mine Project (the "Kay Mine Project" or "Kay"), located in Yavapai County, Arizona, USA and 100% of the Sugarloaf Peak Gold Project (the "Sugarloaf Peak Project") located in La Paz County, Arizona, USA.

Mineral Exploration Properties

The technical information contained in this MD&A has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 – *Standards for Disclosure for*

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

Mineral Projects ("NI 43-101") and reviewed and approved by David Smith, CPG, Vice-President of Exploration of the Company and a "Qualified Person" as defined under NI 43-101.

Kay Mine Project

The Company, through its wholly-owned subsidiary, owns 100% of approximately 1,669 acres of patented and unpatented claims covering and surrounding the past-producing Kay VMS deposit (the "Kay Deposit"), located in Yavapai County, Arizona, approximately 50 miles north of Phoenix.

As of September 30, 2024, the Company has completed a total of approximately 122,000 metres at the Kay Mine Project since the inception of drilling, including a successful completion of its Phase 2 expansion drill program of 75,000 metres.

The Phase 3 drill program will test the numerous parallel targets heading west of the Kay Deposit, as well as the possible northern and southern extensions of the Kay Deposit. Drilling has commenced at the Central and Western targets.

Current Plans Related to the Kay Mine Project

The Company has drilled approximately 39,000 metres of the 76,000-metre Phase 3 drill program at the Kay Mine Project, following completion of its Phase 2 expansion drill program in June 2023. The Company is currently positioning its technical work to transition toward mine development by completing the Kay Deposit resource drilling, planning for a maiden mineral resource estimate ("MRE"), gathering baseline environmental data for permitting, and performing metallurgy and geochemical studies in anticipation of economic studies and mine design.

The following table summarizes the approximate metres drilled by the Company on its Phase 3 drilling program to September 30, 2024:

Phase 3 Drill Program at the Kay Project	Three Months Ended September 30, 2024 (m)	Nine Months Ended September 30, 2024 (m)	Total as at September 30, 2024 (m)
Resource Drilling ⁽¹⁾	6,700	17,300	23,500
Exploration Drilling ⁽²⁾	2,300	5,100	15,500
	9,000	22,400	39,000

Notes:

- (1) Drilling on the Kay Deposit, intended to support the planned MRE ("Resource Drilling").
(2) Expansion drilling on the central and western exploration targets outside of the Kay Deposit ("Exploration Drilling").

This work anticipates three milestones for the Kay Mine Project:

- 1) Complete Kay Deposit resource drilling for the MRE, currently anticipated by the end of 2024.
- 2) Complete the MRE, currently anticipated during the first half of 2025.
- 3) Complete and file a preliminary economic assessment report, currently anticipated during the second half of 2025.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

The following table summarizes the expenditures by the Company on the Phase 2 and Phase 3 drill programs to September 30, 2024, and the total estimated costs to completion of the Phase 3 drill program:

	Planned Expenditures (1) (rounded) \$	Incurred as at September 30, 2024 (rounded) \$	Estimated Remaining Expenditures (rounded) \$
Kay Mine Project Work Plans			
Phase 2 expansion drill program (HQ core drilling, all-in cost)	35,638,000	35,638,000	Nil
Phase 3 drill program (HQ core drilling, all-in cost) (2)			
Resource Drilling			4,300,000
Exploration Drilling			<u>20,112,000</u>
Phase 3 Drill Program - Total	47,200,000	22,788,000	24,412,000
Total other exploration expenditures(3)	6,100,000	4,387,000	1,713,000 (4)
TOTAL	88,938,000	62,813,000	26,125,000

Notes:

- (1) Expenditures to the completion of the Phase 3 expansion drilling program based on management's best estimates as at the date of this MD&A. See below under the heading "*Liquidity and Capital Resources*" for a comparison between prior disclosure of estimated use of proceeds from the bought-deal private placement offering (the "April 2021 Offering") of 10,000,000 special warrants of the company at a price of \$2.10 per special warrant and the bought-deal offering (the "November 2021 Offering") of 11,725,000 common shares at a price of \$4.25 per common share by way of short form prospectus (the "November 2021 Short Form Prospectus") and the actual cost of completion of the Phase 2 drill program and the current management estimate of costs and expenditures to completion of the Phase 3 expansion drill programs, and a discussion of the causes and impact of any variances.
- (2) The Phase 3 drill program consists of two portions: (a) Resource Drilling on the Kay Deposit to support the MRE, and (b) Exploration Drilling on targets outside of the Kay Deposit. To date approximately 6,500 metres of Resource Drilling remain to be conducted to support the MRE, which the Company expects to be completed by the end of 2024 and is fully funded. Approximately 32,000 metres of Exploration Drilling remains to be conducted on exploration targets outside the Kay Deposit, and the completion date of this expansion drilling will depend on permitting progress, strategic corporate decisions on pace of exploration and spending, and the ability to finance. The estimated total cost of completion of the Phase 3 drill program (including both Resource Drilling and Exploration Drilling) has been increased by \$15,000,000 following management's review of anticipated exploration expenditures, incorporating the inflationary pressure on exploration drilling from the previous estimate of 2022 and reflecting actual 2024 drilling costs per meter. See below under the heading "*Liquidity and Capital Resources*" for a discussion on the variance between prior estimates and current estimate for completion of the Phase 3 drill program.
- (3) Includes resource and geological mapping, geochemical and geophysical work on additional targets, metallurgical test work, permitting, environmental costs, and concession, and work on the MRE, but does not include acquisition costs or general corporate and administrative expenses (including salaries, corporate consulting fees, insurance and professional fees). The Company anticipates that it will file a MRE, completed in accordance with NI 43-101.
- (4) The completion of the MRE is expected during the first half of 2025, with an estimated cost of \$1,000,000. The completion of a preliminary economic assessment report is anticipated during the second half of 2025, and has an estimated cost of \$1,000,000. The timing of completion of the preliminary economic assessment remains subject to management and the board's strategic corporate determinations regarding pace of exploration and allocation of cash resources, and the cost thereof is therefore not included in the table above.

In April 2024, the Company announced that it has completed a claims staking program which increased the total property size by 22%, from 1,330 to 1,625 acres.

In May 2024, the Company completed the acquisition of 100% of an Arizona State Land parcel totaling 40 acres, located 400 meters northeast of the Kay Mine Project. The purchase price was \$515,097 (US\$366,100).

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

In August 2024, the Company acquired a parcel of land totaling approximately four acres for \$430,263 (US\$325,000) increasing the property size to 1,669 acres.

On October 31, 2024, the company reported a discovery hole in a new lens of mineralization in the Kay Deposit. The drill hole, KM-24-166, returned 50.0 m grading 6.65 g/t AuEq, including 6.9 m at 12.69 g/t AuEq, outside the north edge of previously known mineralization. The new zone of mineralization, referred to as the "Kay2 Zone", is located approximately 100 m north of previously drilled mineralization in the Kay Deposit. Drill hole KM-24-166 stepped north 110 m from the nearest hole, KM-24-94B, moderately deep in the deposit. Mineralization consists of semi-massive to massive sulfide similar to the extensive drilled intercepts throughout the Kay Deposit. Additional drilling suggests that this is a new lens in the larger and expanding Kay Deposit system: drill hole KM-24-170 intercepted 13.7 m of semi-massive sulfide approximately 50 m below hole 166 (assays pending). Additional holes are currently in progress to explore the horizontal and vertical dimensions of the Kay2 Zone.

Sugarloaf Peak Project

The Company, through its wholly-owned subsidiary, owns 100% of the Sugarloaf Peak Project, which is located on 4,412 acres of BLM claims in La Paz County, Arizona.

Current Plans Related to the Sugarloaf Peak Project

The Company completed metallurgical testing on the results from its Phase 1 drill program at the Sugarloaf Peak Project, which achieved gold bottle-roll recoveries averaging 76% with oxide material recoveries as high as 95%. Additional column testing of the oxide material achieved up to 90% recoveries. For the sulphide composites, two low-cost flow sheets were considered: 1) whole ore leach; and 2) bulk floatation followed by fine grinding. Both these tests yielded gold recoveries of up to 85%. A comprehensive Phase 2 drill program and budget is being formulated with the intention of commencing work when the gold resource capital markets improve.

Sugarloaf Work Plans	Planned Expenditures⁽¹⁾ (rounded) \$	Incurred as at September 30, 2024 (rounded) \$	Estimated Remaining expenditures (rounded) \$
Care and maintenance ⁽²⁾	200,000	182,000	18,000
Metallurgical testing	443,000	443,000	Nil
TOTALS	643,000	625,000	18,000

Notes:

- (1) Based on management's best estimates as at the date of this MD&A. See below under the heading "*Liquidity and Capital Resources*" for a comparison between prior disclosure of estimated use of proceeds from the November 2021 Offering and current management estimates, and a discussion of the causes and impact of any variances.
- (2) Includes concession fees paid to the Bureau of Land Management. Estimated cost through September 2025.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

Summary of Quarterly Information

Three Months Ended	Total Revenue \$	Profit or Loss	
		Net loss \$	Basic and Diluted Loss Per Share \$ ⁽⁹⁾
December 31, 2022	-	(5,069,021) ⁽¹⁾	(0.04)
March 31, 2023	-	(3,964,121) ⁽²⁾	(0.03)
June 30, 2023	-	(5,645,571) ⁽³⁾	(0.05)
September 30, 2023	-	(5,063,948) ⁽⁴⁾	(0.04)
December 31, 2023	-	(6,252,217) ⁽⁵⁾	(0.05)
March 31, 2024	-	(6,019,823) ⁽⁶⁾	(0.05)
June 30, 2024	-	(6,643,594) ⁽⁷⁾	(0.06)
September 30, 2024	-	(6,758,031) ⁽⁸⁾	(0.06)

Notes:

- ⁽¹⁾ Net loss of \$5,069,021 includes salaries and benefits of \$576,319, exploration and evaluation expenditures of \$3,875,793, office and general of \$120,337, professional fees of \$95,282, business development of \$181,416, share-based payments of \$221,947, filing fees of \$219,809, depreciation of \$5,318, and interest income of \$227,200.
- ⁽²⁾ Net loss of \$3,964,121 includes salaries and benefits of \$240,302, exploration and evaluation expenditures of \$3,740,076, office and general of \$49,121, professional fees of \$59,128, business development of \$81,382, share-based payments of \$123,304, filing fees of \$79,417, depreciation of \$11,320, and interest income of \$419,929.
- ⁽³⁾ Net loss of \$5,645,571 includes salaries and benefits of \$1,069,896, exploration and evaluation expenditures of \$3,864,137, office and general of \$127,467, professional fees of \$103,537, business development of \$88,948, share-based payments of \$563,671, filing fees of \$198,516, depreciation of \$15,842, and interest income of \$386,443.
- ⁽⁴⁾ Net loss of \$5,063,948 includes salaries and benefits of \$265,770, exploration and evaluation expenditures of \$4,286,545, office and general of \$184,746, professional fees of \$103,175, business development of \$94,575, share-based payments of \$487,289, filing fees of \$39,915, depreciation of \$15,842, and interest income of \$413,909.
- ⁽⁵⁾ Net loss of \$6,252,217 includes salaries and benefits of \$719,288, exploration and evaluation expenditures of \$5,236,236, office and general of \$250,038, professional fees of \$65,059, business development of \$166,916, share-based payments of \$380,645, filing fees of \$13,906, depreciation of \$19,570 and interest income of \$599,441.
- ⁽⁶⁾ Net loss of \$6,019,823 includes salaries and benefits of \$301,835, exploration and evaluation expenditures of \$4,224,482, office and general of \$140,018, professional fees of \$171,742, business development of \$158,512, share-based payments of \$1,263,496, filing fees of \$77,338, depreciation of \$14,878, and interest income of \$332,478.
- ⁽⁷⁾ Net loss of \$6,643,594 includes salaries and benefits of \$326,086, exploration and evaluation expenditures of \$5,028,734, office and general of \$166,877, professional fees of \$336,152, business development of \$99,159, share-based payments of \$911,020, filing fees of \$24,411, depreciation of \$14,877, and interest income of \$263,722.
- ⁽⁸⁾ Net loss of \$6,758,031 includes salaries and benefits of \$284,006, exploration and evaluation expenditures of \$5,685,929, office and general of \$46,376, professional fees of \$162,617, business development of \$99,438, share-based payments of \$543,345, filing fees of \$96,040, depreciation of \$16,916, and interest income of \$176,636.
- ⁽⁹⁾ Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property drill programs and the timing and results of the Company's exploration activities on its current properties. There are no general trends regarding the Company's quarterly results, and the Company's business of mineral exploration is not seasonal. Quarterly results can vary significantly depending on whether the Company has granted any stock options or paid any employee bonuses, and these are factors that account for material variations in the Company's quarterly net losses. General operating costs other than the specific items noted above tend to be quite similar from period to period.

Operational Highlights

On January 25, 2024, the Company granted the following:

- 1,000,000 stock options to directors, consultants and employees of the Company with an exercise price of \$2.10 per share, expiring in 5 years. The options vest 1/2 immediately, 1/4 on January 25, 2025, and 1/4 on January 25, 2026;
- 522,000 RSUs to officers and consultants of the Company. The RSUs vest 1/3 on the one year anniversary of the grant date, 1/3 on the two year anniversary of the grant date, and 1/3 on the third year anniversary of the grant date; and
- 152,000 DSUs to directors of the Company. The DSUs vest 1/3 on the one year anniversary of the grant date, 1/3 on the two year anniversary of the grant date, and 1/3 on the third year anniversary of the grant date.

On May 16, 2024, the Company announced key changes in its leadership team. The Company appointed Duncan Middlemiss as President and CEO and Jacques Perron as Chair of the Board, succeeding Marc Pais and Paul Reid. The Company also granted 641,000 stock options with an exercise price of \$2.08 per share, expiring in 5 years. The options vest 1/3 immediately, 1/3 on May 16, 2025, and 1/3 on May 16, 2026.

In June 2024, the Company announced the decision of the board of directors to defer the shareholder vote on the proposed spin-out transactions to assess whether the spin-outs fit with the strategic vision being developed for the Company. The Company had originally announced its intention to create two new companies through the spin-out of the Sugarloaf Peak Gold Project and two newly-created royalties on its Kay Mine Project, on January 22, 2024.

During the nine months ended September 30, 2024, a total of 3,849,500 stock options with exercise prices ranging from \$0.20 to \$0.66 were exercised for aggregate gross proceeds of \$1,134,850.

During the nine months ended September 30, 2024, the Company issued 40,829 common shares from vesting of 72,500 RSUs which were settled on a net exercise basis.

Discussion of Operations

Three Months Ended September 30, 2024 Compared to Three Months Ended September 30, 2023

For the three months ended September 30, 2024, the Company's net loss was \$6,758,031 (2023 – net loss of \$5,063,948). The increase in net loss is a result of the following:

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

- Exploration and evaluation expenditures increased to \$5,685,929 for the three months ended September 30, 2024 (2023 - \$4,286,545) due to increased acquisitions and drilling at the Kay Mine Project.
- All other expenses related to general working capital purposes.

Nine Months Ended September 30, 2024 Compared to Nine Months Ended September 30, 2023

For the nine months ended September 30, 2024, the Company's net loss was \$19,421,448 (2023 – net loss of \$14,673,640). The increase in net loss is a result of the following:

- Exploration and evaluation expenditures increased to \$14,939,145 for the nine months ended September 30, 2024 (2023 - \$11,890,758) due to increased acquisitions, drilling, and external consultants at the Kay Mine Project.
- Professional fees increased to \$670,511 for the nine months ended September 30, 2024 (2023 - \$265,840) due to increased legal expenses.
- Share-based payments increased to \$2,717,861 for the nine months ended September 30, 2024 (2023 - \$1,174,264). Share-based payments will vary based on the vesting of stock options, RSUs and DSUs.
- All other expenses related to general working capital purposes.

Capital Management

The Company manages its capital with the objective of ensuring sufficient financial flexibility to achieve the ongoing business objectives, including primarily the completion of its mineral exploration programs, and also maintain flexibility insofar as funding of future growth opportunities and the pursuit of accretive acquisitions, if identified and deemed appropriate.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company includes equity, comprising issued share capital, reserves and deficit, in the definition of capital, which as at September 30, 2024, totaled \$14,456,054 (December 31, 2023 - \$30,024,791).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the Board of Directors.

As the Company does not have a credit facility, the Company is not currently subject to any capital requirements imposed by a lending institution or regulatory body. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current statement of financial position date.

There were no changes in the Company's process, policies and approach to capital management during the period ended September 30, 2024.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than TSX which requires at least \$350,000 of exploration and/or development work that is acceptable to the TSX, and adequate working capital and an appropriate capital structure to carry on its business. As of September 30, 2024, the Company believes it is compliant with the policies of the TSX.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Commitments and Contingencies

Environmental Contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations have generally been becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and is materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Liquidity and Capital Resources

At September 30, 2024, the Company had \$485,908 in cash and \$14,069,570 in investments (December 31, 2023 - \$550,399 in cash and \$29,546,734 in investments). Investments can be liquidated if the Company deems it prudent to do so.

At September 30, 2024, accounts payable and accrued liabilities were \$1,781,690 (December 31, 2023 - \$1,534,729). The Company's working capital as at September 30, 2024 is sufficient to pay these liabilities.

The Company has no operating revenues and therefore must utilize its funds from financing transactions to maintain its capacity to meet ongoing operating activities.

As of September 30, 2024 and to the date of this MD&A, the cash resources and investments of the Company are held with Canadian chartered banks. The Company has no variable interest rate debt and its credit and interest rate risk is minimal. Accounts payable and accrued liabilities are short-term and non-interest-bearing.

Cash used in operating activities was \$16,575,284 for the nine months ended September 30, 2024. Operating activities were affected by a net loss of \$19,421,448 offset partially by share-based payments of \$2,717,861, depreciation of \$46,671, accrued interest of \$74,032, and the net change in non-cash working capital balances of \$7,600 due to the changes in sales tax recoverable, prepaid expenses and deposits, and accounts payable and accrued liabilities.

Cash provided by investing activities was \$15,375,943 for the nine months ended September 30, 2024. Investing activities included redemption of investments of \$31,149,262, partially offset by purchase of investments of \$15,746,130 and purchase of property and equipment of \$27,189.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

Cash provided by financing activities was \$1,134,850 for the nine months ended September 30, 2024 from proceeds from exercise of stock options.

As of September 30, 2024, based on current projections, the Company's working capital of \$13,437,200 is sufficient to meet its planned objective of delivering an MRE in the first half of 2025 and PEA in the second half of 2025. The table below outlines the Company's previously disclosed planned use of net proceeds of financings (other than working capital) in the short form prospectus related to the April 2021 Offering (the "April 2021 Short Form Prospectus") and the November 2021 Short Form Prospectus, the actual expenditures as at September 30, 2024, the current estimate of expected remaining expenditures to the completion of the Phase 3 expansion drill program at the Kay Mine Project, and the Company's estimate of expected expenditures through December 31, 2024.

Use of Capital	Prior (2021) Estimated Expenditures \$	Current Estimated Expenditures (1) \$	Spent as at September 30, 2024 \$	Estimated Remaining Expenditures \$	Estimated Remaining Expenditures until December 31, 2024 \$
Kay Mine Project					
- Exploration Expenditures					
Phase 2 expansion drilling (all-in cost)	25,560,000 (2)	35,638,000	35,638,000	Nil	Nil
Phase 3 expansion drilling (all-in cost)					
Resource Drilling				4,300,000	4,300,000
Exploration Drilling				20,112,000 (6)	437,000
Phase 3 Drill Program - TOTAL	26,707,000 (3)	47,200,000	22,788,000	24,412,000 (7)	4,737,000
- Other Exploration Expenditures (4)	6,100,000	6,100,000	4,387,000	1,713,000	367,000
Sugarloaf Peak Project					
- Care and maintenance (3)(5)	150,000	200,000	182,000	18,000	18,000
- Metallurgical testing (3)	250,000	443,000	443,000	Nil	Nil
TOTALS	58,767,000	89,581,000	63,438,000	26,143,000	5,122,000

Notes:

- (1) Current estimated expenditures are based on the best estimate of management as at the date of this MD&A.
- (2) As originally estimated and disclosed in the April 2021 Short Form Prospectus.
- (3) As originally estimated and disclosed in the November 2021 Short Form Prospectus.
- (4) Includes resource and geological mapping, geochemical and geophysical work on additional targets, metallurgical test work, permitting, and environmental costs, but does not include acquisition costs or general corporate and administrative expenses (including salaries, corporate consulting fees, insurance and professional fees). The amount includes estimated use of proceeds for other exploration expenditures in connection with the completion of the Phase 2 expansion drill program as disclosed in the April 2021 Short Form Prospectus (\$750,000) and estimated use of proceeds for other exploration expenditures in connection with the completion of the Phase 3 expansion drill program as disclosed in the November 2021 Short Form Prospectus (\$5,350,000).

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

- (5) Care and maintenance includes primarily payment of concession fees to the Bureau of Land Management through September 2025.
- (6) Completion of the expansion Exploration Drilling portion of the Phase 3 drill program will depend on permitting progress, strategic corporate decisions on pace of exploration and spending, and the ability to finance.
- (7) The estimated total cost of completion of the Phase 3 drill program (including both Resource Drilling and Exploration Drilling) has been increased by \$15,000,000 following management's review of anticipated exploration expenditures, incorporating the inflationary pressure on exploration drilling from the previous estimate of in 2022 and reflecting actual 2024 drilling costs per meter.

Increased estimated costs are as a result of industry-wide cost inflation in both material and labour, fluctuations in exchange rates, and a variety of other factors. In particular, exploration success at depth in the Phase 3 expansion drill program resulted in drilling of more holes at depth than originally planned (deeper holes are higher cost) as well as more directional drilling from branch holes. Inflation in fuel prices also increased logistical costs associated with drilling. However, the Company does not expect that the variances will impact the ability of the Company to achieve its immediate stated business objectives and milestones, as the Company expects to have sufficient capital on hand to complete the planned Resource Drilling and deliver a MRE in the first half of 2025 and a PEA by the end of 2025.

The Company expects that the variances resulting in the increased estimate of the total cost of the Phase 3 drill program will require that the Company raise additional capital in order to complete the Exploration Drilling program as originally-planned. The Company is currently undertaking a review of its corporate strategy and allocation of existing capital resources in light of recent exploration success at the Kay2 Zone and the increased cost of drilling. Accordingly the pace and scope of the Exploration Drilling remaining under the Phase 3 drill program is currently under review.

Use of Capital	Current Total Estimated Expenditures \$⁽¹⁾	Expenditures as at September 30, 2024 \$⁽²⁾	Current Estimated Remaining Expenditures until December 31, 2024 \$⁽³⁾
General corporate expenses ⁽¹⁾	11,761,000	9,542,000	400,000

Notes:

- (1) Estimate of total general, corporate and administrative expenses to be incurred from January 2021 to December 31, 2025.
- (2) The amount spent on general, corporate and administrative expenses for the period beginning on January 1, 2021 up to September 30, 2024.
- (3) Estimate of general, corporate and administrative expenses from the date of this MD&A to December 31, 2024.

Trends and Economic Conditions

Management regularly monitors economic financial market conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Until recently, equity markets in the junior resource exploration sector have been difficult. To date, the Company has been able to raise sufficient capital to fund exploration programs on both properties. The global economy is currently characterized by increased volatility and uncertainty.

Apart from these factors and the risk factors noted under the headings "Risk Factors" and "Commitments and Contingencies", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Remuneration of directors and key management personnel of the Company was as follows:

	Three Months Ended September 30, 2024 \$	Three Months Ended September 30, 2023 \$	Nine Months Ended September 30, 2024 \$	Nine Months Ended September 30, 2023 \$
Salaries and benefits	190,947	265,769	734,786	1,575,967
Share-based payments	485,253	282,855	2,405,752	744,239
Professional fees ⁽¹⁾	16,240	11,323	47,895	39,722
Legal fees ⁽²⁾	28,625	48,542	364,408	142,803
	721,065	608,489	3,552,841	2,502,731

Notes:

- (1) Included in professional fees is \$16,240 and \$47,895, respectively (2023 - \$11,323 and \$39,722, respectively) paid to Marrelli Support Services Inc. ("MSSI") for an employee of MSSI to act as the Chief Financial Officer ("CFO") of the Company and provide bookkeeping services.
- (2) Conor Dooley, a director of the Company, is a partner in a law firm that provides services on a recurrent basis to the Company. During the three and nine months ended September 30, 2024, the Company incurred legal fees of \$28,625 and \$364,408, respectively (2023 - \$48,542 and \$142,803, respectively) included in professional fees to this law firm.

As at September 30, 2024, \$20,000 (December 31, 2023 - \$350,000) was owed to officers and directors of the Company and this amount was included in accounts payable and accrued liabilities.

Cumulative Exploration and Evaluation Expenditures

The Company has incurred cumulative exploration and evaluation expenditures to September 30, 2024 as follows:

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

	Kay \$	Sugarloaf Peak \$	Total \$
Acquisition	8,294,077	2,575,075	10,869,152
Concession fees	113,610	407,942	521,552
Legal fees	700,022	8,668	708,690
Consulting	3,879,492	598,655	4,478,147
Camp costs	661,388	1,696	663,084
Drilling	59,570,212	557,263	60,127,475
Assays	2,712,642	92,213	2,804,855
Storage	78,185	5,928	84,113
Total	76,009,628	4,247,440	80,257,068

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended December 31, 2023 available on SEDAR+ at www.sedarplus.ca.

Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), together with management, evaluated the design and operating effectiveness of the Company's disclosure controls and procedures as at September 30, 2024. Based on that evaluation, the CEO and the CFO concluded that the design and operation of these disclosure controls and procedures were effective as at September 30, 2024 to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would be made known to them by others within those entities and that information required to be disclosed by the Company in its annual and interim filings and other reports submitted under securities legislation was recorded, processed, summarized and reported within the periods specified in securities legislation.

Internal Controls over Financial Reporting

The CEO and the CFO, with the assistance of management, conducted an evaluation of the effectiveness of the Company's internal controls over financial reporting as at September 30, 2024. Based on the evaluation, the CEO and the CFO have concluded that as at September 30, 2024, the Company's internal control over financial reporting is effective, based on the criteria set forth in the *Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control.

The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, within the Company have been detected. Therefore, no matter how well-designed, ICFR has limitations and

can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

The Company assesses internal controls over financial reporting on an ongoing basis and, where determined appropriate, proactively implements enhancements to the design of controls required to support anticipated changes to and growth of the business. Due to operational, financial and administrative changes which may occur as the Company evolves beyond an early-stage exploration company, changes will be required to the Company's internal controls over financial reporting in order to maintain reasonable assurance regarding the reliability of the Company's financial reporting and preparation of financial statements.

As at the end of the period covered by this MD&A and accompanying Financial Statements, the Company's management evaluated the effectiveness of its disclosure controls. Based on that evaluation, the CEO and the CFO have concluded that the Company's disclosure controls and procedures and internal controls over financial reporting, provide reasonable assurance that they were effective for the covered period. There have been no changes in our internal control over financial reporting during the period ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Critical Accounting Estimates

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Significant accounting estimates and assumptions as well as significant judgements in applying the Company's accounting policies are detailed in the notes to the audited consolidated financial statements for the years ended December 31, 2023 and 2022, filed on SEDAR+ at www.sedarplus.ca.

Forward-Looking Statements

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, which include, but are not limited to, statements or information concerning: future financial or operating performance of AMC and its business, operations, properties and the future price of copper, gold and other metal prices; the potential quantity and/or grade of minerals; the potential size of a mineralized zone or potential expansion of mineralization; proposed exploration and development of the Company's exploration property interests including potential size of budget and type of exploration being conducted, including without limitation any discussion relating to exploration at the Kay2 Zone, the Kay Deposit and the central and western targets at the Kay Mine Project; the timing and amount of estimated future production, the interpretation and actual results of historical production and drill results at certain of our exploration properties, and the reliance on technical information provided by third parties; the timing and amount of estimated capital, operating and exploration expenditures, the filing of a maiden mineral resource estimate and a preliminary economic assessment in respect of the Kay Deposit, costs and timing of the development of new deposits and of future exploration, acquisition and development activities, estimated exploration budgets and timing of expenditures and community relations activities, requirements for additional capital; government regulation of exploration and mining operations; permitting requirements and timing, environmental risks and reclamation expenses, other claims or existing, pending or threatened litigation or other

proceedings; title disputes; the ability to continue exploration in accordance with the requirements of applicable mining laws in Arizona; limitations of insurance coverage, future issuances of common shares to satisfy obligations under any option and other equity compensation agreements or the acquisition of exploration properties or other land acquisitions, and the timing and possible outcome of regulatory and permitting matters; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

Forward-looking statements and information involves known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of AMC to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements and information. Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward-looking statements and forward-looking information. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "will", "projects", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including among other things, assumptions about future prices of copper, gold and other metal prices, changes in the worldwide price of other commodities such as coal, fuel and electricity fluctuations in resource prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licenses and permits and obtaining required licenses and permits, labour stability, stability in market conditions, stability of relationship with joint venture partners; stability of relationship with local stakeholders;; availability of equipment, accuracy of any mineral resources, anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of AMC and there is no assurance they will prove to be correct.

Furthermore, such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or forward-looking information. Such factors include, among others; general business, economic, competitive, political, regulatory and social uncertainties; disruptions or changes in the credit or securities markets and market fluctuations in prices for the Company's securities; judgement of management when exercising discretion in their use of proceeds from a financing; potential dilution of common share voting power or earnings per common share as a result of the exercise of stock options, RSUs or DSUs, future financings or future acquisitions financed by the issuance of equity; campaigns by investors to effect changes in management; discrepancies between actual and estimated mineral resources; discrepancies between actual and assumed or estimated mineral grades or recovery rates; the Company is an exploration stage company with no history of pre-tax profit and no income from its operations and there can be no assurance that the Company's operations will be profitable in the future; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; possible variations of mineral grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, cave-ins, pitwall failures, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and losses; political instability, hostilities, insurrection or acts of war or terrorism; the

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2024
Discussion dated: November 14, 2024

speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; the Company's ability to renew existing permits or obtain required permits; changes in government legislation and regulation; fluctuations in commodity prices; requirements for future funding to satisfy contractual obligations and additional capital needs generally; changes or disruptions in market conditions; market price volatility; increased infrastructure and/or operating costs; reclamation costs; the Company has limited operating history and no history of earnings; reliance on a finite number of properties; limits of insurance coverage and uninsurable risk; contests over title to properties; environmental risks and hazards; limitations on the use of community water sources; the need to obtain and maintain licenses and permits and comply with laws and regulations or other regulatory requirements; competitive conditions in mineral exploration and mining business; the ability of the Company to retain its key management employees and shortages of skilled personnel and contractors; potential acquisitions and their integration with the Company's current business; influence of third party stakeholders; risks of litigation; the Company's system of internal controls; conflicts of interest; credit and/or liquidity risks; and the risks involved in the exploration, development and mining business generally. Although we have attempted to identify important factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those described in forward looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended.

Forward-looking statements and forward-looking information contained herein are made as of the date of this MD&A and we disclaim any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary statements.