



ALASKA ENERGY METALS CORPORATION

Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

Independent Auditor's Report

To the Shareholders of Alaska Energy Metals Corporation

Opinion

We have audited the consolidated financial statements of Alaska Energy Metals Corporation (the "Group"), which comprise the consolidated statements of financial position as at December 31, 2024 and December 31, 2023 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the year ended December 31, 2024. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be a key audit matter to be communicated in our report. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of Exploration and Evaluation Assets

As disclosed in Note 6 to the consolidated financial statements, the carrying value of Exploration and Evaluation Assets represents a significant asset of the Group. Refer to Note 3 and Note 4 to the consolidated financial statements for a description of the accounting policy and significant judgments applied to Exploration and Evaluation Assets.

At each reporting period end, management applies judgment in assessing whether there are any indicators of impairment relating to the exploration and evaluation assets. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

During the year ended December 31, 2024, the Group recognized an impairment of \$265,625.

Why the matter was determined to be a key audit matter

We considered this a key audit matter due to (i) the significance of the exploration and evaluation assets balance and (ii) the judgments made by management in its assessment of indicators of impairment related to the exploration and evaluation assets, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

How the matter was addressed in our audit

We have evaluated management's assessment of impairment indicators per IFRS 6 Exploration for and Evaluation of Mineral Resources, including but not limited to:

- Obtaining, by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates;
- Assessing compliance with option agreements by reviewing agreements, vouching cash payments, and testing share issuances;
- Enquiring with management and reviewing its future plans and other documentation as evidence that further exploration and evaluation activities in the area of interest will be continued in the future;
- Assessing whether any data exists to suggest that the carrying value of the Exploration and Evaluation Assets is unlikely to be recovered through development or sale; and
- Assessing the adequacy of the related disclosures in Note 3, Note 4 and Note 6 to the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent

with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Diana Huang.

Crowe Mackay LLP

Chartered Professional Accountants
Vancouver, Canada
April 24, 2025

ALASKA ENERGY METALS CORPORATION
(An Exploration Stage Company)
Consolidated Statements of Financial Position
As at December 31,
(Expressed in Canadian dollars)

	2024	2023
ASSETS		
Current assets		
Cash	\$ 1,284,445	\$ 3,939,327
Marketable securities – Note 5	-	439,844
Amounts receivable	159,503	84,924
Prepaid expenses and deposit	212,668	697,761
Total current assets	1,656,616	5,161,856
Non-current assets		
Right of use asset	-	49,653
Exploration and evaluation assets – Note 6	25,854,009	17,367,617
Total non-current assets	25,854,009	17,417,270
TOTAL ASSETS	\$ 27,510,625	\$ 22,579,126
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,006,309	\$ 666,332
Lease liability current portion	-	26,070
Due to related parties – Note 10	124,438	27,667
Flow through liability – Note 8	10,693	250,000
Total current liabilities	1,141,440	970,069
Non-current liabilities		
Lease liability long term portion	-	27,891
Deferred income tax liability – Note 16	219,000	-
Total non-current liabilities	219,000	27,891
Total liabilities	1,360,440	997,960
Shareholders' equity		
Share capital – Note 8	80,042,695	70,210,161
Reserves		
Share-based payments – Note 8	8,958,245	6,927,607
Warrants – Note 8	3,120,411	2,642,355
Accumulated other comprehensive income	1,249,662	180,657
Deficit	(67,220,828)	(58,379,614)
Total shareholders' equity	26,150,185	21,581,166
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 27,510,625	\$ 22,579,126

Going concern – Note 2
Subsequent events – Note 17

These financial statements were approved and authorized for issue by the Board of Directors on April 24, 2025.

“Gregory Beischer”
Director

“Mario Vetro”
Director

The accompanying notes are an integral part of these consolidated financial statements.

ALASKA ENERGY METALS CORPORATION
(An Exploration Stage Company)
Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended December 31,
(Expressed in Canadian dollars)

	2024	2023
Revenue		
Overhead recovery fees	\$ -	\$ 5,553
Exploration services revenue	-	1,336
	-	6,889
General and administrative expense		
Accounting, audit and legal	722,832	567,316
Amortization of right of use asset	22,505	26,388
Consulting, directors and salaries – Note 10	1,551,349	765,970
Foreign exchange loss (gain)	21,460	(1,689)
General exploration (recovery)	139,815	51,940
Interest expense of lease liability	5,690	8,950
Office and miscellaneous expense – Note 7	593,364	629,769
Promotion and investor relations	3,379,764	1,585,921
Stock-based compensation – Notes 8 and 10	2,030,638	1,586,120
	8,467,417	5,220,685
Loss before other items	(8,467,417)	(5,213,796)
Other items		
Loss on sale of subsidiary – Note 12	(87,892)	(1,844,521)
Flow-through recovery – Note 3	239,307	-
Loss on marketable securities– Note 5	(87,692)	(884,846)
Impairment of exploration and evaluation assets – Note 6	(265,625)	(2,011,023)
Other income	47,105	165,737
Net loss before tax	(8,622,214)	(9,788,449)
Deferred income tax expense – Note 16	(219,000)	-
Net loss	(8,841,214)	(9,788,449)
Other comprehensive income (loss)		
Item that may be reclassified to profit or loss:		
Translation adjustment	1,069,005	(183,575)
Reclassified to profit or loss upon sale of subsidiary	-	395,914
Comprehensive loss for the year	\$ (7,772,209)	\$ (9,576,110)
Basic and diluted loss per share	\$ (0.08)	\$ (0.27)
Weighted average number of shares outstanding – basic and diluted	111,662,858	35,758,551

The accompanying notes are an integral part of these consolidated financial statements.

ALASKA ENERGY METALS CORPORATION
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
For the Years Ended December 31,
(Expressed in Canadian dollars)

	2024	2023
Cash provided by (used in)		
Operating activities		
Net loss	\$ (8,841,214)	\$ (9,788,449)
Items not involving cash		
Amortization of right of use asset	22,505	26,388
Interest expense of lease liability	5,690	8,950
Stock-based compensation	2,030,638	1,586,120
Loss on sale of Recursos Millrock with transfer of cumulative translation adjustment	-	1,844,521
Impairment of exploration and evaluation assets	265,625	2,011,023
Deferred income tax expense	219,000	-
Loss on marketable securities	87,692	884,846
Flow-through recovery	(239,307)	-
Foreign exchange – non-cash	-	(1,438)
	(6,449,371)	(3,428,039)
Net change in non-cash working capital items:		
Amounts receivable	(74,579)	(32,944)
Prepaid expenses and deposit	485,093	(685,613)
Project cost advance received	-	(135,243)
Accounts payable and accrued liabilities	46,758	636,231
Due to related parties	96,771	(101,551)
Cash used in operating activities	(5,895,328)	(3,747,159)
Cash flows from investing activities		
Proceeds from sale of marketable securities	352,152	566,344
Cash disposed of on sale of Recursos Millrock	-	(14,869)
Cash received from purchase of 141 BC	-	2,937,372
Expenditures on exploration and evaluation assets, net of recoveries	(7,215,793)	(7,960,063)
Cash used in investing activities	(6,863,641)	(4,471,216)
Cash flows from financing activities		
Private placement proceeds	821,250	13,109,180
Special warrant financing	8,858,314	-
Special warrant issuance costs	(668,518)	-
Share issuance costs	(57,488)	(933,956)
Loan proceeds received	-	270,000
Loan proceeds repaid	-	(770,000)
Proceeds from warrants exercise	1,183,032	116,791
Repayment of lease liability	(32,503)	(30,055)
Cash provided by financing activities	10,104,087	11,761,960
Change in cash	(2,654,882)	3,543,585
Cash, beginning of the year	3,939,327	395,742
Cash, end of the year	\$ 1,284,445	\$ 3,939,327

Supplemental cash flow information – Note 15

The accompanying notes are an integral part of these consolidated financial statements.

ALASKA ENERGY METALS CORPORATION

(An Exploration Stage Company)

Consolidated Statements of Changes in Equity

For the years ended December 31,

(Expressed in Canadian dollars)

	Common Shares (Note 8)		Reserves					Total Shareholders' Equity	
	Shares	Amount	Special Warrants	Share-based Payment	Warrants	Accumulated Other Comprehensive Income (Loss)	Deficit		
Balance, December 31, 2022	15,617,134	\$ 47,274,153	\$ -	\$ 5,341,487	\$ 1,233,206	\$ (31,682)	\$ (48,591,165)	\$ 5,225,999	
Shares issued for private placement	35,068,500	13,109,180	-	-	-	-	-	13,109,180	
Flow through premium	-	(250,000)	-	-	-	-	-	(250,000)	
Share issue costs and finders fees - cash	-	(933,956)	-	-	-	-	-	(933,956)	
Finders fees - agent warrants	-	(456,400)	-	-	456,400	-	-	-	
Finders fees - agent shares	586,597	-	-	-	-	-	-	-	
Shares issued - agent warrants exercised	417,110	116,791	-	-	-	-	-	116,791	
Reallocate fair value of agent warrants exercised	-	73,751	-	-	(73,751)	-	-	-	
Shares issued to purchase exploration data	2,000,000	860,000	-	-	-	-	-	860,000	
Shares issued for mineral property	1,000,000	420,000	-	-	-	-	-	420,000	
Stock-based compensation	-	-	-	1,586,120	-	-	-	1,586,120	
Shares issued for 1413336 BC Ltd. acquisition	31,827,720	9,996,642	-	-	-	-	-	9,996,642	
Warrants issued for 1413336 BC Ltd. acquisition	-	-	-	-	1,026,500	-	-	1,026,500	
Cumulative translation adjustment	-	-	-	-	-	212,339	-	212,339	
Loss for the year	-	-	-	-	-	-	(9,788,449)	(9,788,449)	
Balance, December 31, 2023	86,517,061	70,210,161	-	6,927,607	2,642,355	180,657	(58,379,614)	21,581,166	
Shares issued for private placements	5,475,000	809,875	-	-	11,375	-	-	821,250	
Share issue costs and finders fees - cash	-	(57,488)	-	-	-	-	-	(57,488)	
Finders fees - agent warrants	-	(50,200)	-	-	50,200	-	-	-	
Shares issued - agent warrants exercised	10,283	2,879	-	-	-	-	-	2,879	
Reallocate fair value of agent warrants exercised	-	1,819	-	-	(1,819)	-	-	-	
Special warrant financing	-	-	8,858,314	-	-	-	-	8,858,314	
Special warrant issuance costs	-	-	(1,011,818)	-	343,300	-	-	(668,518)	
Shares issued - special warrants converted	54,918,759	7,771,496	(7,846,496)	-	75,000	-	-	-	
Shares issued for mineral property	1,150,000	174,000	-	-	-	-	-	174,000	
Shares issued for warrant exercise	5,900,764	1,180,153	-	-	-	-	-	1,180,153	
Stock-based compensation	-	-	-	2,030,638	-	-	-	2,030,638	
Cumulative translation adjustment	-	-	-	-	-	1,069,005	-	1,069,005	
Loss for the year	-	-	-	-	-	-	(8,841,214)	(8,841,214)	
Balance, December 31, 2024	153,971,867	\$ 80,042,695	\$ -	\$ 8,958,245	\$ 3,120,411	\$ 1,249,662	\$ (67,220,828)	\$ 26,150,185	

The accompanying notes are an integral part of these consolidated financial statements.

ALASKA ENERGY METALS CORPORATION
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2024 and 2023
(Expressed in Canadian dollars)

1. Nature of Operations

Alaska Energy Metals Corporation (“Alaska Energy” or the “Company”) is a public company listed on the TSX Venture Exchange (“TSXV”) trading under the symbol “AEMC”. The registered office of the Company is located at Suite 300 - 1055 West Hastings St. Vancouver, BC V6E 2E9.

The Company’s business focuses on exploration and development of mineral resources. All of the Company’s projects are considered to be in the exploration stage and the Company has not yet determined whether these properties contain mineral resources that are economically recoverable (“ore reserves”).

2. Basis of Preparation and Going Concern

The Company prepares its consolidated financial statements in accordance and compliance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These consolidated financial statements, including comparatives, have been prepared on the basis of IFRS that are effective as of December 31, 2024.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, which contemplates that the Company will continue in operation for the next twelve months and that it will be able to realize its assets and meet its liabilities in the normal course of operations. Realization value may be substantially different from carrying value as shown and these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values, classification of assets and liabilities should the Company be unable to continue as a going concern. As of December 31, 2024, the Company had not yet achieved profitable operations and had an accumulated deficit of \$67,220,828 (2023 – \$58,379,614). Management has carried out an assessment of the going concern assumption and has concluded that the Company does not have sufficient cash and other financial assets to continue operating at current levels for the ensuing twelve months. The Company’s forecast indicates the existence of material uncertainty that raises significant doubt about the Company’s ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company’s ability to continue as a going concern is dependent upon its ability to raise additional equity, continue some of its existing partnerships, partner additional exploratory prospects, and receipt of option payments.

2.1 Changes in Accounting Policies and Disclosures

The Company has adopted these accounting standards effective January 1, 2024. The adoption of the standards and amendments had no material impact on the consolidated financial statements:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-Current

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

2.2 Upcoming Changes in Accounting Standards

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies’ financial performance for better investment decisions. This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be assessing the impact of adoption.

ALASKA ENERGY METALS CORPORATION
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2024 and 2023
(Expressed in Canadian dollars)

3. Material Accounting Policies

The material accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements and have been applied consistently by the Company and its subsidiaries.

Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as December 31, 2024. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

The consolidated financial statements of the Company include the following significant subsidiaries:

Name of Subsidiary	Place of Domicile	Percentage Ownership December 31, 2024	Percentage Ownership December 31, 2023
Alaska Energy Metals Development Corp.	USA	100%	100%
Alaska Energy Metals Holdings LLC	USA	100%	100%
Millrock Mexico Holdings Corp.	Canada	100%	100%
1413336 BC Ltd.	Canada	100%	100%
MROCK	Mexico	100%	100%

The Company consolidates all of its subsidiaries on the basis that it controls these subsidiaries through its ability to govern their financial and operating policies. The Company has consolidated 1413336 BC Ltd. ("141 BC") starting from the date of acquisition on November 7, 2023. The Company sold Recursos Millrock on December 29, 2023. All intercompany transactions and balances are eliminated on consolidation.

Foreign Currency Translation

i) Functional and Presentation Currency

Items included in the accounts of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The consolidated financial statements are presented in Canadian dollars (the "presentation currency"). The Canadian dollar is the functional currency of the Alaska Energy Metals Corporation, 141 BC and Millrock Mexico Holdings Corp. The US dollar is the functional currency of the Company's United States subsidiaries. The Mexican peso is the functional currency of the Company's Mexican subsidiaries.

ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions as well as from the translation of monetary assets and liabilities not denominated in the functional currency are recognized in profit or loss except for monetary items that are designated as part of the Company's net investment of a foreign operation.

ALASKA ENERGY METALS CORPORATION
(An Exploration Stage Company)
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For the Years Ended December 31, 2024 and 2023
(Expressed in Canadian dollars)

3. Material Accounting Policies (cont'd)

ii) Transactions and Balances (cont'd)

Assets and liabilities of entities with functional currencies other than Canadian dollars are translated to Canadian dollars at the period end rates of exchange, and the results of their operations are translated at average rates of exchange for the period. The resulting translation adjustments are included in the other comprehensive loss reserve in shareholders' equity. Additionally, foreign exchange gains and losses, related to certain intercompany loans that are permanent in nature, are included in accumulated other comprehensive loss reserve.

The foreign exchange gains and losses from translating foreign operations are recognized in other comprehensive income or loss until the foreign subsidiary is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Exploration and Evaluation Assets

The Company is in the exploration stage with respect to its investment in exploration and evaluation assets and follows the practice of capitalizing all costs relating to the acquisition of, exploration for, and development of mineral properties to which the Company has rights. Exploration expenditures typically include costs associated with acquisition of rights to explore, prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

Evaluation expenditures reflect costs incurred at exploration projects related to establishing the technical and commercial viability of mineral deposits identified through exploration or acquired through a business combination or asset acquisition. Costs incurred prior to the acquisition of a mineral property are charged to profit or loss as incurred under the heading of General Exploration. Evaluation expenditures include the cost of:

- i) Establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities to classify deposits as either a mineral resource or a proven and probable reserve;
- ii) Determining the optimal methods of extraction and metallurgical and treatment processes;
- iii) Studies related to surveying, transportation and infrastructure requirements;
- iv) Permitting activities; and
- v) Economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

From time to time, the Company may acquire or dispose of mineral interests pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as acquisition cost additions or recoveries when the payments are made or received. The Company maintains ownership and control of the property until the earn-in partner fulfills contractual obligations and the costs incurred over that period are capitalized. When the obligations are positively fulfilled the earn-in partner is afforded a predetermined interest in the project, which may result in a change of control, but not joint control.

From time to time the Company may issue shares for option-in agreements in respect of acquisition of mineral interests. These equity-settled share-based payment transactions are measured by reference to the fair value of the equity instruments granted with the corresponding increase in equity.

ALASKA ENERGY METALS CORPORATION
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2024 and 2023
(Expressed in Canadian dollars)

3. Material Accounting Policies (cont'd)

Exploration and Evaluation Assets (cont'd)

Exploration and evaluation assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment test is performed when (a) the right to explore in a specific area has expired or will expire in the near future without expectation to renew, (b) exploration or evaluation expenditures of any significance are not planned or budgeted, (c) no mineral resources in a specific area have been discovered which have the potential for commercial viability and the Company has decided to halt further activities in the area, or (d) sufficient indications exist that the minerals in a specific area can be developed, however the asset is unlikely to recover in full the carrying cost.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

Financial Instruments

Financial instruments are initially recognized at their fair value, and subsequently measured at fair value if classified at fair value through profit or loss or measured using the effective interest method if classified as subsequently measured at amortized cost.

The Company's financial assets at fair value through profit or loss include cash and marketable securities.

The Company's financial assets as subsequently measured at amortized costs include amounts receivable.

The Company has classified its accounts payable and accrued liabilities, due to related parties and lease liability as subsequently measured at amortized cost.

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity. Equity financing transactions may involve the issuance of units. The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in private placements is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing trade price on the announcement date. The residual balance, if any, is allocated to attached warrants. Any fair value attributed to the warrants is recorded in share-based payment reserve.

Current and Deferred Income Tax

Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized either in other comprehensive loss or directly in equity, in which case it is recognized in other comprehensive loss or in equity, respectively. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

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3. Material Accounting Policies (cont'd)

Current and Deferred Income Tax (cont'd)

Deferred tax is recorded for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which: (i) is not a business combination; (ii) at the time of the transaction, affects neither accounting profit nor taxable profit, and does not give rise to equal taxable and deductible temporary differences. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the year-end date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Share-Based Payment Transactions

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received are not determinable, then the fair value of the share-based payment is used.

The Company uses a fair value-based method (Black-Scholes Option Pricing model) for all share options granted to directors, employees and certain non-employees. This model employs assumptions for risk free interest rates, dividend yields, expected lives, and volatility based on historical data. For directors and employees, the fair value of the share options is measured at the date of the grant.

Restricted share units are measured based on the closing share price of the underlying shares on the date of grant and recognized over the vesting period.

The fair value of share-based payments is charged either to profit or loss or the related asset as applicable, such as exploration and evaluation assets, with the offsetting credit to share-based payments reserve. For directors and employees, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in share-based payments reserve are transferred to share capital.

In the event share options are forfeited prior to vesting, the associated fair value recorded to date is reversed. The fair value of any vested share options that expire remain in share-based payments reserve.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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3. Material Accounting Policies (cont'd)

Loss per Share

The Company applies the "Treasury Stock Method" to calculate loss per common share. Under this method, the basic loss per share is calculated based on the weighted average aggregate number of common shares outstanding during each year. The diluted loss per share assumes that the outstanding stock options and share purchase warrants had been exercised at the beginning of the period and proceeds from dilutive instruments are assumed to be used to purchase common shares at the average market price during the period. The assumed conversion of outstanding common share warrants and options had an anti-dilutive impact for the periods presented.

Flow-Through shares

The Company may, from time to time, issue flow-through common shares to finance its exploration programs. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. Upon issuance, the Company bifurcates the flow-through share into: (i) share capital; and (ii) a flow-through share premium equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability.

Upon expenses being renounced, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the investors. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. As at December 31, 2024, the Company has a remaining flow-through commitment of \$43,264 (2023 - \$1,000,000). During the year ended December 31, 2024, the Company recorded a flow-through tax recovery of \$239,307 (2023 - \$Nil).

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Rehabilitation Obligations

The Company recognizes the fair value of a legal or constructive liability for a rehabilitation obligation in the year in which it is incurred and when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in profit or loss. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset. The Company does not have significant rehabilitation obligations.

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4. Significant Accounting Judgements, Estimates and Assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each period end. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The most significant areas requiring the use of management's judgments, assumptions and estimates relate to the following:

1. Recoverability of the carrying value of exploration and evaluation assets: Management applies significant judgement to determine at each reporting period whether there are any indicators of impairment applying to each specific property. Where an indicator exists, a formal assessment of the impairment is made. If no indicators of impairment are identified, no impairment test is performed.
2. Going concern assumption: The Company's ability to continue as a going concern is dependent on its ability in the future to achieve profitable operations and in the meantime, obtain the necessary financing to meet its obligations and repay its liabilities when they come due. Realization values may be substantially different from carrying values and these consolidated 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.
3. Acquisition of 141 BC: The Company applied judgement with respect to whether the acquisition of 141 BC was an asset acquisition or business combination. 141 BC did not meet the definition of a business. Pursuant to this assessment, the acquisition of 141 BC was considered to be an asset acquisition.

The estimated acquisition date fair value of the purchase price involves significant estimates, including the fair value adjustments associated with the use of an option pricing model. See Note 11.

5. Marketable Securities

Marketable securities consist of investments in quoted equity shares of public companies. The fair value of the equity shares has been determined directly by reference to published price quotations in an active market.

	December 31, 2024			December 31, 2023		
	# of shares	Per share	Fair value	# of shares	Per share	Fair value
Felix Gold Limited -ASX: FXG	-	\$ -	\$ -	9,957,157	\$ 0.044	\$ 439,844

During the year ended December 31, 2024, the Company sold its shares in Felix Gold Limited for \$352,152 and incurred a loss on marketable securities of \$87,692.

During the year ended December 31, 2023, the Company:

- i) received 10,000,000 shares of Resolution Minerals Limited ('RML') (valued at \$141,005) for interests in exploration properties (Note 6)
- ii) sold 33,100,000 shares of RML for proceeds of \$88,736 resulting in a realized loss on marketable securities of \$222,228.
- iii) sold 9,623,417 shares of ArcWest Exploration Inc. for proceeds of \$477,608 resulting in a realized loss on marketable securities of \$3,562.
- iv) incurred an unrealized loss of \$659,056 on marketable securities.

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6. Exploration and Evaluation Assets

This section describes each of the Company's projects. Please refer to Note 3 for a description of the property impairment assessment factors.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements.

	Nikolai- Eureka Alaska	Nikolai- Canwell Alaska	Liberty Bell Alaska	Angliers- Belleterre Canada	Bambino Canada	Total Properties
Balance at December 31, 2023	\$ 7,299,135	\$ 1,686,238	\$ 110,917	\$ 8,271,327	\$ -	\$ 17,367,617
Acquisition cost additions:						
Cash	-	209,427	-	-	5,000	214,427
Shares	-	150,000	-	-	24,000	174,000
	-	359,427	-	-	29,000	388,427
Exploration cost additions:						
Drilling	900,896	1,046,297	-	-	-	1,947,193
Geochemistry	425,758	62,281	-	691,236	149,304	1,328,579
Geology	666,649	382,410	11,376	67,320	119,096	1,246,851
Geophysics	59,413	-	-	-	-	59,413
Other and miscellaneous costs	260,004	575	-	-	-	260,579
Staking and claim renewal	35,646	54,220	125,521	-	-	215,387
Support and equipment	787,501	1,350,668	14,026	39,050	31,655	2,222,900
	3,135,867	2,896,451	150,923	797,606	300,055	7,280,902
Less: Impairment / write-off	-	-	(265,625)	-	-	(265,625)
Foreign currency translation	773,605	305,298	3,785	-	-	1,082,688
Balance at December 31, 2024	\$ 11,208,607	\$ 5,247,414	\$ -	\$ 9,068,933	\$ 329,055	\$ 25,854,009

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6. Exploration and Evaluation Assets (cont'd)

	Nikolai Alaska	Liberty Bell Alaska	64 North Alaska	Chisna Alaska	Apex Alaska	Angliers- Belleterre Canada	Batamote Mexico	Others Mexico	Total Properties
Balance at December 31, 2022	\$ 712,770	\$ -	\$ 1,271,768	\$ 674,832	\$ 250,643	\$ -	\$ 810,069	\$ 135,338	\$ 3,855,420
Acquisition cost additions:									
Acquisition of 141 BC (Note 11)	-	-	-	-	-	8,271,327	-	-	8,271,327
Option payment - cash	135,196	-	-	-	-	-	-	-	135,196
Option payment – shares issued	420,000	-	-	-	-	-	-	-	420,000
	555,196	-	-	-	-	8,271,327	-	-	8,826,523
Exploration cost additions:									
Staking and claim renewal	68,970	96,648	59,569	20,660	12,411	-	122,439	22,090	402,787
Data	1,675,058	-	-	-	-	-	-	-	1,675,058
Drilling	2,133,796	-	-	-	-	-	-	-	2,133,796
Geochemistry	404,201	-	-	-	-	-	-	-	404,201
Geology	1,030,312	-	4,731	321	184	-	79,714	36,565	1,151,827
Geophysics	281,563	-	-	-	-	-	-	-	281,563
Other and miscellaneous costs	42,008	10,610	12,807	-	1,414	-	-	-	66,839
Support and equipment	2,305,455	5,725	9,547	1,202	1,503	-	36,218	3,855	2,363,505
	7,491,363	112,983	86,654	22,183	15,512	-	238,371	62,510	8,479,576
Less:									
Recoveries	52,987	-	20,480	-	-	-	-	-	73,467
Property payments received	-	-	-	-	-	-	60,367	-	60,367
Sale of subsidiary	-	-	-	-	-	-	1,094,102	219,655	1,313,757
Impairment / write-off	-	-	1,051,269	694,524	265,230	-	-	-	2,011,023
Option and advance royalty payments received	-	-	283,365	-	-	-	-	-	283,365
	52,987	-	1,355,114	694,524	265,230	-	1,154,469	219,655	3,741,979
Foreign currency translation	(170,969)	(2,066)	(3,308)	(2,491)	(925)	-	106,029	21,807	(51,923)
Balance at December 31, 2023	\$ 8,985,373	\$ 110,917	\$ -	\$ -	\$ -	\$ 8,271,327	\$ -	\$ -	\$ 17,367,617

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6. Exploration and Evaluation Assets (cont'd)

Alaska Properties

(a) Nikolai Project, Alaska

Eureka Property

The Company owns a 100% interest in claims located in the Fairbanks Recording District. The claims cover the Eureka prospect. There is a 1% NSR on 4 of the claims in the block.

Canwell Property

During the year ended December 31, 2022, the Company entered into an option agreement, subsequently amended, to earn a 100% ownership in the Canwell property, located in the Fairbanks Recording district, Alaska. To earn the interest, the Company must pay:

- Pay US\$25,000 upon signing (paid);
- Issue 100,000 shares upon signing (issued with a fair value of \$65,000);
- Pay US\$25,000 by June 1, 2022 (paid);
- Pay US\$75,000 by September 1, 2022 (paid);
- Issue 100,000 shares by September 1, 2022 (issued with a fair value of \$40,000);
- Incur US\$50,000 in exploration expenditures by September 1, 2022 (incurred);
- Pay US\$100,000 by September 1, 2023 (paid);
- Issue 1,000,000 shares by September 1, 2023 (issued with a fair value of \$420,000);
- Incur US\$250,000 in exploration expenditures by September 1, 2023 (incurred);
- Pay US\$125,000 by September 1, 2024 (paid);
- Issue 1,000,000 shares by September 1, 2024 (issued with a fair value of \$150,000);
- Incur US\$1,000,000 in exploration expenditures by September 1, 2024 (incurred);
- Pay US\$150,000 by September 1, 2025;
- Issue 1,000,000 shares by September 1, 2025;
- Incur US\$1,500,000 in exploration expenditures by September 1, 2025;
- Incur US\$2,200,000 in exploration expenditures by September 1, 2026.

The cash payment due at each September 1 has a required inflation adjustment. There is a 3% net smelter return (NSR) royalty, payable to the optionor, and the Company has the option to reduce the NSR royalty to 2% by paying US\$2,000,000. The NSR royalty may be further reduced to 1% and 0% through additional cash payments of US\$3,000,000 and US\$4,000,000, respectively.

(b) 64 North Gold Project, (formerly Goodpaster Properties), Alaska

During the year ended December 31, 2016, the Company acquired claims through option and purchase agreements. In the second quarter of 2019 Alaska Energy staked a tract of claims. Alaska Energy granted a royalty interest to EMX Royalty Corporation ("EMX") on newly staked claims and on claims already owned. In the fourth quarter of 2019, Alaska Energy entered into an Option to Joint Venture Agreement, subsequently amended, concerning the 64 North Gold Project with Resolution Minerals Limited ("Resolution"), an ASX listed company under a four-year option period. During the year ended December 31, 2023, Resolution opted to discontinue sole funding the project and a 51% Resolution, 49% Alaska Energy mining joint venture was formed. If Resolution moves to sell, Alaska Energy has a Right of First Refusal to match any offer. During the year ended December 31, 2023, the Company impaired the property resulting in an impairment loss of \$1,051,269 as the Company had no immediate plans for any significant exploration activities on the property.

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6. Exploration and Evaluation Assets (cont'd)

(c) Liberty Bell Property, Alaska

The Liberty Bell project consists of claims owned by Alaska Energy, claims optioned from Boot Hill Gold Inc. ("Boot Hill Gold") and claims leased from James Roland ("Roland Lease").

Boot Hill Option During the year ended December 31, 2018, Alaska Energy entered an option to purchase agreement with Boot Hill Gold. A 100% interest could be obtained.

Roland Lease During the year ended December 31, 2018, a lease to purchase agreement was made with James Roland concerning a block of ten claims internal to the Boot Hill Gold block. Consideration to establish a 100% interest is US\$570,000 to be paid to James Roland as lease payments over an 11-year period. If the Company wishes to keep the claims, payments are scheduled to be US\$30,000 annually, then moving to US\$50,000 annually in 2024, and then a bulk payment in 2028. A 2% royalty is attached to these ten claims and it can be bought out for US\$800,000. During the year ended December 31, 2021, Alaska Energy agreed to assign its option rights and its mineral interests to Felix Gold Limited ("Felix Gold") for cash, share payments and royalty interests. During the year ended December 31, 2023, Felix decided it did not want to proceed and offered the project back to Alaska Energy. The Company declined. Felix canceled the Roland Lease and terminated the Boot Hill Option. Alaska Energy remains obligated to return US\$20,000 that was withheld as a reclamation bond. The Company subsequently purchased the Boot Hill claims for US\$25,000, and agreed to pay an additional US\$55,000 in the event the Company sells the Liberty Bell project to another party. Claims originally owned by the Company were returned to Alaska Energy by Felix.

During the year ended December 31, 2024, the Company impaired the property resulting in an impairment of \$265,625 as the Company had no immediate plans for any significant exploration activities on the property.

(d) Chisna, Alaska

During the year ended December 31, 2024 and 2023, the Company had rights to claims in the Chisna District of Alaska known as Ravine, Grubstake, DragonSlayer and the POW prospect. During the year ended December 31, 2023, the Company impaired the claims resulting in an impairment loss of \$694,524 as the Company had no immediate plans for any significant exploration activities on the property.

(e) Fairbanks District, Alaska

During the year ended December 31, 2021, the Company entered into an agreement whereby Felix Gold, a public company trading on the Australian Securities Exchange, had a right to secure a 100% ownership in the Treasure Creek, Ester Dome, and Liberty Bell projects ("Projects") projects in accordance with the underlying option agreements for a future share payment. Felix Gold completed the acquisition by paying US\$210,000 in cash during the year ended December 31, 2021 and issuing 9,957,157 Felix Gold shares (valued at \$2,246,336) during the year ended December 31, 2022 subject to an escrow period of two years. The Company retains production royalties in the following three projects:

- Treasure Creek 2.0% Net Smelter Returns ("NSR");
- Ester Dome 1.5% NSR;
- Liberty Bell 2% NSR; and
- Other claims acquired by Felix Gold in an Area of Interest, 1.0%.

Ester Dome

During the year ended December 31, 2016, Alaska Energy entered into an Exclusive Right to Explore and Enter into an Option Agreement ("Ester Agreement") with Range Minerals Corporation which was subsequently amended. During the year ended December 31, 2021, Alaska Energy assigned the Ester Agreement to Felix Gold who entered into an option agreement with Range Minerals Ltd. During the year ended December 31, 2023, Felix decided it did not want to proceed and offered the project back to Alaska Energy. The Company declined the offer and the Ester Agreement was terminated.

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6. Exploration and Evaluation Assets (cont'd)

(e) Fairbanks District, Alaska (cont'd)

Treasure Creek

During the year ended December 31, 2020, Alaska Energy entered into an agreement concerning the Treasure Creek gold project. The agreement with the Treasure Creek Partnership gives Alaska Energy the exclusive right to enter into an option to purchase a 100% interest in the claims. As consideration, during the year ended December 31, 2020, the Company issued 50,000 Alaska Energy shares valued at \$105,000. During the exclusive period, which expired in the third quarter of 2021, Alaska Energy is required to keep the claims in good standing by making adequate exploration expenditures (incurred) and making Alaska state claim rental payments (paid). Alaska Energy also staked additional claims contiguous with the original Treasure Creek block. These new claims are within an Area of Interest pursuant to the agreement with the Treasure Creek Partnership. During the year ended December 31, 2021, Alaska Energy's rights were assigned to Felix Gold. Felix Gold must offer the claims and the option back to Alaska Energy if Felix Gold decides to drop the project.

Grant Mine

During the year ended December 31, 2021, the Company entered into an option agreement to earn a 100% interest in the Grant Mine near Fairbanks, Alaska. This property forms part of the larger Ester Dome exploration project, which is subject to an agreement between Alaska Energy and partner Felix Gold. The Company has paid \$15,000 and Felix Gold has assumed the remaining \$1,900,000 in option payments.

In the event that Felix Gold fulfils the option agreement for the Grant Mine, Alaska Energy will vest with a 1.5% NSR on gold production with an advanced minimum royalty provision. Felix Gold must offer the claims and the option back to Alaska Energy if Felix Gold decides to drop the project.

Canadian Properties

(a) Angliers-Belleterre, Quebec

During the year ended December 31, 2023, the Company acquired 100% of the Angliers-Belleterre project in western Quebec by way of the acquisition of 1413336 BC Ltd (Note 11). The project is subject to a 2.5% NSR, where 1% can be repurchased by the Company for \$1,500,000.

(b) Bambino, Quebec

During the year ended December 31, 2024, the Company entered into an option agreement to acquire a 100% interest in the Bambino Nickel – Copper Property located immediately adjacent to the Angliers-Belleterre project in Quebec. To earn the interest the Company must:

- pay \$5,000 on May 21, 2024 (paid);
- issue 150,000 shares within five (5) business days from the date of final acceptance of this Agreement by the TSX Venture Exchange for filing (issued at a value of \$24,000);
- pay \$25,000 and issue 150,000 shares on or before May 21, 2025;
- complete aggregate exploration expenditures of \$100,000 on or before May 21, 2025;
- pay \$25,000 and issue 150,000 shares on or before May 21, 2026;
- complete aggregate exploration expenditures of \$150,000 on or before May 21, 2026;
- pay \$50,000 and issue 250,000 shares on or before May 21, 2027; and
- complete aggregate exploration expenditures of \$250,000 on or before May 21, 2027.

Upon exercise of the option, the vendors will retain a 2% NSR. The Company will have the right at any time to buy back half of the royalty (i.e., 1.0%) for \$1,000,000 cash.

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6. Exploration and Evaluation Assets (cont'd)

Mexico Properties

On December 29, 2023, the Company disposed of 100% of its interest in Recursos Millrock, which included all of the Mexico Properties (Note 12).

El Batamote, Mexico

Prior to the sale of Recursos Millrock, the Company held a 100% interest in El Batamote which is comprised of three concessions subject to a 0.5% NSR. The Company had acquired the concessions by paying MX\$115,000 in cash and issuing shares valued at \$20,000.

7. Loans Payable

Red Plug loan

During the year ended December 31, 2022, the Company entered into a \$500,000 loan agreement with an arms length party. The loan had a term of 1 year and accrues interest at 6% for the first 6 months and 12% for the remaining 6 months. The Company also issued 200,000 bonus common shares with a value of \$100,000, which was recorded in office and miscellaneous expense. During the year ended December 31, 2023, the Company repaid the loan, including interest of \$44,317.

Other loans

During the year ended December 31, 2023, the Company received loans from arms length parties for \$270,000 (US\$200,000) and repaid the amounts in full, including interest of \$1,151.

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8. Share Capital

The Company's authorized share capital consists of an unlimited number of voting common shares without par value.

During the year ended December 31, 2024, the Company:

- i) issued 150,000 shares with a fair value of \$24,000 for the Bambino option agreement.
- ii) issued 1,000,000 common shares with a fair value of \$150,000 for the Canwell option agreement.
- iii) completed a non-brokered offering of 2,500,000 special warrants issued at the price of \$0.40 per special warrant for gross proceeds of \$1,000,000. Each special warrant will automatically convert (subsequently converted) into one unit of the Company on the earlier of: (i) the date that is three business days following the date on which the Company (a) obtains a receipt from the applicable securities regulatory authorities for a final short form prospectus qualifying distribution of the units underlying the special warrants or (b) files a prospectus supplement to a short form base shelf prospectus with the Securities Commissions qualifying distribution of the units underlying the special warrants, and (ii) the date that is four months and one day after the closing of the offering. Each unit consists of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder thereof to acquire one share at a price of \$0.80 for a period of 24 months. The Company incurred special warrant issuance costs of \$64,872.

30,000 broker special warrants were issued as finder's fee. Each broker special warrant will automatically convert under the same terms as the special warrants, for no additional consideration, into one unit.

The 2,530,000 special warrants were converted into units during the year ended December 31, 2024. Upon conversion, the Company issued 2,530,000 common shares and 1,265,000 warrants, of which \$75,000 was allocated to the warrants using the residual value method.

- iv) issued 5,911,047 shares upon exercise of warrants for \$1,183,032. The Company also reallocated \$1,819 of reserves to share capital upon exercise.
- v) completed a non-brokered offering of 22,255,429 special warrants issued at the price of \$0.15 per special warrant for gross proceeds of \$3,338,314. Each special warrant will automatically convert into one unit of the Company on the earlier of: (i) the date that is three business days following the date on which the Company (a) obtains a receipt from the applicable securities regulatory authorities for a final short form prospectus qualifying distribution of the units underlying the special warrants or (b) files a prospectus supplement to a short form base shelf prospectus with the Securities Commissions qualifying distribution of the units underlying the special warrants, and (ii) the date that is four months and one day after the closing of the offering. Each unit consists of one common share and one- common share purchase warrant. Each warrant entitles the holder thereof to acquire one share at a price of \$0.20 for a period of three years.

The Company paid finder's fees of \$181,261 and issued 1,208,409 agent warrants (valued at \$119,500, see below) exercisable at \$0.20 for three years.

The 22,255,429 special warrants were converted into units during the year ended December 31, 2024. Upon conversion, the Company issued 22,255,429 common shares and 22,255,429 warrants.

- vi) completed a non-brokered private placement of 2,275,000 units at a price of \$0.15 per unit for gross proceeds of \$341,250, of which \$11,375 was allocated to the warrants using the residual value method. Each unit consists of a common share and a warrant exercisable at \$0.20 for a period of three years. The Company paid finder's fees of \$23,888 and issued 159,250 agent warrants (valued at \$15,800, see below) exercisable at \$0.20 for three years.

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8. Share Capital (cont'd)

- vii) completed a non-brokered offering of 30,133,330 special warrants issued at the price of \$0.15 per special warrant for gross proceeds of \$4,520,000. Each special warrant will automatically convert (subsequently converted) into one unit of the Company on the earlier of: (i) the date that is three business days following the date on which the Company (a) obtains a receipt from the applicable securities regulatory authorities for a final short form prospectus qualifying distribution of the units underlying the special warrants or (b) files a prospectus supplement to a short form base shelf prospectus with the Securities Commissions qualifying distribution of the units underlying the special warrants, and (ii) the date that is four months and one day after the closing of the offering. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one share at a price of \$0.20 for a period of three years.

The Company paid finder's fees and other special warrant issuance costs of \$422,385 and issued 1,458,176 agent warrants (valued at \$223,800, see below) exercisable at \$0.20 for three years.

The 30,133,330 special warrants were converted into units during the year ended December 31, 2024. Upon conversion, the Company issued 30,133,330 common shares and 30,133,330 warrants.

- viii) completed a non-brokered private placement of 3,200,000 units at a price of \$0.15 per unit for gross proceeds of \$480,000 of which \$nil was allocated to the warrants using the residual value method. Each unit consists of a common share and a warrant exercisable at \$0.20 for a period of three years. The Company paid finder's fees of \$33,600 and issued 224,000 agent warrants (valued at \$34,400, see below) exercisable at \$0.20 for three years.

During the year ended December 31, 2023, the Company:

- i) completed the 100% purchase of an arm's-length corporation named 141 BC which included issuing 31,827,720 shares (Note 11).
- ii) purchased data, relating to the Nikolai project in Alaska, by paying \$1,050,000 in cash and issuing 2,000,000 shares valued at \$860,000. The Company sold a portion of the exploration data for \$236,075 (US\$175,000.)
- iii) issued 1,000,000 common shares with a fair value of \$420,000 for the Canwell option agreement.
- iv) completed non-brokered private placements by issuing 9,318,500 shares at a price of \$0.28 per share for total proceeds of \$2,609,180. The Company paid finders fees of \$61,404, issued 407,110 finders shares (valued at \$113,991) and granted 626,410 agent warrants (valued at \$110,800, see below). Each agent warrant entitles the holder to purchase one share at a price of \$0.28 for a period of 12 months from the date of issue. A due diligence fee of \$30,000 was also paid.
- v) closed a non-brokered private placement for 7,637,500 units at a price of \$0.40 per unit for total proceeds of \$3,055,000. Each unit consists of one common share and one-half warrant. Each full warrant is exercisable at \$0.80 until August 4, 2025. The Company paid cash finders' fees totaling \$63,240 and issued 158,100 finders' warrants (valued at \$41,200, see below). Each finder's warrant is exercisable at a price of \$0.60 until August 4, 2025.
- vi) closed a non-brokered private placement for 16,112,500 units at a price of \$0.40 per unit for total proceeds of \$6,445,000. Each unit consists of one common share and one-half warrant. Each full warrant is exercisable at \$0.80 until July 27, 2025. The Company paid cash finders' fees totaling \$403,100 and issued 1,007,750 finders' warrants (valued at \$264,500, see below). Each finder's warrant is exercisable at a price of \$0.60 until July 27, 2025.

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8. Share Capital (cont'd)

- vii) closed a non-brokered flow-through private placement for 2,000,000 flow through shares at a price of \$0.50 per share for total proceeds of \$1,000,000. \$250,000 has been allocated to a flow through liability based on the premium to market at the date of issuance. The Company issued 179,487 finders' shares (valued at \$72,692) and issued 140,000 finders warrants (valued at \$39,900, see below). Each finder's warrant is exercisable at a price of \$0.39 until December 28, 2025.
- viii) incurred a total of \$376,212 other cash share issuance costs as a result of the private placements completed.

Stock options and other incentives plan

The Company has a stock option and other incentives plan whereby the maximum number of shares reserved for issue shall not exceed 10% of the outstanding common shares of the Company, as at the date of the grant. Awards of Options, RSUs, PSUs, DSUs, SARs, and stock purchase rights may be made under the Plan. The maximum number of common shares reserved for issue to any one person under the plan cannot exceed 5% of the issued and outstanding number of common shares at the date of grant. The maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the issued and outstanding number of common shares at the date of grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSXV). Options may be granted for a maximum term of 10 years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company. Unless otherwise stated share purchase options vest when granted.

Stock Options

The vesting schedule for employees and most non-employees is immediate. Non-employees providing Investor Relations services have various expiry dates determined at the time of issuance.

During the year ended December 31, 2024, the Company granted:

- i) 3,175,000 stock options to its directors, officers, consultants and employees. Each stock option is exercisable at a price of \$0.405 for a period of 5 years. 500,000 options vest at 25% every three months starting April 30, 2024. 2,675,000 options vested immediately.
- ii) 275,000 stock options exercisable at \$0.195 through April 19, 2029 to a consultant and an investor relations consultant. 75,000 options vest at 25% every three months starting July 19, 2024. 200,000 options vested immediately.
- iii) 5,408,317 stock options to its directors, officers, consultants and employees. Each stock option is exercisable at a price of \$0.15 for a period of 5 years. 75,000 options vest at 25% every three months starting January 4, 2025. 5,333,317 options vested immediately.

During the year ended December 31, 2023, the Company granted:

- i) 1,700,000 stock options to officers, directors and consultants at an exercise price of \$0.52 through July 7, 2028 and vested immediately.
- ii) 2,250,000 stock options to officers, directors and consultants at an exercise price of \$0.46 through August 17, 2028. 200,000 options vest at 25% every three months starting November 17, 2023. 2,050,000 vested immediately.

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8. Share Capital (cont'd)

Stock Options (cont'd)

The Company used the following weighted average Black-Scholes option pricing model assumptions:

	Year Ended December 31, 2024	Year Ended December 31, 2023
Dividend yield	NIL	NIL
Expected volatility	124.76%	130.28%
Risk-free rate of return	3.17%	3.88%
Expected life of options	5 years	5 years
Forfeiture rate	NIL	NIL
Fair value	\$0.21	\$0.41

Expected volatility is calculated based on the Company's historical share prices.

Total share-based payments expense recognized on options vesting throughout the year ended December 31, 2024 was \$1,878,265 (2023 – \$1,586,120).

The following table summarizes the changes in share purchase options:

	Number of Options	Weighted Average Exercised
Outstanding and Exercisable at December 31, 2022	847,000	\$ 1.05
Granted	3,950,000	\$ 0.49
Expired, cancelled and forfeited	(349,500)	\$ 1.03
Outstanding and Exercisable at December 31, 2023	4,447,500	\$ 0.55
Granted	8,858,317	\$ 0.24
Expired	(130,500)	\$ 0.90
Cancelled/forfeited	(539,000)	\$ 0.52
Outstanding and Exercisable at December 31, 2024	12,636,317	\$ 0.33

As at December 31, 2024, the Company has outstanding and exercisable share purchase options as followed:

Expiry Date	Number of Options Outstanding	Number of Options Exercisable	Exercise Price
February 28, 2025*	128,000	128,000	\$ 1.35
November 23, 2025	100,000	100,000	\$ 1.05
February 24, 2027	200,000	200,000	\$ 0.65
July 7, 2028	1,600,000	1,600,000	\$ 0.52
August 17, 2028	1,900,000	1,900,000	\$ 0.46
January 30, 2029	3,025,000	2,925,000	\$ 0.405
April 19, 2029	275,000	237,500	\$ 0.195
October 4, 2029	5,408,317	5,333,317	\$ 0.15
	12,636,317	12,423,817	

* expired unexercised subsequently

The weighted average remaining contractual life of options outstanding at December 31, 2024 is 4.14 years (2023– 4.21 years).

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8. Share Capital (cont'd)

Warrants

The following table summarizes the changes in warrants:

	Number of Warrants	Weighted Average Exercised
Outstanding and Exercisable at December 31, 2022	3,931,866	\$ 1.275
Granted	17,913,218	\$ 0.77
Exercised	(417,110)	\$ 0.28
Expired	(3,931,866)	\$ 1.275
Outstanding and Exercisable at December 31, 2023	17,496,108	\$ 0.78
Granted	62,178,594	\$ 0.21
Exercised	(5,911,047)	\$ 0.20
Outstanding and Exercisable at December 31, 2024	73,763,655	\$ 0.35

As at December 31, 2024, the Company has outstanding and exercisable warrants as followed:

Expiry Date	Number of Warrants Outstanding and Exercisable	Exercise Price
May 30, 2025	199,017	\$ 0.28
July 27, 2025	8,056,250	\$ 0.80
July 27, 2025	1,007,750	\$ 0.60
August 4, 2025	3,818,750	\$ 0.80
August 4, 2025	158,100	\$ 0.60
August 23, 2025	192,100	\$ 0.80
November 24, 2025	3,913,858	\$ 0.80
December 28, 2025	140,000	\$ 0.39
May 3, 2026	1,265,000	\$ 0.80
July 5, 2027	1,208,409	\$ 0.20
July 11, 2027	2,434,250	\$ 0.20
July 18, 2027	16,354,665	\$ 0.20
September 5, 2027	4,882,176	\$ 0.20
September 20, 2027	30,133,330	\$ 0.20
	73,763,655	

The Company used the following weighted average Black-Scholes option pricing model assumptions to value the agent warrants:

	Year Ended December 31, 2024	Year Ended December 31 2023
Dividend yield	NIL	NIL
Expected volatility	132.83%	149.59%
Risk-free rate of return	3.09%	3.91%
Expected life of options	3.00 years	1.53 year
Forfeiture rate	NIL	NIL

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8. Share Capital (cont'd)

Warrants (cont'd)

Expected volatility is calculated based on the Company's historical share prices. During the year ended December 31, 2024, the Company recorded finders fees of \$393,500 (2023 - \$456,400) based on the Black-Scholes valuation of 3,049,835 (2023 – 1,932,260) agent warrants.

The weighted average remaining contractual life of warrants outstanding at December 31, 2024 is 2.15 years (2023 – 1.64 years).

Restricted share units

During the year ended December 31, 2024, the Company:

- i) granted 7,900,000 restricted share units ("RSUs") to its directors, officers, consultants and employees with a fair value of \$1,264,000. The RSUs vest on October 4, 2026. During the year ended December 31, 2024, the Company recorded stock-based compensation of \$152,373.

9. Financial Instruments

i) Fair Value of Financial Instruments

The Company's financial instruments that are measured at fair market value on a recurring basis in periods subsequent to initial recognition and the fair value hierarchy used to measure them are presented in the table below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

The table set out below summarizes the Company's financial instruments measured at fair value on a recurring basis and shows the level within the fair value hierarchy in which they have been classified.

Financial Instrument	Level	December 31, 2024	December 31, 2023
Cash	1	\$ 1,284,445	\$ 3,939,327
Marketable securities	1	\$ -	\$ 439,844

The fair values of other financial instruments including amounts receivable, accounts payable and accrued liabilities, lease liability and due to related parties approximate their carrying values due to their short-term nature or market rates for similar instruments.

i) Equity Price Risk

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity transaction decisions.

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9. Financial Instruments (cont'd)

ii) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The total carrying values of the cash and amounts receivable represents the Company's maximum exposure to credit risk. The Company reduces its credit risk on cash by placing these instruments with large financial institutions.

iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. Accounts payable and accrued liabilities and due to related parties are expected to be settled within 12 months of December 31, 2024.

iv) Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company has cash and other working capital items of \$133,097 (2023 – \$532,274) denominated in US dollars. A ten percent change in the exchange rate would result in a \$13,310 (2023 – \$53,227) impact to the Company's net loss and comprehensive loss. The Company does not have a formal policy to manage risk; however, management actively monitors movement in foreign currency and forecasts foreign currency payments. Foreign exchange risk is mitigated by the offset of assets against liabilities.

v) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

vi) Capital Management Risk

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to pursue the exploration and development of its mineral properties, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity.

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. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or bring in earn-in partners.

The Company is not currently subject to any external restrictions. As at December 31, 2024, there is no change in the management's approach of capital management from prior year.

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10. Related Party Transactions and Balances

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers and directors.

The Company incurred charges with key management personnel and companies with directors, officers, former directors and former officers in common as follows:

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, consulting and directors	\$ 655,339	\$ 448,019
Stock-based compensation – stock options	873,720	540,367
Stock-based compensation – RSU's	123,441	-
	\$ 1,652,500	\$ 988,386

These charges were in the normal course of operations and were measured by the exchange amount which is the amount agreed upon by the transacting parties.

As of December 31, 2024, there was \$124,438 (2023 – \$27,667) due to related parties for accrued directors' fees, deferred salary expenses and accounting fees. These amounts are unsecured, do not bear interest and have no fixed terms of repayment.

11. Acquisition of 1413336 BC Ltd.

On November 24, 2023, the Company acquired 100% of the issued and outstanding securities of 141 BC, an arms' length company by issuing 31,827,720 shares ("Consideration Shares") and issuing 4,105,958 warrants exercisable at \$0.80 for a period of 1.75-2 years.

24,000,001 of the Consideration Shares are subject to a three-year escrow hold period, with 10% of the escrowed securities being releasable at the time of the Final TSX-V Bulletin, and 15% of the escrowed securities being releasable every six months thereafter until released in full. 7,827,719 of the Consideration Shares are subject to a 60-day contractual hold period.

The transaction does not constitute a business combination, as 141 BC does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of 141 BC has been accounted for as an asset acquisition, whereby all of the assets acquired, and liabilities assumed, are recorded at fair value. Upon closing of the transaction, 141 BC became a wholly-owned subsidiary of the Company. The net assets acquired pursuant to the acquisition are as follows:

The following table summarizes the fair value of consideration paid on the acquisition date and the allocation of the purchase price to the assets and liabilities acquired.

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11. Acquisition of 1413336 BC Ltd. (cont'd)

	November 24, 2023
Net assets acquired	
Cash	\$ 2,937,372
Amounts receivable	2,668
Exploration and evaluation assets (Note 6)	8,271,327
Accounts payable	(188,225)
	<u>\$ 11,023,142</u>
Total Purchase Price	
31,827,720 shares	\$ 9,996,642*
4,105,958 warrants	1,026,500**
	<u>\$ 11,023,142</u>

* The fair value of 7,827,719 shares was determined based on the trading price of \$0.42 on the issuance date, and the fair value of 24,000,001 shares was determined based on the trading price of \$0.42 on the issuance date, adjusted for a discount of \$3,371,000 to account for the timing of the share releases from escrow over the 36-month period. The discount was calculated using the Average Strike Price Option Pricing model with the following assumptions, a \$0.42 trading price on the issuance date, a 1-3 year term, a 131%-152% volatility rate based on the Company's historical trading price and a 0% dividend rate.

**warrants were fair valued using the Black-Scholes Option Pricing model using a \$0.42 trading price on the issuance date, an \$0.80 exercise price, a 1.75-2 year term, a 143%-149% volatility rate based on the Company's historical trading price, a 0% dividend rate and a 4.17% discount rate.

12. Sale of Recursos Millrock

On December 29, 2023, the Company disposed of 100% of its interest in Recursos Millrock by way of assignment agreements resulting in a loss on sale of \$1,844,521 during the year ended December 31, 2023.

	December 29, 2023
Proceeds received	\$ -
Cash	14,869
Value added tax receivable	108,591
Prepays	34,198
Exploration and evaluation assets (Note 6)	1,313,757
Accounts payable	(22,808)
Net assets sold	1,448,607
Translation adjustment reclassified to profit or loss upon sale of Recursos Millrock	395,914
Loss on sale of Recursos Millrock	<u>\$ 1,844,521</u>

During the year ended December 31, 2024, the Company incurred certain additional administrative expenditures on behalf of Recursos Millrock in the amount of \$87,892.

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13. Segmented Information

The Company operates in a single reportable operating segment, being the exploration of mineral properties. The following tables present selected financial information by geographic location:

December 31, 2024	USA	Canada	Total
As at December 31, 2024			
Exploration and evaluation assets	\$16,456,021	\$9,397,988	\$25,854,009
For the year ended December 31, 2024			
Net loss	\$1,354,563	\$7,486,651	\$8,841,214

December 31, 2023	USA	Mexico	Canada	Total
As at December 31, 2023				
Exploration and evaluation assets	\$9,096,290	\$ -	\$8,271,327	\$17,367,617
For the year ended December 31, 2023				
Net loss	\$2,575,581	\$2,236,013	\$4,976,855	\$9,788,449
Revenue	\$ 6,889	\$ -	\$ -	\$ 6,889

14. Contingency Settlement

On June 3, 2021, a former property partner (the “Complainant”) filed a Third-Party Complaint against the Company to enforce certain royalty interest in mining claims on a legacy project, not related to Nikolai, purportedly held by the Complainant.

During year ended December 31, 2024, the parties agreed to settlement terms that included the dismissal of action without prejudice, with each party to bear its own costs and attorney’s fees, and mutual releases.

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15. Supplemental Cash Flow Information

	Year ended December 31, 2024	Year ended December 31, 2023
Taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ 45,468
Non-cash investing and financing activities		
Shares issued for exploration and evaluation assets	\$ 174,000	\$ 1,280,000
Shares received for exploration and evaluation assets	\$ -	\$ 141,005
Exploration and evaluation assets in accounts payable	\$ 621,775	\$ 328,556
Shares issued to acquire 141 BC	\$ -	\$ 9,996,642
Warrants issued to acquire 141 BC	\$ -	\$ 1,026,500
Fair value of agent warrants issued for finder's fees	\$ 393,500	\$ 456,400
Fair value of agent warrants exercised	\$ 1,819	\$ 73,751
Conversion of special warrants	\$ 7,846,496	\$ -

16. Income Taxes

The provision for income taxes reported differs from the amounts computed by applying statutory Canadian federal and provincial tax rates to the loss before tax due to the following:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Loss for the year before income taxes	\$ (8,622,214)	\$ (9,788,449)
Statutory tax rate	27%	27%
Recovery of income taxes computed at statutory rates	\$ (2,328,000)	\$ (2,643,000)
Non-deductible items	560,000	804,000
Impact of sale of Recursos Millrock	-	3,061,000
Impact of flow-through shares	200,000	-
Differing effective tax rate on loss in foreign jurisdictions and rate changes	(18,000)	(58,000)
Unrecognized deferred tax assets	2,811,000	(670,000)
Impact of change of prior period estimates	(289,000)	(101,000)
Impact of foreign exchange and other	(717,000)	(393,000)
Total income tax expense (recovery)	\$ 219,000	\$ -

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16. Income Taxes (cont'd)

The approximate tax effect of each item gives rise to the Company's recognized deferred tax assets and liabilities as at December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Deferred income tax assets		
Non-capital losses	\$ 46,000	\$ 14,000
	\$ 46,000	\$ 14,000
Deferred income tax liabilities		
Exploration and evaluation assets	\$ (265,000)	\$ -
Right of use assets	-	(14,000)
	(265,000)	(14,000)
Net deferred income tax liability	\$ (219,000)	\$ -

Temporary Differences Not Recognized

The Company has unrecognized deductible temporary differences aggregating \$67,866,000 (2023 - \$57,692,000), noted below, that are available to offset future taxable income. The potential benefit of these deductible temporary differences has not been recognized in these consolidated financial statements as it is not considered probable that sufficient future taxable profit will allow the temporary differences to be recovered.

	December 31, 2024	Expiry dates	December 31, 2023
Non-capital losses	\$ 41,621,000	2026 – 2044 or No expiry	\$ 32,567,000
Capital losses	14,921,000	No expiry	13,168,000
Exploration and evaluation assets	9,811,000	No expiry	9,029,000
Property, plant and equipment	217,000	No expiry	226,000
Financing fees	1,296,000	2025 - 2028	842,000
Other	-	No expiry	1,860,000
Total	\$ 67,866,000		\$ 57,692,000

At December 31, 2024, the Company has accumulated non-capital losses in Canada aggregating \$27,349,000 (2023 – \$21,412,000) which expire over the period between 2026 and 2044, available to offset future taxable income in Canada.

At December 31, 2024, the Company has accumulated non-capital loss carry forward in Mexico aggregating \$Nil (2023 – \$Nil), available to offset future taxable income in Mexico.

At December 31, 2024, the Company has accumulated non-capital loss carry forward in the United States aggregating \$14,444,000 (2023 – \$11,205,000) which either expire over the period between 2034 and 2038 or may be carried forward indefinitely, available to offset future taxable income in the United States.

At December 31, 2024 and 2023, the Company has unrecognized deferred tax liabilities of approximately \$2,155,000 due to the temporary difference arising on the initial recognition of the acquisition of the issued and outstanding shares of 141 BC.

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17. Subsequent Events

Subsequent to December 31, 2024, the Company:

- 1) issued 1,202,500 shares to settle \$132,328 of debt.
- 2) issued 6,595,500 shares for net proceeds of \$705,932 through the at-the-market offering.



Alaska Energy Metals Corporation
Management Discussion & Analysis

For the Year Ended December 31, 2024

ALASKA ENERGY METALS CORPORATION

Management Discussion and Analysis

For the year ended December 31, 2024

Introduction

This is Management's Discussion and Analysis ("MD&A") for Alaska Energy Metals Corporation ("Alaska Energy Metals" or the "Company") and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024 and supporting notes on www.sedarplus.ca. These consolidated financial statements have been prepared using accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

Readers should note the following:

- This MD&A has been prepared based on information known to management as of April 24, 2025.
- All currency amounts are expressed in Canadian dollars unless otherwise noted.
- Gregory A. Beischer, a Director of the Company and its President and Chief Executive Officer, is the qualified person (as defined in NI 43-101) who approved the technical information in this MD&A.

Description of Business

Alaska Energy Metals is focused on the exploration and development of the Nikolai nickel – copper – cobalt – platinum group element project. A secondary nickel project in Quebec called Angliers – Belterre is also being advanced. Alaska Energy Metals trades on the TSX Venture Exchange under the symbol AEMC and is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and Nunavut. The Company also trades on the OTCQB marketplace in the United States under the symbol AKEMF.

Forward Looking Statements

This document may contain "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). These forward-looking statements are made as of the date of this document.

Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and mineral resources, mineral exploration programs, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology.

By their very nature forward-looking statements 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 the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of mineral resources; and other risks of the mineral exploration and mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors

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that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements 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.

Going Concern

The consolidated financial statements for the year ended December 31, 2024 on www.sedarplus.ca were prepared on the assumption that the Company will continue as a going concern, which contemplates that the Company will continue in operation for the next twelve months and that it will be able to realize its assets and meet its liabilities in the normal course of operations. Realization value may be substantially different from carrying value as shown and these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values, classification of assets and liabilities should the Company be unable to continue as a going concern. As of December 31, 2024, the Company had not yet achieved profitable operations, and had an accumulated deficit of \$67,220,828 (2023 – \$58,379,614). Management has carried out an assessment of the going concern assumption and has concluded that the Company may not have sufficient cash and cash equivalents and other financial assets to continue operating at current levels for the ensuing twelve months. The Company's forecast indicates the existence of a material uncertainty that raises significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent upon its ability to raise additional equity.

Additional Information

Financial statements, MD&A documents and additional information relevant to the Company and the Company's activities can be found on SEDAR+ at www.sedarplus.ca, and/or on the Company's website at www.alaskaenergymetals.com.

Highlights for the period from January 1, 2024 to the date of this MD&A, detailed on www.sedarplus.ca:

- **On January 4, 2024**, the Company announced assay results from rock samples collected on the Canwell block of claims during summer 2023. High grades of nickel and copper were reported.
- **On January 5, 2024**, the Company announced that further to its news release on November 20, 2023, it has filed its National Instrument 43-101 Technical Report, dated January 5, 2024, on www.sedarplus.ca for its 100% owned Eureka Property, Nikolai Nickel Project in Alaska, USA.
- **On February 8, 2024**, the Company closed a non-brokered offering of 2,500,000 special warrants at a price of \$0.40 per special warrant for gross proceeds of \$1,000,000, subsequently converted (detailed below).
- **On February 12, 2024**, the Company announced an updated independent mineral resource estimate in accordance with NI43-101. The updated mineral resource estimate represents a significant increase in tonnage and contained metal and a significant decrease in strip ratio as compared to the maiden resource published in 2023 (see press release dated November 20, 2023 and January 5, 2024).
- **On March 15, 2024**, the Company announced it has filed an updated NI-43-101 Technical Report on www.sedarplus.ca.
- **On April 18, 2024**, announced that it filed an amended Technical Report titled "Nikolai Mineral Resource Estimate Technical Report Amended and Updated" (the "Amended Report"), with an effective date of April 12th, 2024, for its 100% owned Eureka Property, Nikolai Nickel Project in Alaska, USA. On April 2nd, 2024, the Company filed a preliminary short-form base shelf prospectus with the securities regulatory authorities in each of the provinces of Canada, except Quebec and

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Nunavut. This resulted in a review of the Canadian Securities Administration National Instrument 43-101 Standards for Mineral Projects (“NI 43-101”) Technical Report filed on March 14, 2024 (“Original Report”), and the review is now complete. The Amended Report contains no material differences, and the Mineral Resource Estimate remains unchanged from the Original Report. The Amended Report complies with the technical requirements of NI 43-101 and Form 43-101F1 (the “Form”).

- **On April 22, 2024**, the Company obtained a receipt for its final short form base shelf prospectus (the “Shelf Prospectus”) filed with the securities commissions in each of the provinces of Canada (except Quebec) and Nunavut. The filing of the Shelf Prospectus is intended to provide the Company with financing flexibility. Under the Shelf Prospectus, the Company may issue and sell up to, in the aggregate, \$50,000,000 of common shares, warrants, subscription receipts, units, debt securities, or any combination thereof, from time to time over a 25-month period that the Shelf Prospectus remains effective. The specific terms of any future offering of securities (if any) will be set forth in a prospectus supplement, which will be filed with the applicable Canadian securities regulatory authorities in connection with any such offering.
- **On May 14, 2024**, the Company announced that it sold its shares in Felix Gold Ltd. for approximately \$350,000 net of brokerage and currency exchange fees.
- **On May 31, 2024**, the Company entered into an option agreement to acquire a 100% interest in the Bambino Nickel – Copper Property located in the Temiscaming Region of Western Quebec. Terms listed below in the Mineral Property Section of this MD&A. The Bambino property is adjacent to the Company’s Angliers – Belleterre claims and now forms part of the project. Subsequently the Company initiated a major soil sampling program covering the Angliers – Belleterre project, and contracted an airborne geophysical survey.
- **On July 11, 2024**, the Company completed a non-brokered private placement of 2,275,000 units at a price of \$0.15 per unit for gross proceeds of \$341,250. Each unit consists of a common share and a warrant convertible at \$0.20 for a period of three years.
- **On July 16, 2024**, the Company announced that it began a drilling program to test geological – geophysical – geochemical targets at the Canwell block of claims that form part of its Nikolai Nickel Project in Alaska. The drilling program includes plans for three holes for a total of 1,200 meters.
- **On July 18, 2024**, the Company completed a non-brokered offering of 22,255,429 special warrants issued at the price of \$0.15 per special warrant for gross proceeds of \$3,338,314. The special warrants were later converted into units. Each unit consists of a common share and a warrant convertible at \$0.20 for a period of three years. 5,900,764 of the resulting warrants were exercised.
- **During July and August 2024**, received \$1,180,153 relating to the exercise of 5,900,764 warrants.
- **On July 19, 2024**, the Company announced that three new directors, Mario Vetro, Tyron Breytenbach and Ian Stalker had been elected to the board of directors. Former directors Peter Chilibeck and Larry Cooper had decided not to run for re-election.
- **On July 29, 2024**, the Company announced the reformulation of its Advisory Committee to include entrepreneur Paul Matysek, consultants Clark Penney and Daniel McGroarty, and former directors Peter Chilibeck and Larry Cooper.
- **On September 5, 2024**, the Company completed a non-brokered offering of 30,133,330 special warrants issued at the price of \$0.15 per special warrant for gross proceeds of \$4,520,000. The special warrants were later converted into units. Each unit consists of a common share and a warrant convertible at \$0.20 for a period of three years.

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- **On September 5, 2024**, the Company completed a non-brokered private placement of 3,200,000 units at a price of \$0.15 per unit for gross proceeds of \$480,000. Each unit consists of a common share and a warrant convertible at \$0.20 for a period of three years.
- **On September 18, 2024**, the Company announced a partnership with the Colorado School of Mines (“Mines”) and Virginia Polytechnic Institute (“VT”) to research the carbon sequestration potential of ultramafic rocks and tailings at its 100% owned Eureka Deposit, Alaska.
- **On September 20, 2024**, the Company announced the completion of a helicopter-borne Versatile Time Domain Electromagnetic Max survey over the Angliers – Belleterre project.
- **On October 1, 2024**, the Company announced the completion of its previously announced drilling program to test compelling geological – geophysical – geochemical targets at the Canwell block of claims that form part of its Nikolai Project in Alaska.
- **On October 4, 2024**, the Company announced that Kevin Ma has been appointed as the Company’s Chief Financial Officer (“CFO”).
- **On October 16, 2024**, the Company announced plans to carry out a hydrogen soil gas survey over a portion of the Angliers – Belleterre project.
- **On November 21, 2024**, the Company announced on www.sedarplus.ca that it has received assay results from three drill holes completed on the Canwell claim block at the Emerick, Odie and Upper Canwell prospects. Significant thicknesses of polymetallic mineralization were intersected.
- **On December 3, 2024**, the Company announced assay results from two of four drill holes completed during the 2024 Eureka resource expansion drill program. Assay results confirm the continuation of the higher-grade core zone ~600 meters to the southeast.
- **On December 10, 2024**, the Company announced assay results from the remaining two drill holes completed during the 2024 Eureka resource expansion exploration program. The drill program has successfully extended the Eureka deposit by 1.8 kilometers (km). The drilled extent of the deposit is now approximately 5.5 km. The deposit features nickel as the primary commodity but has multiple critical metals – copper, cobalt, chromium, platinum, and palladium.
- **On January 31, 2025**, the Company announced that it has entered into an equity distribution agreement dated January 31, 2025 (the “Distribution Agreement”) with Haywood Securities Inc. (“Haywood” or the “Agent”). Under the Distribution Agreement, the Company will be entitled, at its discretion and from time-to-time during the term of the Distribution Agreement, to sell, through Haywood, as sole and exclusive placement agent, such number of common shares of the Company (the “Common Shares”) having an aggregate gross sales price of up to \$10 million.
- **On February 17, 2025**, the Company announced that Mark Begich has decided to resign from his position as a Director of the Company.
- **On February 19, 2025**, the Company announced that it has entered into shares for debt agreements to settle debts totaling \$132,328 with companies and individuals that have supplied services to the Company. The Company will issue a total of 1,202,500 common shares (the “Settlement Shares”) at a deemed price of \$0.11 per Settlement Share following receipt of acceptance of the TSX Venture Exchange to the debt settlements, representing a slight discount to the total amount of the subject debt. Of the amount being settled, 272,400 Settlement Shares will be issued to Non-Arm’s Length Parties (as that term is defined in TSXV Policy 1.1) to settle \$30,000 in debt.

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- **On March 10, 2025**, the Company announced an updated independent mineral resource estimate prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) (“2025 MRE” or “2025 Resource”) for its 100% owned Eureka Deposit, Nikolai Nickel Project (“Nikolai” or “Deposit”) in Alaska, USA, with an effective date of March 7, 2025.

Outlook

The Company has made very significant progress by establishing a large mineral resource estimate of energy-related metals. The recoverability of these metals will be very important to the economic viability of the project. The first-pass testing is under way. Drilling that was done in the current quarter is likely to grow the deposit further and perhaps increase the overall grade by focusing on the higher-grade core zone. Further, at the Canwell block the potential to discover very high-grade massive sulfide mineralization has been demonstrated through modern geophysical surveys. The Company did an initial drill test of these targets in 2024.

Earlier in 2024, the Company announced its intent to complete the following activities:

- Complete metallic mineral department studies and mineralogical studies on gangue minerals. Composite samples of drill core were submitted for metal department studies to SGS labs in Lakefield, Ontario. The purpose of the work is to 1) determine the mineral species in which the various metals in the Eureka zone are contained, and 2) to determine the nature and composition of gangue minerals, and 3) determine if there are any deleterious minerals, and or minerals that might negatively impact metal recovery rates. Department and mineralogy will have a strong bearing on metal recovery rates. The mineralogical and department work was significantly advanced during the year ended December 31, 2024 and it is anticipated results will be published in the first quarter of 2025.
- After department studies are complete, the samples will be subjected to bench-scale flotation testing, magnetic separation to determine recovery rates for the metals. Grindability testing will also be done. Results are expected in Q1 2025.
- The Company has built a strong marketing team that will work to increase market awareness of the Company around the world, so that we can maximize shareholder returns as we advance Company objectives. The Company intends to advertise aggressively.
- We intend to raise funds through equity financing to execute a drilling program designed to expand the Mineral Resource Inventory of the Eureka Zone and to explore for high grade nickel mineralization at the Canwell Block of the Nikolai project.
- Intends to execute, geochemical, geophysical and geological exploration programs at the Angliers-Belleterre project in Quebec.

The Company has executed all its intended actions, and will report results of the main program components in late 2024 and early 2025.

While the Company has made great progress, it has not translated to a share price increase. This is in part due to a significant decrease in the price of nickel over the year. Projections are for the nickel price to stay subdued. Indonesia, the world’s largest producer of nickel has ramped up production to meet increased demand. Demand for nickel is at its highest level ever and is projected to increase significantly as electric vehicles adoption proceeds. Nickel is a major component of electric vehicle batteries. The depressed nickel price and depressed share price of the Company may make it difficult for the Company to raise as much financing as it would like to have to advance its objectives. If funds are available and accepted, the financing will be dilutive to the Company’s capital structure. Management will balance between raising funds to advance objectives and dilution.

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United States Properties

Nikolai Nickel Project

Nikolai is the Company's flagship project. It is located 80 km south of the town of Delta Junction, on the southern flank of the Alaska Range in Interior Alaska. The claims are proximal to paved highways and a network of gravel roads and trails afford ready access to the Canwell claim block.

Two separate, adjacent claims blocks encompass the Nikolai project.

The Eureka claim block consists of 104 State of Alaska mining claims (6,734 hectares) and is 100% owned by Alaska Energy Metals. These claims were acquired by the Company by staking.

The Canwell claim block consists of 42 State of Alaska mining claims (2,720 hectares), with an option to purchase 100% interest in the claims from the underlying owner. In 2022, the Company entered into an option agreement to earn a 100% ownership in the Canwell property, subsequently amended, located in the Fairbanks Recording district, Alaska. To earn the interest, the Company must pay:

- Pay US\$25,000 upon signing (paid);
- Issue 100,000 shares upon signing (issued with a fair value of \$65,000);
- Pay US\$25,000 by June 1, 2022 (paid);
- Pay US\$75,000 by September 1, 2022 (paid);
- Issue 100,000 shares by September 1, 2022 (issued with a fair value of \$40,000);
- Incur US\$50,000 in exploration expenditures by September 1, 2022 (incurred);
- Pay US\$100,000 by September 1, 2023 (paid);
- Issue 1,000,000 shares by September 1, 2023 (issued with a fair value of \$420,000);
- Incur US\$250,000 in exploration expenditures by September 1, 2023 (incurred);
- Pay US\$125,000 by September 1, 2024; (paid)
- Issue 1,000,000 shares by September 1, 2024 (issued with a fair value of \$150,000);
- Incur US\$1,000,000 in exploration expenditures by September 1, 2024 (incurred);
- Pay US\$150,000 by September 1, 2025;
- Issue 1,000,000 shares by September 1, 2025;
- Incur US\$1,500,000 in exploration expenditures by September 1, 2025;
- Incur US\$2,200,000 in exploration expenditures by September 1, 2026;

There is a 3% net smelter return (NSR) royalty, payable to the optionor, and the Company has the option to reduce the NSR royalty to 2% by paying US\$2,000,000. The NSR royalty may be further reduced to 1% and 0% through additional cash payments of US\$3,000,000 and US\$4,000,000, respectively.

In total, the project covers 94.54 km² (9,454 hectares).

Data purchase: The Company purchased an extensive data set for the Nikolai project. It included all exploration information produced by prior workers since 1995 and was well-organized, complete and in good condition. The data has proven highly valuable. All drill hole data was reviewed and passed quality assurance and quality control standards and thus can be used in mineral resource estimates. The geological, geochemical and geophysical data has proven highly valuable for targeting extensions of the Eureka deposit and for identifying target areas for higher grade mineralization. The data purchase has allowed the company to greatly accelerate the rate at which the project has advanced. Following is a description of the exploration history and contents of the database purchase. The Nikolai project hosts Ni-Cu-Co-Cr-PGE mineralization and was first explored by major nickel producer INCO Ltd in the late 1990s. Control of the project passed to Nevada Star Resources Ltd. ("Nevada Star"), which carried out exploration with Anglo American

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(Canada) Ltd from 2004 to 2006. At the time, the project had been renamed the MAN project. Subsequently, Nevada Star changed its name to Pure Nickel Inc., a TSX-V listed public company ("Pure Nickel"). Further exploration was conducted by Pure Nickel in a joint venture agreement funded by Japanese company ITOCHU from 2008 to 2013. All information generated by the explorers between 1995 and 2014 was retained in a comprehensive database by Pure Nickel, which subsequently sold the data to Alaska Critical Metals and has now been purchased by the Company. During August 2023, the Company purchased the historical dataset by issuing 2,000,000 shares and paying \$1,050,000.

The data, collected by various companies from 1995 to 2014, includes:

- Drill hole logs and assay information for all holes drilled by the various companies.
- Several types of airborne geophysical surveys, including:
 - Frequency domain airborne EM
 - VTEM airborne
 - ZTEM airborne
 - SPECTREM
 - Magnetic Susceptibility
 - LiDAR with Digital Elevation Model
- Several types of ground geophysical surveys, including:
 - MaxMin
 - PEM/TEM
 - WalkMag
- Geological mapping
- Thousands of soil and rock samples with assays.

Maiden NI43-101 Mineral Resource

On November 20, 2023, the Company announced a maiden NI43-101 mineral resource estimate, exceeding 1.5 billion pounds of contained Nickel for the Nikolai Project.

Mineral Resource Estimate - Inferred Mineral Resources

<u>Eureka Zone East:</u>	88.6	million tonnes grading 0.35% NiEq% containing:
	471	million pounds of nickel 165 million pounds of copper
	34	million pounds of cobalt
	548,700	ounces of platinum, palladium, and gold

<u>Eureka Zone West:</u>	182.8	million tonnes grading 0.28% NiEq% containing:
	1,080	million pounds of nickel
	208	million pounds of copper
	81	million pounds of cobalt
	792,400	ounces of platinum, palladium, and gold

In April 2024, the Company filed on www.sedarplus.ca, an updated NI43-101 mineral resource estimate on the Eureka zone at its Nikolai nickel project (Nikolai Mineral Resource Estimate Technical Report Amended and Updated, Derek Loveday and Allan Schappert, April 12th, 2024). The mineral resource estimate was made by industry-leading mining consultancy Stantec. The two separate deposits of the original mineral resource estimate were merged together within one large pit shell using a 0.2% nickel equivalent cutoff grade. The updated mineral resource estimate utilized the eight holes drilled by the Company in 2023 and the data from 35 historical holes purchased during the summer of 2023. The mineral resource estimate contains both a higher-confidence Indicated Resource and an Inferred Resource where drill hole information is more sparse. The updated mineral resource estimate also resulted in a much-reduced strip ratio to 1.5:1 and clearly identified

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the presence of a higher-grade core zone that persists over the southeastern half of the deposit. In summary, the updated mineral resource estimate is stated as:

Indicated Resource - 813 million tonnes grading 0.29% NiEq:

- **3.871 billion pounds of nickel**
- **1.276 billion pounds of copper**
- **303 million pounds of cobalt**
- **4.0 million ounces of PGE (Pt & Pd), plus gold**
- **5.177 billion pounds of NiEq metal**

Inferred Resource - 896 million tonnes grading 0.27% NiEq:

- **4.225 billion pounds of nickel**
- **1.040 billion pounds of copper**
- **327 million pounds of cobalt**
- **3.4 million ounces of PGE (Pt & Pd), plus gold**
- **5.406 billion pounds of NiEq metal**

The following table is the official version of the mineral resource estimate. The 2024 MRE has been prepared by Derek Loveday, P. Geo. (the “QP”) of Stantec Consulting Services Inc. in conformity with CIM “Estimation of Mineral Resource and Mineral Reserves Best Practices” guidelines and are reported in accordance with NI 43-101. The QP is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant issues that could potentially affect the 2024 MRE. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that any mineral resource will be converted into mineral reserve.

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Indicated Mineral Resource Tonnes and Grade										
Area	Mineralized Zone	NiEq Cutoff	Tonnage	Base and Battery Metals			PGM and Precious Metals			Total
				Ni	Cu	Co	Pt	Pd	Au	NiEq*
		(%)	(MT)	(%)	(%)	(%)	(g/T)	(g/T)	(g/T)	(%)
Eureka	Eureka Zone 1 (EZ1)	>= 0.200	-	-	-	-	-	-	-	-
	Eureka Zone 2 (EZ2)	>= 0.200	739	0.22	0.08	0.02	0.049	0.101	0.013	0.29
	Eureka Zone 3 (EZ3)	>= 0.200	74	0.21	0.02	0.02	0.035	0.023	0.006	0.25
Total	EZ1 + EZ2 + EZ3	>= 0.200	813	0.22	0.07	0.02	0.048	0.094	0.012	0.29
Indicated Mineral Resource Tonnes and Metal Content										
Area	Mineralized Zone	NiEq Cutoff	Tonnage	Base and Battery Metals			PGM and Precious Metals			Total
				Ni	Cu	Co	Pt	Pd	Au	NiEq*
		(%)	(MT)	(Mlbs)	(Mlbs)	(Mlbs)	(KtOz)	(KtOz)	(KtOz)	(Mlbs)
Eureka	Eureka Zone 1 (EZ1)	>= 0.200	-	-	-	-	-	-	-	-
	Eureka Zone 2 (EZ2)	>= 0.200	739	3,532	1,243	279	1,166	2,400	310	4,770
	Eureka Zone 3 (EZ3)	>= 0.200	74	345	33	25	83	54	15	407
Total	EZ1 + EZ2 + EZ3	>= 0.200	813	3,877	1,276	303	1,249	2,454	326	5,177
Inferred Mineral Resource Tonnes and Grade										
Area	Mineralized Zone	NiEq Cutoff	Tonnage	Base and Battery Metals			PGM and Precious Metals			Total
				Ni	Cu	Co	Pt	Pd	Au	NiEq*
		(%)	(MT)	(%)	(%)	(%)	(g/T)	(g/T)	(g/T)	(%)
Eureka	Eureka Zone 1 (EZ1)	>= 0.200	85	0.19	0.02	0.02	0.025	0.020	0.004	0.22
	Eureka Zone 2 (EZ2)	>= 0.200	693	0.22	0.06	0.02	0.042	0.082	0.010	0.28
	Eureka Zone 3 (EZ3)	>= 0.200	118	0.21	0.02	0.02	0.033	0.022	0.006	0.25
Total	EZ1 + EZ2 + EZ3	>= 0.200	896	0.21	0.05	0.02	0.039	0.068	0.009	0.27
Inferred Mineral Resource Tonnes and Metal Content										
Area	Mineralized Zone	NiEq Cutoff	Tonnage	Base and Battery Metals			PGM and Precious Metals			Total
				Ni	Cu	Co	Pt	Pd	Au	NiEq*
		(%)	(MT)	(Mlbs)	(Mlbs)	(Mlbs)	(KtOz)	(KtOz)	(KtOz)	(Mlbs)
Eureka	Eureka Zone 1 (EZ1)	>= 0.200	85	356	31	29	67	56	10	422
	Eureka Zone 2 (EZ2)	>= 0.200	693	3,320	957	259	939	1,831	233	4,337
	Eureka Zone 3 (EZ3)	>= 0.200	118	549	52	39	127	85	22	647
Total	EZ1 + EZ2 + EZ3	>= 0.200	896	4,225	1,040	327	1,133	1,972	265	5,406

- NiEq = nickel equivalent, MT = million tonnes, Mlb = Million pounds, KtOz = thousand troy ounces.
- Totals may vary due to rounding.
- CIM definitions are followed for classification of Mineral Resource.
- Metal pricing used to calculate NiEq is based on observation of monthly metal pricing for the past 24 months up to end-January 2024 with Ni at US\$23,375/tonne (US\$10.6/lb) (World Bank), Cu at US\$ 8,644/tonne (\$US3.92/lb) (World Bank), Co 41,050 US\$/tonne (US\$18.62/lb) (Trading Economics), Pt at US\$963/toz (World Bank), Pd at US\$1,664/toz (Kitco), and Au at 1,878 (World Bank). Totals may not represent the sum of the parts due to rounding.
- Nickel equivalent grade formula is as follows:

$$*NiEq = (Ni\%) + (Cu\% * 0.31) + (Co\% * 1.46) + (Pt\% * 1,103) + (Pd\% * 1,907) + (Au\% * 2,153)$$
Coefficients used to calculate the value of other metals to Ni equivalent include allowances for differences in assumed recoveries of other metals (50%) and nickel (60%), and are calculated as follows:

$$(Metal\ Price)/(Ni\ Price) \times (metal\ recovery/Ni\ recovery)$$
- Base case NiEq cutoff grade is 0.20% calculated from a Ni price of US\$23,375/tonne (US\$10.60 US\$/lb), surface mining cost of US\$2.50 per tonne, processing costs US\$25.00 per tonne and Ni recovery of 60% and 50% for other metals (Cu, Co, Pt, Pd, and Au).
- Mineral Resource are reported from within an economic pit shell whose extent has been estimated using a Ni price of US\$23,374.56/tonne (US\$10.60 US\$/lb) and mining cost of US\$2.50 per tonne, from a Ni equivalent grade calculated from Ni, Cu, Co, Pt, Pd, and Au, and 45-degree constant slope angle.

The Mineral Resource estimate has been prepared by Derek Loveday, P. Geo. of Stantec Consulting Services Inc. in conformity with CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines and are reported in accordance with the Canadian Securities Administrators NI 43-101. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that any mineral resource will be converted into mineral reserve.

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The following figures show the conceptual pit outline (Figure 1) with lithology, two cross sections (Figure 2: A – A') and (Figure 2: B – B') through the Eureka deposit showing the higher grade core zone which is particularly evident on section A – A' in the southeastern half of the deposit and the 45 degree dip which is favourable for open pit mining as strip ratio is minimized.

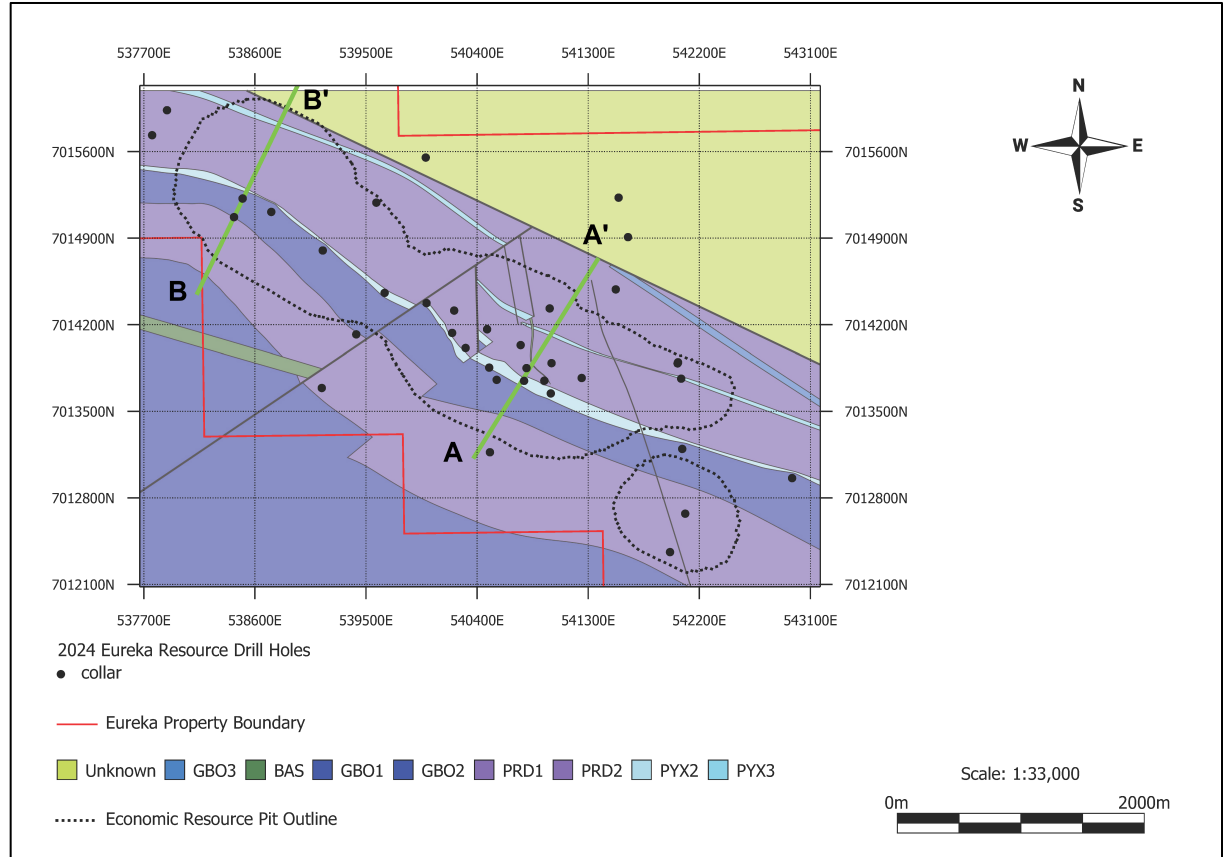


Figure 1. Eureka Zone overview map displaying geology, the 2024 economic resource pit outline, and drill hole locations.

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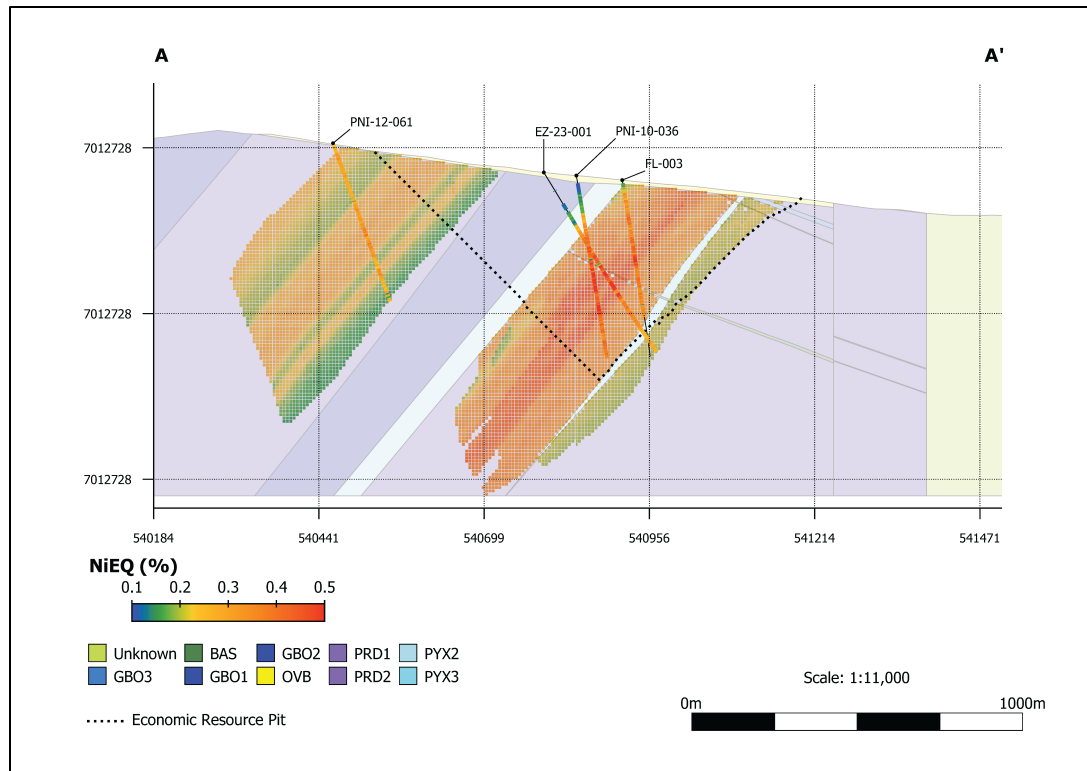
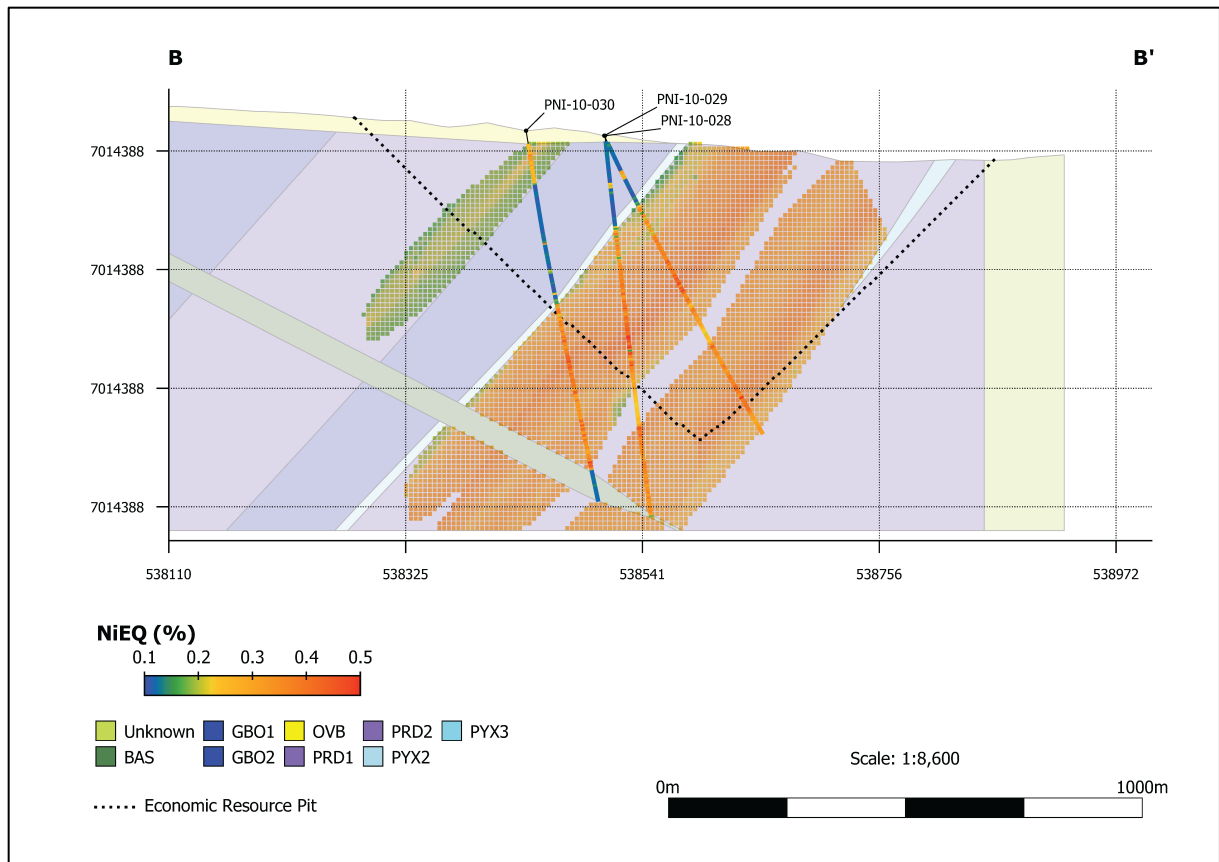


Figure 2. Cross section through the Eureka EZ1, EZ2, and EZ3 MRE. Note: Location of section A-A' is located on Figure 1.

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- **Figure 3.** Cross section through the Eureka EZ1, EZ2 & EZ3 MRE. Note: Location of section B-B' is located on Figure 1.

On January 4, 2024, the Company announced assays from surface rock sampling and geophysical survey results at the Canwell Property. The news release can be viewed at www.sedarplus.ca. The highlights were:

- Three excellent prospects for high-grade mineralization have been revealed: the Canwell, Odie and Emerick prospects.
- Surface rock sample assay results exceeding 5% nickel and 5% copper at the Canwell prospect.
- Geophysical surveys reveal strong conductive zones with magnetic highs beneath surface nickel-copper anomalies.
- High-potential drill targets have been developed to test for high-grade mineralization in summer 2024.

On November 21, 2024, the Company announced on www.sedarplus.ca that it has received assay results from three drill holes completed on the Canwell claim block at the Emerick, Odie and Upper Canwell prospects. Significant thicknesses of polymetallic mineralization were intersected including:

- CAN-24-001 (Emerick) – 56.5 meters @ 0.40% nickel equivalent (NiEq) (0.26% Ni, 0.62% Cr, 7.00% Fe, 0.012% Co, 0.01% Cu, 0.019 ppm Pd, 0.032 ppm Pt & 0.007 ppm Au).
- CAN-24-002 (Odie) – 193.6 meters @ 0.42% NiEq (0.26% Ni, 0.69% Cr, 8.58% Fe, 0.01% Cu, 0.014% Co, 0.035 ppm Pd, 0.041 ppm Pt and 0.007 ppm Au).

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- CAN-24-003 (Canwell) – 429.3 meters @ 0.39% NiEq (0.24% Ni, 0.64% Cr, 8.12% Fe, 0.01% Cu, 0.013% Co, 0.031 ppm Pd, 0.035 ppm Pt and 0.007 ppm Au), including 1.4 meters @ 0.93 NiEq (0.65% Ni, 0.66% Cr, 8.90% Fe, 0.06% Cu, 0.021% Co, 0.275 ppm Pd, 0.246 ppm Pt and 0.012 ppm Au).

District-wide potential has been demonstrated. All three prospects are located ~30 kilometers from the Company's Eureka deposit which has a current Mineral Resource Estimate (Nikolai Mineral Resource Estimate Technical Report Amended and Updated, Derek Loveday and Allan Schappert, April 12th, 2024) containing more than 3.9 billion pounds of nickel in the Indicated category (813 million tonnes grading 0.22% nickel) and more than 4.2 billion pounds of nickel in the Inferred category (896 million tonnes grading 0.21% nickel).

The confirmation of nickel mineralization has provided valuable data on the potential for additional nickel mineralization systems across the Nikolai district. These results provide the justification for additional drilling at Canwell with the goal of expanding disseminated sulfides zones and testing for massive sulfide mineralization.

Additional details are available on the November 21, 2024 news release on www.sedarplus.ca.

Apex El Nido, Alaska, United States, High Grade Vein Gold:

Alaska Energy Metals made an option agreement with the underlying owner. The option is being extended on a year to year basis. Alaska Energy Metals holding cost is US\$1,000 per year and is required to make annual rental payments to the federal government. There are historical underground mine workings on the project from which approximately 25,000 ounces of gold was extracted. No drilling beneath the workings has ever been done. Quartz veins of the mesothermal variety locally contain high grade gold mineralization. The veins may extend below the workings. Alaska Energy Metals will continue to search for an earn-in partner and alternatively will expend funds to do further exploration.

Coeur funded a soil sampling and mapping program which Alaska Energy Metals executed in summer 2021. The results show that the gold-bearing structure extends at least one kilometer to the north. Despite the good results, Coeur elected to terminate its option. There are an excellent series of drill targets established on the property and Alaska Energy Metals is seeking partners for the project.

During the year ended December 31, 2023, the Company impaired the Apex property. As of the date of this MD&A, the Company still maintains the property. The Company considers this project to be a legacy project. It has no immediate plans to work on the property but is considering the possibility of selling its interest or combining it with other of its gold assets and use them together for a future transaction.

64North Gold Project, Goodpaster Mining District, Alaska, United States, Gold:

During the year ended December 31, 2023, Resolution Minerals Ltd., having met all the requirements of the option agreement, vested with a 51% joint interest. Resolution elected not to further sole-fund the project to earn a greater interest. A joint venture was formed and Resolution became the joint venture manager. Resolution has indicated it wants to sell their share of the project and has solicited offers. The Company has the right of first refusal to match any offer.

During the year ended December 31, 2023, the Company impaired the 64North property. As of the date of this MD&A, the Company still maintains its interest in the property. Resolution resigned as manager of the joint venture during the current quarter.

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The Company considers 64North to be a legacy project but recognizes it as an asset that could yet prove valuable. The Company does not intend to participate in any exploration program. Various possibilities including sale of the Company's interest will be considered.

(c) Liberty Bell Property, Alaska

The Liberty Bell project consists of claims owned by Alaska Energy, claims optioned from Boot Hill Gold Inc. ("Boot Hill Gold") and claims leased from James Roland ("Roland Lease").

Boot Hill Option During the year ended December 31, 2018, Alaska Energy entered an option to purchase agreement with Boot Hill Gold. A 100% interest could be obtained.

Roland Lease During the year ended December 31, 2018, a lease to purchase agreement was made with James Roland concerning a block of ten claims internal to the Boot Hill Gold block. Consideration to establish a 100% interest is US\$570,000 to be paid to James Roland as lease payments over an 11-year period. If the Company wishes to keep the claims, payments are scheduled to be US\$30,000 annually, then moving to US\$50,000 annually in 2024, and then a bulk payment in 2028. A 2% royalty is attached to these ten claims and it can be bought out for US\$800,000. During the year ended December 31, 2021, Alaska Energy agreed to assign its option rights and its mineral interests to Felix Gold Limited ("Felix Gold") for cash, share payments and royalty interests. The Roland Lease has been terminated. There is an ongoing obligation to pay US\$20 to Roland when he performs reclamation work to the satisfaction of the Company.

During the year ended December 31, 2023, Felix decided it did not want to proceed and offered the project back to Alaska Energy. The Company declined. Felix canceled the Roland Lease and terminated the Boot Hill Option. Alaska Energy remains liable to return a US\$20,000 environmental reclamation bond to James Roland. The Company subsequently purchased the Boot Hill claims for US\$25,000. Claims originally owned by the Company were returned to Alaska Energy by Felix. The Company now owns the Liberty Bell project with the exception of the Roland Lease claims. As a result of the purchase agreement there is an ongoing obligation for the Company to maintain in good standing the California Creek claims which are owned by Boot Hill Gold. If any Liberty Bell claims are to be abandoned they must be offered to Boot Hill Gold with 30 days advance notice of any financial obligation. Also, in the event that Alaska Energy sells the Liberty Bell project it must pay an additional US\$55,000 to Boot Hill Gold.

During the year ended December 31, 2024, the Company impaired the property resulting in an impairment of \$265,625 as the Company had no immediate plans for any significant exploration activities on the property.

Chisna, Alaska, United States, Gold:

Alaska Energy Metals purchased claim blocks from Corvus Gold in 2015. The claim blocks came with a large database of information that cost approximately \$7 million to create. Upon review of the data Alaska Energy Metals has developed some strong targets for porphyry copper-gold mineralization. In 2021 a major mining company funded exploration work on the claims. The results were evaluated during late 2022 and improved the Grubstake prospect target.

During the year ended December 31, 2023, the Company impaired the Chisna property. As of the date of this MD&A, the Company intends to abandon the project completely.

Fairbanks District, Alaska

In late 2020, the Company entered into an agreement whereby Felix Gold Limited ("Felix Gold") will have the right to secure a 100% ownership in the Treasure Creek, Ester Dome (which included the Grant Mine which contains a JORC-compliant gold resource) and Liberty Bell projects for 9,957,157 Felix Gold shares (received with a value of \$2,246,336 in 2022), US\$210,000 in cash

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(received in 2021), and retained royalties. Each of the three projects is subject to a production royalty in favour of Alaska Energy Metals: Treasure Creek 2.0% Net Smelter Returns (“NSR”), Ester Dome 1.5% NSR and Liberty Bell 2.0% NSR. These royalties are created only when and if Felix exercises underlying options on the projects. In the event that Felix Gold elects not to proceed with an underlying option, it must offer to return the option rights to the Company.

These Fairbanks area projects represent potential royalties. The Company intends to monitor progress of Felix Gold. If and when royalties are created the Company will evaluate whether they should be sold or retained. Royalty generation is no longer a core activity for the Company.

Additionally, Alaska Energy Metals and Felix Gold entered a strategic alliance whereby other projects outside of the Treasure Creek and Ester Dome areas would be generated with funding from Felix. Alaska Energy Metals is entitled to a 1.0% NSR royalty on any project staked, and on claims secured from third parties. Felix Gold must fund a minimum of US\$250,000 each year to extend the strategic alliance. Felix Gold and Alaska Energy Metals agreed to end the strategic alliance in 2022. Both companies are free to use information generated during the alliance period for their own purposes going forward.

Felix Gold did not do significant work on any of the projects in 2023 and dropped the option on the Liberty Bell project. Alaska Energy Metals bought the rights to the Liberty Bell gold project. The Company intends to do the minimum amount of work to hold the claims in the coming year and is open to selling the project. This is a non-core project.

During the second quarter of 2024 the Company sold its shareholding of Felix Gold for approximately \$350,000.

Canadian Properties

Angliers – Belleterre Project

The Angliers-Belleterre project is an important secondary project for the Company. During November 2023, the Company completed the purchase of an arm’s-length company named 1413336 BC Ltd. (“141 BC”) by issuing 31,827,720 shares and 4,105,958 warrants exercisable at \$0.80. The target company assets include the Angliers-Belleterre (“Angliers”) nickel-copper project in western Quebec and approximately \$2.9 million in cash. The shares are subject to an escrow agreement and will be released from escrow over a three-year period.

The property is subject to a 2.5% NSR where 1% can be purchased by the Company for \$1,500,000.

The Angliers property consists of 454 claims covering 24,182.64 hectares. Located in Angliers and Belleterre townships in the Temiscamingue region of western Quebec near the Ontario border. The town of Angliers lies at the northern end of the claim block, and St. Eugene de Guiges at the southern end of the claim block. Access is facilitated by paved highways and gravel roads.

Komatiitic ultramafic flow rocks and differentiated gabbro rocks form part of the Archean volcanic stratigraphy of the Baby Group, in a regional setting thought to be a mantle plume (MB 2020-12 published by the Quebec Ministry of Natural Resources and Forests geologists Richer-Lafleche, Moorhead and Goutier). Mantle plume areas are known to localize a variety of base metal deposits from magmatic nickel-copper to polymetallic volcanogenic massive sulfide deposits. The plume area tapped mantle-derived magmas with “primitive” trace element geochemical signatures in mafic-ultramafic rocks. Primitive rock chemistry is documented in the MB2020-12 report. Komatiites (ultramafic lava flows) and magnesium-rich gabbroic rocks are important rock types for the formation of the Kambalda (Australia) district type of deposit nickel deposits. The same genetic

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mode may apply at the Angliers project. Kambalda is a very rich district with multiple deposits of high-grade massive sulfide deposits.

Nickel sulfides are documented in a series of prospects located one to three kilometres east of the Angliers project. Airborne magnetic surveys indicate that the stratigraphy hosting these prospects probably extends onto the Angliers property under deeper overburden cover.

In the north part of the claim block, there is a belt of highly magnetic rocks. Sampling by the Quebec government has shown that there is strongly anomalous nickel in rock samples over a six-kilometre-long trend.

Bambino Project

On May 21, 2024, the Company entered into an option agreement to acquire a 100% interest in the Bambino Nickel – Copper Property. The claims are immediately adjacent to the Angliers-Belleterre project claims. To earn the interest the Company must:

- pay \$5,000 on May 21, 2024 (paid);
- issue 150,000 shares (issued with a fair value of \$24,000);
- pay \$25,000 on or before May 21, 2025;
- issue 150,000 shares on or before May 21, 2025;
- complete aggregate exploration expenditures of \$100,000 on or before May 21, 2025;
- pay \$25,000 on or before May 21, 2025;
- issue 150,000 shares on or before May 21, 2026;
- complete aggregate exploration expenditures of \$150,000 on or before May 21, 2026;
- pay \$50,000 on or before May 21, 2027;
- issue 250,000 shares on or before May 21, 2027; and
- complete aggregate exploration expenditures of \$250,000 on or before May 21, 2027.

Upon exercise of the option, the Vendors will retain a 2% NSR. The Company will have the right at any time to buy back half of the royalty (i.e., 1.0%) for \$1,000,000 cash.

During the current quarter, the Company initiated and advanced a major soil sampling program and completed an airborne electromagnetic geophysical survey. Analysis of results of the two surveys is underway.

Liquidity and Capital Resources

As of December 31, 2024, the Company has accumulated a deficit of \$67,220,828 and has working capital of \$515,176.

During the period from January 1, 2024 to April 24, 2025, the Company:

- i) issued 1,202,500 shares to settle \$132,328 of debt.
- ii) issued 6,595,500 shares for net proceeds of \$705,932 through the at-the-market offering.
- iii) issued 5,911,047 shares upon exercise of warrants for \$1,183,032. The Company also reallocated \$1,819 of reserves to share capital upon exercise.
- iv) issued 150,000 shares with a value of \$24,000 for the Bambino option agreement.
- v) issued 1,000,000 shares with a value of \$150,000 for the Canwell option agreement.

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- vi) completed a non-brokered offering of 2,500,000 special warrants issued at the price of \$0.40 per special warrant for gross proceeds of \$1,000,000. Each special warrant will automatically convert into one unit of the Company on the earlier of: (i) the date that is three business days following the date on which the Company (a) obtains a receipt from the applicable securities regulatory authorities for a final short form prospectus qualifying distribution of the units underlying the special warrants or (b) files a prospectus supplement to a short form base shelf prospectus with the Securities Commissions qualifying distribution of the units underlying the special warrants, and (ii) the date that is four months and one day after the closing of the offering. Each unit consists of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder thereof to acquire one share at a price of \$0.80 for a period of 24 months. The Company incurred special warrant issuance costs of \$64,872.

The Company issued 30,000 broker special warrants as finder's fee. Each broker special warrant will automatically convert under the same terms as the special warrants, for no additional consideration, into one unit.

The special warrants were converted into units during the year ended December 31, 2024.

Intended Use of Proceeds of Offering		Actual Use of Proceeds from Offering		(Over)/under expenditure
Working capital and marketing purposes	\$1,000,000	Working capital and marketing purposes	\$1,000,000	N/A
Total	\$1,000,000	Total	\$1,000,000	\$ -
Explanation of variances and the impact of variances on the ability of the Company to achieve its business objectives and milestones		No significant variance and no impact to the Company's business objectives.		

- vii) completed a non-brokered offering of 22,255,429 special warrants issued at the price of \$0.15 per special warrant for gross proceeds of \$3,338,314. Each special warrant will automatically convert (subsequently converted) into one unit of the Company on the earlier of: (i) the date that is three business days following the date on which the Company (a) obtains a receipt from the applicable securities regulatory authorities for a final short form prospectus qualifying distribution of the units underlying the special warrants or (b) files a prospectus supplement to a short form base shelf prospectus with the Securities Commissions qualifying distribution of the units underlying the special warrants, and (ii) the date that is four months and one day after the closing of the offering. Each unit consists of one common share and one- common share purchase warrant. Each warrant entitles the holder thereof to acquire one share at a price of \$0.20 for a period of three years.

The Company paid finder's fees of \$181,261 and issued 1,208,409 agent warrants (valued at \$119,500) exercisable at \$0.20 for three years.

The 22,255,429 special warrants were converted into units during the year ended December 31, 2024. Upon conversion, the Company issued 22,255,429 common shares and 22,255,429 warrants.

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Intended Use of Proceeds of Offering		Actual Use of Proceeds from Offering		(Over)/under expenditure
Drilling, metallurgical, working capital and marketing purposes	\$3,338,314	Drilling, metallurgical, working capital and marketing purposes	\$3,338,314	N/A
Total	\$3,338,314	Total	\$3,338,314	\$ -
Explanation of variances and the impact of variances on the ability of the Company to achieve its business objectives and milestones		No significant variance and no impact to the Company's business objectives.		

- viii) completed a non-brokered private placement of 2,275,000 units at a price of \$0.15 per unit for gross proceeds of \$341,250, of which \$11,375 was allocated to the warrants using the residual value method. Each unit consists of a common share and a warrant convertible at \$0.20 for a period of three years. The Company paid finder's fees of \$23,888 and issued 159,250 agent warrants (valued at \$15,800) exercisable at \$0.20 of three years.

Intended Use of Proceeds of Offering		Actual Use of Proceeds from Offering		(Over)/under expenditure
Drilling, metallurgical, working capital and marketing purposes	\$341,250	Drilling, metallurgical, working capital and marketing purposes	\$341,250	N/A
Total	\$341,250	Total	\$341,250	\$ -
Explanation of variances and the impact of variances on the ability of the Company to achieve its business objectives and milestones		No significant variance and no impact to the Company's business objectives.		

- ix) completed a non-brokered offering of 30,133,330 special warrants issued at the price of \$0.15 per special warrant for gross proceeds of \$4,520,000. Each special warrant will automatically convert (subsequently converted) into one unit of the Company on the earlier of: (i) the date that is three business days following the date on which the Company (a) obtains a receipt from the applicable securities regulatory authorities for a final short form prospectus qualifying distribution of the units underlying the special warrants or (b) files a prospectus supplement to a short form base shelf prospectus with the Securities Commissions qualifying distribution of the units underlying the special warrants, and (ii) the date that is four months and one day after the closing of the offering. Each unit consists of one common share and one- common share purchase warrant. Each warrant entitles the holder thereof to acquire one share at a price of \$0.20 for a period of three years.

The Company paid finder's fees of \$422,385 and issued 1,458,176 agent warrants (valued at \$223,800) exercisable at \$0.20 for three years.

The 30,133,330 special warrants were converted into units during the year ended December 31, 2024. Upon conversion, the Company issued 30,133,330 common shares and 30,133,330 warrants.

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Intended Use of Proceeds of Offering		Actual Use of Proceeds from Offering		(Over)/under expenditure
Canwell prospect and Eureka deposit drilling at the Nikolai Nickel Project in Alaska, metallurgical studies, non-flow through costs associated with the Company's Angliers-Belleterre nickel project in Quebec, working capital and marketing purposes	\$4,520,000	Canwell prospect and Eureka deposit drilling at the Nikolai Nickel Project in Alaska, metallurgical studies, non-flow through costs associated with the Company's Angliers-Belleterre nickel project in Quebec, working capital and marketing purposes	\$4,520,000	N/A
Total	\$4,520,000	Total	\$4,520,000	\$ -
Explanation of variances and the impact of variances on the ability of the Company to achieve its business objectives and milestones		No significant variance and no impact to the Company's business objectives.		

- x) completed a non-brokered private placement of 3,200,000 units at a price of \$0.15 per unit for gross proceeds of \$480,000 of which \$nil was allocated to the warrants using the residual value method. Each unit consists of a common share and a warrant convertible at \$0.20 for a period of three years. The Company paid finder's fees of \$33,600 and issued 224,000 agent warrants (valued at \$34,400) exercisable at \$0.20 or three years.

Intended Use of Proceeds of Offering		Actual Use of Proceeds from Offering		(Over)/under expenditure
Canwell prospect and Eureka deposit drilling at the Nikolai Nickel Project in Alaska, metallurgical studies, non-flow through costs associated with the Company's Angliers-Belleterre nickel project in Quebec, working capital and marketing purposes	\$480,000	Canwell prospect and Eureka deposit drilling at the Nikolai Nickel Project in Alaska, metallurgical studies, non-flow through costs associated with the Company's Angliers-Belleterre nickel project in Quebec, working capital and marketing purposes	N/A, still in the bank as at December 31, 2024	N/A
Total	\$480,000	Total	N/A	\$ -
Explanation of variances and the impact of variances on the ability of the Company to achieve its business objectives and milestones		No significant variance and no impact to the Company's business objectives.		

Public Relations, Investor Relations and Advisory Contracts

The Company has entered several agreements which were/are subject to acceptance by the TSX Venture Exchange as part of an ongoing marketing and investor awareness campaign. The reader should refer to the news releases dated July 6, 2023, August 16, 2023, November 6, 2023, November 22, 2023, December 8, 2023, January 23, 2024, January 30, 2024, February 20, 2024, July 26, 2024 on www.sedarplus.ca for details.

The Company is of the view that an aggressive marketing campaign is warranted since the Company has been rebranded in 2023. It is important to make the investing public aware of the Company and it has been the intention to use a strong social media marketing component to attract younger investors to the Company.

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Selected Annual Information

	December 31, 2024	December 31, 2023	December 31, 2022
Overhead recovery fees & exploration revenue	\$ -	\$ 6,889	\$ 227,027
Loss before other items	(8,467,417)	(5,213,796)	(2,013,750)
Net loss	(8,841,214)	(9,778,449)	(1,703,013)
Comprehensive loss	(7,772,209)	(9,576,110)	(1,399,082)
Basis and diluted loss per share	(0.08)	(0.27)	(0.09)
Current assets	1,656,616	5,161,856	2,350,020
Non-current assets	25,854,009	17,417,270	3,932,671
Current liabilities	1,141,440	970,069	1,001,522
Non-current liabilities	219,000	27,891	55,170

The decrease in net loss before other comprehensive loss in 2024, compared to 2023, is described in detail on page 23 of this MD&A. During the year ended December 31, 2024, the Company's non-current assets increased by \$8,436,739 as a result of an increase in Exploration and Evaluation assets as detailed in Note 6 of the consolidated financial statements on www.sedarplus.ca. As detailed elsewhere in this MD&A the Company did substantial work on its Nikolai property.

The increase in net loss before other comprehensive loss in 2023, compared to 2022, is due primarily to the following changes in other items, as detailed in the consolidated financial statements for the year ended December 31, 2023 on www.sedarplus.ca:

- 1) Gain on sale of mining royalties of \$Nil (2022 - \$1,200,000);
- 2) Gain on sale of exploration and evaluation assets of \$Nil (2022 - \$1,072,702) due to the sale of various USA properties to Felix Gold;
- 3) Unrealized loss on marketable securities of \$884,846 (2022 - \$1,667,889) due to fair valuing shares in public companies at year end using the closing price at year end.
- 4) Impairment of exploration and evaluation assets of \$2,011,023 (2022 - \$195,570) relating to properties in Mexico that the Company had abandoned.
- 5) Impairment of prepaid expenses and deposit of \$Nil (2022 - \$139,745)

Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Three Months Ended			
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Exploration and evaluation asset net additions	\$ 1,826,610	\$ 4,696,775	\$ 1,153,872	\$ 809,135
Stock-based compensation	\$ 880,935	\$ 35,242	\$ 114,694	\$ 999,767
Net loss	\$ (3,146,007)	\$ (1,380,400)	\$ (1,019,914)	\$ (3,294,893)
Loss per share (basic)	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ (0.04)
Loss per share (diluted)	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ (0.04)

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	Three Months Ended			
	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Exploration and evaluation asset				
net additions	\$ 5,978,982	\$ 6,225,297	\$ 1,414,719	\$ (106,801)
Stock-based compensation	\$ 32,110	\$ 1,542,791	\$ -	\$ 11,219
Net loss	\$ (5,547,079)	\$ (2,565,894)	\$ (1,395,607)	\$ (279,869)
Loss per share (basic)	\$ (0.08)	\$ (0.06)	\$ (0.08)	\$ (0.02)
Loss per share (diluted)	\$ (0.08)	\$ (0.06)	\$ (0.08)	\$ (0.02)

The net loss during the quarter ended December 31, 2024 was \$3,146,007 (September 30, 2024 - \$1,380,400). The difference was primarily a result of an increase of \$845,693 in stock-based compensation relating to the fair value of stock options, an increase of \$312,132 in consulting fees and impairing exploration and evaluation assets of \$265,625 relating to Liberty Bell. The Company did not have immediate plans for exploration and IFRS accounting standards indicated that the Company should impair for accounting purposes. The Company still holds the properties.

The net loss during the quarter ended September 30, 2024 was \$1,380,400 (June 30, 2024 - \$1,019,914). The difference was primarily a result of a decrease of \$172,448 in promotion and investor relations costs, a decrease of \$79,452 in stock-based compensation relating to the fair value of stock options, an increase of \$539,592 in consulting fees.

The net loss during the quarter ended June 30, 2024 was \$1,019,914 (March 31, 2024 - \$3,294,893). The difference was primarily a result of a decrease of \$717,378 in promotion and investor relations costs, a decrease of \$885,073 in stock-based compensation relating to the fair value of stock options, a decrease of roughly \$105,000 in office and miscellaneous costs, a decrease of \$303,793 in consulting fees and an increase of \$177,426 in the fair value of marketable securities.

The net loss during the quarter ended March 31, 2024 was \$3,294,893 (December 31, 2023 - \$5,547,079). The difference was primarily a result of \$2,011,023 of exploration assets impaired in the comparative quarter ended December 31, 2023 and a decrease in the change in fair value of marketable securities.

The net loss during the three-month period ended December 31, 2023 was \$5,547,079 (three month period ended September 30, 2023 – \$2,565,894). The increase quarter over quarter was primarily a result of the Company impairing exploration and evaluation assets of \$2,011,023 relating to 64 North, Chisna and Apex. The Company did not have immediate plans for exploration and IFRS accounting standards indicated that the Company should impair for accounting purposes. The Company still holds the properties.

- i) a \$377,778 increase in promotion and investor relations fees quarter after quarter. The Company entered into several contracts which are detailed in news releases on www.sedarplus.ca, the dates of the news releases are noted later in this MD&A.
- ii) a \$391,277 net increase in unrealized/realized loss on the fair value of publicly traded stock that the Company holds as marketable securities.

The net loss during the three-month period ended September 30, 2023 was \$2,565,894 (three month period ended June 30, 2023 – \$1,395,607). The increase quarter over quarter was primarily a result of:

- i) an increase in stock-based compensation of \$1,542,791 relating to the fair value of incentive stock options issued to employees, officers, directors and consultants.
- ii) a \$289,627 increase in promotion and investor relations fees quarter after quarter. The Company entered into several contracts which are detailed in news releases on www.sedarplus.ca, the dates of the news releases are noted later in this MD&A.
- iii) a \$722,452 net increase in unrealized/realized gain on the fair value of publicly traded stock that the Company holds as marketable securities.

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The net loss during the three-month period ended June 30, 2023 was \$1,395,607 (three month period ended March 31, 2023 – \$279,869). The increase quarter over quarter was primarily a result of:

- i) an increase in accounting, audit and legal of \$109,860 relating to the increase in activity (marketing agreements and private placement costs that don't qualify as stock issuance costs.
- ii) a \$153,151 increase in promotion and investor relations fees quarter after quarter. The Company entered into several contracts which are detailed in news releases on www.sedarplus.ca, the dates of the news releases are noted later in this MD&A.
- iii) a \$832,139 net increase in unrealized/realized loss on the fair value of publicly traded stock that the Company holds as marketable securities.

Year ended December 31, 2024 Compared to the year ended December 31, 2023

The Company's net loss for the year ended December 31, 2024 was \$8,841,214 (2023 – \$9,788,449). Significant fluctuations from the prior period comparative consisted of:

- Accounting, audit and legal expenses of \$722,832 (2023 - \$567,316). The increase was relating to the increase in activity (marketing agreements, special warrants, preliminary prospectus updates).
- Consulting, directors and salaries of \$1,551,349 (2023 - \$765,970). The increase was due to an increase in general business activities in the current year.
- Promotion and investor relations expense of \$3,379,764 (2023 - \$1,585,921). The Company entered into several contracts which are detailed in news releases on www.sedarplus.ca, the dates of the news releases are noted earlier in this MD&A.
- Stock based compensation expense of \$2,030,638 (2023 - \$1,586,120). The increase was a result of stock-options and RSUs granted to employees, consultants, directors and consultants during the current year.
- Loss on marketable securities of \$87,692 (2023 – \$884,846) due to the fluctuation in the fair value of various publicly traded shares during the comparative year.
- Impairment of exploration and evaluation assets of \$265,625 (2023 - \$2,011,023) relating to Liberty Bell during the current year. Prior year impairment was related to 64 North, Chisna and Apex . The Company did not have immediate plans for exploration and IFRS accounting standards indicated that the Company should impair for accounting purposes. The Company still holds the properties.

Three-month period ended December 31, 2024 Compared to the three-month period ended December 31, 2023

The Company's net loss for the three-month period ended December 31, 2024 was \$3,146,007 (2023 – \$5,547,079). Significant fluctuations from the prior period comparative consisted of:

- Consulting, directors and salaries of \$815,784 (2023 – \$225,451). The increase was due to an increase in general business activities in the current period.
- Promotion and investor relations expense of \$597,203 (2023 - \$861,415). The Company entered into several contracts which are detailed in news releases on www.sedarplus.ca, the dates of the news releases are noted earlier in this MD&A.
- Stock based compensation expense of \$880,935 (2023 - \$32,110). The increase was a result of stock-options granted to employees, consultants, directors and consultants during the current period.
- Impairment of exploration and evaluation assets of \$265,625 (2023 - \$2,011,023) relating to Liberty Bell during the current year. The Company did not have immediate plans for exploration and IFRS accounting standards indicated that the Company should impair for accounting purposes. The Company still holds the properties.

ALASKA ENERGY METALS CORPORATION

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Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers and directors.

The Company incurred charges with key management personnel and companies with directors and officers in common as follows:

	Fees and Salary	Stock-Based Compensation	Year ended December 31, 2024
Director fees – Larry Cooper (former Director)	\$ 7,609	\$ -	\$ 7,609
Director fees – Peter Chilibeck (former Director)	6,740	-	6,740
Director fees – Corri Feige	8,748	-	8,748
Director fees – Mark Begich (former Director)	6,319	-	6,319
Salary – Greg Beischer, CEO	273,425	-	273,425
Accounting fees – Dave Cross (former CFO)	65,500	-	65,500
Consulting fees – Corri Feige	147,948	-	147,948
Consulting fees – Janice Davies (former Corporate Secretary)	50,700	-	50,700
Consulting fees – Mario Vetro	60,000	-	60,000
Consulting fees – Kevin Ma, CFO	28,350	-	28,350
Stock-based compensation – Larry Cooper (former Director)	-	51,751	51,751
Stock-based compensation – Mark Begich (former Director)	-	82,185	82,185
Stock-based compensation – Peter Chilibeck (former Director)	-	51,751	51,751
Stock-based compensation – Corri Feige	-	91,301	91,301
Stock-based compensation – Greg Beischer, CEO	-	156,236	156,236
Stock-based compensation – Dave Cross (former CFO)	-	44,389	44,389
Stock-based compensation – Janice Davies (former Corporate Secretary)	-	35,764	35,764
Stock-based compensation – Ian Stalker	-	13,183	13,183
Stock-based compensation – Tyron Breytenbach	-	13,183	13,183
Stock-based compensation – Mario Vetro	-	52,734	52,734
Stock-based compensation – Commodity Partners (related to Mario Vetro)	-	241,693	241,693
Stock-based compensation – Kevin Ma, CFO	-	39,550	39,550
Stock-based compensation – RSU's – Ian Stalker	-	57,863	57,863
Stock-based compensation – RSU's – Tyron Breytenbach	-	48,219	48,219
Stock-based compensation – RSU's – Mario Vetro	-	17,359	17,359
	<u>\$ 655,339</u>	<u>\$ 997,161</u>	<u>\$ 1,652,500</u>

During the year ended December 31, 2024, 4,808,317 stock options (2023 – 1,325,000) were granted to officers and directors with an estimated fair value of \$873,720 (2023 - \$540,367) and recorded stock-based compensation of \$873,720 (2023 - \$540,367) relating to the portion vested throughout the year.

These charges were in the normal course of operations and were measured by the exchange amount which is the amount agreed upon by the transacting parties.

As of December 31, 2024, there was \$124,438 (2023 – \$27,667) due to related parties for accrued directors' fees, deferred salary expenses and accounting fees. These amounts are unsecured, do not bear interest and have no fixed terms of repayment.

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Contingency Settled

On June 3, 2021, a former property partner (the “Complainant”) filed a Third-Party Complaint against the Company to enforce certain royalty interest in mining claims on a legacy project, not related to Nikolai, purportedly held by the Complainant.

During the year ended December 31, 2024, the parties agreed to settlement terms that included the dismissal of action without prejudice, with each party to bear its own costs and attorney’s fees, and mutual releases.

Financial Instruments

a) Fair Value of Financial Instruments

The Company’s financial instruments that are measured at fair market value on a recurring basis in periods subsequent to initial recognition and the fair value hierarchy used to measure them are presented in the table below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

b) Equity Price Risk

The Company’s marketable securities, which include investments in public entities, are susceptible to market price risk arising from uncertainties about future values of the investment securities. Company’s senior management reviews marketable securities on a regular basis. The Company’s Board of Directors reviews and approves all equity transaction decisions.

c) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company’s cash and amounts receivable are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with large financial institutions.

d) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. Accounts payable and accrued liabilities and due to related parties are expected to be settled within 12 months of December 31, 2024.

e) Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company has cash and other working capital items of \$133,097 (2023 – \$532,274) denominated in US dollars. A ten percent change in the exchange rate would result in a \$13,310 (2023 – \$53,227) impact to the Company’s net loss and comprehensive loss. The Company does not have a formal policy to manage risk; however, management actively monitors movement in foreign currency and forecasts foreign currency payments. Foreign exchange risk is mitigated by the offset of assets against liabilities.

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f) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

g) Capital Management Risk

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to pursue the exploration and development of its mineral properties, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity.

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. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or bring in earn-in partners.

The Company is not currently subject to any external restrictions. As at December 31, 2024, there is no change in the management's approach of capital management from prior year.

Other Risks and Uncertainties

i) Exploration and Development Risk

The Company's properties are in early exploration stages and are without a known body of commercial ore. Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. Discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting mineral exploration programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that an ore body would be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit such as size, grade and proximity to infrastructure, commodity prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors cannot be predicted and are beyond the control of the Company.

Beyond exploration and development risk, management is faced with a number of other risk factors. The more significant ones include:

ii) Financial Markets

Presently, the Company has been dependent on equity markets as its main source of operating working capital and funding for any advanced exploration and development activities that may be needed on its projects. The Company's capital resources are largely determined by the strength of the resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. Consequently, there can be no assurance that equity financing will be available to the Company in the amount required at any time or for any period or if available, that it can be obtained on terms satisfactory to the Company.

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iii) Metal Prices

The price of metals is affected by numerous factors including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, supply and demand, political, economic conditions and production levels. In addition, the price of nickel has been volatile over short periods of time due to speculative activities. The prevailing price of metals and speculation on future price of metals by the investing public can have strong impacts on the share prices of exploration companies like Alaska Energy Metals.

iv) Cash Flows

The Company currently has no revenue from its exploration operations. Additional capital would be required to put a property into commercial production. The sources of funds currently available to the Company are the sale of its marketable securities, equity capital or the offering of an interest in its projects to another party.

v) Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the financing of its business by the issuance of securities and possibly incurring debt. Any transaction involving the issuance of previously authorized but unissued shares of common stock, or securities convertible into common stock, would result in dilution, possibly substantial, to present and prospective holders of common stock.

vi) Trading Volume

The relatively low trading volume of the Company's shares reduces the liquidity of an investment in its shares. Trading volumes fluctuate with market conditions and seasons.

vii) Volatility of Share Price

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries or discouraging exploration results, changes in financial results, and other factors could have a significant effect on share price.

viii) Competition

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other exploration and mining companies, many of which have greater financial resources than the Company, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

ix) Dependence on Management

The Company depends heavily on the business expertise of its management. There is risk to the Company's ability to execute its business plans if some or all of the current management team were to suddenly leave the Company or become incapable of performing their individual and collective responsibilities. The Company has mitigated the risk of its managers leaving for other companies through competitive compensation, cash bonuses and by providing options to purchase Alaska Energy Metals stock. Despite mitigation measures the Company still depends heavily on its current management.

x) Title Risk

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claims of title.

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xi) Environmental

The Company's exploration and development activities are subject to extensive laws and regulations governing environment protection. The Company is also subject to various reclamation related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by non-governmental organizations has caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulation. The costs or likelihood of such potential issues to the Company cannot be estimated at this time.

xii) Laws and Regulations

The Company's exploration activities are subject to extensive federal, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters in all the jurisdictions in which it operates. These laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company applies the expertise of its management, advisors, employees and contractors to ensure compliance with current laws.

Newly Adopted Accounting Policies and Accounting Policy Pronouncements

Please refer to the consolidated financial statements for the year ended December 31, 2024 on www.sedarplus.ca for newly adopted accounting policies and accounting policy pronouncements.

Advisory Committee

On July 29, 2024, the Company announced the reformulation of its Advisory Committee:

Paul Matysek: Mr. Matysek is a 30-year veteran of the mineral resource public markets. Paul is well-known as a strategic mineral resource developer and prolific deal maker. He is the Executive Chairman for a number of companies including Nano One Materials Corp (TSE: NANO) and LithiumBank Resources Corp. (TSX-V: LBNK).

Clark Penney: Mr. Penney is co-founder and Partner of Cypress Wealth Services, an Alaska and California-based wealth management firm with over \$1 billion in assets under management. He serves as President of Penney Capital Inc., a consultancy that focuses on economic and business development for both the public and private sector.

Dan McGroarty: Mr. McGroarty advises companies in the resource sector, with a focus on strategic and critical materials and supply chains. A recognized subject-matter expert, Mr. McGroarty has provided testimony to the U.S. Senate and House of Representatives. Mr. McGroarty has served on the U.S. Department of Energy's Critical Materials Institute's Independent Advisory Board, held a presidential appointment at the Department of Defense, and served at the White House as Special Assistant to the President.

Peter Chilibeck: Mr. Chilibeck is an attorney that served for Falconbridge Limited, Northern Telecom Limited, and IMAX Corporation. As Managing Director and Senior Vice President & General Counsel of Llewellyn Capital, Inc. he has practiced securities law, and played a key role in numerous financings, mergers and acquisitions.

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Larry Cooper: Larry Cooper is a finance executive with deep roots and experience in commercial banking with the National Bank of Alaska and Wells Fargo and has held key corporate finance roles, particularly with Alaska Native Corporations.

Larry Hulbert: Dr. Hulbert is an internationally recognized expert in the metallogeny of mafic-ultramafic rocks and the platinum-group element and nickel-copper sulfide deposits that occur in them. Previously, he was Senior Research Scientist with the Geological Survey of Canada and has extensive industry experience, including working directly on the Company's Nikolai project for over 10 years.

Alex Steiner: Dr. Steiner has more than ten years of industry and academic experience exploring magmatic nickel-copper-platinum deposits and studying the petrology of large mafic magmatic systems. He is currently a Senior Geologist with Big Rock Exploration in Minnesota.

Disclosure of Outstanding Share Data

As at April 24, 2025, the Company had 161,769,867 common shares outstanding.

As at April 24, 2025, the Company had 7,900,000 restricted share units ("RSUs") outstanding. The RSUs vest on October 6, 2026.

As at April 24, 2025, the Company has outstanding and exercisable share purchase options as follows:

Expiry Date	Number of Options Outstanding	Number of Options Exercisable	Exercise Price
November 23, 2025	100,000	100,000	\$ 1.05
February 24, 2027	200,000	200,000	\$ 0.65
July 7, 2028	1,600,000	1,600,000	\$ 0.52
August 17, 2028	1,900,000	1,900,000	\$ 0.46
January 30, 2029	3,025,000	3,025,000	\$ 0.405
April 19, 2029	275,000	275,000	\$ 0.195
October 4, 2029	5,408,317	5,370,817	\$ 0.15
	12,508,317	12,470,817	

As at April 24, 2025, the Company has outstanding and exercisable share purchase warrants as follows:

Expiry Date	Number of Warrants Outstanding	Exercise Price
May 30, 2025	199,017	\$ 0.28
July 27, 2025	8,056,250	\$ 0.80
July 27, 2025	1,007,750	\$ 0.60
August 4, 2025	3,818,750	\$ 0.80
August 4, 2025	158,100	\$ 0.60
August 23, 2025	192,100	\$ 0.80
November 24, 2025	3,913,858	\$ 0.80
December 28, 2025	140,000	\$ 0.39
May 3, 2026	1,265,000	\$ 0.80
July 5, 2027	1,208,409	\$ 0.20
July 11, 2027	2,434,250	\$ 0.20
July 18, 2027	16,354,665	\$ 0.20
September 5, 2027	4,882,176	\$ 0.20
September 20, 2027	30,133,330	\$ 0.20
	73,763,655	

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For the year ended December 31, 2024

HEAD OFFICE

Alaska Energy Metals Corporation

300 – 1055 W Hastings St.

Vancouver, BC, V6E 2E9

Tel: (604) 638-3164

Toll Free: (877) 217-8978

Email: info@alaskaenergymetals.com

OFFICERS & DIRECTORS

Gregory Beischer, B.Sc., CPG

President, CEO, Director

Tyron Breytenbach

Director & Chairman, Compensation Committee

John (Ian) Stalker

Director & Chairman, Audit Committee

Mario Vetro

Director

Corri Feige

Director & Chairwoman, Corporate Governance Committee

Kevin Ma, CPA

Chief Financial Officer

LISTINGS

TSX Venture Exchange: **AEMC**

OTC Markets Group (OTCQB): **AKEMF**

CAPITALIZATION

(as at April 24, 2025)

Shares Authorized: Unlimited

Shares Issued: 161,769,867

REGISTRAR & TRUST AGENT

Computershare

2nd Floor, 510 Burrard Street

Vancouver, British Columbia

V6C 3B9

AUDITOR

Crowe MacKay LLP

1400 – 1185 West Georgia St

Vancouver, BC, V6E 4E6

LEGAL COUNSEL

Owen Bird

Suite 2900, 595 Burrard St.

P.O. Box 49130

Vancouver, British Columbia

V7X 1J5