MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024

Dated: April 25, 2025

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Introduction

The management's discussion and analysis ("MD&A" or "Report") of Fjordland Exploration Inc. (the "Company" or "Fjordland") has been prepared by management in accordance with the requirements under National Instrument 51-102 on April 25, 2025 ("the Report Date") and provides comparative analysis of the Company's financial results for the year. The following information should be read in conjunction with the Company's audited financial statement for the year ended December 31, 2024 together with the notes thereto (collectively, the "Financial Statements"). Unless otherwise indicated, all dollar amounts in this document are in Canadian dollars.

The Financial Statements, together with this MD&A, are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as potential future performance and are not necessarily indicative of the results that may be expected in future periods. The information in the MD&A may contain forward looking statements, and the Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events.

Factors that could cause actual results to differ materially from these forward-looking statements include market prices, exploration success, and continued availability of capital and general economic, market or business conditions.

This list is not exhaustive and these and other factors should be considered carefully; readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The Company disclaims any intention and assumes no obligation to update any forward-looking statement contained in this document, even if new information becomes available as a result of future events or for any other reason.

Fjordland recognizes environmental, social and governance ("ESG") best practices as key components to a responsible mineral exploration and mining sector. The Company's exploration programs are conducted to meet or exceed environmental regulations, while respecting the communities and environments in which we operate. Fjordland strives to earn its social license wherever it is active, endeavoring to meet regularly with local communities, regulators and other concerned parties before, and during, exploration work to understand issues important to local and Indigenous communities. Fjordland's approach is based on transparency, open communication, inclusivity and respect, to better enable social and economic benefit for communities as well as value for investors.

Data Verification: All technical data presented herein is either accompanied by a reference to the original public disseminated news release which contains the detailed QA/QC data for the data, or the QA/QC is presented here. Historical data is, when referenced as such, treated as valid for exploration purposes only by the Company following review by Qualified Persons, Robert Cameron, P.Geo. or other stated Qualified Persons.

Additional information about the Company and the Company's activities can be found on the Company's website at www.fjordlandex.com; the audited financial statements, and the notes thereto, for the year ended December 31, 2024, prepared in accordance with IFRS, can be found on SEDAR+ at www.sedarplus.ca.

Business of the Company

Fjordland is an exploration stage company engaged in the acquisition and exploration of prospective mineral deposits primarily in Canada. The Company acquires properties directly by staking, through option agreements with prospectors or other exploration companies, and through reconnaissance programs.
The Company's global macro view is that North America will require its own source of primary metals required to meet the demands of an ever-expanding electrified economy. Global tensions, market demands

and technological advancements necessitate mining, processing and upgrading primary metals locally. As a result, the Company believes this will ultimately lead to robust pricing and demand for Canadian based projects. Copper in British Columbia offers the greatest opportunity to meet this future demand which is why Fjordland is developing work programs for the Witch and West Milligan copper gold porphyry projects to the west of the active Mount Milligan mine. Nickel demand may pick up with the development of North American battery plants and sourcing requirements under the US Inflation Reduction Act. However, the most significant use of nickel is in the production of stainless steel which is inherently tied to world economic growth. With stagnant growth prospects and the recent domination by Indonesia from its nickel laterite clays, the near term prospect for nickel demand remains bleak. The Company's South Voiseys Bay project has world class potential based on previous exploration activities should these trends reverse themselves. Lithium, graphite and high purity silica are also expected to play a significant role in the development of EV batteries. Fjordland's Manat-nipu project in Quebec has the potential to develop a high purity silica product from the pegmatites.

Given the difficulty in estimating the book value as a metric of long-term economic potential of each of its exploration projects, the Company decided to change its accounting policy with respect to recording exploration costs. Instead of accruing costs on the balance sheet, all exploration costs have been expensed as incurred. A table detailing expenses incurred on each project is included in the financial statements in order to maintain a record or work done.

The Company trades as a Tier Two company on the TSX Venture Exchange ("Exchange") under the symbol "FEX" and is a reporting issuer in British Columbia and Alberta.

MINERAL PROJECTS

South Voisey's Bay ("SVB"), Labrador

The Company currently owns a 75% interest in the project, with Commander Resources Ltd. ("Commander") owning the balance. At December 31, 2024, the option to earn an additional 25% interest in the project lapsed and the Company and Commander are therefor in a Joint Venture Agreement based on a 75% and 25% interest, respectively. The 150 square kilometer SVB project is in good standing with the Newfoundland and Labrador government until at least mid-2027.

From September 2017 until April 2023, Fjordland had an agreement with Ivanhoe Electric to fund the obligations under the Commander Joint Venture in order to earn up to a 65% interest in the project. With Ivanhoe shifting their main focus to Copper in the US, they dropped the Option Agreement with Fjordland.

Fjordland and Commander contineus to seek a Joint Venture partner that has the financial ability to advance the project.

Witch, British Columbia

The Witch project is a porphyry Cu-Au target in the northern Quesnel Trough of central BC, which hosts several nearby deposits. The property covers prospective, multi-phase, porphyritic felsic to intermediate apophyses of the Hogem Batholith, representing a large alkalic porphyry system. This area is re-emerging in BC Cu-Au porphyry exploration spurred by the active Mt. Milligan mine, plus the discovery of the Kwanika and Kemess North and Kemess East deposits in the last decade.

Witch is a large property with compelling, untested, coincident IP and Cu-Au geochem anomalies that are well situated with respect to prospective alkalic intrusions. To date extensive thin drift cover combined with the smaller footprint of alkali porphyry systems has largely frustrated the search for additional discoveries. The property has excellent road access in low topographic relief areas, which aid in low cost exploration, including diamond drilling.

During 2024, the Company ensured that the property was in good standing and reviewed its future exploration program. The Company also continued to seek joint-venture partners and if funding allows in the future, intends to advance this property via an exploration program. Fjordland needs to expend approximately $50,000 in exploration costs in 2025 in order to maintain all the existing claims.

West Milligan, British Columbia

Similar in nature to the Witch project, and immediately adjacent to the Mount Milligan copper gold porphyry mine, the West Milligan is a joint venture project with Northwest Copper. The project is in good standing and exploration in 2025 will be limited based on on-going exploration near the projects boundary by Centerra Gold, Mountain Milligan’s owner. Significant leverage can be achieved in the event Centerra’s program is successful.

Renzy, Quebec

The Renzy project saw limited exploration in 2024. While principally a nickel copper project, graphite was found in two holes from the 2022 drill program. A scoping level metallurgical evaluation of the graphite potential conducted by SGS Lakefield confirmed promising results; however, further drilling will be needed to confirm higher grade intersections

The Renzy Mine deposit contains, as defined by NI 43-101, Standards for Disclosure for Mineral Projects, a historical mineral resource estimate including indicated resources of 51,000 tonnes 0.79% Ni and 0.72% Cu and inferred resources of 280,000 tonnes at 0.82% Ni and 0.89% Cu with a cut-off grade of 0.7 % Ni equivalent. The resource is taken from a technical report filed on SEDAR+ entitled "Technical Report - Resources Evaluation November 2007 Vulcain Property, Hainaut township.” prepared for Matamec Explorations Inc.(“Matamec”) by Geostat Systems International Inc. and dated November 22, 2007. This resource is considered historical in nature. Although the resource estimate at the time was prepared and disclosed in compliance with all disclosure requirements for mineral resources or reserves set out in NI 43-101 (2011) and the classification of the resource as a Measured, Indicated and Inferred resource was consistent with CIM Definition Standards - For Mineral Resources and Mineral Reserves (2010), a qualified person has not completed sufficient work to classify the historical resource estimate as current mineral resources and Fjordland is not treating the historical resource estimate as current mineral resource.

The mineral potential of the project within the Grenville Province remains high given several important deposits have been discovered in Scandinavia and Australia, two regions also characterized by rocks of a high degree of metamorphism and originating from Proterozoic orogens. The recent discovery of the high-tonnage Ni-Cu magmatic sulphide deposit in Aguablanca in Spain has also demonstrated the potential of ancient arcs to contain significant Ni-Cu mineralization (Tornos et al., 2006). The combination of these factors suggests that the Grenville Province may also contain significant deposits of Ni-Cu magmatic sulphides.

In order to advance the project, additional drilling is required. Fjordland is looking for a joint venture partner to move the project forward. The claims are in good standing for a number of years.

Manat-nipi Project, Quebec

On May 25, 2023, the Company acquired by staking the 233 square kilometer Manat-Nipi Project (formerly Kegashka Project) located 40 kilometers north-east of Natashquan on Quebec's North Shore. The claims were staked based on the proliferation of high quality lithium and spodumene pathfinder minerals detailed in Quebec’s mineral exploration database. Two field programs identified a number of high quality pegmatite outcrops which are typical for spodumene (ie. Lithium) occurrences. Selected rock samples failed to generate lithium occurrences worthy of follow-up.However, further investigation has demonstrated the potential for high purity quartz occurring within the pegmatitic bodies. Exploratory research is being undertaken at the University of New Brunswick and the Saskatechewan Research Council to determine if further work in this direction is warranted, During 2024, the Company ensured that the property was in good standing and reviewed its future exploration program. The Company also continued to see joint-venture partners and if funding allows in the future, advance this property via an exploration program.

A summary of exploration and evaluation expenses is as follows:

	South Voisey's Bay Labrador	Renzy Quebec	Milligan West British Columbia	Witch British Columbia	Manat-nipi (formerly Kegashka) Quebec	Total
Mineral exploration and evaluation expenses for the year ended at December 31, 2023						
Government exploration tax credit	(68,175)	(218,114)	-	-	-	(286,289)
Acquisition costs	-	-	-	-	31,278	31,278
Aicraft Charter	-	-	-	-	62,273	62,273
Assays	1,606	17,761	-	-	2,789	22,156
Drilling	-	5,499	-	-	-	5,499
Field materials and supplies	27	326	-	-	1,665	2,018
Freight and courier	75	313	-	-	624	1,012
Fuel and transportation	-	216	-	-	-	216
Geophysics	3,000	-	91	-	-	3,091
Geology	6,583	48,314	-	1,925	35,989	92,811
Insurance	-	630	-	-	-	630
Labour	-	-	943	-	1,485	2,428
License and permits	15,042	5,347	-	618	22,194	43,201
Project supervision charges	-	134	9	-	351	494
Storage	-	1,776	-	-	-	1,776
Travel, meals, accommodation	-	1,350	-	-	19,547	20,897
Cost recoveries	(141,314)	-	-	-	-	(141,314)
	$ (183,156)	$ (136,448)	$ 1,043	$ 2,543	$ 178,195	$ (137,823)
Mineral exploration and evaluation expenses for the year ended at December 31, 2024						
Government exploration tax credit	(7,350)	(69,601)	-	-	(10,507)	(87,458)
Assays	-	-	-	-	5,413	5,413
Geology	1,200	5,201	-	431	5,654	12,486
License and permits	1,844	13,437	-	370	-	15,651
Storage	-	660	-	-	-	660
	$ (4,306)	$ (50,303)	$ -	$ 801	$ 560	$ (53,248)

SELECTED ANNUAL INFORMATION

The Company's selected annual information for the years ended December 31, 2024, 2023 and 2022 are as follows:

	2024	2023 (Restated)	2022 (Restated)
General and administration expenses	$ (366,946)	$ (480,037)	$ (454,989)
Exploration and evaluation expenses, net of government exploration tax credit and cost recoveries	$ 53,248	$ 137,823	$ (1,333,495)
Loss for the year	$ (313,698)	$ (342,214)	$ (1,765,180)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.02)
Cash dividends per share	n/a	n/a	n/a
Assets	$ 314,503	$ 544,972	$ 1,030,561
Long-term liabilities	$ -	$ -	$ 27,788

FINANCIAL POSITION

(a) Summary of Quarterly Results

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

	Three months ended			
	December 31, 2024	September 30, 2024 (Restated)	June 30, 2024 (Restated)	March 31, 2024 (Restated)
Total revenues	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Net loss and comprehensive loss	$ (87,688)	$ (15,822)	$ (93,516)	$ (116,672)
Loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

	Three months ended			
	December 31, 2023 (Restated)	September 30, 2023 (Restated)	June 30, 2023 (Restated)	March 31, 2023 (Restated)
Total revenues	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Net loss and comprehensive loss	$ (175,356)	$ (88,242)	$ (14,677)	$ (63,939)
Loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

(b) Results of Operations for the three months ended December 31, 2024 and 2023

During the three months ended December 31, 2024, the Company reported a loss of $87,688 ($0.00 loss per share) (2023 – $175,356 ($0.00 loss per share)).

Excluding the non-cash portion depreciation of $Nil (2023 - $9,779), the Company's general and administrative expenses amounted to $97,231 during the three months ended December 31, 2024 (2023 –

$101,647), a decrease of $4,416. The slight decrease was mainly due to decreases in (a) accounting fees (from 2023's $42,000 to 2024's $35,690) and (b) transfer agent fees (from 2023's $1,527 to 2024's $924). The Company was actively reducing its expenditures to conserve cash during fiscal 2024.

(c) Results of Operation for the years ended December 31, 2024 and 2023

During the year ended December 31, 2024, the Company reported a loss of $313,698 ($0.00 loss per share) (2023 – $342,214 ($0.00 loss per share)).

Excluding the non-cash portion depreciation of $25,970 (2023 - $39,115) and the share-based compensation of $Nil (2023 - $72,625), the Company's general and administrative expenses amounted to $340,976 during the year ended December 31, 2024 (2023 – $368,297), a decrease of $27,321. Such decrease was mainly due to decreases in (a) accounting fees (from 2023's $104,192 to 2024's $85,769); and (b) marketing fees (from 2023's $27,715 to 2024's $20,110). The Company was actively reducing its expenditures to conserve cash during fiscal 2024.

Significant items included in the current results of operation are as follows:

		2024		2023
Accounting and audit fees	$	85,769	$	104,192
Administration fees	$	42,000	$	42,000
Filing fees	$	8,947	$	6,592
Office and printing	$	9,546	$	20,322
Management fees	$	150,000	$	150,000
Marketing	$	20,110	$	27,715
Rent	$	8,284	$	(2,000)
Transfer agent fees	$	9,367	$	8,879

Total share-based compensation on options granted, and vested during the year ended December 31, 2024, resulted in $Nil (2023 - $72,625) being expensed. Share-based compensation is a non-cash transaction.

Comprehensive loss for the year ended December 31, 2024 is $313,698 (2023 - $342,214).

LIQUIDITY

The Company takes steps to ensure that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets. As the Company does not have operating cash flow, the Company has relied primarily on equity financings to meet its capital requirements.

The Company is in the exploration stage and commodity prices are not reflected in operating financial results. However, fluctuations in commodity prices may influence financial markets and may indirectly affect the Company.

As at December 31, 2024, the Company's working capital was $84,145 (December 31, 2023 - $371,871). With respect to working capital, $247,706 was held in cash (December 31, 2023 - $435,057). The decrease in cash in 2024 of $187,351 was mainly due to $158,511 used in operations and $28,840 used in lease payments.

Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto. The Company continues to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

CAPITAL RESOURCES

The Company considers its capital structure to be shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As an exploration stage company, the Company is unable to finance its operations from cash flow and has relied primarily on equity financings to meet its capital requirements.

Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favorable.

The Company's share capital is not subject to any external restriction and the Company did not change its approach to capital management during the period.

(a) Financing Activities

The Company did not issue any common shares during the year ended December 31, 2024.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants and options, along with the planned developments within the Company will allow its efforts to continue throughout 2025. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

(b) Disclosure of Outstanding Share Data

The authorized share capital of the Company consists of an unlimited number of common shares without par value. As at December 31, 2024, the Company's share capital was $22,321,508 (December 31, 2023 - $22,321,508) representing 82,935,531 common shares (December 31, 2023 – 82,935,531 common shares).

Stock option transactions and the number of stock options are summarized as follows:

Expiry date	Exercise price ($)	December 31, 2023	Issued	Exercised	Expired / forfeited	December 31, 2024
June 5, 2025	0.07	1,375,000	-	-	-	1,375,000
August 5, 2025	0.07	500,000	-	-	-	500,000
January 12, 2026	0.105	75,000	-	-	-	75,000
April 22, 2026	0.125	1,025,000	-	-	-	1,025,000
August 26, 2026	0.125	900,000	-	-	-	900,000
January 25, 2027	0.10	100,000	-	-	-	100,000
April 27, 2028	0.06	2,075,000	-	-	-	2,075,000
Options outstanding		6,050,000	-	-	-	6,050,000
Options exercisable		6,000,000	-	-	-	6,050,000
Weighted average exercise price ($)		$ 0.09	$ -	$ -	$ -	$ 0.09

The continuity of warrants for the year ended December 31, 2024 is as follows:

Expiry date	Exercise price ($)	December 31, 2023	Issued	Exercised	Expired	December 31, 2024
August 12, 2024 (1)	0.12	12,500,000	-	-	(12,500,000)	-
Warrants outstanding		12,500,000	-	-	(12,500,000)	-
Weighted average exercise price ($)		$ 0.12	$ -	$ -	$ 0.12	$ -

As of the date of this MD&A, if the remaining options and warrants were exercised, the Company's available cash would increase by $514,250.

As of the date of this MD&A, there were 82,935,531 common shares issued and outstanding and 88,985,531 common shares outstanding on a fully diluted basis.

	Issued and outstanding	
	December 31, 2024	April 25, 2025
Common shares outstanding	82,935,531	82,935,531
Stock options	6,050,000	6,050,000
Fully diluted common shares outstanding	88,985,531	88,985,531

(c) Related Party Transactions

The Company entered into the following transactions with related parties:

Compensation of key management personnel

Key management personnel consist of the directors and executive officers of the Company. The remuneration, including share-based compensation, of key management person during the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Administration fees	$ 42,000	$ 42,000
Accounting fees	50,190	60,000
Management fees	150,000	150,000
Share-based compensation	-	63,000
	$ 242,190	$ 315,000

During the year ended December 31, 2024, the Company paid rent of $37,124 (2023 – rent of $41,260 and shared costs of $980) to a publicly listed company with an officer in common. The Company also had an amount of $7,210 (2023 - $7,210) in deposit to a publicly listed company with an officer in common.

Amounts in accounts payable:	Services for:	As at December 31, 2024	As at December 31, 2023
A private company controlled by the Chief Executive Officer	Management fees and expense reimbursement	$ 92,570	$ 13,322
A private company controlled by the Chief Financial Officer	Accounting and management fees	5,975	5,250
A publicly listed company with an officer in common	Rent	2,315	-
A private company controlled by the Corporate Secretary	Administration fees	25,725	3,675
Total		$ 126,584	$ 22,247

(d) Off-Balance Sheet Arrangements

There was no off-balance sheet arrangement during the year ended December 31, 2024.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

Commitments

As of the date of this MD&A, the Company does not have any commitments, expected or unexpected, or uncertainties.

Risks and Uncertainties Related to the Company's Business

Resource exploration is a speculative business and involves a high degree of risk. There is a significant probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to attain commercial production stage are also very substantial. The following sets out the principal risks faced by the Company.

(a) Exploration

The Company is seeking mineral deposits on exploration projects where there are not yet established commercial quantities. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

(b) Market

The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change; both in short term time horizons and longer term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

(c) Commodity Price

The Company's exploration projects are primarily related to exploration for copper, nickel and other base and precious metals in Canada. While these minerals have recently been the subject of significant price increases from levels prevalent earlier in the decade, there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favour these target commodities. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

(d) Title

Although the Company has exercised the usual due diligence with respect to title to properties in which it has interests, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or land claims, and title may be affected by undetected defects.

(e) Financing

Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be primarily dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

(f) Share Price Volatility and Price Fluctuations

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that these price fluctuations and volatility will not continue to occur.

(g) Key Personnel

The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

(h) Competition

Significant and increasing competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

(i) Realization of Assets

Exploration and evaluation assets comprise a substantial portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values.

(j) Environmental and Other Regulatory Requirements

The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits.

(k) History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations

The Company has incurred net losses to date. The Company has not yet had any revenue from the exploration activities on its properties. Even if the Company commences development of certain of its properties, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

(l) Uninsurable

The Company and its subsidiary may become subject to liability for pollution, fire, explosion and other risks against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

(m) Legal Proceedings

As at the date of the Report, there were no legal proceedings against or by the Company.

(n) Critical Accounting Estimates

Management's estimates of exploration, operating, capital and reclamation costs are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties.

Another significant accounting estimate relates to accounting for share-based compensation and derivative instruments. The Company uses the Black-Scholes Option Pricing Model to estimate the fair value of share-based compensation and warrants. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the period.

(o) Financial Instruments and other Instruments

The Company's financial assets consist of cash and deposits for reclamation, receivables, accounts payable and accrued liabilities. No amounts are invested other than in chartered bank term deposits. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from the financial instruments. The carrying value of these financial instruments approximates their fair value due to their short-term maturity or capacity of prompt liquidation.

The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

On initial recognition, a financial asset is classified as and measured at: amortized cost, fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVOCI"). Financial assets are classified according to their contractual cash flow characteristics and the business models under which they are held

On initial recognition of an equity investment that is not held for trading, an irrevocable election is available to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is available on an investment-by-investment basis.

Financial liabilities are designated as either fair value through profit or loss, or amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

The effective interest method is a method of calculating the amortized cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all transaction costs and other premiums or discounts) through the expected life of the debt instrument to the net carrying amount on initial recognition.

The Company has classified and measured its financial instruments as follows:

- Cash is classified as FVTPL
- Receivables are classified as amortized cost
- Deposits are classified as amortized cost
- Accounts payable and accrued liabilities is classified as amortized cost
- Lease liability is classified as amortized cost
- Due to operating partner is classified as amortized cost

(p) Change in accounting policy and restatement

The Company's previous accounting policy was to capitalize exploration and evaluation expenditures. The new policy is to expense such expenditures as incurred.

We believe that the information provided by this policy change will be more useful to readers because it provides better comparability of our financial position, changes in financial position, and results of operations with those of our current and future peer groups. Consequently, the revised treatment results in more relevant and no less reliable information than was previously presented. We have applied this change in accounting policy retrospectively, in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Due to the change in accounting policy, the Company has restated the comparative financial information on the statements of financial position as at December 31, 2023 and the comparative financial information on the statements of comprehensive loss, cash flows and changes in shareholders' equity for the year ended December 31, 2023.

SUBSEQUENT EVENTS

None.

Management Responsibility

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and this Management Discussion and Analysis, is complete and reliable.

QUALIFIED PERSON

Robert Cameron is a qualified person as defined by NI 43-101 and reviewed the preparation of the scientific and technical information in this MD&A disclosure. Further information and results of exploration programs can be found on www.sedarplus.ca and the Company's website. www.fjordlandex.com.

Cautionary Statements

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR+ with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.

CORPORATE INFORMATION

Directors and Officers

James Tuer
President, CEO and Director

Scott Broughton
Director

John Sheedy
Director

Robert Cameron
Director

Mark T. Brown
CFO

Janice Davies
Corporate Secretary

Executive Office

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Legal Counsel and Registered Office

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Registrar and Transfer Agent

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3rd Floor, 510 Burrard Street
Vancouver, British Columbia V6C 3B9

Share Listing

TSX Venture Exchange
Symbol: FEX

Capitalization at December 31, 2024

Shares Authorized: Unlimited
Shares Issued and Outstanding 82,935,531