

December 31, 2024

Management Discussion and Analysis
Year-end and Fourth Quarter, 2024

This Management's Discussion and Analysis ("MD&A") of Eagle Royalties Ltd. ("Eagle Royalties", "ER", or the "Company") is dated April 24, 2025 and provides a discussion of the Company's financial and operating results for the quarter and year ended December 31, 2024 with comparisons to previous quarters. The MD&A should be read in conjunction with the most recently published annual audited financial statements and notes.

Business Overview

Eagle Royalties Ltd. ("Eagle Royalties" or the "Company" or "ER") was incorporated on January 21, 2022 under the laws of the province of Alberta as a wholly-owned subsidiary of Eagle Plains Resources Ltd. ("Eagle Plains" or "EPL"). The Company was incorporated to manage the royalty portfolio of Eagle Plains. On February 28, 2023, Eagle Plains entered into an arrangement agreement with ER, and ER entered into an amalgamation agreement with 2513756 Alberta Ltd., formerly 1386884 BC Ltd. ("138") whereby, among other things EPL transferred a majority of its portfolio of royalty interests (the "Royalties") to its wholly-owned subsidiary, Eagle Royalties, in exchange for certain shares of Eagle Royalties (the "Spin-out Shares") and thereafter, ER and 138 amalgamated, and the resulting issuer, Eagle Royalties Ltd. was listed on the Canadian Securities Exchange under the symbol "ER".

Eagle Royalties is a growth-focused company seeking to develop its existing portfolio of royalty assets, acquire additional royalties from third-parties that have advanced stage development projects and identify further investment opportunities.

Spin-out Transaction and Amalgamation

On February 28, 2023, Eagle Royalties entered into the following agreements:

- an arrangement agreement (the "Arrangement Agreement") with Eagle Plains pursuant to which Eagle Plains will, through a series of transactions, transfer a majority of its portfolio of royalty interests (the "Royalties") and cash of \$103,528 to the Company (the "Spin-out Transaction"); and
- an amalgamation agreement (the "Amalgamation Agreement") among Eagle Plains, the Company and 138, pursuant to which 138 and the Company will, immediately following the Spin-out Transaction, amalgamate and continue as one company (the "Resulting Issuer") under the name "Eagle Royalties Ltd." (the "Combination Transaction").

Under the Arrangement Agreement, for every Eagle Plains warrant or option outstanding as of Spin-out Transaction completion date that is exercised subsequently, the Company is required to issue 1/3 of a common share and will receive 1/3 proceeds from the warrant or option exercise.

The Spin-out Transaction and the Combination Transaction are collectively referred to herein as the "Transaction" and was completed on May 19, 2023.

Pursuant to the Spin-out Transaction, the Company issued an aggregate of 41,998,333 common shares to Eagle Plains (the "Spinco Shares") as consideration for royalty interests with a nominal carrying value and \$103,528 cash from EPL. Of the total Spinco Shares so issued, 5,176,425 Spinco Shares were retained by Eagle Plains and the remaining Spinco Shares (i.e., 36,821,908) were distributed to shareholders of the Eagle Plains by way of a return on capital on a 1:3 basis. In accordance with the Arrangement Agreement, Spinco Shares are subject to escrow considerations whereby 20% of the total distributed shares would be released at the closing of the Transaction and 20% every 90 days thereafter over one year.

Concurrent with the Transaction, 138 completed a private placement financing (the "Concurrent Financing") raising gross proceeds of \$3,003,598 through the issuance of 10,011,978 units at a price of \$0.30 per unit. In connection with the Concurrent Financing, 138 paid commissions in cash and issued broker's warrants.

Pursuant to the Combination Transaction, the Company and 138 amalgamated, whereby each entity's shares and warrants were exchanged for shares and warrants of the Resulting Issuer on 1:1 basis. Following the completion of the Combination Transaction, the Resulting Issuer made an application for the listing of its common shares on the Canadian Securities Exchange and commenced trading May 25, 2023 under the symbol "ER".

As a result of the Combination Transaction, former holders of ER shares hold 41,998,333 common shares of the Resulting Issuer representing 74% and former holders of 138 shares hold 15,011,978 common shares of the Resulting Issuer representing 26%. The shareholders of ER, therefore, control the Resulting Issuer and is identified as the acquirer. The Combination Transaction does not constitute a business combination as 138 does not meet the definition of a business under IFRS 3: Business Combinations. As a result, the Combination Transaction has been accounted for as an asset acquisition by ER of 138's net assets in accordance with the guidance under IFRS 2: Share-based Payments, whereby all of the assets acquired and liabilities assumed from 138 are assigned a carrying amount based on their relative fair values, and the corresponding increase in equity was measured, directly, at the fair value of the net assets acquired. The fair value of the purchase price was then allocated between common shares and warrants issued on a pro-rata basis.

December 31, 2024

Spin-out Transaction and Amalgamation - continued

<u>Net Assets Acquired</u>	
Cash	\$ 3,014,160
Accounts receivable	26,616
Accounts payable and accrued liabilities	<u>(282,983)</u>
	<u>\$ 2,757,793</u>
<u>Purchase Price</u>	
Issuance of 15,011,978 common shares	\$ 2,716,178
Issuance of 5,562,404 warrants	<u>41,615</u>
	<u>\$ 2,757,793</u>

Selected Annual Information

Selected annual information from the audited financial statements for the years ended December 31, 2024 and 2023 and the period from January 21, 2022 to December 31, 2022 are presented in the table below. The financial data has been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board and is reported in Canadian dollars.

December 31	2024	2023	2022
Operating revenues	-	-	-
Operating income (loss) for the year	(1,053,261)	(668,448)	(208,741)
Income (loss) for the year	1,351,075	(1,074,569)	(208,741)
Income taxes	152,206	-	-
Earnings (loss) per share - Basic	0.02	(0.03)	(2078.41)
Earnings (loss) per share - Diluted	0.02	(0.03)	(2078.41)
Total assets	3,422,529	2,172,348	108,714
Total long-term liabilities	-	-	-

Results of Operations - Annual

For the year ended December 31, 2024, the Company recorded net income (net loss) of \$1,351,075 (2023 - \$(1,074,569)). The net income is due mainly to the Company making a one-time sale of certain uranium claims for \$3,750,000. As part of the sale, the Company received a secured promissory note receivable in the amount of \$1,250,000, and a full allowance was provided for at year-end as the credit risk of the note receivable significantly increased since initial recognition.

Expenditures

Office and administration costs decreased to \$45,106 (2023 - \$50,489) consisting of office operating costs of \$37,627 (2023 - \$41,653) and interest costs of \$7,479 (2023 - \$8,836).

Professional fees decreased to \$224,185 (2023 - \$226,658) consisting of legal fees of \$102,586 (2023 - \$137,769), accounting and audit costs of \$81,599 (2023 - \$88,889) and financial consulting fees of \$40,000 (2023 - \$nil) paid to Haywood Securities.

Reporting, filing and corporate governance costs increased to \$61,165 (2023 - \$40,933) consisting of special meeting costs related to the spin-out of \$nil (2023 - \$25,659), DTC application fees of \$23,675 (2023 - \$nil), AGM costs of \$9,673 (2023 - \$nil) and reporting and issuing costs of \$27,817 (2023 - \$15,274).

Wages and consulting fees increased to \$346,030 (2023 - \$305,547) consisting of salaries of \$220,110 (2023 - \$187,627), CEO consulting fees of 112,920 (2023 - \$110,420) and director fees of \$15,000 (2023 - \$7,500).

Tradeshows, travel and promotion costs increased to \$111,324 (2023 - \$44,821) consisting of marketing consultant costs of \$44,630 (2023 - \$30,130), attendance to tradeshow costs of \$61,231 (2023 - \$5,348) and other investor relations and promotional costs of \$5,463 (2023 - \$9,343).

Share-based payments of \$265,451 (2023 - \$nil) were incurred in the year due to stock options granted and vested.

One-time transaction costs of \$432,500 were incurred in 2023 related to the spin-off transaction.

Other income

Other income consists of interest of \$56,447 (2023 - \$26,184) and miscellaneous income of \$95 (2023 - \$195).

December 31, 2024

Liquidity and Financial Resources

At December 31, 2024, the Company had working capital of \$3,127,037 (2023 - \$1,585,511). The increase is due to the receipt of \$2,500,000 cash from the sale of royalties less ongoing operating costs. At December 31, 2024, the Company held cash of \$291,765 (2023 -\$1,131,188) and a term deposit of \$3,000,000 (2023 - \$1,000,000).

The Company held receivables of \$5,357 (2023 - \$4,527) representing a GST receivable.

The Company's continuing operations can be financed by cash on hand. Expanded operations would require financing, primarily through the public equity markets. Circumstances that could affect liquidity are significant exploration successes or lack thereof on royalty properties, new acquisitions, changes in metal prices and the general state of the equity markets for junior exploration companies.

Investments

The Company holds public traded securities having a market value of \$50,000 (2023 - \$nil). During the year ended December 31, 2024, the Company purchased 625,000 units in a publicly listed mineral resource company for \$50,000 cash. Each unit consists of one common share and one share purchase warrant exercisable at \$0.16 per common share until July 12, 2026.

Royalty Portfolio

Eagle Royalties assets include mineral royalties overlying gold, critical-metal, lithium, rare earth element and industrial mineral exploration projects. These royalties provide shareholder exposure to mineral exploration that Eagle Plains as operator, or other companies may conduct on properties that had been vended to Eagle Royalties previously by Eagle Plains Resources. Eagle Royalties holds royalties on such projects owned by senior to junior mining and exploration companies. For the most part these royalties are 2% Net Smelter Return (NSRs) whereby 1% may be purchased from Eagle Royalties for \$1m prior to production. Eagle Royalties flagship asset is the AurMac/McQuesten royalty, a 0.5% - 2% NSR at Banyan Gold's AurMac property located in the central Yukon where a 7.0M oz inferred gold resource was announced in February 2024 (no buydown option exists for this royalty).

Eagle Plains historically held potentially valuable royalty interests on a large number of projects in western Canada targeting a broad spectrum of metals and industrial mineral projects including gold, silver, base-metals, uranium, diamonds and gypsum. It is these royalties which were transferred to Eagle Royalties. One royalty of particular interest is on claims formerly known as "McQuesten", underlying the "AurMac" property, currently operated by Banyan Gold Corp. ("Banyan"). Beginning in 1997, Eagle Plains and predecessor company Miner River Resources Ltd. jointly acquired an interest in claims which are now the target of aggressive drilling and development activity by Banyan. Through a series of subsequent transactions Eagle Plains became the holder of royalty interests ranging from 0.5% to 2% (with no buy-down provisions) on certain claims which comprise part of the AurMac property. On February 7, 2024, Banyan announced an inferred mineral resource of 7.0 million ounces of gold, a portion of which appear to be situated on claims subject to Eagle Royalties' NSR's. On March 19, 2024, Banyan filed a NI 43-101 compliant technical report which outlined the updated Inferred Mineral Resource Estimate (as defined in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources & Mineral Reserves incorporated by reference into NI 43 101).

- In January 2024, the Company learned of encouraging drill hole intercepts, including visible gold, at the AurMac Project in central Yukon in a public announcement made by Banyan Gold Corp. on January 15, 2024.
- On April 18, 2024, Banyan announced plans at AurMac to carry out "further metallurgical work, and engineering and environmental baseline programs to advance the project to support future economic studies and permit applications". Banyan further reported plans to carry out diamond drilling in the Powerline and Airstrip deposit areas, which have potential to enhance the value of ER's royalty interests.
- On June 24, 2024 a landslide occurred at Victoria Gold's Eagle deposit located approximately 20km west of the AurMac project. Though this event did not directly affect operations at AurMac, numerous Yukon exploration companies including Banyan have seen negative impacts on their share-prices, which may impact future financing activities in the area.
- On October 7, 2024, Banyan Gold issued news announcing a helicopter-supported Z-axis Tipper Electromagnetic (ZTEM) geophysical survey on the AurMac Project.
- On March 3, 2025, Banyan Gold Corp. announced a comprehensive summary of the 2024 AurMac definition drill program results. The 21,000 metre diamond drill program included 118 diamond drillholes collared within the Airstrip and Powerline Deposits which are located on the Company's AurMac Project, within Yukon's prolific Tombstone Gold Belt. 2024 drilling was highly successful with visible gold observed in multiple drillholes and multiple intersections of high-grade gold mineralization near surface and at depth in both the Airstrip and Powerline Deposits.
- On March 27, 2025, Banyan Gold Corp. announced the mobilization of personnel and drills to start a 30,000 metre diamond drilling and exploration program at its AurMac Project ("AurMac" or the "Project") in the Tombstone Gold Belt, Yukon. A focus of the 2025 strategic drill program will be to follow up on high-grade intersections from 2024.

December 31, 2024

Royalty Portfolio - continued

In August 2024, the Company purchased a royalty interest equal to 1% of net smelter returns derived from a portfolio of mineral claims located in Nevada for cash consideration of \$25,000.

On June 12, 2024, the Company entered into a royalty sale agreement (the "Agreement") with an arm's-length British Columbia based private company, Royal Uranium Inc. ("Royal Uranium") and its wholly-owned subsidiary, 1485568 B.C. Ltd. ("568"). Under the terms of the Agreement, the Company sold 12 uranium royalties to 568 (the "Transaction") for an aggregate amount of \$3,750,000. The total purchase price shall be paid by Royal Uranium and shall comprise of (i) a cash payment of \$2,500,000 paid at closing; and (ii) the remaining \$1,250,000.00 will be satisfied through the issuance of a secured promissory note (the "Note"). The Note allows Royal Uranium to pay a portion of the principal amount in cash (i.e., \$500,000.00) and the remaining portion (i.e., \$750,000) either in cash or through the issuance of common shares, at Royal Uranium's sole discretion.

The Note will initially mature on the earlier of: (i) December 14, 2025; (ii) the date on which Royal Uranium successfully completes a going public transaction; or (iii) upon the occurrence of an event of default. The Note includes penalty provisions if Royal Uranium has not completed its planned going-public transaction by the initial maturity date. Royal Uranium and the Issuer may jointly agree to extend the maturity date to June 14, 2026, subject to certain additional penalty provisions against Royal Uranium. In the event of default, the royalties will revert back to the Company.

The Company recognized a gain on sale of royalties in the amount of \$3,750,000 as the carrying value of the royalties was \$nil. At December 31, 2024, management determined the credit risk on the note receivable increased significantly since initial recognition, thus the Company recorded a provision of \$1,250,000, which equals to the lifetime expected credit loss of the note receivable, in profit or loss.

Transactions with Related Parties - Annual

The Company was involved in the following related party transactions during the year:

- (a) The Company is related to Eagle Plains through common directors. During the year the Company had the following transactions with the related company:

	2024	2023
Administrative services provided by EPL	\$ 13,395	\$ 16,068
Costs reimbursed to EPL	31,115	47,230
Spin-out costs due to EPL	-	(432,387)
Repayments to EPL	528,637	-
Interest paid to EPL	7,479	8,836
Proceeds from exercise of EPL options/warrants	-	(7,500)
	\$ 580,626	\$ (367,753)

At December 31, 2024, \$8,840 (2023 - \$15,925) is included in accounts payable and accrued liabilities.

At December 31, 2024, \$nil (2023 - \$528,637) is included in due to related company.

- (b) Compensation to key management

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 the Company's executive officers and Board of Director members. The aggregate amount of expenditures paid or payable to key management personnel in the year was as follows:

	2024	2023
Consulting fees	\$ 112,920	\$ 110,420
Professional fees	42,000	50,000
Wages	135,878	68,000
Director fees	15,000	7,500
Share-based payments	204,732	-
	\$ 510,530	\$ 235,920

- (i) Included in wages and consulting fees is \$112,920 (2023 - \$110,420) paid or accrued for management services to a company owned by a director and officer of the Company.
- (ii) Included in professional fees is \$42,000 (2023 - \$50,000) paid or accrued for accounting services to officer and former officer of the Company.
- (iii) Included in wages and consulting fees is \$135,878 (2023 - \$68,000) paid or accrued for services to officers of the Company who are also directors.

December 31, 2024

Transactions with Related Parties – Annual - continued

- (iv) Director fees of \$15,000 (2023 - \$7,500) were paid or accrued to a director of the Company.
- (v) The Company granted 3,100,000 (2023 – nil) options, with an exercise price of \$0.30 (2023 - \$nil) and expiry dates of August 8, 2029 and November 14, 2029 (2023 – n/a), to directors of the Company and recorded share-based payments of \$204,732 (2023 - \$nil).

At December 31, 2024, \$16,700 (2023 - \$nil) is included in accounts payable and accrued liabilities.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment unless otherwise specified.

Disclosure of Management Compensation

The Company has standard compensation agreements with certain officers to pay for services as an officer of the Company. Payments totaling \$290,798 (2023 - \$ 228,420) were paid out in the year ended December 31, 2024.

Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

Significant areas requiring the use of management estimates and judgments include the accounting for the spin-out transaction and amalgamation, which mainly involve:

- Measurement of the assets received from Eagle Plains (at fair value or carrying value)
- Determination of acquirer
- Measurement of the shares issued by the Company to amalgamate with 138

Another area requiring the use of management estimate and judgment is the valuation of note receivable, which mainly involves the determination of whether the credit risk of note receivable has increased significantly since initial recognition and the measurement of the loss allowance for note receivable at an amount equal to the lifetime expected credit loss.

The assessment of going concern assumption involves management to exercise judgment to evaluate conditions impacting the Company.

Financial Instruments

The Company holds various forms of financial instruments. The nature of these instruments and the Company's operations exposes the Company to concentration risk, credit risk, price risk and liquidity risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical. The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

a) Concentration risk

At December 31, 2024, substantially all of the Company's cash and term deposits were held at one recognized Canadian national financial institution. As a result, the Company was exposed to all of the risks associated with that institution.

b) Credit risk

The Company is exposed to credit risk, which is the risk that a customer or counterparty will fail to perform an obligation or settle a liability, resulting in financial loss to the Company. The Company manages exposure to credit risk by adopting credit risk guidelines that limit transactions according to counterparty credit worthiness. The maximum credit exposure associated with cash and term deposits is their carrying values on the statements of financial position. See Note 6 to the financial statements for a note receivable with a contractual amount of \$1,250,000, which has an expected credit loss allowance of \$1,250,000 as at December 31, 2024.

December 31, 2024

Financial Instruments - continued

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of December 31, 2024 equal \$68,285. Accounts payable and accrued liabilities of \$68,285 are due within 30 days of December 31, 2024.

Accounting Policies

The financial statements for the Company for the year ending December 31, 2024 are prepared in accordance with accounting policies which are consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Refer to Note 4 to the financial statements for information pertaining to accounting standards and amendments effective for future years.

Disclosure of Outstanding Share Data

The Company has an unlimited number of common shares without nominal or par value authorized for issuance.

At April 24, 2025, the Company has 57,060,310 (December 31, 2024 and 2023 – 57,060,310) common shares issued and outstanding. There are no other classes of shares outstanding.

There was no share issuance during the year ended December 31, 2024.

During the year ended December 31, 2023:

- 41,998,333 shares were issued in May 2023 to Eagle Plains shareholders and Eagle Plains as part of the spin-out transaction (these shares are subject to escrow provisions for a period of one year, which ended on May 25, 2024).
- 15,011,978 shares were issued in May 2023 to 138 shareholders as part of the amalgamation (10,011,978 shares are subject to escrow provisions for a period of one year, which ended on May 25, 2024).
- 16,666 shares were issued in May 2023 on the exercise of Eagle Plains warrants for proceeds of \$3,750.
- 33,333 shares were issued in June 2023 on the exercise of Eagle Plains options for proceeds of \$3,750.

Normal Course Issuer Bid ("NCIB")

On September 16, 2024, the Company filed a notice of NCIB with regulators to purchase shares for cancellation, from time to time, as the Company considers advisable, up to 2,853,016 common shares of the Company, representing approximately 5.96% of the current public float of the common shares. The maximum number of shares available for daily repurchase is 5,909. The NCIB will terminate on September 17, 2025. During the year ended December 31, 2024, there were no common shares purchased for cancellation under the NCIB. As at December 31, 2024, the Company had \$10,000 cash reserved with a broker for the NCIB.

At April 18, 2025 and December 31, 2024, the Company has 4,400,000 (December 31, 2023 – nil) options outstanding with expiry dates of August 8, 2029 and November 14, 2029.

- 3,700,000 options were issued on August 8, 2024, exercisable at \$0.30 with an expiry date of August 8, 2029.
- 700,000 options were issued on November 14, 2024, exercisable at \$0.30 with an expiry date of November 14, 2029.

At April 18, 2025 and December 31, 2024, the Company has 5,562,404 (December 31, 2023 – 5,562,404) warrants outstanding with an expiry date of May 18, 2025.

- 5,562,404 warrants were issued in May 2023, exercisable at \$0.50 for 2 years to 138 shareholders and brokers as part of the amalgamation.

Under the Arrangement Agreement, for every Eagle Plains warrant or option outstanding as of the Spin-out Transaction completion date that is exercised subsequently, the Company has to issue 1/3 of a common share and will receive 1/3 proceeds from the warrant or option exercise. As at April 18, 2025 and December 31, 2024, the total commitment is for 9,565,000 options exercisable at \$0.20 - \$0.24 with expiry dates of May 29, 2025 to January 6, 2028 and 3,785,529 warrants exercisable at \$0.25 with expiry dates of July 11, 2025.

December 31, 2024

Summary of Quarterly Results

Year Quarter	2024 Dec 31	2024 Sep 30	2024 Jun 30	2024 Mar 31	2023 Dec31	2023 Sep 30	2023 Jun 30	2023 Mar 31
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Profit (Loss)	(1,585,609)	(509,637)	3,624,708	(178,387)	(168,465)	(121,061)	(691,758)	(93,285)
Earnings (Loss) per Share - Basic	(0.03)	(0.01)	0.06	(0.00)	(0.00)	(0.00)	(0.04)	(932.85)
Earnings (Loss) per share - Diluted	(0.03)	(0.01)	0.06	(0.00)	(0.00)	(0.00)	(0.04)	(932.85)
Assets	3,422,529	4,879,064	5,555,568	1,900,545	2,172,348	2,300,147	2,696,654	75,650

For the quarter ended December 31, 2024, the Company recorded a net loss of \$1,585,609 (2023 - \$168,465). The increase in net loss is due to an adjustment to other income involving the provision for note receivable in the amount of \$1,250,000.

Expenditures

Office and administration costs of \$10,341 (2023 - \$21,061) consist of office operating costs of \$4,451 (2023 - \$3,741), interest costs of \$nil (2023 - \$3,781), insurance of \$4,220 (2023 - \$4,387) and internet and website costs of \$1,670 (2023 - \$9,152).

Professional fees of \$54,360 (2023 - \$39,085) include legal fees of \$19,860 (2023 - \$585), audit fees of \$20,000 (2023 - \$20,000) and CFO fees of \$14,500 (2023 - \$18,500).

Public company costs of \$17,278 (2023 - \$10,889) consist of reporting and issuing costs and AGM costs.

Wages and CEO fees of \$131,861 (2023 - \$115,340) remained consistent at \$116,861 (2023 - \$107,840) and director fees of \$15,000 (2023 - \$7,500).

Tradeshows, travel and promotion costs of \$16,671 (2023 - \$8,452) consist of marketing, promotional and tradeshow costs of \$14,660 (2023 - \$1,800) and related travel costs of \$2,011 (2023 - \$6,652). The Company is making a concerted effort to enhance the Company's profile in the marketplace.

The Company recorded share-based payments of \$213,178 (2023 - \$nil) for options issued and vested in the quarter.

Other income

Other income of \$911 (2023 - \$26,373) consists of interest earned on deposits.

Risk Factors

Financial Capability and Additional Financing

The Company has limited financial resources. There can be no assurance that it will be able to obtain sufficient financing in the future to continue operations and to acquire royalties. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Company.

Mining Titles

There is no guarantee that the Company's title to or interests in the Company's royalty interests will not be challenged or impugned. Title to the area of mineral properties may be disputed. There is no guarantee of title to any of the Company's royalties. The Company's royalties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. With the exception of certain Crown Granted Mineral Claims and legacy tenures, the Company has not surveyed the boundaries of its properties and consequently the boundaries may be disputed. There can be no assurance that the Company's rights will not be challenged by third parties claiming an interest in the properties.

Management

The success of the Company is currently largely dependent on the performance of its officers. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to the applicable corporate and securities legislation, regulation, rules and policies.

December 31, 2024

Risk Factors - continued

History of Losses and No Assurance of Profitable Operations

The Company has incurred a loss since inception except for the current year, which is an anomaly. There can be no assurance that the Company will be able to operate profitably during future periods. If the Company is unable to operate profitably during future periods, and is not successful in obtaining additional financing, the Company could be forced to cease its plans as a result of lacking sufficient cash resources. The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

Price Volatility of Publicly Traded Securities

Following the completion of the amalgamation, the Company listed its common shares on the Canadian Securities Exchange. In recent years, the securities markets in the United States and Canada have experienced high levels of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Commodity Prices

The price of the Company's common shares and the Company's financial results may be significantly affected by a decline in the price of commodities. The price of commodities fluctuates widely, especially in recent years, and is affected by numerous factors beyond the Company's control, including but not limited to, interest rates, exchange rates, inflation or deflation, tariffs, global and regional supply and demand and the political and economic conditions throughout the world.

Environmental

All phases of mining and exploration operations are subject to environmental regulation pursuant to a variety of government laws and regulations and First Nations claims. Environmental legislation is becoming stricter and there can be no assurance that possible future changes in environmental regulation will not adversely affect operations at mines, and consequently, the Company's operations.

Risks and Uncertainties

Management's estimates of mineral prices, mineral resources and operating costs are subject to certain risks and uncertainties which may affect the Company's operation. Although management has made its best estimate of these factors, it is possible that material changes could occur which may adversely affect management's estimate of operating requirements. The Company's success will be dependent upon the extent to which it can acquire additional royalties and the economic viability of developing its royalties. Substantially all of the Company's operating funding must be derived from external financing. Should changes in equity market conditions prevent the Company from obtaining additional external financing, the Company will need to review its future planning.

Other MD & A Requirements

Additional information relating to the Company is available on the SEDAR+ website: www.sedarplus.com under "Company Profiles" and "Eagle Royalties".

Forward Looking Statements

All statements other than those of a historical nature are 'forward-looking statements' that may involve a number of unknown risks, uncertainties and other factors. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements.

Subsequent Events

No subsequent events.

Outlook

Work continues by Banyan Gold on the Company's flagship AurMac royalty as the project steadily progresses, while exploration is also advancing on other projects in the portfolio. Despite currently challenging financial markets, Eagle Royalties management oversees a robust treasury and continues to seek out undervalued royalty assets for acquisition. In addition, Eagle Royalties management remains vigilant in identifying and acting on other opportunities that may arise from time to time. We thank our shareholders for their continuing support and look optimistically to the future.

On behalf of the Board of Directors

"Timothy J. Termuende"

Timothy J. Termuende, P.Geo.
President and CEO