KIRKLAND LAKE DISCOVERIES

Management's Discussion and Analysis

For the Three Months Ended June 30, 2025 and 2024

www.kirklandlakediscoveries.com

This management's discussion and analysis ("MD&A") of the financial position and results of activities of Kirkland Lake Discoveries Corp. ("KLD" or the "Company") is prepared as of August 14, 2025 and should be read in conjunction with the condensed consolidated interim financial statements and related notes for the three months ended June 30, 2025 and 2024 ("Interim Financial Statements") and the audited annual consolidated financial statements and related notes for the years ended June 30, 2025 and 2024 ("Annual Financial Statements").

The Company's Annual Financial Statements have been prepared by management in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars ($), which is the functional and reporting currency of the Company. Additional information relating to KLD is available on the *System for Electronic Document Analysis and Retrieval* + ("SEDAR+" at www.sedarplus.ca) and on the Company's website at www.kirklandlakediscoveries.com.

Forward-Looking Statements

This MD&A may contain statements that may be deemed "forward-looking statements", that reflect the Company's current expectations and projections about its future results. Forward-looking statements relate to management's expectations or beliefs about future performance, events, or circumstances that include, but are not limited to, reserve or resource potential, exploration and operational activities, and events or developments that the Company expects or targets. Where used in this MD&A, words such as: "future", "plans", "scheduled", "expects", "intends", "estimates", "forecasts", "will", "may", "could", "would", and similar expressions are intended to identify forward-looking statements, which by their very nature, are not guarantees of the Company's future operational or financial performance. Although the Company believes that these statements are based on reasonable assumptions, all forward-looking statements involve known and unknown risks and uncertainties that may cause the actual performance, events, or circumstances of the Company to be materially different than anticipated. The forward-looking information in this MD&A describes the Company's expectations as of the date of this MD&A.

The Company and its operations are also subject to many risks, including the Company's liquidity and financing capability, fluctuations in gold prices, market conditions, results of current exploration activities, delays in obtaining government permits and approvals and such other risks as discussed herein and in other publicly filed disclosure documents.

When relying on the Company's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and KLD does not undertake any commitment to update forward-looking statements should the assumptions related to these plans, estimates, projections, beliefs, and opinions change, except as required by law.

Incorporation and Organization of the Company

The Company was incorporated under the laws of British Columbia on March 6, 1984. The Company's shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "KLDC". The Company's head office is located at 1055 West Georgia St., Suite 2129, Vancouver, British Columbia, Canada, V6E 3P3.

The Company's registered office is located at 550 Burrard Street, Suite 2501, Vancouver, British Columbia, Canada, V7X 1M8.

KLD has one wholly owned subsidiary, RD Minerals S.A. de C.V., a Mexican-registered company.

Company Overview

The Company is engaged in the acquisition and exploration of mineral properties, with a current focus on precious and other critical metals in northern Ontario, Canada. The Company holds one of the largest contiguous land positions in the Blake River Assemblage of the Kirkland Lake Gold Camp, a camp that has produced in excess of 47 million ounces of gold in its 100-year history.

Prior to the acquisition of the Lucky Strike property in May 2023, the Company's area of focus was on its Goodfish-Kirana Project (the "GFK") located just north of the town of Kirkland Lake.

On May 25, 2023, the Company acquired New Found Gold Corp.'s ("NFG") Lucky Strike Property increasing the Company's land position to a total of 38,067 hectares and 53 km of length (Figure 1).

The Company is now identifying the combined land packages as the KL West Side (Goodfish Kirana and KLW), the KL East Side (Lucky Strike, KL Central and Arnold) and the KL Bridge. Target areas will be referred to within these broader land packages, for example, within the Goodfish Kirana property, the Jo Zone, and within the Lucky Strike property, the Hurricane Zone (Figure 1).

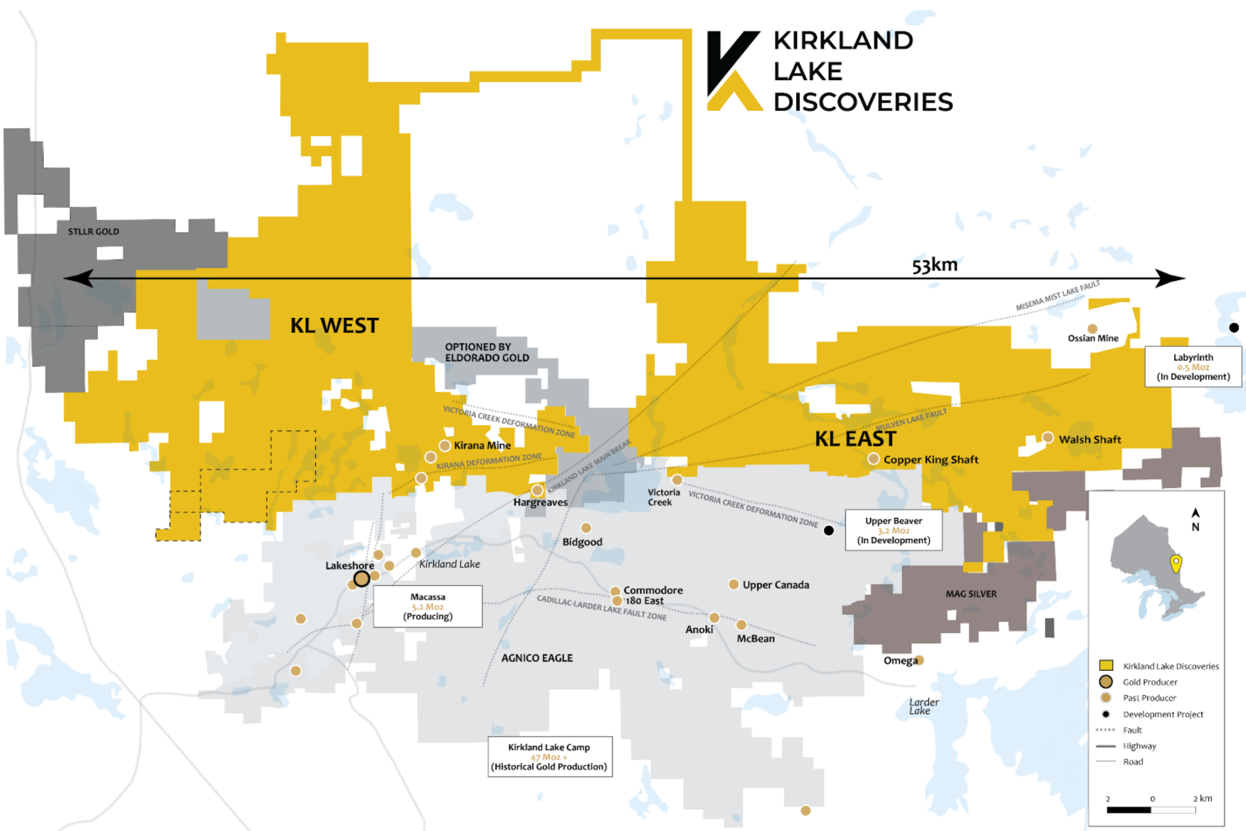

Figure 1 - KLD combined land package.
* Data compiled from the Government of Ontario Mining Lands Administration System (MLAS).

The combined KL West property lies to the north of Agnico Eagle's producing Macassa Mine on the Main Break and the KL East property lies north of the Upper Beaver deposit which is currently under development review. Agnico believes that the Upper Beaver will be a low-cost mine that will produce 150,000 to 200,000 ounces of gold per year. The Upper Beaver deposit is situated within the Blake River Assemblage, which is part of the Abitibi greenstone belt. This geological setting is similar to that of the KLD properties, sharing the same host rocks. Furthermore, the Company's KL West Side, lies just north of the "Mile of Gold", a line of seven historical gold mines that has yielded over 25 Moz of gold over the last 80 years from one of the world's largest gold deposits. The mines

(Toburn, Sylvanite, Wright Hargreaves, Lakeshore, Teck-Huges, Beaver and Macassa) lie along a geological fault called the "Main Break" which is part of a system of faults that hosts the famous gold camps of Timmins, Matachewan, Kirkland Lake, Rouyn-Noranda and Val d'Or. The Macassa Mine is still in production today by Agnico Eagle and reported to be one of the highest-grade gold mines in production in the world. Structures that transect the Goodfish-Kirana portion of the KL West, specifically the Kirana Break, are second-order structures of the "Main Break" and may also host significant mineralization.

As of the date of this MD&A, the Company's land position is 1,452 claims and 30 patents covering 40,063 hectares.

Recent Developments

December 23, 2024 Financing

On December 23, 2024, the Company completed a non-brokered private placement offering of 12,552,852 flow-through units at a price of $0.07 per unit, and 9,250,000 non-flow-through units at a price of $0.05 per unit, for aggregate gross proceeds of $1,341,200. Each flow-through unit is comprised of one flow-through common share and one half of a common share purchase warrant, with each whole share purchase warrant exercisable to acquire one additional common share at an exercise price of $0.12 until December 23, 2027. Each non-flow-through unit is comprised of one non-flow-through common share and one common share purchase warrant exercisable to acquire one additional common share at an exercise price of $0.08 until December 23, 2027. The fair value of the warrants issued as part of the units was determined to be $Nil using the residual value method. The premium received on the flow-through units issued was determined to be $251,057. The Company incurred share issuance costs of $90,721, of which $60,634 was incurred for cash commissions and $30,087 was incurred for professional and regulatory fees. The Company also issued 853,699 brokers' warrants with a fair value of $30,701 exercisable into common shares of the Company at a price of $0.12 per common share until December 23, 2027, and 17,500 brokers' warrants with a fair value of $670 exercisable into common shares of the Company at a price of $0.08 per common share until December 23, 2027.

Acquisition of Winnie Lake claims

On April 17, 2025, the Company entered into a mineral property option agreement to acquire a 100% interest in the Winnie Lake and Amikougami properties located near Kirkland Lake, Ontario. The properties are adjacent to the Company's existing mineral claims in the KL West area. Under the terms of the option agreement, the Company agreed to issue 1,750,000 common shares upon approval by the TSX Venture Exchange (issued) and incur $1,200,000 in exploration expenditures on the properties over four years as follows: $150,000 before the first anniversary, $250,000 before the second anniversary, $350,000 before the third anniversary, and $450,000 before the fourth anniversary. The option agreement is subject to NSRs ranging from 0.75% to 2.00%.

On April 23 and 28, 2025, the Company also entered into two mineral property purchase agreements to acquire additional claims contiguous with the Company's KL West property. Under the terms of each property purchase agreement, the Company agreed to issue 200,000 common shares upon approval by the TSX Venture Exchange (400,000 common shares issued). Each purchase agreement is also subject to a 1.0% NSR. The Company has the right to purchase 0.5% of each NSR (or 1%) for $500,000.

Exploration

Kirkland Lake Discoveries Corp. initiated a drill campaign on July 20, 2023, encompassing three phases totalling a planned 10,000 meters of diamond drilling.

The Phase 1 drilling (10 holes totaling 2,991 m) focused on the Goodfish-Kirana portion of the KL West side targeting regional prospects of merit identified through geophysical surveys and geological interpretation.

The Phase 2 drill program, commenced in late January 2024 and completed in March 2024 (13 holes totaling 3,376 m), was focused on the Lucky Strike Property, namely the Hurricane Zone.

The Phase 3 drilling program was completed between November 20, 2024 and December 12, 2024 (5 holes totalling 1,187m) on targets at the KL West property, namely the Hargreaves historical shaft and area (4 holes) and one hole at the Jo Zone. The results of the Phase 3 drill program have been reported in a press release dated January 14, 2025 (found on SEDAR+ and the Company's website).

The regional soil sampling program covered significant portions of the KL West property and the southern portion of the KL East property. The KL West property had 5440 B-horizon soil samples collected and the KL East property had 864 B-horizon samples collected. Soil sampling at the KL West property was active from late May to mid October 2024, with a break during September 2024, while the KL East property was sampled concurrently with the KL West during the month of June 2024.

The 2024 summer mapping and prospective program covered both the KL East and KL West properties. The KL East property received mapping and prospecting from the beginning of June 2024 to end of July 2024. 243 surface grab samples were taken over the KL East property. KL West received mapping and prospecting from the beginning of August 2024 to mid October 2024. 419 surface grab samples were taken at the KL West property.

KL West Side

Goodfish-Kirana Project (the "GFK Project")

Kirkland Lake Discoveries Corp.'s primary focus since 2016 has been the Goodfish-Kirana Project, which comprises 237 cell claims and 29 patented claims spanning 4,375 hectares. The project area includes the Kirana Deformation Zone (DZ), a significant geological structure known for gold mineralization, with historical discoveries dating back to the early 1900s.

The Company has conducted eight drilling campaigns, totaling 17,281 meters in 72 holes with encouraging results. The Jo Zone shear has a strike length of 650 m with mineralization to a vertical depth of 375 m. Anomalous and high-grade gold has been intersected in 88% of drill holes. Notably, drill hole GK21-050 intersected visible gold at 419.3 meters, assaying 72.10 g/t Au in one half of the core and 561 g/t Au in the other half over 0.50 meters, marking the highest assay to date on the Goodfish-Kirana Project.

The results of the drill programs have been reported in press releases dated June 6, 2019, June 20, 2020, September 23, 2020, April 14, 2021, November 18, 2021, February 9, 2022, and November 23, 2023 (found on SEDAR+ and the Company's website).

Following the summer 2023 drill program, DGI Geoscience performed a downhole OTV (optical televiewer) survey on 8 of 9 drill holes (KLD23-08 blocked) to record true orientations of vein sets, faults and deformation zones.

KL West

The KL West ("KLW") property is contiguous to and west of the Company's GFK Project. Acquired in 2021 through an option agreement, additional claims were added in 2022 and 2023 increasing the land package to 373 claims and 29 patents. The KLW property hosts numerous intersecting northeast- and northwest-trending faults and structures that cut through a variety of the volcanic-dominated Blake River Group. Felsic and mafic-ultramafic intrusive rocks are also present giving the KLW land package a variety of environments conducive to orogenic gold mineralization. Numerous pits, shafts and workings are present on the property which has seen little systematic exploration.

During the summer and fall of 2024, an extensive B-horizon soil sampling program was conducted over much of the KLW claim group. Several gold-in-soil anomalies were detected, which were the subject of infill sampling to determine any potential trends. In total, eight target areas were identified at the KLW property. Seven of these targets were precious metal-associated targets, and one was a base metal-associated target. Several of these anomalies were ground-truthed by mapping and prospecting.

Of significance were clusters of elevated copper and zinc anomalies around the Winnie Lake stock hosted within the Blake River mafic volcanic assemblage. These clusters were associated with magnetic highs similar in nature to the Winnie Lake VMS (volcanogenic massive sulfide ore deposit) showing that lies just south of the KLW land package. This prompted significant in-fill soil sampling in October 2024 around these anomalous clusters. Analysis of all elevated soil sample trends, geophysics and geology will drive and vector future exploration efforts.

The results of the initial soil sampling program on the KLW claim group have been reported in a press release dated September 10, 2024 (found on SEDAR+ and the Company's website).

Winnie Lake

The Winnie Lake claims under option fall within the KL West side. Underpinning the geological setting at Winnie Lake is the Winnie Lake Cu-Zn-Au-Ag showing where in 1912 a 27-foot shaft was sunk. The Winnie Lake showing occurs as a disseminated to massive sulphide body hosted within intensely silicified mafic volcanics of the Blake River Assemblage (BRA). The BRA is the youngest volcanic sequence in the metal endowed Abitibi Subprovince and hosts 50% of all the copper-zinc ore produced to date. The Winnie Lake massive sulphide showing lies adjacent to the Winnie Pluton, a syenitic synvolcanic intrusive that is thought to have acted as a heat engine to concentrate the mineralization at Winnie Lake.

Drilling by Pamorex Minerals in 1989 at the Shaft Zone intersected 1.93% Cu, 1.51% Zn, 0.786 g/t Au and 12.1 g/t Ag over 18.41 m (from 11.89 m) and 2.44% Cu, 3.63% Zn, 1.376 g/t Au and 16.5 g/t Ag over 10.12 m (from 31.15 m) within a broader intercept of 1.34% Cu, 1.53% Zn, 0.638 g/t Au, 9.5 g/t Ag over 47.12 m (from 11.89 m).

Golden Valley Mines drilled the Shaft Zone in 2005 and reported 1.5% Zn, 0.34% Cu, 8.15 g/t Ag over 9.32m.

Very little systematic exploration has been completed since 2005.

In May 2025, the Company completed reconnaissance mapping and sampling and scouting access for drilling programs. A grab sample adjacent to the Winnie Lake shaft assayed 1.60 g/t gold (Au), 28.20 g/t silver (Ag), 5.70% copper (Cu), 5.30% zinc (Zn), 1.65 g/t tellurium (Te) (see press release dated July 9, 2025). Additional highlights from the prospecting and mapping were the discovery of a newly exposed, intensely quartz-veined intrusive outcrop approximately 150 metres west of the historical shaft. A sample collected directly from a quartz vein within the intrusion returned 1,235 g/t bismuth (Bi), 1.56 g/t Te, 10.30 g/t molybdenum (Mo), 0.13% Cu, 12.75 g/t Ag, 0.03 g/t Au. This trace element suite, particularly the elevated Bi-Te-Mo values, is geochemically a characteristic of Intrusion-Related Gold Systems (IRGS).

Following this progress, the Company initiated a drone magnetic survey in June to map out the magnetic signature of the Winnie syenite stock due to strong magnetite associated with the area's mineralization at Winnie and within the syenite stock. In conjunction, the Company completed stripping and channel sampling in mid-June 2025 at Winnie, Mini Winnie and within the quartz veined syenite intrusion.

Results of this work were reported in a press release dated July 25, 2025. Highlights included a 1.2-metre channel sample from the Mini Winnie magnetite zone, located 115m northwest of the Winnie Shaft, which returned:

- 2.051% copper (Cu), 735 g/t bismuth (Bi), 0.108 g/t gold (Au), 43% Iron (Fe), 5.5 g/t silver (Ag) and 2654 g/t vanadium (V) over 0.6m, and
- 0.046% Cu, 193 g/t Bi, 0.055 g/t Au, 44.5% Fe, 3.9 g/t Ag and 2522 g/t V over 0.6m.

Mineralization at the Winnie Lake claims and the early spring results from the Company's exploration programs merited a 1,500-m drilling program which was started on July 28, 2025. The results are pending.

KL East Side

KLC and Arnold Properties

The KLC land package was also acquired in 2021 through an option agreement with additional claims added in 2022 and 2023. The KLC land package is transected by over 12 km of the Kirkland Lake Fault, a deep crustal-scale deformation zone that is intimately related to the gold deposits in the Kirkland Lake Gold Camp and that also hosts several known kimberlite bodies. The KLC property is proximal to the east-west trending Victoria Creek Deformation Zone which is associated with Agnico Eagle's Upper Beaver complex. The Victoria Creek gold deposit lies along the same structural trend and hosts a historical mineral resource (NI 43-101 non-compliant) of 4.9Mt at 3.43 g/t Au.

In 2022, a field mapping and sampling program on the KLW and KLC claim groups was undertaken and collected 239 grab samples over 45 field days. The results of the program have been reported in a press release dated October 19, 2022 (found on SEDAR+ and the Company's website).

B-horizon soil sampling was also conducted over the KL East side claim group, namely over the McVittie diorite intrusive stock. Elevated concentrations of bismuth, molybdenum, copper, and tungsten were detected from the soil sampling. Though less common in the Abitibi region, these elements suggest proximity to felsic intrusions, which could host IRGS (intrusion related gold-systems) mineralization.

The results of the initial soil sampling program on the KL East side claim group have been reported in a press release dated September 10, 2024 (found on SEDAR+ and the Company's website).

Lucky Strike Property

The KL East Side - Lucky Strike Property, situated east of KLD's Goodfish-Kirana project in Kirkland Lake, Ontario, comprises 645 unpatented mining claims covering roughly 11,506 hectares (115 km^2). Agnico Eagle's Upper Beaver deposit is located roughly 6 km to the south of the property boundary.

The Lucky Strike hosts two major regional structures, the Misema-Mist Lake Fault and the Mulven Lake Fault, both trending east-northeast across the property. These faults are believed to be extensions of the Kirkland Lake Main Break, which controls gold mineralization in the Kirkland Lake Gold Camp approximately 16 km to the west-southwest. Recent studies by the Mineral Exploration Research Centre ("MERC") suggest that these faults are deep-seated structures, extending approximately 10 km into the crust.

The geological setting of the area consists of Archean volcanic and volcaniclastic rocks of the Blake River assemblages, along with later intrusions and dikes. Gold and base metal mineralization is found in various locations throughout the Lucky Strike Project, occurring in veins ranging from shallow dipping to near-vertical feeder veins along structural breaks.

Key areas of interest identified on the property include the Walsh Mine Area, FP Zone, and Labyrinth Zone:

- The Walsh Mine Area: Historical records indicate significant gold assays with recent grab samples assaying up to 65.5 g/t Au. Diamond drilling in the past has intersected notable gold grades.
- The FP Zone: Defined by high-grade diamond drill intersections and surface mineralization, including significant gold assays from channel sampling.
- The Labyrinth Zone: Discovered in 2019, exhibits intense deformation and mineralization. Diamond drilling has returned promising gold grades.

A high-resolution heliborne magnetic survey (100-m and 50-m line spacings) conducted by ALS GoldSpot in June 2023 provided detailed geophysical data on the property, leading to enhanced structural and geological interpretations. This survey revealed five generations of lineaments and faults, aiding in identifying areas for further exploration.

Fieldwork conducted from June to November 2023 included grab sampling (400 samples) across KLD's landholdings, with a focus on the Lucky Strike claim group. Significant findings include historical showings east of Misema Lake, now collectively referred to as the Hurricane Zone, which exhibited gold and copper mineralization. The results of the program have been reported in a press release dated November 23, 2023 (found on SEDAR+ and the Company's website).

The Phase 2 exploration drill program at the Hurricane Zone started on January 26, 2024. The program designed by the KLD technical team, targeted the Jensen, Whiskey Jack, Whiskey Jack East, Wood, and the Norwood showings, plus other geophysical targets of merit. A total of thirteen drill holes aggregating 3,376 m were drilled at six targets. Drilling was completed in March 2024. The results of the drill program have been reported in a press release dated May 23, 2024 (found on SEDAR+ and the Company's website).

Overall Performance and Results of Operations

Changes in Financial Position

Total assets decreased to $11,567,670 at June 30, 2025 from $11,729,031 at March 31, 2025, primarily as a result of a decrease in cash of $253,243. The most significant assets at June 30, 2025 were exploration and evaluation assets of $10,159,490 (March 31, 2025: $10,073,058) and cash of $1,299,468 (March 31, 2025: $1,552,711). Cash and cash equivalents decreased by $253,243 during the three months ended June 30, 2025 primarily as a result of cash used in operating activities of $242,061.

Results of Operations for the three months ended June 30, 2025

For the three months ended June 30, 2025, KLD incurred a net loss of $220,936 compared to a net loss of $1,030,336 for the three months ended June 30, 2024. Significant variances in operating expenses and other income (expenses) between the periods ended June 30, 2025 and June 30, 2024 include:

Exploration Costs – $116,846 (2024 - $571,213) – Exploration costs decreased by $454,367. During the current period, the Company incurred $57,639 in geological costs, of which $53,634 relates to geological studies conducted on the KL West property and $4,005 on the Lucky Strike property. During the comparative period ended June 30, 2024, the Company incurred $397,278 in geological costs, of which $341,383 relates to geological studies conducted on the KL West property and $55,895 on the Lucky Strike property. The Company also incurred $45,480 in assays and $33,137 in geotechnical costs on the Lucky Strike property.

Salaries and consulting fees – $87,000 (2024 - $409,021) – Salaries and consulting fees decreased by $322,021 primarily due to $300,000 in fees and $5,543 in car expense reimbursements paid to the former Chief Executive Officer upon resignation in May 2024 with no such payments made in 2025.

The following is a summary of the eight most recently completed quarters:

Quarter ended	(Loss) Income for the period	(Loss) Earnings per share *	Total Assets
	$	$	$
September 30, 2023	(964,427)	(0.01)	15,471,781
December 31, 2023	(1,027,887)	(0.01)	14,670,080
March 31, 2024	(1,282,573)	(0.01)	13,482,283
June 30, 2024	(1,030,336)	(0.01)	12,467,467
September 30, 2024	(991,729)	(0.01)	11,259,982
December 31, 2024	(746,118)	(0.01)	12,013,941
March 31, 2025	(17,861)	(0.00)	11,729,031
June 30, 2025	(220,936)	(0.00)	11,567,670

* Basic and fully diluted

KLD has incurred losses in each of the last eight quarters. For the period ended December 31, 2023, the loss was higher due to $530,129 in share-based compensation expense recognized during the period. For the period ended June 30, 2024, the loss was higher due to $305,543 of compensation and expense reimbursements paid to the former Chief Executive Officer upon resignation in May 2024. For the period ended December 31, 2024, the loss was higher due to $128,525 in share-based compensation expense recognized during the period. For the periods ended September 30, 2023, March 31, 2024 and September 30, 2024 losses were higher due to higher exploration expenditures incurred compared to other periods.

Liquidity and Capital Resources

At June 30, 2025, KLD had working capital of $1,077,519 (March 31, 2025 - $1,308,185).

The Company's exploration and evaluation assets presently have no proven or probable reserves, and based on information to date, it has not yet determined whether these properties contain economically recoverable resources. The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

Although the Company presently has sufficient financial resources to cover its existing obligations, the Company expects to require further funding in the longer term to fund its planned programs for the next year. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure the continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. These items give rise to material uncertainties which may cast a significant doubt on the company's ability to continue as a going concern.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws and tariffs, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

The sources of funds currently available to the Company for its acquisition and exploration projects are solely from equity financing. The Company does not have bank debt or banking credit facilities in place as at the date of this report.

Flow-through commitments

Flow-through share arrangements entitle the holder of the flow-through share to a 100% tax deduction in respect of Qualifying CEE.

During the three months ended June 30, 2025, the Company incurred $98,367 (three months ended June 30, 2024 – $551,853) in Qualifying CEE and amortized a total of $28,105 (three months ended June 30, 2024 – $50,168 of its flow-through liabilities).

The flow-through premium liability does not represent a cash liability to the Company and is to be fully amortized to the statements of loss and comprehensive loss pro-rata with the amount of qualifying expenditures that will be incurred.

As at June 30, 2025, the Company must spend another $758,139 of Qualifying CEE by December 31, 2025 to satisfy its remaining current flow-through liability of $216,611. The Company is planning on spending approximately $600,000 on KL West Side, with a focus on Winnie Lake claims, and $160,000 on the KL East Side by December 31, 2025.

The Company has until February of the following year after the renunciation is completed under the look-back rule to incur the flow-through funds otherwise the Company will be subject to the Part XII.6 tax. The Company has accrued Part XII.6 tax of $9,970 during the three months ended June 30, 2025.

Exploration Agreement with Apitipi

On January 1, 2025, the Company entered into an exploration agreement with Apitipi Anicinapek Nations ("Apitipi") to promote a cooperative and mutually respectful relationship concerning exploration of the KL West and KL East projects, which are partially located on the territories traditionally owned by Apitipi. Under the terms of the agreement, the Company agreed to contribute funds to the community fund established by Apitipi. The annual contribution will be equivalent to 2% of all exploration costs incurred by the Company on all KL properties during the year. The 2025 contribution will be payable in cash or common shares of the Company, whereas all subsequent contributions will be payable in cash. Included in accounts payable and accrued liabilities at June 30, 2025 is $3,108 in accrued contributions to the community fund. The Company also agreed to spend up to $20,000 on the archeological study of the property.

Other commitments

As at June 30, 2025, the Company had the following commitments (in addition to those disclosed elsewhere in this MD&A):

	Total **$**	1 Year $	1-3 Years $	After 3 Years $
Accounts payable and accrued liabilities	$89,798	$89,798	-	-
Total contractual obligations	$89,798	$89,798	-	-

Outstanding Share Capital

The Company is authorized to issue an unlimited number of common shares. As of June 30, 2025, the Company had 112,577,374 common shares, 15,526,426 warrants, 871,199 brokers' warrants and 8,350,000 stock options issued and outstanding. As of the date of this MD&A, the Company had 112,614,874 common shares, 15,488,926 warrants, 871,199 brokers' warrants and 8,350,000 stock options issued and outstanding.

Related-Party Transactions

All transactions with related parties have occurred in the normal course of operations and on terms and conditions that are similar to those of transactions with unrelated parties and are measured at the amount of consideration paid or received. A summary of the Company's related party transactions with corporations having similar directors and officers is as follows:

Three months ended June 30, 2025	Salaries and Consulting fees $	Share-based compensation $	Total $
Stefan Sklepowicz, Chief Executive Officer and Director	36,000	-	36,000
Natalia Samartseva, Chief Financial Officer	15,000	-	15,000
Total	51,000	-	51,000

Three months ended June 30, 2024	Salaries and Consulting fees $	Share-based compensation $	Total $
Daniele Spethmann, Former President, Chief Executive Officer and Director [(i)]	328,043	-	328,043
Stefan Sklepowicz, Chief Executive Officer and Director	15,000	-	15,000
Natalia Samartseva, Chief Financial Officer	15,000	-	15,000
Total	358,043	-	358,043

(i) Upon the former Chief Executive Officer's resignation in May 2024, the Company paid $300,000 in fees and $5,543 in car expense reimbursements to the former Chief Executive Officer upon resignation.

As at June 30, 2025, there was $29,773 comprised of $27,120 for compensation and $2,653 for marketing and travel expenditures owed to Stefan Sklepowicz, the Company's Chief Executive Officer (March 31, 2025 – $17,372 comprised of $13,560 for compensation and $3,812 for marketing expenditures). The amounts are unsecured, non-interest bearing and without fixed terms of repayment.

Critical Accounting Policies and Estimates

The Company prepares its consolidated financial statements under IFRS as issued by the IASB.

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

The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at period end that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following:

Critical accounting estimates

Valuation of Options Granted and Warrants Issued

The fair value of common share purchase options granted and warrants issued as part of the share issuance costs is determined at the issue date using the Black-Scholes option pricing model. The Black-Scholes model involves six key inputs to determine the fair value of an option, which are: risk-free interest rate, exercise price, market price at the grant date, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based payments expense. These estimates impact the values of stock-based compensation expense, share capital, and reserves.

Valuation of flow-through premium

The determination of the valuation of flow-through premium is subject to significant judgment and estimates. The flow-through premium is valued as the estimated premium that investors pay for the flow-through feature, being the portion in excess of the market value of shares without the flow-through feature.

Critical accounting judgments

Impairment of Exploration and Evaluation Assets

Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The carrying value of each exploration and evaluation asset is reviewed regularly for conditions that may suggest impairment. This review requires significant judgment.

Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Management has determined that there were no indicators of impairment as at June 30, 2025.

Presentation of financial statements as a going concern

Presentation of the consolidated financial statements as a going concern which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due involves significant judgment by management.

Initial application of standards, interpretations and amendments to standards and interpretations in the reporting period

The IASB issued certain new accounting standards or amendments that are mandatory for accounting periods on or after January 1, 2025. The effect of such new accounting standards or amendments did not have a material impact on the Company and therefore the Company did not record any adjustments to the consolidated financial statements.

New and amended IFRS standards not yet effective

Certain new accounting standards or interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards and interpretations are not expected to have a material impact on the Company's consolidated financial statements, except for IFRS 18 "Presentation and Disclosure in Financial Statements".

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements and has an effective date of January 1, 2027. The effects of the adoption of IFRS 18 on the Company's financial statements have not yet been determined.

Financial Instruments Risk Management

The Company has exposure to credit, liquidity and market risks from its use of financial instruments. This note provides information about the Company's exposure to each of these risks, and the Company's objectives, policies and processes for measuring and managing such risks. The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company does not have financial instruments that is potentially subject the Company to credit risk. Overall, the Company's credit risk has not changed significantly from the prior year. Sales taxes recoverable are due from the Canada Revenue Agency and the Company places its cash and cash equivalents with financial institutions with high credit ratings, therefore in management's judgment, credit risk is low.

There have been no changes in management's methods for managing credit risk since March 31, 2025.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in paying obligations as they come due. The Company's financial liabilities consist of accounts payable and accrued liabilities. Accounts payable consists of invoices payable to trade suppliers for capital expenditures, field operating activities, and general corporate expenses. Substantially all of the Company's financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms. The Company addresses its liquidly risk through equity financing obtained through sale of common shares and units. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future. As June 30, 2025, the Company has a working capital of $1,077,519 (March 31, 2025 - $1,308,185).

There have been no changes in management's methods for managing liquidity risk since March 31, 2025.

Market risk

Market risk is the risk that changes in market prices, such as commodity prices, interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

(i) Currency risk

Financial instruments that impact the Company's net earnings or other comprehensive income due to currency fluctuation include cash accounts denominated in US dollars. Fluctuations in the exchange rate between the US dollar and the Canadian dollar at June 30, 2025 would not have a material impact on the Company's profit/ loss.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk as it does not hold any funds in interest bearing accounts.

(iii) Commodity price risk

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly gold. Commodity prices, especially gold, greatly affect the value of the Company and the potential value of its property and investments.

(iv) Equity price risk

Equity price risk is the risk that the fair value of or future cash flows from financial instruments will significantly fluctuate because of changes in market prices. The Company does not have any investments in equity instruments at June 30, 2025 or 2024 and therefore is not exposed to equity price risk.

Capital Management

The Company's objectives when managing capital are:

- To safeguard our ability to continue as a going concern in order to develop and operate our current projects;
- Pursue strategic growth initiatives; and
- To maintain a flexible capital structure which lowers the cost of capital.

In assessing the capital structure, we include in our assessment the components of equity consisting of common shares, stock options and warrants, and deficit that as at June 30, 2025 totalled $11,261,261 (March 31, 2025 - $11,406,947).

In order to facilitate the management of capital requirements, the Company prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The annual and updated budgets are monitored and approved by the Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares, issue new debt, repay debt or dispose of non-core assets. The Company's current capital resources are sufficient to carry out our exploration plans and support operations through the current operating period.

The Company is not subject to any capital requirements imposed by a regulator.

There were no changes in the Company's approach to capital management since March 31, 2025.

Other Risks and Uncertainties

The success of KLD's business is subject to a number of factors including, but not limited to, those risks normally encountered by junior resource exploration companies such as exploration uncertainty, operating hazards, more onerous environmental regulation, competition with companies having greater resources, fluctuations in the price and demand for minerals, fluctuations in exchange rates and lack of operating cash flow.

KLD exposed to a number of risks, including, but not limited to:

- KLD has limited cash resources and there can be no assurance that the Company will be able to raise sufficient cash to develop or joint venture its properties;

- The volatility of global capital markets over the past several years has generally made the raising of capital by equity or debt financing more difficult. The Company is dependent upon capital markets to raise additional financing in the future.

- Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects;

- KLD has a history of operating losses and the Company expects to incur significant operating losses for the foreseeable future;

- KLD's success is dependent on future exploration work results and mineral prices;

- In order to develop its mineral properties, the Company requires experienced senior management, personnel and consultants and is substantially dependent upon the services of a few key individuals for the successful operation of its business; and

- The development of an exploration project is subject to extensive laws and regulations by various government agencies and First Nations engagement that take time and which may make exploration and advanced exploration work more challenging.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements contemplated at this time.

Proposed Transactions

From time to time, similar to other mineral exploration enterprises, the Company may evaluate, acquire or dispose of property assets, or form business relationships such as joint ventures, as determined by Management, based on exploration results, opportunities, the competitive nature of the business, and capital availability. No such transaction is pending at this time.

Management's Report on Internal Control over Financial Reporting

In connection with National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Cautionary Notes Regarding Forward-Looking Statements

This MD&A contains forward looking statements which reflect management's expectations regarding the Company's future growth, results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. These forward-looking statements include, among other things, statements relating to mineral properties; the Company's goals regarding exploration and potential development of its projects; the Company's future business plans; expectations regarding the ability to raise further capital; the market price of gold; expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations; the ability to retain and/or maintain any require permits, licenses or other necessary approvals for the exploration or development of its mineral properties; government regulation of mineral exploration and development operations in Ontario; the Company's compensation policy and practices; the Company's expected reliance on key management personnel, advisors and consultants; and other factors.

Forward-looking statements are not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances.

As of the date of this MD&A, without limitation, assumptions about: the ability to raise any necessary additional capital on reasonable terms to advance exploration and development of the Company's mineral properties; future prices of gold and other metal prices; the timing and results of exploration and drilling programs; the demand for, and price of gold; that general business and economic conditions will not change in a material adverse manner; the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the geology of the Company's projects; the accuracy of budgeted exploration and development costs and expenditures; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; the Company's ability to attract and retain skilled personnel; political and regulatory stability; the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms; requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; availability of equipment.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements. Such risks include, without limitation: the Company may fail to find a commercially viable deposit at any of its mineral properties; there are no resources or mineral reserves on any of the properties in which the Company has an interest; the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties; mineral exploration and development are inherently risky; the mineral exploration industry is intensely competitive; additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company; fluctuations in the demand for gold; the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business; the Company's exploration activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted; the Company's operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations; there is no guarantee that title to the properties in which the Company has a material interest will not be challenged or impugned; the Company faces various risks associated with mining exploration that are not insurable or may be the subject of insurance which is not commercially feasible for the Company; the volatility of global capital markets over the past several years has generally made the raising of capital more difficult; compliance with environmental regulations can be costly; social and environmental activism can negatively impact exploration, development and mining activities; the success of the Company is largely dependent on the performance of its directors and officers; the Company's operations may be adversely affected by First Nations land claims; the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business; the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company; the Company's future profitability may depend upon the world market prices of gold; dilution from future equity financing could negatively impact holders of the Company's securities; failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business; the Company's projects now or in the future may be adversely affected by risks outside the control of the Company; the Company is subject to various risks associated with climate change; other factors discussed under "*Risk and Uncertainties*".

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

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained herein. 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 information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.