

Management's Discussion and Analysis

For the Three Months Ended June 30, 2026 and 2025

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 12, 2026 and should be read in conjunction with the condensed consolidated interim financial statements and related notes for the three months ended June 30, 2026 and 2025 ("Interim Financial Statements") and the audited annual consolidated financial statements and related notes for the years ended March 31, 2026 and 2025 ("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.

Qualified Person

The scientific and technical information contained in this MD&A has been reviewed and approved by Benjamin Cleland, P.Geo., Vice President Exploration of the Company, who is a Qualified Person as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

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" and on the U.S. OTCQB under the symbol "KLKLF". 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 (at the time) to a total of 38,067 hectares and 53 km of length (Figure 1).

On March 2, 2026, the Company completed a purchase agreement with Orecap Invest Corp., pursuant to which the Company acquired a 100% undivided interest in the mineral claims collectively known as the Mirado Property, free and clear of all liens and encumbrances.

The Company is now identifying the combined land packages as the KL West (Goodfish Kirana and KLW), the KL East (Lucky Strike, KL Central and Arnold), the KL South (Mirado) 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).

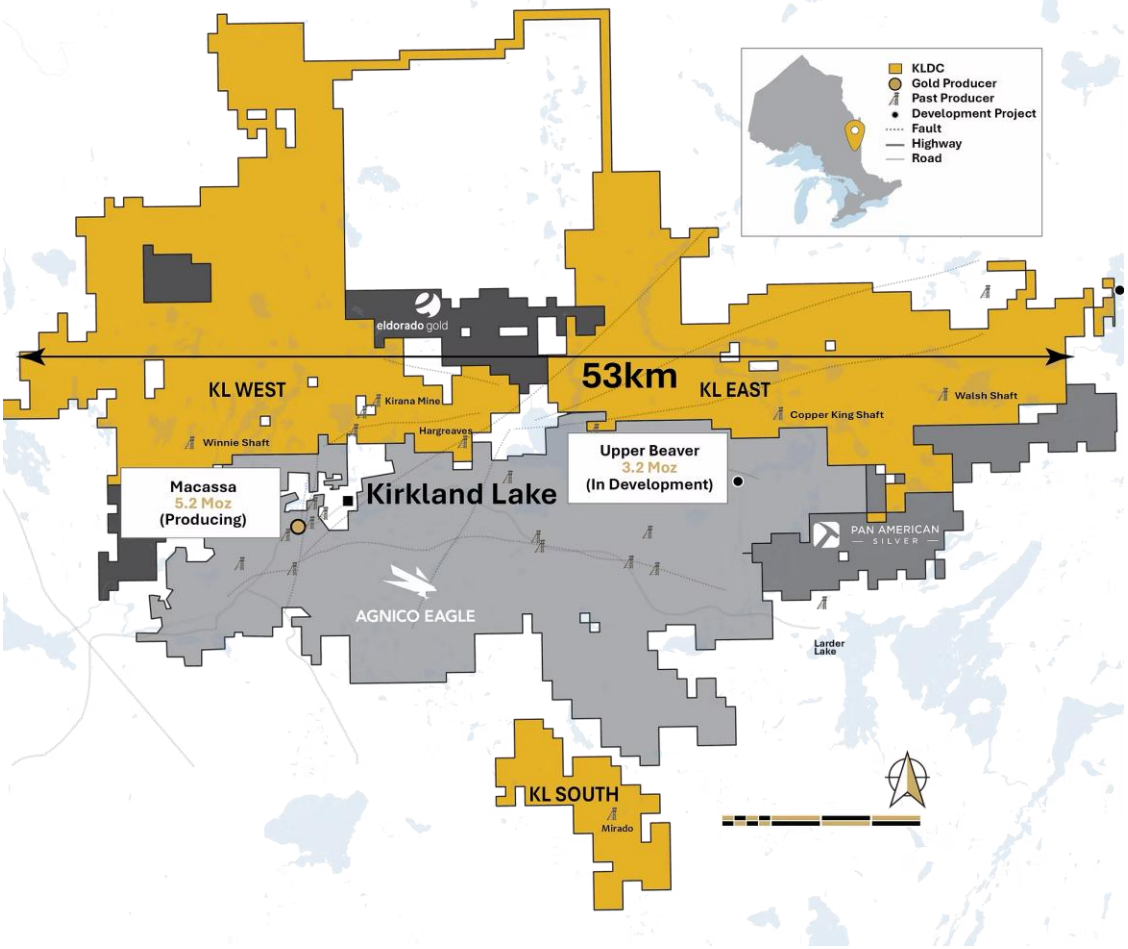


Figure 1 - KLD combined land package.
* Data compiled from the Government of Ontario Mining Lands Administration System (MLAS).

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. Agnico believes that the Upper Beaver project has the potential to produce an annual average of approximately 210,000 oz gold and 3,600 tonnes of copper over a 13-year mine life. 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 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 1,651 unpatented claims and 51 patents covering 42,796 hectares.

Recent Developments

Mirado Acquisition

On March 2, 2026, the Company completed a purchase agreement with Orecap Invest Corp., pursuant to which the Company acquired a 100% undivided interest in the mineral claims collectively known as the Mirado Property, free and clear of all liens and encumbrances.

As consideration for the acquisition, Kirkland Lake issued 40,582,767 common shares of the Company with a fair value of $0.24 per share for total consideration of $9,739,864.

The Company incurred $69,608 in legal and regulatory fees in connection with the acquisition. Out of the total purchase consideration of $9,809,472, $9,707,472 was allocated to the Mirado acquisition cost and $102,000 was allocated to the reclamation bond receivable.

October 22, 2025 Financing

On October 22, 2025, the Company completed a non-brokered private placement offering of 7,600,000 flow-through units at a price of $0.37 per unit, 25,529,727 non-flow-through units at a price of $0.25 per unit, and 11,756,283 flow-through shares at a price of $0.30 per flow-through share, for aggregate gross proceeds of $12,721,317. 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 $0.40 until October 22, 2028. Each non-flow-through unit is comprised of one non-flow-through common share and one half of a common share purchase warrant exercisable to acquire one additional common share at an exercise price of $0.40 until October 22, 2028. The Company paid cash commission and other share issuance costs of $372,638 and issued 933,935 brokers' warrants exercisable into common shares of the Company at a price of $0.40 per common share until October 22, 2028.

The net proceeds from the offering are intended to fund exploration programs and used for general working capital purposes.

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 April 17, 2026 (incurred)
- $250,000 before April 17, 2027
- $350,000 before April 17, 2028
- $450,000 before April 17, 2029.

The option agreement is subject to NSRs ranging from 0.75% to 2.00%. After the third anniversary, the annual underlying advanced royalty commitment is $5,000 per year payable on the third, fourth, fifth and sixth anniversaries, and $10,000 per year thereafter. The advance royalty payments shall be applied against the amount owing under NSRs. The Company paid $7,959 in related legal and filing fees.

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

Exploration Overview

During the three months ended June 30, 2026 and up to the date of this MD&A, the Company's exploration activities have been focused on the KL South and KL West properties. At KL South, the Company continued diamond drilling at the Mirado Project, completed regional geophysical work, refined its three-dimensional geological and structural interpretation, and began testing regional targets. At KL West, the Company completed the 2025-2026 drill program and continued compiling and interpreting geological, geophysical and multi-element geochemical data.

KL South – Mirado Project

The Company completed the acquisition of the Mirado Project in March 2026 and commenced drilling in April 2026. The program is evaluating the South Zone, North Zone and regional targets using diamond drilling, historical data compilation, geological modelling, geophysics and geochemical interpretation.

The Mirado Project contains historical mineral resource estimates. A 2013 estimate prepared by SRK Consulting reported an inferred mineral resource of approximately 10.6 Mt grading 1.29 g/t Au, containing approximately 442,000 oz Au. A 2018 preliminary economic assessment reported a pit-constrained indicated mineral resource of 559 kt grading 2.61 g/t Au and an inferred mineral resource of 382 kt grading 2.66 g/t Au, both at a 1.0 g/t Au cut-off grade. These estimates are historical in nature and are not considered current.

2026 Drilling Program

As disclosed in the news release dated July 23, 2026 (found on SEDAR+ and the Company's website), the KL South collar table included 35 drill holes and one wedge with an aggregate reported length of approximately 16,026 m. Assay results have been released for 20 drill-hole entries, including the KLM26-001B wedge, and 16 additional holes are pending.

Table 1 - KL South (Mirado) drilling statistics (as disclosed on July 23, 2026)

Target Area / Zone	Hole Numbers	Drill-hole Entries	Approx. Metres Drilled	Assay Status
South Zone	KLM26-001, 001B, 002, 003, 004, 005, 007 009, 010, 011, 012, 014, 015, 016, 017 018, 019, 020, 021, 022, 024, 026 028, 029, 031, 033 and 034	27	~12,057 m	17 released / 10 pending
North Zone	KLM26-006, 008, 013, 023, 025, 027, 030 and 032	8	~3,619 m	3 released / 5 pending
MZ Zone	KLM26-035	1	~350 m	Pending
Total KL South	35 numbered holes plus KLM26-001B wedge	36 entries	~16,026 m	20 released / 16 pending

** KLM26-001B is a wedge and is counted as a separate drill-hole entry.*

Table 2 - Assay status summary - KL South (as disclosed on July 23, 2026)

Hole	Target / Zone	Status
KLM26-001	South Zone	Released
KLM26-001B	South Zone - wedge	Released
KLM26-002	South Zone	Released
KLM26-003	South Zone	Released
KLM26-004	South Zone	Released
KLM26-005	South Zone	Released
KLM26-006	North Zone	Released
KLM26-007	South Zone	Released
KLM26-008	North Zone	Released
KLM26-009	South Zone	Released
KLM26-010	South Zone	Released
KLM26-011	South Zone	Released
KLM26-012	South Zone	Released
KLM26-013	North Zone	Released
KLM26-014	South Zone	Released
KLM26-015	South Zone	Released
KLM26-016	South Zone	Released
KLM26-017	South Zone	Released
KLM26-018	South Zone	Released
KLM26-019	South Zone	Released
KLM26-020	South Zone	Pending
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KLM26-027	North Zone	Pending
KLM26-028	South Zone	Pending
KLM26-029	South Zone	Pending
KLM26-030	North Zone	Pending
KLM26-031	South Zone	Pending
KLM26-032	North Zone	Pending
KLM26-033	South Zone	Pending
KLM26-034	South Zone	Pending
KLM26-035	MZ Zone	Pending

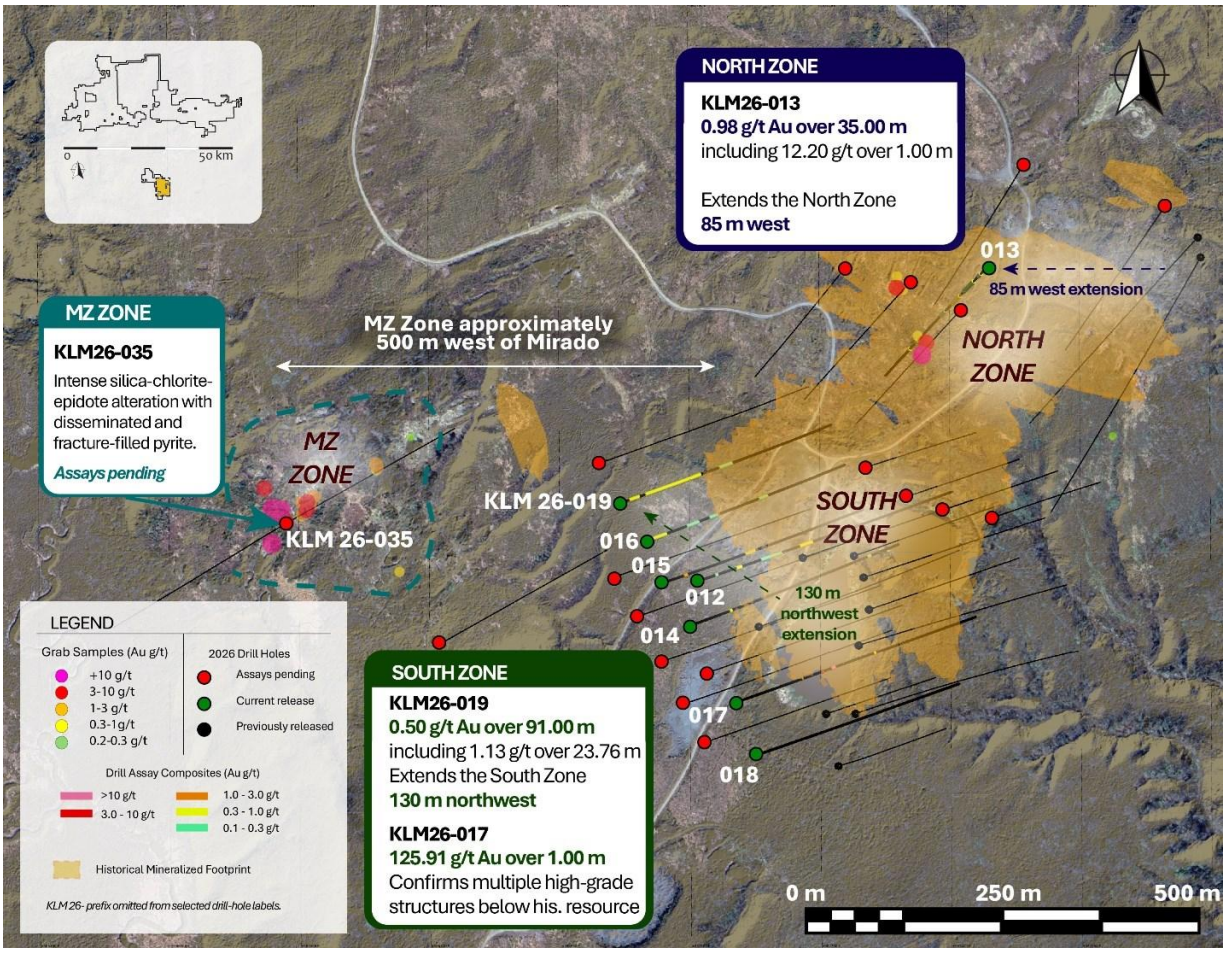


Figure 2 – Plan map of the Mirado and MZ zones showing 2026 drilling, assay composites, historical surface sampling and the historical mineralized footprint (as disclosed on July 23, 2026).

South Zone

Drilling at the South Zone has intersected both broad lower-grade mineralized envelopes and narrower high-grade intervals. KLM26-002 returned 1.01 g/t Au over 121.0 m, while KLM26-004 returned 39.35 g/t Au over 16.4 m, including 106.9 g/t Au over 6.0 m and 1,670 g/t Au over 0.38 m. Subsequent step-out drilling extended the tested mineralized area to the south, west and northwest.

KLM26-010, drilled approximately 120 m south of previously known mineralization, returned several high-grade intervals, including 79.63 g/t Au over 2.1 m and 53.46 g/t Au over 1.4 m. KLM26-011, collared approximately 100 m west of KLM26-004, returned 0.98 g/t Au over 62.3 m. KLM26-019 returned 0.50 g/t Au over 91.0 m, including 1.13 g/t Au over 23.76 m, and expanded the tested near-surface mineralized footprint approximately 130 m to the northwest. KLM26-017 returned 18.99 g/t Au over 6.65 m, including 125.91 g/t Au over 1.0 m, below the historical mineralized footprint.

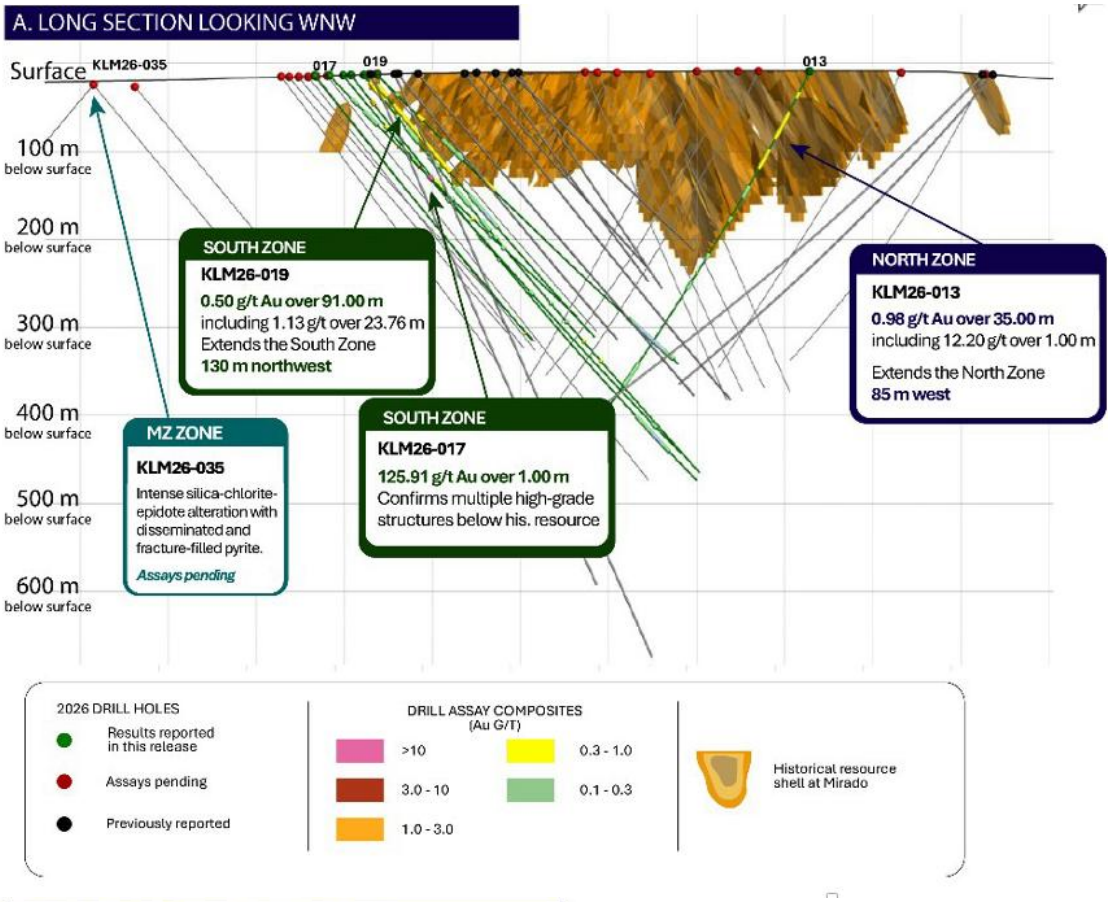


Figure 3 – Simplified cross-section and long-section views of Mirado drilling (note: the historical mineralized shell is shown for reference).

North Zone and Mirado Fault Zone

Drilling at the North Zone continues to indicate multiple steeply dipping, stacked mineralized structures. KLM26-006 returned 0.82 g/t Au over 24.0 m, 0.76 g/t Au over 13.0 m and 2.46 g/t Au over 14.7 m. The latter interval was associated with the interpreted Mirado Fault Zone between the South and North Zone domains. KLM26-008 returned several mineralized intervals over a broad downhole extent, and KLM26-013 returned 0.98 g/t Au over 35.0 m, followed by 0.61 g/t Au over 23.0 m, extending the tested North Zone trend by approximately 85 m.

Regional Exploration and Geological Interpretation

The Company completed MobileMT, VLF and total magnetic intensity surveys and is integrating these datasets with drilling and historical information. The combined interpretation is being used to evaluate structural breaks, lithological contacts and zones of enhanced permeability that may have influenced mineralizing fluid flow.

Regional prospecting commenced in May 2026 with two field crews. A property-wide till sampling program, conducted by GeoVector, commenced on July 27, 2026.

At the MZ Zone, approximately 500 m west of Mirado, KLM26-035 intersected intense chlorite-silica-epidote alteration with disseminated and fracture-filled pyrite. Assay results are currently pending. Visual observations are not necessarily indicative of gold grade.



Figure 4 – Drill core from KLM26-035 at the MZ Zone showing chlorite-silica-epidote alteration and disseminated and fracture-filled pyrite.

Hyperspectral scanning and multi-element geochemistry from KLM26-004 identified a broad white-mica-sericite and chlorite alteration assemblage surrounding narrower zones of silicification, sulphide enrichment and quartz-pyrite ± chalcopyrite veining. This data is being used with geological logging and assays to refine drill targeting. The current interpretation is that early silicification increased host-rock competency and that later deformation created fractures and dilation sites subsequently occupied by mineralizing fluids. This remains an evolving geological interpretation.

KL South – Planned Work

The Company plans to continue drilling at the South Zone, North Zone and regional targets, subject to ongoing technical results and program priorities. The recently received KL South drilling permit allows the Company to commence drilling on regional targets across the property. Regional prospecting and the property-wide till sampling program initiated on July 27, 2026 are expected to support regional target development. Work is also expected to include continued integration of drilling, geophysics, hyperspectral data, multi-element geochemistry and historical information into the three-dimensional geological model. Assay results for the 16 drill-hole entries will be assessed as received and incorporated into future targeting.

KL West Property

From July 2025 through April 2026, the Company completed 65 drill holes totaling approximately 19,924 m at KL West. The program tested the Winnie Lake corridor, Wolverine Bend, Sharp Target, Nine Mile, Cross Roads, Hammerhead, Moosehead, Leahy-Queenston, Cougar, Wolf and other regional targets.

Table 3 – KL West drilling statistics

Target Area	No. of Holes	Approx. Metres Drilled
Winnie Lake Corridor	21	6,600
Wolverine Bend	19	5,700
Sharp Target	5	1,250
Nine Mile	3	1,100
Cross Roads	3	1,110
Hammerhead	4	1,570
Moosehead	3	750
Leahy-Queenston	2	375
Cougar	4	995
Wolf	1	474
Total	65	19,924

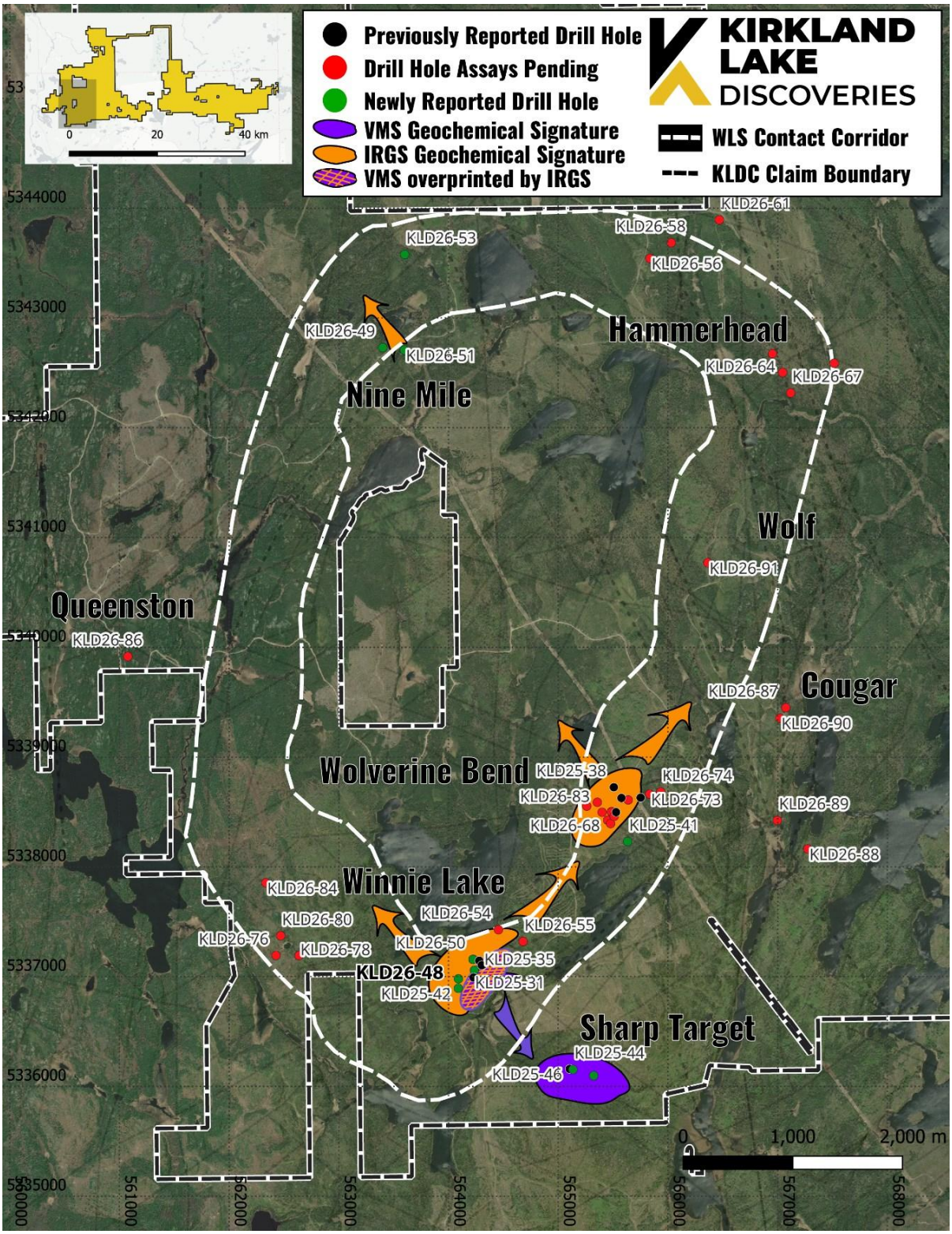


Figure 5 – KL West drilling and assay status map (see news release dated March 30, 2026, found on SEDAR+ and the Company's website).

Winnie Lake Corridor

Initial drilling at the historical Winnie Main area expanded copper-zinc-silver-gold mineralization. Previously reported results include 31.38 m grading 1.22% CuEq in KLD25-35, 36.5 m grading 1.03% CuEq in KLD25-34, 27.35 m grading 1.27% CuEq in KLD25-28 and 32.8 m grading 0.93% CuEq in KLD25-36. True widths are not known for these intervals at the time of disclosure.

The 2025-2026 program also tested intrusive and structural targets around the Winnie Lake Stock. KLD26-48 returned 1.58 g/t Au over 3.23 m, including 3.20 g/t Au over 0.87 m and 2.25 g/t Au over 0.50 m with 0.10% Cu. Drilling and geochemical interpretation identified overlapping alteration and pathfinder-element associations that are being evaluated in the context of both intrusion-related and VMS-style mineralizing events.

Wolverine Bend

At Wolverine Bend, drilling intersected syenite-hosted gold mineralization associated with potassic and hematite alteration. Reported results include 0.62 g/t Au over 6.3 m in KLD25-39 and 0.86 g/t Au over 8.3 m in KLD25-40, including 1.21 g/t Au over 5.5 m. Step-out drilling intersected broad intervals of altered syenite and was used to refine the geometry and scale of the alteration system.

Other KL West Targets

At the Sharp Target, drilling intersected graphitic sedimentary units interlayered with mafic volcanic rocks and sulphide-bearing intervals containing pyrite, pyrrhotite, sphalerite and galena. At Nine Mile, drilling intersected potassic-hematite altered intrusive rocks with elevated bismuth, molybdenum and tungsten. Cross Roads, Hammerhead, Moosehead, Leahy-Queenston, Cougar and Wolf were tested as first-pass regional targets using combinations of geophysical, structural and geochemical criteria.

KL West – Planned Work

All gold and multi-element analytical results from the KL West drilling program have been received. The Company is completing validation, compilation and interpretation of the results. Planned work also includes continued integration of geological logging, multi-element geochemistry, MobileMT data, magnetic data and structural information to rank follow-up targets at Winnie Lake, Wolverine Bend, Amikougami and other regional areas. Future drilling will be subject to technical review, permitting, availability of financing and the Company's broader exploration priorities.

Data Verification and Quality Assurance / Quality Control ("QA/QC")

KL South

Gold analyses for the KL South drilling program were completed on half NQ diamond drill core at Paragon Geochemical using Chrysos PhotonAssay™ technology on approximately 500 g samples. Sample preparation was completed in Timmins, Ontario. PhotonAssay and screen fire assay analyses were completed in Surrey, British Columbia and Hamilton, Ontario, and multi-element analyses were completed in Sparks, Nevada.

Samples returning gold values above the 350 g/t upper detection limit of the PhotonAssay method were reanalyzed using a 1 kg screen fire assay. The sample was screened at 110 microns, the coarse fraction was analyzed by gravimetric assay and the fine fraction was analyzed in duplicate by atomic absorption spectroscopy. Certified reference materials and blanks were inserted at regular intervals, at approximately one control sample per twenty primary samples.

Reported KL South intervals were calculated using weighted average grades and a 0.2 g/t Au cut-off. Up to 6.9 m of consecutive internal dilution below cut-off was included in certain reported composites. Reported

assays were uncut and no top cut was applied. True widths were estimated at approximately 80% of reported core lengths.

KL West

KL West NQ drill core samples were analyzed at ALS Laboratories in Ontario, Québec and British Columbia. Gold analyses were completed using fire assay with atomic absorption finish, with selected samples reanalyzed using gravimetric methods. Multi-element analyses were completed using ICP-AES and ICP-MS methods. Certified reference materials and blanks were inserted at regular intervals, at approximately one control sample per twenty primary samples. True widths were estimated at approximately 65% to 80% of reported core length intervals, and assays were uncut except where otherwise stated.

Drill program design, sampling procedures, QA/QC protocols and interpretation of results were completed under the supervision of Qualified Persons in accordance with National Instrument 43-101 and industry practices.

Overall Performance and Results of Operations

Changes in Financial Position

Total assets decreased to $25,852,804 at June 30, 2026 from $29,808,052 at March 31, 2026, primarily as a result of a decrease in term deposit of $6,051,411, offset by an increase in cash and cash equivalents of $1,827,311. The most significant assets at June 30, 2026 were exploration and evaluation assets of $19,866,962 (March 31, 2026: $19,866,962), and cash and cash equivalents of $4,256,270 (March 31, 2026: $2,428,959). Cash and cash equivalents increased by $1,827,311 during the three months ended June 30, 2026 primarily due to $6,051,411 received from redemption of a term deposit and $426,607 received from warrant exercises, offset by $4,179,858 used in operating activities and $426,607 used in investing activities on purchases of property and equipment.

Results of Operations for the three months ended June 30, 2026

For the three months ended June 30, 2026, KLD incurred a loss and comprehensive loss of $2,986,909 compared to a loss and comprehensive loss of $220,936 for the three months ended June 30, 2025. Significant variances in operating expenses and other income (expenses) include:

Exploration Costs – $2,945,633 (2026 - $116,846) – Exploration costs increased by $2,828,787. During the current quarter, the Company incurred $1,731,413 in drilling costs, of which $1,696,390 was related to the drilling program at the KL South property, $450,300 in assay costs which were evenly split between the KL West and KL South properties, $354,646 in geotechnical costs for the KL South property and geology costs of $243,489, of which $208,044 were related to the KL South property. Limited exploration activities were conducted during the three months ended June 30, 2025.

Salaries and consulting fees – $228,212 (2025 - $87,000) – Salaries and consulting fees increased by $141,212 as the Company incurred higher management and directors' fees, human resources, payroll and administration costs as a result of an increase in business activity during the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

Share-based compensation – $65,752 (2025 - $Nil) – Share-based compensation increased by $65,752 due to 200,000 options granted in the current quarter as well as continuous vesting of 1,000,000 options granted in November 2025. No options were granted during the quarter ended June 30, 2025.

Settlement of flow-through share premium - $399,960 (2025 - $28,105) – Settlement of flow-through share premium increased by $371,855 during the quarter ended June 30, 2026. During the current quarter, the Company incurred $2,399,758 (quarter ended June 30, 2025 – $98,367) in qualifying Canadian Exploration Expenditures ("CEE") and amortized $399,960 (quarter ended June 30, 2025 – $28,105) of its flow-through liabilities.

Other income - $215,000 (2025 - $Nil) – During the current quarter the Company received an Ontario Junior Exploration Program (OJEP) exploration grant of $215,000. No grant was received in the comparable quarter ended June 30, 2025.

Quarterly Information

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

Quarter ended	Loss for the period	Loss per share*	Total Assets
	$	$	$
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
September 30, 2025	(753,008)	(0.01)	11,554,263
December 31, 2025	(3,150,112)	(0.02)	22,174,823
March 31, 2026	(3,405,471)	(0.02)	29,808,052
June 30, 2026	(2,986,909)	(0.01)	25,852,804

* Basic and fully diluted

Liquidity and Capital Resources

At March 31, 2026, KLD had a working capital of $4,044,452 (March 31, 2026 - $7,019,890).

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 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, 2026, the Company incurred $2,399,758 (three months ended June 30, 2025 – $98,367) in qualifying CEE and amortized a total of $399,960 (three months ended June 30, 2025 – $28,105) 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, 2026, the Company has no remaining flow-through liabilities (March 31, 2026 - $399,960).

The Company has incurred Part XII.6 taxes of $4,978 (three months ended June 30, 2025 - $9,970) during the three months ended June 30, 2026.

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 on-site exploration costs incurred by the Company on all KL properties during the year. During the current quarter, the Company incurred $Nil in contribution costs. At June 30, 2026, $35,078 in accrued contribution costs is included in accounts payable and accrued liabilities.

Outstanding Share Capital

The Company is authorized to issue an unlimited number of common shares.

As of June 30, 2026 and the date of this MD&A, the Company had 205,629,206 common shares, 26,395,433 warrants, 617,935 brokers' warrants and 15,693,100 stock options issued and outstanding.

Related Party Transactions

All transactions with related parties have occurred in the normal course of operations and are measured at the amount of consideration paid or received.

At June 30, 2026, $Nil (March 31, 2026 - $5,650) was owed to Earthlabs Inc., a company with a director in common.

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Three months ended June 30, 2026	Salaries and Consulting Fees $
Stefan Sklepowicz, Chief Executive Officer and Director	56,250
Natalia Samartseva, Chief Financial Officer	15,000
Denis Laviolette, Executive Chairman	40,000
Christina McCarthy, Director	8,000
Gary Nassif, Director	8,000
Vincent Dube-Bourgeois, Director	8,000

Total	135,250

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

At June 30, 2026, $15,907 was owed to Stefan Sklepowicz, the Company's Chief Executive Officer, for marketing and travel expenditures (March 31, 2026 – $100,743, of which $63,563 was related to compensation and $37,180 was related to marketing and travel expenditures). The amounts are unsecured, non-interest bearing and without fixed terms of repayment.

Under the terms of their management agreements, certain officers of the Company are entitled to 24 months of base pay in the event their contracts are terminated without cause.

Critical Accounting Policies and Estimates

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

The preparation of the condensed consolidated interim 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 condensed consolidated interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

The condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim 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.

In preparing the condensed consolidated interim financial statements for the three months ended June 30, 2026 and 2025, the Company applied the critical judgments and estimates disclosed in Note 2 of its audited consolidated financial statements for the year ended March 31, 2026.

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 are 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 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, 2026.

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 liquidity 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 at June 30, 2026, the Company has working capital of $4,044,452 (March 31, 2026 - $7,019,890). There have been no changes in management's methods for managing liquidity risk since March 31, 2026.

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 Company is not exposed to significant currency risk, interest rate risk or other price risk. There have been no changes to the Company's market risk exposure since March 31, 2026.

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;
- To pursue strategic growth initiatives; and
- To maintain a flexible capital structure which lowers the cost of capital.

In assessing its capital structure, management includes in its assessment the components of equity consisting of common shares, stock options and warrants, and deficit that, as at June 30, 2026, totalled $24,998,413 (March 31, 2026 - $27,537,205).

In order to facilitate the management of capital requirements, the Company prepares expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The budgets are monitored and approved by the Board of Directors. o 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 during the three months ended June 30, 2026.

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 is 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 are 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.