Management Discussion & Analysis
for the quarter ended
July 31, 2025

Introduction

The following management discussion and analysis ("MD&A"), dated September 24, 2025, should be read in conjunction with audited financial statements of HM Exploration Corp. (the "Company" or "HM Exploration") and the accompanying notes for the period ended July 31, 2025. The financial statements for the period ended July 31, 2025, have been prepared in accordance with International Financial Reporting Standards. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. For further information on the Company reference should be made to the Company's public filings which are available on SEDAR+ at www.sedarplus.ca. This MD&A was approved and authorized for issuance on behalf of the Board of Directors on September 24, 2025.

Going Concern

The Company's financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with, loans from directors and companies controlled by directors and/or private placements of common share. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

Description of Business

HM Exploration Corp. (the "Company") was incorporated in the Province of British Columbia on April 22, 2022. The Company's principal business activities include the acquisition and exploration of mineral property assets in Canada.

On July 28, 2022, the Company entered into a property option agreement ("Option Agreement") to acquire the right to earn up to 100% interest in and to two contiguous mineral claims located in British Columbia known as the "DD Project".

Pursuant to the Option Agreement, the Company acquired an initial 51% interest by:

- making a $10,000 cash payment to the optionor upon signing of the Option Agreement (completed); and
- issuing 100,000 common shares to the optionor upon signing of the Option Agreement (completed).

To earn an additional 49% interest in the DD Project, the Company must:

- make a $10,000 cash payment to the optionor on or before August 2, 2023 (completed);
- incur minimum exploration expenditures of $75,000 on or before August 2, 2023 (completed);
- issue 100,000 common shares to the optionor on or before the date that is 10 calendar days after the date of the initial listing of the Company's common shares on the Canadian Securities Exchange (the "Listing Date") (completed); and
- incur minimum additional exploration expenditures of $125,000 on or before the first anniversary of the Listing Date (completed).

The DD Project is also subject to a 2% Net Smelter Returns Royalty ("NSR") on the claims comprising the property. The Company may repurchase up 1% of the NSR within three years of commercial production for $1,000,000.

Highlights

On October 29, 2024, the Company received a final receipt from the British Columbia Securities Commission for its Long Form Prospectus dated October 28, 2024. The Company's shares were listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "HM" as of December 6, 2024.

On November 1 2024, 626,227 issued and outstanding special warrants were exercised and converted into one unit of the Company. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of $0.30 for two years from the date the Company's shares commence trading on an exchange.

On December 9, 2024, 100,000 common shares, with a deemed price of $0.10 per share and fair value of $10,000, were issued to the optionor of the DD Project pursuant to the Option Agreement.

On July 29, 2025, the Company granted 1,300,000 stock options ("Options") to certain directors, officers, employees and consultants of the Company pursuant to the Company's stock option plan. The Options are exercisable at a price of $0.23 per common share for a term of ten years, vesting in four equal tranches over four years.

Selected Financial Data

Summary of Quarterly Results

A summary of the Company's financial performance is as follows:

	31-Jul-25	**31-Jul-24**
	$	$
Computer and internet expenses	**-**	556
General and Administration	**85**	236
Marketing expenses	**9,000**	-
Interest expenses	**-**	-
Professional fees	**4,989**	8,225
Share-based payments	**836**	
Consulting fees	**13,500**	-
Net and comprehensive loss	**28,411**	9,027
Basic and Diluted (Loss) Per Share	**(0.00)**	(0.00)

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information and is derived from the Company's unaudited quarterly financial statements prepared by management.

	Quarter ended			
	July 31, 2025	April 30, 2025	January 31, 2025	October 31, 2024
Net and comprehensive loss	($28,411)	($34,988)	($149,779)	($2,922)
Weighted and average shares outstanding	13,236,227	13,236,227	11,645,690	11,110,000
Basic and diluted loss per share	($0.00)	($0.00)	($0.01)	($0.00)
Working capital	$133,977	$161,552	$293,303	$305,697

	Quarter ended			
	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023
Net and comprehensive loss	($9,027)	($21,970)	($14,070)	($3,959)
Weighted and average shares outstanding	11,110,000	11,110,000	11,110,000	11,110,000
Basic and diluted loss per share	($0.00)	($0.00)	($0.00)	($0.00)
Working capital	$308,620	$286,147	$309,072	$273,598

All the Company's resource properties are in the exploration stage. The Company has not had revenue from inception and does not expect to have revenue in the near future. The Company's operating results are not seasonal in nature and have been mainly related to the amount of exploration activities in each period. These costs are due to the incorporation and initial operations of the business.

Liquidity and Capital Resources

As at July 31, 2025, the Company had a net working capital of $133,977 (2024: $308,620) and cash of $116,847 (2024: $318,782).

Net cash used in operating activities during year ending July 31, 2025 was $96,832 (2024: $37,748). The cash used in operating activities for the year consists primarily of the operating loss, net of expenses not yet paid as of April 30, 2025.

Net cash used in investing activities during the period ending July 31, 2025 was $- (2024: $-).

During the period ending July 31, 2025, financing activities provided $- (2024: $31,500) relating to net proceeds from the issuance of common shares.

Financings

During the year ended July 31, 2025 and 2024, the Company issued the following shares:

i. On July 24, 2024, the Company has passed a resolution to increase the cost base price of 2,100,000 common shares from $0.005 per share to $0.02 per share, resulting in gross proceeds of $31,500.

ii. On November 1, 2024, 626,227 issued and outstanding special warrants were exercised and converted into one unit of the Company. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of $0.30 for two years from the date the Company's shares commence trading on an exchange.

iii. On December 9, 2024, the company issued a total of 100,000 common shares with a fair value of $10,000 for the property acquisition.

iv. On January 30, 2025, the company issued 1,400,000 flow through shares at $0.10 per share for gross proceeds of $140,000.

Special Warrants:

On February 17, 2023, the Company proposed a private placement of special warrants at a purchase price of $0.15 per Special Warrants. Each Special Warrant is convertible at any time following closing of the Private Placement without payment of any additional consideration into one unit of the Company (a "Unit"). Each Unit is comprised of one common share (an "Underlying Share") of the Company and one share purchase warrant (a "Warrant") of the Company, with each Warrant exercisable into one common share (a "Warrant Share") at an exercise price of $0.30 for two (2) years from the date the Company's shares commence trading on the Canadian Securities Exchange.

The private placement closed on December 18, 2023. 626,227 special warrants, amounting to $93,934, were issued. Warrant issuance costs amounting to $30,988 has been included in Shareholder's equity.

On November 1, 2024, 626,227 issued and outstanding special warrants were exercised and converted into one unit of the Company. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of $0.30 for two years from the date the Company's shares commence trading on an exchange.

Stock options:

On July 29, 2025, the Company granted 1,300,000 stock options ("Options") to certain directors, officers, employees and consultants of the Company pursuant to the Company's stock option plan. The Options are exercisable at a price of $0.23 per common share for a term of ten years, vesting in four equal tranches over four years.

Exploration Expenditures

HM Exploration Corp. has incurred the following exploration expenditures with regards to the Property that were capitalized:

		DD Project
Balance, April 30, 2024	$	129,218
Property acquisition costs		
Share issued		10,000
Exploration costs		
UAV Magnetic Survey		81,850
Geological Services		19,415
Geological expenses		10,000
Equipment rental and other costs		13,020
BC METC credit		(27,521)
		106,764
Balance, April 30, 2025	$	235,982

		DD Project
Balance, April 30, 2025	$	235,982
Property acquisition costs:		-
Exploration costs:		-
Balance, July 31, 2025	$	235,982

Exploration Updates

On January 10, 2025, the Company announced the mobilization of its Phase One exploration campaign at its Devil's Den Project.

On February 20, 2025, the Company announced the completion of its Phase One exploration campaign at its Devil's Den Project. The Phase One exploration program consisted of the collection of 355 line-kilometers of high-resolution unmanned airborne vehicle (UAV) geophysical magnetic data, prospecting of historical copper and gold showings, and a property-wide litho-geochemical mapping study consisting of 101 Portable X-Ray Florescence readings.

Related Party Transactions

During the years ended July 31, 2025 and 2024, the Company incurred the following transactions with officers or directors of the Company or companies with common directors:

Key management compensation*	**2025**	**2024**
Consulting fees	13,500	-
Share-based payments	772	-
Total	$ 14,272	$ -

* Key management includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including the Company's executive officers and certain members of its Board of Directors.

As at July 31, 2025, there was $- (2024: $-) due to related party.

The terms and conditions of these transactions with key management and their related parties were no more favourable than those available, or which might reasonably be expected to be available, or similar transactions to non-key management related entities on an arm's length basis.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements as at July 31, 2025 or at the date of this MD&A.

Proposed Transactions

As of the date of this MD&A, there is no firm offer that may result in a material transaction being considered by the Company. The Company continues to evaluate offers and assets that it may acquire in the future.

Financial Instruments

(a) Categories of Financial Instruments and Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's financial instruments approximates their carrying amount due to their short-term maturities.

The fair value of the Company's financial instruments has been classified within the fair value hierarchy as follows:

	31-Jul-25			31-Jul-24		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Instrument	$	$	$	$	$	$
Cash	116,847	-	-	318,782	-	-

(b) Management of Financial Risks

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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 had no exposure to credit risk as the Company maintains all of its cash in a major bank. Accordingly, the Company has assessed credit risk as low.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity and operating results may be adversely affected if its access to the capital markets is hindered. The Company has no source of revenue and has obligations to meets its administrative overheads and to settle amounts payable to its creditors. The Company manages liquidity risk by maintaining adequate cash and restricted cash balances. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

As at July 31, 2025, the Company had total $116,847 (2024: $318,782) in cash to settle current liabilities of $1,024 (2024: $40,104) and, as such, assessed liquidity risk as low.

Foreign Exchange Risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is not exposed to foreign exchange risk.

Interest rate risk

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

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of two types of risk: interest rate risk and equity price risk.

Capital Management

The Company defines its capital as working capital and shareholders' equity. The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is dependent upon external financing. In order to carry future activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements. The Company did not institute any changes to its capital management strategy since incorporation.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in accordance with International Financial Reporting Standards requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Outstanding Share Data

The Company has authorized an unlimited number of common shares with no par value. As at the current date, there were 13,236,227 common shares outstanding.

The Company has 626,227 warrants and 1,300,000 stock options outstanding at the current date.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements in this MD&A are forward-looking statements or forward-looking information (collectively "forward- looking statements") within the meaning of applicable securities legislation. We are hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed.

Readers are cautioned that the foregoing lists of factors are not exhaustive.

The forward-looking statements in this MD&A are based on the reasonable beliefs, expectations and opinions of management on the date of this MD&A. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such information 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 information.

Risk Factors

An investment in the Company should be considered highly speculative, due to the Company's stage and the inherent uncertainty in resource exploration and development.

The Company is exposed to risks and uncertainties including and not limited to the following:

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production.

The Company's projects are at an early stage of exploration. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of minerals, metals or resources of value. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration and development programs, which may be affected by a number of factors.

The business of exploration for minerals and mining involves a high degree of risk. Whether a mineral deposit can be commercially viable depends upon a number of factors, including the particular attributes of the deposit, including size, grade and proximity to infrastructure; metal and uranium prices, which can be highly variable; and government regulations, including environmental and reclamation obligations. Few properties that are explored are ultimately developed into profitable, producing mines.

Substantial expenditures are required to establish the continuity of mineralized zones through drilling and to develop and maintain the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for any proposed development of the Company's properties can be obtained on a timely basis.

The marketability of any minerals acquired or discovered by the Company in the future may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which may result in the Company not receiving an adequate return on investment capital.

There is no assurance that any regulatory authority having jurisdiction will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise.

Financial Capability and Additional Financing

The Company has limited financial resources and has no assurance that additional funding will be available to it for further exploration and development of its projects. There can be no assurance that it will be able to obtain sufficient financing in the future to carry out exploration and development work on its projects. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Company.

Mining Titles

There is no guarantee that the Company's title to or interests in the Company's property interests will not be challenged or impugned. The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. There is no guarantee of title to any of the Company's properties. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

There can be no assurance that the Company's rights will not be challenged by third parties claiming an interest in the properties. In order to retain mining titles, the Company is obligated to perform certain annual work assessment requirements. A failure to perform adequate exploration work on specific mineral tenure claims is, in the absence of cash deposits, expected to result in the loss of such tenure.

Management

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

Conflicts of Interest

Certain directors and officers of the Company are, and are expected to continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships, joint ventures and other financial and/or mining interests which are potential competitors of the Company or otherwise adverse in interest. It is understood and accepted by the Company that certain directors and officers of the Company may continue to independently pursue opportunities in the mineral exploration industry. Situations may arise in connection with potential acquisitions, operational aspects, or investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to the applicable corporate and securities legislation, regulation, rules and policies and the particulars of any agreements made between the Company and the applicable director or officer.

Dilution

If the Company raises additional funds through the sale of equity securities, shareholders may have their investment diluted. In addition, if warrants and options are issued in the future, the exercise of such options and warrants may result in dilution to the Company's shareholders. The Company intends to issue further equity in the future.

History of Losses and No Assurance of Profitable Operations

The Company has incurred a loss since incorporation. There can be no assurance that the Company will be able to operate profitably during future periods. If the Company is unable to operate profitably during future periods, and is not successful in obtaining additional financing, the Company could be forced to cease its exploration and development plans as a result of lacking sufficient cash resources.

The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions may occur. These unexpected or unusual conditions may include rock bursts, cave-ins, fires, flooding and earthquakes. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may adversely affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Furthermore, the permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations.

Fluctuating Commodity Prices

The Company's revenues, if any, are expected to be in large part derived from the sale of commodities. The prices of commodities, including prices related to lithium and uranium, have fluctuated widely in recent years and are affected by factors beyond the control of the Company including, but not limited to, economic and political trends, currency exchange fluctuations, economic inflation and expectations for the level of economic inflation in the consuming economies, interest rates, global and local economic health and trends, speculative activities and changes in the supply due to new mine developments, mine closures, and advances in various production and technological uses for commodities being explored for by the Company.

All of these factors, and other factors not detailed herein, may impact the viability of Company projects, and include factors which are not possible to predict with certainty.

Competitive Conditions

The mining industry is intensely competitive in all its phases, and the Company competes with other companies that have greater financial resources and technical capabilities. Competition in the mining industry is primarily for mineral properties which can be developed and produced economically; the technical expertise to find, develop, and produce such properties; the labor to operate the properties; and the capital for the purpose of financing development of such properties. Many competitors not only explore for and mine for metals, minerals and uranium, but also conduct refining and marketing operations on a world-wide basis and most of these companies have much greater financial and technical resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these mineral deposits could have a material adverse effect on the Company's results.

Inadequate Infrastructure May Affect the Company's Operations

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.