



MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED AUGUST 31, 2025 AND 2024

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1. INTRODUCTION

The following management's discussion and analysis ("MD&A") of the operating results, financial position, and future prospects of Boreal Gold Inc. ("Boreal" or the "Company") dated December 19, 2025 constitutes management's view of the factors that affected the Company's financial and operating performance for the year ended August 31, 2025. This discussion should be read in conjunction with the audited financial statements and related notes of the Company for the year ended August 31, 2025. This MD&A is prepared in conformity with National Instrument 51-102 F1. All financial information is presented in Canadian dollars unless otherwise stated.

2. STRUCTURE AND BUSINESS DESCRIPTION

NAME AND INCORPORATION

The Company was incorporated under the laws of the Province of Saskatchewan on May 24, 2022 as "Boreal Gold Inc". The Company's Registered and Records Office is located at Suite 800, 230 – 22nd Street East, Saskatoon, Saskatchewan, Canada, S7K 0E9. The Company's business office is located at 12 Mitchell Road, Flin Flon, Manitoba. The Company does not have any interest in any corporations, bodies corporate, limited partnerships, partnerships, joint ventures, associations, trusts or unincorporated organizations.

a) THE COMPANY

The Company is a Canadian junior, mineral exploration company engaged in the acquisition, exploration and development of mineral concessions with a specific focus on mineral properties in Northwest Manitoba and Northeast Saskatchewan, Canada. All of the Company's properties are currently at the exploration stage. The Company has no long-term debt and has assembled a small portfolio of three properties, all of which are base and precious metal prospects, strategically located in the provinces of Manitoba and Saskatchewan, within fairly short distances of the long established, Flin Flon, Manitoba, mining camp.

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2025, the Company had a working capital deficit of \$105,427 (August 31, 2024 - \$36,994), which includes non-cash, current liabilities of \$175,413 in share premium liability (August 31, 2024 - \$88,003), and the current portion of the right-of-use asset of \$17,702 (August 31, 2024 – \$17,702). The Company's ability to remain liquid over the long term depends on its ability to obtain additional financing. There can be no assurance that the Corporation will be able to obtain sufficient capital in the case of operating cash deficits.

3. CORPORATE DEVELOPMENTS – FINANCINGS

a) LISTING ON THE CANADIAN STOCK EXCHANGE ("CSE")

On November 6, 2024, the Company made application to be listed for trading on the CSE under the trading symbol "BGLD". As part of the listing requirements, on November 29, 2024, the Financial and Consumer Affairs Authority ("FCAA") of Saskatchewan approved the Company's Non-Offering Prospectus as required by the CSE. Effective December 17, 2024, Boreal was called to trade on the CSE.

b) FINANCINGS

On September 27, 2024, the Company completed a private placement, issuing 200,000 units at \$0.10 per unit and 294,000 flow-through shares at \$0.15 per share for gross proceeds of \$64,100. \$14,700 was allocated to flow-through share premium. Directors and officers acquired, in aggregate, 90,000 flow-through shares for gross proceeds of \$13,500.

Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to purchase one common share at a price of \$0.10 per share for a period of 24 months expiring on September 27, 2026. The fair value of the warrants was estimated at \$7,560 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 140%, risk-free interest rate of 2.91%, and expected life of 2.0 years and share price of \$0.06.

On November 27, 2024, the Company completed a private placement, issuing 363,000 at \$0.15 per share for gross proceeds of \$54,450. \$18,150 was allocated to flow-through share premium. Directors and officers acquired, in aggregate, 168,000 flow-through shares for gross proceeds of \$25,200.

On December 31, 2024, the Company completed a private placement, issuing 83,500 units at \$0.30 per unit for gross proceeds of \$23,500 and 235,000 flow-through shares at \$0.30 per share for gross proceeds of \$70,500. \$26,651 was allocated to flow-through share premium. Directors and officers acquired, in aggregate, 99,000 flow-through shares for gross proceeds of \$29,700.

Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to purchase one common share at a price of \$0.30 per share for a period of 24 months expiring on December 31, 2026. The fair value of the warrants was estimated at \$9,470 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 140%, risk-free interest rate of 2.93%, expected life of 2.0 years, and share price of \$0.19.

On January 9, 2025, 200,000 warrants were exercised for proceeds of \$20,000, with a grant date fair value of \$7,560.

On March 28, 2025, the Company completed a private placement, issuing 295,500 flow-through shares at \$0.30 per share for gross proceeds of \$88,650. \$23,640 was allocated to flow-through share premium. Directors and officers acquired, in aggregate, 151,000 flow-through shares for gross proceeds of \$45,300.

On April 17, 2025, pursuant to the Northstar and Jewel Box Property Purchase Option Agreement, the Company issued 500,000 shares with an estimated fair value of \$0.21/share, based on the closing price on April 17, 2025.

On April 30, 2025, the Company completed a private placement, issuing 25,000 units at \$0.20 per unit and 202,500 flow-through shares at \$0.30 per share for gross proceeds of \$65,750. \$35,538 was allocated to flow-through share premium. Directors and officers acquired, in aggregate, 25,000 flow-through shares for gross proceeds of \$7,500.

Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to purchase one common share at a price of \$0.20 per share for a period of 24 months expiring on April 30, 2027. The fair value of the warrants was estimated at \$1,887 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 140%, risk-free interest rate of 2.47%, expected life of 2.0 years, and share price of \$0.12.

On May 26, 2025, pursuant to the Melgurd Lake Property Purchase Option Agreement, the Company issued 50,000 common shares with an estimated fair value of \$0.19 per share, based on the closing price on May 26, 2025.

On June 19, 2025, pursuant to the Fay Lake Property Purchase Option Agreement, the Company issued 10,000 common shares with an estimated fair value of 0.19 per share, based on the closing price on June 19, 2025.

On July 31, 2025, the Company completed a private placement, issuing 598,500 flow-through shares at \$0.30 per share for gross proceeds of \$179,550. \$71,820 was allocated to flow-through share premium. Directors and officers acquired, in aggregate, 328,500 flow-through shares for gross proceeds of \$98,550.

c) SUBSEQUENT TO YEAR END

On October 31, 2025, the Company completed a private placement, issuing 337,500 flow-through shares at \$0.30 per share for gross proceeds of \$101,250. Directors and officers acquired, in aggregate, 17,000 flow-through shares for gross proceeds of \$5,100.

On November 26, 2025, the Company completed a private placement, issuing 81,000 flow-through shares at \$0.30 per share for gross proceeds of \$24,300.

d) FIELD WORK

During the year ended August 31, 2025, Boreal completed three individual field programmes, each tied to the flow-through financings completed during the year. Exploration costs incurred were \$240,287 at Fay Lake, \$224,632 at Melgurd and \$116,200, primarily for the acquisition of the Northstar property.

In a news release dated February 5, 2025, BGI provided an update on its Fay Lake and Melgurd properties. Work completed includes complete airborne coverage with magnetic and electromagnetic surveys over both the Fay and Melgurd properties. Boreal has received an in-depth report on the airborne survey by Ross Groom out of Toronto.

i. Fay Lake

To set the basis for more advanced exploration with drilling, extensive mapping and prospecting have been carried over the most promising portions of the property that contain volcanic massive sulphide mineralization of copper, zinc and gold. Exploration of the gold structures on the Fay Lake property has shown the structures are similar in mineralogy to the Puffy Lake mine and will begin this summer. Follow-up ground magnetic and EM surveys were completed over the main VMS horizon in 2024 outlining a number of drill targets.

On September 11, 2025, the company issued a further update on work, essentially to August 31, 2025.

Boreal received gold assay results on the Fay Gold Showing east of the Railroad on the Fay Lake Property which lies on the western portion of the Puffy Lake Mine style gold mineralization trend. Sample 27309 collected in 2021 assayed 14.33 g/t gold and 65.8 g/t silver at the Fay Gold Showing. Boreal Gold returned this year and collected several samples and the selected significant results are found in the table overleaf:

Field Work Continued

Sample Location	Rock Name	Au	Ag
27471 58m north of quartz feldspar porphyry (QFP)	Rusty quartz vein hosted in gabbro from 1m x 2m trench	4.07 g/t	2.6 g/t
27473 Wide (20m) intensely altered north portion of QFP	Altered Quartz Feldspar Porphyry with 1% pyrite from a 2m x 20m trench	410 ppb	Waiting for analysis from the lab
27474 Locally altered along shears in central portion of QFP	Sheared Quartz Feldspar Porphyry with 0.5-1% pyrite from a 1m x 3m trench	3.37 g/t	35.6 g/t
27475 Locally altered along shears in central portion of QFP	Rusty quartz vein with trace vuggy pyrite and chalcopyrite from a 1m x 3m trench	4.03 g/t	122 g/t
27476 Locally altered along shears in central portion of QFP	Sheared Quartz Feldspar Porphyry with trace arsenopyrite from a 1m x 3m trench	1.09 g/t	1.6 g/t

Samples 27474 to 27476 were collected in 2025 near the same location as sample 27309 collected in 2021 by Boreal Gold which assayed 14.33 g/t gold. Sample 27475 collected this summer assayed 4.03 g/t gold, 122 g/t silver, 0.13% copper and 0.25% zinc. Anomalous arsenic and lead were also found associated with the gold.

Sample 27473 assayed 410 ppb gold from a rediscovered 2m by 20m trench from the northern gossanous, altered and sheared bordered zone of the quartz feldspar porphyry with 1% to 5% pyrite. This altered (sericite) zone, which is at least 15m wide with 1% to 5% pyrite, was not extensively sampled this year but warrants further work given the anomalous gold values from the gossanous sericitic north border zone. The 50 to 75 m wide porphyry is unusual in width and continuity covering the full strike length of the grid mapped to date. Unlike other Quartz Feldspar Porphyries in the area, it is much larger and altered and contains significant gold, and likely earlier than other porphyries in its intrusive history. The gold bearing porphyry with a present strike length of 600 m and open in both directions will be followed up with additional prospecting and additional mapping to the east. Sampling is planned to discover the extent of the porphyry and its gold bearing system and controls. The porphyry appears hosted in gabbro where flanking sheared veins were also found containing gold. Flanking the porphyry, Boreal Gold discovered a new showing containing a rusty quartz vein with 1-2% vuggy pyrite, which assayed 4.07 g/t gold, from a 1m x 2m trench hosted in gabbro located 58 meters north of this altered sheared quartz feldspar porphyry.

Further, on the east portion of the property directly south of the Puffy Lake Gold Mine, Boreal Gold also plans this fall to investigate and sample several sites reported at Koscielny Lake to contain significant gold. Here mineralization contained values of up to 11.81 g/t Au (0.38 oz/ton Au) over one meter (J. Pearson, Sept. 4, 2024, National Instrument 43-101 Fay Lake technical report).

ii. Melgurd

During the period December 1, 2022 to February 16, 2023, Boreal Gold Inc. contracted Axiom Exploration Services to carry out an airborne 757 km Time Domain Electromagnetic (TDEM)/Magnetic survey over the Melgurd property with a traverse line spacing of 100 m and tie lines out a spacing of 1000 m.

An interpretation and evaluation of this data identified 10 target areas and rated them based on conductance, magnetic and lithologic association. In the northwest part of the property, the three highest priority targets are associated with a folded sequence of felsic to intermediate metavolcanics with local present garnet/anthophyllite alteration.

Field Work Continued

A second sequence of priority targets occurs in the east Keep Lake/Scott Lake area also associated with intermediate to felsic metavolcanics and locally present garnet/anthophyllite/pyrite/chalcopyrite alteration.

In order to evaluate the potential for both VMS Cu/Zn and associated gold mineralization the following Phase 1 exploration program is proposed:

1. Linecutting and HLEM surveying of conductors in the Scott Lake, Keep Lake, Cornell Bay and Melgurd lake area to detail the location of the conductive bodies
2. Geological mapping of the Keep Lake – Scott Lake supracrustal sequence to trace the felsic volcanic horizons and their relationship with the bounding sediments as well as to identify any VMS style alteration assemblages (anthophyllite/garnet/cordierite/cumingtonite). This mapping should also focus on the structural geology of the area to identify structures with the potential to host gold mineralization
3. Geological mapping and prospecting of the Cornell Bay area and the area to the SW to trace out the supracrustal stratigraphy, identify volcanic rocks and also examine the area for the potential for the VMS style alteration assemblages.

The cost of this program is \$150,000.

Further exploration programs are contingent on the results of the Phase 1 program.

iii. North Star – Jewell Properties

These two properties were acquired by way of a Property Purchase Option Agreement in April, 2025 from Voyageur Mineral Explorers Corp. (“VOY”), formerly Copper Reef Exploration (“CZC”). The Board of Directors negotiated a change of control in 2020 with an independent Board of Directors taking over.

As with Boreal, CZC exploration was conducted by M’Ore Exploration Services Ltd., a company wholly owned by Stephen Masson and, since July, 2024, an independent contractor.

During the period up to August 15, 2020, all work on the entire CZC portfolio was under the direction of Stephen Masson.

The VOY group focussed its energies on other properties within the CZC portfolio. According to their news releases, no new exploration was conducted on either the North Star or the Jewel properties.

From acquisition in April 2025, only minimal field work was conducted by Boreal. However, during September and October, 2025, over \$80,000 was spent on North Star.

During the period from 2003 to the present, the “North Star Group Property” became an advanced exploration property where more than \$9 million was during the preceding 20 years with the following work completed:

- Five major drilling programs, 135 drill holes at North Star and 143 drill holes at Gold Rock
- Ramp access and underground development and sampling;
- Large surface blast hole sampling and trenching together with extensive assaying for gold, trace elements and whole rock geochemistry. Average grade from blast holes and trench faces was over 0.35 oz/t gold. (Foran Mining Corporation (FOM) Press Release April 16, 2003). Gold on April 16, 2003 was \$332.60 to 333.40 oz (<https://www.usagold.com/daily-gold-price-history/>) compared to over \$3600/oz US or greater than \$5000/oz Canadian today.

Field Work Continued

- Extensive metallurgical testing at Lakefield established 85% recovery of gold by gravity alone. LR10572-002-Progress Report #1(Foran Mining Corporation (FOM) Press Release May 3, 2003).
- A large grid covers the gold shear with mapping, prospecting and geophysical surveys carried out. The Shear is still open to the north and south and the grid can be extended to follow the shear on strike (unexplored). The shear zone in between the Gold Rock and North Star deposits has seen little drilling.
- There is a two km of all-weather road to the North Star site, as well as 15 km of the Dickstone road being brought back to all weather road status with creek crossings improved and adjoining swamps lowered to improve road quality plan for this summer.
- Numerous environmental surveys were completed, including: ungulate, rare plant, raptor, fish surveys and other surveys required for the establishment of tailings facilities.
- A digital topographical airborne survey was carried out over the main area of the vein, and potential areas for tailings disposal and water intake.
- Camp site and storage areas were established and permitted. These permits are still valid as is the road permit. A mill foundation; a concrete slab shop floor and a water waste disposal pond were completed.
- A VTEM survey was carried out over the entire claim group in 2010.

Since 2007 to 2017 the property was extensively explored by mapping, prospecting and drilling (143 Diamond Drill Holes) where Copper Reef Mining Corporation (subsequently Voyageur Mineral Explorers Corp.) concentrated on the northern portion of the structure (Gold Rock and Richard Veins). Here the Gold Rock vein was further outlined by mapping and 4 drill programs to be at least 400 m long and the new Richard vein 50 m. Since 2018 the property has remained idle. Boreal Gold Inc. plans to continue where Copper Reef left off on expansion of the Gold Rock Vein along strike and at depth as well as new targets on the North Star Vein on the same structure to the south. A drill plan for Gold Rock has already been outlined with targets on North Star and the area in between to be contingent on this falls results. For a more detail description of the property please refer to news release dated April 17, 2025.

Planned Program***Line cutting and refurbishing old Grids***

Refurbish and recut the Grid from North of the North Star deposit on Line 46 N to Line 59 N between Baselines 46 E and Tie Line 59 E for both mapping and drilling purposes. This portion of the grid is almost 25 years old and overgrown to obliterated as it was cut a few years after a forest fire.

Geological Mapping, Prospecting and Sampling

The Grids from Lines 59+50 N south to L 46 N will require geological remapping and detailed sampling to bring it up to the standard and detail of the northern grids that cover the Gold Rock and Richard Veins, with special emphasis on the section in between the North Star and Gold Rock deposits.

Drilling

Selective infill drilling, as well as down plunge drilling on the Gold Rock Vein with a view of completing a resource estimate and NI 43-101 compliant technical report (never undertaken). Ultimately the plan is to drill off enough tonnes that the combined resource of the North Star and Gold Rock Vein Structures, with sufficient grade, will warrant to bring it to a prefeasibility study. Even if successful on the first pass, this objective will require a few additional drill programs.

Field work continued

iv. Quality Control

The Company employs QA/QC protocol on all aspects of its analytical procedures. Core samples are sawn and one half of the HQ core is restored to the core boxes for future reference and the other half sent out for analysis. Samples of veining or mineralization are taken in approximately 50 cm intervals or less.

The Company employs QA/QC protocol on all aspects of its analytical procedures. Core samples are sawn and one half of the HQ core is restored to the core boxes for future reference and the other half sent out for analysis. Samples of veining or mineralization are taken in approximately 50 cm intervals or less.

Sample preparation and analytical work is conducted at "SRC Labs in Saskatoon, Saskatchewan, utilizing fire assaying with a two-assay ton charge, with an AA finish. In addition, pulps of the sample are analyzed using a multi-acid digest/ICP-MS technique for" trace elements.

Stephen Masson is one of the founders of Boreal. He resigned his positions as officer and director in July, 2024 but continues to remain active in contract exploration.

4. EVALUATION AND EXPLORATION PROPERTIES AND EXPENDITURES

The Company holds separate property purchase option agreements over properties located in Manitoba (Fay Lake and Northstar) and Saskatchewan (Melgurd Lake).

a) FAY LAKE, MANITOBA – OPTION AGREEMENT

The Fay Lake property consists of 12 mineral claims totalling 1,818 hectares located approximately 55 km east-northeast of the city of Flin Flon, MB. The center of the property lies at 54° 58' 20' ' N Latitude and 101° 06' 00" W Longitude. The property was optioned by Boreal Gold Inc., with an effective date of June 17, 2022, from 4058667 MB LTD (owned by a Boreal Director and officer), which holds a 2% net smelter returns ("NSR") royalty. Terms and conditions of this option agreement are as follows:

Fay Lake					
Time of commitment	Cash or Royalty Payment	Paid	Consideration in Shares	Issued	Dollar value of work commitment
Within 10 days of completion of funding (i)	\$ 20,000	(i)	–	–	\$ –
On or before the 1st anniversary (i)	20,000	(i)	10,000	(i)	(i) 100,000
On or before the 2nd anniversary	20,000	(i)	10,000	(i)	(i) 150,000
On or before the 3rd anniversary	20,000	(ii)	10,000	(ii)	(i) 200,000
On or before the 4th anniversary	20,000	–	200,000	–	200,000
On or before the 5th anniversary	20,000	–	200,000	–	200,000
On or before the 6th anniversary	30,000	–	1,000,000	–	250,000
Total	\$ 150,000	–	1,430,000	–	\$ 1,100,000

(i) All cash payments paid, shares issued and work commitments met.

(ii) Cash paid July 2, 2025 and shares issued June 19, 2025.

Evaluation and Exploration Properties Expenditures – Continued

b) MELGURD LAKE, SASKATCHEWAN – OPTION AGREEMENT

The Melgurd Lake property is located in east central Saskatchewan approximately 62 km NW of Flin Flon, Manitoba. The property is accessible via float or ski equipped, fixed wing aircraft to Melgurd Lake or via helicopter from Flin Flon. Flin Flon and the adjacent community of Creighton, SK are serviced by daily scheduled flights from Winnipeg. Manitoba Highway 10 and Saskatchewan Highway 106 link Flin Flon and Creighton with Winnipeg and Prince Albert respectively.

The property consists of 10 mineral claims totalling 7060 ha with the center of the property lying at approximately 55° 10'20" N Latitude and 102° 14'30" W Longitude. The property was originally staked by Messrs. Richard Masson and Michael Alexander, both Directors of Boreal (collectively "Partners") in April 2022 and was optioned to Boreal Gold Inc. in May 2022. The Partners hold a 2% NSR over the property, 50% of which can be purchased for \$500,000. Terms and conditions of this option agreement are as follows:

Time of commitment	Melgurd Lake				Dollar value of work commitment
	Cash or Royalty Payment	Paid	Consideration in Shares	Issued	
					\$
Within 10 days of completion of funding (i)	\$ 10,000	(i)	–	–	–
On or before the 1st anniversary (i)	10,000	(i)	20,000	(i)	110,000
On or before the 2nd anniversary	15,000	(i)	30,000	(i)	150,000
On or before the 3rd anniversary	20,000	(ii)	50,000	(ii)	150,000
On or before the 4th anniversary	25,000	–	450,000	–	300,000
On or before the 5th anniversary	50,000	–	600,000	–	300,000
					\$
Total	\$ 130,000	–	1,150,000	–	1,010,000

(i) All cash payments paid, shares issued and work commitments met.

(ii) Cash paid June 20, 2025 and shares issued May 26, 2025.

c) NORTHSTAR AND JEWEL BOX PROPERTIES

On April 17, 2025, the Company entered into an option agreement (the "Agreement" and/or the "Option") with Voyageur Mineral Explorers Corp. ("VOY" or the "Optionor"), whereby the Company may acquire a 100-per-cent interest in VOY's North Star Group property, consisting of 2922 Ha in 21 contiguous claims and two mining leases, located 50 kilometres west of Snow Lake Manitoba, as well as the Jewel Box claim located 30 km east of Flin Flon (collectively, the "Property"). The terms of the Agreement include the conditions noted overleaf:

Evaluation and Exploration Properties Expenditures – Continued

Northstar and Jewel Box Claims					
Time of Commitment	Cash or Royalty Payment	Status	Consideration in Shares	Issued	Dollar Value of Work Commitment
On Signing	\$ 10,000	Paid (i)	500,000	(i)	\$ –
On or before the 1st anniversary	10,000	–	500,000	–	100,000
On or before the 2nd anniversary	10,000	–	–	–	100,000
On or before the 3rd anniversary	10,000	–	–	–	150,000
On or before the 4th anniversary	10,000	–	–	–	–
Total	\$ 50,000	–	1,000,000	–	\$ 350,000

(i) Cash paid and shares issued April 17, 2025.

Expenditures on these properties to date are summarized as follows:

	Total	Fay Lake	Melgurd	North Star	Other
Cumulative Total, August 31, 2023	\$ 813,653	\$ 495,012	\$ 234,501	\$ –	\$ 84,140
Claim acquisition & holding	63,097	45,097	18,000	–	–
Assay	7,030	7,015	15	–	–
Geological	57,594	46,165	11,429	–	–
Field Labour	256,422	202,872	53,550	–	–
Field costs	88,746	44,271	44,475	–	–
Project management fees	17,914	–	–	–	17,914
Total, August 31, 2024	\$ 490,803	\$ 345,420	\$ 127,469	\$ –	\$ 17,914
Claim acquisition & holding	166,400	21,900	29,500	115,000	–
Assay	15,222	13,168	2,054	–	–
Geological	43,919	37,599	6,320	–	–
Field Labour	291,381	158,350	131,831	1,200	–
Field costs	64,170	9,270	54,927	–	–
Total, August 31, 2025	\$ 581,119	\$ 240,287	\$ 224,632	\$ 116,200	\$ –
Cumulative Total Exploration to August 31, 2025	\$ 1,885,575	\$ 1,080,719	\$ 586,602	\$ 116,200	\$ 102,054

Evaluation and Exploration Properties Expenditures – Continued

d) MANITOBA MINERAL DEVELOPMENT FUND (“MMDF”)

The MMDF supports the diversification of Manitoba's mineral sector by encouraging early exploration and development projects of critical minerals. During the year ended August 31, 2024, Company applied for a \$184,650 grant of which \$120,000 was received in fiscal 2024 with the balance paid in fiscal 2025. During the year ended August 31, 2025, Company applied for a \$300,000 grant of which \$100,000 was received in fiscal 2025.

e) QUALITY CONTROL

The Company employs QA/QC protocol on all aspects of its analytical procedures. Core samples are sawn and one half of the HQ core is restored to the core boxes for future reference and the other half sent out for analysis. Samples of veining or mineralization are taken in approximately 50 cm intervals or less.

Sample preparation and analytical work is conducted at SRC Labs in Saskatoon, Saskatchewan, utilizing fire assaying with a two-assay ton charge, with an AA finish. In addition, pulps of the sample are analyzed using a multi-acid digest/ICP-MS technique for" trace elements.

f) QUALIFIED PERSON

Stephen Masson, MSc, P. Geo continues as the Qualified Person for all mineral property reporting.

5. RESULTS OF OPERATIONS

Operational results reflect overhead costs incurred for mineral property acquisitions and associated exploration expenses as well as other regulatory expenses incurred by the Company.

General and administrative costs can be expected to fluctuate relationally with acquisitions, exploration and operations.

a) REVENUES

The Company is currently engaged in mineral property acquisition and exploration and does not have revenues from its operations.

b) SELECTED ANNUAL INFORMATION

The following are highlights of financial data on the Company from August 31, 2025, 2024 and 2023:

	August 31, 2025	August 31, 2024	August 31, 2023
Loss)/(Income) for the period	\$ 879,807	\$ 357,775	\$ 547,530
Loss)/(Income) per common share, basic and diluted	0.06	(0.04)	(0.06)
Weighted Average number of common shares	15,516,111	12,279,380	8,476,014
Statement of Financial Position Data			
Working capital surplus/(deficit)	\$ (105,427)	\$ 36,994	\$ 92,011
Total assets	\$ 332,453	\$ 383,666	\$ 220,569

Note – the working capital deficit includes non-cash, current liabilities of \$175,413 in flow-through share premium liability (August 31, 2024 – \$88,003).

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 AND 2024**

Results of Operations Continued

c) SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly information for the preceding eight quarters ended August 31, 2025:

	Q4 August 31, 2025	Q3 May 31, 2025	Q2 February 29, 2025	Q1 November 30, 2024
General and administrative	\$ 75,095	\$ 291,755	\$ 146,283	\$ 53,296
Exploration	192,659	167,861	113,309	107,290
Lease - depreciation and interest	9,877	9,876	9,876	9,876
Net Loss for period	\$ 185,517	\$ 459,616	\$ 74,088	\$ 160,586
MMDF Grants	(100,000)	–	(64,650)	–
Flowthrough share premium recovery	17,763	–	(120,854)	–
Net loss/(income), fully diluted	\$ 371,021	\$ 459,616	\$ (111,416)	\$ 160,586
Net loss/(income) per share, fully diluted	0.02	0.03	(0.01)	0.01
Weighted average shares outstanding	15,516,111	15,309,583	13,923,468	14,477,681

	Q4 August 31, 2024	Q2 May 31, 2024	Q2 February 29, 2024	Q1 November 30, 2023
General and administrative	\$ 102,962	\$ 18,871	\$ 23,476	\$ 25,661
Exploration	239,073	53,910	73,395	121,823
Lease - depreciation and interest	6,584	–	–	–
Net Loss for period	\$ 348,619	\$ 72,781	\$ 96,871	\$ 147,484
MMDF Grants	(60,000)	–	(160,000)	–
Flowthrough share premium	(32,343)	(11,968)	(37,998)	–
Net loss/(income), fully diluted	\$ 256,276	\$ 60,813	\$ (101,127)	\$ 147,484
Net loss/(income) per share, fully diluted	(0.02)	(0.00)	(0.01)	0.05
Weighted average shares outstanding	12,279,380	13,923,468	11,920,468	10,865,800

d) RESULTS OF OPERATIONS FOR THE YEARS ENDED AUGUST 31, 2025 AND 2024

Expenditures	Year Ended August 31		Increase/(decrease)	
	2025	2024	\$'s	%
Office (i)	\$ 11,925	\$ 20,086	\$ (8,161)	41%
Professional fees (i)	188,087	133,587	54,500	41%
Marketing (ii)	15,000	–	15,000	–
Regulatory and transfer agent fees	75,312	15,762	59,550	378%
Interest (iv)	16,213	2,702	13,511	500%
Depreciation (iv)	23,292	3,882	19,410	500%
Share-based payments (v)	236,600	–	236,600	–
Exploration	581,119	490,803	90,316	18%
Total	\$ 1,147,548	\$ 666,822	\$ 480,726	% 72%

Results of Operations Continued

- (i) Changes in both Office and Professional fees reflect the costs and timing of same related to the completion and filing of the Prospectus, December 24, 2024.
- (ii) The Company engaged the services of a market making firm to ensure market stability for BGI's Treasury
- (iii) Regulatory and transfer fees increased substantially due to the prospectus.
- (iv) Interest and depreciation relate to charges against the Right of Use Asset for the full year instead of two months. These fully offset the \$2,710 in office rental fees previously expensed
- (v) The company issued options for the first time.

6. OUTSTANDING SHARE DATA

The authorized share capital consisted of an unlimited number of common shares. All issued shares are fully paid.

As of the date of this MD&A, the Company has 17,608,248 common shares issued and outstanding.

7. CHANGES TO ACCOUNTING POLICIES

During the year ended August 31, 2025, the Company adopted a number of amendments and improvements of existing standards. This included amendments to IAS 1. These new standards and changes did not have any material impact on the Company's financial statements.

Certain pronouncements were issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods commencing on or after September 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is currently assessing the impact of these standards on the financial statements.

IFRS 18 – In April 2025, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

8. OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

The Company has no off-balance sheet arrangements, nor any proposed transactions.

9. RELATED PARTY DISCLOSURES**a) PROPERTY PURCHASE AGREEMENTS**

Related parties include the Board of Directors and key management personnel (CEO and CFO) and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

b) RELATED PARTY ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Total accounts payable to related party consisted of \$4,620 due to the CEO, and \$106,029 to a corporation owned by a former officer.

All amounts are non-interest bearing and payable on demand.

c) RELATED PARTY AMOUNTS CHARGED DURING THE YEAR

Related party	Purpose	2025	2024
Corporation owned by a former officer	Primary exploration	\$ 412,463	349,508
Corporation controlled by an officer and director	Filing fees	12,911	\$ 4,559
Corporation controlled by a director	Field camp	26,375	40,050
Corporation controlled by an officer and director	Management fees	15,828	–
Directors and officers	Share-based payments	221,961	–
Total		\$ 689,538	\$ 394,117

d) FINANCINGS

See Note 3(B).

e) OFFICE LEASE

In July 2025, the Company entered into an office lease agreement with M'Ore Exploration Services Ltd., a private company held by a director and former officer of Boreal for monthly lease payments of \$2,710 until June 2029.

f) STOCK OPTION GRANT

On May 7, 2025, the Company issued 1,600,000 share purchase options to officers, directors, insiders and consultants with an exercise price of \$0.12 per option for 5 years. Any shares issued are subject to a four month hold period. A fair value of \$236,600 was recorded as share-based payments.

10. COMMITMENTS AND CONTINGENCIES

a) ENVIRONMENTAL CONTINGENCIES

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

b) MANAGEMENT CONTRACT

The Company is party to a services agreement ("Agreement") with its former President and CEO, who resigned concurrent with this Agreement. The Agreement contains clauses requiring up to \$300,000 for termination without cause.

c) FLOW-THROUGH EXPENDITURES

As at August 31, 2025, the Company was required to incur \$742,938 in qualifying expenditures by December 31, 2025 to meet its flow-through commitments. At this time, management anticipates meeting that obligation, and, as a result, no additional provisions are required.

The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

11. RISKS AND UNCERTAINTIES

The Company is in the business of acquiring, exploring and developing gold and base metal properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subjected to variations in commodity prices, market sentiment, exchange rates for currency, inflations and other risks. The Company currently has no source of revenue other than interest income. The Company will rely mainly on equity financing to fund exploration activities on its mineral properties.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

a) FINANCIAL RISKS

The Company's financial instruments consist of cash, amounts receivable, and accounts payable and accrued liabilities. The carrying values of cash, accounts payable and accrued liabilities, and lease liability approximate their estimated fair values due to the relatively short period to maturity of those financial instruments.

The Company is exposed to credit risk with respect to its cash and amounts receivable. Cash has been placed on deposit with a Canadian financial institution. Credit risk arises from the non-performance of counterparties of contractual financial obligations. The Company manages credit risk, in respect of cash by purchasing term deposits held at a major Canadian financial institution.

The Company is not exposed to significant interest rate risk due to the short-term maturity of these monetary assets. Fluctuations in market rates do not have a significant impact on estimated fair values at August 31, 2025. Future cash flows from interest on cash will be affected by interest rate fluctuations. The Company manages interest rate risk by investing in highly liquid investments with maturities of three months or less.

Commodity risk is the risk that the estimated fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk. The Company is not exposed to significant other price risk.

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company's expected source of cash flow in the upcoming year will be through equity financings. The Company had a working capital deficit at August 31, 2025 in the amount of \$105,429 (August 31, 2024 – \$36,994). However, included in that deficit is a non-cash liability of \$175,413 in Flow Through Share Premium Liability.

Risks and Uncertainties Continued**b) GOING CONCERN**

The Company's capability to continue as a going concern is dependent upon its ability to obtain additional debt or equity financing to meet its obligations as they come due. If the Company is unable to continue as a going concern, then significant adjustments would be required to the carrying value of assets and liabilities, and to the statements of financial position classifications currently used.

Boreal has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to other companies in the same business, including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenues.

The Company plans to obtain financing in the future primarily through further equity financing, as well as through joint venturing and/or optioning out the Company's properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its mineral properties.

Management has maintained a strict cost control program to effectively control expenditures. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

The Company maintained cash at August 31, 2025, in the amount of \$231,232 (August 31, 2024 – \$259,121), in order to meet short-term business requirements. At August 31, 2025, the Company had accounts payable and accrued liabilities of \$155,472 (August 31, 2024 – \$128,382). Also as at August 31, 2025, the Company had GST receivable in the amount of \$11,925 (2024 – 11,960).

c) EXPLORATION AND MINING RISKS

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the Company's properties have no known body of commercial ore. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable adequate machinery, equipment or labor are other risks involved in the operation of mines and the conduct of exploration programs.

The Company has relied on and may continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold, copper and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of 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 Company has no producing mines at this time. All of the properties in which the Company may earn an interest are at the exploration stage only. Most exploration projects do not result in the discovery of commercially mineable deposits of ore.

Risks and Uncertainties Continued

d) DEVELOPMENT RISKS

The marketability of any minerals which may be acquired or discovered by the Company 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.

(i) LOSS OF INTEREST IN AND VALUE OF PROPERTIES

The Company's ability to maintain its interests in its mineral properties and to fund ongoing exploration costs will be entirely dependent on its ability to raise additional funds by equity financings. If the Company is unable to raise such funds it may suffer dilution or loss of its interest in its mineral properties. The amounts attributed to the Company's interests in mineral properties in its financial statements represent acquisition and exploration costs and should not be taken to reflect realizable value.

(ii) FINANCING RISKS

The Company has no history of earnings and no source of operating cash flow and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future.

The only present source of funds available to the Company is through the sale of its equity shares. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable

deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its property, there is no assurance that any such funds will be available. If available, future equity financings may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

(iii) UNINSURABLE RISKS

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. 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.

(iv) ENVIRONMENTAL AND OTHER REGULATORY REQUIREMENTS

Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted and which may well be beyond the capacity of the Company to fund. The Company's right to exploit the mining properties is subject to various reporting requirements and to obtaining certain government approvals and there is no assurance that such approvals, including environmental approvals, will be obtained without inordinate delay or at all.

Risks and Uncertainties Continued**(v) NO ASSURANCE OF TITLES, BOUNDARIES OR SURFACE RIGHTS**

The Company has investigated rights of ownership of all of the mineral properties in which it has an interest and, to the best of its knowledge, all agreements relating to such ownership rights are in good standing. However, all properties may be subject to prior claims or agreement transfers, and rights of ownership may be affected by undetected defects. While to the best of the Company's knowledge, title to all properties in which it has the right to acquire an interest is in good standing, this should not be construed as a guarantee of title. Other parties may dispute title to the mining properties in which the Company has the right to acquire an interest. The properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects or the statutes referred to above. This is based on nothing, the risks of a dispute are extremely unlikely and they would not win. There are no unregistered agreements or transfers or native land claims. If this is the case then I recommend that Boreal drop the option immediately.

(vi) PERMITS AND LICENSES

The operations of the Company may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

(vii) INABILITY TO MEET COST CONTRIBUTION REQUIREMENTS

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Company may as a result, be subject to loss of its rights to acquire interests in the properties subject to such agreements.

(viii) RELIANCE ON KEY PERSONNEL

The nature of the business of the Company, the ability of the Company to continue its exploration and development activities and to thereby develop a competitive edge in the marketplace depends, in a large part, on the ability of the Company to attract and maintain qualified key management personnel. Competition for such personnel is intense, and there can be no assurance that the Company will be able to attract and retain such personnel. The development of the Company now and in the future, will depend on the efforts of key management figures, the loss of whom could have a material adverse effect on the Company. The Company does not currently maintain life insurance on any of the key management employees.

(ix) CONFLICTS OF INTEREST

Boreal's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which Boreal may participate, the directors and officers of Boreal may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, Boreal will follow the provisions of the Business Corporations Act (BC) ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of Boreal's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of Manitoba, the directors and officers of Boreal are required to act honestly, in good faith, and in the best interest of Boreal.

12. FORWARD LOOKING STATEMENTS

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, and capital expenditures; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Such risks and other factors include, among others, risks related to the integration of acquisitions; risks related to operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A.

Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. 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 statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date hereof.

The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Forward-looking statements and other information contained herein concerning the mining industry and general expectations concerning the mining industry are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.