

September 30, 2023

Management Discussion and Analysis
Third Quarter, 2023

This Management’s Discussion and Analysis (“MD&A”) of Eagle Royalties Ltd. (“Eagle Royalties”, “ER”, or the “Company”) is dated November 28, 2023 and provides a discussion of the Company’s financial and operating results for the period May 19, 2023 to September 30, 2023. The MD&A should be read in conjunction with the quarterly condensed interim financial statements.

Business Overview

The Company was incorporated January 21, 2022 and started operations on May 1, 2022. The Company was incorporated to manage the royalty assets of Eagle Plains Resources Ltd. (“EPL”). On February 28, 2023, the Company entered into an arrangement agreement with EPL, and also an amalgamation agreement with 1386884 BC Ltd. (“138”) whereby, among other things EPL transferred a majority of its portfolio of royalty interests (the “Royalties”) to Eagle Royalties in exchange for certain shares of Eagle Royalties (the “Spin-out Shares”) and thereafter, ER and 138 amalgamated, and the resulting issuer, Eagle Royalties Ltd. was listed on the Canadian Securities Exchange.

Eagle Royalties is a growth-focused company seeking to build a royalty company by developing its existing portfolio of royalty assets, acquiring royalties from companies that have advanced stage development projects and identifying further investment opportunities.

Spin-out and Amalgamation Transaction

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

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

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

Pursuant to the Spin-out Transaction, the Company issued an aggregate of 41,998,433 common shares of the Company (the “Spinco Shares”). Of the total Spinco Shares so issued, 5,176,525 Spinco Shares were distributed to Eagle Plains and the remaining Spinco Shares (i.e., 36,822,009) were distributed to shareholders of Eagle Plains on a 1:3 basis.

Concurrent with the Transaction, 138 completed a private placement financing (the “Concurrent Financing”) raising gross proceeds of \$3,003,598 through the issuance of 10,011,995 common shares, units or subscription receipts, as the case may be at a price of \$0.30 per security. In connection with the Concurrent Financing, 138: (i) paid agent commissions in cash of up to 7% of the gross proceed raised from the Concurrent Financing; and (ii) issued broker’s warrants, equivalent to 7% of the 138’s securities sold through the Concurrent Financing.

Pursuant to the Combination Transaction, the Company and 138 amalgamated, and its respective share capital was completed on 1:1 basis. Following the completion of the Combination Transaction, the Resulting Issuer made application for the listing of its common shares on the Canadian Securities Exchange and commenced trading on May 23, 2023.

Summary of Quarterly Results

Year Quarter	2023 Sep 30	2023 Jun 30
Revenues	\$ -	\$ -
Net Profit (Loss)	(120,979)	(571,742)
Earnings (Loss) per Share - Basic	(0.00)	(0.04)
Diluted earnings (loss) per share	(0.00)	(0.04)
Assets	8,800,229	2,696,653

For the period ended September 30, 2023, the Company recorded net loss of \$120,979.

Expenditures

For the period ended September 30, 2023, office and administration costs were \$14,225.

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Summary of Quarterly Results - continued

Professional fees of \$30,184 consisted of accounting fees of \$8,500 and legal fees of \$11,184 related to the spin-out transaction. Other fees were for accounting services paid to an officer of the Company.

Public company costs of \$2,625 consisted of costs related to the spin-out transaction of \$625 and transfer agent services of \$2,000.

Wages and consulting fees of \$64,300 consisted of \$24,480 paid for management services to a company owned by an officer and director of the Company and the balance of \$39,820 were for employee wages.

Tradeshaw, travel, and promotion costs of \$9,651 consists of \$5,090 for newsletter publicist costs and other advertising and promotional costs of \$4,561.

Liquidity and Financial Resources

At September 30, 2022, the Company had working capital of \$1,746,715. This is due to the amalgamation of ER and 138, which includes proceeds of \$3,003,598 from the concurrent financing. At September 30, 2023, the Company held cash of \$2,274,676.

The Company held receivables of \$7,365 representing a GST receivable of \$3,615 and a receivable from EPL of \$3,750.

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

Royalty Portfolio

Eagle Plains historically held potentially valuable royalty interests on a large number of projects in western Canada targeting a broad spectrum of metals and industrial mineral projects including gold, silver, base-metals, uranium, diamonds and gypsum. It is these royalties which were transferred to Eagle Royalties. One royalty of particular interest is on claims formerly known as "McQuesten", underlying the "AurMac" property, currently operated by Banyan Gold Corp. ("Banyan") Beginning in 1997, Eagle Plains and predecessor company Miner River Resources Ltd. jointly acquired an interest in claims which are now the target of aggressive drilling and development activity by Banyan. Through a series of subsequent transactions Eagle Plains became the holder of royalty interests ranging from 0.5% to 2% (with no buy-down provisions) on certain claims which comprise part of the AurMac property. On June 29, 2022 Banyan published a N.I. 43-101 compliant report which outlined an inferred mineral resource of 3.99 million ounces of gold, a portion of which appear to be situated on claims subject to EPL NSR's. On May 24, 2023, a significant increase in the inferred resource was announced by Banyan Gold Corp. (see ER news release June 1, 2023) The updated Mineral Resource Estimate comprises a total Inferred Mineral Resource (as defined in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources & Mineral Reserves incorporated by reference into NI 43 101) of 6.2 million ounces of gold on the near-surface, road accessible AurMac Property. A formal NI 43-101 compliant report was released by Banyan on July 7, 2023 which indicates a modest increase in inferred resource estimate pit extent over claims subject to the various Eagle Royalties' NSR's.

Transactions with Related Parties

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

- (a) The Company was related to Eagle Plains through common directors. During the three-month period ended September 30, 2023 the Company had the following transactions with the related company:

	2023
Administrative services provided by EPL	\$ 3,153
Costs reimbursed to EPL	\$ 8,265
Interest paid to EPL	\$ 3,822
	\$ 15,240

At September 30, 2023, \$4,990 is included in accounts payable and accrued liabilities.

At September 30, 2023, \$3,750 is included in accounts receivable.

At September 30, 2023, \$532,387 is included in due from related party.

- (b) Compensation to key management

Compensation to key management personnel in the three-month period ended September 30, 2023 was as follows:

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Transactions with Related Parties - continued

Compensation to key management - continued

		2023
Consulting fees	to a company owned by a director and officer of ER	\$ 24,480
Professional fees	to an officer of ER	\$ 10,500
Wages	to a director of ER	\$ 12,000
		\$ 46,980

- (c) Included in administration costs is \$24,480 paid or accrued for management services to a company owned by a director and officer of the Company.
- (d) Included in professional fees is \$10,500 paid or accrued for accounting services to an officer of the Company.
- (e) Included in wages is \$12,000 paid or accrued for services to a director of the Company.

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

Disclosure of Management Compensation

The Company has standard compensation agreements with certain Officers to pay for services as an officer of the Company. Payments totaling \$46,980 were paid out in the three-month period ended September 30, 2023.

Critical Accounting Estimates

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

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

Financial Instruments

The Company holds cash and accounts receivable and it is management's opinion that the Company is not exposed to significant risks arising from these financial instruments. Substantially all of the Company's cash is held at one recognized Canadian national financial institution. As a result, the Company is exposed to all of the risks associated with this institution. See Note 4 in the condensed interim financial statements.

Disclosure of Outstanding Share Data

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

At October 12, 2023, and the date of this MD&A, the Company has 57,060,428 common shares issued and outstanding. There are no other classes of shares outstanding.

Accounting Policies

The condensed interim financial statements for the Company for the period ending September 30, 2023 are prepared in accordance with International Financial Reporting Standard 34 ("IAS 34"), Interim Financial Reporting, using accounting policies which are consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"). Refer to Note 3 to the condensed interim financial statements for information pertaining to accounting standards and amendments effective for future years.

Risk Factors

Financial Capability and Additional Financing

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

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Risk Factors - continued

Mining Titles

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

Management

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

Conflicts of Interest

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

History of Losses and No Assurance of Profitable Operations

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

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

Price Volatility of Publicly Traded Securities

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

Commodity Prices

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

Environmental

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

Coronavirus (COVID-19)

During 2020-2022 there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market and the Company's ability to raise new capital. These factors, amongst others, could have a significant impact on the Company's operations.

Risks and Uncertainties

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

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Forward Looking Statements

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

Subsequent Events

There are no subsequent events.

Outlook

2023 has been an exciting and transformative period for Eagle Royalties. With the spin-out transaction from parent company Eagle Plains, amalgamation with a well-funded private company and successful listing on the Canadian Securities Exchange ("CSE") concluded, Eagle Royalties' management is now focused on maximizing value for its' enviable royalty portfolio. Despite increasingly challenging financial markets and relatively stagnant commodity prices, management is confident that the completed transactions will be beneficial to all shareholders and will serve to unlock the significant value of the various diverse royalty assets. We thank our shareholders for their continuing support and look optimistically to the future.

On behalf of the Board of Directors

"Timothy J. Termuende"

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