



**GENIUS METALS INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Three-month period

October 31, 2023

(First Quarter)

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

This management discussion and analysis ("MD&A") of Genius Metals Inc., ("Genius Metals" or "GENI" or the "Company") follows rule 51-102 of the Canadian Securities Administrators regarding continuous disclosure.

The following MD&A is a narrative explanation, through the eyes of the management of Genius Metals, on how the Company performed during the three-month period October 31, 2023. It includes a review of the Company's financial condition and a review of operations for the three-month period ended October 31, 2023 as compared to the three-month period ended October 31, 2022.

This MD&A complements the condensed interim financial statements for the three-month periods ended October 31, 2023 and 2022 but does not form part of them. It is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations and it should be read in conjunction with the condensed interim financial statements as at October 31, 2023 and related notes thereto as well as the audited financial statements, accompanying notes and Management's Discussion and Analysis for the year ended July 31, 2023.

The condensed interim financial statements for the three-month periods ended October 31, 2023 and 2022 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") applicable to the preparation of condensed interim financial statements. The accounting policies applied in the financial statements are based on IFRS issued and effective as at October 31, 2023. On December 20, 2023, the Board of Directors approved, for issuance, the condensed interim financial statements.

All figures are in Canadian dollars unless otherwise stated. Additional information relating to the Company can be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The shares of Genius Metals were listed since October 31, 2018 on the Canadian Securities Exchange ("CSE") and its trading symbol was "GENI". The Company has since listed on the TSX.V Stock Exchange ("TSXV") trading under the symbol "GENI" and has begun trading solely on this exchange since September 30, 2021. On January 18, 2022, in addition to trading on the TSXV, its shares commenced trading on the American Stock Exchange OTCQB Market under the symbol "GNSMF". On February 1<sup>st</sup> 2023, the Company's shares were moved from the OTCQB Market to the OTC Pink Market where the shares are still trading under the symbol "GNSMF".

## REPORT'S DATE

The MD&A was prepared with the information available as at December 20, 2023.

## CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business, the mining industry in general and the economic environment in which it operates as of the date of the MD&A. To the extent that any statements in this document contain information that is not historical, the statements are essentially forward-looking and are often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". In the interest of providing shareholders and potential investors with information regarding Genius Properties, including management's assessment of future plans and operations, certain statements in this MD&A are forward-looking and are subject to the risks, uncertainties and other important factors that could cause the Company's actual performance to differ materially from that expressed in or implied by such statements. Such factors include, but are not limited to: volatility and sensitivity to market metal prices, impact of change in foreign currency exchange rates and interest rates, imprecision in reserve estimates, environmental risks including increased regulatory burdens, unexpected geological conditions, adverse mining conditions, changes in government regulations and policies, including laws and policies; and failure to obtain necessary permits and approvals from government authorities, and other development and operating risks. The preliminary assessments contained in the Technical Report referred to in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome.

Although the Company believes that the expectations conveyed by the forward-looking statements are based upon information available on the date that such statements were made, there can be no assurance that such expectations will prove to be correct. The reader is cautioned not to rely on these forward-looking statements.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

The Company disclaims any obligation to update these forward-looking statements unless required to do so by applicable Securities laws. All subsequent forward-looking statements, whether written or orally attributable to the Company or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

The Company was incorporated on May 25, 2018 under the *Canada Business Corporations Act.*, in conjuncture to the Acquisition by the Company of substantially all of the assets and liabilities including all of its Canadian mining properties of Cerro de Pasco Inc. (formerly Genius Properties Ltd.) by way of a spin-off. The Company head office is 203-22 Lafleur Ave N., Saint-Sauveur, Québec J0R 1R0.

The Company, an exploration and evaluation stage company, is in the business of acquiring and exploring mineral properties in Canada. Its focus is currently on the exploration and evaluation of its mineral properties in Québec and Nova Scotia.

## **BUSINESS DEVELOPMENT HIGHLIGHTS**

The Company does not have subsequent business development events to report.

## **SUBSEQUENT BUSINESS DEVELOPMENT HIGHLIGHTS**

The Company does not have subsequent business development events to report.

## **CORPORATE OBJECTIVES FOR 2024:**

- The Company intends to focus on discovering and sampling lithium bearing-pegmatites on its Sakami, Paka and Iserhoff properties in parallel to testing the drill target identified on the Lithium381 property for 2024.
- The Company intends to assess the lithium potential of the Sakami property which represents a vast land package covering more than 180 km<sup>2</sup> of the La Grande greenstone belt in an area never explored for its lithium mineralization. Recent discoveries in the greenstone belts of the James Bay Territory highlight the favorable geological and structural environment to discover lithium-bearing pegmatites. Attention will be given to two specific areas where significant lithium till anomalies were found from the results of a property scale 2022 geochemical survey. The Company realized an initial prospecting campaign during the months of September and October 2023 and intends to follow-up on the result of this campaign early in 2024 based on the results of the pending assays.
- The Company intends to assess the lithium potential of the pegmatites identified at the Iserhoff property during a 2023 summer exploration campaign. The Company realized an initial prospecting campaign during the month of August 2023 and intends to follow-up on the result of this campaign early in 2024 based on the results of the pending assays.
- The Company intends to continue to assess the lithium potential of the Paka property. The database from the Ministère des Ressources Naturelles du Québec has identified several granitic outcrops, often pegmatitic on the Paka property and the surrounding areas. Those outcrops have been investigated by the company as priority targets for their potential lithium content as part of an initial prospecting campaign during the months of September and October 2023. The company intends to follow-up on the result of this campaign early in 2024 based on the results of the pending assays.

## **EXPLORATION HIGHLIGHTS FOR THE THREE-MONTH PERIOD ENDED OCTOBER 31ST, 2023**

- During the month of September 2023, the company realized a prospecting campaign on the Iserhoff property aimed at identifying lithium-bearing pegmatites. A crew of prospectors collected 111 samples as part of this campaign that are currently being assayed for multiple elements in a certified laboratory.
- During the month of September 2023, the company realized a LiDAR survey on the Sakami property aimed at assisting the prospecting work in identifying potential lithium-bearing pegmatites on the property.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

- On October 5<sup>th</sup>, 2023, the Company announced that it had launched a heliborne exploration program centered on finding lithium mineralization on its Sakami and Paka properties. The campaign was the first ever to focus on the lithium potential of both properties. The crew composed of four geologists, four technicians, a helicopter pilot and a camp manager spent 19 days at the Sakami camp for the realization of this exploration campaign. A total of 152 samples were collected and 450 stations were described as part of this campaign. The samples were sent for multi-element assaying at a certified laboratory.

## SUBSEQUENT EXPLORATION HIGHLIGHTS

- The Company does not have subsequent exploration highlights to report.

## EXPLORATION ACTIVITIES FOR THE THREE-MONTH PERIOD ENDED OCTOBER 31, 2023

During the three-month period ended October 31, 2023, the Company invested \$379,184 in exploration and evaluation assets of which the main investments in the three-month period ended October 31, 2023 were spent on the Sakami and Paka properties. During the three-month period ended October 31, 2022, the Company invested \$715,527 in exploration and evaluation assets before accounting for a tax credit related to resources and mining tax credits of \$293,899 and an impairment of \$12,565 of which the main investments in the three-month period ended October 31, 2022 were spent on the Sakami property.

### GENIUS METALS INC. Mining properties & Exploration and evaluation assets For the three-month period ended October 31, 2023

	Dissimieux Lake QC	Sakami QC	Lithium381 <sup>(1)</sup> QC	Iserhoff QC	Paka QC	Blockhouse NS	Meaghers NS	A Lake NB	A Lake Extension NB	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Exploration and evaluation assets</b>										
Geology	200	580	140	220	200	-	-	-	-	1,340
Geophysical	-	43,710	-	-	-	-	-	-	-	43,710
Prospecting	-	187,136	-	16,512	108,758	-	-	-	-	312,406
General field expenses	428	10,276	-	-	11,024	-	-	-	-	21,728
	628	241,702	140	16,732	119,982	-	-	-	-	379,184
<b>Mining properties:</b>										
Mining rights	-	180	-	-	1,853	-	-	-	-	2,033
	-	180	-	-	1,853	-	-	-	-	2,033
<b>Balance, beginning of period</b>	359,126	4,358,232	5,229	379,596	429,848	-	-	-	-	5,532,031
<b>Balance, end of period</b>	359,754	4,600,114	5,369	396,328	551,683	-	-	-	-	5,913,248

### GENIUS METALS INC. Mining properties & Exploration and evaluation assets For the three-month period ended October 31, 2022

	Dissimieux Lake QC	Sakami QC	Lithium381 <sup>(1)</sup> QC	Iserhoff QC	Paka QC	Blockhouse NS	Meaghers NS	A Lake NB	A Lake Extension NB	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Exploration and evaluation assets</b>										
Drilling	-	479,852	-	-	-	-	-	-	-	479,852
Geophysical	-	-	-	-	-	-	-	12,565	-	12,565
Geology	-	113	150	-	-	-	-	-	-	263
Prospecting	-	29,732	-	-	-	-	-	-	994	30,726
General field expenses	405	190,416	-	-	-	1,300	-	-	-	192,121
Tax credit related to resources and mining tax credits	-	(293,834)	(65)	-	-	-	-	-	-	(293,899)
Impairment	-	-	-	-	-	-	-	(12,565)	-	(12,565)
	405	406,279	85	-	-	1,300	-	-	994	409,063
<b>Mining properties:</b>										
Mining rights	-	75	-	-	-	-	-	870	-	945
Impairment	-	-	-	-	-	-	-	(870)	-	(870)
	-	75	-	-	-	-	-	-	-	75
<b>Balance, beginning of period</b>	345,196	3,547,510	12,051	369,751	-	67,544	9,255	-	140	4,351,447
<b>Balance, end of period</b>	345,601	3,953,864	12,136	369,751	-	68,844	9,255	-	1,134	4,760,585

<sup>(1)</sup> Formerly KM381

## CURRENT PROJECTS

### Sakami Property (Québec)

The Sakami property, located in the James Bay area of the Province of Quebec, straddles the structural contact between the Opinaca and La Grande Archean subprovinces, the latter exposing a significant number of gold showings related to sulphide-rich quartz veins in iron formations and shear zones. The Sakami property

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

displays diverse lithologies showing signs of alteration and/or gold mineralization (Au =1 to 13 g/t) principally associated with mylonitic or sheared zones.

During the 2017, ground-based PP, EM-VLF and magnetometric surveys were completed along a 34 km grid on the South Block of its Sakami property located in the James Bay area, Quebec. The geophysical surveys were accompanied by the collection of humus and soil samples, the latter to be analyzed for 53 elements using the Mobile Metal Ions (MMI) technology. Several grab samples were also gathered for precious and base metal analysis.

Furthermore, significant gold mineralized samples with values greater than 100 ppb occurred in the northeastern Sipanikaw sectors of the property principally in sheared or mylonitized hydrothermally altered (pyritized, sericitized) metavolcanic rocks and in iron formations.

A NI 43-101 technical report on the Sakami Property has been filed on SEDAR+ (formerly SEDAR), and entitled "The Sakami Property, La Grande Subprovince, James Bay Territory, Quebec, NTS 33F07,08,09,10", with an effective date of September 10, 2018. The technical report was independently prepared by Michel Boily, PhD, geo of Montreal, Quebec.

## **2018-2019 Exploration Program**

The objective of the program was to investigate the gold potential of the northern Sakami volcanosedimentary assemblage in relation to the major crustal fault dividing the northern La Grande from the metasedimentary Opinaca subprovinces. The Company conducted magnetic and IP/Resistivity surveys on new and refurbished gridlines in the northern portion of the property. Further detailed mapping and rock sampling were implemented in the sector principally located on the northern shore of Lake Sakami shear/mylonite corridor.

During the Q2-2019, letters were sent to specific members of the Wememdjé Community (Chief and the Tallyman) to inform them about the Company's 2019 exploration program in their area.

The geophysical surveys performed on the northern portion of the property unveiled important magnetic anomalies which along the significant gold assays obtained with the surface prospecting work allowed the Company to establish exploratory drill targets.

During Q1-2020 a prospecting campaign which consisted mostly of rock sampling in regions where the IP and Mag geophysical surveys detected discrete anomalies. A crew of four prospectors and two field geologists spent two weeks prospecting and collected 109 rock samples that were sent for multi-elements assaying in Val d'Or.

On December 15, 2019 (Q2-2020), the Company completed an 800 linear kilometers helicopter-borne MAG-TDEM survey on the northern block of the Sakami Property. The survey detected new magnetic and conductive anomalies. The survey was completed at a total cost of 100,539\$. Following the preliminary results of the survey, Genius Metals staked an additional 14 claims to extend the property.

## **2020 Summer exploration campaign**

From May 19<sup>th</sup> to May 25<sup>th</sup> (Q4-2020) the Company acquired and added 202 new claims contiguous to its Sakami property located in James-Bay area for the cost of \$31,108.

During the month of August (Q1-2021) the Company launched the first phase of its two-phase exploration campaign on the Sakami property. The main objective was to further investigate the historical gold values of the property but also to unearth new prospective zones on the newly acquired claims through extensive rock sampling. A crew of three geologists, three technicians, a cook, a camp manager and a helicopter pilot were mobilized on the property for 16 days in August. The work enabled the discovery of two new prospective zones on the property that were later named *Lamarche* and *GoldenEye*. The Lamarche zone is currently interpreted as a 500m x 300m shear/deformation corridor which returned values of up to 13 g/t Au accompanied by high Ag, Zn, Cu and Pb concentrations. It is postulated that this structure extends for at least 1.2km. The GoldenEye

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

zone is a 700m x 100m structure which returned up to 2,55 g/t Au exposed near a tonalitic pluton. Both zones remain open in every direction.

During the month of September (Q1-2021) the Company launched the second phase of work on the Sakami property employing a crew who was mobilized for 18 days to further investigate the Lamarche and GoldenEye zones. The Company used a mechanical excavator to strip the overburden on both zones to test the continuity of the mineralization through channel sampling. Many grab samples were also collected on the vicinity of the prospective zones. The results confirmed the extension of the discovery zones by producing channel sample values of 1.71 g/t Au over 1m and 1.01 g/t Au over 1.4m on Lamarche and 1.02 g/t Au over 4.1m on GoldenEye.

## **2020-2021 Winter exploration campaign**

During the month of December 2020, the Company initiated a line-cutting program in order to establish a new 42 linear kilometers exploration grid on the Lamarche Prospect of the Sakami property. The line cutting-work was completed in early-January. Following the completion of the new exploration grid, the Company initiated and completed a drone-MAG survey on the Lamarche prospect. Furthermore, the Company launched a ground-based IP geophysical survey on the Lamarche prospect. The geophysical work was performed by Géophysique TMC located in Val d'Or, Québec and was completed in February 2021.

During Q2-2021, the Company completed a ground-based IP geophysical survey on the newly established 42km exploration grid on the Lamarche prospect. The geophysical work was performed by Géophysique TMC located in Val d'Or, Québec.

During the month of February 2021 (Q3-2021), the Company completed a ground-based IP geophysical survey as well as a drone-Mag survey on the Lamarche prospect of the Sakami property.

During the month of March 2021 (Q3-2021), the Company began the interpretation of the drone-MAG survey and the IP geophysical survey as part of the planification of the imminent drilling campaign targeting the prospective areas of Lamarche and GoldenEye.

## **Summer 2021 Exploration Program**

During the month of June 2021, the Company completed a prospecting campaign on Sakami with a crew of 8 geologists and technicians accompanied by a camp manager, a cook and a helicopter pilot. The crew collected over 200 samples as part of this prospecting campaign aimed at extending the scope of the Lamarche and GoldenEye prospects at surface and to investigate new areas on the property.

During the month of July 2021, the Company launched its 2,000m to 3,000m diamond-drilling campaign focused on the gold-prospective Lamarche and GoldenEye prospects. Drilling targets were defined using the data provided by recently completed mapping, rock sampling, channel sampling and geophysical surveys. The purpose of this campaign was to investigate de Lamarche and GoldenEye prospects at depth. A total of 17 holes were collared on property generating 2,568 m of core material.

## **Winter 2021-2022 Exploration Program**

During the month of November 2021, on the Sakami Property, the Company completed a high-resolution MAG survey on the 189 claims acquired in the Langelier Complex (see Genius Metals' press release of July 22, 2021) which encompass the Trans-Taiga and Doukha showings. The survey is intended to provide a better understanding of the complex lithology/structure and to serve as a guide for futures exploration work in the area.

During the month of January 2022 the Company sent a crew on the Sakami property to produce an access road from the Trans-Taiga road to the Trans-Taiga showing. The crew also built temporary facilities in anticipation of a 500m drilling program on the Trans-Taiga showing.

During the month of February 2022, the Company completed a drilling program on the Trans-Taiga showing. The intent was to assess the extension at depth of the gold mineralization discovered at surface through rock and channel sampling completed in the Langelier Complex during previous prospecting campaigns. A total of 243m were drilled as part of this campaign and assay results from this program are still pending. The Company

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

reported significant gold mineralization at surface including a channel sample returning 2.62 g/t Au over 7.40 m (including 14.2 g/t over 1m) and rock samples that yielded up to 6.10 g/t Au and 1.80 % Cu.

During the month of March 2022, the Company completed a 42km exploration grid through line-cutting work on the western part of the GoldenEye zone in anticipation of a 32 linear km IP geophysical survey.

During the month of March 2022, the Company completed a 32 linear km IP geophysical survey on the western portion of the GoldenEye zone.

### **Summer 2022 Exploration Program**

During the month of June 2022, the company realized the first phase of its summer exploration program on the Sakami property. A crew of eight geologists and technicians, a camp manager, a cook and a helicopter pilot were mobilized as part of this campaign. The objective of this first phase of exploration was to expand and unearth gold mineralization through geological and structural mapping, rock and channel sampling and collection of till material. A special emphasis was placed on the Langelier Complex where the company recently acquired a large block of claims. The till material sampling was realized on the volcanosedimentary assemblages south of the Langelier Complex. The goal of this sampling survey was to identify new gold prospective areas where limited outcrops are observed.

During the month of September 2022, the company completed a 2,646m diamond drilling program on the GoldenEye prospect of the Sakami property. This program followed the rock and soil sampling surveys completed earlier in the summer. The main objective of this program was to drill 3.2 km-long geophysical anomaly detected west of the GoldenEye showing by the recent IP/Resistivity survey. A portion of the core was logged and sawed on site while the remainder of the core was logged and sawed at Laurentia Exploration' core shack in Jonquière, Québec. Half of the core was sent for multi-element assaying in a certified laboratory. The company expects to extend westward the gold-bearing GoldenEye structure drilled during the 2021 campaign (1.45 g/t Au over 6.0 m and 2.53 g/t Au over 1.50 m).

On October 5<sup>th</sup>, 2023, the Company announced that it had launched a heliborne exploration program centered on finding lithium mineralization on its Sakami and Paka properties. The campaign was the first ever to focus on the lithium potential of both properties. The crew composed of four geologists, four technicians, a helicopter pilot and a camp manager spent 19 days at the Sakami camp for the realization of this exploration campaign. A total of 152 samples were collected and 450 stations were described as part of this campaign. The samples were sent for multi-element assaying at a certified laboratory.

### **Iserhoff Property (Québec)**

In November 2018, the Company purchased a 100% interest in the Iserhoff Property in consideration of the issuance of 500,000 common shares of the Company. The property is subject to a 2% NSR on production, of which half can be bought back for a cash payment of \$1,000,000.

The Iserhoff Property is located in the northern Abitibi Greenstone belt, Quebec in the central and western areas of Bergères Township, about 55 km NNE of Lebel-sur-Quévillion, Québec. The gold property was originally comprised of 29 mining claims totaling 1,621.68 ha or 16.22 km<sup>2</sup> which were 100% owned by Genius Metals. The property can be accessed by a network of forestry roads some of which join provincial highway 113 connecting Lebel-sur-Quévillion with Chibougamau.

During the month of November 2018 (Q2-2019) the Company staked an additional 22 claims on the property to form a new consolidated block of claims which brings the property to a total of 51 claims.

The property is underlain by highly and multiply deformed Archean intermediate volcanic rocks (andesite-dacite) and metasediments (greywacke) metamorphosed to the amphibolite grade. Iserhoff was acquired in view of the encouraging drilling campaign results obtained by O'Brien Gold Mines Limited showing five short DDHs extending for 3.5 km along strike and yielding anomalous gold values at shallow depth (ex: 1.40 g/t @ 8.3 m, 1.24 g/t @ 14.5 m and 1.24 g/t @ 5.9 m) with locally, some associated silver, lead and zinc content. Strong IP anomalies in the central portion of the Iserhoff property are related to narrow (0.5 to 3 m), somewhat discontinuous, bands of massive to semi-massive pyrrhotite and pyrite-rich-rocks which returned low base metal values.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

As part of the 2018-2019 exploration campaign, the Company conducted an induced polarization ground-based survey on the Iserhoff Property. The IP survey totaled approximately 26 km.

During the Q2-2019, letters were sent to specific members of the Waswanipi Community (Chief and the Tallyman) to inform about the Company's 2019 exploration program in their area.

During Q1-2020 a prospecting campaign principally consisting of rock sampling in areas of geophysical anomalies was completed. A team composed of a geologist and three prospectors devoted a week to explore the property and a total of 16 grab rock samples were sent for gold assaying in Val d'Or.

On December 5, 2019 (Q2-2020), the Company initiated a 1,000m drilling campaign on the Iserhoff property. The 1,000m drilling contract was given to Roby Drilling in Val d'Or. A crew composed of 2 camp managers, 1 geologist, 4 drillers and 1 foreman were mobilized on site. The drilling work was performed on a 24h/day 7 days/week schedule. The drill core was logged on site and was later sent to Val d'Or for cutting and gold assaying. After 600m of drilling, the Company has to date been unable to reproduce the historical gold values and has suspended drilling while it re-assesses the prospect.

During Q4-2020, the Company chose to abandon 9 of its 51 claims. Those claims were located in an area where Hydro-Quebec would regularly flood which made the exploration of those claims more challenging.

During the month of September 2023, the company realized a prospecting campaign on the Iserhoff property aimed at identifying lithium-bearing pegmatites. A crew of prospectors collected 111 samples as part of this campaign that are currently being assayed for multiple elements in a certified laboratory.

## **Lithium381 (formerly KM381) Project**

The Lithium381 property consists of 21 mining claims (1,108 Hectares). The property is located in the James Bay Eeyou Istchee territory, Quebec, Canada, approximately 3km NE from the James Bay Road (Billy-Diamond Highway) and the KM381 service station, which serves as an infrastructure for the local area. The claims are contiguous to Allkem Limited's (TSX: AKE) James Bay Lithium property which comprises the Allkem lithium mineralization formerly known as Cyr Lithium from Galaxy Lithium. The James Bay Lithium project has received the approval of the government of Canada for the construction of a 20-year lifespan mine on January 16, 2023.

The property lies within the Middle and Lower Eastmain River Greenstone Belt on the James Bay Territory (2705-2752 Ma). The GB is composed of Archean volcano-sedimentary assemblages metamorphosed to the amphibolite facies and exposing rocks from komatiitic flows to rhyolites with various sedimentary assemblages present. The Eastmain River Greenstone Belt is overlain by the Auclair Formation paragneiss (Nemiscau and Opinaca basins). Several plutons ranging from tonalitic to monzogranitic compositions intruded the volcanosedimentary rocks (2747-2697 Ma). James Bay Lithium deposit (40.8 Mt @1.40% Li<sub>2</sub>O as Indicated Resource) consists of granitic pegmatite dykes of albite and spodumene. These pegmatite sykes are classified under the rare earth elements (Li-Cs-Ta) type . They form a local group of dykes intruded in paragneiss of the Auclair Formation.

On December 6<sup>th</sup>, 2022 Genius signed an option agreement with Clarity Metals Corp. (CSE: CMET, OTC: CLGCF, FSE: 27G) which enables CMET to acquire a 50% interest in the Company's Lithium381 property, located in the James Bay-Eeyou Istchee region of the Province of Quebec. In order to acquire this interest Clarity must spend \$750,000 in exploration work before December 31<sup>st</sup>, 2024 and issue 720,000 common shares of its capital to Genius Metals which will be subject to a voluntary escrow to be released as to 90,000 every four months commencing on the date that is four months after the Closing Date.

## **Paka Property**

On June 29<sup>th</sup>, 2023, the Company announced that it has completed on June 27<sup>th</sup>, 2023 the acquisition of 100% interest in the Paka property located in James Bay, Québec from a private vendor, Mr. Jean-David Moore. The property is composed of 189 contiguous claims covering more than 97 km<sup>2</sup> located approximately 8 kilometers SE of the Corvette property owned by Patriot Battery Metals (TSX.V:PMET). In order to complete the acquisition of the Paka property and in accordance with the terms of the agreement, the Company has



## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

made cash payments totalling \$60,000 and has issued 6,000,000 common shares to the vendor at the closing of this transaction. The property will be subject to a 2% net smelter returns royalty (NSR) on production in favour of the vendor which can be bought back entirely or in two tranches of 1% by paying an amount of 1,000,000\$ per tranche of 1%, for total cash consideration of \$2,000,000.

The Paka lithium property is located 15km south of the Trans-Taiga government road in the highly prospective Archean La Grande greenstone belt where recent discoveries of lithium mineralization (i.e., Cancet, Corvette, Adina, James Bay and Wabouchi) attest to the high lithium potential of the region. The Paka property is surrounded by numerous biotite-muscovite granitic plutons which are commonly associated with LCT (lithium-cesium-tantalum) granitic pegmatite dykes. There are major structural breaks on the property and the surrounding areas which constitute pathways for the intrusion of late-stage granites and granitic pegmatites with high lithium potential. The database from the Ministère des Ressources Naturelles du Québec has identified several granitic outcrops, often pegmatitic on the Paka property and the surrounding areas. Those outcrops will be investigated by the company as priority targets for their potential lithium content. The property has received limited exploration - only two assayed samples were reported on the property. The Company intends to conduct a property-wide prospecting campaign to identify and sample lithium-bearing pegmatites when the restrictions related to forest fires are lifted.

### **Dissimieux Lake**

The Project consists of 15 claims covering 8.4 km<sup>2</sup>, and is accessible via Provincial Highway #138 from Forestville, then driving northward on Highway #385 to Labrieville, and from there using a network of secondary gravel forestry roads to reach the east-southeast shore of Dissimieux Lake. The Property hosts titanium-phosphate (ilmenite-apatite) mineralization located near the southern margin of the La Blache Anorthositic Complex (the "LBAC"). The LBAC is elongated in a northeast-southwest direction and is 15 to 25 km wide over 60 km. It was emplaced into a highly metamorphosed and folded package of steeply dipping, N-NE dipping paragneiss and amphibolites of the Grenville Geological Province. The Property is dominated by steep hills, with elevations ranging from 435 m to 700 m above sea level.

These claims are in good standing and remain an integral part of the assets of the Company.

### **Meaghers Gold Property, Nova Scotia**

In September 2017, Genius announced the staking of 243 new mining claims in Nova Scotia covering an area of 39.3 square kilometres adjacent to Atlantic Gold's most developed resource: the Touquoy gold deposit.

The four Atlantic Gold deposits (Atlantic Gold Touquoy Open Pit Mine, Beaver Dam, Fifteen Mile Stream and Cochrane Hills Gold Mines) are associated with a weak aeromagnetic anomaly representing an overturned anticline composed of sedimentary rocks.

Genius staked property contains several gold showings, old exploration works such as the Meaghers Au-As Prospect, several DDHs collared for Au-Pb-Zn exploration and two abandoned gold adits. These gold-bearing structures are all in trend with the magnetic anomaly associated with Atlantic Gold's four deposits. This suggests the extension of the gold mineralized zones is probably hidden under a thick overburden and/or forms deeply buried new mineralization.

The Meaghers property is located in South-Central Nova Scotia. It forms part of the Meguma Terrane and is underlain by folded Cambro-Ordovician age sedimentary sequences of the Meguma Group containing the gold prospective Goldenville Formation. The latter is invaded by Mid-Devonian granitoids.

On August 9, 2018, GENI has filed on SEDAR+ (formerly SEDAR) a National Instrument 43-101 ("NI 43-101") technical report for its Meagher Property located in Nova Scotia. The technical report entitled "The Meaghers Property, Halifax County, Nova Scotia Canada, NTS 11D/14D" dated July 21, 2018. The technical report was independently prepared by Michel Boily, PhD, geo of Montreal, Quebec.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

## 2018-2019 Exploration Program

Starting mid-July 2018, GENI began exploration work on Meaghers. The work consisted of prospecting, geological mapping and rock sampling to generate exploration targets on which to focus more detailed work, such as channel sampling, trenching and geophysics. The objective was to evaluate the gold potential of the Goldenville Formation exposed in the Meaghers property near the contact with Atlantic Gold's mining claims.

Over the course of the 2019 fiscal year, the Company abandoned 42 claims which were located on the southwestern portion of the property. The decision to abandon those claims was justified by the presence of a golf club nearby the Company's claim which renders exploration impossible. The Company also performed 'merging operations' with its claims which brought the total of active and effective claims to 100.

## Option Agreement

On December 4, 2019, the Company has entered into an option agreement with MegumaGold Corp. ("MGC"), whereby MGC may earn a 70% interest in the Meaghers Property. Under the terms of the agreement the MGC may earn up to a 70% interest in 6 Genius Metals mineral exploration licences totalling 100 claims (1,620 Hectares) by satisfying the following conditions:

- MGC shall issue to Genius Metals on or before December 18, 2019, 250,000 common shares ("NSAU:CNX"); and
- To earn the initial 49.9% interest, MGC shall, on or before June 4, 2021, incur initial exploration expenses made up of ground surveys to pre-drilling targeting work, totalling at least \$100,000;
- To earn an additional 20.1% interest, MGC shall, within 12 months from the latest date of which MGC satisfies its 49.9% first initial earning, incur, a diamond drilling program on the Property, totalling at least \$150,000; and
- Upon MGC fully exercising the option in its entirety to earn 70% of the Meaghers Property, Genius Metals shall have the option to convert its remaining 30% interest into a 2% net smelter royalty ("NSR"), resulting in MGC owning a 100% interest, and Genius Metals owning a 2% NSR on the Meaghers Property. MGC will have an option to acquire 50% of the 2% NSR for \$1.0 million, leaving Genius Metals with a 1.0% NSR.

MegumaGold has not exercised the Additional Earn-In, as defined in the Option Agreement, as it did not incur exploration expenditures in the amount of \$150,000 on the Meaghers Property within 12 months from the completion of the Phase 1 Program, as defined in the Option Agreement.

The Company has not conducted significant exploration on the Meaghers property since signing the option agreement with MGC but the Company still values the Meaghers project for its potential for significant gold mineralization discovery due to its proximity with the Touquoy Mine and its similar geological setting. The company is currently focusing on the exploration of its Quebec projects and is evaluating corporate transactions which would allow for the development of the Meaghers Property.

## **Blockhouse Gold Property (Nova-Scotia)**

There are several documented gold bearing veins on the Blockhouse Property, most notably the Prest Vein that saw limited underground (narrow vein) production in the late 1800s up until the early 1930s. This property was revisited in the 1980s when 10 diamond drill holes were completed, testing near surface potential of the property. The drill results and historical mining results are documented in a 1989 drill summary report by James E. Tilsley & Associates Ltd. (filed as an assessment report AR 89-105 with the Nova Scotia DNR) where it is reported that 3,500 ounces of gold was recovered from 6,200 tons of mined and milled material from underground workings between the surface and 90 meters depth. It is further reported that most of the gold was recovered from the fissure vein that was within a very dark arenaceous slate horizon, they refer to this production area as the "Prest Shoot". Historical records on file with Nova Scotia Department of Natural Resources indicate that the Prest Shoot accounted for 2,043 tons of mill feed between 1896 and 1935, yielding 3,259 ounces of gold for an average grade of 1.59 ounces per ton (49.6 g/t). The width of the Prest Vein within the historically mined shoot is reported to average 0.25 meters (range of 0.15 to 0.61 m) and the wall rock where sampled is reported to average 0.085 ounces per ton (2.9 g/t), however there was insufficient sample

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

data to determine how extensive the gold mineralization is within the host wall rock. Underground mapping and sampling of the 60-metre level occurred in the late 1930s, the Prest Shoot as described was traced for 138 metres in the north drift and averaged 0.35 metres in width with an average gold content of 0.37 ounces per ton.

There are also three other saddle type veins within the Blockhouse property, the Thompson Vein, the Centre Vein and the East Vein (aka Laxer vein). Samples of the Thompson and East vein have reportedly assayed in the order of 0.02 to 0.5 ounces per ton, the Centre vein has yet to be reported to contain gold. There was no underground work reported on these three veins.

The Blockhouse Property is underlain by metasedimentary rocks of the Meguma Series, the Goldenville Group (formerly Formation) is composed of arkosic quartzites and interbedded shales, it in turn is overlain by the Halifax Group (formerly Formation) that consists of a series of slates and shales, with a predominance of quartzite near the base.

The company does not value the Blockhouse as one of its valuable assets considering that the property is located in an inhabited area which prevents the company from realizing exploration work without previously obtaining permission from land owners above the mineral claims. The company does not intend to renew the Blockhouse claims and let them expire.

## **QUALIFIED PERSONS**

Dr. Michel Boily P.Geol, is the qualified person under NI 43-101 who has reviewed and approved the technical information contained in this document.

## **FINANCIAL INFORMATION**

### **Functional and presentation currency**

These selected financial information and other financial information are presented in Canadian dollars, the Company's functional currency.

### **IFRS Accounting policies**

The Company's significant accounting policies under IFRS are disclosed in Note 4 in the audited annual financial statements for the year ended July 31, 2023.

### **Use of estimates and judgements**

Please refer to Note 3.4 of the audited annual financial statements for the year ended July 31, 2023 for an extended description of the information concerning the Company's significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses.

### **Changes in accounting policies**

There was no adoption of new accounting policies in preparing the audited financial statements as at October 31, 2023.

### **New standards and interpretations that are not yet effective and have not been adopted**

At the date of authorization of the financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## Dividends

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration programs and its future growth, and any other factor that the Board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

## SELECTED QUARTERLY FINANCIAL INFORMATION

Genius Metals anticipates that the quarterly and annual results of operations will primarily be impacted for the near future by several factors, including the timing and efforts of the exploration's expenditures and efforts related to the development of the Company. Due to these fluctuations, the Company believes that the quarter-to-quarter and the year-to-year comparisons of the operating results may not be a good indication of its future performance.

The following selected quarterly financial information is derived from our unaudited condensed interim financial statements.

### GENIUS METALS INC.

#### SELECTED QUARTERLY FINANCIAL INFORMATION

	2024				2023			2022
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
	\$	\$	\$	\$	\$	\$	\$	\$
<b>STATEMENTS OF LOSS AND COMPREHENSIVE LOSS</b>								
<b>General and administrative expenses:</b>								
Salaries and employee benefit expense	74,285	54,770	66,656	75,222	63,862	55,822	70,642	92,958
Management and consulting fees	47,206	40,226	51,652	45,979	46,403	43,778	46,516	67,857
Travel, promotion and marketing	62,108	76,055	44,973	44,969	29,714	22,799	16,052	90,150
Registration, listing fees and shareholders information	15,166	8,594	6,112	14,748	10,757	5,471	9,439	31,237
Professional fees	60,658	10,478	5,614	20,422	52,522	282	1,678	29,679
Office and other expenses	13,367	15,056	9,131	12,228	19,925	30,745	7,367	15,692
Share-based compensation	-	95,260	-	-	1,716	5,646	10,814	35,239
Write-down of mining properties	-	33,094	-	-	870	92,622	-	5,023
Write-down of exploration and evaluation assets	-	49,139	-	-	12,565	208,898	-	10,573
Part XII.6 tax	2,024	7,162	-	-	-	1,728	-	-
Depreciation of property and equipment	446	598	580	598	598	597	579	597
	275,260	390,432	184,718	214,166	238,932	468,388	163,087	379,005
<b>Other expenses (revenues):</b>								
Loss on settlement of loans	-	-	-	-	-	-	3,649	-
Finance expense	725	908	989	8,733	564	368	1,409	2,063
Change in fair value of marketable securities	18,000	72,000	68,400	(68,400)	5,000	5,000	-	1,250
Gain on disposal of mining properties	-	-	(1)	(102,710)	-	-	-	-
Exchange loss	314	4	(2)	3	(8)	-	-	(4)
	19,039	72,912	69,386	(162,374)	5,556	5,368	5,058	3,309
<b>Income tax recovery</b>	-	-	-	-	-	17,047	62,005	26,731
<b>Net loss and comprehensive loss</b>	<b>(294,299)</b>	<b>(463,344)</b>	<b>(254,104)</b>	<b>(51,792)</b>	<b>(244,488)</b>	<b>(456,709)</b>	<b>(106,140)</b>	<b>(355,583)</b>
<b>Basic and diluted loss per share:</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>(0.01)</b>
<b>STATEMENTS OF FINANCIAL POSITION</b>								
Cash	437,221	890,117	22,715	420,028	73,970	373,265	634,594	1,332,035
Other receivables	536,821	519,422	613,101	672,204	520,093	353,668	631,848	722,586
Deposits related to exploration and evaluation activities	250,000	-	-	-	149,500	144,500	-	-
Mining properties	1,603,688	1,601,655	1,193,750	1,158,071	1,161,887	1,161,812	1,247,698	1,247,032
Exploration and evaluation assets	4,309,560	3,930,376	3,960,462	3,953,941	3,598,698	3,189,635	2,945,325	2,589,839
Total assets	7,223,942	7,049,385	5,954,313	6,435,440	5,544,431	5,272,951	5,621,916	5,966,781
Total current liabilities	709,221	780,506	755,474	982,497	700,534	186,282	84,184	298,525
Loan	-	-	-	-	-	-	-	35,198
Equity	6,514,721	6,268,879	5,198,839	5,452,943	4,843,897	5,086,669	5,537,732	5,633,058

The net loss and comprehensive loss of \$294,299 for Q1-2024 is mainly attributable to general and administrative expenses of \$275,260.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

The net loss and comprehensive loss of \$463,344 for Q4-2023 is mainly attributable to general and administrative expenses of \$390,432 which primarily consisted of share-based compensation of \$95,260 and write-down of mining properties and exploration and evaluation assets amounted to \$82,233.

The net loss and comprehensive loss of \$254,104 for Q3-2023 is mainly attributable to general and administrative expenses of \$184,718 and other expenses of \$69,386.

The net loss and comprehensive loss of \$51,792 for Q2-2023 is mainly attributable to other revenues of \$162,374 consisting of a gain in change in fair value of marketable securities of \$68,400 and a gain on disposal of mining properties of \$102,710 (disposal of 50% of the Lithium381 property).

The net loss and comprehensive loss of \$244,488 for Q1-2023 is mainly attributable to general and administrative expenses of \$238,932 which an amount of \$48,195 of the professional fees recorded in Q1-2023 was related for the audit of the annual financial statements for the year ended July 31, 2022.

The net loss and comprehensive loss of \$456,709 for Q4-2022 is mainly attributable to a significant write-down of mining properties of \$92,622 and a write-down of exploration and evaluation assets of \$208,898.

The net loss and comprehensive loss of \$106,140 for Q3-2022 is mainly attributable to general and administrative expenses of \$163,087, offset by an income tax recovery of \$62,005.

The net loss and comprehensive loss of \$355,583 for Q2-2022 is mainly attributable to general and administrative expenses of \$343,766 net of share-based compensation of \$35,239.

### **Results of operations for the three-month period ended October 31, 2023 (Q1-2024)**

#### ***Net loss and comprehensive loss***

The basic and diluted loss per share for the three-month period ended October 31, 2023 is \$0.00 as compared to \$0.01 for the three-month period ended October 31, 2022.

During Q1-2024, the Company realized a net loss and comprehensive loss of \$294,299 as compared to a net loss and comprehensive loss of \$244,488 for Q1-2023. The increase of \$49,811 for Q1-2024 as compared to Q1-2023 in net loss and comprehensive loss is mostly attributable to an increase of \$36,328 in general and administrative expenses combined with an increase of \$13,483 in other expenses.

#### ***General and administrative expenses***

During Q1-2024, general and administrative expenses were \$275,260 as compared to general and administrative expenses of \$238,932 for Q1-2023. The increase of \$36,328 is mostly attributable to an increase of \$32,394 in travel, promotion and marketing due to the effort for searching financing.

#### ***Other expenses (revenues)***

During Q1-2024, other expenses were \$19,039 as compared to other expenses of \$5,556 for Q1-2023. The increase of \$13,483 in other expenses is mostly attributable to a decrease of \$13,000 in change in fair value of marketable securities (markdown of \$18,000 for Q1-2024 compared to a markdown of \$5,000 for Q1-2023).

## **CASH FLOWS**

### **Cash flows used for operating activities**

Cash flows used for operating activities were \$340,598 during Q1-2024, an increase of \$207,096 as compared to cash flows used for operating activities of \$133,502 during Q1-2023. The decrease in cash flows used for operating activities is mostly explained by an increase of \$52,114 in cash flows used for operating activities before changes in working capital (negative cash flows of \$275,583 for Q1-2024 as compared to negative cash flows of \$223,739 for Q1-2023) combined with an increase of \$207,096 in cash flows used from the change in working capital items (negative cash flows of \$64,745 for Q1-2024 as compared to positive cashflows of \$90,237 for Q1-2023).

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

## Cash flows from financing activities

Cash flows from financing activities were \$534,447 for Q1-2024, an increase of \$534,447 as compared to cash flows of \$Nil from financing activities for Q1-2023. The increase is attributable to a significant increase of \$556,500 in the proceeds from private placements in Q1-2024 as compared to Q1-2023 (\$556,500 gross funds raised during Q1-2024 as compared to \$Nil gross funds raised during Q1-2023).

## Cash flows used for investing activities

Cash flows used for investing activities were \$646,745 during Q1-2024, an increase of \$480,952 as compared to cash flows of \$165,793 used for investing activities during Q1-2023. The increase is mostly attributable to an increase of \$223,900 in the exploration and evaluation assets paid in Q1-2024 compared to Q1-2023 (\$381,992 for Q1-2024 compared to \$158,092 for Q1-2023) combined with an increase of \$245,000 in deposits related to exploration and evaluation activities (\$250,000 for Q1-2024 compared to \$5,000 for Q1-2023). The investing activities consist primarily of the acquisition of mining properties and exploration and evaluation assets.

## OTHER FINANCIAL DISCLOSURES

### Related party transactions

Please refer to Note 14 of the condensed interim financial statements for the three-month periods ended October 31, 2023 and 2022, for a summary of the Company's transactions with related parties.

### Contingency

Governmental laws and regulations regarding environmental protection regulate the Company's operations. The environmental consequences are not easily identifiable, either in terms of results, the impacts or the expiration date. Currently, and to the best knowledge of its management, the Company is in conformity with current laws and regulations.

### Subsequent events

There were no subsequent events to disclose.

### Off-financial position arrangements

As at October 31, 2023, the Company has no off-financial position arrangements.

### Going concern assumption

The accompanying financial statements have been prepared on the basis of the going concern assumption meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period.

Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt on the Company's ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

For the three-month period ended October 31, 2023, the Company recorded a net loss of \$294,299 (\$244,488 for the three-month period ended October 31, 2022) and had negative cash flows from operations of \$340,598 (\$133,502 for the three-month period ended October 31, 2022). In addition, the Company had accumulated deficit of \$6,414,879 as at October 31, 2023. Besides the usual needs for working capital, the Company must obtain funds to enable it to meet the timelines of its exploration programs and to pay its overhead and administrative costs. As at October 31, 2023, the Company had a working capital (total current assets less total current liabilities) of \$600,831 (a working capital of \$735,760 as at July 31, 2023) including cash of \$437,221

# MANAGEMENT'S DISCUSSION AND ANALYSIS

(\$890,117 in cash as at July 31, 2023). Management believes that these funds will not be sufficient to meet the obligations and liabilities of the Company. These material uncertainties cast significant doubt regarding the Company's ability to continue as a going concern. Any funding shortfall may be met in the future in a number of ways, including but not limited to, the issuance of new equity instruments. Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the Company has not yet generated income nor cash flows from its operations. The recovery of the cost of exploration and evaluation assets as well as other tangible and intangible assets, is subject to certain conditions: the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to continue the exploration, evaluation, development, construction and ultimately disposal of these assets. During the three-month period ended October 31, 2023, the Company has raised \$556,500 (\$1,793,340 during the year ended July 31, 2023) from private placements consisting of common shares and flow-through shares to fund exploration works and working capital. There is no assurance that it will succeed in obtaining additional financing in the future.

## Capital management policies and procedures

Please refer to Note 16 of the condensed interim financial statements for the three-month periods ended October 31, 2023 and 2022, for a summary of the Company's capital management policies and procedures.

## Disclosure of Outstanding share data

The following selected financial information is derived from our unaudited financial statements.

### GENIUS METALS INC.

Disclosure of outstanding share data (as at December 20, 2023)

<b>Outstanding common shares:</b>	97,686,343		
<b>Outstanding share options:</b>	6,300,000		
Average exercise price of:	\$0.223		
Average remaining life of:	2.46 years		
		<b>Exercise price</b>	<b>Remaining life</b>
		<b>\$</b>	<b>(years)</b>
	<b>Expiry date</b>	<b>Number</b>	
	March 6, 2024	1,025,000	0.25 0.21
	March 23, 2024	225,000	0.25 0.26
	May 18, 2024	100,000	0.25 0.41
	September 16, 2024	320,000	0.30 0.74
	September 16, 2024	450,000	0.35 0.74
	August 31, 2025	870,000	0.30 1.70
	September 16, 2026	1,110,000	0.30 2.74
	July 27, 2028	2,200,000	0.10 4.60
		<b>6,300,000</b>	
<b>Outstanding warrants:</b>	34,570,000		
Average exercise price of:	\$0.109		
Average remaining life of:	1.48 years		
		<b>Exercise price</b>	<b>Remaining life</b>
		<b>\$</b>	<b>(years)</b>
	<b>Expiry date</b>	<b>Number</b>	
	November 28, 2024	5,650,000	0.15 0.94
	December 13, 2024	600,000	0.15 0.98
	June 29, 2025	17,190,000	0.10 1.52
	September 6, 2025	11,130,000	0.10 1.71
		<b>34,570,000</b>	

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

## RISK AND UNCERTAINTIES

An investment in the common shares of the GENI should be considered highly speculative. Genius Metals Inc. is subject to a variety of risks, some of which are described below. If any of the following risks occur, the business, results of operations or financial condition could be adversely affected in a material manner.

### Financial instrument risks

Please refer to Note 17 of the condensed interim financial statements for the three-month periods ended October 31, 2023 and 2022, for a summary of the Company's financial instruments risks.

### Russia/Ukraine and Middle East conflicts

The increasing tensions related to the ongoing conflict between Russia and Ukraine as well as those in the Middle East, and economic sanctions imposed in relation thereto, have contributed to additional volatility in commodity prices. The effect of this global event cannot accurately be predicted.

### Exploration and mining risks

The Company is engaged in the business of acquiring and exploring mineral properties in the hope of locating economic deposits of minerals. The Company's property interests are in the exploration and evaluation stage only. The business of mineral exploration involves a high degree of risk. Few properties that are explored are ultimately developed into production. Currently, there are no known bodies of commercial ore on the mineral properties of which the Company owns an interest. Accordingly, there is little likelihood that the Company will realize any profits in the short to medium term. Any profitability in the future from the Company's business will be dependent upon locating an economic deposit of minerals. However, there can be no assurance, even if an economic deposit of minerals is located, that it can be commercially mined.

Unusual or unexpected formations, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs.

The economics of developing mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. There are no underground or surface plants or equipment on the Company's mineral properties, nor any known body of commercial ore. Programs conducted on the Company's mineral property would be an exploratory search for ore.

### Titles to property

While the Company has diligently investigated title to the various properties in which it has interest, and to the best of its knowledge, title to those properties are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects.

### Permits and licenses

The Company's operations 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.

### Metal prices

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect marketability of any minerals discovered. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.



# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

## **Inflation**

The Company's exploration costs are strongly tied to fossil energy costs as the Company is relying heavily on fossil fuel for heating, operating machinery and transportation on its remote exploration properties. The current rise in inflation in Canada could lead to a significant increase in exploration costs for the Company in the next few years.

## **Competition**

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for recruitment and retention of qualified employees.

## **Environmental regulations**

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

## **Conflicts of interest**

Certain directors or proposed directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

## **Stage of development**

The Company's properties are in the exploration stage and to date none of them have a proven ore body. The Company does not have a history of earnings or providing a return on investment, and in future, there is no assurance that it will produce revenue, operate profitably or provide a return on investment.

## **Industry conditions**

Mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations such as restrictions on production, price controls, tax increases, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations. The effect of these factors cannot be accurately determined.

## **Uninsured risks**

The Company's business is subject to a number of risks and hazards, including environmental conditions adverse, environmental regulations, political uncertainties, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

---

## Capital needs

The exploration and evaluation, development, mining and processing of the Company's properties may require substantial additional financing. The only current source of future funds available to the Company is the sale of additional equity capital and the borrowings of funds. There is no assurance that such funding will be available to the Company or that it will be obtained on terms favourable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position.

In addition, any future equity financings by the Company may result in a substantial dilution of the existing shareholders. Failure to obtain sufficient financing may result in delaying or indefinite postponement of further exploration and evaluation, development or production on any or all of the Company's properties or even a loss of property interest.

## Key employees

Management of the Company rests on a few key officers and members of the Board of Directors, the loss of any of whom could have a detrimental effect on its operations. The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.

## Canada Customs and Revenue Agency

No assurance can be made that Canada Customs and Revenue Agency will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses or the eligibility of such expenses as Canadian exploration expenses under the *Income Tax Act* (Canada).

## CERTIFICATION OF INTERIM FILINGS

The President and Chief Executive Officer and the Chief Financial Officer have signed the Basic Certifications of Interim Filings as required by National Instrument 52-109 for venture issuer, thus confirming, the review, the absence of misrepresentations and the fair presentation of the interim filings.

- The President and Chief Executive Officer and the Chief Financial Officer confirm to have reviewed the interim financial report and the interim MD&A (together, the "interim filings") of the Company for the interim period ended October 31, 2023.
- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the interim filings.
- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the period presented in the interim filings.