

Management's Discussion & Analysis

For the Three and Nine Months Ended September 30, 2026

The following discussion and analysis is prepared by the Company's management ("**Management**") as of November 12, 2026 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for Star Diamond Corporation ("**Star Diamond**", or the "**Company**") for the three and nine months ended September 30, 2026 (the "**Interim Financial Statements**"), as well as the audited consolidated financial statements of the Company for the years ended December 31, 2025 and 2024 (the "**2025 Annual Financial Statements**"), in each case available on SEDAR+ at www.sedarplus.ca. The Company prepared the Interim Financial Statements in accordance with IAS 34 *Interim Financial Reporting* using accounting policies consistent with the IFRS Accounting Standards ("**IFRS**") issued by the International Accounting Standards Board ("**IASB**"). All currency amounts are quoted in thousands of Canadian Dollars, except per share amounts or as otherwise noted.

Corporate Information

Star Diamond was incorporated under the *Canada Business Corporations Act* on April 29, 1985 and its shares are publicly traded on the Toronto Stock Exchange. The principal activities of the Company are the exploration and evaluation of diamond projects. The Company is located at 702 – 224 4th Avenue South, Saskatoon, Saskatchewan, Canada.

The Company's mineral projects are as follows:

Name of Project	Ownership	Location	Status
Star and Orion South Diamond Project (the "**Project**")	100%	Saskatchewan, Canada	Exploration stage
Buffalo Hills Project (the "**BH Project**")	100%	Alberta, Canada	Exploration stage
Fort à la Corne Project (the "**FalC Project**") (other than the Project) (1)	100%	Saskatchewan, Canada	Exploration stage

(1) Includes the Orion Centre, Orion North and Taurus ore bodies comprising part of the FalC Project.

Overall Performance

On February 4, 2026, the Company granted 41,000,000 stock options to directors, officers, and employees of the Company pursuant to the Company's stock option plan dated April 1, 2024 (the "**2024 Stock Option Plan**"). The stock options have an exercise price of $0.05 per share, with 1/3 of the options vesting immediately and 1/3 vesting on each of the first and second anniversaries of the date of grant. The stock options expire on the fifth anniversary of the date of grant.

On March 25, 2026, the Company announced the appointment of Brendan F. Moore to the Company's board of directors. Along with the appointment, the Company also granted him 5,000,000 stock options pursuant to the 2024 Stock Option Plan. The stock options have an exercise price of $0.05 per share, with 1/3 of the options vesting immediately and 1/3 vesting on each of the first and second anniversaries of the date of grant. The stock options expire on the fifth anniversary of the date of grant.

On April 28, 2026, the Company entered into a convertible loan agreement (the "**Loan Agreement**") with Spirit Resources s.a.r.l ("**Spirit**"). Pursuant to the terms of the Loan Agreement, Spirit advanced an unsecured loan in the amount of $500 (the "**Loan**"). The Loan bears interest at a rate of 12% per annum and matures one year after the drawdown date of April 28, 2026, or such other date mutually agreed between the Company and Spirit (the "**Maturity Date**"). The Loan, together with accrued and unpaid interest thereon (the "**Total Obligations**"), are generally repayable at any time by the Company without penalty. If the Company has not repaid the Total Obligations before the closing of a sale of common shares in the capital of the Company, or units including common shares, in a single or series of transactions of no less than $1,000 (a "**Qualified Financing**") prior to the Maturity Date, the Total Obligations will be converted into the securities of the Company issued pursuant to the Qualified Financing ("**Qualified Financing Securities**") upon closing of the Qualified Financing (the "**Conversion**"), unless otherwise agreed between the Company and Spirit. The deemed price per Qualified

Financing Security issuable upon Conversion will be the lowest price per Qualified Financing Security issued in the Qualified Financing, subject to customary adjustment provisions (the "**Conversion Price**"). The Conversion is conditional upon receipt of the approval of the Toronto Stock Exchange.

Following the Annual General and Special Meeting of Shareholders of the Company held on May 14, 2026, Jean-Claude St Amour was appointed to the Company's board of directors. Along with the appointment, the Company also granted him 5,000,000 stock options pursuant to the 2024 Stock Option Plan. The stock options have an exercise price of $0.055 per share, with 1/3 of the options vesting immediately and 1/3 vesting on each of the first and second anniversaries of the date of grant. The stock options expire on the fifth anniversary of the date of grant.

Effective July 14, 2026, the Company entered into an unsecured loan agreement (the "**July 2026 Loan Agreement**") with Spirit for a non-interest bearing credit facility of up to $250 for working capital and general business purposes. Amounts advanced under the facility are due on July 14, 2027 (being one year from the first drawdown date), subject to a further one-year extension upon the mutual written agreement of the Company and Spirit. The Company drew $200 on July 14, 2026 and the remaining $50 on September 8, 2026, such that the facility is now fully drawn. The July 2026 Loan Agreement does not contain any conversion rights and amounts outstanding may be repaid by the Company at any time without penalty.

On August 31, 2026, the Company announced that Al Gourley resigned as a director of the Company effective August 31, 2026 and Brendan F. Moore was appointed as Vice-Chairman of the board.

Effective September 11, 2026, the Company entered into an unsecured loan agreement (the "**September 2026 Loan Agreement**") with Spirit for a non-interest bearing credit facility of up to $250 for working capital and general business purposes. Amounts advanced under the facility are due on September 11, 2027 (being one year from the first drawdown date), subject to a further one-year extension upon the mutual written agreement of the Company and Spirit. The Company drew $250 on September 11, 2026, such that the facility is now fully drawn. The September 2026 Loan Agreement does not contain any conversion rights and amounts outstanding may be repaid by the Company at any time without penalty.

On September 14, 2026, the Company announced the appointment of Jean-Raymond Boulle II as Chief Executive Officer, effective October 1, 2026, replacing Lester Kemp.

Trends

The Interim Financial Statements were prepared on the assumption that the Company will continue as a going concern and realize its assets and discharge its liabilities and commitments in the normal course of business. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that cast significant doubt upon the Company's ability to continue as a going concern. At September 30, 2026, the Company had an excess of current liabilities over current assets of $1,097 (December 31, 2025 – an excess of current assets over current liabilities of $458) including cash and cash equivalents of $73 (December 31, 2025 - $724). In addition, the Company had negative cash flows from operations of $1,586 (nine months ended September 30, 2025 - $2,704), an accumulated deficit of $905,419 (December 31, 2025 - $902,398), and currently does not generate revenue. However, the ability of the Company to continue as a going concern and fund its expenses in an orderly manner will require additional financing.

There is no assurance that the Company will be successful in obtaining the required financing at an acceptable cost as and when needed or at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone exploration and/or evaluation plans, forfeit rights in its properties or reduce or terminate its operations.

In addition, external risks like a trade dispute with the U.S. could put significant strain on Canada's broader economy. Tit-for-tat import tariffs are generally inflationary and would raise costs. Management, in conjunction with the board of directors, will continue to monitor these developments and their effect on the Company's business.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Inflation increases major operating expenses like service provider costs such as accounting, costs of being a reporting issuer, legal and audit costs. The Company works to counteract rising expenses. Despite the best efforts to control costs where possible, inflationary pressures nonetheless introduce added financial burdens on the Company.

Apart from these and the risk factors noted under the heading "*Risks and Uncertainties*", Management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition of the Company or results of operations. See "*Risks and Uncertainties*" below.

Operations

The Project

As at the date hereof, the Company's material mineral project is the Project. Additional information related to the Project, including the revised mineral resource estimate in respect of the Project, can be found in the technical report relating to the Project, bearing an effective date of July 24, 2024, entitled "Technical Report and Revised Resource Estimate for the Star-Orion South Diamond Project, Fort A La Corne Area, Saskatchewan, Canada", prepared by Daniel C. Leroux, M.Sc. P.Geo., Leon McGarry, B.Sc. P.Geo., and Peter J. Ravenscroft, FAusIMM (the "**Star Diamond Technical Report**"), a copy of which is available on the Company's SEDAR+ profile at www.sedarplus.ca.

The Project site is currently under care and maintenance. Star Diamond's technical team will focus on the technical investigation and evaluation of the Project, with the goal of a future development decision. On September 9, 2025, the Company announced the engagement of Misty Clifton and SGS Canada Inc. ("**SGS**") for a pre-feasibility study on the Project (the "**PFS**"). The PFS will include a revised statement of mineral reserves for the Project, if warranted, and an economic assessment based thereon. The PFS will enable a feasibility study, on which a production decision can be based. A budget of $3,000 has been prepared for the completion of the PFS

As of the date of this MD&A, the Company has undertaken work with SGS in respect of PFS engineering services, with expenditures estimated at approximately $137**.** The work completed to date includes the initial site visit by SGS's qualified persons and initial process design engineering services. The remaining work required to complete the PFS includes mining engineering, cost estimation, and civil engineering along with hydrogeological and geotechnical engineering. The Company currently estimates that the remaining work will require approximately $2,863 and will be completed within approximately 12 months after the necessary financing has been obtained, the required contractors have been scheduled and the work has recommenced.

The Company's inability to obtain sufficient financing has delayed the original plan for the PFS. The timing and scope of the remaining work will depend on the amount and timing of financing available to the Company.

FalC Project (Orion North, Orion Centre and Taurus)

The Orion North, Orion Centre and Taurus kimberlite clusters form part of the FalC Project, located in Saskatchewan, Canada. There were no material developments with respect to such clusters during the three and nine months ended September 30, 2026 and the Company is currently reviewing the project to determine future technical, economic, permitting, social and environmental work.

BH Project

The BH Project is located north central, Alberta. There were no material developments with respect to the BH Project during the three and nine months ended September 30, 2026 and the Company is currently reviewing the BH Project to determine future technical, economic, permitting, social and environmental work.

Summary of Quarterly Results

	2026			2025				2024
	Qtr 3	Qtr 2	Qtr 1	Qtr 4	Qtr 3	Qtr 2	Qtr 1	Qtr 4
Revenue ($)	-	-	-	-	-	-	-	4
Net loss [1][2] ($)	(872)	(982)	(1,167)	(414)	(989)	(1,450)	(966)	(2,108)
Net loss per share [3][4] ($)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

(1) Loss from continuing operations attributable to owners of the parent, in total.
(2) Loss attributable to owners of the parent, in total.
(3) Basic and diluted.
(4) Per share amounts are rounded to the nearest cent, therefore aggregated quarterly amounts may not reconcile to year-to-date per share amounts.

For the three months ended September 30, 2026, the Company recorded a net loss of $872 or $0.00 per share (2025 - net loss of $989 or $0.00 per share). The decrease in net loss was primarily due to the following:

- Administration increased to $277 in 2026 (2025 - $196), mainly due to an increase in the fair value of share-based payments expensed. The fair value of share-based payments varies depending on the vesting of stock options granted.
- Consulting and professional fees increased to $73 in 2026 (2025 - $47) due to higher legal fees incurred.
- Corporate development decreased to $12 in 2026 (2025 - $102) due to reduced publication and communication costs.
- Exploration and evaluation decreased to $474 in 2026 (2025 - $501) mainly due to lower depreciation of property, plant and equipment.
- Unwinding of discount on environmental rehabilitation provision decreased to $20 in 2026 (2025 - $66). The decrease was primarily due to the reduction in the provision recorded 2025.
- Change in derivative liability decreased to $nil in 2026 (2025 - $46) due to the changes in the fair values of the embedded derivatives of the convertible debentures.

For the nine months ended September 30, 2026, the Company recorded a net loss of $3,021 or $0.00 per share (2025 - net loss of $3,405 or $0.01 per share). The decrease in net loss was primarily due to the following:

- Administration increased to $1,325 in 2026 (2025 - $1,000), mainly due to an increase in the fair value of share-based payments expensed. The fair value of share-based payments varies depending on the vesting of stock options granted.
- Corporate development decreased to $53 in 2026 (2025 - $134) due to reduced advertising costs and publication and communication costs.
- Exploration and evaluation decreased to $1,254 in 2026 (2025 - $1,431) mainly due to lower depreciation of property, plant and equipment.
- Unwinding of discount on environmental rehabilitation provision decreased to $60 in 2026 (2025 - $198). The decrease was primarily due to the reduction in the provision recorded 2025.
- Change in derivative liability decreased to $nil in 2026 (2025 - $264) due to the changes in the fair values of the embedded derivatives of the convertible debentures.

Cash Flow Items

Operating Activities

During the nine months ended September 30, 2026, cash used in operating activities was $1,586 (2025 - $2,704). This relates mainly to the ongoing operating costs of the Company.

Investing Activities

During the nine months ended September 30, 2026, cash provided by investing activities was $nil (2025 - $114) as the Company sold its remaining share position in Wescan Goldfields Inc. in 2025.

Financing Activities

During the nine months ended September 30, 2026, cash provided by financing activities was $935 (2025 - $3,676), which was comprised of proceeds from loan payable of $1,000, offset by lease payments of $65.

Off-Balance Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

As of the date of this MD&A, there are no proposed transactions by the Company that are reasonably likely to have an effect on the financial condition, financial performance and cash flows of the Company.

Related Party Transactions

The Company's related parties include its directors and key management personnel. Key management personnel are persons responsible for planning, directing, and controlling the activities of an entity, and include executive and non-executive directors. Compensation for key management personnel and directors, including payments made or payable to related parties owned by executive officers and directors, is as follows:

	Three months ended September 30, 2026 $	Three months ended September 30, 2025 $	Nine months ended September 30, 2026 $	Nine months ended September 30, 2025 $
Director fees	17	19	54	66
Salaries for key management personnel	84	58	266	177
Consulting and management fees to related companies (1)(2)(3)	19	52	75	244
Share-based payments	136	19	745	163
Total compensation paid to key management personnel	256	148	1,140	650

1. During the three and nine months ended September 30, 2026, the Company incurred management fees of $nil and $nil, respectively (2025 - $33 and $141, respectively), included in administration, to a company controlled by a former Chief Executive Officer and director of the Company.
2. During the three and nine months ended September 30, 2026, the Company incurred management fees of $nil and $nil, respectively (2025 - $nil and $30, respectively), included in exploration and evaluation, to a company controlled by the former Senior Vice President, Corporate Development.
3. During the three and nine months ended September 30, 2026, the Company incurred professional fees of $19 and $75, respectively (2025 - $19 and $73, respectively), included in consulting and professional fees, to a company controlled by the Chief Financial Officer of the Company.

The amounts disclosed in the table above are the amounts recognized as an expense during the reporting period related to key management personnel. The above transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The fair value of share-based payments in the form of stock options was determined using the Black-Scholes option pricing model. The fair value of share-based payments in the form of restricted share units and deferred share units was determined based on the closing trading price of the Company's shares on the date of grant.

The compensation paid to key management personnel is included in the Company's statements of loss and comprehensive loss as follows:

	Three months ended September 30, 2026 $	Three months ended September 30, 2025 $	Nine months ended September 30, 2026 $	Nine months ended September 30, 2025 $
Administration	208	92	995	439
Exploration and evaluation	48	56	145	211
Total compensation paid to key management personnel	256	148	1,140	650

During the nine months ended September 30, 2026, Spirit, a significant shareholder of the Company, advanced unsecured loans to the Company for working capital and general business purposes in the aggregate principal amount of $1,000 under the Loan Agreement, the July 2026 Loan Agreement and the September 2026 Loan Agreement. The Loan bears interest at 12% per annum and is convertible in the circumstances described under "*Overall Performance*". The credit facilities under the July 2026 Loan Agreement and the September 2026 Loan Agreement (each up to $250) are non-interest bearing and fully drawn. As at September 30, 2026, the principal amount outstanding on all three loans was $1,000 and accrued and unpaid interest on the Loan was $25, for a total loan payable of $1,025. The loans are measured at amortized cost.

Commitments

The Company has various lease contracts with purchase commitments as at September 30, 2026.

Detailed below is a summary of estimates of future commitments under these arrangements:

	Year 1	Year 2	Year 3	Year 4	Year 5	Thereafter	Total
Office lease	28	28	21	-	-	-	77
Mineral lease	112	112	112	112	112	112	672
Total	140	140	133	112	112	112	749

Liquidity and Capital Resources

The Company does not currently operate any producing properties. Until the Company's surplus cash is required to fund exploration, evaluation and/or development activities, it is invested in a variety of highly rated instruments.

On September 30, 2026, the Company had $73 (December 31, 2025 - $724) in cash and cash equivalents and a working capital deficit (excess of current liabilities over current assets) of $1,097 (December 31, 2025 – an excess of current assets over current liabilities of $458). In addition to regulatory spending requirements at September 30, 2026, the Company has trade payables, loan payables and other lease payments as set out in the following table on an undiscounted basis:

Trade payables and accrued liabilities	$	361
Loan payable		1,025
Lease payments		28
Environmental rehabilitation provision		131
Total	$	1,545

The decrease in working capital was a result of net cash used in operating activities. In 2026, the Company continues to reduce costs through the following measures:

- The Company has moved its head office to a smaller area in the same building, resulting in a 70% reduction in office lease payments;
- Certain management and employee functions will be reduced or eliminated; and
- Site costs have been significantly reduced as site operations moved to a care and maintenance basis.

A budget of $3,000 has been prepared for the completion of the PFS. As of the date of this MD&A, the Company has undertaken work with SGS in respect of PFS engineering services, with expenditures estimated at approximately $137. The work completed to date includes the initial site visit by SGS's qualified persons and initial process design engineering services. The remaining work required to complete the PFS includes mining engineering, cost estimation and civil engineering, along with hydrogeological and geotechnical engineering. The Company currently estimates that the remaining work will require approximately $2,863 and will be completed within approximately 12 months after the necessary financing has been obtained, the required contractors have been scheduled and the work has recommenced.

The Company's inability to obtain sufficient financing has delayed the original plan for the PFS. The timing and scope of the remaining work will depend on the amount and timing of financing available to the Company.

The Company's ability to meet its obligations as they become due and to fund its planned activities will depend, in part, on its ability to obtain additional financing. Management currently intends to address the Company's working capital requirements primarily through additional equity financings, subject to market conditions and the availability of financing on acceptable terms. The Company may also pursue debt financing, corporate or asset transactions, joint ventures or other strategic arrangements to provide additional liquidity. There can be no assurance that additional financing will be available when required or on terms acceptable to the Company. The Company has no fixed capital commitments in 2026 and may defer or reduce discretionary expenditures and adjust the timing and scope of its capital program to preserve liquidity and manage its working capital requirements.

The Company is aware, in making its going concern assessment, of material uncertainties related to events and conditions that cast significant doubt upon the Company's ability to continue as a going concern. At September 30, 2026, the Company had a working capital deficit of $1,097, including cash and cash equivalents of $73. Failure to obtain additional financing on a timely basis may cause the Company to postpone exploration and/or evaluation plans, forfeit rights in its properties or reduce, suspend or terminate its operations.

Trends and Economic Conditions

Management regularly monitors economic and financial market conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. To date, the Company has been able to raise sufficient capital to fund exploration programs. The global economy is currently characterized by increased volatility and uncertainty.

Apart from these factors and the risk factors noted in the "*Risks and Uncertainties*" section in the Company's most recent Annual Information Form, Management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Outstanding Share Data

At September 30, 2026, and the date of this MD&A, the designation and number of outstanding securities of the Company is as set out below:

Security	September 30, 2026	Date of this MD&A
Common shares	773,914,090	773,914,090
Warrants	184,961,885	184,961,885
Broker warrants	338,280	338,280
Stock options	57,152,500	57,152,500

The Company has a convertible loan payable with a principal amount of $500 plus accrued interest, which may be convertible into securities issued pursuant to a future Qualified Financing. As the Loan is convertible on the basis of the Conversion Price at the time of the Conversion, the actual number and type of Qualified Financing Securities issuable upon Conversion is not yet known. See "*Overall Performance*".

Financial Instruments

As of September 30, 2026, the fair market value of all of the Company's financial instruments approximate their carrying values. Certain financial instruments are exposed to the following financial risks:

Credit risk

Credit risk is the risk of an unexpected loss by the Company if a customer or third-party to a financial instrument fails to meet its contractual obligations. The Company considers this risk to be insignificant as the majority of the Company's cash and cash equivalents are held by financial institutions with an AA credit rating. At September 30, 2026, the Company's credit risk relates to its cash and cash equivalents of $73 (December 31, 2025 - $724).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet regulatory liquidity and spending requirements as well as meet its financial obligations. The Company's approach to managing liquidity risk is to forecast future cash flows to ensure that it will have sufficient liquidity to meet its obligations when it is due. To ensure the Company has sufficient cash on hand, the Company prepares annual capital and operating budgets which are regularly monitored and updated as considered necessary.

Market risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of the following types of risk: foreign currency risk, interest rate risk, and commodity price risk.

Foreign currency risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuation since transactions and balances in foreign currencies are minimal, if any.

Commodity price risk:

Commodity price risk is the risk that a variation in commodity price will affect the Company's operations and financial results. The Company does not have significant exposure to commodity price fluctuations since it is currently in the exploration stage.

Interest rate risk:

The interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Loan bears a fixed rate of interest of 12% per annum, and the loans advanced under the July 2026 Loan Agreement and the September 2026 Loan Agreement are non-interest bearing. Accordingly, the Company's cash flows in respect of these loans are not exposed to changes in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. The Company considers this risk to be immaterial.

Critical Accounting Estimates and Judgments

The Interim Financial Statements have been prepared in accordance with IFRS issued by the IASB. The Company's material accounting policies are described in note 4 to the 2025 Annual Financial Statements. Certain of these policies involve critical accounting estimates as they require management to make particularly subjective or complex judgments about

matters that are inherently uncertain and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions. The uncertainties related to these areas could significantly impact the Company's results of operations, financial condition and cash flows. In particular, the significant areas of judgment and estimation uncertainty considered by Management in preparing the consolidated financial statements are: identification of cash generating units, exploration and evaluation expenditures, reserve and resource estimation, asset valuations and exploration and evaluation assets impairment, environmental rehabilitation provision and share-based payment transactions. These are discussed in more detail in note 4 to the Interim Financial Statements.

Accounting Changes

The following new standards and amendments to standards and interpretations were effective for the Company from January 1, 2025:

Lack of Exchangeability

In August 2023, the IASB issued amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates in relation to Lack of Exchangeability. The amendments require entities to apply a consistent approach in assessing whether a currency can be exchanged into another currency, and in determining the exchange rate to use and the disclosures to provide when it cannot. The Company adopted the amendments effective January 1, 2025. The Company does not have foreign currency transactions or balances that give rise to a lack-of-exchangeability assessment, and accordingly, there was no significant impact on the Company's consolidated financial statements.

The following new standards and amendments to standards and interpretations were effective for the Company from January 1, 2026:

Cash and cash equivalents (including electronic payment arrangements)

Cash and cash equivalents consist of cash on hand and deposits held at financial institutions that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value. The Company has early adopted the amendments to IFRS 9, Financial Instruments related to the derecognition of financial liabilities settled through electronic payment systems. In accordance with these amendments, a financial liability is derecognized before settlement when payment is effected through an electronic payment system and all of the following conditions are met: (i) the Company has no practical ability to withdraw, stop or cancel the payment instruction; (ii) the payment instruction results in the counterparty obtaining an enforceable right to receive cash; and (iii) the Company does not have access to the cash transferred once the payment instruction is initiated. When these conditions are satisfied, the related financial liability and the corresponding cash and cash equivalent balance are derecognized on the date the payment instruction is initiated rather than on the settlement date. There was no significant impact on the financial statements as a result of adoption.

The following new standards and amendments to standards and interpretations are not yet effective for the current year.

IFRS 18, Presentation and Disclosure in Financial Statements ("IFRS 18")

IFRS 18 will be applicable for annual periods beginning on or after January 1, 2027, with early adoption permitted. Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. The Company's consolidated financial statements are expected to include changes related to categorization and subtotals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Company is in the process of determining the impact of the above changes on its business.

Controls and Procedures

The Company's Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting as defined in the Canadian Securities Administrators' National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings* ("**NI 52-109**").

Under their supervision, the CEO and CFO have implemented disclosure controls and procedures and internal controls over financial reporting appropriate for the nature of operations of the Company. Disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports it files or submits under securities legislation is recorded, processed, summarized and reported on a timely basis and that such information is accumulated and reported to management, including the Company's CEO and CFO, as appropriate, to allow required disclosures to be made in a timely fashion. Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's design of its internal controls over financial reporting is based on the principles set out in the *Internal Control – Integrated Framework (2013)* issued by The Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In accordance with NI 52-109, the Company has filed certificates signed by its CEO and the CFO certifying certain matters with respect to the design of disclosure controls and procedures and the design of internal control over financial reporting as of September 30, 2026.

Risks and Uncertainties

The securities of the Company are highly speculative due to the nature of the Company's business as well as the present stage of exploration and development of its mineral properties. The material risk factors and uncertainties, which should be considered in assessing the Company's activities, are described under the heading "*Risks and Uncertainties*" in the Company's most recent Annual Information Form which is available on SEDAR+ at www.sedarplus.ca. The reader is cautioned that the description of risks and uncertainties is not all inclusive as it pertains to conditions currently known to Management. There can be no guarantee or assurance that other factors will or will not adversely affect the Company.

Technical Information

All technical information in this MD&A has been prepared under the supervision of Mark Shimell, Chief Operating Officer, Professional Geoscientist in the Province of Saskatchewan, who is the Company's "Qualified Person" under National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

Caution Regarding Forward-looking Statements

This MD&A includes certain statements that constitute "forward-looking statements", and "forward-looking information", within the meaning of applicable securities laws ("forward-looking statements" and "forward-looking information" are collectively referred to as "**forward-looking statements**", unless otherwise stated). Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "predict" "project", "should", "target", "will" or similar words suggesting future outcomes or language suggesting an outlook. In particular, statements regarding the Company's future operations, future exploration and development activities or other development plans constitute forward-looking statements. By their nature, statements referring to mineral reserves, mineral resources or the potential economic viability constitute forward-looking statements. Forward-looking statements contained or implied in this MD&A include, but are not limited to: statements relating to the Company's ability to continue as a going concern; the Company's ability to meet its obligations as they become due and to fund its planned activities; Management's intention to address the Company's working capital requirements; the Company's potential pursuit of debt financing, corporate or asset transactions, joint ventures or other strategic arrangements to provide additional liquidity; the Company having no fixed capital commitments in 2026; the

Company's strategy with respect to its capital program, including the timing and scope thereof; success of the Company in obtaining financing that is adequate, with favourable terms, or at an acceptable cost; statements regarding the Company delaying or postponing exploration or evaluation plans, forfeiting rights to its properties, loss of its properties, reducing or terminating operations; potential strain on Canada's economy from external risks like trade disputes; monitoring of the developments of the external risks by Management; the effects of other factors, trends, commitments, events or uncertainties on the Company's business; the PFS enabling a feasibility study; the cost and scope of the remaining work required to complete the PFS; the inclusion in the PFS of a revised statement of mineral reserves and an economic assessment; the expected timing of completion of and scope of the PFS; statements regarding the focus on technical investigation and evaluation of the Project with the goal of a future development decision; the Conversion, including the price thereof and the securities issued thereunder; the impact of uncertainties of accounting policies and standards, including the impact on the Company's results of operations and presentation of financial results; relative cost of maintaining disclosure controls and their expected benefit; reduction or elimination of certain management and employee functions; statements regarding the Company's liquidity risk and market risk; and the Company's strategy, plans and goals, including related timelines and schedules thereof.

All forward-looking statements are based on the Company's current beliefs as well as assumptions made by and information currently available to it and involve inherent risks and uncertainties, both general and specific. Risks exist that forward-looking statements will not be achieved due to a number of factors including, but not limited to: developments in world diamond markets, changes in diamond valuations, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration, development or mining plans due to exploration results and changing budget priorities of the Company, the effects of competition in the markets in which the Company operates, risks related to diamond breakage from extraction and diamond recovery, risks related to the Company's need for additional financing and the Company's ability to raise that financing, risks related to the timing, cost and results of the PFS and other technical studies, the availability of qualified contractors and service providers, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and the additional risks described in the Company's most recently filed Annual Information Form, annual and interim MD&A, news releases and technical reports. The Company's anticipation of and success in managing the foregoing risks could cause actual results to differ materially from what is anticipated in such forward-looking statements.

Although the Company considers the assumptions contained in forward-looking statements to be reasonable based on information currently available to it, those assumptions may prove to be incorrect. When making decisions with respect to the Company, investors and others should not place undue reliance on these statements and should carefully consider the foregoing factors and other uncertainties and potential events. Unless required by applicable securities laws, the Company does not undertake to update any forward-looking statement that is made herein.

Additional Information

Additional information related to the Company, including the latest available Annual Information Form, is available on SEDAR+ at www.sedarplus.ca.