

FINLAY MINERALS LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2024

Introduction

This management's discussion and analysis is intended to supplement the unaudited interim financial statements and the financial condition and operating results of Finlay Minerals Ltd. (the Company or "FYL") for the three months ended March 31, 2024. The discussion should be read in conjunction with the unaudited interim financial statements of the Company and the notes thereto for the three months ended March 31, 2024 and the year ended December 31, 2023. The unaudited interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and include the operating results of the Company. Unless expressly stated otherwise, all financial information is presented in Canadian dollars. This information is current to May 30, 2024.

Operations

The Company is focused on the exploration for gold-copper porphyry, epithermal gold, and mesothermal silver-copper targets in northern British Columbia, Canada. Details of the Company's properties in the Toodoggone (ATTY and PIL) and the Silver Hope Property in Houston, BC, can be found in news releases and on the Company's website at www.finlayminerals.com.

On January 3, 2024, the Company reported that Cascadia Minerals Ltd. ("Cascadia") (formerly ATAC Resources Ltd.) had fulfilled its Year 2 obligations pursuant to the PIL Property Option Agreement (the "Option Agreement") dated February 28, 2022 and as amended on June 27, 2023.

On January 11, 2024, the Company reported that Cascadia, the optionor of the PIL Property, had announced the results of their Year 2 surface exploration work on the PIL Property, located in the heart of the prolific Toodoggone porphyry copper-gold and epithermal precious metals district of northern British Columbia. Work in 2023 included a TITAN deep induced polarization ("IP") geophysical survey at the PIL South target and prospecting and mapping focused primarily on the underexplored northeastern portion of the property, at the Spruce target.

Silver Hope Property:

The Silver Hope property surrounds and is contiguous with the southern boundary of Newmont Corporation's past-producing Equity Silver Mine (33,800,000 tonnes at an average grade of 0.4% Cu (copper), 64.9 g/t Ag (silver), and 0.46 g/t Au (gold) from open-pit and underground mining). * The property is road accessible year-round for exploration programs. It covers prospective geology believed to be favourable for the discovery of stratabound Cu-Ag-Au mineralization and porphyry Cu-Mo mineralization. (* Reference: <http://minfile.gov.bc.ca/Summary.aspx?minfilno=093L++001>).

No field work was conducted on the Silver Hope Property in the first quarter of 2024. However, on May 14, 2024, the Company reported the completion of a comprehensive review of its Silver Hope property data, which included the analysis of 179 drill holes, previous surveys, and the 2023 ALS GoldSpot Prospectivity Report, leading to the identification of seven robust priority targets:

- The possible extensions of the **Main Trend** and **West Cu-Mo Porphyry** mineralized zones to the southwest.
- Identification of the **East Trend 1** and **East Trend 2** targets, which have similar geochemical and geophysical signatures as the Main Trend.
- The **Zest** target now includes the extension of mineralization from the former Equity Silver Mine on to the Silver Hope Property.
- The **Equity East** target has surface geochemical and geophysical characteristics similar to the Zest showing and target.
- The **Dina East** target has overlapping polymetallic vein and porphyry targets generated by ALS Goldspot and has had little to no exploration work.

For further information on these priority targets and the accompanying map, please reference the Company's news release dated May 14, 2024 entitled :*"Finlay Minerals outlines seven priority targets on the Silver Hope Property"* on the

Company's website at: <https://finlayminerals.com/news/2024/finlay-minerals-outlines-seven-priority-targets-for-the-silver-hope-property/> or on SEDAR at www.sedarplus.ca.

Previous Quarters relating to the Silver Hope Property

On October 12, 2023, the Company announced the results of its successful 2023 field work program on the Silver Hope property comprised of biogeochemical and mercury (Hg) vapour gas surveys. The Silver Hope Property has extensive till cover over most of the property with multiple-direction glacial movements which smear and complicate interpretation of conventional soil sampling anomalous results. The premise for completing the 2023 work was that biogeochemical sampling and soil mercury (Hg) vapour surveys look deeper into the till cover and possibly down to bedrock, leading to better definition of mineralized trends. An orientation survey with both biogeochemical sampling and soil Hg vapour surveys was completed over known mineralization: the Main Trend (Hope, Superstition and Gaul Zones) and the West Copper-Molybdenum (Cu-Mo) Porphyry. Both methods successfully identifying the known mineralized Main Trend and the West Cu-Mo Porphyry. The Main Trend biogeochemical results displayed a multi-element copper, silver and gold anomaly. The West Cu-Mo Porphyry results showed a strong copper anomaly. The soil Hg vapour results showed spikes over the Main Trend and were depleted over the West Cu-Mo Porphyry. Additionally, the biogeochemical survey identified a new East Trend running parallel and east to the Main Trend. Future field programs will expand the biogeochemistry sampling on the property in an in-fill pattern and cover newly identified and previously known exploration targets. Further information and maps are available in the Company's news release NR14-23: "Finlay Minerals reports on its successful 2023 Silver Hope Property Field Program," available on SEDAR at www.sedarplus.ca.

On October 23, 2023, the Company reported on the results of the ALS GoldSpot prospectivity review and report of the Silver Hope Property, which identified 113 targets based on four different styles of mineralization: Polymetallic (Main Trend) mineralization, Equity-style mineralization, Porphyry mineralization, and Special (Sam Zone) mineralization in addition to geophysical targets. Through the work of ALS GoldSpot and Finlay, four "Priority Target Areas" were delineated on the Property. Several of the high-priority targets complement the known mineralized zones on the Main Trend and West Porphyry. Additionally, ALS GoldSpot's work identified new targets in the Equity East, Zest, Sam and Dina areas of the Property which have seen little or no exploration work in the past. With the previously announced results from the biogeochemical sampling, future biogeochemical sampling will be planned over these high-priority target areas along with prospecting. Further information and maps are available in the Company's news release NR16-23: "ALS GoldSpot identifies Multiple High Priority Targets on Finlay's Silver Hope Property" available on SEDAR+ at www.sedarplus.ca.

In the third quarter of 2023, the Company completed its biogeochemistry and mercury (Hg) vapour gas surveys on the Silver Hope, collecting 533 biogeochemical samples and 601 Hg vapour gas samples in total.

In the first quarter of 2023, the Company reported on the 2022 Silver Hope exploration and drilling program. Follow-up drilling in the Gaul Zone along the Main Trend was completed with **SH22-07** intersecting **31 metres ("m") (from 102 m) grading 0.2% copper ("Cu"), 11.8 g/t silver ("Ag"), and 0.22 g/t gold ("Au"), including 11.42 m (from 121.58 m) grading 0.49% Cu, 30.1 g/t Ag, and 0.41 g/t Au**. This extends the Gaul Zone mineralization to 600 m along strike.

Most of the 1,671 m drill program was reconnaissance drilling divided between the Equity East and Allin areas.

This first-time reconnaissance drilling focused on both porphyry Cu-Mo-Au and Equity Silver Mine replacement Cu-Ag-Au type targets in a 16 square kilometer area containing anomalous soil and till geochemistry, IP geophysical targets, and magnetic features reflecting the Goosly Intrusive Complex ("GIC"). The Equity Silver Mine (Newmont Corp.) mineralization lies along the western contact of the GIC, while the Equity East and Allin areas of Finlay cover the eastern extension of the GIC. This first phase drilling program at Equity East and Allin was conducted to gather subsurface geological knowledge as the area is heavily vegetated and covered in glacial till with little to no outcrop.

The Main Trend's Gaul Zone:

The Main Trend is a 2 km Cu+Ag+Au mineralized trend composed of the Hope, Superstition, and Gaul Zones, which occur along a similar mineralized trend that hosts the past-producing Equity Silver Mine and the Southern Tail.

Hole **SH22-07**, drilled to a depth of 210 m, which intersected **31 m (from 102 m) grading 0.2% Cu, 11.8 g/t Ag, and 0.22 g/t Au, including 11.42 m (from 121.58 m) grading 0.49% Cu, 30.1 g/t Ag, and 0.41 g/t Au** was drilled to test 100 m south of **SH21-09** which intersected **76.57 m (from 80.23 m) grading 0.45% Cu, 14.6 g/t Ag, and 0.14 g/t Au**.

The Gaul Zone mineralization strikes south-southwest and dips to the west. SH22-07 intersected a small portion of the Gaul mineralized zone and the mineralization remains open down dip, as well as to the south and east. Additional drilling is planned on the Gaul Zone, which Finlay management believes has the potential to host a significant copper resource. The Main Trend, and specifically the Gaul Zone, host significant copper mineralization which is one of the critical elements for the future identified by Natural Resources Canada.

In order to undertake a mineral resource estimate on the Main Trend, further drilling will be necessary, including extensional, in-fill and re-drilling of the historical partially-assayed core holes.

Equity East Zone:

The three Equity East drill holes (SH22-01, SH22-05, SH22-06) intersected modest galena and sphalerite mineralization, including **SH22-01** cutting **0.81 m** (from 74.92 m) **grading 47.9 g/t Ag, 2.5% lead ("Pb"), and 4.53% zinc ("Zn")**. Drilling intersected overlying trachyandesites of the Ootsa Lake Group and mixed monzonites of the GIC. Veining within SH22-05 over the first half of the hole hosted galena, sphalerite, and chalcopyrite 1-4mm veins with a similar orientation to that of mineralized veins at the Main Trend and parallel to the orientation of the drill hole thus not testing the mineralization at the proper drill orientation. Finlay management is reviewing the oriented-core vein orientations, the Terraspec alteration studies, and the geophysical survey results to further refine targeting.

Allin Zone:

The three Allin drill holes (SH22-02, SH22-03, SH22-04) intersected flows of trachyandesites, monzonite sills and biotite-rich monzonite dikes. SH22-02 hosted alteration peripheral to a porphyry Cu-Mo-Au system with increasing gypsum veining at depth, spotty quartz veining and increasing chlorite, SH22-03 and SH22-04 displayed weak hydrothermal veining with pyrite and vuggy carbonate veins with increasing clay alteration. Again, the geophysics, alteration, drill hole geology, and geochemistry are being reviewed to further refine targeting.

Sam Zone:

During the 2022 exploration program, a soil sampling grid was conducted east of the Sam, covering the historical drilling. A small soil sampling grid was also conducted west of the former Equity Silver Mine. In total 147 soil samples were collected in the 2 areas. A multi-element anomaly was identified east of the Sam Showing and historical drilling. This multi-element anomaly occurs west of the West Horizon Cu-Mo porphyry system which is next to the Main Trend. Soil sample assays were as high as **68 ppb Au, 11.7 ppm Ag, 487 ppm Cu, 126.5 ppm Pb and 313 ppm Zn**.

Overall, 817 drill core samples were submitted for analysis, along with 151 soil samples taken to the west of the MAIN Trend over the SAM showing, and another 21 soil samples taken over a new gossanous area to the northwest of the former Equity Silver Mine exposed by recent logging. All samples were shipped and analyzed by ALS Global Laboratories.

The Company started and completed the 2022 drill program for the Silver Hope Property in the third and fourth quarters of 2022.

Further details are available on the Finlay website under the **Silver Hope Property**.

PIL Property:

The PIL Property, situated within the Toodoggone mineral district, hosts three deposit types, namely Cu-Mo-Au porphyry (NW, NE, and Pil South Zones), volcanic-hosted epithermal Au-Ag (Atlas, Pillar East) and alkalic (monzonite) Cu-Ag (Copper Cliff Zone). On February 21, 2022 and subsequently amended on February 28, 2022 and June 27, 2023, the Company entered into an Option Agreement with Cascadia Minerals Ltd. (formerly ATAC Resources Ltd.) with respect to the PIL Property whereby Cascadia may exercise the option to acquire a 70% interest in the PIL Property by making aggregate cash payments of \$650,000 and share payments having an aggregate cash equivalent value of \$1,250,000, and incurring an aggregate of \$12,000,000 in exploration expenditures in staged amounts on or before December 31, 2026. Following the exercise of such option, Cascadia and Finlay would hold interests in the PIL Property of 70% and 30%, respectively, and a joint venture would be formed.

Pursuant to the PIL Property Option Agreement with Cascadia, the Company has received \$161,905 cash, 349,818 Cascadia shares and 14,131 Hecla Mining Company shares to date. Cascadia has also spent \$976,279 in exploration work on the PIL to date, exceeding the year one and amended year two work requirements; the option agreement remains in good standing.

No field work was conducted on the PIL in the first quarter of 2024, however, on January 19, 2024, Cascadia reported the completion and results of the 2023 field work on the PIL by Cascadia including sampling results of 9.01% Cu, 0.26 g/t Au and 212 g/t Ag with plans for drilling in 2024.

Some of Cascadia's PIL 2023 Exploration Highlights were:

- A deep IP survey at the PIL South target identified a classic porphyry signature below shallow historical drilling that intersected typical high-level pyrite mineralization and alteration;

- The IP survey signature underlies a 2.5 x 2.0 km gold-copper ± molybdenum soil and rock sample anomaly at surface;
- Prospecting at the Spruce target identified significant copper, silver and molybdenum samples along a 2.6 km trend;
- Spruce rock sample highlights include **9.01% copper with 212 g/t silver and 0.26 g/t gold** in float, and **3.75% copper with 101 ppm molybdenum in outcrop**, and
- Planning is underway for the 2024 exploration, including diamond drilling at PIL South in 2024 to test the porphyry target at depth and geophysics and mapping to prepare Spruce for drilling.

For further information on the 2023 PIL field program and results, please reference: "Cascaadia Samples 9.01% Copper and Prepares for 2024 Diamond Drilling at PIL Property, British Columbia", which was filed on the SEDAR+ profile of Cascaadia and may be referenced on www.sedarplus.ca.

Previous Quarters relating to the PIL Property

In 2022, Cascaadia (formerly ATAC Resources Ltd.) was required to spend \$300,000 in work commitments on the PIL Property. Cascaadia spent over \$540,000 and conducted detailed mapping, grid sampling, and alteration mapping (hyperspectral analysis) on the Copper Ridge and Copper Cliff targets and 15 – 20 line km of IP on the Copper Ridge Target. ATAC (now Cascaadia) also submitted an application to provincial regulators for a drill permit. A Multi-Year Exploration permit was received late in the fourth quarter of 2022.

In the 3rd quarter of 2022, Cascaadia (formerly ATAC Resources Ltd.), the property optionor, completed field work at the PIL property. Highlights included,

- Prospecting returned high-grade samples, including 78.3 g/t gold with 2,830 g/t silver at the Atlas target and 18.4% copper with 111 g/t silver at the Spruce target.
- Sampling at the PIL South target returned strong mineralization in outcrop, including 3.9% copper and 601 ppm molybdenum in a large underexplored 2.3 x 1.5 km copper-gold ± silver-lead-zinc soil anomaly.
- Geophysical surveys identified a strong chargeability response underlying the PIL South target area within propylitically altered volcanic rocks, and
- Crews completed a Phase 2 program, including additional prospecting at PIL South and Atlas and re-sampling of the historic Atlas core.

This first phase of exploration work at PIL included prospecting, mapping, hyperspectral alteration sampling, soil sampling, and IP surveys. A total of 295 rock samples and 589 soil samples were collected and sent for assaying; 10 line km of IP was also completed on the Spruce, PIL South, and Copper Ridge targets.

No deep drilling has ever been conducted on the PIL Property's mineralized zones.

Further details are available on the Finlay website under the **PIL Property**.

ATTY Property:

The ATTY Property adjoins Centerra Gold's) Kemess Project. The Kemess Project has three components to it: the existing Kemess South milling facility, the Environmental Assessment approved Kemess Underground deposit, which is within 1.0 km of ATTY's border and under construction, and the Kemess East deposit which is adjacent to the Kemess Underground deposit and contiguous with the ATTY property boundary.

No field work was conducted on the ATTY Property in the first quarter of 2024. However, the Company received its three-year exploration permit on August 17, 2023 which includes provisions for geophysical and geological work and core diamond drilling programs.

Previous quarters related to the ATTY Property

On August 26, 2022, the Company announced that, further to its news release issued on July 11, 2022, the Company had closed its acquisition of the ATG Property from Electrum Resource Corporation ("Electrum"), expanding Finlay's ATTY Property

by 33% to 4,498 hectares. The acquisition was completed pursuant to the terms of an agreement dated and announced on July 11, 2022, between the Company and Electrum.

The Transaction was subject to acceptance by the TSX Venture Exchange (the "TSXV") pursuant to TSXV Policy 5.3. Final approval by the TSXV was obtained on November 17, 2022.

In the third quarter of 2022, a 4-day program of trenching and soil and rock sampling at the Attycelley and KEM targets was completed. For further information regarding the ATTY 2022 field results, refer to the Company's September 22, 2022 news release. (Reference: "Finlay Minerals reports trenching results including 32.4 g/t silver, 0.34 % copper, 1.07% lead, 2.98% zinc, and 0.04 g/t gold over 11 metres on the ATTY", with exploration result details which was filed on the SEDAR + profile of the Company at www.sedarplus.ca).

Attycelley Trench Assay Results:

Trench ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
Trench 1	0	2	2	0.38	11.3	0.07	0.21	0.70
Trench 2	0	11	11	0.04	32.4	0.34	1.07	2.98
<i>including</i>	0	6	6	0.02	3.0	0.16	0.36	4.11
<i>including</i>	6	11	5	0.06	67.8	0.55	1.92	1.63
<i>including</i>	7	8	1	0.18	198.0	1.62	8.23	0.88
Trench 3	0	2	2	0.11	9.3	0.11	0.48	0.35

Trench 1 was sampled across 5 m, and the first two (0-2 m) samples were mineralized within sheared, chloritized, and oxidized volcanic rocks and averaged 11.3 g/t Ag, 0.07 % Cu, 0.21 % Pb, 0.70 % Zn, and 0.38 g/t Au. Mineralization in quartz-carbonate veins included malachite stains, blebby chalcopyrite, and pods of galena.

Trench 2 was the western and longest trench. The trench was 11 m long. Sampling was done on 1 m intervals and included 1 m (7-8 m) grading 198 g/t Ag, 1.62 % Cu, 8.23 % Pb, 0.88 % Zn, and 0.18 g/t Au, within 11 m grading 32.4 g/t Ag, 0.34 % Cu, 1.07 % Pb, 2.98 % Zn, and 0.04 g/t Au.

Trench 3 was sampled across 2 m of sheared, chloritized oxidized volcanic rock, with calcite-quartz veining mineralized by pyrite, malachite, chalcopyrite, and blebby galena. The 2 m interval averaged 9.3 g/t Ag, 0.11 % Cu, 0.48 % Pb, 0.35 % Zn, and 0.11 g/t Au.

Trenches 1 and 3 were sampled using a typical channel saw along the desired length with 1 m continuous sample intervals. Trench 2 was channel sampled by chipping the heavily altered and oxidized rock with a shovel and hammer and sampling composite 1 m sample intervals.

The KEM target consists of a multi-oriented mineralized vein/breccia swarm underlain by a deep high chargeability anomaly indicated by induced polarization (IP) surveys. KEM is considered a porphyry Cu-Au target due to its characteristic alteration and vein assemblages. The occurrence lies 1.8 km north of the Kemess North Trend which hosts Centerra Gold's Kemess Underground and Kemess East porphyry deposits. The Kemess East deposit is truncated at its eastern margin by a northwest-trending fault which extends onto the ATTY property and west of the KEM target area. The 2022 exploration program expanded the extent of the known mineralization and further supports the potential for a porphyry system at the KEM Target. Alteration mapping north of historic drilling showed a gradational increase in the intensity of propylitic alteration northward, with exposures of weak potassic alteration assemblages in the far north. Multiphase quartz-carbonate-chalcopyrite-malachite-pyrite veins range in thickness from 5 cm – 2.0 m, and trend subparallel to topography for > 1 kilometre.

The 2022 KEM rock samples, of which there were 31 samples, consisted of mineralized veins, breccias and altered country rock. Samples yielded up to 0.61 g/t Au, 49.5 g/t Ag, and 1.10 % Cu. Average assay values for the rock samples were 0.11 g/t Au, 0.29 % Cu and 14.9 g/t Ag.

Further details are available on the Finlay website under the **ATTY Property**.

Summary of Quarterly Results

The following table sets forth selected financial information for each of the last eight most recently completed quarters:

	Quarters Ended			
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Revenue	\$nil	\$nil	\$nil	\$nil
Net income (loss) and comprehensive income (loss)	(\$104,224)	(\$47,797)	(\$209,127)	(\$60,908)
Net income (loss) and comprehensive income (loss) per share	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Revenue	\$nil	\$nil	\$nil	\$nil
Net income (loss) and comprehensive income (loss)	(\$17,351)	(\$24,149)	(\$122,737)	(\$149,577)
Net income (loss) and comprehensive income (loss) per share	(\$0.00)	(\$0.00)	(\$0.01)	(\$0.00)

Financial Condition

At March 31, 2024, the Company had Current Assets of \$534,747 (December 31, 2023 - \$695,027). Total mineral property costs for the quarter were \$20,094. Comparatively, mineral property costs for the period ended December 31, 2023 totalled a net recovery of \$82,617.

During the three months ended March 31, 2024, general and administrative expenses for the period were \$83,096 compared to \$73,865 in March 31, 2023. The increase was primarily due to an increase of \$11,609 in advertising & promotion, \$6,071 in office & administration and \$2,000 in accounting. This was offset by a decrease of \$4,418 in travel, a decrease in consulting of \$2,503, and a decrease of \$2,460 in legal. All other general and administrative costs were relatively similar to those incurred in the previous quarter.

At March 31, 2024, the Company had working capital of \$494,026 (December 31, 2023 - \$656,888).

There has been no change in the nature or manner in which business is conducted nor in the business conditions which would affect the Company's financial results. All results are reported in Canadian dollars.

Capital Resources and Liquidity

The Company is in the exploration stage and, therefore, has no cash flow from operations. At March 31, 2024, the Company had cash and cash equivalents of \$341,662 (December 31, 2023 - \$418,052).

At March 31, 2024 the Company had \$4,948 (December 31, 2023 - \$2,486) in amounts receivable.

At present, the Company's operations do not generate cash flows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

The Company currently has sufficient financial resources to meet its administrative overhead and property commitments going forward and is confident that it can raise additional funds to undertake all of its planned exploration activities.

Investor Relations

The Company maintains a website at www.finlayminerals.com for investor reference and liaises directly with investors.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

None.

Critical Accounting Estimates

A detailed summary of all the Company's significant accounting policies is included in Note 2 of the Company's December 31, 2023 audited financial statements.

Financial Instruments and Financial Risk

The Company recognizes financial assets and liabilities on the condensed interim balance sheet when it becomes a party to the contractual provisions of the instrument.

Financial assets

Cash and cash equivalents are classified as subsequently measured at amortized cost.

Investments in Cascadia Minerals Ltd. (formerly ATAC Resources Ltd.) and Hecla Mining Company are irrevocably classified, at the Company's election, as subsequently measured at fair value through other comprehensive income. Investment transactions are recognized on the trade date with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the statement of financial position date.

Reclamation deposits are classified as subsequently measured at amortized cost.

Financial liabilities

Trade payables are non-interest bearing if paid when due and are recognized at face amount, except when fair value is materially different. Trade payables are subsequently measured at amortized cost.

Due to related parties is subsequently measured at amortized cost.

Outstanding Share Data

The Company has one class of common share. As at May 30, 2024, there were 138,111,232 common shares outstanding.

No class A or class B preference shares have been issued.

The Company has a stock option plan. As at May 30, 2024, there were 9,600,000 stock options outstanding, all of which have vested.

As at May 30, 2024, the Company has 20,815,049 warrants outstanding.

Subsequent Events

On April 1, 2024, an Early Warning Report was SEDAR filed reporting that pursuant to a general Power of Attorney, 58,630,085 common shares and 13,093,750 warrants held by the Company's Control Person, were now under the control and direction of his Attorney who is also a director of the Company; this transfer of control and direction was solely for estate planning purposes.

Financial Instrument Risks

The Company's financial instruments are exposed to the following risks:

Credit Risk

The Company's primary exposure to credit risk is the risk of illiquidity of cash and cash equivalents, amounting to \$341,662 at March 31, 2024 (December 31, 2023 - \$418,052). As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's liquidity risk from financial instruments is its need to meet accounts payable and accrued liabilities and related party balance obligations. The Company maintained sufficient cash and cash equivalent balances to meet these needs at March 31, 2024.

Interest Rate Risk

The Company has cash balances and only fixed interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Fair Value of Financial Instruments

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The fair value classification of the Company's financial instruments are as follows:

		March 31, 2024	December 31, 2023
	Fair value level	Fair value through other comprehensive income	Fair value through other comprehensive income
		\$	\$
<i>Financial assets:</i>			
Investment in Cascadia Minerals Ltd.	1	<u>68,215</u>	<u>132,931</u>
Investment in Hecla Mining Company	1	<u>92,035</u>	<u>90,029</u>

During the three-month period ended March 31, 2024 and the year ended December 31, 2023, there were no transfers between level 1, level 2 and level 3 classified assets and liabilities.

RISK AND UNCERTAINTIES

Risks of the Company's business include the following:

Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of ore, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, mining operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The Company's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of commercial quantities of ore. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Permits and Licenses

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, which have been caused, by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability.

Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining

activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water, the Company may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are, in turn, influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable. Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient. Any figures for reserves presented by the Company will be estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of gold and other minerals may render reserves uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Uninsured Risks

The Company carries insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Land Title

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

Aboriginal Land Claims

No assurance can be given that aboriginal land claims will not be asserted in the future in which event the Company's operations and title to its properties may potentially be seriously adversely affected.

Public Health Crises such as the COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared a global pandemic related to a novel coronavirus - COVID-19. On March 18, 2020, the Government of British Columbia declared a provincial state of emergency to support the province-wide response to the COVID-19 pandemic. This provincial state of emergency was lifted on July 1, 2021.

The Company will continue to respectfully monitor advice and regulations from the World Health Organization, governments, and local communities, and adjust measures as appropriate. The Company may face disruption to its operations, supply chain delays, travel and trade restrictions, and impacts on economic activity in affected regions can be expected that are difficult to quantify. Actions of regional bodies to prevent the local spread of COVID-19 may represent specific delays to the Company's exploration efforts and regional disease outbreaks could represent a threat to hiring and

maintaining skilled workers and could be a major health-care challenge for its workforce and the surrounding communities.

Forward Looking Information

This Management Discussion and Analysis includes certain statements that may be deemed "forward-looking statements". All statements in this document, other than statements of historical facts, that address exploration drilling and other activities and events or developments that Finlay Minerals Ltd. ("Finlay") expects to occur, are forward-looking statements. Forward-looking statements in this document include statements regarding the placements and future exploration plans and expenditures. Although Finlay believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploration successes, continued availability of capital and financing and general economic, market or business conditions. These statements are based on a number of assumptions including, among other things, assumptions regarding general business and financial conditions, the timing and receipt of regulatory and governmental approvals for the transactions described herein, the ability of Finlay and other parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for Finlay's proposed transactions and programs on reasonable terms, and the ability of third-party service providers to deliver services in a timely manner. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Finlay does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future or otherwise, except as required by applicable law.

Qualified Person

Wade Barnes, P. Geo., Vice President, Exploration for Finlay Minerals Ltd., is the Qualified Person as defined by National Instrument 43-101 and has approved the technical and scientific information contained in this Management Discussion and Analysis.

Additional information relating to the Company is available on www.sedarplus.ca.

On behalf of the Board of Directors,

"Robert F. Brown"

Robert F. Brown, P. Eng., President, CEO & Director
Vancouver, May 30, 2024