FINLAY MINERALS LTD.

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

Introduction

This management's discussion and analysis is intended to supplement the unaudited condensed interim financial statements and the financial condition and operating results of Finlay Minerals Ltd. (the Company or "FYL") for the six months ended June 30, 2026. The discussion should be read in conjunction with the unaudited condensed interim financial statements of the Company and the notes thereto for the six months ended June 30, 2026, and the year ended December 31, 2025. The unaudited condensed 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 August 31, 2026.

Operations

The Company is exploring for copper and gold in northern British Columbia, Canada. The Company's principal mineral properties include the ATTY and PIL properties (Toodoggone District), the SAY and JJB properties (Driftwood Corridor), and the Silver Hope property (near Houston, British Columbia). Additional information regarding these properties is available in the Company's news releases and on the Company's website at **www.finlayminerals.com**.

On May 8, 2026, the Company announced that it had engaged German Mining Networks GmbH and renewed its engagement with Dig Media Inc. doing business as Investing News Network for investor relations services.

In 2025, the Company entered into earn-in agreements with Freeport-McMoRan Mineral Properties Canada Inc. ("Freeport") for the PIL and ATTY properties. Pursuant to the agreements, Freeport may earn an 80% interest in each property by funding an aggregate of $35 million in exploration expenditures and making $4.1 million in cash payments over a six-year period. Finlay will act as operator during the earn-in period and will earn an operator's fee.

On May 13, 2026, the Company announced a fully funded 2026 exploration program for the PIL & ATTY Properties of $4.3 million. The 2026 PIL program will focus on drilling the high-priority targets generated in 2025, particularly Reef, PIL South and Gold. The ATTY 2026 program will continue to refine drill targets through IP surveys, mapping and surface sampling.

On June 22, 2026, the Company reported that all matters put before its Annual General and Special Meeting of its shareholders held on June 19, 2026, were approved. The six nominees for the Board of Directors were elected, and the auditor was reappointed. In a subsequent meeting, the officers of the Company were reappointed for a further year.

On July 16, 2026, the Company announced the start of its exploration programs on its PIL & ATTY Properties, with the PIL's program focused on drilling, Induced Polarization ("IP") surveys and geological mapping of key targets identified in the 2025 program. At the ATTY, the 2026 work continues to refine targets through IP surveying, mapping and surface sampling focusing on the Wrich and Valley targets with the goal of delineating drill targets for 2027.

On August 28, 2026, the Company announced that the 2026 drill program at its PIL Property was increased by 1,600 meters, bringing the planned program to 4,400 meters, with the additional drilling funded by Freeport under the PIL Earn-In Agreement. The 2026 PIL program is progressing rapidly, with over 2,700 meters drilled at the Gold and Reef targets, located north and northwest of Freeport and Amarc's JOY Project (AuRORA Cu-Au-Ag porphyry discovery).

Current highlights from the 2026 PIL exploration program include:

1. Expansion of the program from the planned 2,800 meters to 4,400 meters.
2. Completion of three drill holes totaling 2,300 meters at the Gold and Reef targets.
3. A fourth drill hole is nearing completion at the Reef Target.
4. Completion of 7.9 line-kilometers of IP over four lines at the Gold Target and one line completed at the Spruce Target.
5. Collection of 505 soil samples, 204 rock samples, and 96 talus fine samples.

Current highlights from the 2026 ATTY exploration program include:

1. 17.7 line-kilometers of IP over 6 lines completed at the Wrich and Pyramid targets.
2. 134 soil samples and 97 rock samples collected from the Valley and Attycelley East targets.

During 2025, the Company completed two private placements for aggregate gross proceeds of $3,382,560 (June 9 and October 17, 2025). In comparison, the Company did not complete any private placement financings during 2024, which contributed to more limited exploration programs in 2024 and early 2025 across the Company's mineral properties.

In the second quarter of 2026, the Company completed a modest prospecting program in newly logged areas on its Silver Hope Property and prepared to deploy into its Toodoggone and Driftwood Corridor camps for late June.

Disclosed Use of Proceeds	Actual Use of Proceeds
Exploration Expenditures on SAY, JJB and Silver Hope Properties.	The Company is required to spend $2,827,770 of flow-through funds on qualifying Canadian mineral exploration expenditures by December 31, 2026. As at June 30, 2026, the Company had spent $915,487 of qualifying expenditures. From July 1 to August 31, 2026, the Company incurred a further $910,085, bringing the cumulative actual use of the flow-through proceeds to $1,825,572 as at August 31, 2026. These flow-through funds were spent on its SAY, JJB and Silver Hope properties from the June and October 2025 LIFE private placements, leaving $1,002,198 to be incurred by December 31, 2026.
General Working Capital Purposes	Non-flow-through funds from the June and October 2025 LIFE private placements were used to fund general working capital and on-going corporate operations.

PIL Property:

During the second quarter of 2026, the Company announced an approved $3.5 million budget for the 2026 exploration program including:

1. 2,800 meters of diamond drilling planned to test the high-priority Reef, PIL South and Gold targets generated by the 2025 program.
2. Further IP surveys will be completed on various other zones to expand on existing IP anomalies in addition to testing new targets.
3. Continued fieldwork and mapping across secondary targets identified in 2025, including Copper Ridge, Silver Ridge, NW, Central and Spruce, to build an even stronger target pipeline, and
4. Finlay continues to act as Operator on PIL, earning an Operator's Fee.

During the previous quarter, the Company announced the results from the 2025 exploration program at PIL with the highlights including:

1. Defined a buried 2,000 meter x 1,200 meter chargeability anomaly at the Reef porphyry gold + copper target along with geological and alteration mapping displaying characteristics of a lithocap which are commonly found directly above mineralized porphyry centers.
2. Expanded the PIL South copper + gold porphyry target chargeability and resistivity anomaly to 1,200 meter x 2,300 meter coincident with a magnetic high anomaly and significant copper + gold soil geochemical anomaly.
3. Defined a large 900 meter x 1,800 meter chargeability and resistivity anomaly below the Gold porphyry target with a coincident multi-element soil geochemical anomaly found above a porphyry source, which occurs on the eastern side of the Saunders Fault.
4. Identified a moderate chargeability halo below the large copper + gold + molybdenum geochemical anomaly at Copper Ridge.
5. Mapping at the Spruce area further advanced its potential for significant discovery.
6. Generated new regional targets from the 2025 Airborne Magnetic and large-scale geochemical sampling surveys.

ATTY Property:

During the second quarter of 2026, the Company announced an approved budget of $800,000 for the ATTY 2026 exploration program including:

1. Up to 16 km of IP surveys planned across the Wrich, Valley, and Pyramid East & West Zones to define and prioritize drill-ready targets.
2. Continued mapping and surface sampling aimed at refining drill targets across Wrich, Wrich Hill, Pyramid East & West and Valley Zones.
3. Finlay continues to act as Operator on ATTY earning an Operator’s Fee.

The total approved 2026 ATTY budget of $800,000 included $300,000 of unspent residual funds from the 2025 ATTY exploration budget.

In the previous quarter, the Company announced the results of its 2025 exploration, which expanded on previous work, and outlined an 8.5-kilometer northwestern porphyry trend, which includes the Wrich, Pyramid, and KEM/Attycelley targets. Highlights from the 2025 exploration program included:

1. Expanding the Wrich copper + gold porphyry target to a 1,200 meter x 1,200 meter area. The Wrich target area hosts a multi–element geochemical and chargeability anomaly typical of porphyry systems.
2. Discovering the Wrich Hill target area, which is a 1,200 meter x 600 meter soil geochemical anomaly with elevated gold, bismuth, lead, tellurium and zinc synonymous with a low sulphidation environment.
3. Discovering the new Pyramid West and Pyramid East copper + gold porphyry targets with open-ended chargeability and multi–element soil geochemical anomalies.
4. Further extending the Valley chargeability target by 500 meters to the southeast and is now 1,500 meters in width and 1,800 meters in length.

SAY Property:

During the latter portion of the second quarter of 2026, the Company mobilized crews into its Driftwood Corridor camp to commence explorations on both its SAY and JJB Properties.

1. The program at SAY will include geological mapping, soil and biogeochemical sampling over various targets on the property.
2. Detailed mapping and IP will be conducted over the IFT target to better define drill targets.

During the previous quarter, the Company announced the results from the 2025 exploration program. Assay results from the IFT target outlined a 1,700 meter x 2,600 meter copper + silver + arsenic + bismuth + molybdenum, + tellurium geochemical anomaly synonymous with porphyry environments. The soil geochemical anomaly occurs within the large circular magnetic anomaly. Mapping and rock sampling outlined a Cu and Ag mineralized area of 1,700 m x 1,000 m. Mineralization occurs as massive sulphides and lenses disseminated in wall rock as well as fracture-fill and veins. Chalcopyrite and bornite are the dominant copper-bearing sulphides analogous to the SPUR target to the east. Mapping, geochemical studies and geophysical signatures display characteristics commonly associated with porphyry mineral systems.

The Ozzy target was identified in 2025 from an intersection of a northeast-trending and a northwest-trending magnetic anomaly. There are prominent magnetic highs on either side of the northeast trending structure. Biogeochemical sampling was completed over the Ozzy target, successfully identifying targets beneath the till cover. Results from widely spaced biogeochemical sampling lines outlined a multi-element silver + arsenic + cobalt + copper + mercury + molybdenum + selenium + zinc anomaly over these magnetic highs with results supported by surface soil and rock sampling to confirm the effectiveness of the biogeochemical sampling. To the east of the biogeochemical anomaly, an andesite float sample with calcite-bornite-malachite veining assayed 2.04% Cu and 229 g/t Ag (J606727). No field work was completed during the first quarter of 2026, however, planning for the 2026 exploration program was undertaken.

JJB Property:

In the second quarter of 2026, the Company mobilized into its Driftwood Corridor camp. Work on the JJB will include soil and talus sampling plus geological mapping over the Squingula, Quin showings plus other favorable targets defined by the airborne magnetic survey completed in 2025. Fieldwork will also focus on areas identified by the 2025 Photosat alteration mapping.

No fieldwork was completed in the previous quarter. Earlier work completed in 2025 (Q3) comprised an inaugural field program on the PAT target following property-wide airborne magnetic, LiDAR, and satellite alteration surveys, including rock and soil/talus sampling that returned variable Cu-Ag assay results and identified additional prospective areas for follow-up. The JJB property is the Company’s newest mineral property and was staked in 2025.

Silver Hope Property:

In the second quarter of 2026, the Company conducted a small field program on newly logged areas of its Silver Hope property. No significant results were reported.

No fieldwork was completed during the previous quarter. Earlier work completed in 2025 (Q3) included a limited soil sampling and prospecting program at Dina East, which did not yield significant results, and prior CSAMT and data review work that refined and prioritized multiple target areas for potential future programs. In comparison, in 2024, the Company completed 8.8 km of Controlled-Source Audio Frequency Magnetotellurics (“CSAMT”) surveys on the Silver Hope property and confirmed four target areas for further exploration: Main Trend, West Copper-Molybdenum Porphyry, East Trend 1 and 2, and Dina East.

Further details are available on the Finlay website at **www.finlayminerals.com**.

Discussion of Operations

For the six months ended June 30, 2026, compared to the six months ended June 30, 2025

	For the six months ended June 30, 2026 $	For the six months ended June 30, 2025 $	Change $
Operating Costs and Expenses			
Accounting	81,013	6,140	74,873
Advertising and promotion	99,763	57,137	42,626
Bank charges and interest	1,874	1,953	(79)
Consulting	1,224	9,991	(8,767)
Insurance	14,169	10,559	3,610
Legal	48,646	92,379	(43,733)
Office and administration	77,885	35,164	42,721
Rent	8,975	8,690	285
Salaries and benefits	86,107	40,983	45,124
Stock-option compensation	52,275	-	52,275
Travel and accommodation	27,518	5,407	22,111
Trust and filing fees	23,783	30,001	(6,218)
	(523,232)	(298,404)	(224,828)
Other Items			
Operator’s fee income	38,220	47,094	(8,874)
Flow-through share premium recovery	56,356	10,176	46,180
Foreign exchange loss	(43)	(501)	458
Dividend income (net)	9	69	(60)
Interest income	22,928	6,165	16,763
Net loss before income tax	(405,762)	(235,401)	(170,361)
Deferred income tax recovery	100,170	51,882	48,288
Net loss for the period	(305,592)	(183,519)	(122,073)
Other comprehensive income items that may not be reclassified subsequently to profit or loss:			
Realized gain on sale of marketable securities	47,933	5,640	42,293
Net change in fair value of marketable securities	(37,579)	17,780	(55,359)
Net loss and comprehensive loss for the period	(295,238)	(160,099)	(135,139)

For the six months ended June 30, 2026, net loss and comprehensive loss increased by $135,139 to $295,238 from $160,099 for the six months ended June 30, 2025. The increase was primarily due to the following factors:

Accounting expense increased by $74,873, stock-option compensation increased by $52,275, salaries and benefits increased by $45,124, office and administration increased by $42,721, and advertising and promotion increased by $42,626.

Travel and accommodation increased by $22,111, while operator’s fee income decreased by $8,874 compared with the prior-year period.

The increase in loss was partially offset by a $43,733 decrease in legal fees, a $46,180 increase in flow-through share premium recovery, a $16,763 increase in interest income, and a $48,288 increase in deferred income tax recovery.

The Company recognized a $42,293 increase in realized gain on the sale of marketable securities during the six-month period, arising from sales completed in the first quarter of 2026. No marketable securities were sold during the second quarter of 2026.

These favourable items were partially offset by a $55,359 decrease in the net change in fair value of marketable securities compared with the six months ended June 30, 2025.

Summary of Quarterly Results

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

	Quarters Ended			
	June 30, 2026	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Revenue	$nil	$nil	$nil	$nil
Net loss and comprehensive income (loss)	($106,769)	($188,469)	($227,558)	$24,304
Basic and diluted loss per share	($0.00)	($0.00)	($0.00)	($0.00)
	June 30, 2025	**March 31, 2025**	**December 31, 2024**	**September 30, 2024**
Revenue	$nil	$nil	$nil	$nil
Net loss and comprehensive income (loss)	($66,725)	($93,375)	($94,259)	($72,132)
Basic and diluted loss per share	($0.00)	($0.00)	($0.00)	($0.00)

The Company's net loss and comprehensive loss decreased by $81,700 during the three months ended June 30, 2026, compared with the previous quarter. The decrease was primarily due to a $52,275 decrease in stock-option compensation, a $38,776 increase in flow-through share premium recovery, a $30,823 improvement in the net change in fair value of marketable securities, a $23,310 decrease in travel and accommodation, and a $12,126 increase in deferred income tax recovery. These favourable changes were partially offset by the absence of the $47,933 realized gain on marketable securities recognized in the first quarter and a $35,408 increase in legal fees.

The Company's net loss and comprehensive loss increased by $251,862 during the three months ended December 31, 2025, compared to the previous quarter. The increase was primarily due to a $256,935 increase in stock-option compensation, a $68,072 decrease in operator's fee income related to the PIL and ATTY projects, a $58,846 increase in accounting fees, and a $15,968 decrease in the net change in fair value of marketable securities. These were partially offset by an $82,151 decrease in deferred income tax expense, and a $48,370 increase in flow-through share premium recovery as the Company spent $180,089 of flow-through funds during the quarter.

The Company's results improved by $91,029 during the three months ended September 30, 2025, compared with the previous quarter, moving from a comprehensive loss of $66,725 to comprehensive income of $24,304. The improvement was primarily due to a $93,527 increase in operator's fee income related to the PIL and ATTY projects, a $36,461 decrease in legal fees and a $24,103 increase in net change in fair value of marketable securities as the fair market value of Hecla Mining shares increased during the quarter. These favourable changes were partially offset by a $106,695 increase in deferred income tax expense during the quarter as the Company spent $293,571 of flow-through funds during the quarter in comparison to $112,061 during the previous quarter.

The Company's net loss and comprehensive loss decreased by $26,650 during the three months ended June 30, 2025, as compared to the previous quarter. The decrease in net loss and comprehensive loss was primarily due to a $47,094 increase in operator's fee income related to the PIL and ATTY projects, a $10,176 increase in flow-through recovery as the Company spent $112,061 of flow-through funds during the quarter and a $10,074 increase in net change in fair value of marketable securities. The decrease in net loss and comprehensive loss was partially offset by a $22,063 decrease in deferred income tax recovery during the quarter as the Company spent $112,061 of flow-through funds during the quarter.

The Company's net loss and comprehensive loss decreased by $884 during the three months ended March 31, 2025, as compared to the previous quarter. While the net loss and comprehensive loss remained fairly consistent during the quarter, the Company incurred a $46,789 increase in legal fees related to corporate matters such as negotiating the Earn-In Agreements with Freeport for the PIL and ATTY projects. This increase in legal fees was largely offset by a $45,268 increase in net change in fair value of marketable securities.

The Company's net loss and comprehensive loss increased by $22,127 during the three months ended December 31, 2024, as compared to the previous quarter. The increase in net loss and comprehensive loss is primarily due to a $21,148 decrease in net change in fair value of marketable securities, a $20,385 increase in accounting fees and a $7,221 increase in the loss on sale of marketable securities. The increase in net loss and comprehensive loss was partially offset by a $14,426 decrease in legal fees related to corporate matters and a $6,959 increase in deferred income tax recovery during the quarter.

The Company's net loss and comprehensive loss increased by $70,061 during the three months ended September 30, 2024, as compared to the previous quarter. The increase in net loss and comprehensive loss was primarily due to an $83,184 decrease in net change in fair value of marketable securities, a $12,716 increase in legal fees related to corporate matters, and an $11,242 decrease in gain on sale of marketable securities. The increase in net loss and comprehensive loss was partially offset by a $25,833 increase in deferred income tax recovery.

Financial Condition

At June 30, 2026, the Company had current assets of $4,114,027 (December 31, 2025 - $3,554,088). Net exploration and evaluation asset additions for the six months ended June 30, 2026 totalled $23,544, compared with $75,544 for the six months ended June 30, 2025.

During the six months ended June 30, 2026, operating costs and expenses were $523,232 compared with $298,404 for the six months ended June 30, 2025. The principal increases were accounting expenses of $74,873, stock-option compensation of $52,275, salaries and benefits of $45,124, office and administration of $42,721, and advertising and promotion of $42,626. These increases were partially offset by a $43,733 decrease in legal fees.

As at June 30, 2026, the Company had working capital of $2,258,739 (December 31, 2025 - $2,631,016).

There has been no change in the nature or manner in which business is conducted nor in 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 June 30, 2026, the Company had cash and cash equivalents of $3,073,477 (December 31, 2025 - $3,319,584).

As at June 30, 2026, the Company had $115,350 (December 31, 2025 - $59,885) in GST and other receivables.

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 current administrative overhead, property commitments and planned exploration activities.

Related Party Transactions

Key management personnel are those people who have authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Company's Board of Directors.

	Six months ended June 30, 2026	Six months ended June 30, 2025
	$	$
Key management personnel compensation:		
Mineral property geological consulting	88,017	23,114
Wages and benefits, and other compensation	149,758	57,152
	237,775	80,266

All related party transactions are 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.

Investor Relations

On May 8, 2026, the Company announced that it had engaged German Mining Networks GmbH (GMN) for investor relations services targeting European investors. GMN's engagement runs for three months starting May 7, 2026, with total fees of $20,400 and an option to continue on a monthly basis at $6,800 per month. The agreement with GMN includes no performance-based incentives and no issuance of common shares or options. GMN is an arm's-length private company based in Schmalkalden, Germany, and neither GMN nor its principals hold any direct or indirect interest in the Company's securities. GMN's engagement was approved by the TSX Venture Exchange.

The Company has also renewed its engagement with Investing News Network (INN) for a 12-month term starting May 31, 2026, at a total cost of $25,593.75. INN provides advertising, profile generation, press release syndication, and lead generation through their website. There were no performance factors contained in the agreement in respect of INN's engagement, and INN will not receive common shares or options of the Company as compensation. INN is a private company headquartered in Vancouver, Canada, and is an arm's-length organization to the Company. Neither INN nor any of its principals have an interest, directly or indirectly, in the securities of the Company. INN's engagement was approved by the TSX Venture Exchange.

The Company continues to liaise directly with investors. The Company also maintains a website at **www.finlayminerals.com** for investor reference.

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, 2025, 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 August 31, 2026, there were 170,600,985 common shares outstanding.

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

The Company has a Security Based Compensation Plan. As at August 31, 2026, 8,300,000 stock options were outstanding, all of which had vested.

The Company has 13,123,382 warrants outstanding at August 31, 2026.

The Company has 1,477,503 finder's warrants outstanding at August 31, 2026.

Subsequent Events

On July 3, 2026, 700,000 stock options were exercised at an exercise price of $0.14 per common share for gross proceeds of $98,000. Accordingly, the Company issued 700,000 common shares pursuant to the exercise of these stock options.

On July 16, 2026, the Company announced the commencement of its 2026 exploration programs on the PIL and ATTY Properties. Both programs are 100% funded by Freeport-McMoRan Mineral Properties Canada Inc. pursuant to the Earn-In Agreements on each property, which are in Year 2 of their six-year terms. The PIL program includes diamond drilling, induced polarization surveys and geological mapping of priority targets, while the ATTY program includes induced polarization surveys, mapping and surface sampling.

On August 21, 2026, the Company confirmed that three individuals associated with its PIL Property exploration programs were aboard the aircraft involved in an emergency landing on Foothills Boulevard in Prince George, BC, on the afternoon of August 20, 2026. While all the passengers and crew on board the aircraft were uninjured, the aircraft struck several vehicles with a subsequent fatality. This aviation incident is under investigation by the Transportation Safety Board of Canada.

On August 28, 2026, the Company provided an update on the progress of its PIL and ATTY exploration programs and announced an increase to the PIL Property drill program of 1,600 meters; this increase brings the planned 2026 PIL drill program to 4,400 meters and will be funded by Freeport.

On August 30, 2026, 3,350,000 of the Company's stock options at an exercise price of $0.14 expired unexercised. As at August 31, 2026, the Company has 8,300,000 stock options issued and outstanding.

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 $3,073,477 at June 30, 2026 (December 31, 2025 - $3,319,584). 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 obligations. The Company maintained sufficient cash and cash equivalent balances to meet these needs at June 30, 2026.

Interest Rate Risk

The Company has cash balances and only fixed interest-bearing guaranteed investment certificates. 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 are not based on observable market data.

The fair value classification of the Company's financial instruments as at June 30, 2026 and December 31, 2025 is as follows:

		Six months ended June 30, 2026	**Year ended December 31, 2025**
	Fair value level	**Fair value through other comprehensive income $**	**Fair value through other comprehensive income $**
Financial assets:			
Investment in Cascadia Minerals Ltd.	**1**	36,428	29,398
Investment in Hecla Mining Company.	**1**	21,908	78,885
		58,336	108,283

During the six months ended June 30, 2026 and the year ended December 31, 2025, 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 geological 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, milling 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 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.

Potential Shortage of Equipment & Supplies

The Company is dependent on various supplies and equipment to carry out its mineral exploration activities. A shortage of supplies, equipment and parts could have a material adverse effect on its ability to carry out its operations. Higher diesel prices in 2026 will increase drilling and exploration costs.

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.

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 private 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, and continued availability of financing capital 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 economic 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. (retired), Executive Chairman of the Board
Vancouver, BC, August 31, 2026