



ORESTONE MINING CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE SIX MONTHS ENDED JULY 31, 2024

OVERVIEW AND INTRODUCTORY COMMENT

Orestone Mining Corp. ("Orestone" or the "Company") is a mineral exploration company incorporated on April 30, 2007 and subsequently listed on the TSX Venture Exchange under the trading symbol "ORS" on March 11, 2008.

This MD&A is dated September 27, 2024 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the six months ended July 31, 2024 and the Company's audited consolidated financial statements for the year ended January 31, 2024 and the related notes thereto.

Additional information relevant to the Company and the Company's activities can be found on SEDAR+ at www.sedarplus.ca, and/or on the Company's website at <http://www.orestone.ca>.

MAJOR INTERIM PERIOD OPERATING MILESTONES

The Captain Project, British Columbia, Canada

During the current period, the Company continued exploration activities on the Captain Project near Fort St James, British Columbia, Canada.

The Las Burras, Salta, Argentina

On September 3, 2024 the Company signed an option agreement with Cascadero Minerals Corp., a majority owned subsidiary of Cascadero Copper Corp., to earn up to a 75 percent interest in the 56.8 square kilometre Las Burras-Incahuasi copper-gold-molybdenum-porphyry property. The property is located in Salta province, Argentina and hosts two large porphyry systems. Previous drilling by Cascadero Copper Corporation on a portion of the large scale Las Burras porphyry target intersected widespread copper-gold-molybdenum mineralization. Mineralization consists of chalcopyrite vein stockworks with strong sericite-pyrite alteration overprinting potassic alteration. The Company plans to complete an airborne magnetotellurics (airMT) survey over the mineralized target to better define the conductive porphyry system and drill the untested areas beneath, west and east of hole LB-3 which intersected 256 metres grading 0.23 percent copper, 0.6 part per million (ppm) gold, and 0.019 percent molybdenum, including 112 metres from 48 to 160 metres grading 0.42 percent copper, 0.097 ppm gold, and 0.2 percent molybdenum.

Terms of the option agreement:

The Company has an initial three-year option to earn a 51 percent interest in the Las Burras property (option A) under the following terms:

- Cash payments in the amount of US\$100,000 as follows: (i) US\$25,000 upon the fifth business day; (ii) US\$25,000 on or before the first anniversary; (iii) US\$25,000 on or before the second anniversary; and (iv) US\$25,000 on or before the third anniversary;



- Incurring cumulative expenditures of US\$1.9-million as follows: (i) US\$100,000 on or before the first anniversary; (ii) US\$500,000 on or before the second anniversary; (iii) US\$1.3million on or before the third anniversary.

The Company may elect within 30 days after the option A exercise date, to earn an additional 24 percent interest (option B) by incurring expenditures of US\$3 million over a two-year period. The Company, at its sole discretion, may elect to form a joint venture upon the exercise of option A (the Company, 51 percent/Cascadero, 49 percent) or upon the exercise of option B (the Company, 75 percent/Cascadero, 25 percent). The Company will be the operator of all exploration.

INTERIM PERIOD FINANCIAL CONDITION

Capital Resources

On May 15, 2024 the Company completed a non-brokered private placement, whereby the Company issued a total of 5,000,000 common shares at a price of \$0.03 per share for gross proceeds of \$150,000. Finders' fees amounting to \$5,130 were paid in connection with the offering. The Company also incurred \$4,500 in share issue costs.

On June 3, 2024, 915,000 options expired unexercised.

On August 29, 2024, another 280,000 options expired unexercised.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from equity issuances and the potential exercise of options, along with the planned developments within the Company will allow its exploration efforts to continue throughout 2024. If the current market conditions change, the Company will make adjustments to budgets accordingly.

Liquidity

As at July 31, 2024, the Company had working capital deficiency of \$79,036 (January 31, 2024 – working capital deficiency of \$153,942). As at July 31, 2024, cash totaled \$63,348, an increase of \$57,208 from \$6,140 as at January 31, 2024. The increase was due to the net proceeds private placement of \$140,370, and offset with the (a) operating expenses of \$80,912 and (b) exploration and evaluation assets expenditures of \$2,250.

Operations

For the three months ended July 31, 2024 compared with the three months ended July 31, 2023:

The Company recorded a net loss for the three months ended July 31, 2024 of \$37,055 (loss per share - \$0.00) compared to a net loss of \$75,318 (loss per share - \$0.00) for the three months ended July 31, 2023.

The Company's expenses decreased \$38,112 from \$75,223 in 2023 to \$37,111 in 2024. The change was primarily due to decreases in: (a) salaries, benefits and consulting fees expenses (2024 - \$2,000; 2023 - \$24,245) as two officers' monthly amounts were reduced, (b) marketing expenses (2024 - \$1,030; 2023 - \$3,849), (c) professional fees expenses (2024 - \$16,260; 2023 - \$30,500), and (d) travel expenses (2024 - \$104; 2023 - \$886). The decrease was offset by increases in: (e) filing fees expenses (2024 - \$5,415; 2023 - \$4,441) and (f) office, rent and miscellaneous expenses (2024 - \$12,302; 2023 - \$11,302). All such decreases were due to the Company conserving its cash reserves.



For the six months ended July 31, 2024 compared with the six months ended July 31, 2023:

The Company recorded a net loss for the six months ended July 31, 2024 of \$63,214 (loss per share - \$0.00) compared to a net loss of \$178,313 (loss per share - \$0.00) for the six months ended July 31, 2023.

The Company's expenses decreased \$111,305 from \$174,576 in 2023 to \$63,271 in 2024. The change was primarily due to decreases in: (a) salaries, benefits and consulting fees expenses (2024 - \$4,103; 2023 - \$57,045) as two officers' monthly amounts were reduced, (b) marketing expenses (2024 - \$1,030; 2023 - \$28,964), (c) professional fees expenses (2024 - \$24,425; 2023 - \$44,000), (d) filing fees expenses (2024 - \$12,203; 2023 - \$16,009), (e) travel expenses (2024 - \$104; 2023 - \$6,350), and (f) office, rent and miscellaneous expenses (2024 - \$21,406; 2023 - \$22,208). All such decreases were because the Company was conserving its cash reserves.

SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

As of the date of the MD&A, the Company has no outstanding commitments.

Other than disclosed in this MD&A, the Company does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR May 30, 2024 in connection with our annual financial statements (the "Annual MD&A"), we have set out our discussion of the risk factors which we believe are the most significant risks faced by Orestone. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company's outstanding share data as at July 31, 2024 and as at the date of this MD&A:

	Issued and outstanding	
	July 31, 2024	September 27, 2024
Common shares outstanding	61,660,232	61,660,232
Stock options	3,960,000	3,680,000
Fully diluted common shares outstanding	65,620,232	65,340,232



QUALIFIED PERSON

The technical information reported in this MD&A has been reviewed and approved by Mr. Gary Nordin P. Geo, the Company's Senior Consulting Geologist. Mr. Nordin is a Professional Geoscientist and member of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (APGECB) and a qualified person as defined by NI 43- 101.

Cautionary Statements

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.