



VULCAN MINERALS INC.

**MANAGEMENT DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

For the Year and Three Months Ended December 31, 2023

April 24, 2023

Certain statements in this MD&A are forward-looking statements or contain forward-looking information, which may include, but are not limited to, statements with respect to the future financial or operating performance of Vulcan Minerals Inc. (“Vulcan” or the “Company”) and its projects, business strategy, corporate plans, objectives and goals, as well as the market conditions applicable to Vulcan. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements include, among others: expectations regarding commodity prices; statements relating to the business and future activities of and developments related to Vulcan; statements relating to the finances of Vulcan not based on the audited consolidated financial statements of Vulcan; the expected success of business activities; expectations for other economic, business, regulatory and/or competitive factors related to Vulcan in general; the business objectives and milestones of Vulcan; the amount and principal uses of available funds; and other events or conditions that may occur in the future.

Forward-looking information and statements are based on current expectations, beliefs, assumptions, estimates and forecasts about the Company’s business and the industry and markets in which it operates, as of the date of this MD&A. Although the assumptions made by the Company in providing forward looking information or making forward looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Vulcan to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to, the risk factors discussed in this MD&A. Although Vulcan has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A and, other than as required by law, Vulcan disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

GENERAL BUSINESS:

The Company is an exploration venture company engaged in mineral exploration on properties in Newfoundland and Labrador. The Company at December 31, 2023 holds a 30.49% interest in Atlas Salt Inc., a publicly traded company. Atlas Salt is engaged in industrial mineral exploration development and production on properties in Newfoundland and Labrador.

This Management Discussion and Analysis (“MDA”) should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2023, and accompanying notes. The consolidated financial statements include the accounts of the Company and its subsidiaries.

On July 25, 2022, Atlas Salt announced that it entered into a definitive arrangement agreement with Triple Point Resources Ltd. (“Triple Point”) with respect to the spin-out of Atlas Salt’s Fischell’s Brook Salt Dome Property and related mineral licences comprising 226 sq. km in southwest Newfoundland.

On September 22, 2022, Atlas Salt closed the Triple Point spin-out through a Plan of Arrangement (the “Arrangement”). As part of the Arrangement, Atlas Salt distributed 23,747,026 common shares of Triple Point that it received under the Arrangement to holders of common shares of Atlas Salt on a pro rata basis, such that Atlas Salt shareholders as of the Record Date received one share of Triple Point for every 3.68 shares owned of Atlas.

Vulcan received 7,832,350 Triple Point shares as a result of this spin-out at a deemed price of \$0.05 per share. An equity investment of \$367,498 was recorded based on the fair value of the shares held on that date. At that date the Company’s ownership in Triple Point was 10.27%. Management determined at that date that its investment in the common shares of Triple Point along with a common director, gave it significant influence over Triple Point. As a result, the Company applied the equity method of accounting for its investment in Triple Point.

Vulcan recognizes environmental, social and governance (“ESG”) best practices as key components to a responsible mineral exploration and mining sector. The Company’s exploration programs are conducted to meet or exceed environmental regulations, while respecting the communities and environments in which we operate. Vulcan strives to earn its social licence wherever it is active, endeavoring to meet regularly with local communities, regulators and other concerned parties before, and during, exploration work to understand issues important to local communities. Vulcan’s approach is based on transparency, open communication, inclusivity and respect, to better enable social and economic benefit for communities as well as value for investors.

The Company reported net loss before taxes in the amount of \$1,083,486 for the year ended December 31, 2023 (2022 – \$2,708,013). The decrease in net loss was primarily related to a decrease in the dilution gain and an increase in the loss from equity accounted investments (related to the Atlas Salt and Triple Point investments)

offset by the gain on the sale of mineral property that occurred in 2022 and a decrease in the share-based compensation during the year (there were no grant of options during 2023).

The Company recorded stock-based compensation expense in the amount of \$nil for the year ended December 31, 2023 (2022 – \$843,927). This relates to the stock option grants in each of these years.

The following table outlines the significant components of consolidated general and administrative expenses for each of the years ended December 31, 2023 and 2022.

	2023	2022
	\$	\$
Salaries and benefits and cost recoveries	261,263	253,158
Office and administrative	79,906	69,485
Marketing and communications	61	1,000
Investor relations	6,500	78,000
Management and subcontract fees	82,503	-
Transfer agent and professional fees	125,012	175,101
Conferences, travel and accommodation	2,288	2,235
	557,533	578,979

OPERATIONS:

Mineral Properties

Colchester/Springdale Copper Gold Project

The Company announced in May 2016 the acquisition, by staking, of the Colchester copper-gold property in north-central Newfoundland. The property is accessible by paved road approximately 25 kilometres off the Trans Canada Highway. The area is serviced by an airport at Deer Lake 110 kilometres to the southwest. The property contains four past producing historic mines which operated in the late 1800's, namely the Colchester, West Colchester, McNeilly and Old English.

In 1967, Colchester Mines Ltd. evaluated the previous work on the property and provided a resource calculation based on diamond drilling, that the known workings contained 1,000,000 tons (including 20% dilution) of copper grading 1.3%. This is an historic reference that is not compliant with National Instrument 43-101. As such the Company is not treating the historical estimate as a current resource or reserve. Rather, it is used to demonstrate the possible mineral potential for the property.

Further to previous geophysics and drilling at the Old English zone, field work consisting of prospecting and soil sampling was carried out on the Springdale project in October 2019 and October 2020. The Company completed a 1,511m drill program on the project over 8 holes in October and November 2021. Significant copper and gold mineralization was encountered including highlights of:

- 14 metres of 2.31% copper within a wider zone of 28 metres of 1.58% copper at McNeilly

- 20 metres of 1.23% zinc including 0.5 metre samples up to 6.06% zinc at McNeilly
- 16.2 metres of 1.04 grams per tonne gold including 1 metre samples up to 5.94 grams per tonne gold at Colchester main
- 2.8 metres of 1.33% copper within 46 metres of 0.39% copper at Andrews Pit.

In late 2022, 457 soil samples were taken over the Pine Pond grid where two regional faults intersect along an oblique splay structure. This area has potential for orogenic gold in quartz veins and copper/gold mineralization. The Pine Pond grid delivered highly anomalous gold values with 10 soil samples assaying greater than 100 parts per billion (ppb) gold with the highest sample yielding 1,540 ppb (1.54 g/t gold). The Maple Leaf showing occurs approximately 4 km along strike where quartz veins have yielded up to 54 g/t gold with associated heavy mineral samples yielding up to 840 g/t gold from historic sampling by Noranda. A grid over the Maple Leaf showing was partially sampled in late 2022 and completed in 2023 with 454 soil samples taken.

In addition, a third grid has been added at Western Brook where reconnaissance historic results indicate gold anomalies in soil and stream sediments. A total of 492 soil samples have been taken focusing on favorable geologic structures.

All samples were dispatched to SGS Canada's laboratory for processing and analysis. Results will direct future prospecting, trenching and other follow up work. A map outlining the areas of interest is available at www.vulcanminerals.ca.

During August 2023, the Company completed a drill program to test for copper gold mineralization at the McNeilly zone. Highlights are as follows:

- 15 meters of 1.21% copper and 0.51 grams per tonne gold including 6.75 meters of 2.38% copper and 1.01 grams per tonne gold in CL-23-13
- 13.5 meters of 1.51% copper and 0.95 grams per tonne gold including 7.5 meters of 2.49% copper and 1.55 grams per tonne gold in CL-23-14

A total of 1,001 meters (m) were drilled over 6 holes within mafic volcanic rock sequences in the McNeilly area. Stringer, disseminated and locally semi-massive sulfide zones were encountered containing chalcopyrite with variable associations of pyrite, pyrrhotite and minor sphalerite. Mineralization is associated with chalcopyrite within sheared and chloritized mafic volcanic rocks. Quartz and quartz/carbonate veining is locally developed.

Gander Belt Gold

The Company acquired, through staking, a significant land position in the Gander Belt of central Newfoundland. The claims contain or are on trend with known gold showings, epithermal mineralization characteristics or favorable geochemical signatures from regional lake and till samples. The Gander Belt extends over 100 kilometers from the north coast of Newfoundland to the south-central part of the island and is constrained by two regional structures, the Dog Bay Line to the west and the GRUB Line to the east. The Gander Belt is the site of ongoing gold exploration by various explorers.

On February 12, 2021, the Company entered into an Option Agreement with Sassy Gold Corp. (previously Sassy Resources Corporation) (CSE: SASY, Sassy) whereby Vulcan has agreed to option to Sassy a 100% interest in the Gander Belt Gold properties in central Newfoundland. Pursuant to the terms of the agreement, total consideration payable by Sassy to Vulcan is \$400,000 cash over four years (\$200,000 received as of December 31, 2023), exploration expenditures of \$2 million over four years (\$200,000 in Year 1), and 2.5 million shares of the company over four years (1,000,000 shares of Sassy received and 772,408 shares of Gander Gold successor of the option agreement from Sassy) were received up to December 31, 2023). Gander Gold requested a renegotiation of the outstanding option payment for year three. The Company has agreed, as of April 18, 2024, to accept 1,000,000 common shares of Gander Gold in lieu of the \$100,000 cash plus 400,000 common shares (year three payment) in the original option agreement.

Vulcan will retain a 3% net smelter royalty (NSR) covering the 624 claims. Sassy has the right to repurchase one-half of that NSR (1.5%) for \$2,000,000 in cash and 500,000 common shares within one year following delivery to Vulcan of a Feasibility Report on any deposit advanced on the properties. Subsequent to the date of this agreement, Sassy assigned the option to Gander Gold. The anniversary and subsequent option payments will now be the responsibility of Gander Gold including the issuance of Gander Gold shares.

Subsequent to the Sassy Option, the Company has staked further claims in the province and compiled data related thereto. On May 9, 2022 the Company entered into a Purchase and Sale Agreement whereby the Company sold 12 mineral licences (2,440 claims) to Rocky Island Gold Corp (“Rocky Island” – a subsidiary of Sassy). Rocky Island paid \$250,000 cash and issued 3,000,000 common shares in the capital of Sassy Gold Corp. (“Sassy”). The Company received a one percent (1%) net smelter royalty covering the claims. A gain on the sale of mineral property of \$1,051,400 has been recorded as income during 2022.

Red Cross Lake Nickel/Copper/Cobalt/Gold Project

The Company completed a review of the Red Cross Lake property in central Newfoundland for its nickel, copper and cobalt potential in 2019. The property contains the Red Cross Lake intrusive suite, a layered mafic-ultramafic intrusion that received a preliminary evaluation of its nickel potential by Falconbridge in 2005. The property is situated in a structural setting considered favourable for the formation of magmatic nickel-copper-cobalt mineralization. The property structurally offsets the Marathon gold deposit to the west, which is currently being developed by Calibre Mining Corp. There are several factors that highlight the potential for nickel sulphide development, including evidence of nickel depletion in certain units of the intrusion. This may indicate that an immiscible sulphide melt could have preferentially extracted this nickel, which is a critical process for forming nickel sulphide mineralization. The continuing review has included inspection and sampling of drill core from historical exploration, as well as a compilation and analysis of historical geophysical data. The geophysical data indicated the potential for electrical conductors on the property which may represent drill targets. A modern time-domain deep penetrating electro magnetic (VTEM) survey was flown over the property in

February 2021 by Geotech. Final results from that were reviewed by an external geophysicist who made several recommendations for a drilling campaign. In 2023, the Company carried out additional soil geochemical sampling over the VTEM anomalies (765 samples taken) with anomalous results as indicated in a February 8, 2024 news release. Highlights are as follows:

- From the Government of NL database of 22,400 entries for till samples, the highest recorded nickel value is 2,061 ppm. Vulcan's current survey contains three soil samples exceeding this value, namely 3,936 ppm, 2,914 ppm and 2,555 ppm nickel
- 17 soil samples exceeding 1,000 parts per million (ppm, 0.10%) nickel
- Including best sample of 3,936 ppm nickel, 674 ppm copper and 230 ppm cobalt

The Company is incorporating these geochemical results into an overall geologic model to determine the next stage of exploration.

South Voisey's Bay Nickel/Copper/Cobalt

The Company owns a strategic land position in the South Voisey's Bay nickel-copper-cobalt project in Labrador. The Project comprises three licences containing a total of 30 claims.

The South Voisey's Bay project area contains the Pant's Lake mafic intrusive complex which was first explored for nickel following the 1993 discovery of the Voisey's Bay nickel-copper-cobalt mine, approximately 80 kilometers north. Several rounds of drilling and geophysics have established the intrusion's potential for significant accumulations of massive magmatic sulphides.

On September 20, 2021, the Company entered into an option agreement with Fjordland Exploration Inc. ("Fjordland") in relation to the Company's South Voisey's Bay mineral licences (30 claims). In October 2023, Fjordland notified the Company that it was terminating the option agreement. The relevant mineral licences remain in good standing for several years.

Carbonear

The Carbonear project is an expansive claim position focussed on sedimentary hosted, exhalative zinc – lead potential in an area with geologic attributes similar to the Sullivan zinc-lead mine in British Columbia. Significant unexplained gold and other metallic geochemical signatures are also present in the historic data. The company has completed in 2023 an extensive soil geochemical program initiated in 2022, totalling 1,303 soil samples, which will provide direction for further ground work. The Company is currently compiling results from the survey which will direct a 2024 exploration followup program.

Atlas Salt Inc.

Atlas Salt Inc., in which Vulcan holds a 30.49% ownership interest (as of December 31, 2023), owns a 100% interest in mineral licences covering a portion of the Bay St.

George Basin in Western Newfoundland. Vulcan also owns a 3% Net Production Royalty on the licences.

The Company assisted Atlas Salt in its exploration work including its development of the Great Atlantic salt deposit (formally known as the Captain Cook salt deposit), the Ace gypsum development and the nepheline syenite project.

During 2021, Atlas Salt raised equity financing to complete a feasibility study on the Great Atlantic salt deposit project. SLR Consulting was selected in July 2021 to undertake the feasibility analysis. On January 30, 2023, SLR delivered a positive Preliminary Economic Assessment on the project which is filed on Atlas's SEDAR profile (www.sedarplus.ca). The final feasibility study results were released on August 28, 2023.

Atlas Salt Inc. released the results of a Feasibility Study (FS) and updated Mineral Resource estimate as prepared by SLR Consulting (Canada) Ltd. (SLR) on the Great Atlantic Salt Project (Great Atlantic, or the Project), located in western Newfoundland, Canada. The FS demonstrates robust economics based on 2.5 million tonnes per year (Mtpa) of production over a 34-year mine life.

The FS includes the expansion of the Indicated Mineral Resources, and first-time declaration of Mineral Reserves (in million tonnes (Mt))

- Indicated Mineral Resources totaling 383 Mt at 96.0 % NaCl
- Inferred Mineral Resources totaling 868 Mt at 95.2 % NaCl
- Probable Mineral Reserves totaling 88.1 Mt at 96% NaCl

The conversion of Inferred to Indicated Mineral Resources (and subsequent conversion to Probable Mineral Reserves) has been limited by the target of an initial 34-year mine life. It is anticipated that further upgrading of Mineral Resources to Mineral Reserves will be carried out from underground during the production phase.

- Key elements of the Project are designed to accommodate mine and processing expansion of up to 4.0 Mtpa and to extend the mine life beyond 34 years.
- Great Atlantic would stand out as a low-cost producer and the first major underground salt mine in North America designed to be accessible by declines as opposed to shafts.
- Designed to minimize environmental impact by utilizing electrified equipment.

Atlas Salt hired a new CEO in mid 2023, Mr. Rick LaBelle. Mr. LaBelle has hired a management team to move the Great Atlantic Salt project to production.

As of September 22, 2022, Atlas assigned its interest in the mineral rights to the Fischell's Brook salt dome in the Bay St. George area of western Newfoundland to a new spin out company, Triple Point Resources Ltd., by way of a Plan of Arrangement. The salt dome has potential as an underground fluid storage facility.

Atlas Salt commenced production at its Ace gypsum mine in western Newfoundland in late 2018. The deposit is part of the historic Flat Bay gypsum mines that have been dormant since 1990. Atlas Salt identified markets that warranted the permitting and revitalization of the mine commensurate with market demand for gypsum. Total sales up to December 31, 2023 of \$2,062,891 have been netted against Atlas Salt's mineral exploration costs as incidental revenue.

During 2021, Atlas Salt Inc. closed four financings for a total of \$8.45 million and closed a \$10 million financing in January 2023. The proceeds of these offerings are being used to develop the Great Atlantic Salt Project, for mineral exploration and development activities in Newfoundland and Labrador, and for general working capital purposes.

Plans for 2024

The Company is evaluating further geophysics on the Colchester/Springdale project to follow up on favourable 2023 exploration drill results for gold and to further define the copper/gold deposits at the McNeilly zone. At Red Cross Lake anomalous soil geochemical sampling results justify field investigation either by trenching and/or drilling. Carbonear is a candidate for more early stage soil geochemistry, mapping, prospecting and geophysical evaluation. Exploration planning is underway to define actual field programs for 2024.

To date, in 2024, the Company has achieved the following milestones:

- January 1, 2024: The Company announced significant copper – gold assay results from the McNeilly drill program carried out in late 2023 as part of the Company's Colchester project in central Newfoundland. Highlights are as follows:
 - 15 meters of 1.21% copper and 0.51 grams per tonne gold including 6.75 meters of 2.38% copper and 1.01 grams per tonne gold in CL-23-13
 - 13.5 meters of 1.51% copper and 0.95 grams per tonne gold including 7.5 meters of 2.49% copper and 1.55 grams per tonne gold in CL-23-14
- February 8, 2024: The Company announced significant geochemical results from the Red Cross Lake Nickel-Copper-Cobalt Project in central Newfoundland. Highlights are as follows:
 - From the Government of NL database of 22,400 entries for till samples, the highest recorded nickel value is 2061 ppm. Vulcan's current survey contains three soil samples exceeding this value, namely 3,936 ppm, 2,914 ppm and 2,555 ppm nickel
 - 17 soil samples exceeding 1000 parts per million (ppm, 0.10%) nickel
 - Including best sample of 3,936 ppm nickel, 674 ppm copper and 230 ppm cobalt
- March 21, 2024: The Company provided an exploration update on its Springdale Copper-Gold project in north central Newfoundland. Highlights include:
 - Newly discovered Teapot Prospect – Quartz veins assay up to 6.65 g/t Au and up to 1.4% copper in separate hand samples

- Gold and copper soil geochemical anomalies at Pine Pond and West Brook grids highlight new exploration targets.

SUMMARY OF ANNUAL RESULTS FOR LAST THREE YEARS:

Quarter	Total Income (Loss)	Net Income (Loss) (after tax) *	Basic Net Income (Loss) per share *	Diluted Net Income (Loss) per share *	Total Assets	Total Long-term Liabilities	Cash and Cash Equivalents and GICs
	\$	\$	\$	\$	\$	\$	
Dec 31, 2023	1,143,039	(774,880)	(0.006)	(0.006)	47,449,826	3,586,288	6,466,978
Dec 31, 2022	1,723,642	(2,755,252)	(0.024)	(0.024)	47,734,500	3,987,119	6,148,762
Dec 31, 2021 ⁽¹⁾	39,721,388	32,453,983	0.343	0.279	49,300,105	4,091,983	5,449,161

Note *: There were no discontinued operations or extraordinary items in each of the years listed above. There were no cash dividends in each of the years listed above.

Note ⁽¹⁾: The Company determined it no longer maintained a “control” position in Atlas Salt as of October 31, 2021. Pursuant to four private placements in Atlas during 2021, as well as additional warrants and options exercised during 2021, Vulcan’s ownership interest in Atlas was reduced to 37.44%. On October 31, 2021, management determined that Atlas was no longer required to be consolidated and started to account for the retained investment in Atlas as an investment using the equity method. A gain resulting from loss of control of a subsidiary of \$38,943,667 and an equity investment in Atlas of \$42,469,770 was recognized on that date.

SUMMARY OF QUARTERLY RESULTS FOR LAST THREE YEARS:

Quarter	Total Income (Loss)	Net Income (Loss) (after tax) *	Basic Net Income (Loss) per share *	Diluted Net Income (Loss) per share *	Total Assets	Total Long-term Liabilities	Cash and Cash Equivalents and GICs
	\$	\$	\$	\$	\$	\$	
Dec 31, 2023	1,045,911	144,050	0.001	0.001	47,449,826	3,586,288	6,466,978
Sep 30, 2023	(386,147)	(527,176)	(0.004)	(0.004)	47,439,761	3,637,504	6,603,027
Jun 30, 2023	(307,863)	(779,490)	(0.007)	(0.007)	47,271,830	3,747,157	6,221,769
Mar 31, 2023	791,138	387,736	0.003	0.003	48,196,447	4,067,113	6,134,585
Dec 31, 2022	1,089,290	925,684	0.008	0.006	47,734,500	3,987,119	6,148,762
Sep 30, 2022	420,575	(2,553,293)	(0.022)	(0.022)	46,633,781	3,950,058	6,347,931
Jun 30, 2022	15,213	(328,673)	(0.001)	(0.001)	48,634,280	4,215,037	5,425,829
Mar 31, 2022	198,564	(798,970)	(0.007)	(0.007)	48,759,760	3,992,936	5,460,393
Dec 31, 2021 ⁽¹⁾	39,702,462	34,788,516	0.321	0.268	49,300,105	4,091,983	5,449,161
Sep 30, 2021	13,470	(518,999)	(0.005)	(0.005)	16,001,608	989,326	13,472,824
Jun 30, 2021	4,093	(1,287,337)	(0.016)	(0.016)	16,135,015	963,975	13,159,865
Mar 31, 2021	1,363	(528,197)	(0.005)	(0.005)	7,721,129	261,110	5,367,109

Note *: There were no discontinued operations or extraordinary items in each of the quarters listed above. There were no cash dividends in each of the quarters listed above.

Note ⁽¹⁾: The Company determined it no longer maintained a “control” position in Atlas Salt as of October 31, 2021. Pursuant to four private placements in Atlas during 2021, as well as additional warrants and options exercised during 2021, Vulcan’s ownership interest in Atlas was reduced to 37.44%. On October 31, 2021, management determined that Atlas was no longer required to be consolidated and started to account for the retained investment in Atlas as an investment using the equity method. A gain resulting from loss of control of a subsidiary of \$38,943,667 and an equity investment in Atlas of \$42,469,770 was recognized on that date.

Other income for each quarter is represented by interest income except for Q4 2023, Q3 2023, Q2 2023, Q1 2023, Q4 2022, Q3 2022, Q1 2022 and Q4 2021. In Q4, Q3 and Q2 2023, income included interest income as well as a dilution gain (loss) on its investment in associates. In Q1 2023, income included income from option payments as well as a dilution gain on its investment in associates and interest income. In Q3 2022, income included interest income as well as income from receipt of shares of Triple Point as well as gain on sale of mineral property. In Q1 2022, income resulted from income from mineral property option payments received during the quarter. In Q4 2021, income also included the gain on loss of control of subsidiary.

The net income (loss) for Q4 2023, Q3 2023 and Q2 2023 was related to the loss from equity accounted investments, dilution gain (loss) on the investment in associates as well as general and administrative expenses. The net income for Q1 2023 and Q4 2022 is the dilution adjustment related to Atlas and Triple Point. The loss for Q3 2022 was related to the dilution loss and equity pick up on the Company’s investment in Atlas Salt and Triple Point. The loss for Q2 2022 was related to the dilution loss and equity pick up offset by the gain on sale of mineral property. The loss for Q1 2022 was related to the dilution loss and equity pick up on the Company’s investment in Atlas Salt as well as the share-based compensation expense for the quarter. The income in Q4 2021 was primarily related to the deconsolidation of Atlas Salt during the quarter and the resulting gain. The net loss for Q1, Q2 and Q3 2021 was related to the increase in general and administrative expenses as well as share-based compensation.

RESULTS OF OPERATIONS

	Twelve months ended		Three months ended	
	December 31		December 31	
	2023	2022	2023	2022
Expenses				
General and administrative	(557,533)	(578,979)	(152,164)	(173,930)
Director's fees	(20,000)	(20,000)	-	-
Depreciation	(6,435)	(5,834)	(1,609)	(3,070)
Share-based compensation	-	(843,927)	-	(87,785)
Loss from operations	(583,968)	(1,448,740)	(153,773)	(264,785)
Other income (expenses)				
Interest Income	251,514	94,352	68,938	44,510
Income from option payments	131,399	210,392	-	17,500
Dilution gain (loss)	760,126	(2,749,853)	976,973	986,404
Loss from equity accounted investments	(1,642,557)	(231,605)	(740,808)	328,263
Gain on sale of mineral property	-	1,051,400	-	-
Income from receipt of shares	-	367,498	-	(24,120)
Government assistance	-	(1,457)	-	(370)
	(499,518)	(1,259,273)	305,103	1,352,187
Loss before taxes	(1,083,486)	(2,708,013)	151,330	1,087,402
Deferred income tax	308,606	(47,239)	(7,280)	(161,718)
Net (loss) income	(774,880)	(2,755,252)	144,050	925,684

Twelve months ended December 31, 2023 compared to 2022

Details of the expenses and other items are as follows:

Share-based compensation: The reduction in share-based compensation was primarily related to no 2023 grant of options. The 2022 grants were fully expensed in 2022.

General and administrative: The decrease in general and administrative expenses was primarily related to a decrease in professional fees as well as investor relations fees during the year. The professional fees were related to a decrease in legal and accounting fees during the year.

Income from option payments: This is the income received from the option agreements entered into in 2021. These are the anniversary payments according to the related agreements with Gander Gold Corporation and Fjordland Exploration Inc. During 2023, Fjordland advised the Company that it terminated the option agreement. There were no 2023 payments from Fjordland.

Loss from equity accounted investment: This is the equity pick-up of the investments in Triple Point Resources and Atlas Salt Inc. for the year.

Gain on sale of mineral properties: This related to a sale of mineral licences in 2022 and the resulting gain on the sale.

Income from receipt of shares: This is related to the receipt of shares of Triple Point Resources in 2022 as a result of a spin out that Atlas Salt completed.

Three months ended December 31, 2023 compared to 2022

Details of the expenses and other items are as follows:

Share-based compensation: The reduction in share-based compensation was primarily related to no 2023 grant of options. The 2022 grants were fully expensed in 2022.

General and administrative: The decrease in general and administrative expenses was primarily related to the expiration of a third-party consultant contract which was previously used to engage shareholder and investor communications.

Income from option payments: This is the income received from the option agreements entered into in 2021. This is the anniversary payment according to the related agreement with Fjordland Exploration Inc. During the fourth quarter of 2023, Fjordland advised the Company that it terminated the option agreement. There were no 2023 payments from Fjordland.

Loss from equity accounted investment: This is the equity pick-up of the investments in Triple Point Resources and Atlas Salt Inc. for the quarter.

Income from receipt of shares: This is related to the receipt of shares of Triple Point Resources in 2022 as a result of a spin out that Atlas Salt completed.

LIQUIDITY

On December 31, 2023, the Company had current assets of \$6,560,851 which includes \$4,453,493 cash and cash equivalents and \$2,013,485 guaranteed investment certificates held by the Company. The cash is readily available and is not subject to subprime debt issues nor asset backed commercial debt.

The Company has no long-term debt and as such is not sensitive to interest rate fluctuation on debt instruments. The Company's cash and cash equivalents and guaranteed investment certificates are held in bank accounts with no exposure to equity market fluctuations.

The Company carries out exploration on mineral licences in Newfoundland and Labrador. These tenure instruments require work obligations to maintain ownership. Failure to fulfill work obligations would result in loss of ownership interest. The Company holds 30 mineral licences at December 31, 2023. The Company's current mineral licences are in good standing in respect of ongoing work obligations.

Year Required	Required Expenditures (Estimated)	Notes
2024	\$88,000	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
2025	\$24,000	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
2027	\$2,000	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
2028	\$115,000	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
2032	\$24,000	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
Estimated Total	\$253,000	The total is \$253K over the next nine years. There is sufficient cash on hand and the plan is to complete work on all current licences to maintain their good standing.

With the cash and cash equivalents and guaranteed investment certificates balance of over \$6.4 million, the Company has the capacity to maintain its current licences in addition to be able to work on its 2024 objectives as noted above.

CAPITAL RESOURCES

The Company holds 30 mineral licences in Newfoundland and Labrador. These tenure instruments require annual work obligations in order to maintain ownership. Failure to fulfill work obligations would result in loss of ownership interest. The Company holds a 3% net production royalty on certain of the mineral licences currently held by Triple Point Resources Ltd. and Atlas Salt including the Great Atlantic Salt deposit in the Bay St. George basin.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements in the current or prior periods.

TRANSACTIONS WITH RELATED PARTIES

The Company paid key management personnel, which includes the President, Chief Executive Officer, Chief Financial Officer, management fees, salaries and benefits in the amount of \$283,364 for the year ended December 31, 2023 (2022 – \$321,204).

The Company also recognized \$nil in share-based compensation for the year ended December 31, 2023 (2022 – \$861,361).

The Company expensed premises rent totalling \$24,000 for the year ended December 31, 2023 (2022 – \$24,000) to a private company owned and controlled by the President of the Company.

These 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. Management is of the opinion that these transactions were undertaken under the same terms and conditions as transactions with non-related parties.

CHANGES IN ACCOUNTING POLICIES

There have been amendments to Standards which were adopted and resulted in no changes in the financial statements. Refer to Note 3 of the consolidated financial statements.

STOCK OPTIONS

The Company recorded stock-based compensation expense in the amount of \$nil for the year ended December 31, 2023 (2022 - \$843,927).

On July 12, 2022, the Company granted 50,000 stock options to an employee with each option entitling the holder to purchase one common share at \$0.35 per share for a period of five years. These options were forfeited on March 11, 2024.

The Company granted 1,800,000 stock options to directors on January 10, 2022 with each option entitling the holder to purchase one common share at \$0.30 per share for a period of ten years.

The Company granted 300,000 stock options to employees and advisory board members on January 10, 2022 with each option entitling the holder to purchase one common share at \$0.30 per share for a period of five years. 34,965 of these options forfeited in 2022 and 40,035 expired in 2022 and 75,000 expired on February 26, 2024.

At the date of this MDA 7,250,000 stock options are outstanding of which 7,250,000 are exercisable in the Company.

FINANCIAL INSTRUMENTS AND OTHER RISKS

The Company's financial instruments include cash and cash equivalents, and accounts payable and accrued liabilities. The carrying amount of each approximates fair value due to their short-term nature.

The Company also holds financial instruments in the form of fair value through other comprehensive income. The investments had a carrying value of \$244,969 on December 31, 2023.

Business Risk

The Company is a junior exploration company principally involved in mineral exploration which is an inherently high-risk activity. The business of exploring for, developing, and acquiring mineral projects is subject to many risks and uncertainties, several of which are beyond the control of the Company. These risks are operational, financial, legal and regulatory in nature. Operational risks include unsuccessful exploration and development drilling activity, safety and environmental concerns, access to cost effective contract services, escalating industry costs for contracted services and equipment, product marketing and hiring and retaining qualified employees. The Company has traditional sources of funding available including equity and joint venture financing arrangements. Only the skills of management and staff in mineral and exploration financing serve to mitigate these risks. The Company is subject to a variety of regulatory risks that it does not control. Government and securities regulations are monitored to ensure the Company continues to be in compliance.

The Company also mitigates many of the above risks by having diversified exploration projects capable of financing by joint venture partners.

Financial Risk

Other financial risk factors to which the Company is exposed are outlined below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company is exposed to credit risk on its cash and accounts receivable. The credit risk on cash is limited because the counterparty is a chartered bank with a high credit rating. The Company assesses its credit risk on cash and accounts receivable as not significant.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company has cash and cash equivalents and guaranteed investment certificate totalling \$6,466,978 on December 31, 2023.

Commodity Price Risk

The recoverability of the costs of exploration and evaluation properties is partially related to the market price of minerals. The Company does not hedge this exposure to fluctuations in commodity prices.

Interest Rate Risk

The Company's cash and cash equivalents and guaranteed investment certificates are held in Canadian chartered bank accounts. The Company has no material debt. The Company believes its interest rate risk is not significant.

Market Price Risk

The value of the Company's investments is exposed to fluctuations in value depending on a number of factors, including the quoted market price, investor sentiment in the mineral sector and the market value of the commodities that the company may focus on. The Company does not utilize any derivative contracts to reduce this exposure.

CONTINGENCIES

The Company had been added as a co-defendant in an ongoing legal action Geophysical Service Incorporated (GSI) has with NWest Energy Corp. (now Ceylon Graphite Corp. by way of name change) regarding an alleged breach of an agreement between those parties. GSI has submitted a Statement of Claim and the Company has filed a Statement of Defence. The Company believes the claims against it are without basis or merit and no amounts have been recorded in the Company's accounts related to this claim. The Company is fully defending its interest.

SHARE CAPITAL

As of the date of this management discussion and analysis the Company has 129,309,265 voting common shares outstanding. The Company's share capital consists of an unlimited number of voting common shares, and an unlimited number of preferred shares of which there are none outstanding.

The Company has 7,250,000 stock options outstanding as of the date of this MDA summarized in the table below and there were 7,250,000 options vested and exercisable as at that date.

Vulcan has no share purchase warrants outstanding as of the date of this MDA.

Date Issued	Number	Exercise Price	Details	Expiry
Stock Options Outstanding				
Jan 10, 2022	1,800,000	\$0.30	Directors Options	Jan 10, 2032
Jan 10, 2022	150,000	\$0.30	Employee Options	Jan 10, 2027
Mar 9, 2021	2,700,000	\$0.15	Directors Options	Mar 9, 2026
Aug 26, 2020	700,000	\$0.10	Directors Options	Aug 26, 2025
Dec 30, 2019	700,000	\$0.10	Directors Options	Dec 30, 2024
Feb 17, 2016	1,200,000	\$0.10	Directors Options	Feb 17, 2026
Total	7,250,000			

FOURTH QUARTER 2023 EVENTS:

- On October 23, 2023 the Company announced an exploration update on its activities in Newfoundland and Labrador:
 - Drilling successfully encounters McNeily copper sulphide zone
 - New geochemical soil sampling completed at Red Cross Lake
- On October 30, 2023, Fjordland advised the Company that it terminated the South Voisey Bay option agreement.

- The AGM was held on November 7, 2023 – shareholders approved all resolutions. All four of the individuals nominated for the board of directors were elected, being Patrick Laracy, Philip E. Collins, Fraser Edison and Carson Noel. Shareholders also appointed MNP LLP as auditors and approved the Company’s stock option plan.
- Expiry of 19,153,000 warrants on December 23, 2023. The warrants had an exercise price of \$0.30.

ADDITIONAL INFORMATION:

All corporate disclosure documents are filed on www.sedarplus.ca.

Additional information regarding the Company’s projects and activities are available at www.vulcanminerals.ca.