



VULCAN MINERALS INC.

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

For the Period Ended June 30, 2023

This discussion includes certain statements that may be deemed “forward-looking statements”. All statements in this discussion, other than statements of historical facts, that address exploration, drilling, exploration activities and events or developments that Vulcan Minerals Inc. (the “Company”) expects are forward-looking statements. Although the Company 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 in the forward-looking statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include market prices, exploration and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the 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 June 30, 2023 holds a 30.52% 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 unaudited condensed consolidated financial statements for the period ended June 30, 2023, and accompanying notes. The condensed 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 licenses 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 has determined that its investment in the common shares of Triple Point along with some common directors, gives it significant influence over Triple Point. As a result, the Company applied the equity method of accounting for its investment in Triple Point. As of June 30, 2023, the Company held

7.80% of Triple Point and recognized a dilution gain of \$44,693 for the period ending June 30, 2023 resulting in an investment in Triple Point of \$479,413.

Date

The date of this MDA is August 28, 2023.

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 license 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 \$604,107 for the period ended June 30, 2023 (June 30, 2022 – net loss of \$945,517) (a decrease in net loss of \$341,410). 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. This was offset by the gain on the sale of mineral property occurring in 2022 as well as there being no current year stock-based compensation expense.

The Company recorded stock-based compensation expense in the amount of \$nil for the period ended June 30, 2023 (June 30, 2022 – \$577,936). 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 periods ended June 30, 2023 and 2022.

	2023	2022
	\$	\$
Office and administrative	247,910	175,154
Marketing and communications	61	1,000
Investor relations	6,500	39,000
Transfer agent and professional fees	45,355	59,906
Conferences, travel and accommodation	268	1,805
	300,094	276,865

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 potential for the property to contain significant copper mineralization.

In November 2016, the Company re-established a 20-line km grid on the Old English portion of the property and carried out a high resolution Induced Polarization (IP) geophysical program followed by an 800 metre drill program which confirmed the tenor of mineralization and the positive correlation with the IP survey results. Several drill targets with significant potential for copper and gold discoveries have been identified both within and outside the historic resource area. Further drilling on the property is warranted based on these results.

Based on the regional compilation work carried out on the original Colchester property, additional claims were staked including the Little Bay copper mine (dormant) and adjacent gold showings which are now collectively referred to as the Springdale project. A program of prospecting was carried out on a portion of this project in 2016. Further mapping, prospecting and geological surveying were carried out on the Colchester and Little Bay properties in the summer of 2017 confirming historic sampling and identifying areas for future trenching and geophysics. 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 1540 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 have been 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 of 1,000 meters to test for copper gold mineralization at McNeily zone. The core is currently being sampled for assaying.

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. Newfoundland Gold Corp. has reported drill results within the belt of up to 92.86 grams/tonne gold over 19.0 meters including 285.2 g/t gold over 6.0 meters (Queensway project) as per a news release dated January 28, 2020. This, combined with other gold developments in the province and the rising price of gold, has resulted in a staking rush through out the belt. Vulcan's claims are accessible by paved and woods roads.

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 (624 claims) 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 June 30, 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 June 30, 2023).

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. This deal provides the Company with a credible partner to advance exploration on these properties. Sassy has been carrying out various geochemical surveys on the properties in 2021. Subsequent to the date of this agreement, Sassy assigned the option to Gander Gold. The

anniversary and subsequent option payments will now be paid by 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 delineated by Marathon Gold Corp. As such, gold was the initial focus of attention on this property and will remain a target of interest based on the positive results of the 2017 soil geochemical survey. However, the nickel potential of the project warrants evaluation. 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 indicates 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. The Company is reviewing the recommendations in light of its geologic interpretations.

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 licenses (30 claims). Fjordland has an option to earn a 100% interest in the property over a three-year period by incurring work commitment of \$250,000 (\$250,000 in year 2024) and by making option payments of 1,350,000 common shares (850,000 shares received as of June 30, 2023), and \$70,000 cash (\$35,000 received as of June 30, 2023). After Fjordland earns its 100% interest, the Company can retain a 2% net smelter returns royalty (NSR) covering the 30 claims. Fjordland has the right to buy down 50% of the NSR (1%) at any time within one year following the start of commercial production on the Property in consideration for the payment of \$2,000,000 in cash payable to the Company. After completing initial work on their South Voisey's Bay project in 2022, Fjordland has made the second year option cash payment of \$10,000 as of November 15, 2022.

Carbonear

The Carbonear project is an expansive claim position focussed on sedimentary exhalative zinc – lead potential in an area with geologic attributes similar to the giant 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 recently completed an extensive soil geochemical program initiated last year, totalling 1,303 soil samples, which will provide direction for further ground work.

Atlas Salt Inc.

Atlas Salt Inc., in which Vulcan holds a 30.52% ownership interest (as of June 30, 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 manages Atlas Salt's exploration work including its development of the Great Atlantic salt deposit (formally known as the Captain Cook salt deposit), the Ace gypsum development and production and the nepheline syenite project. A National Instrument 43-101 (NI 43-101) compliant mineral resource report with respect to the salt deposit was completed in 2016 by APEX Geoconsultants Ltd.

During 2021, Atlas Salt raised equity to complete a feasibility study on the Great Atlantic salt deposit project. SLR Consulting was selected in July 2021 to undertake the feasibility analysis and that process has commenced with the objective of producing a bankable feasibility study. On January 30, 2023, SLR delivered a positive Preliminary Economic Assessment on the project which is filed on Atlas's SEDAR profile (www.sedar.com). The final feasibility study is pending completion. The Company owns a 3% net production royalty on the project.

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 June 30, 2023 of \$1,665,312 have been netted against Atlas Salt's mineral exploration costs as incidental revenue. In addition, \$31,882 of sales has been shown on the Statement of Loss for the period ending June 30, 2023 in Atlas.

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 complete a Feasibility Study for Atlas Salt's Great Atlantic Salt Project, for mineral exploration and development activities in Newfoundland and Labrador, and for general working capital purposes.

Plans for 2023/2024

Given the renewed interest in mineral exploration in Newfoundland and the Company's strategic land position in three of the most active exploration belts, the Company is accelerating exploration work on the Colchester/Springdale project to follow up on favourable 2022 geochemical results for gold and to further define the copper/gold deposits at the McNeilly zone. At Carbonear, soil geochemical sampling will continue in 2023. The Company continues to generate new exploration projects for potential option to third parties or internal evaluation. In June 2021, the Company raised \$4.5 million by way of a private placement to further fortify its ability to advance exploration on its current projects.

SUMMARY OF QUARTERLY RESULTS:

Quarter	Total Income (Loss)	Net Income (Loss) (after tax)	Basic Net Income (Loss) per share
	\$	\$	\$
June 30, 2023	(307,863)	(779,490)	(0.007)
March 31, 2023	791,138	387,736	0.003
December 31, 2022	37,890	925,684	0.008
September 30, 2022	1,471,975	(2,553,293)	(0.022)
June 30, 2022	15,213	(328,673)	(0.002)
March 31, 2022	198,564	(798,970)	(0.007)
December 31, 2021	39,702,463	34,788,278	0.321
September 30, 2021	13,470	(518,999)	(0.005)

Revenue for each quarter is represented by interest income except for Q2 2023, Q1 2023, Q3 2022, Q1 2022, and Q4 2021. In Q2 2023, income included interest income as well as a dilution 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 and gain on sale of mineral property. In Q1 2022, income resulted from income from option payments received during the quarter. In Q4 2021, income results from the gain on the loss of control of Atlas Salt.

Income from the Ace gypsum mine is considered pre-production income and therefore \$1,665,312 total to date is netted against the exploration and evaluation assets of Atlas Salt.

The net loss for Q2 2023 was related to the loss from equity accounted investments, dilution 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. The loss for September 30, 2021 is mainly due to increased marketing and communications expenses, investor relations expenses as well as share-based compensation. The net income for December 31, 2021, was related primarily to the gain on the loss of control of Atlas Salt.

LIQUIDITY

On June 30, 2023, the Company had current assets of \$6,284,980 which includes \$6,221,769 cash 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 are held in bank accounts with no exposure to equity market fluctuations.

CAPITAL RESOURCES

The Company holds 34 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.

TRANSACTIONS WITH RELATED PARTIES

The Company paid key management personnel, which includes the President and Chief Executive Officer, and the Chief Financial Officer, management fees, salaries and benefits in the amount of \$181,007 for the period ended June 30, 2023 (2022 – \$164,067).

The Company also recognized \$nil in share-based compensation for the period ended June 30, 2023 (June 30, 2022 – \$588,912).

The Company expensed premises rent totalling \$12,000 for the period ended June 30, 2023 (June 30, 2022 – \$12,000) 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.

STOCK OPTIONS

The Company recorded stock-based compensation expense in the amount of \$nil for the period ended June 30, 2023 (2022 - \$577,936).

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.

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 on January 10, 2022 and advisory board members with each option entitling the holder to purchase one common share at \$0.30 per share for a period of five years.

At the date of this MDA 7,375,000 stock options are outstanding of which 7,375,000 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 \$511,989 at June 30, 2023.

Business Risk

The Company is a junior exploration company principally involved in mineral exploration which is inherently high-risk activities. 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 of \$6,221,769.

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 balances 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 and the market

value of the commodities that the companies 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 128,829,265 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 7,375,000 stock options outstanding as of the date of this MDA summarized in the table below and there were 7,375,000 options vested and exercisable as at that date.

Vulcan Minerals has 19,683,000 share purchase warrants outstanding as of the date of this MDA.

Vulcan Minerals Inc. as follows:

Date Issued	Number	Exercise Price	Details	Expiry
Stock Options Outstanding				
Jul 12, 2022	50,000	\$0.35	Employee	Nov 30, 2027
Jan 10, 2022	1,800,000	\$0.30	Directors Options	Jan 10, 2032
Jan 10, 2022	225,000	\$0.30	Employee and Advisory Committee 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
Warrants				
Jun 22, 2021	19,153,000	\$0.30	Share Purchase Warrants	Dec 23, 2023
Jan 31, 2019	530,000	\$0.12	Share Purchase Warrants	Jan 31, 2024

ADDITIONAL INFORMATION:

All corporate disclosure documents are filed on www.sedar.com.

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