



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
QUARTERLY HIGHLIGHTS**

**For the three months ended March 31, 2026**

(Expressed in Canadian dollars)

**SUN PEAK METALS CORP.**  
**For the three months ended March 31, 2026**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The following is management's discussion and analysis – quarterly highlights (“MD&A”) of the results of operations and financial condition of Sun Peak Metals Corp. (the “Company” or “Sun Peak”) for the three months ended March 31, 2026 and up to the date of this MD&A, and has been prepared to provide material updates to the business operations, financial condition, liquidity and capital resources of the Company since its last management's discussion and analysis for the fiscal year ended December 31, 2025 (the “Annual MD&A”).

This MD&A should be read in conjunction with the Annual MD&A and the audited consolidated financial statements for the year ended December 31, 2025, together with the notes thereto, and the accompanying unaudited condensed interim consolidated financial statements and related notes thereto for the three months ended March 31, 2026 (the “Financial Report”).

All financial information in this MD&A is derived from the Company's financial statements prepared in accordance with IFRS Accounting Standards and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is May 28, 2026.

### **Description of the Business**

Sun Peak is a publicly traded company incorporated pursuant to the provisions of the British Columbia Business Corporations Act on June 2, 2016. The Company's common shares are listed for trading on the TSX Venture Exchange (“TSXV”) under the symbol PEAK and on the OTCQB Venture Market in the United States under the symbol SUNPF. The Company's head office and registered and records office address is Unit 1 – 15782 Marine Drive, White Rock, B.C. Canada V4B 1E6.

The Company's principal business is the acquisition, exploration, and development of resource properties for the mining of precious or base metals in the Ethiopia and the Kingdom of Saudi Arabia (“KSA”).

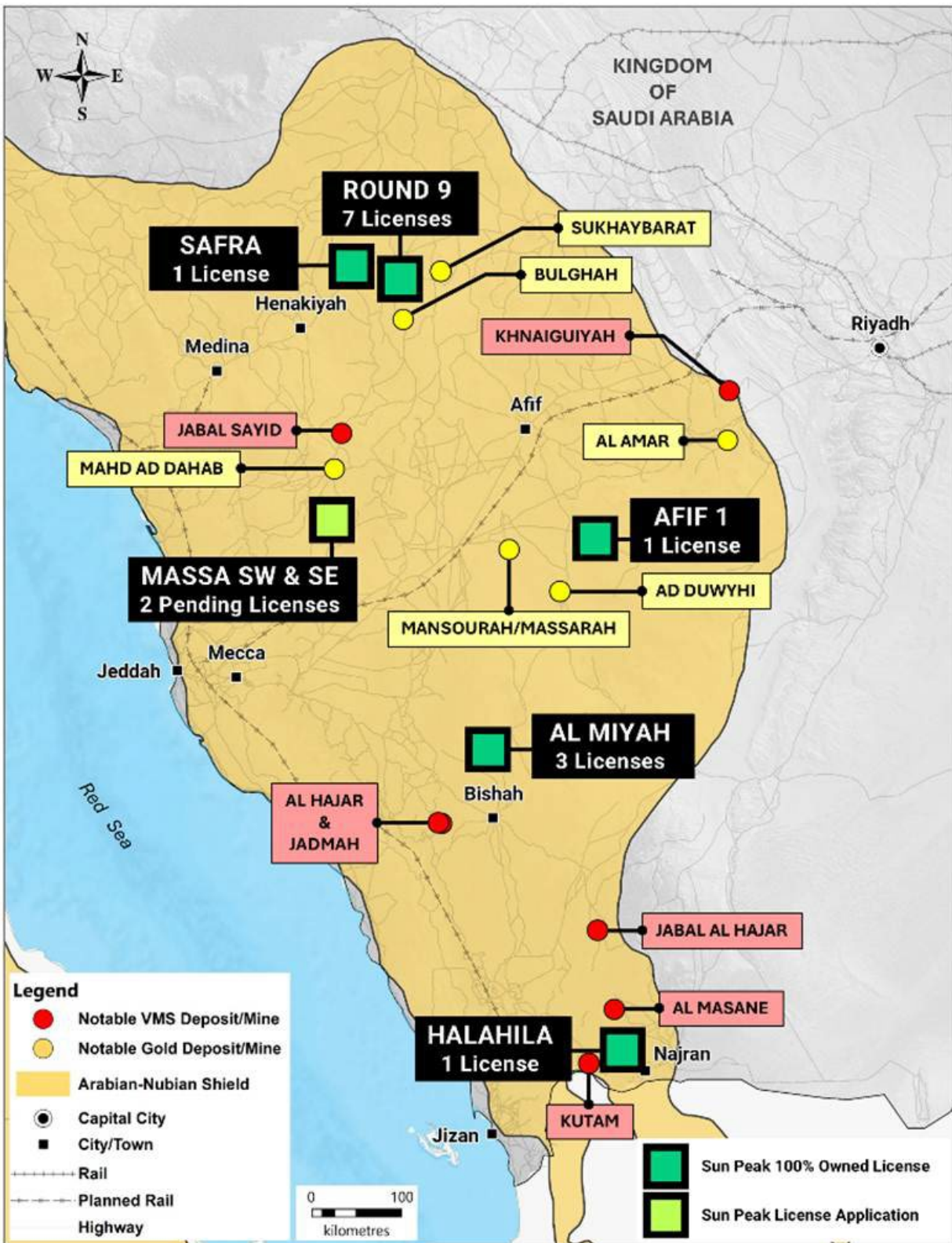
### **KSA Exploration Projects**

In December 2025, the Company completed the acquisition of all the issued and outstanding shares of Saudi Discovery Company SPV Limited (“SDC”) which holds six (6) exploration licenses totalling approximately 438 square kilometres (“km<sup>2</sup>”) within highly prospective volcanic massive sulphide (VMS) trends of the Arabian-Nubian Shield in Saudi Arabia. In March 2026, the Company acquired seven exploration licenses totalling 632 km<sup>2</sup> through the KSA's Round 9 licensing auction bringing the Company's holdings to 1,070 km<sup>2</sup> across 13 exploration licenses in the KSA.

Field exploration programs on the Safra, Al Miyah, and Halahila Projects are underway. Current work, designed to advance the most prospective VMS trends and determine drill targets for the Company's initial drill program, includes:

- Detailed geological mapping and geochemical sampling;
- Ground time-domain electromagnetic (“TDEM”) surveys; and
- Drone-borne magnetics, induced polarization (“IP”), and airborne electromagnetic, magnetic, and radiometric surveys.

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*Safra Project*

The Safra Project is located within the Nuqrah VMS Belt at the western margin of the Afif Terrane, a region hosting numerous ancient workings and active gold mines. Two documented VMS occurrences, Safra Main and Safra East, are situated approximately 1.5 kilometres ("km") apart. Modern exploration completed by SDC, including gravity surveys, trenching, and surface sampling, has outlined multiple sub-parallel VMS zones with strong geophysical and geochemical signatures.

On May 6, 2026, the Company announced the commencement of its inaugural diamond drill program at the Safra Project (comprised of Safra Main, East, and South), a high-priority VMS target.

- Drill crews and Sun Peak personnel have mobilized to Safra, with a fully funded drill program of up to 1,500 meters now underway.
- Maiden drilling will target compelling VMS systems defined by coincident gravity anomalies, TDEM conductors, and strong surface geochemistry associated with gossans (oxidized zones), alteration, and copper oxide mineralization.
- Initial drilling at Safra Main will test beneath high-grade surface results, including assays up to 3.34 g/t Au, 6.72% Cu, 864 g/t Ag, 19.05% Zn, and 9.89% Pb, and trenching intervals of 22.5m grading 0.9 g/t Au, 35.6 g/t Ag, 0.20 % Cu, 1.83% Pb and 1.21% Zn.
- Additional holes will target highly conductive ground TDEM anomalies located 500 meters south of Safra Main along trend, beneath shallow sand cover (Safra South).

*Al Miyah Project*

The Al Miyah Project lies within the Muhadad VMS Belt of the Asir Terrane, a prolific VMS and gold district that hosts the Al Hajar and Al Masane mines. SDC completed detailed gravity surveys and surface sampling that confirmed strong mineralization associated with VMS gossans and historical workings at both the Hishashat and Al Miyah Main prospects.

On April 23, 2026, the Company announced initial surface sample results from a rock-chip and grab sampling program at the Al Miyah project.

- A total of 175 rock-chip and grab samples sourced from artisanal workings were collected from three target areas: Hishashat VMS Target, Al Miyah Main VMS Target and the newly identified Hilux Zone Gold Target.
- Grab samples collected from Hishashat returned up to 1.53% Cu, 1.45 g/t Au and 29.8 g/t Ag. Additional grab and sub-crop samples collected 1.9 km and 0.7 km along trend to the south, returned encouraging values of 5.01 % and 0.93 % Cu, respectively, and are interpreted as copper-bearing stringer zones related to a VMS system. Previous sampling at Hishashat returned up to 4.53 g/t Au, 3.72% Cu and 42.2g/t Ag (see news release dated January 13, 2026).
- Detailed geological mapping was conducted at Al Miyah Main, outlining 4 separate VMS gossan lenses over a 300m north-northwest trend. Previous grab sampling from the VMS gossans returned up to 4.53 g/t Au, 3.72 % Cu, and 42.2 g/t Ag (see news release dated January 13, 2026). Additional sampling by the Company at Al Miyah Main returned up to 0.94 g/t Au, 4.8 g/t Ag, 0.8 % Cu and 0.24 % Zn.
- The Hilux Zone comprises an approximately 6 km north-south trend marked by artisanal mining, including hand-dug shafts and pits, excavations, and placer workings.
- Rock-chip sampling and material sourced from artisanal workings at Hilux returned up to 6.14 and 6.73 g/t gold, respectively.
- Property-wide sampling outside of known areas returned encouraging precious and base metal values.
- Further work at the Al Miyah Property will comprise additional systematic geological mapping, trenching, rock and soil sampling, ground TDEM, and detailed ground gravity surveys.

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*Halahila Project*

The Halahila Project is located in the Kutam–Al Masane VMS Belt of the southern Asir Terrane, approximately 45 km south of the Al Masane VMS mine. Historical drilling and recent gravity surveys confirm a well-developed VMS system with extensive gossan development and alteration over an approximate 10 km strike length.

On January 22, 2026, the Company announced initial results from a systematic geological mapping, rock-chip, and grab sampling program at the Halahila Project.

- Systematic geological mapping and rock chip sampling from the main VMS gossan outline a mineralized zone exceeding 650 meters of strike length, with widths of up to 30 meters, hosting encouraging gold and silver values.
- 25% of samples (24 of 98) returned >1 g/t gold, with values up to 16.35 g/t gold.
- 29% of samples (28 of 98) returned >10 g/t silver, with values up to 180 g/t silver.

On April 30, 2026, the Company announced that ongoing exploration work identified two new gold and silver-bearing gossan zones at the Halahila Project.

- Two newly identified VMS gossan zones, each approximately 200m long and 2m to 14m wide, located 3.5 km and 5 km south of Halahila Main, in the newly identified Halahila South Target Area.
- Rock-chip and grab samples returned up to 1.32 g/t gold, 11 g/t silver, 0.64% copper, and 1.05% zinc.
- At Halahila Main, TDEM surveys define strong conductors coincident with a 650m gossan zone, where previous results returned up to 16.35 g/t gold and 180 g/t silver.
- Ongoing work includes geological mapping, rock sampling, ground TDEM, and detailed ground gravity surveys.
- Halahila Main is drill ready, with drilling scheduled to begin in late Q2 2026.

*Round 9 Exploration Licenses*

Seven licenses covering 632 km<sup>2</sup>, were awarded to Sun Peak as the winning bidder of the Saudi Arabian Ministry of Industry and Mineral Resources' Round 9 Licensing Auction and finalized on March 26, 2026.

- Located within prospective trends near the Bulghah and Sukhaybarat gold mines and the Nuqrah VMS deposit, all owned by the Saudi Arabian Mining Company (Ma'aden).
- License areas host numerous historical mineral showings, VMS gossans, and strong hydrothermal alteration zones along VMS trends.
- As announced May 26, 2026, an independent technical review completed by SRK Consulting (UK) Ltd, together with advanced remote sensing, alteration mapping, and initial fieldwork by the Company, has confirmed multiple high-priority targets prospective for VMS and orogenic gold mineralization. Some 58 direct-detection exploration targets have been identified that will be advanced through follow-up exploration.

Sun Peak now holds 1,072 km<sup>2</sup> across 13 exploration licenses in Saudi Arabia which have been carefully selected and cover highly prospective ground along established VMS and gold trends, with a further ~200 km<sup>2</sup> under application.

Sun Peak's Round 9 strategy was driven by extensive geological research, data analysis, remote sensing and multiple site visits. The selected license areas demonstrate high potential for both VMS and orogenic gold mineralization within favourable geologic environments. Initial field work is underway.

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**The Shire Project, Ethiopia**

Sun Peak is exploring the district-scale Shire VMS Project in the Tigray Region of northern Ethiopia. The Shire Project is comprised of six exploration licenses and covers approximately 1,450 km<sup>2</sup> in the prospective Arabian Nubian Shield. The licenses are in the same geological environment as both the Bisha Mine and the Asmara Projects to the north in Eritrea. Two licenses are held in joint venture with Ezana Mining Development plc ("Ezana"), a private Ethiopian company, while the remaining four are 100% owned by Sun Peak.

*Force Majeure*

In March 2025, the Interim Regional Administration of Ethiopia enacted a suspension of all mining activities in Ethiopia to curb illegal mining activities. While the Company's operations are currently limited to exploration and not mining, the Company suspended all fieldwork accordingly. In June 2025, and then again in September 2025, the Company formally notified Ethiopia's Ministry of Mines of a force majeure declaration covering all six of its exploration licenses, with notification accepted in July and November 2025, respectively. In March 2026, the Company formally notified Ethiopia's Ministry of Mines of a force majeure declaration covering all six of its exploration licenses, with notification accepted in March 2026.

In July 2025, the Company also invoked force majeure under the terms of its option and joint venture agreement with Ezana, with notification accepted by Ezana and accordingly minimum expenditure obligations are suspended until force majeure is lifted.

**Qualified Person**

The technical content of this MD&A has been reviewed and approved by Arron Albano, P.Geol., a qualified person as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

**Community Engagement and Human Rights**

Sun Peak has been active on engagement with communities and other stakeholders to ensure that stakeholders provide consent and agreement to our activities that create surface disturbance, including drill holes. All disturbance to the land will be reclaimed after completion of the exploration work. The Company's operations in Ethiopia and the KSA are exploratory in nature and cause very little surface disturbance. Community engagement is performed by our experienced local liaison teams before the beginning of any activities, which encourages positive interactions. We consider Sun Peak's presence and continued support and involvement in Ethiopia and the KSA a positive contribution and we consider our conduct to be consistent with Multinational Enterprises Guidelines. Sun Peak is committed to doing business with integrity and in an ethical manner that is clear and apparent to all internal and external stakeholders. Sun Peak adheres to the Company's Human Rights Policy and does not tolerate violations of human rights in any way, shape, or form, whether these violations are committed by Sun Peak personnel or contracted third parties. Sun Peak has in place a thorough due diligence process which takes into account a wide range of considerations, including human rights, life, health and safety, that provides it with all relevant information necessary to make informed decisions when initiating work programs. Sun Peak's due diligence includes engaging MS Risk Limited to continue to assess the risk to personnel and operations in the region. Sun Peak has put in place appropriate early warning systems and mitigation measures for its operations in both the KSA. Sun Peak's activities must align with the KSA national interests, security provisions and crisis response frameworks while recognizing that external conflict dynamics may impose unforeseen operational stresses.

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**Financial Condition and Results of Operations – three months ended March 31, 2026**

The consolidated net loss for the three months ended March 31, 2026 was \$2,791,467 compared to \$466,119 for the three months ended March 31, 2025.

The significant changes between the current period and the comparative period are discussed below.

Director fees for the three months ended March 31, 2026 totalled \$33,000 compared to \$Nil in the comparative period. The Company started paying director fees effective January 1, 2026.

Exploration and evaluation expenditures for the three months ended March 31, 2026 totalled \$699,237 (2025 – \$89,387) and related primarily to the Company's exploration activities in the KSA as described above. Whereas in the prior period, exploration and evaluation expenditures related to general and administration costs of the Company's Ethiopian subsidiary. As noted above, the Company has declared force majeure and is on care and maintenance work on its exploration licenses in Ethiopia.

Marketing and promotion for the three months ended March 31, 2026 totalled \$189,243 compared to \$40,727 in the prior period. The Company increased in marketing and promotional activities after closing the SDC acquisition in December 2025.

Salaries and benefits / Consulting fees for the three months ended March 31, 2026 totalled \$266,243 (2025 - \$223,200) and primarily relates to salaries paid to the Chief Executive Officer and the VP Project Development, as well as consulting fees paid to Golden Oak Corporate Services Ltd. ("Golden Oak"), which provides the services of the Company's Chief Financial Officer and Corporate Secretary. Salaries and benefits in the prior period also included the former VP Exploration & Geology.

Non-cash share-based compensation for the three months March 31, 2026 totalled \$1,426,686 (2025 - \$Nil) and relates to stock options that were granted and vested during the period.

Travel expenses for the three months ended March 31, 2026 totalled \$82,110 (2025 - \$27,016) with the increase commensurate with the increase in both exploration and marketing activities by senior management.

**Liquidity and Capital Resources**

The Company began the fiscal period with \$6,452,757 cash. During the three months ended March 31, 2026, the Company spent \$1,588,041 on operating activities, net of working capital changes, and \$310,939 on investing activities, to end at March 31, 2026 with \$4,553,777 cash.

As at March 31, 2026, the Company had working capital of \$4,436,322. Management estimates that its working capital may not provide the Company with sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

**Related Party Transactions**

The Company had no other related party transactions other than those incurred in the normal course of business as disclosed in the Financial Report.

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**Additional Disclosure for Venture Issuers without Significant Revenue**

The components of exploration and evaluation assets are described in Note 8 to the Financial Report.

**Outstanding Share Data as at the date of this MD&A**

Authorized: an unlimited number of common shares without par value

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	<b>Common Shares Issued and Outstanding</b>	<b>Share Purchase Warrants</b>	<b>Stock Options</b>
<b>Balance as at March 31, 2026</b>	164,217,196	9,883,236	10,675,000
<b>Balance as at the date of this MD&amp;A</b>	164,217,196	9,883,236	10,675,000

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**Disclaimer for Forward-Looking Information**

Certain information and statements in this MD&A may be considered forward-looking information or forward-looking statements for purposes of applicable securities laws (collectively, "forward-looking statements"), which reflect the expectations of management regarding its disclosure and amendments thereto. Forward-looking statements consist of information or statements that are not purely historical, including any information or statements regarding beliefs, plans, expectations or intentions regarding the future. Such information or statements in this MD&A may include, but are not limited to, the anticipated benefits of the potential for exploration potential in Saudi Arabia; the untapped mineral wealth of Saudi Arabia; Sun Peak being successful in acquiring additional licenses; the goal of making a significant discovery and the development of a large-scale project in Saudi Arabia or Ethiopia, and identifying other potential properties and opportunities both in Ethiopia, Saudi Arabia and globally. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits Sun Peak will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions, which may prove to be incorrect. These assumptions and risks include, but are not limited to, assumptions and risks associated with the state of the political stability of Ethiopia and the conflicts in the Middle Eastern region, perceived political jurisdictional risk affecting equity financing markets and results of future exploration activities by the Company. These forward-looking statements are made as of the date of this MD&A and, except as required by applicable securities laws, Sun Peak assumes no obligation to update these forward-looking statements, or to update the reasons why actual results differed from those projected in the forward-looking statements. Additional information about these and other assumptions, risks and uncertainties are set out in the "Risks Factors" section in the Company's Prospectus dated August 10, 2020 and the "Risks Associated with the SDC Acquisition" section in the Company's Information Circular dated November 3, 2025, both filed on SEDAR+.

**Other Information**

Additional information relating to the Company is available for viewing on the Company's web site at [www.sunpeakmetals.com](http://www.sunpeakmetals.com) and on SEDAR+.