



FARADAY COPPER

Faraday Copper Corp.

Management Discussion and Analysis

For the three and nine months ended September 30, 2025 and 2024

Dated: November 13, 2025



REPORTING PERIOD AND EFFECTIVE DATE

The following Management's Discussion and Analysis ("MD&A") of the results of operations and financial condition of Faraday Copper Corp. (the "Company" or "Faraday") and its subsidiaries should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2025 and 2024 (the "Interim Financial Statements"), which are prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*. Certain disclosures included in the Company's audited consolidated financial statements for the years ended December 31, 2024 and 2023 (the "Annual Financial Statements") prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board have been condensed or omitted, and accordingly, these Interim Financial Statements should be read in conjunction with the Company's Annual Financial Statements.

In this MD&A, unless the context otherwise dictates, a reference to "us", "we", "our", or similar terms refers to the Company. For further information on the Company, reference should be made to its public filings on SEDAR+ at www.sedarplus.ca. All dollar amounts are in Canadian dollars, the presentation currency of the Company, except where otherwise noted. The functional currency of the Company and its subsidiaries is disclosed in the notes to the Interim Financial Statements. All references to "\$", "CAD" and "dollars" refer to Canadian dollars, "US\$" and "USD" refers to United States dollars. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The nine-month periods ended September 30, 2025 and 2024 are referred to as "YTD 2025" and "YTD 2024" respectively.

This MD&A is prepared by management and approved by the Board of Directors as of November 13, 2025 (the "MD&A Date"). This discussion covers the three and nine months ended September 30, 2025 and 2024 and the subsequent period up to the MD&A Date.

DESCRIPTION OF BUSINESS

Faraday was incorporated on October 21, 2014 under the Business Corporations Act (British Columbia). The Company's registered office is located at Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 0C5. The Company's head office and principal address is located at 2800 - 1055 Dunsmuir Street, Vancouver, British Columbia, V7X 1L2. The Company's shares are traded on the Toronto Stock Exchange and OTCQX under the symbol "FDY" and "CPPKF", respectively, and its principal business is the acquisition and development of resource properties.

Company Strategy

To create value through the technical advancement and economic viability of our copper projects by:

- Demonstrating leading health, safety, and environmental performance;
- Advancing and optimizing the Company's flagship asset, the Copper Creek Project; and
- Driving awareness and reputation through stakeholder engagements.

Highlights Year to Date

- Announced initiation of the largest ever drill program at the Copper Creek Project on September 18, 2025. The Phase IV drill program plans for 40,000 metres ("m") of diamond drilling focused on the American Eagle area as well as new targets, infill, geotechnical, infrastructure, and hydrological drilling.
- Closing of a financing for gross proceeds of \$48,773,450 on July 29, 2025. The financing includes a brokered bought deal private placement involving the issuance of 26,139,500 common shares at a price of \$1.10 per share, and a non-brokered private placement of 18,200,000 common shares at a price of \$1.10 per share.
- Announced approval from the Bureau of Land Management ("BLM") for the Company's exploration plan of operations at the Copper Creek Project on July 2, 2025.
- Announced an expansion of the near-surface mineralization in the American Eagle Area and identification of exploration upside at the Sunrise Trend, on June 19, 2025.
- Reported results from the Company's annual general meeting on June 18, 2025.
- Reported near-surface supergene copper mineralization at the Globe and Copper Prince breccias, including 10.08 m at 3.62% copper and 38.90 m at 0.51% copper, on May 15, 2025.
- Announced discovery of blind Winchester Breccia and expansion of near-surface mineralization in the American Eagle Area and provided a corporate update on May 6, 2025.
- Reported 56.57 m at 0.59% copper at the Boomerang breccia and 18.49 m at 0.98% copper at the Banjo breccia on March 19, 2025.
- Reported positive metallurgical results confirming high copper recovery through coarse grind and flotation on February 20, 2025.
- Reported 47.95 m at 0.74% copper within 304.40 m at 0.35% copper in the American Eagle Area on January 30, 2025.



- Reported 40.06 m at 0.78% copper within 109.42 m at 0.41% copper at the Boomerang breccia and expanded near-surface mineralization on January 8, 2025.
- Continued baseline environmental data collection, stakeholder mapping, and generative exploration targeting at the Copper Creek Project to provide a pipeline of future targets through ongoing geological mapping and recently reprocessed and newly acquired geophysical data.

Upcoming Copper Creek Project Milestones

- On-going drill results from the 40,000 m Phase IV drill program.

Share Capital Transactions

During the three and nine months ended September 30, 2025, the Company had the following share capital transactions:

- On January 22, 2025, the Company issued 80,000 common shares pursuant to the exercise of 80,000 stock options with an exercise price of \$0.44. The Company received gross proceeds of \$35,200 and transferred \$23,692 from the Company's options reserve into share capital.
- On July 17, 2025, the Company issued 625,000 common shares at a price of \$0.60 per share pursuant to the exercise of warrants, for total proceeds of \$375,000. No amounts were recorded in reserves for the warrants exercised and accordingly, there was no reclassification to share capital.
- On July 29, 2025, the Company closed a private placement financing for gross proceeds of \$48,773,450. The financing includes a brokered "bought deal" private placement involving the issuance of 26,139,500 common shares at a price of \$1.10 per share for gross proceeds of \$28,753,450 and a non-brokered private placement of 18,200,000 common shares at a price of \$1.10 per share for gross proceeds of \$20,020,000, and paid share issuance costs of \$1,809,039.
- On August 7, 2025, the Company issued 70,000 common shares at a price of \$0.60 per share pursuant to the exercise of warrants, for total proceeds of \$42,000. No amounts were recorded in reserves for the warrants exercised and accordingly, there was no reclassification to share capital.
- On August 15, 2025, the Company issued 55,000 common shares at a price of \$0.60 per share pursuant to the exercise of warrants, for total proceeds of \$33,000. No amounts were recorded in reserves for the warrants exercised and accordingly, there was no reclassification to share capital.

QUALIFIED PERSONS

The scientific and technical information contained in this MD&A has been reviewed and approved by Thomas Bissig, P. Geo, VP Exploration and Zach Allwright, P. Eng., VP Projects and Evaluations, both a "Qualified Person" as defined under National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Both have verified the data contained herein (where possible) which included a review of the sampling analytical and test methods underlying the data, information and opinions disclosed herein.

RESOURCE PROPERTIES

As at September 30, 2025, the Company had two resource properties in the United States:

Copper Creek Project

The project is a 100% owned, large copper deposit, located ~80 road kilometres ("km") northeast of Tucson, Arizona, and ~19 km northeast of San Manuel, Arizona. The resource area is ~3 km in length and is open in all directions. The property consists of ~78 square km of private land, patented and unpatented mining claims, and state prospecting permits. In addition, the Company controls ~26,000 acres of grazing leases which partially overlap with the claims and permits. The property is located within a historical mining district and a politically stable jurisdiction with extensive infrastructure including power, rail, roads, and access to skilled personnel.

The property is in the heart of the prolific southwestern porphyry copper region of North America at the projected intersection of a major northwest trending belt of copper deposits (Ray, Miami/Globe, Superior/Resolution, Johnson Camp) and a major east-northeast trending belt of deposits (San Manuel/Kalamazoo, Silver Bell, Lakeshore, Safford, Morenci).



The property hosts an early halo vein style porphyry copper deposit with high-grade, near-surface, breccia-hosted mineralization. Both mineralization types form the basis of the current Mineral Resource Estimate ("MRE") prepared in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum standards. Copper is the primary commodity, with molybdenum, silver and gold present in varying amounts associated with both types of mineralization.

On May 3, 2023, the Company announced an updated MRE and Preliminary Economic Assessment ("PEA") for the project, with a technical report titled "Copper Creek Project NI 43-101 Technical Report and Preliminary Economic Assessment" filed on SEDAR+ on June 13, 2023.

With a total of over 257,000 m of recent and historical drilling and modest past production, significant exploration upside remains. There are over 320 known breccia occurrences mapped at the surface, of which less than 15% have been drill tested and only 17 are included in the 2023 MRE.

In the Phase II drill program, assay results confirmed the potential for gold to occur in economic concentrations in certain phases of the mineralization. Gold is not currently included in the 2023 MRE. A sampling program for potential gold inclusion in future technical studies was undertaken. The results from the Childs Aldwinkle and Copper Prince breccias, as well as the Keel underground zone, have been returned and released. The Company continues to evaluate other areas for potential inclusion of gold in future mineral resource updates.

Phase III drilling was completed in mid-April 2025 with 79 drill holes and 30,071 m of drilling. All results from the Phase III drilling have been released. The program's framework was based on historical work, knowledge from the geological and recently updated structural model, the results from the Phase I and Phase II drill programs, geophysical and airborne spectral data sets, and economic criteria defined in the 2023 PEA base case.

The focus of drilling was on the near-surface mineralization in the American Eagle, Area 51 and Rum areas.

On June 30, 2025, the Company received approval of its Exploration Plan of Operations ("EPO") by the BLM. The BLM published the final environmental assessment, and finding of no significant impact ("FONSI") and issued a related decision record approving the EPO. The EPO includes up to 67 drill pads located on Federal land:

- 48 drill pads in or near the American Eagle area and the southern portion of the Mammoth resource area;
- 10 drill pads in or near other existing resource areas at Old Reliable, Globe, Copper Prince and Copper Giant; and
- 9 drill pads that enable reconnaissance drilling on previously untested targets

Phase IV drilling commenced on September 18, 2025, with a planned 40,000 m diamond drill program with the goal of building on the Company's previous drilling success. The program will focus on the American Eagle area as well as new targets, infill, geotechnical, infrastructure, and hydrological drilling:

- ~20,000 m focused on American Eagle near-surface mineralization;
- ~10,000 m targeting oxide mineralization to increase the potential of copper cathode production; and
- ~10,000 m for new discoveries in the Copper Creek district.

The Company has reported results from metallurgical programs focused on grind size optimization that demonstrated the viability of coarse particle flotation, gold recoveries in concentrate and test work on near surface oxide mineralization.

The Company is focusing on exploration at the property while continuing to advance technical studies, environmental data gathering, and stakeholder outreach.

Contact Copper Project

The project is a 100% owned copper oxide project located in Elko County, Nevada. The project is located west of the town of Contact, Nevada. U.S. Highway 93 traverses the east side of the project along with a 138 kilovolt transmission line, between the towns of Wells and Jackpot, Nevada. The property consists of approximately 2,650 acres in 155 patented claims and approximately 4,800 acres in 294 unpatented claims.

Copper mineralization occurs as a vein hosted deposit within a granodiorite intrusion and adjacent Paleozoic sedimentary rocks. The copper content is highest in quartz veins, particularly where chalcocite is present, but grades outward into granodiorite where copper minerals occur in quartz veinlets, fracture coatings and disseminations. Mineralization consists of oxidized copper minerals such as tenorite, chrysocolla and cuprite, as well as secondary sulphides chalcocite and covellite. Primary copper minerals include chalcopyrite and bornite and occur several 100 m below surface. In addition, carbonate-replacement and skarn mineralization exists in Paleozoic sedimentary rocks near the contact to the granodiorite.

The historical MRE and technical study were published in a technical report titled "NI 43-101 Pre-Feasibility Study on the Contact



Copper Project” prepared for Enexco International Ltd. by Hard Rock Consultants LLC, published October 1, 2013.

There is expected to be exploration upside with several targets that have not been drill tested including Copper Ridge, which features oxide copper mineralization with grab samples containing up to 12.4% copper.

Currently, the Company has made a strategic decision to focus on advancement of the Copper Creek Project.

USE OF PROCEEDS

On May 30, 2024, the Company closed a bought deal financing and issued 28,750,000 common shares at a price of \$0.80 per share for gross proceeds of \$23,000,000 (the “May 2024 Offering”).

The Company has used the gross proceeds from the May 2024 Offering to advance the Company’s Copper Creek project, as well as for general working capital purposes, as estimated below.

A summary of the allocation of proceeds for the May 2024 Offering is as follows:

	May 30, 2024
	\$
Total proceeds	23,000,000
Expected allocation of net proceeds:	
Underwriter fees and other expenses*	861,747
Advancement of the Copper Creek Project*	19,138,253
General working capital expenses	3,000,000

Notes:

* Compared to amounts previously disclosed in the Prospectus Supplement dated May 24, 2024, the underwriter fees and other expenses have been updated to reflect the final amounts incurred, with a corresponding decrease of \$61,747 related to the Advancement of the Copper Creek Project.

On July 29, 2025, the Company closed a private placement financing (the “July 2025 Financing”) for gross proceeds of \$48,773,450. The financing includes a brokered “bought deal” private placement involving the issuance of 26,139,500 common shares at a price of \$1.10 per share for gross proceeds of \$28,753,450, and a non-brokered private placement of 18,200,000 common shares at a price of \$1.10 per share for gross proceeds of \$20,020,000.

The Company intends to use, or has used, the gross proceeds from the July 2025 Financing to advance the Company’s Copper Creek project, as well as for general working capital purposes, as estimated below.

A summary of the allocation of proceeds for the July 2025 Financing is as follows:

	July 29, 2025
	\$
Total proceeds	48,773,450
Expected allocation of net proceeds:	
Underwriter fees and other expenses*	1,809,039
Advancement of the Copper Creek Project*	43,714,411
General working capital expenses	3,250,000

Notes:

* Compared to amounts previously disclosed in the Amended and Restated Offering Document dated July 15, 2025, the underwriter fees and other expenses have been updated to reflect the final amounts incurred, with a corresponding decrease of \$91,366 related to the Advancement of the Copper Creek Project.

Considering the current uncertainty as to the general market and competitive conditions, the Company continues to maintain its fiscally responsible approach to its mineral exploration activities. In particular, the Company continues to evaluate market conditions on an ongoing basis, with the goal of, among other things: (i) identifying the appropriate time to initiate certain business objectives, and (ii) exploring potential alternative, viable opportunities to further develop and expand the Company’s business.



As such, the Company notes that there may be circumstances where, for sound business reasons, the Company may be required to reallocate funds, including due to demands for shifting focus or investment in mining exploration and/or development activities, requirements for accelerating, increasing, reducing, or eliminating initiatives in response to changes in market, regulations and/or developments in the mining sector generally and in the price of copper, unexpected setbacks, and strategic opportunities, such as partnerships, strategic partners, joint ventures, mergers, acquisitions, and other opportunities.

SUMMARY OF QUARTERLY RESULTS

All the Company's resource properties are in the exploration stage. The Company has not had revenue from inception and does not expect to have revenue in the near future. The Company's operating results are not seasonal in nature and have been mainly related to the amount of exploration activities in each quarter. The Company's quarterly performance in the latest eight quarters is as follows:

	Q3 2025	Q2 2025	Q1 2025	Q4 2024
	\$	\$	\$	\$
Net loss	5,457,549	5,414,380	7,820,431	7,280,515
Basic and diluted loss per share	0.02	0.03	0.04	0.04

	Q3 2024	Q2 2024	Q1 2024	Q4 2023
	\$	\$	\$	\$
Net loss	4,341,859	5,426,500	5,499,835	5,284,930
Basic and diluted loss per share	0.02	0.03	0.03	0.03

Net loss

The Company's quarterly historical results are not subject to seasonality. The quarterly trend in loss for the period and loss per share is primarily driven by the Company's exploration expenses. The losses during Q3 2024 were less than average primarily due to the timing of exploration expenditures, reduced general and administration costs, and lower share-based compensation expenditures. The losses during Q4 2024 and Q1 2025 were higher than average due to increased drilling activities which increased the exploration and evaluation expenses.

Performance Summary

	Note	Q3 2025	Q3 2024	YTD 2025	YTD 2024
		\$	\$	\$	\$
Operating expenses					
Amortization		75,849	50,334	206,694	151,368
Consulting and management fees		-	15,021	-	58,813
Exploration and evaluation expenses	(a)	4,065,027	3,468,057	14,695,714	12,264,415
General and administration	(b)	1,163,906	629,639	2,431,558	1,894,648
Professional fees		130,175	135,264	326,854	360,149
Shareholder costs and investor relations	(c)	131,435	58,788	384,910	199,871
Share-based compensation	(d)	466,647	269,620	1,313,451	862,279
Travel		77,994	18,998	157,214	67,012
Total operating expenses		6,111,033	4,645,721	19,516,395	15,858,555
Foreign exchange (gain) loss	(e)	(330,307)	228,108	(157,584)	160,747
Interest income	(e)	(323,177)	(531,970)	(570,745)	(751,108)
Other income		-	-	(95,706)	-
Net loss		5,457,549	4,341,859	18,692,360	15,268,194

Q3 2025 compared to Q3 2024

- Exploration and evaluation expenses are higher during Q3 2025, primarily due to increased engineering & studies and environmental, social, and governance expenses at Copper Creek as the Company continues to advance the asset technically, partly offset by lower exploration, geological, and laboratory costs due to less drill meterage with one drill rig mobilized in September 2025 compared to two drill rigs operating throughout most of Q3 2024.
- General and administration expenses are higher during Q3 2025, primarily due to a charge for one-time office and facilities related costs.
- Shareholder costs and investor relations expenses are higher during Q3 2025, primarily due to increased marketing activities compared to Q3 2024.



- d) Share-based compensation expenses are higher during Q3 2025, primarily due to the number and value of restricted share units that were vesting during the period.
- e) Interest income is lower during Q3 2025, primarily due to a lower average cash and cash equivalents balance and decrease in interest rates. Interest income, when evaluated on a combined basis with the foreign exchange (gains) loss, is higher period over period, primarily due to the impact of foreign exchange fluctuations and revaluation of deposits held in USD, as well as the relative proportion of the Company's cash and cash equivalents held in USD throughout the respective quarters.

YTD 2025 compared to YTD 2024

- a) Exploration and evaluation expenses are higher YTD 2025, primarily due to higher engineering and studies, environmental, social, and governance, and payroll as the Company continues to advance the asset technically, partly offset by lower exploration, geological and laboratory costs due to less drill metreage YTD 2025 due to Phase III ending in April 2025 and Phase IV commencing in September 2025, compared to two drill rigs operating throughout most of comparative period.
- b) General and administration expenses are higher YTD 2025, primarily due to a charge for one-time office and facilities related costs.
- c) Shareholder costs and investor relations expenses are higher YTD 2025, primarily due to increased marketing activities compared to YTD 2024.
- d) Share-based compensation expenses are higher YTD 2025, primarily due to the number and value of restricted share units that were vesting during the period.
- f) Interest income is lower YTD 2025, primarily due to a lower average cash and cash equivalents balance and decrease in interest rates. Interest income, when evaluated on a combined basis with the foreign exchange (gain) loss, is higher than YTD 2024 primarily due to the impact of foreign exchange fluctuations and revaluation of deposits held in USD, as well as the relative proportion of the Company's cash and cash equivalents held in USD throughout the respective periods.

SOURCES AND USES OF CASH

During the nine months ended September 30, 2025, cash used in operating activities was \$18,018,027 (2024 - \$14,557,093), cash used in investing activities was \$549,510 (2024 - \$432,123), and cash provided by financing activities was \$47,449,611 (2024 - \$22,138,253). The Company continues to incur operating costs primarily related to exploration and evaluation expenses and, except for the July 2025 Financing, no other significant investing or financing activities occurred during the nine months ended September 30, 2025.

LIQUIDITY, CAPITAL RESOURCES, AND GOING CONCERN

The Company is a resource exploration-stage company and does not generate any revenue and has been mainly relying on equity-based financing to fund its operations. As at September 30, 2025, the Company had cash and cash equivalents of \$45,875,360 (December 31, 2024 - \$17,003,895) and current assets less current liabilities of \$42,821,910 (December 31, 2024 - \$13,129,205). While the Company has sufficient capital resources to fund its operations for the next 12 months, it is an exploration-stage company and does not anticipate achieving positive cash flow from operations for the foreseeable future. Accordingly, the Company anticipates needing to raise additional capital to fund its long-term business objectives.

On May 30, 2024, the Company completed a private placement financing for net proceeds of \$22,138,253, which included share issuance costs of \$861,747, to fund its operations.

On July 29, 2025, the Company completed a private placement financing for net proceeds of \$46,964,411. The Company intends to use the proceeds from the financing to advance the Copper Creek Project and for general working capital purposes.

The Company will require additional financing either through equity or debt financing, sale of assets, joint venture arrangements, or a combination thereof to meet its administrative costs and to continue to explore and develop its resource properties. There is no assurance that sufficient future funding will be available on a timely basis or on terms acceptable to the Company. As such, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.



RELATED PARTY TRANSACTIONS

Key Management Personnel

During the three and nine months ended September 30, 2025 and 2024, the Company incurred the following transactions with key management personnel, including the Chief Executive Officer, Chief Financial Officer, Vice President Studies & Evaluations, and Vice President of Exploration; as well as the directors of the Company.

A summary of the Company's key management personnel is as follows:

	Q3 2025	Q3 2024	YTD 2025	YTD 2024
			\$	\$
Consulting and management fees	-	315	-	4,903
Director fees included in general and administration	56,250	56,250	168,750	168,750
Salaries and other compensation included in general and administration	506,697	490,085	1,513,303	1,482,137
Share-based compensation	292,214	183,085	838,760	594,148
	855,161	729,735	2,520,813	2,249,938

On September 30, 2024, the Company entered into a management services agreement with Fireweed Metals Corp. ("Fireweed") which resulted in the Company and Fireweed becoming related parties due to overlapping composition of officers at each organization. The Company and Fireweed ceased to be related parties as of February 27, 2025, and the management services agreement was terminated on March 31, 2025. In connection with the management services agreement, during the three and nine months ended September 30, 2025, the Company recorded other income of \$nil and \$95,706 (2024 - \$nil and \$nil, respectively). Of the \$95,706 earned in the nine months ended September 30, 2025, \$64,082 was earned while Fireweed was a related party.

As at September 30, 2025, the Company had \$722,939 (December 31, 2024 - \$873,036) due to related parties which comprised of amounts owing to key management personnel for services rendered. Amounts due to related parties are unsecured and non-interest-bearing with no specified terms of repayment.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as at September 30, 2025 or at the date of this MD&A.

PROPOSED TRANSACTIONS

The Company has no undisclosed proposed transactions as at September 30, 2025 or at the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING JUDGMENTS

The preparation of financial statements under IFRS Accounting Standards requires management to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted prospectively in the period in which the estimates are revised.

The accounting estimates, judgements and assumptions used in the preparation of the Interim Financial Statements are consistent with those applied and disclosed in the notes to the Annual Financial Statements.



SUBSEQUENT EVENTS

On October 9, 2025 and October 10, 2025, the Company issued 150,000 and 2,125,000 common shares, respectively, at a price of \$0.60 per share pursuant to the exercise of 150,000 and 2,125,000 warrants, respectively, for total proceeds of \$1,365,000. As a result of this issuance, the total number of issued and outstanding common shares increased to 252,880,075 and the total number of warrants outstanding reduced to 9,475,000.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to several financial and market risks, including credit, interest rate and liquidity risks. The Company may, or may not, establish active policies from time-to-time to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of cash flow of its operations would warrant such hedging activities.

Fair value of financial instruments

The fair value hierarchy established by IFRS 13 *Fair Value Measurement* has three levels to classify the inputs to valuation techniques used to measure fair value described as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices that are observable for the assets or liabilities either directly or indirectly; and

Level 3 - Inputs that are not based on observable market data.

The fair values of the Company's cash and cash equivalents, accounts payable and accrued liabilities and due to related parties are equivalent to their carrying values due to their short-term nature.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk through its cash and cash equivalents. The Company mitigates its exposure to credit loss associated with cash and cash equivalents by placing its cash and cash equivalents in major financial institutions.

As at September 30, 2025, the Company had cash equivalents of \$45,132,110 in term deposits (December 31, 2024 - \$14,201,500) that are cashable in no more than 90 days and bear interest up to 4.66% (December 31, 2024 - 5.05%). Interest income on term deposits during the three and nine months ended September 30, 2025 was \$323,177 and \$570,745, respectively (2024 - \$531,970 and \$751,108, respectively). Given the high credit quality of the financial institutions and the short-term, highly liquid nature of the term deposits, the Company assesses its exposure to credit risk to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company may be unable to meet its financial obligations as they fall due or that it will be required to meet them at excessive cost. To mitigate the risk, the Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash and cash equivalents. The Company's cash and cash equivalents are maintained in business accounts and invested in term deposits that are cashable in no more than 90 days and bear interest up to 4.66% (December 31, 2024 - 5.05%). The Company manages its liquidity risk mainly through raising funds from private placements. The Company's accounts payable and accrued liabilities are due within 90 days of September 30, 2025 and due to related parties has no specific terms of repayment. Given the Company's proactive management of working capital, the high liquidity of its term deposits, and its ability to access funds through private placements, the Company assesses its liquidity risk to be low.

The Company's operating cash requirements are continuously monitored and adjusted as input variables change. As these variables change, liquidity risks may necessitate the need for the Company to pursue equity issuances, obtain project or debt financing, or enter into joint arrangements. There is no assurance that the necessary financing will be available in a timely manner.

Interest rate risk

Interest rate risk is the risk that the Company is exposed to the risk that the value of financial instruments will change due to movements in market interest rates. As at September 30, 2025, the Company did not have debt instruments exposed to variable interest rate.



Foreign exchange risk

Foreign exchange risk is the risk that the fair value of the Company's assets and liabilities will fluctuate due to changes in foreign exchange rates.

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in its functional currency. The Company does not manage currency risk through hedging or other currency management tools.

A summary of the Company's financial assets and liabilities that are denominated in US dollars and are presented in the Company's functional currency is as follows:

	September 30, 2025		December 31, 2024	
	US\$	\$	US\$	\$
Cash	23,401,771	32,577,605	2,132,694	3,068,733
Accounts payable and accrued liabilities	(949,636)	(1,321,988)	(2,067,113)	(2,974,369)
	22,452,135	31,255,617	65,581	94,364

As at September 30, 2025, a 5% change in the US dollar against the Canadian dollar would result in a \$1,562,781 impact on the net loss to the Company. The Company's foreign exchange exposure primarily relates to cash deposits held in US dollars. These funds are intended to be used to finance exploration activities for the Copper Creek Project and are expected to decrease over time as expenditures are incurred. The Company's exposure to foreign currency risk is limited to the US dollar, which is not the currency of a hyperinflationary economy. Accordingly, the related foreign currency risk is considered moderate.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has outstanding 252,880,075 common shares, 8,257,168 restricted stock units, 9,475,000 warrants and 11,159,000 stock options.

RISK FACTORS

The principal activity of the Company is mineral exploration, which is inherently risky. There is intensive government legislation from state, provincial, federal, municipal and aboriginal governments, surrounding the exploration for and production of minerals from our mining operations and any future production activities. Exploration and development are also capital intensive, and the Company currently has no source of income. Only the skills of its management and staff in mineral exploration and exploration financing serve to mitigate these risks and therefore constitute one of the main assets of the Company.

The Company has its cash deposited with a large, federally insured, commercial bank which it believes to be creditworthy.

For additional discussion of risk factors, please refer to the Company's annual information form for the year ended December 31, 2024, which is available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.faradaycopper.com.

NON-IFRS ACCOUNTING STANDARDS AND OTHER FINANCIAL MEASURES

This MD&A may make reference to certain financial measures, including non-IFRS Accounting Standards measures that are forward-looking, non-GAAP ratios and supplementary financial measures. Management uses these financial measures for purposes of comparison to prior periods and development of future projections and earnings growth prospects. This information is used by management to measure the profitability of ongoing operations and in analyzing our business performance and trends. These measures are not recognized measures under IFRS Accounting Standards, do not have a standardized meaning prescribed by IFRS Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS Accounting Standards measures by providing further understanding of our results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS Accounting Standards.



FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute “forward-looking statements”. These statements relate to future events or the Company’s future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Information concerning the interpretation of drill results, mineral resource and reserve estimates and capital cost estimates may be deemed as forward-looking statements as such information constitutes a prediction of what mineralization might be found to be present and how much capital will be required if and when a project is actually developed. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be relied upon. In particular this MD&A contains forward-looking statements pertaining to the expected mine life for Copper Creek, the expected production during active mining, the expected construction timing, the low operating cost profile, the expected high-performance metallurgical recoveries, the anticipated exploration upside and the intended use of proceeds from the Company’s private placement offering. These statements speak only as of the date of this MD&A. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- permitting and licensing risks;
- public health risks;
- negative cash flow;
- liquidity and financing risks;
- funding risk;
- exploration costs;
- uninsurable risks;
- conflicts of interest;
- government policy changes;
- ownership risks;
- community relations;
- market conditions;
- stress in the global economy;
- current global financial condition;
- exchange rate and currency risks;
- commodity prices;
- dilution risk;
- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of copper or other mineral commodities under exploration;
- the availability of financing for the Company’s exploration and development projects on reasonable terms;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff;
- market competition;
- The accuracy of our resource estimate (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which it is based; and
- tax benefits and tax rates.

These forward-looking statements involve risks and uncertainties relating to, among other things, risks related to international operations, actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, as well as those factors discussed in the section “Risk Factors”. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors discussed in the section. The Company cautions that the foregoing list of important factors is not exhaustive. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such 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. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.