AURANIA

AURANIA RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Three Months Ended March 31, 2024

(Expressed in Canadian Dollars unless otherwise indicated)

INTRODUCTION

Aurania Resources Ltd. (“Aurania” or the “Company”) is a publicly traded junior mining exploration company engaged in the identification, evaluation, acquisition, and exploration of mineral property interests, with a focus on precious metals and copper in South America and most recently in France. Aurania’s principal asset is a 100% holding of the Lost Cities – Cutucu project (“Lost Cities Project”) that covers approximately 208,000 hectares (“Ha”) in southeastern Ecuador. The Company has also applied for mineral concessions in adjacent northern Peru (“Peru Project”, and together with the Lost Cities Project, the “Projects”), and for an exploration license in the Brittany Peninsula of northwestern France. These applications are progressing through the lengthy review process that precedes the granting of mineral concessions. This Management’s Discussion and Analysis (“MD&A”) is a review of the financial condition and results of operations by the management (“Management”) of Aurania for the three months ended March 31, 2024 (the “Reporting Period”). This MD&A is prepared as at May 27, 2024, unless otherwise indicated, and should be read in conjunction with the unaudited condensed interim consolidated financial statements and the notes related thereto for the three months ended March 31, 2024 (the "Financial Statements") which have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting. All monies are expressed in Canadian dollars unless otherwise indicated. Additional information relevant to the activities of the Company has been filed electronically through the System for Electronic Document Analysis and Retrieval (“SEDAR+”) – http://www.sedarplus.ca and are also available on the Company’s website http://www.aurania.com.

CAUTIONARY NOTE

This MD&A contains “forward-looking information” under applicable Canadian securities legislation. Except for statements of historical fact relating to the Company, information contained herein constitutes forward-looking information, including any information as to the Company’s strategy, plans or future financial or operating performance. Forward-looking statements are characterized by words such as “plan,” “expect”, “budget”, “target”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. Forward-looking statements are based on the opinions, assumptions and estimates of Management, considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking information. These factors include the Company’s expectations related with exploration concepts on its projects, potential development and expansion plans on the Company's projects, the impact of general business and economic conditions, global liquidity, inflation, inability to raise additional funds as may be required through debt or equity markets, fluctuating metal prices (such as gold, silver and copper), currency exchange rates (such as the Canadian Dollar (“$”), Swiss Franc (“CHF”), the United States Dollar (“USD”), Peruvian Sol (“SOL”) and European euro (“€”)), changes in accounting policies, risks related to non-core asset disposition, risks related to acquisitions, changes in project parameters as plans continue to be refined, changes in exploration time-frames, the possibility of project cost-overruns or unanticipated costs and expenses, higher prices for fuel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, poor success of exploration sites, permitting timelines, government regulation and the risk of government expropriation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of labour disputes and/or shortages, as well as those risk factors discussed or referred to herein. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company has no obligation to update forward-looking statements if circumstances or Management’s estimates, assumptions or opinions should change, except as required by applicable law. The reader is cautioned not to place undue reliance on forward-looking information. The forward-looking information contained herein is presented to assist investors in understanding the Company’s expected financial and operational performance and results as at, and for the periods ended on, the dates presented in the Company’s plans and objectives and may not be appropriate for other purposes.

1. FIRST QUARTER 2024 HIGHLIGHTS

The Company filed all the appropriate documentation for the renewal of its 42 mineral exploration concessions in Ecuador for the year 2024. The Company also filed a request to enter into an agreement for payment of the associated annual concession fees. Its property in Ecuador remains in good standing while an agreement is being finalized.

As of the date of this MD&A, the Company is still waiting for a response from the authorities in this matter, which is undergoing a lengthy administrative process, throughout which additional requirements may be requested. Further details will be reported once an agreement is reached.

Aurania's CSR team continued to work with local communities in Ecuador to advance various social programs and initiatives within the areas of the Company's key targets, strengthening the bonds with the communities and improving the Company's social license.

Subsequent to March 31, 2024, the Company announced it intends to further its 2024 exploration program on the Kuri-Yawi epithermal gold target area, a high priority target for further exploration and target refinement due to encouraging surface indications and complete a non-brokered private placement financing of up to $4,000,000. The proposed exploration activities are dependent on raising sufficient funding.

1.1. Exploration - Lost Cities Project, Ecuador

1.1.1 Operational strategy

(a) Review of operational strategy and priority areas

Aurania's strategy concentrates the majority of its resources on the epithermal gold and porphyry copper exploration at the Company's Lost Cities – Cutucu Project in Ecuador while exploring joint ventures and other potential partnerships in respect of advancing concessions. The Company has identified the Kuri-Yawi epithermal gold targets as having the highest priority in the short term for further exploration and target refinement.

The Company is evaluating all the concessions and may not renew those of lower geological interest. At this time, the Company does not know the combination of concessions to be released.

(b) Intrusive-related copper targets

Awacha: The target area comprises a cluster of geophysical anomalies representing porphyry targets located in an area approximately 9 km x 6 km in size. Mobile Magnetotellurics ("MobileMT") geophysics has indicated a buried conductive body in excess of 4 km x 5 km in size. The anomaly has the "classic doughnut" shape of a porphyry body. The conductive anomaly coincides with copper and molybdenum stream sediment anomalies and with quartz-sericite-pyrite ("QSP") alteration exposed in stream beds from field work reported in 2018. This is classic "phyllic" alteration seen in porphyry systems. The Company continues to work on the interpretation of the data collected during the first phase of the Anaconda mapping conducted in 2022.

In **Kuri-Yawi**, no exploration was made during the three months ended March 31, 2024.

(c) Epithermal targets for gold-silver

Tatasham: Three holes for a total of 1,664.64m were drilled between the fourth quarter of 2022 and the first quarter of 2023. The Tatasham target was considered only a porphyry target before the initial drilling. Nevertheless, the discovery of a breccia including clast of sinters and a sinter boulder 1,300m further to the south, led us to reclassify the area as having both epithermal and porphyry targets.

Kuri-Yawi: During 2020 and 2021, nine scout holes were drilled to test the soil geochemistry anomalies along with a geophysical anomaly detected during the 2021 MobileMT survey. The results at that time showed intense and pervasive hydrothermal clay mineral alteration (illite with areas of kaolinite) and silica-carbonate veinlets exhibiting epithermal textures which are encouraging features consistent with proximity to an epithermal system.

A TerraSpect survey conducted in the field has shown the presence of typical epithermal alteration zonation coinciding with chalcedony veins and a low magnetic anomaly. A low magnetic anomaly can result from the demagnetization of the rock due to hydrothermal alteration. Many sinter boulders are present in the vicinity of the Kuri-Yawi area.

No additional exploration was made during the three months ended March 31, 2024 in **Kuri-Yawi, Kuripan,** and **Latorre C**.

(d) Regional exploration

No regional exploration was conducted during the three months ended March 31, 2024.

1.1.2 Mineral Property Interests

The Company filed all the appropriate documentation for the renewal of its concession in Ecuador and filed a request to enter into an agreement for payment of the associated annual concession fees.

1.1.3 Corporate Social Responsibility ("CSR")

The Company's CSR team is its first point of contact with local communities, the majority of which are indigenous. The Company currently has social license to operate in 55 communities located within the Lost Cities Project area.

The CSR team and the Step Forward Foundation (the "Foundation") started a pilot project in alliance with the Mathkind organization to train and provide key tools for teaching and coaching children in the learning of mathematics to reduce the educational gap in the rural areas. There are three communities and twelve teachers involved in the program and they will graduate in the first semester of 2024.

Aurania's CSR team continues to strengthen the communities through programs and workshops on leadership development for community leaders, delivering support to indigenous grassroots organizations in conflict resolution and decision making, and providing guidance in the process of adjudication of their territories with training on the use of GPS to define property limits and helping them as a bridge to government entities for the recognition of property.

1.1.4 Health & Safety

There were no reportable accidents in the field during the first quarter of 2024.

1.1.5 Environment & Water

Monitoring of water quality upstream and downstream of offtake points for drilling and exploration camps is on-going and up to date and no issues have been detected.

1.2 Exploration Project, Peru

1.2.1 Mineral Property Interests

The Company retained its interest in 94 concessions covering 93,100Ha in northern Peru. Further detail is provided in sub-section 3.7.2.

1.2.2 Exploration - Data Compilation

An initial geological reconnaissance visit was conducted in 2022 in selected concessions. This work confirmed the presence of favorable geology for the presence of sediment-hosted copper deposits.

No additional exploration was made during the three months ended March 31, 2024.

1.3 Exploration Project, France

The Company applied for a 51km2 exploration permit immediately in the vicinity of a major shear zone called South Armorican Shear (cisaillement sud-armoricain) in the Brittany Peninsula of northwestern France through a wholly-owned French subsidiary. The concession area has historically been the site of significant high-grade gold finds. Placer gold in streams is present in the vicinity of the area.

In the area of interest, numerous gold nuggets or blocks of quartz containing high-grade gold were found. At the end of the 19th century, two auriferous quartz blocks of 1.17 kg and 1.47 kg were found at a distance of 400 m from each other. Recently, the Paris Museum acquired a block from this area containing 922 g of gold for a total weight of 3.31 kg. Around the 1980s, the BRGM (French equivalent of the USGS in the United-States) carried out alluvial sampling in the area which showed the presence of gold. Aurania's geologists have visited the area and found numerous blocks of quartz and evidence of past mining activity.

1.4 Funding

1.4.1 Related party loan

During the three months ended March 31, the Company received a loan for an aggregate of $1,000,000, received in advances between January and March, 2024, from Dr. Keith Barron, the Company's Chairman, CEO and largest shareholder (the "Lender") pursuant to a promissory note issued by the Company to the Lender. In accordance with the terms and conditions of the promissory note, the loan is due and payable and shall be repaid in full upon notice of twelve months and one day from the lender to the Company, where upon all unpaid principal and accrued interest there under shall be payable to the Lender. The Loan is unsecured and bears interest at a rate of two percent (2%) per annum. Further details are provided in Note 9 of the condensed interim consolidated financial statements for the three months ended March 31, 2024 and Section 7 – Indebtedness in this MD&A.

2. SELECTED FINANCIAL INFORMATION

Table 1: Selected financial information.

	As at March 31, 2024	As at December 31, 2023
Cash	**$542,592**	$325,262
Total assets	**872,903**	710,008
Total liabilities	**15,077,078**	10,882,401
Total shareholders' (deficiency)	**(14,204,175)**	(10,172,393)
Accumulated deficit	**$(103,446,474)**	$(98,771,170)

The change in the accumulated deficit is discussed in detail in Section 4 – Consolidated loss and comprehensive loss.

3. DISCUSSION OF OPERATIONS

3.1 Exploration expenditures by target type

Table 2: Accumulated project expenses by target type.

Exploration Category	Budgeted project expenditures										Actual expenditures						Differences	Discussion[5]
	December 2019 Technical Report	Use of Proceeds ("UoP") Oct 2020 Offering[3]	UoP April 2021 Public offering/Private placement[3]	UoP Oct 2021 Public offering[3,6]	UoP Mar 2022 Private Placement and Promissory Note	UoP Jun 2022 Promissory Note	UoP Aug 2022 Promissory Note	UoP Dec 2022 Private Placement	UoP Mar 2023 Private Placement	**Budgeted Cumulative Total**	Year ended December 31, 2020	Year ended December 31, 2021[4,6]	Year ended December 31, 2022	Year ended December 31, 2023	**3 months ending March 31, 2024**	**Cumulative Total**		
Ecuador																		
Regional / Reconnaissance Exploration	$600,000	$390,000	$476,591	$ -	$ -	$595,000	$1,000,000	$ -	$ -	**$3,061,591**	$980,499	$1,321,403	$435,336	$81,699	$ -	**$2,818,937**	$242,654	Refer to 3.2.1
Target Development																		
Epithermal Gold-Silver	2,530,000	1,970,000	1,911,073	356,820	-	-	-	-	-	**6,767,893**	1,772,760	2,651,317	$262,684	$125,519	**$83,120**	**$4,895,400**	$1,872,493	Refer to 3.2.2
Sediment-Hosted Copper-Silver	1,200,000	887,000	251,437	320,000	-	-	-	-	-	**2,658,437**	805,288	3,938,259	$224,957	$82,776	**$15,797**	**$5,067,078**	$(2,408,641)	Refer to 3.2.4
Intrusive-Related Copper	1,000,000	2,164,000	115,780	350,000	-	-	-	1,879,685	-	**5,509,465**	4,223,749	2,286,037	$1,656,850	$1,212,797	**$15,797**	**$9,395,231**	$(3,885,766)	Refer to 3.2.3
Carbonate-Hosted Silver-Zinc-Lead	170,000	759,000	1,393,592	250,000	-	-	-	-	-	**2,572,592**	670,043	1,481,529	$189,069	$265,264	**$15,797**	**$2,621,702**	$(49,110)	Refer to 3.2.4
Community Social Responsibility	250,000	350,000	526,098	390,000	-	-	-	-	-	**1,516,098**	906,800	847,972	$419,165	$408,844	**$77,735**	**$2,660,516**	$(1,144,418)	Refer to 3.4
Environmental, Health and Safety	-	-	292,968	225,000	-	-	-	-	-	**517,968**	-	993,475	$256,548	$158,335	**$15,413**	**$1,423,771**	$(905,803)	Refer to 3.5 and 3.6
Concessions[1]	2,800,000	2,800,000	53,100	1,470,000	1,400,000	-	-	-	3,165,349	**11,688,449**	2,785,907	2,613,615	$2,776,966	$3,165,349	**3,237,483**	**$14,579,320**	$(2,890,871)	Refer to 3.7.1
Peru										**-**								
Concession and legal fees[2]	-	-	327,156	-	-	405,000	-	-	-	**732,156**	219,314	1,281,174	$590,456	$281,715	**$2,311**	**$2,374,970**	$(1,642,814)	Refer to 3.7.2
Desktop studies	-	50,000	134,823	-	-	-	-	-	-	**184,823**	68,759	(29,990)	-	-	**-**	**$38,769**	$146,054	
France																		
Professional services	-	-	-	-	-	-	-	-	-	**-**	-	-	-	$66,849	**64,714**	**$131,563**		
General office and travel expenses	-	-	-	-	-	-	-	-	-	**-**	-	-	-	$13,638	**8,651**	**$22,289**		
Working capital	-	-	-	-	1,440,781	-	-	-	-	**1,440,781**	-	-	-	-	**-**	**-**	$1,440,781	
Total	**$8,550,000**	**$9,370,000**	**$5,482,618**	**$3,361,820**	**$2,840,781**	**$1,000,000**	**$1,000,000**	**$1,879,685**	**$3,165,349**	**$ 36,650,253**	**$12,433,119**	**$17,384,792**	**$ 6,812,030**	**$ 5,862,786**	**$ 3,536,819**	**$ 46,029,547**	**$(9,225,441)**	

[1] The 2019 Technical Report excluded a line item for concession fees

[2] USD352,925 of the concession payments made in June 2021, fourth quarter of 2022 and June 2023 were satisfied by credit certificates from rejected property interest.

[3] Expenditures incurred have been largely consistent with the proposed use of proceeds with any variations discussed in the respective section.

[4] Certain costs included in Regional Exploration and Target Definintion in the first and second quarters has been reclassified to Environment, Health and Safety.

[5] See 1.1.1 (a) Review of operational strategy and priority areas.

[6] Further detail is disclosed in the fourth quarter 2021 consistent with the use of proceeds detail in the October 2021 Prospectus.

3.2 Exploration of the Lost Cities Project, Ecuador

3.2.1 Reconnaissance Exploration

Stream sediment sampling had been completed over 66% of the Lost Cities Project.

Target development

Table 3: Summary of priority areas for each target type in the Lost Cities Project.

Target Type	Target	Planned	Status
Epithermal Gold-Silver	Kuri-Yawi B1	Further exploration to refine epithermal system drill targets	See sub-section 3.2.2 (b)
	Tatasham		See sub-section 3.2.2 (a) and 3.2.3 (a)
	Kuripan		See sub-section 3.2.2 (c)
Intrusive-Related Copper	Tatasham	Requalified to epithermal and porphyry targets after drilling	See sub-section 3.2.2 (a) and 3.2.3 (a)
	Awacha	Further exploration to refine porphyry-style drill targets	See sub-section 3.2.3 (b)

3.2.2 Epithermal Targets for Gold-Silver

(a) Tatasham

The Tatasham target was considered a porphyry target only before initial drilling commenced in late 2022. Nevertheless, the discovery of a breccia including clast of sinters above hole TT-001 and a sinter boulder 1,300m further to the south led us to reclassify the area as having both epithermal and porphyry targets. Three holes were drilled between the fourth quarter of 2022 and the first quarter of 2023, for a total of 1,664.64m including 898.89m during the first quarter of 2023. Holes TT-001 and TT-002 have crossed a zone of intense silicification associated with fault and breccia. It is believed to be the distal part of an epithermal system. Hole TT-003 crossed a sinter paleosurface with more than 30m thickness above an intense silicified zone with breccias and barite veins.

(b) Kuri-Yawi

During 2021 and 2020, nine scout holes for a total of 4,957 metres were drilled to test the soil geochemistry anomalies and one of the geophysical anomalies detected during the MobileMT survey in 2021. The results at that time showed intense and pervasive hydrothermal clay mineral alteration (illite with areas of kaolinite) and silica-carbonate veinlets that exhibit epithermal textures which are encouraging features consistent with proximity to an epithermal system.

A TerraSpect survey conducted in the field has shown the presence of typical epithermal alteration zonation coinciding with chalcedony veins and a low magnetic anomaly. A low magnetic anomaly can result from the demagnetization of the rock due to hydrothermal alteration. Many sinter boulders are present in the vicinity of the Kuri-Yawi area.

(c) Kuripan

A soil grid showed two main areas with enrichment of epithermal pathfinders, arsenic and selenium, with erratic gold values in the northern part of the target area. Sinter is exposed in the southern part of the target area.

(d) Latorre C

Sinter material previously identified defines probable upwelling zones that typically lie at the core of epithermal systems. One of these zones has associated gold in soil. MobileMT data shows the presence of a conductor at depth within the Latorre C target area. This target area is not a priority at this time.

3.2.3 Intrusive-Related Copper Targets

(a) Tatasham

The Tatasham target is the largest magnetic target identified in the 2017 heliborne geophysical survey. During the third quarter of 2022, an Anaconda mapping method was conducted in the area defined by Dr. Steve Garwin and Aurania's geology team according to soil geochemistry and geophysics. The results of the mapping show an area of intense silicification and fracturation along a major N-trending ridge with a central region of elevated goethite / hematite ratios, which is inferred to represent the oxidation of rocks with elevated chalcopyrite / pyrite ratios. This N-S trend coincides with hydrothermal alteration zones revealed by the IR spectrometry (Terraspec) and characterized by the presence of illite.

(b) Awacha

The Awacha target area comprises a cluster of geophysical anomalies representing porphyry targets located in an area approximately 9km x 6km in size. The stream results show anomalies in copper, molybdenum, arsenic and bismuth. Soil results, received at the beginning of 2022, returned a low-grade anomalous copper in soil (> 50 ppm Cu) and rock (> 200 ppm Cu) that extends 7km (north-south) by 1-2km (east-west) through the western part of the prospect. Anaconda mapping started at the end of 2022 and an IR spectrometry (Terraspec) study was conducted at the same time on the rock samples collected in the field. Previous results showed hydrothermal alteration styles that range from chlorite-propylitic to illitic, phyllic (quartz-sericite) and locally potassic (biotite). Different intrusive outcrops from syenite to Monzodiorite and quartz veins locally with chalcopyrite were found during the first phase of the field work at Awacha. Between the fourth quarter of 2022 and the first quarter of 2023, an IR spectrometry (Terraspec) study was conducted by ASL laboratory over a selection of 393 soil samples. These samples have shown the presence of pyrophyllite and dickite, characteristic of advanced argillic alteration that indicate the Awacha area corresponds to the upper part of a porphyry system.

(c) Kuri-Yawi

2D MobileMT geophysics defined two porphyry-style targets within the Kuri-Yawi area (Kuri-Yawi F and E). Target E consists of pathfinder element enrichment over a magnetic feature and target F lies in an area of quartz-sericite-pyrite ("QSP") mineral alteration, pathfinder enrichment in soil and intrusive phases in outcrop.

3.2.4 Sediment-hosted Targets

A review of the drill core and a stratigraphic study resulted in the definition of a new sediment-hosted deposit model that increases the potential of the area and reorients any future exploration on these targets. The Company believes this target area is favorable geologically, but it is not a high priority at this time given the large extension of the target area.

(a) Tsenken

The stratigraphic study based on the drill core review was completed during the fourth quarter of 2022. The results show a favorable geological environment for the presence of additional sediment-hosted copper-silver occurrences similar to the Kupferschiefer deposits of Poland, with the main target being the Hollin formation present in the south part of Tsenken and in Kirus.

(b) Tiria-Shimpia

Review of the drill core resulted in the recognition of Cretaceous Napo sediments in a dropped-down graben in the centre of the Project. The zinc, silver and lead mineralization occur in the calcareous section of the Napo formation, which was originally identified as the much older Santiago formation. Consequently, there is a strong probability of finding the presence of new mineralization along the graben faults subscribing the Napo inlier. Management is quite encouraged by this new interpretation.

3.3 Mineral Property Interests and obligations

The Company filed all the appropriate documentation for the renewal of its 42 mineral exploration concession in Ecuador for the year 2024. The Company also filed a request to enter into an agreement for payment of the associated annual concession fees. Its property in Ecuador remains in good standing while an agreement is being finalized.

3.4 Corporate Social Responsibility

The Company's CSR team continues to work closely with communities within the Lost Cities Project area, 98% of which are Indigenous. The Company's approach is aligned with the Equator Principles and United Nations Declaration on the Rights of Indigenous Peoples. A Stakeholder Engagement Plan incorporates early stakeholder engagement with a social impact analysis and defines opportunities for mutually beneficial partnerships between the communities, the Company, and the government.

The Company currently has social license to operate in 55 communities located within the Lost Cities Project area. In order to maximize the economic and social benefits of social programs in the communities where the Company has direct influence and to ensure their long term sustainability, the Company has supported with technical resources and logistics, Government programs from the ministries of Health, Agriculture, Education and Social Inclusion and Economy in addition to its normal-course interaction with the Ministry of Energy and Non-Renewable Resources (the "MENRR") and Ministry of the Environment, Water and Ecological Transition (the "MEWET"). This has benefited such government agencies as access to these remote communities is challenging, and the relationship between Government-Communities has been historically almost inexistent while the Company has strong ties and recognition within them.

3.5 Health and Safety

The Company believes that a safe and healthy workplace is a moral imperative reflecting the Company's respect for the individual and the community. The Company is committed to the safety and health of its employees and constantly monitors trends and reviews current and emerging issues in the safety and health field and evaluates their potential impact on the Company and its employees. Special effort has been directed at working with governmental agencies to improve health, sanitation and education within the Project area.

3.6 Environment & Water

Contaminated water, poor sanitation, and poor hygiene have been identified as the prime risk to the health of people living and working in the Lost Cities Project area; hence the Company is investing in education about basic sanitation and water purification methods in conjunction with the Foundation and local residents.

Careful monitoring of water quality upstream and downstream of water offtake points for drilling and camp use is ongoing and no issues have been detected.

3.7 Mineral concessions

3.7.1 Ecuador Project

(a) Mineral concessions and obligations

The Company acquired the rights, title and 100% interest in the Lost Cities Project, comprised of certain mineral concessions covering 207,764Ha in southeastern Ecuador, on December 27 and 28, 2016 and the concessions were subsequently registered with the Mining Registry of the Mining and Non-Renewable Natural Resources Regulation and Control Agency in compliance with the Mining Law. The concessions are valid for 25 years, renewable for a subsequent 25-year period, provided that the concessions are maintained in good standing.

Regulation for Mineral concessions have not changed and continue to be as described in note 8 (a) – Mineral concessions and obligations of the Company's most recent annual consolidated financial statements for the year ended December 31, 2023 which can be found on the Company's SEDAR+ profile at www.sedarplus.ca and on the Company's website http://www.aurania.com.

The concession fees paid, potential future fee obligations and expenditure commitments are set out below.

Table 4. Summary of expenditure thresholds and commitments related to the Lost Cities Project

Initial Exploration Phase			
Year	**Annual concession fee (USD)**	**Expenditure Required (USD)**	**Actual Expenditure (USD)**
1 (2017)	$1,973,198[1]	$1,038,820[2]	$3,354,497
2 (2018)	2,004,923[1]	2,077,640[2]	4,396,820
3 (2019)	2,046,475[1]	2,077,640[2]	5,116,155
4 (2020)	2,077,640[1]	2,077,640[2]	8,627,136
5 (2021)	2,077,640[1]	2,077,640[2]	12,820,134
6 (2022)	2,207,493[1]	2,077,640[2]	5,364,089
7 (2023)	2,337,345[1]	2,077,640[2]	4,486,236
8 (2024)	2,389,286[3]	2,077,640[4]	[5]
Estimated	[6]	[6]	[5,6]

[1] Paid

[2] Requirement satisfied.

[3] The Company filed all the appropriate documentation for the renewal of its 42 mineral exploration concession in Ecuador. The Company also filed a request to enter into an agreement for payment of the associated annual concession fees. By filing the concession renewals prior to the March 31, 2024 deadline, the Company maintains its property in Ecuador in good standing while an agreement is finalized.

[4] 2024 amounts are estimated maximum Required Expenditures that assumes the current number of concessions are maintained and a continuing fee of USD10.00 per hectare.

[5] Reported by March 31 of the following year.

[6] The Company will evaluate the concessions and may not renew those of lower geological interest. The Company does not know the combination of concessions advancing to Advanced Exploration and those to be released, which may result in an increase or decrease in the amounts to be paid.

(b) Relinquishment or cancellation of concessions

The size of the concession area constituting the Project may be reduced at the Company's discretion. Conversely, mineral concessions can be cancelled by the State, for various reasons including, misrepresentation by the concession-holder of the stage of the concessions' exploration and development, by causing an excessive environmental impact, irreparable damage to Ecuadorian cultural heritage, or by the violation of human rights.

(c) Exploration entitlements

The properties are subject to two percent (2%) net smelter return royalty on metal production and a two percent (2%) net sales return royalty on non-metallic products, held by Dr. Keith Barron, vendor and current Chairman, CEO, and largest shareholder of the Company.

3.7.2 Peru Project

The Company holds applications for mineral concessions, which once granted become "Titles" to mineral concessions.

(a) Obligations related to the concession and concession applications

As at March 31, 2024, the Company's land position in Peru consists of a total of 94 concession applications and concession titles covering 93,100Ha (5 applications for 4,900Ha and 89 concession titles for 88,200Ha).

- The Company decided to withdraw the applications pending to be verified by local authorities, keeping the 94 concessions already granted.

- Whether the application is in progress or has been granted, the Company is required to make an annual concession fee of USD3.00 per hectare.
- At this time, the Company has no current plans to perform additional exploration on the project in Peru, and is considering alternatives to further this project, including potential joint venture opportunities.
- At March 31, 2024, the Company had credits worth $900 (March 31, 2023 - $358,436) corresponding to rejected mineral property applications from previous years, resulting in credits that can be applied in the INGEMMET to future applications or concessions fees.

3.7.3 France Project

Leveraging its experience in the field, the Company has applied for an exploration license in the Brittany Peninsula of northwestern France through a wholly owned French subsidiary. The target area includes the Hennebont area in the Morbihan Department, a region historically recognized for its significant high-grade gold finds, including placer gold present in streams in the vicinity of the area.

The Company's initiative to secure exploration rights in this promising area represents a significant step towards potentially unlocking an extraordinary new gold and other metals exploration opportunity in Brittany, France. This unique opportunity not only enhances the Company's portfolio significantly but also presents a strategic opportunity for the country regarding the potential the project could contribute to the country's resource independence.

4. CONSOLIDATED LOSS AND COMPREHENSIVE LOSS

During the first quarter of 2024, the Company incurred a loss of $4,736,264 (first quarter of 2023 - $5,235,846), increasing the accumulated deficit from $98,771,170 at December 31, 2023 to $103,446,474 at March 31, 2024.

Table 5. Expenditures for the three months ended March 31, 2024 and 2023.

For the three months ended March 31,	**2023**	2022
Operating Expenses:		
Exploration expenditures	**$3,536,819**	$4,298,898
Stock-based compensation	**102,830**	123,035
Investor relations	**157,459**	123,138
Office and general	**165,100**	197,464
Management fees	**28,559**	70,035
Professional and administration fees	**22,137**	15,637
Regulatory and transfer agent fees	**35,922**	30,692
Amortization	**22,337**	28,846
Total expenses	**$4,071,163**	$4,887,745
Other Expenses (Income)		
Loss on foreign exchange	**156,221**	27,694
Interest income	**(27)**	(2,853)
Accretion of shareholder contribution	**508,907**	323,260
Net loss and comprehensive loss for the period	**4,736,264**	$5,235,846
Basic and diluted loss per share	**$0.07**	$0.09
Weighted average common shares outstanding – basic and diluted	**67,471,737**	58,911,361

The Company's accounting policy is to expense exploration expenditures and therefore the $3,536,819 expense in exploration represents the majority (75%) of the total loss. A discussion of the principal expenditure items follows:

Exploration expenditures

The Company filed all the appropriate documentation for the renewal of its 42 mineral exploration concession in Ecuador for the year 2024. The Company also filed a request to enter into an agreement for payment of the associated annual concession fees. Its property in Ecuador remains in good standing while an agreement is being finalized.

Other exploration costs include CSR, salaries, environment, health and safety activities among other expenses in Ecuador, and the project development and consultants in France.

Table 6. Breakdown of exploration expenditures.

For the three months ended March 31,	2024	2023
ECUADOR		
GEOLOGY/FIELD:		
- Salaries, benefits	**$53,449**	$219,899
- Camp costs, equipment, supplies	**35,535**	91,162
- Project management	**2,052**	65,268
- Travel, accommodation	**1,293**	51,481
- Office (Quito, Macas)	**4,395**	6,722
- Environment, health & safety	**8,143**	58,113
- Water	**15,413**	14,820
- Drilling	-	452,125
GEOCHEMISTRY	**1,645**	19,264
EXPERT CONSULTANTS	**3,398**	31,059
CORPORATE SOCIAL RESPONSIBILITY – fees, travel, supplies	**77,735**	123,428
LEGAL AND OTHER FOR CONCESSIONS	**20,602**	-
CONCESSION MAINTENANCE - permits	**3,237,483**	3,165,349
Total exploration in Ecuador	**$3,461,143**	$4,298,690
PERU		
- Costs related to concession fee applications	-	$208
- Legal	**2,311**	-
Total exploration in Peru	**$2,311**	$208
FRANCE		
- Project management	**$60,132**	-
- Expert consultants	**4,582**	-
- Travel, accommodation	**3,590**	-
- Office and general	**505**	-
- Legal expenses	**4,556**	-
Total exploration – France	**$73,365**	-
TOTAL EXPLORATION EXPENSE	**$3,536,819**	$4,298,898

Other Operating Expenditures

The Company has continued to reduce operating and administrative costs. The most relevant expenses relate to office and administration, investor relations activities and stock-based compensation.

Table 7: Cash Flow activities

Cash Flow Activities	**Three months ended March 31, 2024**	Three months ended March 31, 2023
Operating	**$(764,409)**	$(4,667,788)
Financing	**986,488**	3,560,876
Investing	**(4,749)**	-
Decrease/(increase) in cash during the period	**$217,330**	$(1,106,912)

During the first quarter of 2024, the Company's cash position increased by $217,330 (Table 7). The main cash source for the year consists of the loan received from Dr. Barron as further discussed in section 7 – Indebtedness of this MD&A, included as financing activity in the cash flow statement.

5. SUMMARY OF QUARTERLY RESULT

Table 8. Summary of quarterly result.

Quarters Ended	Net revenue	Net Loss	Loss per Share
March 31, 2024	-	$4,736,264	$0.07
December 31, 2023	-	1,310,504	0.01
September 30, 2023	-	2,030,092	0.03
June 30, 2023	-	1,395,103	0.02
March 31, 2023	-	5,235,846	0.09
December 31, 2022	-	2,435,709	0.04
September 30, 2022	-	1,871,841	0.03
June 30, 2022	-	2,779,579	0.04

6. LIQUIDITY AND CAPITAL RESOURCES

Capital management

The Company considers the capital that it manages to include share capital, share premium, warrants, contributed surplus and shareholder contribution and accumulated deficit, which at March 31, 2024 was a deficiency of $14,204,175 (December 31, 2023 – deficiency of $10,172,393). The Company manages its capital structure and makes adjustments to it, based on the funds needed in order to support the acquisition and exploration of mineral properties. Management does this in light of changes in economic conditions and the risk characteristics of the underlying assets. There has been no change with respect to the overall capital risk management strategy during the three months ended March 31, 2024.

Neither the Company nor its subsidiaries are subject to externally imposed capital requirements, other than those of the TSX Venture Exchange ("TSXV"), which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six months.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company endeavors to have sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably predicted.

The Company generates cash flow primarily from its financing activities. As at March 31, 2024, the Company had available cash of $542,592 (December 31, 2023 – $325,262) to settle current liabilities of $3,979,232 (December 31, 2023 – $829,072). Also, the Company has long-term liabilities of $11,097,846 (December 31, 2023 – $10,053,329. All the Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms, except for its promissory notes.

Table 9. Summary of financial liabilities.

In Canadian $ equivalents	Carry amount	Contractual cash flows	April 1 ,2024 to March 31, 2025	Thereafter
Accounts payable and accrued liabilities	**$ 3,937,463**	$ 3,937,463	$ 3,937,463	$ -
Promissory note 2017 (note 9)	**547,658**	656,612	-	656,612
Promissory note 2019 (note 9)	**3,793,425**	4,548,067	-	4,548,067
Promissory note March 2022 (note 9)	**1,424,197**	1,707,458	-	1,707,458
Promissory note June 2022 (note 9)	**886,151**	1,056,164	-	1,056,164
Promissory note July 2022 (note 9)	**883,466**	833,333	-	833,333
Promissory note June 2023 (note 9)	**1,727,902**	2,067,929	-	2,067,929
Promissory note October 2023 (note 9)	**857,071**	1,027,085	-	1,027,085
Promissory note January 2024 (note 9)	**851,619**	1,021,619	-	1,021,619
Lease liabilities (note 10)	**168,128**	182,965	65,102	117,863
Total	**$ 15,077,080**	**$ 17,038,696**	**$ 4,002,565**	**$ 13,036,131**

Funding Outlook

As the Company has no steady source of revenues or cash flow and it is implementing its exploration plan as anticipated, periodic financings are required and it is highly probable that additional financing will be required during the following months to further advance exploration at the Project, to meet ongoing financial obligations and discharge the Company's liabilities, in the normal course of business. The Company is considering different sources of potential funding to advance exploration, including equity issuances, short-term loans, the exercise of warrants and stock options and joint venture partnerships. Refer to Section 17 – Subsequent Events for updated information.

The Company has been successful in funding its operations and the on-going exploration activities, CSR activities as well as corporate costs in Ecuador, Peru, France and Canada.

7. INDEBTEDNESS

Promissory Notes 2017 - 2023

During 2017, 2019, 2022, and 2023 Dr. Keith Barron, who is the Chairman, President, and Chief Executive Officer, as well as a principal shareholder of the Company (the "Lender" or "Dr. Barron"), advanced a total of seven loans to the Company in the following dates and amounts:

- March 20, 2017 – USD2,000,000 ($2,671,600 at an exchange rate of 1.3358 USD/CAD). Portions of this loan were repaid on various dates, including a settlement involving stock options.
- April 22, 2019 – USD3,000,000 ($4,005,900 at an exchange rate of 1.3353 USD/CAD)
- March 11, 2022 – USD1,187,500 ($1,510,500 at an exchange rate of 1.2720 USD/CAD)
- June 10, 2022 – $1,000,000
- July 29, 2022 – $1,000,000
- June 14, 2023 – $2,000,000, received in advances between June 20 and September 20, 2023
- October 13, 2023 – $1,000,000, received in advances between October 11 and December 12, 2023

The loans are unsecured, bear interest at 2% per annum and mature upon notice of twelve months and one day from the Lender. IFRS requires that where an interest rate is below the market rate, estimated at 20% throughout the year ended December 31, 2023, there is deemed to be a benefit to the Company and as such that portion of the promissory loans considered to represent that benefit is recorded in equity as a shareholder contribution. The loans become repayable on the day following the one-year anniversary of Dr. Barron requesting repayment. The accretion on the promissory notes will be accounted for as a shareholder contribution until such time that the repayment is requested by the Lender. The amount of the benefit is then recognized over the life of the promissory notes as an accretion expense.

Table 10. Summary of indebtedness related to promissory notes from 2017 – 2023.

As at	March 31, 2024	December 31, 2023
Initial carrying amount	**$9,926,970**	$ 10,064,229
Interest rate benefit recognized as shareholder contribution	**(439,508)**	(1,662,631)
Accretion expense	**495,143**	1,660,169
Foreign exchange translation gain	**137,264**	(134,797)
Balance, end of period	**$10,119,869**	$ 9,926,970

Promissory Note issued in January 2024

On January 30, 2024, the Company announced the approval from the Board of Directors to receive a loan from Dr. Barron for an aggregate of $1,000,000, received in advances between January and March, 2024. The loan is unsecured, bears interest at 2% per annum and becomes repayable on the day following the one-year anniversary of Dr. Barron requesting repayment. IFRS requires that where an interest rate is below the market rate, estimated at 20%, there is deemed to be a benefit to the Company and as such that portion of the promissory loan considered to represent that benefit is recorded in equity as a shareholder contribution. The accretion on the promissory note will be accounted for as a shareholder contribution until such time that the repayment is requested by the Lender. The amount of the benefit is then recognized over the life of the promissory note as an accretion expense.

Table 11. Summary of indebtedness related to promissory note issued in January 2024.

As at	March 31, 2024	December 31, 2023
Total proceeds	**$1,000,000**	$ -
Initial shareholder contribution on initial recognition	(150,000)	-
Initial carrying amount	**850,000**	-
Interest rate benefit recognized as shareholder contribution	(12,144)	-
Accretion expense	13,763	-
Balance, end of period	**$851,619**	$ -

Lease liabilities

The Company has a lease related to an office for the operations in Toronto. The lease is for a term ending December 31, 2026.

Table 12. Lease liabilities

Lease Liabilities	
Balance at December 31, 2023	**$181,640**
Interest expense	2,657
Payments	(16,169)
Lease liabilities as at March 31, 2024	**$168,128**

Table 13. Classification of lease liabilities by maturity

Lease Liabilities	
Current lease liability at year end	$41,769
Non-current lease liability at year end	$126,359
Lease liabilities as at March 31, 2024	**$168,128**

8. EQUITY

Stock Options

During the three months ended March 31, 2024, the directors of the Company agreed to receive their director fees for 2024 in stock options in lieu of cash. The Company granted a total of 94,000 stock options exercisable at $0.25 in lieu of their director fees for the first quarter of 2024, expiring after three years and vesting immediately. A fair value of $15,040 was determined using the Black-Sholes pricing model with the following assumptions: expected dividend yield of 0%, expected volatility based on historical trading of 105% and risk-free rate of 4.16%.

On January 16, 2024, 24,000 stock options with an estimated fair value of $60,960 expired unexercised.

Table 14. Summary of stock options activity and estimated fair value.

	Number of Options	Weighted Average Exercise Price	Estimated Fair Value
Balance – December 31, 2023	**5,161,468**	**$1.28**	**$5,074,717**
Granted	94,000	0.32	14,100
Expired	(24,000)	0.90	(60,960)
Stock-based compensation expense	-	-	102,830
Balance – March 31, 2024	**5,231,468**	**$1.27**	**$5,130,687**

The following table summarizes the outstanding stock options as at the date of this MD&A.

Table 15. Detail of stock options issued, exercisable and estimated fair value.

Issued Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date	Estimated Fair Value
77,000	77,000	$2.97	28-Jun-24	$170,940
480,000	480,000	2.70	24-Oct-24	900,601
125,000	125,000	3.16	7-Feb-25	295,000
460,000	460,000	3.51	17-Nov-25	909,419
100,000	100,000	3.25	22-Dec-25	182,500
200,000	200,000	3.21	25-Jan-26	377,860
53,568	53,568	0.46	11-Apr-26	14,999
58,000	58,000	0.33	30-Jun-26	11,600
40,000	40,000	2.51	1-Jul-26	59,640
107,200	107,200	0.24	30-Sep-26	15,008
79,200	79,200	0.31	31-Dec-26	15,048
94,000	94,000	0.25	31-Mar-27	14,100
1,170,000	780,000	0.84	30-Jun-27	604,674
162,500	108,333	0.84	4-Jul-27	66,933
35,000	35,000	0.84	18-Aug-27	13,044
1,990,000	663,334	0.33	30-Jun-28	267,668
5,231,468	**3,460,635**	**$1.25**		**$3,919,034**

The weighted average contractual life remaining for stock options as of the date of this document is 2.84 years.

Restricted Stock Units - There was no RSU activity during the three months ended March 31, 2024.

Shares to be issued- There was no activity related to shares to be issued for the three months ended March 31, 2024:

Table 16. Summary of STBI activity and estimated fair value.

	Number of Shares to be Issued	Weighted Average Fair Value on Grant Date	Estimated Fair Value on Grant Date
Balance – December 31,2023	**289,700**	**$3.01**	**$872,528**
Balance - March 31,2024	**289,700**	**$3.01**	**$872,528**

Warrants - There was no activity related to warrants and Agents' warrants during the first quarter of 2024:

Table 17. Summary of warrants and agents' warrants activity and estimated fair value.

	Number of Warrants/ Agents' Options	Weighted Average Exercise Price	Estimated Fair Value
Balance – December 31,2023	**23,931,855**	**$1.56**	**$6,997,977**
Balance - March 31,2024	**23,931,855**	**$1.56**	**$6,997,977**

On March 29, 2024, the Company announced the extension of the exercise period for a total of 1,996,653 unlisted common share purchase warrants, all of which were exercisable at $1.25 per common share and would otherwise expire on March 28, 2024, or March 30, 2024.

Subsequent to March 31, 2024, on April 1, 2024, the tradable warrants listed on TSX-Venture under the symbol ARU.WT.A. expired unexercised. A total of 3,061,129 expired unexercised on that date.

Subsequent to March 31, 2024, the Company issued an aggregate of 15,111,262 warrants and 17,150 finder's warrants pursuant to the closing of the first and second tranches of its non-brokered private placement financing of up to 20,000,000 units of the Company. Refer to Section 17 – Subsequent Events for more detail.

As of the date of this MD&A, the following warrants were outstanding and exercisable:

Table 18. Detail of warrants outstanding.

Expiry date	Number of Warrants	Exercise Price
November 29, 2024	2,419,176	0.75
December 22, 2024	1,827,432	0.75
March 28, 2025	1,586,653	1.25
March 30, 2025	410,000	1.25
March 23, 2026	7,818,505	0.75
April 25, 2026	1,262,855	0.75
May 9, 2026	10,891,510	0.45
May 19, 2026	224,703	0.75
May 23, 2026	4,219,752	0.45
October 21, 2026	3,835,250	2.20
October 21, 2026	230,115	2.20
October 21, 2026	1,256,037	2.20
Balance – May 27, 2024	**35,981,988**	**$0.87**

The weighted average contractual life for warrants outstanding as at May 27, 2024 is 1.76 years.

9. KEY MANAGEMENT EXPENSE

In accordance with IAS 24, key Management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and nonexecutive) of the Company. The remuneration of key management and Directors of the company for the first quarter of 2024 was:

Table 19. Summary of key management expense

For the three months ended March 31,	2024	2023
Salary - corporate [1]	**$28,559**	$41,730
Salary – technical [2]	**62,184**	65,268
Stock-based compensation for key management [3]	**74,425**	103,148
Total key management compensation expense	**$165,168**	$210,146

[1] Salary - corporate includes 100% CFO fees.
[2] Salary - technical includes 100% of the compensation paid to the Vice President, Exploration
[3] This figure is the estimated expense of vested stock options and RSUs granted to key management and directors during the three months ended March 31, 2024 and 2023.

10. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties during the three months ended March 31, 2024 and 2023:

(a) Certain Company employees undertake work for other companies with officers and directors in common and the Company passes through the cost of the work done to those companies. The amounts receivable are unsecured, non-interest bearing and have no fixed terms of repayment. During the three months ended March 31, 2024:

I. $nil (first quarter 2023-$nil) was passed to Firestone Ventures Inc. Dr. Keith Barron, Chairman and CEO of the Company, was also President, CEO and Director of Firestone Ventures Inc. Dr. Richard Spencer, Aurania's former President and Director served on the board of directors of Firestone Ventures Inc. At March 31, 2024 $nil remained receivable (March 31, 2023-$1,805).

II. $nil (first quarter 2023-$nil) was passed through to the Step Forward Foundation, a private charitable organization whose founder and Director Dr. Keith Barron, is also the Chairman and CEO of the Company. At March 31, 2024 $nil remained receivable (March 31, 2023-$281).

(b) (b) During the three months ended March 31, 2024, the Company incurred expenses of $3,844 (first quarter 2023-$nil) for its operations in France paid by Dr. Keith Barron. At March 31, 2024 $62,243 remained as an accounts payable due to Dr. Barron (March 31, 2023-$nil)

(c) For other related party transactions, refer to Section 1.3.2 – Private placement financing, Section 7 – Indebtedness, Section 9 – Key management expense and Section 17 – Subsequent events.

11. OFF-BALANCE SHEET TRANSACTIONS

The Company has no off-balance sheet arrangements.

12. PROPOSED TRANSACTIONS

Like other mineral exploration enterprises, the Company may acquire or dispose of property assets as part of its normal-course business as determined by Management based on exploration results, opportunities, the competitive nature of the business, and availability of capital.

13. CRITICAL ACCOUNTING ESTIMATES

The Company prepares its financial statements in accordance with IFRS. Significant assumptions about the future and other sources of estimation uncertainty that Management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(a) the inputs used in accounting for valuation of warrants and options which are included in the consolidated statement of financial position.
(b) the inputs used in accounting for stock-based compensation expense in the consolidated statement of loss.
(c) the $nil provision for decommissioning and restoration obligations which are included in the consolidated statement of financial position.
(d) the existence and estimated amount for contingencies.
(e) the valuation of shareholder contribution in connection with the issue of promissory note.

14. CHANGES IN ACCOUNTING POLICIES AND FINANCIAL INSTRUMENTS

Changes in Accounting Policies

Recently adopted accounting pronouncements
Certain pronouncements were issued by the IASB that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company. There are no relevant IFRS's or IFRS interpretations that are effective that would have a material impact on the Company.

Future changes in accounting pronouncements
A number of new standards are not yet effective for the year ended December 31, 2024, and have not been applied in preparing these financial statements. Many are not applicable to, or do not have a significant impact on the Company and have therefore been excluded. The following have not been adopted and are being evaluated to determine their impact on the Company's consolidated financial statements. The Company will adopt these pronouncements as of their effective date.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

Financial Instruments
IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. The Carrying amounts of cash equivalents, receivables, trade and other accounts payable and promissory note on the statements of financial position approximate fair value because of the limited term of these instruments.

Fair value estimates are made by the Company at the date of the statement of financial position based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision.

The Company does not have any derivative financial instruments. All financial instruments are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans and receivables or fair value through profit or loss.

15. RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the nature of the mineral exploration industry. There were no significant changes in the material risk and uncertainties faced by the Company from those reported in the Annual Information Form dated May 2, 2024 available on the Company's web site at http://www.aurania.com and on the Company's SEDAR+ profile at www.sedarplus.ca.

16. COMMITMENTS AND CONTINGENCIES

Environmental contingencies
The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations.

Service costs and consulting agreements
The Company is a party to certain management contracts. At year-end, these contracts contained minimum commitments of approximately $917,778, of which the totality is due within one year upon the termination of those contracts. In the occurrence of a change of control, additional contingent payments of up to approximately $97,304 would be due. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

On June 30, 2022, the Company entered a corporate services agreement for a fractional CFO. The Company pays $230/hour for wages based on hours worked. The agreement is for twelve months and is automatically renewed for subsequent periods of six months unless written notice of termination has been provided by any of the parties. Monthly services during the three months ended March 31, 2024 have been approximately $13,000.

In September 2022, the Company entered into a four-year term office lease agreement with monthly fees starting at $5,248 increasing to $5,673 through the term of the lease.

17. SUBSEQUENT EVENTS

Warrants
On April 1, 2024, the tradable warrants listed on TSX-Venture under the symbol ARU.WT.A. expired unexercised. A total of 3,061,129 expired unexercised on that date.

Private placement financings
On April 17, 2024 the Company announced it intends to further its 2024 exploration plan at its Project in southeastern Ecuador and to complete a non-brokered private placement financing of up to 20,000,000 units of the Company (the "Units") at a price of $0.20 per Unit (the "Issue Price") for total gross proceeds to the Company of up to $4,000,000 (the "Offering"). Each Unit will consist of one common share of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one Common Share (a "Warrant Share") at an exercise price of $0.45 per Warrant Share for a period of 24 months following the closing of the Offering.

On May 9 and May 23, 2024, the Company closed the first and second tranches, respectively, of the non-brokered private placement financing announced on April 17, 2024 for 10,874,360 and 4,219,752 Units, respectively, priced at $0.20 per Unit, for total gross proceeds of $2,174,872 and $843,950, respectively. Each Unit consisting of one common share and one full warrant, the warrant having and exercise price of $0.45 per warrant and an expiry date of two years after closing of the corresponding tranche. The Company paid commissions to certain finders of an aggregate of $3,430 in cash and 17,150 finder warrants for the first tranche and nil for the second tranche. Each finder warrant entitles the holder to purchase one Unit at the Issue Price and is exercisable for a period of twenty-four (24) months from the closing of the first tranche. Dr. Keith Barron subscribed for 2,303,360 Units of this offering. The cash paid for regulatory and legal costs was $18,913.

Respectively for warrants of first and second tranche: A value of $587,215 and $227,867 has been assigned using the Black-Sholes option pricing model using the following respective assumptions: expected dividend yield of 0% for both, expected volatility of 116.99% and 117.27%, a risk free rate of 4.20% and 4.19% and an expected life of 2 years. Volatility is based on the historical trading of the Company's shares.

There is no guarantee that future tranches of the private placement will close in full or at all.

Debt Settlement
The Company announced on April 17, 2024, followed by an update on April 24, 2024, that the Board of Directors approved a debt settlement arrangement with Dr. Barron, whereby Dr. Barron will convert up to $2,000,000, plus accumulated interest of $72,165, of the loans owed to him by the Company into Common Shares at a price of $0.20 per Common Share (the "Debt

Settlement”). There are no warrants associated with the Debt Settlement. The Company has elected to settle the indebtedness through the issuance of Common Shares to preserve cash and strengthen the Company’s balance sheet.

On May 9, 2024, the Company announced the completion of the Debt Settlement. Pursuant to which, the Company issued an aggregate of 10,360,825 Common Shares to Dr. Keith Barron in settlement of $2,000,000 of loans plus interest thereon of $72,165, for an aggregate amount of $2,072,165 owed to him by the Company, at a price of C$0.20 per Common Share.

18. QUALIFIED PERSON

The foregoing and technical information contained has been prepared or reviewed by Jean Paul Pallier, VPX, who is registered as a EurGeol with the European Federation of Geologists and is a “Qualified Person” for the purpose of National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators.

19. SHARE DATA

Table 20. Summary of share data.

As at	Common Shares	Shares to be issued	Warrants	Agents’ Options and Warrants	Stock Options	RSUs	Fully Diluted
December 31, 2022	58,217,926	334,100	14,243,247	382,545	4,119,500	57,800	77,355,118
March 31, 2023	66,019,071	334,100	22,044,392	399,905	3,919,500	57,800	92,774,768
June 30, 2023	67,471,737	334,100	23,497,058	434,797	4,975,068	36,800	96,749,560
September 30, 2023	67,471,737	334,100	23,497,058	434,797	5,082,268	36,800	96,856,760
December 31, 2023	67,471,737	289,700	23,497,058	434,797	5,161,468	-	96,854,760
March 31, 2024	67,471,737	289,700	23,497,058	434,797	5,231,468	-	96,924,760
May 27, 2024	92,926,674	289,700	35,680,461	301,527	5,231,468	-	134,429,830

20. ADDITIONAL INFORMATION

The Company
Aurania Resources Ltd. was incorporated under the laws of Bermuda on September 26, 2007 pursuant to the provisions of *The Companies Act 1981* (Bermuda). On February 18, 2011, the Corporation registered extra-provincially in the Province of Ontario, Canada.

Directors, Officers and Management
Keith Barron – President, Chief Executive Officer, Chairman of the Board of Directors and Director
Jonathan Kagan – Director
Nathalie Han – Director
Thomas Ullrich – Director
Francisco Freyre – Chief Financial Officer
Jean Paul Pallier – Vice President - Exploration
Carolyn Muir – Vice President - Corporate Development & Investor Relations

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Toronto, Ontario Canada M5C 1B5
Tel: (416) 367-3200
Email: info@aurania.com; Website: http://www.aurania.com

Registered Office
31 Victoria Street, Hamilton, HM 10, Bermuda.

Exchange Listings
The Company’s common shares (“Common Shares”) are traded on the TSX Venture Exchange (“TSX-V”) under the symbol “ARU”. The Company’s shares started trading on the Frankfurt Exchange, symbol “20Q” on May 17, 2018, and on the OTCQB Venture Market in the United States on May 25, 2018, under the symbol “AUIAF”. The OTCQB trading market is recognized by the U.S. Securities and Exchange Commission (“SEC”) as an established public market.