RIO2 LIMITED
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025
(EXPRESSED IN THOUSANDS OF UNITED STATES DOLLARS, UNLESS OTHERWISE STATED. SHARE AND PER SHARE AMOUNTS NOT ROUNDED)

The following management's discussion and analysis ("MD&A") was prepared as at August 11, 2025, and is management's assessment of the operating results and financial condition of Rio2 Limited ("Rio2" or the "Company") together with its subsidiaries. This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements and the notes thereto of the Company for the three and six months ended June 30, 2025 and the audited consolidated financial statements and the notes thereto for the year ended December 31, 2024.

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting* ("IAS 34"). The 2024 annual consolidated financial statements were prepared in accordance with IFRS Accounting Standards. All dollar amounts, except per share amounts, are expressed in thousands of United States dollars (US$) unless otherwise stated.

The Company's common shares are currently traded on the TSX Venture Exchange ("TSXV") under the symbol "RIO", as well as on the Bolsa de Valores de Lima ("BVL") under the symbol "RIO", and the OCTQX Best Market under the symbol "RIOFF". The Company's registered office is located at Suite 5100, Bay Adelaide – West Tower, 333 Bay St., Toronto, Ontario, M5H 2R2 and its head office is located at Suite 1500, 701 West Georgia Street, Vancouver, British Columbia V7Y 1C6.

Continuous disclosure materials, including this MD&A, audited consolidated financial statements, and Notice of Annual Meeting of Shareholders and Proxy Circular, are available on our website at www.rio2.com and on SEDAR+ at www.sedarplus.ca, as applicable (for avoidance of doubt, unless specifically noted, no items from these or other websites mentioned in this MD&A are incorporated by reference).

DESCRIPTION OF BUSINESS

Rio2 is a mining company focused on development and mining operations with a team that has proven technical skills and a successful capital markets track record. Rio2 is focused on taking its Fenix Gold Mine (the "Mine") in Chile to production in the shortest possible timeframe based on a staged development strategy. Rio2 and its wholly-owned subsidiary, Fenix Gold Limitada, are companies with high environmental standards and responsibility with the firm conviction that it is possible to develop mining projects that respect the three pillars (Social, Environment, and Economics) of responsible development. Rio2 is committed to applying environmental standards beyond those that are mandated by regulators, seeking to protect and preserve the environment of the territories that we operate in. The Company's primary focus at present is achieving its main business objective of advancing the Fenix Gold Mine to production.

CORPORATE UPDATES

On January 13, 2025, the Company granted 6,310,000 incentive stock options to directors, officers, and employees pursuant to the Company's Stock Option Plan. These options are exercisable at a price of C$0.70 per share, will expire five years from the grant date and vest 1/3 thereof on each of the first, second and third anniversaries of grant. The options represent the Company's annual grant of long-term incentives consistent with the Company's regular yearly compensation.

On February 7, 2025, the Company announced and celebrated the official start of construction of its Fenix Gold Mine. The celebration event was held on February 6, 2025 and was attended by the Honorable Aurora Williams Baussa, Minister of Mining; Mr. Mario Silva Álvarez, Deputy Governor of Atacama; Mr. Jorge Riesco Valdivieso, President of SONAMI (Chilean National Mining Society); Juan Jose Ronsecco, President of The Corporation for the Development of the Atacama Region (CORPROA), representatives of the Colla Indigenous Communities; Regional Ministerial Secretaries; representatives of Mining and Industry Guilds and high authorities from InvestChile, and SERNAGEOMIN (National Service of Geology and Mining).

On March 24, 2025, the Company received a second deposit payment of $25.0 million from Wheaton Precious Metals International Ltd. ("Wheaton") in connection with the Amended Gold Stream. See note 10 of the condensed interim consolidated financial statements for the three and six months ended June 30, 2025 for further details.

On June 4, 2025, the Company held its Annual and Special General Meeting of Shareholders (the "AGM"). Shareholders voted in favour of all items of business, including the election of all director nominees. Shareholders reapproved the previously amended 2023 Rio2 Stock Option Plan and previously amended Share Incentive Plan.

At the end of Q2 2025, construction at the Fenix Gold Mine was 41% complete and remains on track and on budget for expected first gold production in January 2026. All long lead time procurement items are in hand. Construction and other highlights for the eight-month period from November 1, 2024, to June 30, 2025, are as follows:

Area	**Progress to June 30, 2025**
Health and Safety	A total of 1,270,141 man-hours have been worked on the Fenix Gold Mine to date, with one Lost Time Injury, resulting in a Lost Time Injury Frequency Rate ("LTIFR") of 0.79 (per 1,000,000 man-hours worked). The Total Injury Frequency Rate ("TIFR") for the Mine as at June 30, 2025, was 6.30 (per 1,000,000 man-hours worked).
Budget	Total spend to date since October 2024 of $56.4 million for works completed, vs budget of $57.8 million. These costs exclude corporate overheads and do not include pre-construction costs incurred in 2022.
Construction Progress	• 12.7 hectares of geosynthetics have been installed at the leach pad. This area guarantees a leach pad for the first six months of production capacity. • Completed the placement of 4 hectares of overliner material on the leach pad, ready to receive ore in August 2025. • Haul road 1 construction progress has reached 90%, while Haul road 4 stands at 40% completion. Both haul roads connect the Fenix south pit to the leach pad and are essential for the commencement of operations. • At the adsorption, desorption, and recovery plant ("ADR plant"), ongoing work focused on the adsorption area, reagent handling facilities, and chemical reagent storage. The structural assembly of the plant building is now complete, and building cladding is 90% finished. • The first of three electrical switch rooms is currently being transported from the city of Santiago to the Project site.
Human Resources	A total of 1,514 personnel (including contractors) are currently employed at the Fenix Gold Mine. 94% of the workforce is comprised of Chileans, with 41% of the workforce from the Atacama Region and 10% of the workforce is female.

Area	Progress to June 30, 2025
Exploration	Grade control drilling activities are nearing completion, focused on the pit areas covering the first three years of future mine production. This drilling program is planned to finish by the end of July 2025 (subsequently completed), and the Mineral Reserve Estimate update/reconciliation for mineral within the grade control drilling area is expected to be released by the end of September 2025. This new information will be useful for mine planning and scheduling of the initial three years of production from the Fenix Gold mine.
Virtual Site Imagery and Photos	Updated 360-degree photography showing construction progress, as well as a progressive photographic history of construction activities and grade control drilling, is available on the Company's website at www.rio2.com.

Upcoming key milestones at the Fenix Gold Mine and their expected completion date are as follows:

Expected Completion Date	Expected Future Milestones
August 2025	Start of mining mineral and stacking ore on the leach pad.
August 2025	Finalization of the Pregnant Leach Solution ("PLS") Pond.
August 2025	Installation of all three electrical switch rooms.
November 2025	Commissioning of the ADR Plant.
December 2025	Completion of Mine Expansion Study.
January 2026	First gold pour.

Subsequent to June 30, 2025, the Company received $50.0 million of the remaining $100.0 million deposits to be received under the Flexible Prepay Arrangement (for further details see the section "FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES" below).

REVIEW OF THE FENIX GOLD MINE

With the receipt of the Sectorial Permits on September 30, 2024, it is management's position that the technical feasibility and commercial viability of the Fenix Gold Mine had been demonstrated. Accordingly, the Fenix Gold Mine transitioned from an exploration and evaluation asset under IFRS 6 to a mineral property under IAS 16. Mineral properties are not depreciated until the related assets are ready for their intended use. The Company's mineral property balance is comprised solely of the Fenix Gold Mine as follows:

	Mineral Property[(1)]	Exploration & Evaluation Assets[(2)]	Assets Under Construction	Mine Equipment	Other Property & Equipment	Total
Cost:						
Balance, December 31, 2023	$ -	$ 63,262	$ -	$ 32,945	$ 671	$ 96,878
Additions[(3)(4)]	2,421	2,075	1,506	8,907	642	15,551
Dispositions	-	-	-	(420)	(202)	(622)
Transfers[(3)]	65,337	(65,337)	-	-	-	-
Balance, December 31, 2024	67,758	-	1,506	41,432	1,111	111,807
Additions[(4)]	2,508	-	49,468	233	765	52,974
Dispositions	-	-	-	-	(89)	(89)
Transfers[(5)]	(1,074)	-	32,422	(31,249)	(99)	-
Balance, June 30, 2025	$ 69,192	$ -	$ 83,396	$ 10,416	$ 1,688	$ 164,692
Accumulated depreciation:						
Balance, December 31, 2023	$ -	$ -	$ -	$ (3,813)	$ (570)	$ (4,383)
Additions	-	-	-	(62)	(34)	(96)
Dispositions	-	-	-	834	197	1,031
Balance, December 31, 2024	-	-	-	(3,041)	(407)	(3,448)
Additions	-	-	-	-	(19)	(19)
Dispositions	-	-	-	-	89	89
Balance, June 30, 2025	$ -	$ -	$ -	$ (3,041)	$ (337)	$ (3,378)
Carrying amounts at December 31, 2024	**$ 67,758**	**$ -**	**$ 1,506**	**$ 38,391**	**$ 704**	**$ 108,359**
Carrying amounts at June 30, 2025	**$ 69,192**	**$ -**	**$ 83,396**	**$ 7,375**	**$ 1,351**	**$ 161,314**

(1) Mineral property consists solely of the Fenix Gold Mine located in Chile.
(2) Exploration and evaluation assets relate to the Fenix Gold Mine.
(3) The total cumulative exploration and evaluation asset costs, up to and including September 30, 2024 (achievement of the development stage), of $65,337 were transferred to mineral property. Total exploration and evaluation asset additions during 2024 were $2,075, all of which were incurred up to September 30, 2024.
(4) During the six months ended June 30, 2025, mineral property additions included $2,508 of asset retirement obligation additions (increase in estimated cash flows resulting from current activities (2024 - $1,143 of asset retirement obligation changes in estimate) and assets under construction additions included $3,303 (2024 - $1,101) of accretion on the financing component of deferred revenue.
(5) During the three and six months ended June 30, 2025, transfers were made to the assets under construction category to better reflect the status of the Fenix Gold Mine being under construction.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly financial information and is derived from the financial statements prepared by the Company's management in accordance with IAS 34.

Quarter Ended		Revenue		Loss (Earnings)		Loss (Earnings) Per Share		Total Assets
June 30, 2025	$	-	$	1,174	$	0.00	$	210,320
March 31, 2025		-		1,598		0.00		205,895
December 31, 2024		-		(9,077)		(0.03)		173,803
September 30, 2024		-		5,111		0.01		120,038
June 30, 2024		-		2,787		0.01		120,696
March 31, 2024		-		1,200		0.01		105,885
December 31, 2023		-		4,514		0.02		108,418
September 30, 2023		-		1,508		0.01		109,605

The Company's Fenix Gold Mine was in the exploration and evaluation stage until it entered into the development stage effective September 30, 2024. Accordingly, the Company has primarily incurred losses and is likely to continue incurring losses until the start of commercial production. The Company had earnings of $9,077 during Q4, 2024 which was primarily related to foreign exchange gains. Q2, 2025, Q1, 2025, Q2, 2024, Q1, 2024, and Q3, 2023 also had large foreign exchange gains in the respective losses for those periods. During some of these periods (prior to Q1, 2025), the Company also had large exchange losses on foreign currency translation as a result of translating parent entity balances to US$. This loss on foreign currency translation, either more than or partially, offsets the foreign exchange gains in earnings, but is an other comprehensive loss (earnings) item, and included in comprehensive loss (earnings) but not in regular loss (earnings) for the respective period. In accordance with the change in functional currency of the parent entity, Rio2 Limited, to the US$ effective January 1, 2025, no further movements in foreign currency translation are expected past this date.

Total assets increased significantly during Q4, 2024, as the Company completed increased financings in line with its achievement of the development stage (and start of construction). During Q1, 2025, the Company also received $25,000 in proceeds from deferred revenue which was cash advanced from Wheaton (see below for further details).

RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025

The principal business activity during the three and six months ended June 30, 2025 was the development of the Fenix Gold Mine which started construction activities in Q4 2024.

The Company recorded a loss of $1,174 for the three months ended June 30, 2025 compared to a loss of $2,786 for the three months ended June 30, 2024. The significant variations between these periods, ranked from largest to smallest, included:

	Three months ending June 30, 2025	2024	Variance	Variance explanation
Accretion expense on deferred revenue	$ -	$ 867	$ (867)	The decrease in this expense during Q2 2025 is attributable to the Company starting to capitalize this accretion as mineral property, plant, and equipment effective September 30, 2024 (achievement of the development stage). Capitalized accretion on deferred revenue was $2,077 (Q2 2024 - $nil) during Q2 2025 and was capitalized to mineral property, plant, and equipment.
Foreign exchange gain	$ (917)	$ (1,374)	$ 457	The foreign exchange gain during the three months ended June 30, 2025, was primarily driven by gains on Chilean Peso denominated cash and cash equivalents and input taxes recoverable in Fenix Gold Limitada (wholly-owned Chilean subsidiary) as the Chilean Peso appreciated relative to Fenix Gold Limitada's functional currency of US$ over the respective period. The foreign exchange gain during the three months ended June 30, 2024, was primarily driven by gains on US$ denominated cash and cash equivalents in Rio2 Limited (parent company) as the US$ appreciated relative to Rio2 Limited's functional currency of C$ (at the time) over the respective period.
Share-based compensation	$ 294	$ 112	$ 182	A larger number of stock options vesting during Q2, 2025, compared to Q2, 2024, in line with increased business operations and also a large stock option grant during Q1, 2025.
Camp rental income	$ -	$ (141)	$ 141	The Company no longer rented out its camp at the Fenix Gold Mine to a third-party during 2025 as it was needed for the Company's own use.
Interest income	$ (206)	$ (141)	$ (65)	Higher cash and cash equivalent balances during Q2, 2025, compared to Q2, 2024.

The Company recorded a loss of $2,772 for the six months ended June 30, 2025 compared to a loss of $3,987 for the six months ended June 30, 2024. The significant variations between these periods, ranked from largest to smallest, included:

	Six months ending June 30, 2025	2024	Variance	Variance explanation
Foreign exchange gain	$ (1,265)	$ (3,070)	$ 1,805	The foreign exchange gain during H1 2024, was primarily driven by gains on US$ denominated cash and cash equivalents in Rio2 Limited (parent company) as the US$ appreciated relative to Rio2 Limited's functional currency of C$ (at the time) over the respective period. The foreign exchange gain during H1 2025, was primarily driven by gains on Chilean Peso denominated cash and cash equivalents and input taxes recoverable in Fenix Gold Limitada (wholly-owned Chilean subsidiary) as the Chilean Peso appreciated relative to Fenix Gold Limitada's functional currency of US$ over the respective period.
Accretion expense on deferred revenue	$ -	$ 1,688	$ (1,688)	The decrease in this expense during H1 2025 is attributable to the Company starting to capitalize this accretion as mineral property, plant, and equipment effective September 30, 2024 (achievement of the development stage). Capitalized accretion on deferred revenue was $3,303 (H1 2024 - $nil) during H1 2025 and was capitalized to mineral property, plant, and equipment.
General and administrative	$ 3,848	$ 3,297	$ 551	The increase is primarily due to higher employment costs and higher corporate office and administration costs. In H1 2025, there was a higher headcount as the business activities increased combined with the rebuilding of the Rio2 employee team after the staff layoffs that occurred after the Environmental Impact Assessment ("EIA") for the Fenix Gold Mine was initially rejected in 2022 (EIA was approved in December 2023, allowing rebuilding to take place over 2024). Corporate office and administration was in line with increased business activities and increased personnel.
Camp rental income	$ -	$ (294)	$ 294	The Company no longer rented out its camp at the Fenix Gold Mine to a third-party during 2025 as it was needed for the Company's own use.
Interest income	$ (468)	$ (187)	$ (281)	Higher cash and cash equivalent balances during H1, 2025, compared to H1, 2024.
Share-based compensation	$ 543	$ 389	$ 154	A larger number of stock options vesting during H1, 2025, compared to H1, 2024, in line with increased business operations and also a large stock option grant during Q1, 2025.

CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30, 2025

Cash used in operating activities

Cash provided by operating activities was $13,038 during the six months ended June 30, 2025, compared to $2,385 used in operating activities during the six months ended June 30, 2024. This change was predominantly the result of the Company receiving $25,000 on proceeds from deferred revenue which was cash advanced from Wheaton (see note 10 of the interim consolidated financial statements for the three and six months ended June 30, 2025 for further details), which was partially offset by an increase in input taxes recoverable of $9,825 for the six months ended June 30, 2025 compared to a decrease of $239 for the six months ended June 30, 2025 due to IVA refunds received during the six months ended June 30, 2024.

Cash provided by financing activities

Cash provided by financing activities was $264 during the six months ended June 30, 2025, compared to $15,589 provided by financing activities during the six months ended June 30, 2024. During the six months ended June 30, 2025, $340 (2024 - $nil) of cash proceeds were received on the exercise of stock options. The large decrease from 2024 was due to $15,668 of proceeds, net of share issuance costs, received on the issuance of common shares during the six months ended June 30, 2024.

Cash used in investing activities

Cash used in investing activities was $45,442 during the six months ended June 30, 2025, compared to $1,027 used during the six months ended June 30, 2024. The increase was due to increased investment in the Fenix Gold Mine expenditures capitalized in mineral property, plant, and equipment. Total cash investments during the first half ("H1") of 2025 in mineral property, plant, and equipment were $39,914 during the six months ended June 30, 2025 compared to $1,027 in the six months ended June 30, 2024. The increase in investment in 2025 compared to Q1 2024 was due to the approval of the EIA in December 2023 and the resuming of activities relating to the Fenix Gold Mine allowing for the start of development effective September 30, 2024. The investments during H1 2025 were primarily related to assets under construction and mineral property development costs. The increase in cash used in investing activities was also related to an increase in deposits of $5,528 (2024 - $nil) for advances to construction suppliers for the Fenix Gold Mine build.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2025, the Company had cash and cash equivalents totalling $13,236 (December 31, 2024 - $45,009) and current liabilities of $16,915 (December 31, 2024 - $9,661). The current liabilities are accounts payable and accrued liabilities of $16,763 and are due on demand (December 31, 2024 - $9,518), as well as the current portion of lease liability of $152 (December 31, 2024 - $143). Management believes the Company has sufficient financial resources, including its cash and cash equivalents, future expected proceeds from Wheaton on deferred revenue (including $50.0 million received subsequent to June 30, 2025) and access to an undrawn $20,000 Standby Loan Facility (see notes 9 and 10 of the interim consolidated financial statements for the three and six months ended June 30, 2025 for further details on Wheaton deferred revenue and the Standby Loan Facility) to cover its business for a period greater than 12 months, including capital expenditures, and meeting working capital requirements.

The Company enters into contracts that give rise to commitments in the normal course of business. The following table summarizes the remaining contractual maturities of the Company's financial liabilities, operating and capital commitments, shown in contractual undiscounted cash flows, at June 30, 2025:

	Within 1 year	2 to 5 years	Over 5 years	Total
Lease commitments	$ 168	$ 84	$ -	$ 252
Asset retirement obligation	-	-	10,637	10,637
Water supply contract	315	2,523	7,884	10,722
Capital expenditure commitments	45,881	-	-	45,881
	$ 46,364	$ 2,607	$ 18,521	$ 67,492

On October 29, 2024, the Company closed a public offering of 97,307,710 common shares at a price of C$0.65 per share for gross proceeds of C$63.2 million, equivalent to US$45.5 million.

The following table sets out the intended uses of the proceeds as well as the actual spend, in US$ million:

Activity	Amount budgeted	Spent as at June 30, 2025	Variance[(1)]	Amount remaining
Owner costs and overhead	$ 4.0	$ 9.1	$ (5.1)	$ -
Mine infrastructure capital	1.0	1.0	-	-
Processing capital expenditure	10.0	13.9	(3.9)	-
Construction facilities	9.0	16.4	(7.4)	-
Contingencies	1.0	-	1.0	-
Other costs and working capital	20.5	5.1	15.4	-
Total	$ 45.5	$ 45.5	$ -	$ -

(1) The variance between the amounts budgeted and amounts spent to date as at June 30, 2025 are due to timing of capital expenditures for construction at the Fenix Gold Mine.

During the three and six months ended June 30, 2025, the Company received $25.0 million of proceeds from deferred revenue which was cash advanced by Wheaton (subsequent to June 30, 2025, the Company received another $50.0 million advanced by Wheaton). See note 10 of the interim consolidated financial statements for the three and six months ended June 30, 2025 for further details.

OFF-BALANCE SHEET ARRANGEMENTS

At June 30, 2025, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations, or any obligations that trigger financing, liquidity, market, or credit risk to the Company.

RELATED PARTY TRANSACTIONS AND BALANCES

Key management consists of the Board of Directors and senior management. Senior management is defined as the Executive Chairman, the President & CEO, and the Executive Vice President, CFO & Corporate Secretary. Key management compensation for the three and six months ended June 30, 2025, and 2024 was as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Senior management employment costs	$ 273	$ 272	$ 526	$ 483
Directors fees	102	41	50	81
Share-based compensation	93	39	79	125
	$ 468	$ 352	$ 655	$ 689

PROPOSED TRANSACTIONS

As at the date of this MD&A, there are no proposed transactions.

SUBSEQUENT EVENTS

Subsequent to June 30, 2025, the following events occurred.

a. The Company received $50.0 million of the remaining $100.0 million deposits to be received under the Flexible Prepay Arrangement.

b. Subsequent to June 30, 2025 and up to the filing date of these financial statements, a total of 250,000 stock options were exercised at exercise prices ranging from C$0.30 to C$0.65 per share.

c. Subsequent to June 30, 2025, the Company granted a consultant 200,000 stock options with an exercise price of C$1.60 and a life of five years from the date of grant. The options granted by Rio2 vest 1/3 equally over a three-year period. The Company also granted this consultant 200,00 RSUs each of which will be convertible into one full share of the Company, have a life of three years, and vesting is based on the achievement of certain performance metrics.

d. The Company published its 2024 Environmental, Social, and Governance (ESG) report dated July 29, 2025 and is available at https://www.onyen.com/published/RIO_2024_Annual_813.html.

RISKS AND UNCERTAINTIES

The Company's business consists of the exploration and evaluation and development of the mineral property and is subject to certain risks. The risks described below are not the only risks facing the Company and other risks now unknown to the Company may arise, or risks now thought to be immaterial may become material. No guarantee is provided that other factors will not affect the Company in the future. Many of these risks are beyond the control of the Company.

Limited History of Operations

The Company has had a limited operating history upon which an evaluation of the Company, its current business and its prospects can be based. An investor should consider any purchase of the Company's securities in light of the risks, expenses, and problems frequently encountered by all companies in the early stages of their corporate development.

Nature of Mining, Mineral Exploration and Development Projects

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks commonly encountered in the exploration, development, and production of minerals, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses, and possible legal liability.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Uncertainty of Development Projects

Development projects typically require a number of years and significant expenditures before production is possible. Especially in the current environment of high inflation, estimates of such expenditures or of future operating costs may differ materially from actual capital or operating costs. Such projects could experience unexpected problems or delays during development, production or mine start-up. In particular, the development of the Fenix Gold Mine requires the construction and operation of a mine, processing plant and related infrastructure. Construction and development of these projects are subject to numerous risks, including, without limitation, risks relating to:

- significant cost overruns due to, among other things, inflation, delays, project execution challenges, changes to inputs or changes to engineering;
- delays in construction, and technical and other problems, including adverse geotechnical conditions and other obstacles to construction;
- Rio2's ability to obtain regulatory approvals or permits, on a timely basis or at all;
- Rio2's ability to comply with any conditions imposed by regulatory approvals or permits, maintain such approvals and permits, or obtain any required amendments to existing regulatory approvals or permits;
- accuracy of reserve and resource estimates;
- accuracy of engineering and changes in scope;
- adverse regulatory developments, including the imposition of new regulations;
- significant fluctuation in prevailing commodity prices, which may affect the profitability of projects;
- community action or other disruptive activities by stakeholders;
- adequacy and availability of a skilled workforce;
- difficulties in acquiring and maintaining land and mineral titles;
- difficulties in procuring or a failure to procure required supplies and resources to construct and operate a mine;
- availability, supply and cost of water and power;
- weather or severe climate impacts;
- litigation;
- Rio2's dependence on third parties for services and utilities;
- development of required infrastructure;
- a failure to develop or manage a project in accordance with Rio2's planning expectations or to properly manage the transition to an operating mine;

- the ability of Rio2's partners, if any, to finance their respective shares of project expenditures;
- the reliance on contractors and other third parties for management, engineering, construction and other services, and the risk that they may not perform as anticipated and that unanticipated disputes may arise between them and Rio2;
- Rio2's ability to finance its share of project costs or obtain financing for these projects on commercially reasonable terms, or at all;
- changes in regulatory regimes in the jurisdictions in which Rio2's projects are located; and
- the effects of potential pandemics, including regulatory measures intended to address the pandemic or operating restrictions imposed to protect workers, supply chain impacts and other factors.

The costs, timing and complexities of mine construction and development are increased by the remote location of the Company's properties. It is not unusual for a new mining operation to experience unexpected problems and delays during the construction and development of the mine. In addition, delays in the commencement or expansion of mineral production often occur and, once commenced or expanded, the production of a mine may not meet expectations or estimates set forth in the feasibility study. Accordingly, there are no assurances that the Company will successfully develop mining activities at properties.

Increased Economic Uncertainty Stemming from Geopolitical Conflict, Inflation and Other Factors

Geopolitical conflict, together with concerns over general global economic conditions, fluctuations in interest and foreign exchange rates, stock market volatility and inflation have contributed to increased economic uncertainty and diminished expectations for the global economy. These factors have also increased the risk of disruption to global trade flows and supply chains. This global economic uncertainty and any disruption to global trade flows or supply chains may have a material adverse effect on the Company's operations, future sales, business and financial condition.

Concerns over global economic conditions may also have the effect of heightening many of the other risks described herein, including, but not limited to: risks relating to fluctuations in the market price anticipated for the Company's future products; development of the Company's projects, including the Fenix Gold Mine; volatility in commodity and financial markets; market access restrictions or tariffs; fluctuations in the price and availability of consumed commodities; labour unrest and disturbances; availability of skilled employees; disruptions of information technology systems; changes in law or policies in relation to taxes, fees and royalties; and transportation and other services from third parties.

Risks Inherent in Acquisitions

It is part of the Company's corporate strategy to actively pursue the acquisition of exploration, development and production assets consistent with its acquisition and growth strategy. From time to time, the Company may also acquire securities of or other interests in companies with respect to which it may enter into acquisitions or other transactions. Acquisition transactions involve inherent risks, including but not limited to:

- accurately assessing the value, strengths, weaknesses, contingent and other liabilities, and potential profitability of acquisition candidates;
- ability to achieve identified and anticipated operating and financial synergies;
- unanticipated costs;
- diversion of management attention from existing business;
- potential loss of the Company's key employees or key employees of any business acquired;

- unanticipated changes in business, industry, or general economic conditions that affect the assumptions underlying the acquisition; and
- decline in the value of acquired properties, companies, or securities.

Any one or more of these factors or other risks could cause the Company not to realize the anticipated benefits of an acquisition of properties or companies and could have a material adverse effect on its financial condition.

Dilution and Future Sales of Common Shares

The Company is in the construction and development stage of its corporate development; it owns no producing properties and, consequently, has no current operating income or cash flow from the properties it holds, nor has it had any income from operations in the past three financial years.

As a consequence, the operations of the Company are primarily funded by equity subscriptions. The Company may issue additional common shares in the future, which may dilute a shareholder's holdings in the Company. The Company's articles permit the issuance of an unlimited number of common shares and shareholders will have no pre-emptive rights in connection with further issuances.

The availability of funds under the Amended PMPA, the Flexible Prepay Arrangement and the Standby Loan Facility is subject to conditions.

The availability of funds under each of the Amended PMPA, the Flexible Prepay Arrangement and the Standby Loan Facility remains subject to satisfaction of a number of conditions. There can be no certainty that these conditions will be satisfied for any or all of the Amended PMPA, the Flexible Prepay Arrangement and the Standby Loan Facility. If these conditions are not satisfied, additional sources of capital may not be available when required or on acceptable terms and, as a result, Rio2 may be unable to grow its business, finance its projects (including the Fenix Gold Mine), take advantage of business opportunities, fund its ongoing business activities, respond to competitive pressure, retire or service outstanding debt, or refinance maturing debt.

Failure to reach commercial production milestones at the Fenix Gold Mine within the anticipated timelines could result in adverse material effects under the Amended PMPA.

If the Company has not achieved commercial production at the Fenix Gold Mine by December 31, 2026, Rio2 will be obligated to deliver additional ounces of refined gold to WPMI under the Amended PMPA (the "Delay Payment"). If by December 31, 2027, the Fenix Gold Mine does not attain threshold production of at least 45,000 ounces of gold in any 12-month consecutive period, WPMI may elect to terminate the Amended PMPA on 90-days prior written notice, and Rio2 must then (i) return the initial deposit of $25 million, the second deposit of $25 million, and the $100 million deposit under the Flexible Prepay Arrangement, and (ii) deliver the balance of all accumulated Delay Payments. The termination of the Amended PMPA and the return of the initial deposit may have a material and adverse effect on Rio2's financial condition, liquidity, capital resources, and ability to advance production of the Fenix Gold Mine.

The Company is subject to debt risk under the Standby Loan Facility.

The Company's ability to make scheduled payments under the Standby Loan Facility, if the Standby Loan Facility is drawn upon, will depend on its financial condition and operating performance, which are subject to the ability to commence production at the Fenix Gold Mine, and other financial, business, legislative, regulatory and other factors beyond the Company's control. There is no guarantee that additional funding will be available to refinance the Standby Loan Facility if needed.

The Company is exposed to interest rate risk on the variable rate Standby Loan Facility.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due, including, among others, debt repayments, interest payments and contractual commitments. If the Company's cash flows and capital resources are insufficient to fund its debt service obligations, the Company could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance the Company's indebtedness, including potential indebtedness under the Standby Loan Facility if drawn upon. The Company may not be able to effect any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternatives may not allow the Company to meet its scheduled debt service obligations.

Inflation Risks

In recent years, global markets have experienced high rates of inflation at times. Inflationary pressures increased at certain times over recent years, and may continue to increase increasing Rio2's operating and capital costs and the costs of Rio2's planned development activities (including the Fenix Gold Mine) and could have a material adverse effect on Rio2's operations, development projects, business and financial position. If inputs are unavailable at reasonable costs this may delay planned development activities. In addition, governmental responses to inflation, such as any increase in interest rates, may have a significant negative impact on the economy generally, which could have a material adverse effect on Rio2's operations, business and financial position. In the current environment, assumptions about future commodity prices, exchange rates, interest rates, costs of inputs and customer credit performance are subject to greater variability than normal, which could, in the future, significantly affect the valuation of Rio2's assets, both financial and non-financial, and may have a material adverse effect on Rio2's operations, business and financial condition.

Foreign Jurisdictions Risks

While Rio2 maintains a corporate office in Canada, the Fenix Gold Mine is located in Chile and Rio2's technical services and other office is located in Peru, where, in both instances, there are added risks and uncertainties due to the different economic, cultural and political environments compared to Canada. Some of these risks include nationalization and expropriation; social unrest and political instability; uncertainties in perfecting mineral titles; delays or inability to obtain permits; trade barriers and exchange controls; limitations on repatriation of funds; and material changes in taxation.

There can be no certainty that the Chilean or Peruvian governments will not implement changes in taxation, policy or regulation in connection with a constitutional process or otherwise. In particular, social conditions or political developments in Chile may result in tax increases, additional costs or other disruptions to Rio2's business, and the impact may be material.

In 2023, Chile went through a second constitutional reform process, after the rejection of the previous one in 2022; however, the resulting proposal, drafted by a Constitutional Council with a conservative majority, was rejected by a referendum. While the current government has stated it will not call for another constitutional process during its term, there can be no guarantee that it or a future government will not. Peru has also recently experienced political unrest.

In addition, global economic uncertainty and any decrease in resource prices may adversely affect Chile's economy and those of other emerging markets in which Rio2 operates or is developing projects, including Peru. Such events could materially and adversely affect Rio2's business, financial position and operations.

Access Restrictions and Tariff Risks

Rio2's ability to procure inputs and equipment required for its projects and operations, and access to markets for Rio2's future products, may be subject to interruptions or trade barriers due to policies and tariffs or import/export restrictions of individual countries. Rio2's future products may also be subject to tariffs that do not apply to producers based in other countries which could result in changes to its customer base and disrupt Rio2's anticipated sales processes. Any disruption to current trade practices could have a material impact on Rio2's ability to procure inputs and equipment for its operations and projects and to market its future products.

Uninsured Risks Exist and May Affect Certain Values

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company's common shares.

Key-Man and Liability Insurance Factors Should be Considered

The success of the Company will be largely dependent upon the performance of its key officers. The Company has not, as yet, purchased any "key-man" insurance with respect to any of its directors, officers, and key employees and has no current plans to do so.

Although the Company may obtain liability insurance in an amount that management considers adequate, the nature of the risks for mining companies is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Dependence on Outside Parties

The Company has relied upon consultants, engineers and others and intends to rely on these parties for development, construction, and operating expertise. Substantial expenditures are required to construct mines, to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

Ability to Attract and Retain Qualified Personnel

Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative and mining personnel as well as additional operations staff. If the Company is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have a material adverse impact on the Company's future cash flows, earnings, results of operations, and financial condition.

Factors Beyond Company's Control

The exploration and development of mineral properties and the marketability of any minerals contained in such properties will be affected by numerous factors beyond the control of the Company. These factors include government regulation, high levels of volatility in market prices, availability of markets, availability of adequate transportation and processing facilities and the imposition of new or amendments to existing taxes and royalties. The effect of these factors cannot be accurately predicted.

Government Regulation and Permitting

The current or future operations of the Company, including development activities, require permits from various federal, provincial or territorial and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, water use, environmental protection, land claims of local people, mine safety, and other matters.

Such exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that will require the Company to obtain permits, licences, and approvals from various governmental agencies. There can be no assurance, however, that all permits, licences, and approvals that the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which the Company might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Amendments to current laws, regulations, and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

To the best of the Company's knowledge, it is operating in compliance with all applicable rules and regulations.

Environmental Risks and Hazards

The Company's activities are subject to extensive national, provincial, and local laws and regulations governing environmental protection and employee health and safety. The Company is required to obtain governmental permits and provide bonding requirements under environmental laws. All phases of the Company's operations are subject to environmental regulation. These regulations mandate, among other things, the maintenance of water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage, and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, and more stringent environmental assessments of proposed projects. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Environmental laws and regulations are complex and have tended to become more stringent over time. These laws are continuously evolving. The Company is not able to predict the impact of any future changes in environmental laws and regulations on its future financial position due to the uncertainty surrounding the ultimate form such changes may take.

Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions, and delays in the activities of the Company, the extent of which cannot be predicted.

Other Tax Considerations

The Canadian federal and provincial tax treatment of natural resource activities has a material effect on the advisability of investing in mining companies. The ability of the Company to claim and collect tax credits relating to its natural resource activities and the return on an investment in common shares will be subject to applicable tax laws. There can be no assurance that applicable tax laws will not be amended so as to fundamentally alter the tax consequences of claiming and collecting tax credits and holding or disposing of the common shares.

Share Price Fluctuations

The market price of securities of many companies, particularly development stage companies, experiences wide fluctuations in price that are not necessarily related to the operating performance or the underlying asset values of prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur.

Price Volatility of Publicly Traded Securities

Securities of exploration and mining companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the relative attractiveness of particular industries. The Company's share price is also likely to be significantly affected by short-term changes in metal prices or by the Company's financial condition or results of operations as reflected in quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the common shares include the following:

- the extent of analyst coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow its securities; and

- limited trading volumes and general market interest in the Company's securities may affect an investor's ability to trade the common shares.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the Company's long-term value.

Cyber Security

The Company depends upon information systems and other digital technologies for controlling operations, processing transactions and summarizing and reporting results of operations ("IT systems"). The secure processing, maintenance and transmission of information is critical to the Company's operations. These IT systems or those of the Company's suppliers could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to infrastructure, natural disasters, terrorism, fire, power loss, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or an increase in capital expenses. The failure of IT systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Cyber security risks have increased in recent years as a result of the proliferation of new technologies and the increased sophistication of cyber-attacks and data security breaches, as well as due to international and domestic political factors including geopolitical tensions, armed hostilities, war, civil unrest, sabotage and terrorism. Human error can also contribute to a cyber incident, and cyber-attacks can be internal as well as external and occur at any point in the Company's supply chain. Although to date the Company has not experienced any material losses relating to cyberattacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Company may be subject in connection with the operations of the Company. Some of the directors and officers of the Company may be, or may become, engaged in the mineral exploration or mining industry, and situations may arise where directors, officers, and promoters will be in direct conflict with the Company. Such conflicts must be disclosed in accordance with and are subject to such other procedures and remedies as apply under, the *Business Corporations Act* (Ontario), and the applicable statutes of the jurisdictions of incorporation of the Company's subsidiaries.

MATERIAL ACCOUNTING POLICIES

The Company's material accounting policies are presented in Note 3 of the Company's consolidated financial statements for the year ended December 31, 2024. These accounting policies can have a significant impact on the financial performance and financial position of the Company. There were no changes in material accounting policies during the six months ended June 30, 2025.

CRITICAL ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions which affect the reported amount of the Company's assets, liabilities, expenses, and related disclosures. Assumptions and estimates are based on historical experience, expectations, current trends, and other factors that management believes to be relevant at the time at which the Company's financial statements are prepared. These estimates and judgments can have a significant impact on the financial performance and financial position of the Company. In preparing the unaudited condensed consolidated interim financial statements, the Company applied the same areas of estimation and judgement as those that were applied to the Company's audited consolidated financial statements for the fiscal year ended December 31, 2024, except judgement around the parent Company's functional currency as follows:

Change in functional currency to the parent company

Determination of functional currency involves certain judgements to determine the primary economic environment in which an entity operates, and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determine that primary economic environment. At the start of Q1, 2025, management reassessed Rio2 Limited's functional currency and determined that it had changed from the Canadian Dollar ("C$") to US$ effective January 1, 2025. The change in functional currency was primarily due to the fact that no further C$ financings are expected, and the most significant expenditures and balances of Rio2 Limited are denominated in US$. The functional currency was determined and treated in accordance with IAS 21. The Effects of Changes in Foreign Exchange Rates, which includes accounting for the functional currency, change on a prospective basis.

Management reviews, on a regular basis, the Company's accounting policies, assumptions, estimates, and judgements in order to ensure that the financial statements are presented fairly and in accordance with IFRS Accounting Standards.

Critical accounting estimates are those that have a significant risk of causing material adjustments and are often applied to matters or outcomes that are inherently uncertain and subject to change. As such, management cautions that future events often vary from forecasts and expectations and that estimates routinely require adjustments. The Company's critical estimates and judgements are presented in Note 2 (c) to the audited consolidated financial statements for the year ended December 31, 2024. The most significant estimates applied to the Company's financial statements include the asset retirement obligation, and the mineral resource estimate. Key judgements include the determination of commercial viability and technical feasibility of the Fenix Gold Mine (achieved), the accounting of the gold prepaid sales arrangements, and judgements around mineral property interests such as, but not limited to, legal ownership and indicators of impairment.

FINANCIAL INSTRUMENTS

Financial instruments disclosures require the Company to provide information about: a) the significance of financial instruments for the Company's financial position and performance and, b) the nature and extent of risks arising from financial instruments to which the Company is exposed during the period and at the statement of financial position date, and how the Company manages those risks. Please refer to note 4 of the Company's 2024 annual financial statements for a discussion of the factors that impact Rio2.

MATERIAL LEGAL PROCEEDINGS

The Company is not a party to any legal proceedings.

EXECUTIVE TEAM

Alexander Black	-	Executive Chairman of the Board
Andrew Cox	-	President, Chief Executive Officer and Director
Kathryn Johnson	-	Executive Vice President – Chief Financial Officer and Corporate Secretary

BOARD OF DIRECTORS

Alex Black	-	Executive Chairman
Dr. Klaus Zeitler	-	Lead Director
Andrew Cox	-	President, Chief Executive Officer and Director
Drago Kisic	-	Director
Ram Ramachandran	-	Director
Sidney Robinson	-	Director
Albrecht Schneider	-	Director

OUTSTANDING COMMON SHARES, OPTIONS, RESTRICTED SHARE UNITS AND WARRANTS

As at August 11, 2025 there were 427,745,615 issued and fully paid common shares.

<u>Stock Options</u>
The following table summarizes the Company's stock options as at August 11, 2025:

Outstanding			Exercisable	
Number of Options	Weighted average remaining contractual years	Weighted average exercise price C$	Number of Options	Weighted average exercise price C$
2,025,000	0.04	0.65	2,025,000	0.65
4,100,000	1.11	0.65	4,100,000	0.65
2,100,000	1.42	0.65	2,100,000	0.65
6,305,333	2.42	0.30	4,233,555	0.30
33,334	0.50	0.30	22,222	0.30
6,220,000	4.43	0.70	-	0.70
200,000	4.90	1.60	-	1.60
20,983,667	2.40	0.57	12,480,778	0.53

Each option entitles the holder to purchase one common share for a period of five years from the date of grant. The options granted by Rio2 vest 1/3 equally over a three-year period. The grant of the RSUs and options is subject to the terms of the Share Incentive Plan and the 2023 Stock Option Plan respectively, and final regulatory approval and if applicable, shareholder approval.

QUALIFIED PERSONS

Enrique Garay, P.Geo./FAIG, M. Sc., Senior Vice President - Geology is the Qualified Person for the Company.

TECHNICAL INFORMATION

Where appropriate, certain information contained in this MD&A regarding the Company's Fenix Gold Mine or in a document incorporated or deemed to be incorporated by reference herein updates information from the report entitled "NI 43-101 Technical Report on the Feasibility Study for the Fenix Gold Mine" dated October 16, 2023, prepared by Mining Plus Peru. The qualified persons involved in the preparation of the FS were Erick Ponce (QP) FAusIMM (Min), Anthony Maycock (QP) P. Eng, Denys Parra (QP) SME, Carlos Arevalo (QP) Chilean Mining Commission, Registered Member, Andres Beluzán (QP) Chilean Mining Commission, Registered Member, and Francisco Javier Rovira (QP) Competent Person in Mineral Resources and Reserves and addressed to Rio2 Limited (the "Fenix Technical Report"). Any updates to the scientific or technical information derived from the Fenix Technical Report and any other scientific or technical information contained in this MD&A were approved by Enrique Garay, P.Geo./FAIG, M. Sc., a "Qualified Person" under National Instrument 43-101.

FORWARD-LOOKING INFORMATION

This MD&A contains certain statements that may constitute "forward-looking statements." All statements, other than statements of historical fact, included herein, including but not limited to, statements regarding future anticipated property acquisitions, the nature of future anticipated exploration and development programs and the results thereof, discovery and delineation of mineral resources/reserves, business and financing plans and business trends, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct.

Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to: the Company's limited operating history; the hazards and risks normally encountered in the exploration, development, and production of minerals; significant cost overruns due to, among other things, inflation, delays, project execution challenges, changes to inputs or changes to engineering; delays in construction, and technical and other problems, including adverse geotechnical conditions and other obstacles to construction; Rio2's ability to obtain regulatory approvals or permits, on a timely basis or at all; Rio2's ability to comply with any conditions imposed by regulatory approvals or permits, maintain such approvals and permits, or obtain any required amendments to existing regulatory approvals or permits; accuracy of reserve and resource estimates; increased economic uncertainty stemming from geopolitical conflict, inflation and other factors; the ability of Rio2 to satisfy the conditions regarding the availability of funds under the Amended PMPA, the Flexible Prepay Arrangement and the Standby Loan Facility; failure to reach commercial production milestones at the Fenix Gold Mine on the anticipated timelines; interest rates on the variable rate Standby Loan Facility; inflation; operating in foreign jurisdictions; access restrictions and tariffs; the Company's inability to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies; and other risks and uncertainties identified herein under "Risks and Uncertainties".

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in any of those forward-looking statements. For this reason, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant fluctuations in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to develop any of its present or future mineral properties.

Additional information regarding the Company and factors that could affect its operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca). Furthermore, the forward-looking statements contained in this MD&A are made as at the date of this MD&A and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

INTERNAL AND DISCLOSURE CONTROLS OVER FINANCIAL REPORTING

The Company is exempted from providing certifications regarding its disclosure controls and procedures as well as regarding its internal control over financial reporting as a "venture issuer". The Company is required to file basic certificates, which it has done for the period ended June 30, 2025. The Company makes no assessment relating to the establishment and maintenance of (i) disclosure controls and procedures or (ii) internal control over financial reporting (as such terms are defined under Multilateral Instrument 52-109) as at June 30, 2025.