

ARIZONA METALS CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THREE MONTHS ENDED MARCH 31, 2023

Introduction

The following interim Management Discussion & Analysis ("MD&A") of Arizona Metals Corp. ("AMC" or the "Company") for the three months ended March 31, 2023 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2022. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A. Additional information, including the annual information form for the year ended December 31, 2022, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online at www.sedar.com.

This MD&A has been prepared in compliance with section 2.2 of Form 51-102F1, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended December 31, 2022 and 2021, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of May 15, 2023, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Description of Business

The Company is a mineral exploration company based in Toronto, Ontario, focusing on the exploration and development of mineral resource properties in Arizona. The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "AMC" and on the OTCQX under the symbol "AZMCF". On October 13, 2022, the Company's common shares were delisted from the TSX Venture Exchange (the "TSX-V") upon graduation to the TSX.

AMC owns, through its wholly-owned subsidiaries, 100% of the Kay Mine Project (the "Kay Mine Project"), located in Yavapai County, Arizona, USA and 100% of the Sugarloaf Peak Gold Project (the "Sugarloaf Peak Project") located in La Paz County, Arizona, USA.

Mineral Exploration Properties

The technical information contained in this MD&A has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 – *Standards for Disclosure for Mineral Projects* ("NI 43-101") and reviewed and approved by David Smith, CPG, Vice-President of Exploration of the Company and a "Qualified Person" as defined under NI 43-101.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

Kay Mine

The Company, through an indirect wholly-owned subsidiary, owns 100% of approximately 1,330 acres of patented and unpatented claims covering and surrounding the past-producing Kay Mine, located in Yavapai County, Arizona, approximately 50 miles north of Phoenix.

On April 26, 2022, the Company announced it had received permit approval from the Bureau of Land Management for a drill pad, located approximately 200 m west of the Kay Mine deposit. On June 22, 2022, the Company announced that it has received permit approval from the Bureau of Land Management for two new drill pads, located approximately 500 m west of the Kay Mine deposit. This new pad will allow for testing of the Central Target at the Kay Mine Project, which was previously defined based on coincident structural, geochemical, and geophysical anomalies.

As at March 31, 2023, the Company has completed a total of approximately 79,600 metres, including 10,000 metres in Phase 1 drill program, at the Kay Mine since inception of drilling.

The Phase 3 drill program will test the numerous parallel targets heading west of Kay, as well as the possible northern and southern extensions of the Kay Deposit. Drilling has commenced at the Central and Western targets.

Current Plans Related to the Kay Mine

The Company's current plan for the Kay Mine Project is the completion of the ongoing Phase 2 expansion drill program, which is expected to be completed during the first half of 2023. Subject to the results of the Phase 2 drill program, the Company intends to commence Phase 3 expansion drilling at the Kay Mine Project following completion of the Phase 2 drill program. The following table summarizes the expenditures by the Company on the Phase 2 expansion drill program to March 31, 2023, and the total estimated costs to completion of the Phase 2 and Phase 3 drill programs:

| Plans for the Project | Current Planned Expenditures ⁽¹⁾ (rounded) \$ | Incurred as at March 31, 2023 (rounded) \$ | Estimated Remaining Cost to Completion (rounded) \$ |
|---|---|---|--|
| Phase 2 expansion drill program (HQ core drilling, all-in cost) | 32,631,000 | 31,183,000 | 1,448,000 |
| Phase 3 expansion drill program (HQ core drilling, all-in cost) | 32,300,000 | Nil | 32,300,000 |
| Other exploration expenditures ⁽²⁾ | 6,100,000 | 4,469,000 | 1,631,000 |
| TOTAL | 71,031,000 | 35,652,000 | 35,379,000 |

Notes:

- (1) Based on management's best estimates as at the date of this MD&A. See below under the heading "*Liquidity and Capital Resources*" for a comparison between prior disclosure of estimated use of proceeds from the bought-deal private placement offering (the "April 2021 Offering") of 10,000,000 special warrants of the company at a price of \$2.10 per special warrant and the bought-deal offering (the "November 2021 Offering") of 11,725,000 common shares at a price of \$4.25 per common share by way of short form prospectus (the "November 2021 Short Form Prospectus") and current management estimates of costs and expenditures to completion of the Phase 2 and Phase 3 expansion drill programs and a discussion of the causes and impact of any variances.
- (2) Includes resource and geological mapping, geochemical and geophysical work on additional targets, metallurgical test work, economic studies, permitting, environmental costs, and concession, but does not include acquisition costs

Arizona Metals Corp.
Interim Management’s Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

or general corporate and administrative expenses (including salaries, consulting fees, insurance and professional fees).

Sugarloaf Peak Project

The Company, through an indirect wholly-owned subsidiary, owns 100% of the Sugarloaf Peak Project, which is located on 4,412 acres of BLM claims in La Paz County, Arizona.

Current Plans Related to the Sugarloaf Peak Project

The Company’s current plans for the Sugarloaf Peak Project consist of maintaining the project in good standing until the metallurgical testing on the drill results from the 2020 Phase 1 drill program is completed in order to confirm whether to proceed with a Phase 2 drill program. The following table summarizes the Company’s current plans at the Sugarloaf Peak Project and the total estimated costs. The Company expects to complete metallurgical testing on the results from its Phase I drill program at the Sugarloaf Peak Project by the first half of 2023.

| Plans for the Project | Planned Expenditures⁽¹⁾ (rounded) \$ | Incurred March 31, 2023 (rounded) \$ | Estimated Remaining Cost to Completion (rounded) \$ |
|--------------------------------------|--|---|--|
| Care and maintenance ⁽²⁾ | 150,000 | 107,000 | 43,000 |
| Metallurgical testing ⁽³⁾ | 375,000 | 318,000 | 57,000 |
| TOTALS | 525,000 | 425,000 | 100,000 |

Notes:

- (1) Based on management’s best estimates as at the date of this MD&A. See below under the heading “*Liquidity and Capital Resources*” for a comparison between prior disclosure of estimated use of proceeds from the November 2021 Offering and current management estimates, and a discussion of the causes and impact of any variances.
- (2) Includes concession fees paid to the Bureau of Land Management. Estimated cost through September 2024.
- (3) Expected to be completed in 2023.

Operational Highlights

During the three months ended March 31, 2023, 32,000 stock options with an exercise price of \$0.25 per share were exercised for gross proceeds of \$8,000.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

Summary of Quarterly Information

| Three Months Ended | Total Revenue \$ | Profit or Loss | |
|--------------------|---------------------|----------------------------|--|
| | | Total \$ | Basic and Diluted Loss Per Share \$ ⁽⁹⁾ |
| March 31, 2023 | - | (3,964,121) ⁽¹⁾ | (0.03) |
| December 31, 2022 | - | (5,069,021) ⁽²⁾ | (0.04) |
| September 30, 2022 | - | (4,931,049) ⁽³⁾ | (0.04) |
| June 30, 2022 | - | (6,379,342) ⁽⁴⁾ | (0.06) |
| March 31, 2022 | - | (8,135,336) ⁽⁵⁾ | (0.08) |
| December 31, 2021 | - | (5,028,944) ⁽⁶⁾ | (0.05) |
| September 30, 2021 | - | (4,492,125) ⁽⁷⁾ | (0.05) |
| June 30, 2021 | - | (4,850,966) ⁽⁸⁾ | (0.06) |

- (1) Net loss of \$3,964,121 includes salaries and benefits of \$240,302, exploration and evaluation expenditures of \$3,740,076, office and general of \$49,121, professional fees of \$59,128, business development of \$81,382, share-based payments of \$123,304, filing fees of \$79,417, and interest income of \$419,929.
- (2) Net loss of \$5,069,021 includes salaries and benefits of \$576,319, exploration and evaluation expenditures of \$3,875,793, office and general of \$120,337, professional fees of \$95,282, business development of \$181,416, share-based payments of \$221,947, filing fees of \$219,809, and interest income of \$227,200.
- (3) Net loss of \$4,931,049 includes salaries and benefits of \$219,909, exploration and evaluation expenditures of \$4,118,168, office and general of \$141,009, professional fees of \$33,356, business development of \$125,425, share-based payments of \$221,947, and filing fees of \$65,917.
- (4) Net loss of \$6,379,342 includes salaries and benefits of \$902,233, exploration and evaluation expenditures of \$4,778,330, office and general of \$181,743, professional fees of \$138,533, business development of \$73,899, share-based payments of \$221,947, and filing fees of \$77,339.
- (5) Net loss of \$8,135,336 includes salaries and benefits of \$179,713, exploration and evaluation expenditures of \$5,338,895, office and general of \$112,430, professional fees of \$60,574, business development of \$77,287, share-based payments of \$2,267,986, and filing fees of \$94,090.
- (6) Net loss of \$5,028,944 includes salaries and benefits of \$198,338, exploration and evaluation expenditures of \$4,496,480, office and general of \$127,153, professional fees of \$85,883, business development of \$73,355, share-based payments of \$41,580, and filing fees of \$6,155.
- (7) Net loss of \$4,492,125 includes salaries and benefits of \$680,341, exploration and evaluation expenditures of \$3,663,987, office and general of \$64,178, professional fees of \$31,219, business development of \$6,047, share-based payments of \$12,288, and filing fees of \$34,065.
- (8) Net loss of \$4,850,966 includes salaries and benefits of \$158,665, exploration and evaluation expenditures of \$4,256,017, office and general of \$108,387, professional fees of \$132,945, business development of \$126,782, share-based payments of \$33,316, and filing fees of \$34,854.
- (9) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property drill programs and the timing and results of the Company's exploration activities on its current properties. There are no general trends regarding the Company's quarterly results, and the Company's business of mineral exploration is not seasonal. Quarterly results can vary significantly depending on whether the Company has granted any stock options or paid any employee bonuses, and these are factors that account for material variations in the Company's quarterly net losses. General operating costs other than the specific items noted above tend to be quite similar from period to period.

Discussion of Operations

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

For the three months ended March 31, 2023, the Company's net loss was \$3,964,121 (2022 – net loss of \$8,135,336). The decrease in net loss is a result of the following:

- Exploration and evaluation expenditures decreased to \$3,740,076 for the three months ended March 31, 2023 (2022 - \$5,338,895) due to decreased exploration activities in Kay Mine during the current period.
- Share-based payments decreased to \$123,304 for the three months ended March 31, 2023 (2022 - \$2,267,986). Share-based payments will vary based on the vesting of stock options.
- Interest income increased to \$419,929 for the three months ended March 31, 2023 (2022 - \$nil) due to interest earned on the Company's investments.

Capital Management

The Company manages its capital with the objective of ensuring sufficient financial flexibility to achieve the ongoing business objectives, including primarily the completion of its mineral exploration programs, and also maintain flexibility insofar as funding of future growth opportunities and the pursuit of accretive acquisitions, if identified and deemed appropriate.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company includes equity, comprising issued share capital, reserves and deficit, in the definition of capital, which as at March 31, 2023, totaled \$48,841,946 (December 31, 2022 - \$52,674,763).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the Board of Directors.

As the Company does not have a credit facility, the Company is not currently subject to any capital requirements imposed by a lending institution or regulatory body. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current statement of financial position date.

There were no changes in the Company's process, policies and approach to capital management during the period ended March 31, 2023.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than TSX which requires at least \$350,000 of exploration and/or development work that is acceptable to the TSX, and adequate working capital and an appropriate capital structure to carry on its business. As of December 31, 2022, the Company believes it is compliant with the policies of the TSX.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Commitments and Contingencies

Environmental contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. 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. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Management contracts

The Company is party to certain employment contracts. These contracts require that additional payments of approximately \$2,800,000 be made upon the occurrence of a change of control or \$1,400,000 upon termination without cause. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

Liquidity and Capital Resources

At March 31, 2023, the Company had \$2,731,687 in cash (December 31, 2022 - \$6,958,183).

At March 31, 2023, accounts payable and accrued liabilities were \$767,912 (December 31, 2022 - \$607,757). The Company's cash balance as at March 31, 2023 is sufficient to pay these liabilities.

The Company has no operating revenues and therefore must utilize its funds from financing transactions to maintain its capacity to meet ongoing operating activities.

As of March 31, 2023 and to the date of this MD&A, the cash resources of the Company are held with one Canadian chartered bank. The Company has no variable interest rate debt and its credit and interest rate risk is minimal. Accounts payable and accrued liabilities are short-term and non-interest-bearing.

Cash used in operating activities were \$3,714,238 for the three months ended March 31, 2023. Operating activities were affected by a net loss of \$3,964,121 offset partially by share-based payments of \$123,304, depreciation of \$11,320 and the net change in non-cash working capital

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

balances of \$115,259 due to the changes in sales tax recoverable, prepaid expenses and accounts payable and accrued liabilities.

Cash used in investing activities were \$520,258 for the three months ended March 31, 2023. Investing activities included purchase of property and equipment of \$100,239 and purchase of investments of \$419,929.

Cash provided by financing activities were \$8,000 for the three months ended March 31, 2023 from proceeds from exercise of stock options.

As of March 31, 2023, based on current projections, the Company's working capital of \$48,407,313 is sufficient to meet its planned business objectives. The table below outlines the Company's previously disclosed planned use of net proceeds of financings (other than working capital) in the short form prospectus related to the April 2021 Offering (the "April 2021 Short Form Prospectus") and the November 2021 Short Form Prospectus, the actual expenditures as at March 31, 2023, and the expected remaining expenditures to the completion of (i) the Phase 2 expansion drill program at the Kay Mine Project, expected to be completed in the first half of 2023, (ii) the Phase 3 expansion drill program at the Kay Mine Project, expected to be completed by the first quarter of 2025, and (iii) metallurgical test work on the Sugarloaf Peak Project, expected to be completed by the first half of 2023.

| Use of Capital | Prior (2021) Estimated Expenses (approx.) \$ | Current Estimated Expenses ⁽¹⁾ (approx.) \$ | Spent as at March 31, 2023 (approx.) \$ | Estimated Remaining Expenses (approx.) \$ |
|--|---|---|--|--|
| Exploration Expenditures at the Kay Mine Project | | | | |
| Phase 2 expansion drilling (all-in cost) | 25,560,000 ⁽²⁾ | 32,631,000 | 31,183,000 | 1,448,000 |
| Phase 3 expansion drilling (all-in cost) | 26,707,000 ⁽³⁾ | 32,300,000 | Nil | 32,300,000 |
| Other Exploration Expenditures ⁽⁴⁾ | 6,100,000 ⁽⁵⁾ | 6,100,000 | 4,469,000 | 1,631,000 |
| Sugarloaf Peak Project | | | | |
| Care and maintenance ⁽³⁾⁽⁶⁾ | 150,000 | 150,000 | 107,000 | 43,000 |
| Metallurgical testing ⁽³⁾ | 250,000 | 375,000 | 318,000 | 57,000 |
| General corporate expenses ⁽⁷⁾ | 2,500,000 ⁽⁸⁾ | 11,405,000 ⁽⁹⁾ | 6,400,000 | 5,005,000 |
| TOTALS | 61,267,000 | 82,961,000 | 42,477,000 | 40,484,000 |

Notes:

- (1) Based on the best estimate of management as at the date of this MD&A.
- (2) As originally estimated and disclosed in the April 2021 Short Form Prospectus.
- (3) As originally estimated and disclosed in the November 2021 Short Form Prospectus.
- (4) Includes resource and geological mapping, geochemical and geophysical work on additional targets, metallurgical test work, economic studies, permitting, and environmental costs, but does not include acquisition costs or general corporate and administrative expenses (including salaries, consulting fees, insurance and professional fees).
- (5) Includes estimated use of proceeds for other exploration expenditures in connection with the completion of the Phase 2 expansion drill program as disclosed in the April 2021 Short Form Prospectus (\$750,000) and estimated use of proceeds for other exploration expenditures in connection with the completion of the Phase 3 expansion drill program as disclosed in the November 2021 Short Form Prospectus (\$5,350,000).
- (6) Care and maintenance includes primarily payment of concession fees to the Bureau of Land Management through September 2024.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

- (7) General, corporate and administrative expenses which include but are not limited to salaries and consulting fees, insurance and professional fees.
- (8) Includes estimated use of proceeds in the April 2021 Short Form Prospectus for general corporate expenses for the 12 months following completion of the April 2021 Offering, and estimated use of proceeds in the November 2021 Short Form Prospectus for general corporate expenses for the 12 months following completion of the November 2021 Offering.
- (9) Includes estimated general corporate expenses until end of 2025.

Increased estimated costs are as a result of industry-wide cost inflation in both material and labour, fluctuations in exchange rates, and a variety of other factors. In particular, exploration success at depth in the Phase 2 expansion drill program resulted in drilling of more holes at depth than originally planned (deeper holes are higher cost) as well as more directional drilling from branch holes. Inflation in fuel prices also increased logistical costs associated with drilling. However, the Company does not expect that the variances will impact the ability of the Company to achieve its stated business objectives and milestones.

Trends and Economic Conditions

Management regularly monitors economic financial market conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Until recently, equity markets in the junior resource exploration sector have been difficult. To date, the Company has been able to raise sufficient capital to fund exploration programs on both properties. The global economy is currently characterized by increased volatility and uncertainty.

Material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 or other geopolitical situations may have on:

- Global commodity prices;
- Demand for gold and copper and the ability to explore for gold and copper
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

The Company may face future disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce and could be a major health-care challenge for the Company. There can be no assurance that the Company's personnel will not be impacted by these pandemics. In addition, the COVID-19 pandemic created a slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, government response actions, business closures and business disruptions, can all have an impact on the Company's operations and access to capital. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets that may reduce commodity prices, share prices and financial liquidity and thereby that may severely limit the financing capital available to the Company.

Apart from these factors and the risk factors noted under the headings "Risk Factors" and "Commitments and Contingencies", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Remuneration of directors and key management personnel of the Company was as follows:

| | Three Months Ended March 31, 2023 | Three Months Ended March 31, 2022 |
|-----------------------|--|--|
| | \$ | \$ |
| Salaries and benefits | 240,302 | 179,713 |
| Share-based payments | Nil | 1,484,966 |
| Professional fees | 11,055 | 9,276 |
| Legal fees | 33,023 | 32,548 |
| | 284,380 | 1,706,503 |

Included in professional fees is \$11,055 (three months ended March 31, 2022 - \$9,276) paid to Marrelli Support Services Inc. ("MSSI") for an employee of MSSI to act as the Chief Financial Officer ("CFO") of the Company and provide bookkeeping services.

A director of the Company is a partner in a law firm that provides services on a recurrent basis to the Company. During the three months ended March 31, 2023, the Company incurred legal fees of \$33,023 (three months ended March 31, 2022 - \$32,548) included in professional fees to this law firm.

Subsequent Events

On April 21, 2023, the Company granted 349,500 stock options to the directors, officers and consultants of the Company with exercise price of \$4.25 per share, expiring in 5 years. The options vest 1/3 on grant date, 1/3 on April 1, 2024, and 1/3 on April 1, 2025.

On April 21, 2023, the Company granted 232,500 restricted share units ("RSUs") to the directors, officers and consultants of the Company, expiring in 5 years. The RSUs vest 1/3 on April 21, 2024, 1/3 on April 21, 2025, and 1/3 on April 21, 2026.

Share Capital

As at the date of this MD&A, 116,041,804 common shares, 7,006,500 stock options and 232,500 RSUs were issued and outstanding.

Cumulative Exploration and Evaluation Expenditures

The Company has incurred cumulative exploration and evaluation expenditures to March 31, 2023 as follows:

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

| | Kay Mine \$ | Sugarloaf Peak \$ | Total \$ |
|-----------------|-------------------|-------------------------|-------------------|
| Acquisition | 3,905,302 | 2,575,075 | 6,480,377 |
| Concession fees | 71,415 | 332,931 | 404,346 |
| Legal fees | 383,599 | 8,668 | 392,267 |
| Drilling | 33,961,205 | 557,263 | 4,844,960 |
| Camp costs | 641,715 | Nil | 641,715 |
| Consulting | 4,369,044 | 475,916 | 34,518,468 |
| Assays | 1,079,845 | 92,213 | 1,172,058 |
| Storage | 48,712 | 5,928 | 54,640 |
| Total | 44,460,837 | 4,047,994 | 48,508,831 |

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended December 31, 2022 available on SEDAR at www.sedar.com.

Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), together with management, evaluated the design and operating effectiveness of the Company's disclosure controls and procedures as at March 31, 2023. Based on that evaluation, the CEO and the CFO concluded that the design and operation of these disclosure controls and procedures were effective as at March 31, 2023 to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would be made known to them by others within those entities and that information required to be disclosed by the Company in its annual and interim filings and other reports submitted under securities legislation was recorded, processed, summarized and reported within the periods specified in securities legislation.

Internal Controls over Financial Reporting

The CEO and the CFO, with the assistance of management, conducted an evaluation of the effectiveness of the Company's internal controls over financial reporting as at March 31, 2023. Based on the evaluation, the CEO and the CFO have concluded that as at March 31, 2023, the Company's internal control over financial reporting is effective, based on the criteria set forth in the *Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control.

The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, within the Company have been detected. Therefore, no matter how well-designed, ICFR has limitations and

can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

The Company assesses internal controls over financial reporting on an ongoing basis and, where determined appropriate, proactively implements enhancements to the design of controls required to support anticipated changes to and growth of the business. Due to operational, financial and administrative changes which may occur as the Company evolves beyond an early-stage exploration company, changes will be required to the Company's internal controls over financial reporting in order to maintain reasonable assurance regarding the reliability of the Company's financial reporting and preparation of financial statements.

As at the end of the period covered by this MD&A and accompanying Financial Statements, the Company's management evaluated the effectiveness of its disclosure controls. Based on that evaluation, the CEO and the CFO have concluded that the Company's disclosure controls and procedures and internal controls over financial reporting, provide reasonable assurance that they were effective for the covered period. There have been no changes in our internal control over financial reporting during the period ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Critical Accounting Estimates

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Significant accounting estimates and assumptions as well as significant judgements in applying the Company's accounting policies are detailed in the notes to the audited consolidated financial statements for the years ended December 31, 2022 and 2021, filed on SEDAR at www.sedar.com.

Forward-Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-looking statements include statements regarding the future price of gold, the timing and amount of estimated future production, costs of production, capital expenditures, the success of exploration activities, permitting time lines, currency fluctuations, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained into this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

Arizona Metals Corp.
Interim Management's Discussion & Analysis
For the Three Months Ended March 31, 2023
Discussion dated: May 15, 2023

- *general business and economic conditions;*
- *the supply and demand for, deliveries of, and the level and volatility of prices of gold, base metals, as well as petroleum products;*
- *the availability of financing for the Company's development of their projects on reasonable terms;*
- *the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;*
- *the ability to attract and retain skilled staff;*

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity and, particularly, gold prices, access to skilled mining development personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors hereinabove. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.