



**FJORDLAND EXPLORATION INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

OVERVIEW AND INTRODUCTORY COMMENT

Fjordland Exploration Inc. ("the Company") is an exploration stage company engaged in the acquisition and exploration of prospective mineral deposits primarily in Canada. The Company acquires properties directly by staking, through option agreements with prospectors or other exploration companies, and through reconnaissance programs. The Company trades as a Tier Two company on the TSX Venture Exchange ("Exchange") under the symbol "FEX" and is a reporting issuer in British Columbia and Alberta.

The Company is committed to exploring for and developing mineral resources that meet the needs of the electrification of the grid and the battery metals industry. This includes its South Voiseys Bay Project (nickel), the Renzy Project (nickel, copper and graphite), the Witch and West Milligan Project (copper) and the recent acquisition of the Manat-nipi Lithium Project (formerly known as the Kegashka Project). Nickel, copper, lithium and graphite are all key elements used in the production of batteries for the automotive and energy storage industries.

This MD&A is dated November 21, 2023 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed interim financial statements and the related notes for the nine months ended September 30, 2023 and the Company's audited financial statements as at December 31, 2022 and the related notes thereto, prepared in accordance with International Financial Reporting Standards ("IFRS").

Data Verification: All technical data presented herein is either accompanied by a reference to the original public disseminated news release which contains the detailed QA/QC data for the data, or the QA/QC is presented here. Historical data is, when referenced as such, treated as valid for exploration purposes only by the Company following review by Qualified Persons, Robert Cameron, P.Geo. or other stated Qualified Persons.

Additional information relevant to the Company and the Company's activities can be found on SEDAR at www.sedar.com, and/or on the Company's website at www.fjordlandex.com.

All currency amounts are expressed in Canadian dollars unless otherwise noted.

MAJOR QUARTERLY OPERATING MILESTONES

Corporate update

On September 14, 2023, the Company appointed Robert Cameron to be a director of the Company, and completed the retirement of long-term directors, Victor Tanaka and Peter Krag-Hansen at the Company's recent Annual General Meeting. Robert Cameron has been invaluable to the Company as its Qualified Person overseeing the technical disclosures. He is an expert in copper, gold and nickel terrains and has been instrumental in advancing the Company's Manat-nipi (formerly Kegashka) Lithium exploration project on the North Shore of Quebec.



QUARTERLY FINANCIAL CONDITION

Capital Resources

The Company did not issue any common shares during the quarter ended September 30, 2023.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants and options, along with the planned developments within the Company will allow its efforts to continue throughout 2023. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

Liquidity

As at September 30, 2023, the Company's working capital was \$537,448 (December 31, 2022 - \$668,533). With respect to working capital, \$589,619 was held in cash (December 31, 2022 - \$894,607). The decrease in cash of \$304,988 was mainly due to \$251,997 used in operations, \$32,445 used in lease payments, and \$20,546 used in investing activities, including posting an environmental bond of \$38,400 for the Witch project in British Columbia.

Operations

Three months ended September 30, 2023 versus three months ended September 30, 2022

During the three months ended September 30, 2023, the Company reported a net loss of \$205,742 (\$0.00 loss per share) (2022 - \$66,255 (\$0.00 loss per share)). The increase in net loss is mainly due to the \$nil other income in 2023 (2022 - \$23,304 from the proceeds of fuel drums sold) as well as \$109,587 mineral property write-off (2022 - \$nil).

Excluding the non-cash portion depreciation of \$9,778 (2022 - \$9,671), the Company's general and administrative expenses amounted to \$86,377 during the three months ended September 30, 2023 (2022 - \$79,888), a slight increase of \$6,489. The increase is mainly due to increases in (a) the accounting and audit fees (from 2022's \$10,000 to 2023's \$17,500), and (b) the marketing expenses (from 2022's \$5,723 to 2023's \$9,017).

Nine months ended September 30, 2023 versus nine months ended September 30, 2022

During the nine months ended September 30, 2023, the Company reported a net loss of \$478,198 (\$0.01 loss per share) (2022 - \$313,057 (\$0.00 loss per share)). The increase in net loss is mainly due to the share-based compensation expense incurred during the nine months ended September 30, 2023 of \$72,625 (2022 - \$15,200), \$nil other income in 2023 (2022 - \$23,304 from the proceeds of fuel drums sold) as well as \$109,587 mineral property write-off (2022 - \$nil).

Excluding the non-cash portion depreciation of \$29,336 (2022 - \$29,229) and the share-based compensation of \$72,625 (2022 - \$15,200), the Company's general and administrative expenses amounted to \$266,650 during the nine months ended September 30, 2023 (2022 - \$291,932), a decrease of \$25,282. The decrease is mainly due to decreases in (a) filing fees (from 2022's \$19,261 to 2023's \$5,092), (b) marketing expenses (from 2022's \$36,436 to 2023's \$22,094), while being offset by increases in (c) travel expenses (from 2022's \$1,637 to 2023's \$3,634), and (d) financing costs (from 2022's \$1,703 to 2023's \$4,028).

All the expenses were incurred to support the exploration activities at the Company's properties.



SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there were no significant transactions between related parties.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

The Company has remaining commitment of \$39,655 for its office lease expiring on August 31, 2024 payable in full within the next twelve months.

As of the date of this MD&A, other than disclosed in this MD&A – Quarterly Highlights, the Company has does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR March 23, 2023 in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors, such as *Exploration risks*, *Market risks* and *Financing risk*, which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at November 21, 2023:

	Issued and outstanding	
	September 30, 2023	November 21, 2023
Common shares outstanding	82,935,531	82,935,531
Stock options	6,600,000	6,600,000
Warrants	12,500,000	12,500,000
Fully diluted common shares outstanding	102,035,531	102,035,531

QUALIFIED PERSON

Robert Cameron, a director of the Company, is a qualified person as defined by NI 43-101 and reviewed the preparation of the scientific and technical information in this MD&A disclosure. Further information and results of exploration programs can be found on www.sedar.com and the Company’s website. www.fjordlandex.com.

Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance

that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.