



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2025**

Introduction

This Management's Discussion and Analysis ("MD&A") of Star Royalties Ltd. is the responsibility of management and covers the three and six months ended June 30, 2025 and 2024. The MD&A takes into account information available up to, and is dated, August 19, 2025 and should be read together with the unaudited condensed interim financial statements for the three and six months ended June 30, 2025 and 2024.

Throughout this document the terms "we", "us", "our", the "Company", and "Star Royalties" refer to Star Royalties Ltd. All financial information in this document is presented in United States ("U.S.") Dollars unless otherwise indicated. The unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and do not include all the information required of full annual financial statements. The condensed interim financial statements should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2024, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). This document contains forward-looking statements. Please refer to "*Note Regarding Forward-Looking Statements*" of this MD&A and Star Royalties' unaudited condensed interim financial statements for the three and six months ended June 30, 2025 and 2024 and audited financial statements for the year ended December 31, 2024 which are available on SEDAR+ at www.sedarplus.com.

Description of Business

Star Royalties is a royalty and streaming investment company that offers investors exposure to precious metals and carbon credit prices, as well as cleantech and other decarbonization projects. The Company conducts its carbon and cleantech royalty investments via Green Star Royalties Ltd. ("Green Star"), a joint venture between Star Royalties, Agnico Eagle Mines Limited ("Agnico Eagle"), Cenovus Environmental Opportunity Fund Ltd. ("Cenovus"), and the management team of the Company and Green Star and the Company's board of directors (collectively, "Management"). Green Star innovated the world's first nature-based carbon credit royalties. The Company's objective is to provide wealth creation by originating accretive transactions with superior alignment to both counterparties and shareholders.

Star Royalties specializes in bespoke and operator-friendly financing solutions, including originating and restructuring royalties and streams in precious metals and in North American decarbonization projects. The Company's philosophy is to structure mutually beneficial agreements that optimize the counterparties' capital structure, while generating a return well above the Company's cost of capital for its shareholders. Star Royalties looks to become the trusted financing partner for companies throughout the various stages of project development, and the commodity and capital markets cycles.

Star Royalties' precious metals portfolio allocation strategy targets a 70% weighting in cash generating royalties and streams, 20% weighting towards near-term development opportunities (with development-to-cash-flow timeline horizons of less than two years), and 10% to geologically prospective, advanced exploration targets (non-cash generating). This targeted 70/20/10 approach is intended to improve cash flow visibility and to direct capital towards lower-risk production-stage and development investments. The Company believes that abiding by these portfolio constructs in the precious metals segment and Green Star's focus on North American decarbonization projects will result in a robust, cash generating, portfolio of assets that will provide attractive risk-adjusted returns to its shareholders. The Company's precious metals royalty and stream interests are located in the USA, Canada, and Australia. Green Star's portfolio of decarbonization investments is located in the USA and Canada. Please refer to "*Asset Portfolio*" of this MD&A for project details.

Green Star was established in October 2021 to accelerate the growth of its pure-green portfolio following positive investor feedback on the Company's innovative Canadian forestry carbon credit investments. Green Star is focused on originating royalties on new carbon credit projects in nature-based solutions, renewable energy projects, as well as certain other cleantech investments. The Company continues to anticipate that Agnico Eagle's and Cenovus' strategic involvement will lead to an acceleration in Green Star's growth trajectory and will allow Green Star to originate, fund and participate in additional decarbonization opportunities. Green Star will continue to be managed by the Company's management team and its own

Chief Development and Chief Commercial Officers with participation from Agnico Eagle and Cenovus on its board and technical advisory teams. Green Star's objective is to become the partner of choice in originating carbon credit and cleantech royalties, grow its critical mass, and ultimately attract capital from both generalist and ESG-focused investors in a future go-public event.

Asset Portfolio

The Company currently holds the following royalty and stream assets directly or through a 45.9% ownership in Green Star:

Asset	Key Terms	Commodity	Jurisdiction	Stage	Operator
Star Royalties Ltd.					
Copperstone Gold Project	4% Gold Stream ("Gold Stream")	Gold	Arizona, USA	Near-Production ¹	Minera Alamos Inc.
Elk Gold Project	2% Net Smelter Return ("NSR") Royalty	Gold, Silver	British Columbia, Canada	Production	Gold Mountain Mining Corp.
Keysbrook Project	2% Gross Revenue ("GR") Royalty	Mineral Sands (Titanium, Zircon)	Western Australia, Australia	Production	Keysbrook Leucoxene Pty Ltd.
Green Star Royalties Ltd. (Joint Venture – 45.9% interest)					
NativState Improved Forest Management Carbon Offset Portfolio	Up to 20% GR Royalty	ACR Emission Reduction Ton voluntary carbon offset credit	USA	Operating	NativState LLC
MOBISMART	2.5% GR Royalty	Mobile solar power generation systems with integrated battery storage	Ontario, Canada	Operating	MOBISMART Mobile Off-Grid Power & Storage Inc.
Elizabeth Metis Settlement Forest Carbon Offset Project	40.5% GR Royalty	ACR Emission Reduction Ton voluntary carbon offset credit or Alberta Technology Innovation and Emissions Reduction Regulation Carbon Credit	Alberta, Canada	Development	Elizabeth Metis Settlement, Anew Climate LLC
Lac Seul First Nation Forest Carbon Offset Project	16% GR Royalty	Federal Output-Based Performance Standards Carbon Credit	Ontario, Canada	Development	Lac Seul First Nation, Big Tree Carbon Corp., Anew Climate LLC

¹ Copperstone's operational restart is expected to occur in 2026.

Significant Portfolio Updates

Copperstone Gold Project

On May 1, 2025, Minera Alamos Inc. ("Minera Alamos") (TSXV: MAI, OTCQX: MAIFF) announced that it was reviewing several indicative project financing term sheets connected to its Copperstone Gold Project ("Copperstone") with due diligence underway. Minera Alamos anticipated finalizing a complete project finance package for Copperstone in the second half of 2025. It also announced the appointment of Kevin Small, P.Eng., as EVP Operations as part of its plan to rapidly advance engineering for Copperstone's restart. Mr. Small is a mining engineer with 35 years in the industry who has extensive experience with the development and operation of underground mining projects, and has already been actively involved in the engineering work underway for Copperstone.

On June 4, 2025, Minera Alamos provided an update on its development plans for Copperstone. Minera Alamos continued to advance its planned restart of mining operations at Copperstone for 2026, marked by the submission of an amended Mine Plan of Operations in compliance with federal regulations. The update stated that final approval is anticipated by year-end 2025, allowing for a "fast-track" restart alongside permitted site development activities and the relocation of process plant equipment to reduce capital costs.

Engineering efforts had been accelerated, with a comprehensive technical study scheduled for Q4 2025 to highlight development progress, assess increased processing capacity, and support resource expansion through ongoing metallurgical evaluations.

Elk Gold Project

On May 12, 2025, Gold Mountain Mining Corp. ("Gold Mountain") (TSX: GMTN, OTCQB: GMTNF, FRA: 5XFA) provided an operational update on the Elk Gold Project ("Elk Gold"), which explained that low production results for the preceding several quarters were attributable to substantially reduced operational activities. Gold Mountain's internal review of its Elk Gold Technical Report included a complete relogging of all core data and Gold Mountain anticipated that relogging will be completed in late 2025, with production operations to be reduced substantially until a new mine plan, NI 43-101 compliant mineral resource estimate, and technical report are issued.

On June 18, 2025, Gold Mountain announced a temporary suspension of all regular operations at Elk Gold to prioritize resource development and updates to its resource models. Gold Mountain outlined a cessation period to the British Columbia Ministry of Mines of 4 to 12 months, during which Elk Gold will be on care and maintenance. Key personnel will continue to manage compliance and site oversight throughout the shutdown. Following an internal review, Gold Mountain had identified that 65% of all core was available to be relogged, with completion targeted by October 2025. These efforts are expected to support an updated Preliminary Economic Assessment and NI 43-101 Technical Report.

On July 31, 2025, Gold Mountain announced that its Board of Directors had consented to the appointment of a receiver following the receipt of demand letters from its creditor. Management of Star Royalties is currently evaluating the potential impact of this development on the Company's royalty receivables and the valuation of its Elk Gold royalty interest.

In light of this announcement, the Company does not anticipate generating meaningful royalty income from Elk Gold for the remainder of 2025 and will update its expectations of royalty payments upon release of the aforementioned disclosure from Gold Mountain.

Green Star (Joint Venture – 45.9% interest)

Green Star operates as a joint venture between Star Royalties, Agnico Eagle, Cenovus, and Management. The Company retains ownership of approximately 45.9% of Green Star's common shares, Agnico Eagle and Cenovus each own approximately 25.9% of the common shares and the remaining 2.3% is owned by Management.

During the past year Green Star observed a shift in carbon market dynamics, with corporate buyers increasingly entering into long-term offtake agreements directly with project developers, thus reducing spot market activity. This presents a significant opportunity for Green Star due to its direct relationships with developers, by enabling it to make strategic investments that are already underpinned by contracted revenue. In addition, Green Star is also focused on allocating capital to new investment opportunities in clean technologies.

NativState Improved Forest Management Carbon Offset Portfolio

Green Star owns several gross revenue royalties on Improved Forest Management ("IFM") projects in the southeastern United States, developed by NativState LLC ("NativState"). NativState is an Arkansas-based forest carbon project developer that aggregates small-to-medium forest landowners into IFM projects under the American Carbon Registry ("ACR"). These royalties are expected to deliver voluntary carbon offsets to Green Star over a 20-year period, with the first approximately 120,000 carbon offsets received from the NativState investment in 2024.

During the second quarter of 2025, Green Star continued to engage with multiple voluntary carbon market intermediaries to monetize already-issued avoidance and removal offsets from Project ACR 783. For the three months ended June 30, 2025, all remaining 398 units of removal offsets in Green Star's inventory have been sold for net proceeds of \$9,154. Green Star is currently in advanced discussions with NativState for the

sale of the remaining 113,690 units of avoidance offsets and expects to be able to provide an update on the status of the monetization shortly.

Corporate Strategy

The Company is focused on leveraging its many decades of capital allocation expertise to originate bespoke royalties and streams in the precious metals and decarbonization segments. Its objective is to reduce the risk-adjusted cost of capital of its counterparties, while allowing Star Royalties to achieve above-threshold returns. Management constantly reviews new opportunities to grow Star Royalties' portfolio sustainably and responsibly with a strict emphasis on:

1. Value and quality over quantity
2. Risk management with focus on top-tier jurisdictions
3. Free cash flow per share accretion (Free cash flow per share is a non-IFRS measure. Please refer to "*Non-IFRS Financial Measures*" of this MD&A)
4. Additional industry-standard investment metrics as outlined on the Company's website at www.starroyalties.com/company/portfolio-construction

Precious Metals Portfolio Strategy

When acquiring royalties and streams, the Company considers technical and economic merit, jurisdiction risk, exploration, and expansion upside, as well as operator quality. The Company endeavours to partner with capable operators in top-tier jurisdictions to maximize its risk-adjusted returns, with a corporate strategy of pursuing value and quality over quantity.

In 2025, the Company will continue to focus its strategy on advancing its mining royalty portfolio assets towards production. Management believes that the outlook for the Company's mining royalty portfolio has improved considerably due to Copperstone's de-risking, its recently acquired equity position in Minera Alamos, as well as the rise in gold price, which currently exceeds \$3,300/oz.

Copperstone is anticipated to return to production in 2026. With Minera Alamos' strong development track record, Copperstone's low capital intensity, permitting status and strong project economics at current gold prices, the Company's gold stream on Copperstone is expected to generate meaningful cash flows later next year. Near-term catalysts for Copperstone include the announcement of a project lending package, rehabilitation and installation of larger mill equipment, and receipt of all documentation for production startup.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Strong equity and commodity markets provide favourable conditions for completing financings, public mergers, or acquisition transactions.

Green Star Portfolio Strategy

Green Star was established in late 2021 to provide shareholders with exposure to the rapidly growing carbon markets and ESG thematic given the strong investor and shareholder support at the time. Since then, a significant portion of Star Royalties' management effort was focused on establishing the Green Star joint venture through several significant corporate transactions involving senior natural resources companies with the aim of growing its green royalty portfolio. Star Royalties' management team continues to manage both Green Star's portfolio of North American carbon credit royalties and cleantech investments and Star Royalties' precious metals portfolio of royalties and streams.

Green Star's strategy remains to provide shareholders with exposure to high-quality, derisked and cash-flowing opportunities in cleantech and carbon offset projects, while generating leverage and upside from project expansion, optimization, and additional carbon reduction potential. Green Star has built strong working partnerships with NativState, Anew Climate and other carbon project developers, as well as relationships with numerous Canadian Indigenous communities, First Nations, and various other corporations. Green Star aims to leverage these partnerships to originate royalties in new cleantech and high-quality nature-based projects.

Green Star's investment philosophy is focused on growing its pipeline of near-cash-flowing green opportunities in cleantech and carbon offset markets with a strong priority on North American investments. Green Star remains sufficiently capitalized and its uncommitted capital is available to be deployed towards cash-flowing opportunities with certainty of revenue to establish a meaningfully free cash flowing, diversified and de-risked portfolio.

Green Star continues to represent an important source of future value creation for Star Royalties. Management remains encouraged about future prospects for this business and believes the joint venture is well positioned for an eventual turn in sentiment, supported by ongoing commitment from its major partners. In addition, the Company continues to believe the royalty model can be an excellent fit for the carbon markets and decarbonization sectors and it looks forward to innovating new structures to support the objectives of Green Star's strategic shareholders.

Review of Financial Performance

Three months ended June 30, 2025 and 2024

Revenue

Revenue for the second quarter of 2025 totaled \$96,594, a decrease of \$169,712 compared to \$266,306 for the comparative period in 2024. Royalty income for the second quarter of 2025 was comprised of \$96,594 from Keysbrook (second quarter 2024 - \$266,306) and \$nil from Elk Gold (second quarter 2024 - \$nil). The decrease in royalty income was due to less materials sold by the operators of Keysbrook in comparison to the same period in 2024.

Depletion

Depletion expense for the second quarter of 2025 totaled \$47,074, a decrease of \$83,899 compared to \$130,973 for the comparative period in 2024. Depletion expense for the second quarter of 2025 was comprised of \$47,074 on Keysbrook (second quarter 2024 - \$130,973) and \$nil on Elk Gold (second quarter 2024 - \$nil). The decrease in depletion expense was due to less material sold by the operators of Keysbrook in comparison to the same period in 2024.

Operating expenses

Operating expenses for the second quarter of 2025 totaled \$544,380 compared to \$823,048 for the comparative period in 2024. The following table provides a breakdown of total operating expenses incurred for the three months ended June 30, 2025 and 2024:

	Three months ended June 30, 2025	Three months ended June 30, 2024
Marketing and shareholder communications	\$ 4,957	\$ 45,826
Management and board compensation	348,006	525,207
Share-based compensation	36,987	104,014
Office and miscellaneous	30,884	61,290
Professional fees	123,546	86,711
Total expenses	\$ 544,380	\$ 823,048

Total operating expenses for the second quarter of 2025 declined compared to the same period in 2024, primarily due to lower management and board compensation, lower share-based compensation, and lower marketing and shareholder communications, and lower office and miscellaneous expenses. Management and board compensation decreased due to lower variable compensation expected in current year. Share-based compensation declined as majority of share-based awards have been fully vested and fully expensed. The reductions in marketing and shareholder communications, and office and miscellaneous expenses reflect cost-control measures implemented to reduce discretionary spending.

Other (loss) income

The following table provides a breakdown of the other income (loss) for the three months ended June 30, 2025 and 2024:

	Three months ended June 30, 2025	Three months ended June 30, 2024
Foreign exchange (loss) gain	\$ (47,836)	\$ 18,285
Interest income	674	20,503
Gain (loss) on marketable securities	24,361	(53,730)
Management fees from Green Star joint venture	54,170	54,803
Equity (loss) income from Green Star joint venture	(333,364)	160,419
Total other (loss) income	\$ (301,995)	\$ 200,280

The Company reported other loss of \$301,995 for the second quarter of 2025, compared to other income of \$200,280 for the second quarter of 2024. This was primarily driven by the equity loss from the Green Star joint venture and foreign exchange loss. As disclosed in Note 6 of the Company's unaudited condensed interim financial statements for the three and six months ended June 30, 2025, the equity loss for the second quarter of 2025 from the Green Star joint venture reflects the Company's 45.9% interest in the Green Star joint venture's net loss of \$726,283 which included foreign exchange loss of \$609,797, gains on royalty investments of \$12,641 and operating expenses net of interest income of \$129,127. Green Star's foreign exchange loss was related to the foreign currency revaluation of its financial assets.

Six months ended June 30, 2025 and 2024*Revenue*

Revenue for the six months ended June 30, 2025 totaled \$257,133, a decrease of \$284,568 compared to \$541,701 for the comparative period in 2024. Royalty income for the six months ended June 30, 2025 was comprised of \$249,428 from Keysbrook (six months ended June 30, 2024 - \$531,396) and \$7,705 from Elk Gold (six months ended June 30, 2024 - \$10,305). The decrease in royalty income was due to less materials sold by the operator of Keysbrook and Elk Gold compared to the same period in 2024.

Depletion

Depletion expense for the six months ended June 30, 2025 totaled \$140,040 compared to \$264,089 for the comparative period in 2024. Depletion expense for the six months ended June 30, 2025 was comprised of \$135,020 on Keysbrook (six months ended June 30, 2024 - \$257,482) and \$5,020 on Elk Gold (six months ended June 30, 2024 - \$6,607). The decrease in depletion was due primarily to less materials sold by the operator of Keysbrook and Elk Gold in 2024 in comparison to the same period in 2024.

Operating expenses

Operating expenses for the six months ended June 30, 2025 totaled \$1,346,166 compared to \$1,883,236 for the comparative period in 2024. The following table provides a breakdown of total operating expenses incurred for the six months ended June 30, 2025 and 2024:

	Six months ended June 30, 2025	Six months ended June 30, 2024
Marketing and shareholder communications	\$ 8,887	\$ 57,409
Management and board compensation	708,100	1,256,681
Share-based compensation	108,433	305,903
Office and miscellaneous	74,249	94,189
Professional fees	176,463	169,054
Impairment loss on Mongolian mining royalty interest	270,034	-
Total expenses	\$ 1,346,166	\$ 1,883,236

Total operating expenses for the six months ended June 30, 2025 declined compared to the same period in 2024, primarily due to lower management and board compensation, lower share-based compensation and

lower marketing and shareholder communications, and lower office and miscellaneous expenses. The decrease in management and board compensation reflects both a reduction in variable compensation expected in current year and the absence of a one-time cash and share payment made to board members in Q1 2024 in lieu of an annual equity grant. Share-based compensation declined as majority of share-based awards have been fully vested and fully expensed. The reductions in marketing and shareholder communications, and office and miscellaneous expenses reflect cost-control measures implemented to reduce discretionary spending. The Company recorded an impairment loss on its Mongolian mining royalty interest and please refer to Note 7 to the unaudited condensed interim financial statements for further details.

Other income

The following table provides a breakdown of the other income for the six months ended June 30, 2025 and 2024:

	Six months ended. June 30, 2025	Six months ended June 30, 2024
Foreign exchange (loss) gain	\$ (52,378)	\$ 70,758
Interest income	10,892	40,646
Gain (loss) on marketable securities	492,792	(163,567)
Management fees from Green Star joint venture	106,428	110,408
Equity (loss) income from Green Star joint venture	(411,525)	1,459,878
Total other income	\$ 146,209	\$ 1,518,123

The equity loss from Green Star joint venture for the six months ended June 30, 2025 reflects the Company's 45.9% interest in Green Star joint venture's net loss compared to net income in the comparative period. See Note 6 of the Company's unaudited condensed interim financial statements for the three and six months ended June 30, 2025 for further details. The foreign exchange loss primarily related to the revaluation of financial assets denominated in foreign currencies. The change in gain (loss) on marketable securities was due to fluctuations in the fair value of the Company's marketable securities at the end of each period.

Summarized Quarterly Financial Information

The following table presents a summary of the Company's quarterly results of operations for each of its last eight quarters.

	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Revenue	\$ 96,594	\$ 160,539	\$ 144,090	\$ 125,450
Net loss	(825,791)	(331,859)	(22,516,020)	(1,330,714)
Basic and diluted loss per share	(0.01)	(0.00)	(0.29)	(0.02)
Cash flow used in operating activities	(419,052)	(359,450)	(209,342)	(213,935)
Cash flow provided by investing activities	170,274	-	-	-
Cash flow used in financing activities	-	-	-	-
Total assets	27,303,082	26,767,019	27,023,262	52,614,108

	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Revenue	\$ 266,306	\$ 275,395	\$ 209,470	\$ 271,567
Net income (loss) income	(567,350)	320,430	6,894,059	(277,408)
Basic and diluted (loss) income per share	(0.01)	0.00	0.09	(0.00)
Cash flow used in operating activities	(253,271)	(797,888)	(78,736)	(99,563)
Cash flow used in investing activities	-	-	1,148,710	-
Cash flow used in financing activities	-	-	-	-
Total assets	52,911,835	53,636,960	54,603,591	45,807,933

The net loss for the fourth quarter of 2024 was significantly higher than in other quarters, primarily due to an impairment loss of \$2,000,000 on the Elk Gold mining royalty interest and an equity loss of \$20,870,476 from Green Star, largely attributable to fair value losses on royalty investments. In contrast, net income for the fourth quarter of 2023 was significantly higher than in other quarters, mainly due to an equity income of \$7,561,435 from Green Star, driven by fair value gains on royalty investments. Changes in revenue, net (loss) income and cash flow from operating activities from quarter to quarter are affected primarily by fluctuations in sales of commodities by the operators of the assets of which the Company has royalties on, changes in the price of commodities, the commencement of operations of mines under construction, as well as equity income (loss) from the Green Star joint venture. Changes in total assets is impacted by acquisition of royalty and stream interests, equity income (loss) from the Green Star joint venture and fluctuations in foreign currency translation adjustments.

Balance Sheet Review

	June 30, 2025	December 31, 2024
Assets	\$ 27,303,082	\$ 27,023,262
Liabilities	205,649	308,229
Shareholders' equity	27,097,433	26,715,033

Assets

Total assets were \$27,303,082 at June 30, 2025 compared to \$27,023,262 at December 31, 2024. The Company's asset base is comprised primarily of royalty and stream interests, investment in the Green Star joint venture, marketable securities, receivables, and cash. The increase in total assets was mainly driven by foreign currency translation gains on the Company's royalty and stream interests and an increase in marketable securities (see Note 5 to the Company's unaudited condensed interim financial statements for the three and six months ended June 30, 2025 for further information), but partially offset by a decrease in receivables, cash used in operating activities and impairment of two royalty interests.

Liabilities

Total liabilities at June 30, 2025 comprised of \$205,649 of accounts payable and accrued liabilities. The decrease of \$102,580 from December 31, 2024 reflects the timing of payments.

Shareholders' Equity

Shareholders' equity increased by \$382,400 at June 30, 2025 compared to December 31, 2024, reflecting total comprehensive income of \$265,143, \$108,433 in share-based compensation expenses recorded to contributed surplus and \$8,824 in common shares of the Company issued for compensation.

Liquidity and Capital Resources

As at June 30, 2025, the Company had a working capital¹ balance of \$3,043,486 (December 31, 2024 - \$3,099,959). This balance included cash of \$764,845 (December 31, 2024 - \$1,377,630), receivables of \$124,907 (December 31, 2024 - \$1,173,524), marketable securities of \$2,307,027 (December 31, 2024 - \$823,674) and prepaids of \$52,356 (December 31, 2024 - \$33,360) to settle current liabilities of \$205,649 (December 31, 2024 - \$308,229).

The unaudited condensed interim financial statements for the three and six months ended June 30, 2025 have been prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

As at June 30, 2025, the Company had cash of \$764,845. For the six months ended June 30, 2025, the Company had used cash of \$778,502 in its operating activities (six months ended June 30, 2024 - \$1,051,159)

and recorded a comprehensive income of \$265,143 (six months ended June 30, 2024 – comprehensive loss of \$2,063,700). These conditions indicate material uncertainty which casts significant doubt on the Company's ability to continue as a going concern. Subsequent to June 30, 2025, the Company completed the sales of 1,017,500 common shares of Minera Alamos for net proceeds of \$338,652. As of the date of this MD&A, the Company had cash of \$1,067,541. The Company's ability to continue as a going concern is contingent upon generating revenue from its royalty and stream interests, receiving management fees from Green Star, selling marketable securities and securing sufficient funds through equity capital or other financing to meet its expenditure requirements over the next twelve months. While the Company has been successful in obtaining the necessary financing for its operations and its contractual commitments in the past, there is no assurance such financing will be available in the future and that the steps management is taking will be successful. The financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

¹ Working capital is a non-IFRS measure. Please refer to "Non-IFRS Financial Measures" of this MD&A.

Operating Activities

For the six months ended June 30, 2025, the Company's operating activities used cash of \$778,502, compared to \$1,051,159 in the same period of 2024. The decrease in operating cash outflows was primarily due to lower management bonus payments in the current period and one-time cash payment made to the board in lieu of an annual equity grant in the corresponding period of 2024.

Investing Activities

Investing activities generated a cash inflow of \$170,274 during the six months ended June 30, 2025, from the sale of marketable securities, compared to no such activity in the same period of the prior year.

Financing Activities

There were no cash flows from financing activities during the six months ended June 30, 2025 and 2024.

Capital Resources

The Company will continue to seek capital. In the past, the Company has raised capital through the issuance of common shares pursuant to private placements. The Company manages its capital structure by maximizing its financial flexibility, adapting to changing economic conditions and evaluating the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

Related Party Transactions

Related parties include key management personnel, individuals or companies controlled by key management personnel, and Green Star. Related party transactions include compensation paid to key management personnel and management fees paid to Green Star. Key management personnel include those having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the board of directors of the Company and corporate officers, including the Company's Executive Chairman, Chief Executive Officer, Chief Investment Officer, and Chief Financial Officer. Key management compensation and related party transactions are disclosed in Note 8 of the unaudited condensed interim financial statements for the three and six months ended June 30, 2025.

Non-IFRS Financial Measures

The Company used certain non-IFRS performance measures, such as "free cash flow per share" and "working capital", throughout this MD&A.

“Free cash flow per share” is defined as cash flow from operating activities less capital expenditures divided by total number of common shares outstanding. “Working capital” is defined as current assets less current liabilities.

These non-IFRS Accounting Standards measures do not have any standardized meaning prescribed by IFRS Accounting Standards, and other companies may calculate these measures differently. The presentation of these non-IFRS Accounting Standards measures is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards.

Outstanding Share Data

As of the date of this MD&A, there were 78,637,283 common shares of the Company issued and outstanding, 2,775,000 stock options outstanding with an average exercise price of CAD\$0.57, and 1,346,210 restricted share units outstanding.

Off-Balance Sheet Arrangements

As at June 30, 2025, the Company had no off-balance sheet arrangements.

Critical Accounting Judgements and Estimates

The Company applied the critical accounting judgements and estimates as disclosed in Note 3 of the audited annual financial statements for the year ended December 31, 2024.

Change in Accounting Policies

There were no significant changes in accounting policies for the three and six months ended June 30, 2025. The new accounting standards issued are consistent with those disclosed in Note 4 of the Company's financial statements for the year ended December 31, 2024.

Financial Instruments

The Company does not currently utilize complex financial instruments in hedging commodity price and foreign exchange exposures. Information relating to the Company's financial instruments is disclosed in Note 12 of the audited annual financial statements for the year ended December 31, 2024.

Note Regarding Scientific and Technical Information

Except where otherwise stated, the disclosure in this MD&A relating to properties and operations on the properties in respect of which Star Royalties holds royalty or stream interests is based in respect of the Copperstone Gold Project and the Elk Gold Project, on the following technical reports listed below and on additional publicly disclosed information relating to these assets after the date of the technical reports.

- “NI 43-101 Technical Report, Preliminary Feasibility Study for the Copperstone Gold Project, La Paz County, Arizona, USA” with an effective date of April 1, 2018 and report date of May 18, 2018, which technical report was prepared in accordance with NI 43-101 for Kerr Mines Inc. (currently Minera Alamos) and filed under Sabre Gold's SEDAR+ profile on May 22, 2018.
- “NI 43-101 Technical Report, Updated Mineral Resource Estimate for the Copperstone Gold Project, La Paz County, Arizona, USA” with an effective date of September 3, 2021 and report date of September 21, 2021, which technical report was prepared in accordance with NI 43-101 for Sabre Gold Mines Corp. (currently Minera Alamos) and filed under Sabre Gold's SEDAR+ profile on October 19, 2021.

- “NI 43-101 Technical Report, Preliminary Economic Assessment for the Copperstone Gold Project, La Paz County, Arizona, USA” with an effective date of June 26, 2023 and report date of August 2, 2023, which technical report was prepared in accordance with NI 43-101 for Sabre Gold Mines Corp. (currently Minera Alamos) and filed under Sabre Gold’s SEDAR+ profile on August 2, 2023.
- “NI 43-101 Technical Report, Preliminary Economic Assessment for the Copperstone Gold Project, La Paz County, Arizona, USA” with an effective date of February 6, 2025 and report date of February 15, 2025, which technical report was prepared in accordance with NI 43-101 for Minera Alamos and filed under Minera Alamos’ SEDAR+ profile on March 12, 2025.
- “NI 43-101 Technical Report, Updated Preliminary Economic Assessment on the Elk Gold Project” with an effective date of May 14, 2021 and report date of August 26, 2021, which technical report was prepared in accordance with NI 43-101 for Gold Mountain Mining Corp. and filed under Gold Mountain’s SEDAR+ profile on June 22, 2021 and amended on November 4, 2021.
- “NI 43-101 Technical Report and Resource Update of the Elk Gold Project, Merritt, British Columbia, Canada” with an effective date of December 7, 2021 and report date of January 21, 2022, which technical report was prepared in accordance with NI 43-101 for Gold Mountain Mining Corp. and filed under Gold Mountain’s SEDAR+ profile on January 21, 2022.²

The technical and scientific information contained in this MD&A has been reviewed and approved in accordance with NI 43-101 by Timothy Strong, MIMMM, a “qualified person” as defined in NI 43-101 and independent of the Company.

² On March 17, 2025, Gold Mountain announced that it had initiated an internal review of the Elk Technical Report. Gold Mountain advised stakeholders not to place undue reliance on the Elk Gold Technical Report or the associated resource estimates until the internal review has been completed and its findings disclosed.

Note Regarding Forward-Looking Statements

This MD&A may contain forward-looking statements. These forward-looking statements may include statements regarding: perceived merit of royalty and stream interests; statements relating to the economic viability of a royalty and stream interests; operational, strategic and supply chain timelines; strategic plans; future carbon negative positions; future financial position; monetization of carbon credits; targeted cash flow positions; access to capital; the ability to raise additional capital and complete future financings; completion of private placements; completion of the transfer of carbon offset credit royalties; any other royalty and stream interest; market prices for metals; income from Green Star joint venture; expected delivery of carbon offset credits to Green Star by NativState; or other statements that are not statements of fact. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as “expects”, “anticipates”, “believes”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives”, “potential”, “possible” or variations thereof or stating that certain actions, events, conditions or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements. The forward-looking information included in this MD&A is based on our opinions, estimates and assumptions considering our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. These assumptions include, but are not limited to, the following:

- our estimates of near, medium and long-term commodity prices;
- the Company’s ability to continue as a going concern;
- planned growth and development activities;

- the accuracy of public statements and disclosures made by the owners or operators of such underlying properties, including with respect to Mineral Resources, Mineral Reserves, construction timelines, production estimates and other related matters, as applicable;
- that each counterparty will satisfy its obligations in accordance with the royalty or stream contract to which it is a party with Star Royalties or Green Star, and that each such contract will be enforceable in accordance with its terms;
- no adverse development relating to any property in respect of which Star Royalties or Green Star holds a royalty or stream;
- that projects not yet in production or in development included in Star Royalties' or Green Star's asset portfolio will be developed, transitioned into production or development and successfully achieve production and commercial ramp-up, in each case, in accordance with Star Royalties' expectation;
- continued strategic involvement by Agnico Eagle and Cenovus in Green Star;
- Green Star will continue to be managed by the Company's management team and its own Chief Development and Chief Commercial Officers with participation from Agnico Eagle and Cenovus on its board and technical advisory teams;
- the absence of an outbreak or escalation of infectious diseases or other similar health threats, which could result in the suspension, shutdown or delay of the operations in the properties in which Star Royalties or Green Star holds an interest;
- the impact of the conflict between Russia and Ukraine, any escalation thereto and its impacts on the global economy or on the Company's business;
- no material changes will occur with respect to Star Royalties' or Green Star's existing tax treatment; and
- the absence of any other factors that could cause actions, events, or results to differ from those anticipated, estimated, intended, or implied.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation:

- limited operating history and uncertainty of future revenues;
- changes in commodity prices will affect the revenues generated from our portfolio and the profitability of Star Royalties;
- significant economic and geopolitical uncertainty related to tariffs, as well as shifting trends in carbon credit marketing practices;
- Star Royalties has no or limited control over the operation of the properties in respect of which Star Royalties holds a royalty or a stream interest and the operators' failure to perform or decision to cease or suspend operations will affect the revenues of Star Royalties;
- the Copperstone Gold Project and the Elk Gold Project are each significant to Star Royalties. Other assets and properties may become significant to Star Royalties from time to time and any adverse development related to any such assets will affect the revenue derived from such assets;
- expectations regarding Copperstone's operational restart;
- royalty income from Elk Gold;
- risks related to the effective operation of any entity under the joint venture arrangement;
- increased competition for royalties, streams and other interests could adversely affect Star Royalties' ability to acquire additional royalties, streams, and other interests in mineral properties;
- some of the properties in respect of which Star Royalties holds an interest may never achieve commercial production, and Star Royalties may lose its entire investment;
- risks related to health epidemics, pandemics and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect the Company's business, financial condition and results of operations;
- sale of assets in respect of which Star Royalties holds an interest may result in a new operator and any failure of such operator to perform could affect the revenues of Star Royalties;
- Star Royalties may acquire royalties, streams or other interests in respect of properties that are speculative and there can be no guarantee that mineable deposits will be discovered, developed or mined;

- Star Royalties has limited access to data and disclosure regarding the operation of properties in respect of which it holds interests, which will affect its ability to assess and predict the performance of its royalties or streams;
- Star Royalties depends on its operators for the calculation of certain payments, and it may not be possible to detect errors in payment calculations;
- Star Royalties is dependent on the payment or delivery by the owners and operators of the properties in respect of which Star Royalties has a royalty or stream, and any delay in or failure of such payments will affect the revenues generated by the asset portfolio;
- global financial conditions may destabilize;
- royalties or streaming interests may not be honored by operators of a project;
- not all of Star Royalties' royalties or streams are secured, Star Royalties' security interests, if any, may be subordinated, and security interests may be difficult to enforce;
- Star Royalties' profitability, results of operations and financial condition are subject to variations in foreign exchange rates;
- operators of mines may not be able to replace depleted Mineral Reserves and Mineral Resources, which would reduce Star Royalties' revenue from royalties or streams;
- Star Royalties can provide no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be on terms acceptable to the Company;
- Star Royalties may experience difficulty attracting and retaining qualified management and technical personnel to efficiently operate its business;
- certain of Star Royalties' directors serve in similar positions with other public companies, which could put them in a conflict position from time to time;
- changes in the interpretation of tax legislation or accounting rules could affect the profitability of Star Royalties;
- Star Royalties has a history of losses, and it may be unable to achieve profitability;
- Star Royalties' operations depend on information systems that may be vulnerable to cyber security threats;
- the carbon market is rapidly evolving and Green Star's business and future prospects may be difficult to evaluate;
- carbon trading may become obsolete;
- lack of liquidity and high volatility of voluntary carbon markets;
- fluctuating price of carbon credits;
- carbon pricing initiatives are based on scientific principles that are subject to debate;
- no guarantee that Green Star will be able to source and/or executed high-quality carbon reduction projects suitable for investment and development;
- Star Royalties is indirectly exposed to many of the same risk factors as the owners and operators of properties in respect of which it holds a royalty or stream interest;
- production at mines and projects in respect of which Star Royalties holds royalty or stream interests is dependent on operators' employees;
- Mineral Reserves and Mineral Resources are estimates based on interpretation and assumptions and actual production may differ from amounts identified in such estimates;
- production forecasts may not prove to be accurate;
- the exploration and development of Mineral Resource properties is inherently dangerous and subject to risks beyond the control of Star Royalties;
- defects in title to properties underlying Star Royalties' royalty or stream interests may result in a loss of entitlement by the operator and a loss of Star Royalties' interest;
- future litigation affecting the properties in respect of which Star Royalties holds its royalty or stream interests could have an adverse effect on Star Royalties;
- defects in or disputes relating to Star Royalties' royalties or streams could have an adverse effect on Star Royalties;
- the operations in respect of which Star Royalties holds a royalty or stream require various property rights, permits and licenses to be held by the operator in order to conduct current and future operations, and delays or a failure to obtain or maintain such property rights, permits and licenses, or a failure to comply with the terms of any of such property rights, permits and licenses could result in interruption or closure of operations or exploration on the properties;

- Star Royalties is exposed to risks related to the construction, development, expansion, and/or exploration in relation to the mines, projects and properties in respect of which it holds a royalty or stream interest;
- the operations in respect of which Star Royalties holds an interest are subject to environmental laws and regulations that may increase the costs of doing business and may restrict operations, which could reduce Star Royalties' revenues;
- additional costs may be incurred by mineral property operators as a result of international climate change initiatives and may affect the availability of resources and cause business disruptions, which could reduce Star Royalties' revenues;
- certain operators are subject to risks relating to foreign jurisdictions which could negatively impact Star Royalties;
- changes in government regulation could inhibit exploration, construction and development on, or production from, the mineral properties underlying Star Royalties' royalties or streams;
- Star Royalties is subject to risks related to certain operations in developing economies;
- Star Royalties may be responsible for corruption and anti-bribery law violations;
- Star Royalties may become party to litigation;
- adequate infrastructure may not be available to develop the properties in respect of which Star Royalties holds an interest, which could inhibit operations at such properties;
- mineral properties underlying Star Royalties' royalties or streams may be subject to risks related to indigenous peoples which could inhibit operations at such properties;
- investment is speculative and may result in the loss of an investor's entire investment in Star Royalties;
- an active, liquid and orderly trading market for the Company's common shares and warrants may not develop;
- the market price of the Company's common shares and warrants may be volatile;
- future sales or issuance of debt or equity securities cannot be predicted;
- negative cash flow from operating activities;
- certain shareholders have substantial control over Green Star's corporate actions and can exert significant influence over important corporate matters; and
- the forward-looking statements contained in this MD&A or incorporated by reference may prove to be incorrect.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties, and other factors.

The Company's forward-looking statements are based on the beliefs, expectations, and opinions of management on the date of this MD&A, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

More information about the Company, including its recent financial reports and Annual Information Form for the year ended December 31, 2024 is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Disclosures of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that: (i) financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS Accounting Standards).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Factors and Additional Information

Please refer to the Company's most recent Annual Information Form filed on SEDAR+ at www.sedarplus.ca for further discussion of risk factors and other information.