FORUM
ENERGY METALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended November 30, 2024

The following is management's discussion and analysis ("MD&A") of the results of operations and financial condition of Forum Energy Metals Corp. (the "Company" or "Forum") for the year ended November 30, 2024, and up to the date of this MD&A, and should be read in conjunction with the accompanying audited consolidated financial statements for the year ended November 30, 2024, together with the notes thereto (the "Financial Report").

All financial information in this MD&A is derived from the Company's financial statements prepared in accordance with IFRS Accounting Standards and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is March 25, 2025.

Description of Business

Forum is a publicly traded company incorporated under the laws of the Province of British Columbia. The Company's shares are listed on the TSX Venture Exchange and trade under the symbol FMC and on the OTCQB Venture Market in the United States under the symbol FDCFF. The head office is located at Suite 615, 800 West Pender Street, Vancouver, British Columbia, V6C 2V6 and the registered and records office of the Company is located at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia V6E 4N7.

The Company is engaged in the business of evaluating, and if deemed appropriate, acquiring and exploring natural resource properties. The Company presently has no proven or probable reserves and on the basis of information to date, it has not yet determined whether its properties contain economically recoverable ore reserves. The Company has not generated any revenues from its operations to date and consequently is considered to be in the exploration stage. The amounts shown as exploration and evaluation assets represent deferred acquisition costs incurred to date, less amounts written off, and do not necessarily represent present or future values. The recoverability of the carrying amounts for exploration and evaluation assets is dependent upon the Company raising capital, the sale or entering into a joint venture of the Company's exploration and evaluation assets, and/or the attainment of profitable operations.

Resource Properties

As at November 30, 2024 and the date of this MD&A, the Company had an ownership in the following exploration and evaluation assets:

PROJECT	INTEREST	COMMODITY	LOCATION
Aberdeen	100%	Uranium	Nunavut
Clearwater	75%	Uranium	Saskatchewan
Costigan	100%	Uranium	Saskatchewan
Fir Island	49%	Uranium	Saskatchewan
Grease River	100%	Uranium	Saskatchewan
Henday	40%	Uranium	Saskatchewan
Highrock	80%	Uranium	Saskatchewan
Maurice Point	100%	Uranium	Saskatchewan
NW Athabasca	43.32%	Uranium	Saskatchewan
Wollaston	100%	Uranium	Saskatchewan
Fisher	100%	Copper-Zinc	Saskatchewan
Janice Lake	100%	Copper-Silver	Saskatchewan
Love Lake	100%	Palladium-Copper-Nickel	Saskatchewan
Still Nickel	100%	Nickel-Cobalt	Saskatchewan
Quartz Gulch	100%	Cobalt	Idaho

During the year ended November 30, 2024, and up to the date of this MD&A, the Company completed work on the following exploration and evaluation assets:

<u>Aberdeen Uranium Project</u>

Forum holds a 100% interest in 95,519 hectares of ground adjacent to Orano's 133 million pound Kiggavik uranium deposit located 100 km west of Baker Lake, Nunavut.

On February 27, 2024, the Company announced significant gold assay values associated with high-grade uranium mineralization on the Tatiggaq deposit. Drill core from two holes drilled into the Main and West zones of Tatiggaq were re-assayed for gold. Gold associated with uranium mineralization at Tatiggaq adds to the economic potential of Forum's high grade, unconformity-style deposit in the Thelon Basin.

On April 15, 2024, the Company announced initial data processed from its Ambient Noise Tomography (ANT) survey conducted over the Tatiggaq anomaly during the summer of 2023, The survey successfully established new drill targets over a one plus kilometer east-northeast extension along the Tatiggaq fault zone, which hosts the high-grade Tatiggaq uranium discovery at the Aberdeen Project.

From March to June 2024, the Company completed the construction of its drill camp on the Aberdeen Project. Forum's contactor, Inuit-owned Peter's Expediting Ltd. completed 11 trips of drills, camp and other equipment by sled train to the site located 120 kilometres west of Baker Lake, Nunavut. Discovery Mining Services of Yellowknife, NWT completed construction of a 30-person drill camp.

On June 25, 2024, the Company announced the initiation of diamond drilling on the Aberdeen Project. Forum plans on drilling approximately 10,000 metres (25-30 drill holes) largely within the Tatiggaq anomaly, as well as drill approximately 10 drill holes on other highly prospective areas - the Ned, Bjorn, and Qavvik targets. The current understanding of uranium mineralization within the Tatiggaq deposit consists of two zones – the Main and West Zones and is located at depths between 80 and 180 m. The mineralization is hosted in a series of high-grade subparallel, steep, south-dipping fault zones that sit within a 50 m wide area. Targeting in 2024 is focusing on extending the Tatiggaq West and Main zones and evaluating the mineralization potential along trend within the 0.7 km wide by 1.5 km long Tatiggaq gravity anomaly. Forum has 3D modelled several ENE-trending, subvertical faults, using the ANT data, including the uranium-hosting Tatiggaq Fault, and are using the fault traces, and areas of abrupt velocity contrast to refine drill targeting. The ANT data is being used to refine targeting at the Ned and Bjorn grids, which has allowed for modelling the Thelon sandstone – basement contact, as well as possible zones of fault development and hydrothermal alteration.

On August 20, 2024 , Forum announced an update of the Phase One drilling on the Tatiggaq deposit. On October 1, 2024, the Company announced that its 2024 drilling program at the Aberdeen Project had concluded after thirty (30) diamond drill holes were completed between late June and late September for a total of 6,962 metres. The program covered 5 of the more than 20 identified gravity targets on the 95,519-hectare property including the two existing discoveries at Tatiggaq and Qavvik. Forum continues to intersect uranium mineralization and intense alteration within favourable structural and lithological corridors for unconformity-style uranium deposits in an emerging uranium district comparable to the prolific Athabasca Basin. Thirty drill holes have been completed on the following targets:

- Tatiggaq - Nineteen (19) drill holes were completed on this large gravity anomaly of which eleven drillholes focused on follow-up drilling from the 2023 drill program where 2.25% U3O8 over 11.1 metres, 1.01% over 6.2 metres and 0.40% U3O8 over 12.8 metres were intersected. Eight drill holes tested parallel subsidiary structures within the Tatiggaq gravity anomaly.
- Qavvik – Two (2) drill holes were completed to test an interpreted controlling structure of the uranium mineralization intersected by previous Cameco drilling.
- Ayra – Four drill holes were completed on this sandstone covered target for uranium mineralization at the basement/sandstone unconformity contact. Previous drilling by Cameco intersected intense alteration and elevated uranium values within the sandstone and basement rocks.
- Ned – Four (4) drill holes were completed on this sandstone covered target for uranium mineralization at the basement/sandstone unconformity contact. Two of the holes were abandoned due to drilling conditions and two holes intersected the unconformity at approximately 200 metres.
- Loki – One (1) last drill hole was completed on this sandstone covered target for uranium mineralization at the basement/sandstone unconformity contact. Two historical holes were completed in the vicinity that intersected anomalous uranium values in the sandstone and anomalous clay alteration. The unconformity contact is at approximately 130 m and the 2024 drillhole exhibited intense clay and sooty sulphide alteration in the sandstone column but was terminated prematurely due to logistical and weather considerations in late September. Casing has been left to re-enter this drillhole next drilling season and much more of this prospective anomaly requires testing

On November 26, 2024, the Company announced the first set of results from its 30 hole, 6,962 m summer drill program at its Aberdeen Project. Forum received 608 geochemical results from the 11 holes drilled to follow-up the successful 2023 program at the mineralized Tatiggaq Main and West zones. Seven of eleven holes were mineralized. Drilling at Tatiggaq Main intersected another parallel lense of high-grade uranium extending the width to 35 metres and could be thicker. Tatiggaq West shows lateral continuity and thickness to the west and remains open along strike and at depth.

On January 13, 2025, the Company announced assay results from the remaining eight drill holes for the Tatiggaq anomaly completed as part of the 2024 exploration program on the Aberdeen Project. These drill holes were designed to test sub-parallel structures within the Tatiggaq gravity anomaly at significant step out intervals, demonstrating the large-scale potential of the project with the identification of a potential new zone 300 metres north of the Main Tatiggaq deposit. Drillhole TAT24-021 intersected 0.79% U3O8 over 0.1 m in a strong alteration zone with significant geochemical pathfinder elements at a depth of 221 metres.

On January 21, 2025, the Company announced drill results for the Qavvik anomaly, its second basement hosted deposit located within the Aberdeen Project. This highly successful program intersected a 296-metre-wide zone of uranium mineralization with grades up to 8.2% U3O8 in a newly identified lense and resulted in more than 20 assays with grades greater than 1% U3O8. Mineralization is open to the northeast and southwest, and the shallow depths along with the thick overall uranium intercepts demonstrates the open pit potential of this deposit. With multiple drill targets on the property, the Aberdeen Project has the potential to unfold into a generational uranium district.

On February 18, 2025, the Company announced drill results for the Ayra, Loki and Ned grids. The Ayra and Loki grids host strong clay alteration and elevated uranium values up to 72.8 ppm in the sandstone and 323 ppm in the basement. This is the first evidence of major unconformity-style uranium mineralization at the sandstone/basement contact in the Thelon Basin. These targets have the potential for the discovery of Tier One uranium deposits similar to those found in the Athabasca Basin.

<u>NW Athabasca</u>

On May 29, 2024, the Company entered into an option agreement with Global Uranium Corp. ("Global") whereby Global has the right to acquire up to 75% of the Company's interest (the "Company's Interest") in a joint venture (the "Forum NexGen JV") between the Company and NexGen Energy Ltd. ("NexGen") formed by way of a joint venture agreement between the Company and NexGen (the "Forum NexGen JV Agreement").

The Forum NexGen JV was formed for the sole purpose of carrying out the obligations and enjoying the rights of the Company under a joint venture (the "Northwest Athabasca Joint Venture") formed between the Company, Cameco Corporation and Orano Canada Inc. to explore and develop certain mineral claims in the Northwest Athabasca region of Saskatchewan (the "NWA Project").

The Company currently holds a 62.2% beneficial interest in the Forum NexGen JV, which in turns holds a 69.95% beneficial interest in the Northwest Athabasca Joint Venture. Accordingly, the Company holds a 43.32% beneficial interest in the Northwest Athabasca Joint Venture. These percentage interests are subject to adjustment from time to time in accordance with the terms of the Forum NexGen JV and the Northwest Athabasca Joint Venture, as applicable.

Global has an initial right (the "Initial Option") to acquire 51% of the Company's Interest by completing the following:

- payment of $50,000 cash on or before December 31, 2025;
- payment of $75,000 cash on or before December 31, 2026;
- payment of $100,000 cash on or before December 31, 2027;

- issuing 100,000 shares of Global on signing, subject to regulatory approval (received in July 2024);
- issuing 200,000 shares of Global on or before December 31, 2025;
- issuing 300,000 shares of Global on or before December 31, 2026;
- issuing 400,000 shares of Global on or before December 31, 2027;
- staged payments to the Company equal to the amounts the Company would be entitled to contribute for exploration under the Joint Venture on account of the 2025-2028 operating years totalling a minimum of $3,900,000 and up to a maximum of $9,000,000 to be applied to the corresponding cash calls, depending on the participation of the minority partners in the Joint Venture in any approved exploration program.

Forum will remain operator of the Northwest Athabasca Joint Venture during the Initial Option period and is currently making plans for a 2025 exploration program.

Upon exercise of the Initial Option, Global shall become a party to the Forum Nex/Gen JV Agreement and shall agree to be bound by all of the terms and conditions thereof. Global shall also have the right (the "Second Option") to acquire a further 24% interest in the Company's Interest (for a total of 75%) by making payments to the Company equal to the amounts the Company would be entitled to contribute on account of the 2029-2031 operating years totalling a minimum of $4,760,000 and up to a maximum of $11,000,000, depending on the participation of the minority partners in the Northwest Athabasca Joint Venture in any approved exploration program.

In circumstances where Global has exercised the Initial Option it shall assume the obligations to make certain milestone payments to the Company. In this regard, if there is a preliminary economic assessment prepared with respect to the NWA Project or any part thereof, Global shall pay the Company $500,000. Further, if there is a feasibility study prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects, with respect to the NWA Project or any part thereof Global shall pay the Company a further $1,000,000 and shall issue to the Company 1,000,000 common shares of Global.

In circumstances where the Option Agreement is terminated in accordance with certain provisions thereof, the amount remaining due on account of the 2025 operating year, to a maximum of $3,000,000, shall be a mandatory payment due and payable to the Company.

On September 26, 2024, Global provided an update to their shareholders on the activities by Forum as operator of the NWA Project, including planning and logistics for a drill program in 2025, successful completion of remediation efforts at the NWA Project site and engagement with local communities and stakeholders to ensure that exploration activities are conducted in an environmentally responsible manner.

On January 30, 2025, the Company announced the completion of data compilation and reprocessing of historical EM geophysical surveys to optimize the upcoming drill program on the NWA Project.

Camp construction began in mid-February and completed in mid-March. Work is ongoing with the local communities and First Nations.

On March 20, 2025, the Company announced that it had commenced its diamond drilling program, as well as ground geophysical surveys on the NWA Project.

Grease River

On June 12, 2024, the Company announced the commencement of a helicopter-borne MobileMT (Mobile MagnetoTellurics) survey on the Grease River Project, located along the north rim of the Athabasca Basin, Saskatchewan. The survey is being completed by Expert Geophysics based out of Aurora, Ontario. A total of 1,781 line-km will be surveyed at a 100 metre line spacing and will collect high resolution magnetic and VLF data. The survey will be conducted over the entire Grease River claims totaling 10,528 hectares along the Grease River Shear Zone. Data delivery is expected within eight weeks from completion of the survey from Expert Geophysics and will be interpreted for follow-up exploration.

This additional airborne geophysical survey will help resolve conductors and fault zones to a greater depth for future drill targeting that were not easily imaged by the Xcite™ Time Domain Electromagnetic System flown in 2023 (see New Releases dated May 10, June 28, and November 2, 2023). In particular, a shallow conductive layer in the Athabasca sandstone masked the electromagnetic signal at depth on the western block so this survey aims at penetrating it and resolving the basement structures to a greater degree. The high-resolution magnetic data is also important to highlight important fault zones or corridors that could host uranium mineralization. The survey has been completed and the data is being processed.

On February 3, 2023, as amended, the Company entered into an option agreement with Traction Uranium Corp. ("Traction") whereby Traction can earn a 100% interest in the Grease River project. On March 17, 2025, the Company provided Traction notice that it was in default of the option agreement for failing to make certain cash payments, issue certain shares, and incur the certain exploration expenditures, all by December 31, 2024. Traction has 30 days to cure the default or the option agreement will be terminated.

Qualified Person

Richard J. Mazur, P.Geo., President & CEO of the Company, is the Qualified Person that has reviewed and approved the exploration information and resource disclosures contained in this MD&A.

Selected Annual Information

	November 30, 2024	November 30, 2023	November 30, 2022
	$	$	$
Revenue	-	-	-
Net loss	(9,890,375)	(5,364,964)	(4,572,812)
Net loss per share, basic and diluted	(0.03)	(0.03)	(0.03)
Total assets	2,307,200	3,448,901	3,363,365
Total liabilities	1,753,570	1,272,236	763,363

Results of Operations

The consolidated loss and comprehensive loss for the year ended November 30, 2024 was $9,890,375 compared to $5,364,964 for the year ended November 30, 2023.

The significant changes between the current year and the comparative year are discussed below.

Exploration and evaluation expenditures for the year ended November 30, 2024 totalled $10,995,824 (2023 – $5,052,661) and primarily relates to exploration work on the Company's Aberdeen uranium project. In the prior year, the Company had also completed significant work on the Wollaston uranium project.

Exploration and evaluation recoveries for the year ended November 30, 2024 totalled $83,750 (2023 – $94,807) and relates to cash and shares received from Traction.

Marketing, promotion and travel for the year ended November 30, 2024 totalled $909,423 (2023 – $560,291) and relates to increased marketing awareness activities during the current year.

During the year ended November 30, 2024, the Company recorded non-cash share-based compensation of $670,989 compared to $163,455 in the prior year. The increased compensation is due to more stock options being granted during the current year.

During the year ended November 30, 2024, the Company recorded a non-cash flow-through share premium recovery of $3,667,100 (2023 - $1,072,306) related to flow-through expenditures incurred during the year.

During the year ended November 30, 2024, the Company recorded an impairment of exploration and evaluation assets of $259,856 on the Quartz Gulch project in Idaho, USA.

During the year ended November 30, 2024, the Company recorded interest income of $265,763 compared to $44,011 in the prior year. The increase is due to a higher cash balance held and invested in the current year.

During the year ended November 30, 2023, the Company paid $100,000 to settle trade and other payables of $208,055 and accordingly recorded a gain on settlement of trade and other payables of $108,055.

Summary of Quarterly Results

	Three Months Ended November 30, 2024	Three Months Ended August 31, 2024	Three Months Ended May 31, 2024	Three Months Ended February 29, 2024
	$	$	$	$
Cash	496,519	4,190,292	8,820,612	10,521,013
Exploration and evaluation assets	675,860	935,716	990,716	990,716
Total assets	2,307,200	6,475,892	10,805,464	12,546,437
Shareholders' equity	553,630	3,330,000	6,623,028	8,095,851
Net loss	(2,776,769)	(4,489,937)	(1,646,631)	(977,038)
Net loss per share, basic and diluted	(0.01)	(0.02)	(0.00)	(0.00)

	Three Months Ended November 30, 2023	Three Months Ended August 31, 2023	Three Months Ended May 31, 2023	Three Months Ended February 28, 2023
	$	$	$	$
Cash	1,424,079	2,634,788	1,678,995	1,361,123
Exploration and evaluation assets	990,716	990,716	989,265	989,265
Total assets	3,448,901	4,849,777	3,604,294	3,256,157
Shareholders' equity	2,176,665	2,895,065	3,306,405	2,926,084
Net income (loss)	(887,862)	(2,287,377)	(810,646)	(1,379,079)
Net income (loss) per share, basic and diluted	(0.00)	(0.02)	(0.00)	(0.01)

Fourth Quarter

The Company began the fourth quarter with $4,190,292 cash. During the fourth quarter, the Company spent $3,693,773 on operating activities, net of working capital changes, to end the quarter and the year with $496,519 cash.

Liquidity and Capital Resources

Forum began the fiscal year with $1,424,079 cash. During the year ended November 30, 2024, the Company spent $11,535,172 on operating activities, net of working capital changes, spent $150,901 on the purchase of equipment, and received $10,758,513 from financing activities, to end at November 30, 2024 with $496,519 cash.

On December 12, 2023, the Company completed a private placement through the issuance of 48,648,648 flow-through units at a price of $0.185 per flow-through unit for gross proceeds of $9,000,000 and the issuance of 11,366,787 non-flow-through units at a price of $0.12 per non-flow-through unit for gross proceeds of $1,364,014.

On June 26, 2024, the Company completed a private placement through the issuance of 7,084,020 non-flow-through units at a price of $0.135 per non-flow-through unit for gross proceeds of $956,343.

During the year ended November 30, 2024, the Company issued 695,000 common shares on the exercise of stock options for gross proceeds of $69,500.

During the year ended November 30, 2024, the Company issued 2,356,000 common shares on the exercise of warrants for gross proceeds of $235,600.

At November 30, 2024, the Company had a working capital deficiency of $140,904.

On December 20, 2024 and January 15, 2025, the Company completed, in two tranches, a private placement through the issuance of 8,320,000 flow-through units at a price of $0.10 per flow-through unit for gross proceeds of $832,000 and the issuance of 6,475,000 non-flow-through common shares at a price of $0.08 per share for gross proceeds of $518,000.

However, additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

Related Party Transactions

Compensation of key management personnel

Key management personnel include members of the Board of Directors, the Chief Executive Officer, the VP Exploration, VP Nunavut Affairs, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel during the years ended November 30, 2024 and 2023 were as follows:

	Year ended November 30, 2024	2023
Consulting fees		
Chief Executive Officer	$ 224,000	$ 204,000
Corporate Secretary	95,500	90,000
Chief Financial Officer *	95,500	90,000
	415,000	384,000
Director fees	30,000	30,000
Exploration and evaluation expenditures		
VP Exploration	205,500	162,000
VP Nunavut Affairs	66,000	-
	271,500	162,000
Marketing, promotion and travel		
Director	72,000	10,000
Professional fees		
Former Director - legal services	9,796	44,940
Share-based compensation	482,724	118,207
Total	$ 1,281,020	$ 749,147

* Consulting fees are paid to Golden Oak Corporate Services Ltd. ("Golden Oak"), a consulting company controlled by the Chief Financial Officer of the Company. Golden Oak provides the services of a Chief Financial Officer and accounting staff to the Company.

Amounts due to related parties

		November 30, 2024	November 30, 2023
Chief Executive Officer	Fees	$ 17,850	$ 17,850
Chief Executive Officer	Expenses	1,177	16,088
VP Exploration	Expenses	5,887	14,315
VP Nunavut Affairs	Fees	6,300	-
Director	Consulting Fees	12,600	5,000
Director	Expenses	5,162	-
Former Director	Legal fees	-	7,840
Corporate Secretary	Expenses	-	8,563
Golden Oak	Expenses	620	862
Total		$ 49,596	$ 70,518

Additional Disclosure for Venture Issuers without Significant Revenue

The components of exploration and evaluation assets are described in Note 7 to the Financial Report.

Outstanding Share Data as at the date of this MD&A

Authorized: an unlimited number of common shares without par value

	Common Shares Issued and Outstanding	Share Purchase Warrants	Stock Options
Balance as at November 30, 2024	294,559,574	64,369,522	20,860,000
Private placement	14,795,000	4,640,000	-
Warrants expired	-	(9,470,415)	-
Stock options expired	-	-	(460,000)
Balance as at the date of this MD&A	309,354,574	59,539,107	20,400,000

Critical Accounting Estimates and Judgments

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

Carrying value and recoverability of exploration and evaluation assets
Management has determined that acquisition costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, preliminary economic assessment, accessibility of facilities and existing permits.

Asset retirement obligations
The Company's asset retirement obligations represent management's best estimate of the present value of the future cash outflows required to settle estimated reclamation and closure costs on the Company's exploration projects. The provision reflects estimates of future costs, inflation and assumptions of risks associated with the future cash outflows, and the applicable interest rates for discounting the future cash outflows. Changes in the above factors can result in a change to the provision recognized by the Company. Changes to the asset retirement obligations are recorded with a corresponding change to the amounts of related exploration and evaluation expenditures.

Share-based compensation
The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model which incorporates market data and which involves uncertainty and subjectivity in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price, changes in the subjective input assumptions can materially affect the fair value estimate.

Recovery of deferred tax assets
Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the consolidated statements of financial position could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

The Company has not recorded any deferred tax assets.

ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Determination of functional currency
The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Management has determined that the functional currency of the parent Company as well as the functional currency of the Company's US subsidiaries is the Canadian dollar.

Going concern
In the determination of the Company's ability to meet its ongoing obligations and future contractual commitments, management relies on the Company's planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations on an ongoing basis. The key inputs used by the Company in this process include forecasted capital deployment, progress on permitting, results from the exploration of its properties and general industry conditions. Changes in these inputs may alter the Company's ability to meet its ongoing obligations and future contractual commitments and could result in adjustments to the amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern (Note 1).

New accounting policy

The following amendments to existing standards have been adopted by the Company commencing December 1, 2023:

IAS 1, Presentation of Financial Statements

The amendments changed the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policies are material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of the financial statements make on the basis of those financial statements. The adoption of these amendments did not materially impact the consolidated financial statements of the Company.

New accounting standards not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective as of November 30, 2024 and have not been applied in preparing the consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements clarify how to classify debt and other liabilities as current or non-current. The amendments help to determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or noncurrent. The amendments also include clarifying the classification requirements for debt an entity might settle by converting it into equity. The Company has not early adopted this revised standard, and its adoption is not expected to have a material impact on the Company's consolidated financial statements.

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

Financial Instruments and Financial Risk Management

Financial Instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); fair value through other comprehensive income; or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

		November 30, 2024	November 30, 2023
Cash	Amortized cost	$ 496,519	$ 1,424,079
Marketable securities	FVTPL	104,825	46,785
Receivables	Amortized cost	171,345	31,600
Due from joint venture partners	Amortized cost	79,132	6,660
Reclamation deposit	Amortized cost	40,250	40,250
Trade and other payables	Amortized cost	946,317	251,589

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The carrying values for cash, receivables, due from joint venture partners, reclamation deposit, and trade and other payables approximate their fair value due to their short-term nature. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost. The carrying value of marketable securities is determined based on Level 1 of the fair value hierarchy.

Financial Risk Management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

<u>Credit risk</u>

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash, receivables, due from joint venture partners, deposit, and reclamation deposit. The Company limits the exposure to credit risk in its cash by only investing its cash with high credit quality financial institutions in business and savings accounts. The Company's receivables primarily include balances receivable from government agencies. The Company is exposed to some risk on amounts due from joint venture partners and receivable from government agencies; however, to date the Company has been successful on collecting on its receivables.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that there is sufficient capital in order to meet short-term business requirements. The Company is exposed to liquidity risk.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, market and commodity prices. These fluctuations may be significant.

i) Interest rate risk

The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risk on cash is not considered significant.

ii) Foreign exchange risk

At November 30, 2024, 99% of the Company's cash was held in Canadian dollars. The Company has some operations in the United States, but no foreign currency in that jurisdiction at this time and as such has no currency risk associated with its operations.

iii) Market price risk

The Company is exposed to price volatility on its marketable securities. The fair value of its portfolio is not material and any market price risk is considered insignificant.

iv) Commodity Price Risk

While the value of the Company's exploration and evaluation assets is related to the price of energy metals such as uranium, copper, and cobalt and the outlook for these minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity-based risks in respect to its operational activities.

Historically, the price of energy metals has fluctuated significantly and is affected by numerous factors outside of the Company's control, including but not limited to industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors related specifically to energy metals.

Forward Looking Information

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, permitting risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual financial statements which are filed and available for review on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Additional Information

Additional information is available on the Company's website at www.forumenergymetals.com or on SEDAR at www.sedarplus.com.