

MINCO CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024

This Management's Discussion and Analysis ("MD&A") of Minco Capital Corp. ("we," "our," "us," "Minco Capital," or the "Company") has been prepared by management based on available information up to March 24, 2025. It should be read in conjunction with the audited financial statements and related notes prepared by management for the year ended December 31, 2024, and 2023. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Except as noted, all financial amounts are expressed in Canadian dollars. All references to "\$" and "dollars" are Canadian dollars, and all references to "US\$" are United States dollars. Some dollar amounts are rounded to thousands (000) for discussion purposes. To disclose the company's material accounting policies, refer to Note 3 of the December 31, 2024, audited financial statements.

Additional Company information is available under the Company's profile on SEDAR at www.sedarplus.com. The Company's audit committee reviews the condensed interim financial statements and the MD&A and recommends approval to the Company's board of directors.

Minco Capital was incorporated in 1982 under the laws of British Columbia, Canada. On February 25, 2019, the company changed its name from Minco Gold Corporation to Minco Capital Corp. Our corporate office is in Vancouver, British Columbia. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "MMM" and on the OTCQB Market tier in the USA ("OTCQB") under the symbol "MGHCF."

As of the date of this MD&A, the Company had 43,430,881 common shares and 4,797,000 stock options outstanding.

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1. Highlights for the Quarter

During the three months ending on December 31, 2024 (the “Fourth Quarter”), the Company accomplished the following:

The Company acquired common shares of public companies at a total cost of \$412,000. Additionally, it sold common shares of public companies, generating total proceeds of \$380,000, resulting in a loss of \$296,000. The Company also recorded an unrealized gain of \$311,000 and earned \$9,000 in dividends and interest income.

After the year ended December 31, 2024, the Company invested \$1.1 million and sold certain investments, receiving total proceeds of \$1.7 million.

1.1. Net asset value

As of December 31, 2024, the Company’s net asset value was \$0.12 per share (December 31, 2023 - \$0.13 per share), while the Company’s common shares traded at \$0.05 per share (December 31, 2023 - \$0.05 per share). The Company believes that the market price of its common shares may not reflect their underlying value. Under the NCIB program, the Company has repurchased and cancelled its common shares. It believes using the Company’s funds to benefit all remaining shareholders by increasing their equity interest is appropriate.

The Company uses net asset value (NAV) per share to assess its performance. The Company presents NAV per share to reflect a measure of the Company’s underlying value to shareholders as compared to its traded market price per share. NAV per share is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar measures presented by other entities. It should not be considered in isolation nor as a substitute for analysis of the Company’s financial information reported under IFRS.

2. Investments at Fair Value

The fair values of financial instruments with quoted bid and ask prices are based on the price within the bid-ask spread most representative of fair value and may include closing prices in exchange markets. The Company considers the closing share price of investments issued by public entities at each reporting date as the fair value. Also, the Company applies the Black Scholes option pricing model to value public companies’ share purchase warrants at the reporting date.

The Company has the following investments as of December 31, 2024:

	Number of Shares/Units Held	Fair value
Equities of public resource companies:	#	\$
Top ten resource companies by fair value		
- Minco Silver Corporation ⁽ⁱ⁾	11,000,000	1,980,000
- Asante Gold Corp	523,400	549,570
- Tesla Inc.	550	319,597
- Nvidia Corporation	650	125,599
- Lundin Gold Inc.	3,500	107,310
- Lavras Gold Corp.	37,037	83,333
- Microsoft	130	78,845
- Unity Software Inc.	2,000	64,664
- Perseus Mining Ltd.	28,000	63,840
- Rupert Resources Ltd.	15,000	63,450
Others	various	776,445
Equities of a private company (EI Olivar)⁽ⁱⁱ⁾	400,000	-
Total		4,212,653

(i) As of December 31, 2024, and 2023, the Company’s investment in public entities includes 11,000,000 common shares of Minco Silver, which was approximately 18% of Minco Silver’s outstanding shares.

Minco Silver holds a 90% interest in the Fuwan silver deposit, situated along the northeast margin of the prospective Fuwan Silver Belt in Guangdong, China and 51% interest in the Changkeng gold project, located contiguous to and part of the same mineralized system. Further information regarding Minco Silver can be found on Minco Silver's website at www.mincosilver.ca. The Company has maintained its investment in Minco Silver since its spin-off in 2005.

The influence of Minco Silver's share price on the company's overall performance outweighs the importance of portfolio diversification. As of December 31, 2024, Minco Silver's share price remained at \$0.18 per share, unchanged from December 31, 2023. The fair market value of Minco Silver was \$1,980,000, accounting for 47% of the company's investment portfolio by fair value, an increase from 39% as of December 31, 2023.

Minco Silver and the Company have common directors and management.

In 2024, the Company incurred a \$0.9 million loss, primarily due to investments in junior mining companies, including Libero Copper and Gold Corporation, Sherritt International Corporation, Neo Performance Materials Inc., Mexican Gold Mining, Anortech Inc., and Almaden Minerals Ltd., which were made several years prior. In contrast, the Company realized a \$140,000 gain in 2023.

In 2024, the Company recorded an unrealized gain of \$0.9 million, primarily due to the sale of a previously impaired investment, which reversed unrealized losses recorded in prior years, and revalued the fair market value of the existing portfolio. In contrast, the Company recorded an unrealized loss of \$0.7 million in 2023.

(ii) On December 22, 2016, the Company acquired 5.90% or 400,000 units ("Unit") of El Olivar Imperial SAC ("El Olivar"), a privately held Peruvian corporation, at US\$1.00 per Unit through a private placement. Each Unit consists of one Class A voting preferred share and 1.5 Class A share purchase warrant (the "EI Warrant"), entitling the holder to purchase one additional Class A voting share for US\$1.00. Such warrants expired in 2019.

Following Level 3 of the fair value hierarchy, the Company impaired its investment of \$575,560 (US\$400,000) in El Olivar in 2009. During the year ended December 31, 2024, there was no change in management's assessment, and this investment remains impaired.

One company director is also a director, an officer, and a significant shareholder of El Olivar.

The continuity schedule of the Company's investments during the year ended December 31, 2024, is as follows:

	December 31, 2023	Additions	Proceeds from dispositions	Realized loss	Unrealized gain	Impairment	December 31, 2024
Investment in public entities:	\$	\$	\$	\$	\$	\$	\$
- Shares and partnership units	5,044,955	1,293,070	(2,077,623)	(936,621)	898,872	(10,000)	4,212,653
- Investment in trust units:	82,338	-	(83,798)	(51,175)	52,635	-	-
Total	5,127,293	1,293,070	(2,161,421)	(987,796)	951,507	(10,000)	4,212,653

3. Results of Operations

3.1 Selected annual information

Selected information for the fiscal years 2024, 2023 and 2022 is as follows:

	2024	2023	2022
	\$	\$	\$
Loss from investments at fair value	(46,289)	(992,888)	(2,251,791)
Total assets	5,309,136	5,735,629	7,160,475
Long-term liabilities	106,653	147,006	179,724
Cash dividend	-	-	-
Net loss for the year	(401,486)	(1,403,791)	(2,571,721)
Loss per share – basic and diluted	(0.01)	(0.03)	(0.06)

3.2 Operating result comparison for the Fourth Quarter of 2024 and 2023

	2024	2023	Change
	\$	\$	\$
Dividend and interest income	9,423	12,866	(3,443)
Realized gain (loss) from investments	(296,135)	63,782	(359,917)
Unrealized gain from investments	301,306	163,284	148,022
	14,594	239,932	(225,338)
Operating expenses	(90,087)	(111,920)	21,833
Foreign exchange gain	(2,034)	(3,679)	1,645
Net income (loss)	(77,527)	124,333	(201,860)

The Company's investment gains and losses depend on the performance of the entities in which it invests. These financial outcomes are subject to fluctuations influenced by various external factors, including the broader economic environment, foreign exchange rates, and metal price volatility, all of which are beyond the Company's control.

During the year ending December 31, 2024, the Company strategically divested certain stocks acquired in 2018 and reinvested in assets better aligned with its current objectives. Although market conditions led to a realized loss on these sales, the Company recorded a significant unrealized gain, reflecting positive portfolio adjustments and positioning it for long-term growth.

As a result, in the fourth quarter of 2024, the Company recognized an investment loss of \$296,000, compared to a gain of \$64,000 in the same period of 2023. Additionally, it reported an unrealized gain of \$301,000, up from \$163,000 in 2023, driven by fair value adjustments on both sold and existing stocks.

3.2.1 Operating expenses for the Fourth Quarter of 2024 and 2023

The Company's operating expenses for the Fourth Quarter of 2024 and 2023 are as follows:

	2024	2023	Change
ref	\$	\$	\$
Accounting and audit	7,309	6,276	1,033
Amortization	9,029	9,576	(547)
Consulting	6,563	6,563	-
Directors' fees	5,500	6,500	(1,000)
Interest expense	2,937	3,896	(959)
Legal and regulatory	12,876	14,566	(1,690)
Office and administration	10,712	10,017	695
Investment evaluation	10,636	10,121	515
Salaries and benefits	23,850	27,531	(3,681)
Share-based compensation	-	16,177	(16,177)
Travel and transportation	675	697	(22)
	90,087	111,920	(21,833)

Operating expenses in the fourth quarter of 2024 decreased by \$22,000 compared to the same period in 2023, primarily due to a \$16,000 reduction in share-based compensation. Other expenses remained largely consistent with those of 2023.

Share-based compensation expenses fluctuate annually based on the number of new stock option grants, their fair value, and the timing of options vesting. On March 27, 2023, the Company granted 2.7 million stock options to its employees and directors. Since no new options were granted in 2024, stock option expenses were higher in 2023 compared to 2024.

3.3 Operating result comparison for the years ended December 31, 2024, and 2023

	2024	2023	Change
	\$	\$	\$
Dividend and interest income	37,617	60,518	(22,901)
Realized gain (loss) from investments	(987,796)	140,302	(1,128,098)
Unrealized gain (loss) from investments	941,507	(1,133,190)	2,084,697
	(8,672)	(932,370)	923,698
Operating expenses	(388,949)	(465,528)	(76,579)
Foreign exchange gain	(3,865)	(5,893)	2,028
	(401,486)	(1,403,791)	1,002,305

Section 3.2 details the realized and unrealized gain (loss).

The movement in connection with the operating expenses and other income (expenses) are discussed in sections 3.2.1 and 3.3.1, respectively.

3.3.1 Operating expenses for the year ended December 31, 2024, and 2023

The Company's operating expenses for the years ended December 31, 2024, and 2023 are as follows:

Year ended December 31,		2024	2023	Change
	ref	\$	\$	\$
Accounting and audit		33,138	26,401	6,737
Amortization		36,621	39,286	(2,665)
Consulting		23,438	23,438	-
Directors' fees		24,000	26,000	(2,000)
Interest expenses		13,020	15,814	(2,794)
Investment evaluation		39,736	43,727	(3,991)
Legal and regulatory		47,736	59,384	(11,648)
Office and administration		39,480	44,923	(5,443)
Salaries and benefits		97,496	100,881	(3,385)
Share-based compensation		31,548	82,918	(51,370)
Travel		2,736	2,756	(20)
		388,949	465,528	(76,579)

Overall operating expenses decreased by \$77,000 for the year ended December 31, 2024, compared to 2023, primarily due to lower share-based compensation expenses (see Section 3.2.1 for details) and reduced legal expenses. Legal expenditures declined by \$12,000 in 2024 as the Company required fewer legal activities. Other expenses remained broadly in line with 2023 levels.

4. Summary of Quarterly Results

Period ended	Net income (loss)	Income (loss) per share	
		Basic	Diluted
	\$	\$	\$
12-31-2024	(77,527)	(0.00)	(0.00)
09-30-2024	(187,013)	(0.00)	(0.00)
06-30-2024	246,280	0.01	0.01
03-31-2024	(383,226)	(0.01)	(0.01)
12-31-2023	124,333	0.00	0.00
09-30-2023*	(1,087,841)	(0.02)	(0.02)
06-30-2023	(371,393)	(0.01)	(0.01)
03-31-2023	(68,890)	(0.00)	(0.00)

Variations in quarterly performance over the recent eight quarters were primarily a result of the combined effects of gains (or losses) from investments held at fair value by the Company, the amount of share-based compensation recognized in each period, and foreign exchange gains or losses. The company's performance is not subject to seasonal fluctuations.

* The net loss of \$1.1 million for the quarter ending September 30, 2023, can be mainly attributed to an unrealized loss of \$1.0 million resulting from a change in fair value on the equity investment.

5. Liquidity and Capital Resources

5.1 Cash flows

	The Fourth Quarter ended,		Year ended December 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Operating activities	(72,800)	28,523	(119,771)	(367,013)
Financing activities	(13,049)	(53,146)	(58,894)	(123,924)

Operating Activities

Net cash used in operating activities was (\$73,000) in the Fourth Quarter of 2024, compared to a net inflow of \$29,000 in the Fourth Quarter of 2023, primarily due to a net loss of (\$78,000) in the Fourth Quarter of 2024 and higher investment losses. Increased investment purchases also contributed to the decline despite higher cash inflows from asset dispositions.

For the full year, net cash used in operating activities improved from (\$367,000) in 2023 to (\$120,000) in 2024, driven by a lower net loss (\$401,000 vs. \$1,104,000 in 2023) and higher unrealized investment gains. However, realized investment losses and increased investment purchases offset some of these gains, resulting in a negative cash flow.

Financing Activities

Net cash used in financing activities decreased to (\$13,000) in the Fourth Quarter of 2024, compared to (\$53,000) in the Same Quarter of 2023, primarily due to the absence of share repurchases.

For the full year, cash used in financing activities decreased from \$124,000 in 2023 to \$59,000 in 2024, mainly due to lower share repurchases (\$10,000 vs. \$76,000 in 2023), while lease obligation repayments remained stable.

5.2 Capital resources and liquidity risk

As of December 31, 2024, the Company's working capital was \$5,097,000 compared to \$5,480,000 as of December 31, 2023. The Company has funded its operations using its working capital so far this year and believes it has sufficient working capital available to meet its operational requirements for the next twelve months.

6. Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

7. Related Party Transactions

The following related party transactions were conducted in the normal course of business:

a) Key management compensation

Key management includes the Company's directors and senior management. This compensation is included in operating expenses. For the years ended December 31, 2024, and 2023, compensations to key management are as follows:

	2024	2023
	\$	\$
Senior management remuneration*	110,226	117,988
Directors' fees	24,000	26,000
Share-based compensation	31,548	82,918
Total	165,774	226,906

*Senior management remuneration is included in salaries, benefits, and investment evaluation on the statement of loss and comprehensive loss.

b) Investments

Refer to Section 2 above for the Company's relationships and transactions with its investees, El Olivar and Minco Silver.

c) Other transactions with related parties

The Company, Minco Silver, and HempNova Lifetech Corporation ("HempNova") share certain directors and management. These companies shared specific office rental and administration expenditures.

As of December 31, 2024, the Company's due to/from related parties consist of:

- \$Nil due to Minco Silver (December 31, 2023 - \$150) concerning shared office expense reimbursements.
- \$Nil due from HempNova (December 31, 2023 - \$324) concerning shared office expense reimbursements.
- \$Nil due to companies controlled by the Company's CEO (December 31, 2023 - \$4,694) concerning expense reimbursements.

The amounts due from related parties are unsecured, non-interest bearing and payable on demand.

8. Material accounting policies

The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards. The Company's management has made judgments and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual charges incurred by the Company may differ from these values.

Notes 3 and 4 of the audited annual financial statements for the year ended December 31, 2024, set out the Company's material accounting policies, applied judgements, and estimates.

9. Financial Instruments

Following is a summary of the Company's financial assets and liabilities as of December 31, 2024, and 2023:

	December 31, 2024	December 31, 2023
	\$	\$
Fair value through profit and loss:		
Investments at fair value	4,212,653	5,127,293
Amortized cost:		
Cash and cash equivalents	212,636	391,301
Short-term investment	720,000	20,000
Receivables	7,549	1,648
Due from related parties	-	324
Deposits	13,148	13,148
Accounts payable and accrued liabilities	37,463	42,695
Due to related parties	-	4,844
Lease obligations	146,350	183,189

Fair value measurement

Financial assets and liabilities recognized on the balance sheet at fair value can be classified in a hierarchy based on the significance of the inputs used in the measurements. The levels in the hierarchy are:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As of December 31, 2024, and 2023, financial instruments that are not measured at fair value on the statement of financial position are represented by cash and cash equivalents, short-term investment, receivables, due from related parties, accounts payable and accrued liabilities, due to related parties and lease obligations. The fair values of these financial instruments approximate their carrying value due to their short-term nature.

The Company's financial assets measured at fair values through profit or loss are as follows:

	Level 1	Level 2	Level 3
	\$	\$	\$
Investments at fair value, December 31, 2024	4,212,653	-	-
Investments at fair value, December 31, 2023	5,044,955	82,338	-

The Company uses the Black-Scholes option pricing model to determine the fair value of those shares purchase warrants using assumptions. The fair value of investments classified at level 2 is reconciled as follows:

	December 31, 2023	Proceed	Realized loss	Unrealized gain	December 31, 2024
	\$	\$	\$	\$	\$
Convertible debenture:	82,338	(83,798)	(51,175)	52,635	-

	December 31, 2022	Disposition	Unrealized gain (loss)	December 31, 2023
	\$	\$	\$	\$
Share purchase warrants:	384,000	-	(384,000)	-
Investment in trust units:	108,736	-	(26,398)	82,338
Convertible debenture:	90,000	(100,000)	10,000	-
Total	582,736	(100,000)	(400,398)	82,338

10. Internal Controls over Financial Reporting

Internal control over financial reporting ("ICFR") is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparing financial statements for external purposes in accordance with IFRS. The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible for ensuring that these filings do not contain any untrue statement of a 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 was made, concerning the period covered by these filings, and these financial statements together with the other financial information included in these filings fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented in these filings. Due to the inherent limitations associated with such controls and procedures, management recognizes that, no matter how well designed, they may not prevent or detect misstatements on a timely basis.

The Board of Directors approves the financial statements and MD&A and ensures management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports before filing.

10.1. Changes in internal controls over financial reporting

NI 52 - 109 also requires Canadian public companies to disclose any changes in ICFR during the most recent fiscal quarter that have materially affected or are reasonably likely to affect ICFR materially. No material changes were made to internal controls during the three months ended December 31, 2024.

11. Cautionary Statement on Forward-Looking Information

Except for statements of historical fact, this MD&A contains certain "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, which reflect management's current expectations, assumptions, and beliefs of the Company as of the date of such information or statements. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "plans," "expects," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," "believes" or variations of such words and phrases or statements that specific actions, events or results "may," "could," "would," "might" or "will be taken," "occur" or "be achieved" or the negative connotation thereof.

All such forward-looking statements are based on our assumptions and analyses in light of our experience and perception of historical trends, current conditions expected future developments, and other factors we believe are appropriate. However, these statements are subject to known and unknown risks, uncertainties, and other factors. As a result, actual results, performance, or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits will be derived therefrom. These risks, uncertainties and other factors include, among others, but are not limited to, statements concerning the Company's future growth, results of operations, performance and business prospects, opportunities, the Company's investment strategy, investment process, and competitive advantage, growth expectation and opportunities, the availability of future acquisition opportunities and use of the proceeds from the financing.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, other factors may cause results to be less anticipated, estimated or intended. There can be no assurance that statements containing forward-looking information will be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not rely on statements containing forward-looking information. All the forward-looking information and opinions contained in this document are expressly qualified, in their entirety, by this cautionary statement. The forward-looking information and statements are made as of the date of this document, and we assume no obligation to update or revise them except as required pursuant to applicable securities laws.