

ALTAI RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2025

(Expressed in Canadian Dollars)

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Dated April 16, 2026

The following management's discussion and analysis of the financial position and results of operations (the "MD&A") dated April 16, 2026, has been prepared by management and is based on, and derived from, the audited consolidated financial statements of Altai Resources Inc. ("Altai" or the "Company") for the years ended December 31, 2025 and 2024.

This discussion should be read in conjunction with the audited consolidated financial statements and their related notes for the years ended December 31, 2025 and 2024.

The consolidated financial statements for the years ended December 31, 2025 and 2024, were prepared by management and audited in accordance with the IFRS[®] Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and approved by the Company's Audit Committee and the Board of Directors. The audited consolidated financial statements are presented in Canadian dollars, the functional and presentation currency of the Company and its subsidiary. Figures referred to in this MD&A are in Canadian dollars, unless otherwise stated.

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca and on Altai's website at www.altairesources.com.

FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking statements and assumptions about the Company's strategies, future operations, and commodity prices and presents certain issues, risks, and uncertainties that can be expected to impact any of such matters.

Forward-looking statements and assumptions are generally identifiable by the terminology used, such as "plan", "intend", "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording. By its very nature, the forward-looking statements contained in this discussion require Altai and its management to make assumptions that may not materialize or that may not be accurate. In addition, the forward-looking statements and assumptions contained in this discussion are subject to known and unknown risks and uncertainties and other factors, some of which are beyond the control of Altai, which could cause actual results, expectations, achievements or performance to differ materially.

The Company disclaims any intention or obligation to update publicly or revise any forward-looking statements if circumstances or management's estimates or opinions should change, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

COMPANY OVERVIEW

Altai Resources Inc. was incorporated under the laws of the Province of Ontario with a head office located at 895 Don Mills Road, Two Morneau Shepell Centre, Suite 900, Toronto, Ontario, M3C 1W3. The Company is a junior resource company that holds an investment portfolio comprised of cash and cash equivalents. During the year ended December 31, 2025, the Company sold its exploration gold property and its oil-producing property, both located in Canada. The Company is actively pursuing strategic alternatives, including new mining exploration properties to acquire.

The Company has a wholly owned subsidiary, Altai America Inc., which is dormant.

On February 20, 2026, the Common Shares resumed trading on the TSXV following a trading halt of the Common Shares on October 10, 2025, initiated by the TSXV, pending clarification of the Company's affairs regarding the Company's disposition of the Malartic Gold Property and the Cessford Oil Property. The TSXV had concluded that the Company, as a Tier 2 Mining Issuer, did not meet the Tier 2 Continued Listing Requirements for Assets and Operations, and for Activity, pursuant to TSXV Policy 2.5. Accordingly, the Company was placed on a 90-day Notice to Transfer to the NEX board of the TSXV, to rectify those deficiencies.

On March 23, 2026, at a special meeting of shareholders of the Company (the "Shareholders"), the Shareholders approved the following two resolutions: (1) the resolution ratifying and approving the sale by the Company of (i) the Company's 50% working interest in six mineral titles located in Malartic Township, Quebec, pursuant to an agreement

of purchase and sale dated August 26, 2025, between the Company and Globex Mining Enterprises Inc.; and (ii) the Company's 50% working interest in four oil wells located in Cessford, Alberta pursuant to a sale and conveyance agreement dated September 29, 2025, between the Company and Canadian Natural Resources Limited; and (2) the resolution authorizing the directors of the Company, in their discretion, to make an application to the TSXV to delist the Common Shares from the TSXV.

On April 6, 2026, the TSXV transferred the listing of the Common Shares from the TSXV to the NEX board of the TSXV and withdrew the 90-day Notice to Transfer to NEX. In accordance with the transfer of the listing, the Company's trading symbol changed from ATI to ATL.H. There was no change in the Company's name, no change in its CUSIP number, and no consolidation of capital.

OVERVIEW OF PROPERTIES

The Company held a 50% net working interest in an exploration gold property in the Malartic Township, Quebec (the "Malartic Gold Property"), and a 50% net working interest in an oil-producing property in Cessford, Alberta (the "Cessford Oil Property"). During the year ended December 31, 2025, the Company sold the Malartic Gold Property and the Cessford Oil Property.

The Company owns 100% of the Sorel-Trois Rivières natural gas property located in the St. Lawrence Lowlands, Quebec (the "Sorel-Trois Rivières Gas Property"), comprised of five oil and gas and reservoir exploration licences, which had all been revoked and expropriated by the Government of Quebec on August 23, 2022 through the 2022 *Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine*, CQLR c R-1.01 (the "Act"). In March 2022, the Company filed a claim (the "Claim") in the Superior Court of Quebec (the "Court") against the Minister of Energy and Natural Resources of Quebec, the Government of Quebec, as represented by the Attorney General of Quebec, and the Attorney General of Quebec (collectively, the "Defendants") seeking compensatory damages from the Defendants for the expropriation of the Company's licences in Quebec by the Defendants through the enactment of the Act.

During the year ended December 31, 2025, the Company's legal counsel voluntarily ceased to represent the Company in regard to the Claim, and the Company declined to appoint a new legal counsel. Further to that, the Court notified the Company that it had granted, at the request of the Attorney General of Quebec, the dismissal of the Claim on the grounds that the Company no longer had legal representation.

MALARTIC GOLD PROPERTY, QUEBEC

The 50%-owned Malartic Gold Property (named "Blackcliff gold property" by joint-venture partner and operator, Globex Mining Enterprises Inc.) consisted of six map-designated claims totalling 127.6 hectares (315 acres) in the Malartic Township, Quebec.

During the year ended December 31, 2025, the Company's management determined that the book value of the Malartic gold property exceeded its fair market value of \$123,711 and therefore recognized an impairment charge of \$909,902 on the property.

On August 26, 2025, the Company sold the Malartic Gold Property to Globex Mining Enterprises Inc., for \$142,000, recognizing a gain of \$18,289.

CESSFORD OIL PROPERTY, CENTRAL ALBERTA

In 2012, the Company acquired a 50% (net 45%) working interest in 240 acres of Alberta Crown leases in the Cessford area of southern Alberta and production of approximately 12.5 barrels of light oil per day (11 bopd net to Altai) in four long-life oil producing wells for a cash consideration of \$800,000, and royalty payments, varying from 1.25%-3% of gross revenue on certain wells to barrels of oil produced on other wells. Two Calgary parties (together the "Parties") provided technical support to Altai during the acquisition process and were paid a fee in kind by Altai, that is, each of them held a 2.5% working interest in the property on the transaction closing. ConocoPhillips Canada Energy Partnership of ConocoPhillips Canada Resources Corp., a wholly owned subsidiary of ConocoPhillips, US, was the 50% partner and operator of the property until November 2015 when it assigned both its working interest and operatorship of the property to Canadian Natural Resources Limited ("CNRL").

The wells are producing from the Glauconitic "C" pool. Reserve life of the wells is estimated at 15 years. However, there has been no reserve studies performed to accurately estimate the reserves within the Cessford Oil Property.

In April 2022, the civil claim filed by the Parties in 2020 for a payment of \$10,481 for their share of the Cessford oil property's revenue to a certain date and the counterclaim by the Company were resolved, with Altai and the Parties signing a Settlement Agreement and Mutual Release and the Company purchasing the Parties' combined 5% net working interest in the Cessford oil property. Thereafter, the Company owned 50% net working interest in the Cessford Oil Property.

During the year ended December 31, 2025, the management determined that the book value of the Cessford Oil Property exceeded its fair value of \$Nil and so the Company recognized an impairment charge of \$137,684.

On September 29, 2025, the Company sold the Cessford Oil Property and settled its decommissioning liabilities, also known as asset retirement obligations ("ARO"), and other associated liabilities for a net cash payment by the Company to CNRL of \$50,674, recognizing a gain of \$123,115.

As the Cessford Oil Property represented the Company's major line of business with distinct cash flows, the Company presented its oil production operations as discontinued operations in its consolidated financial statements for the years ended December 31, 2025 and 2024.

SOREL-TROIS RIVIERES PROPERTY, QUEBEC (Oil and Gas Interests, Quebec)

The Company's five oil and gas and reservoir exploration licences totalling 68,483 hectares (169,225 acres) in the Sorel-Trois Rivières area of the St. Lawrence Lowlands, Quebec, along with all other oil and gas and reservoir licences issued in Quebec, had been revoked and expropriated by the Government of Quebec on August 23, 2022, through the 2022 *Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine*, CQLR c R-1.01 (the "Act").

In view of the prolonged delay in the formation of a new energy policy in Quebec dating back to 2011, resulting in the uncertainty as to the future of shale gas development in Quebec, as at December 31, 2014, the Company had written down the project to \$1, as was required by accounting standards. During the nine months ended September 30, 2025, the Company fully impaired the project. Following the impairment taken on December 31, 2014, the exploration and other expenditures on the interests were being reported in the profit and loss.

In March 2022, the Company filed a claim (the "Claim") in the Superior Court of Quebec (the "Court") against the Minister of Energy and Natural Resources of Quebec, the Government of Quebec, as represented by the Attorney General of Quebec, and the Attorney General of Quebec (collectively, the "Defendants") seeking compensatory damages from the Defendants for the expropriation of the Company's licences in Quebec by the Defendants through the enactment of the Act. During the year ended December 31, 2025, the Company's legal counsel voluntarily ceased to represent the Company in regard to the Claim, and the Company declined to appoint a new legal counsel. Further to that, the Court notified the Company that it had granted, at the request of the Attorney General of Quebec, the dismissal of the Claim on the grounds that the Company no longer had legal representation.

During the year ended December 31, 2025, the management determined that the book value of the Sorel-Trois Rivières Gas Property exceeded its fair value of \$Nil, and so the Company recognized an impairment charge of \$1.

SIGNIFICANT MILESTONES FOR THE YEAR ENDED DECEMBER 31, 2025, AND UP TO THE DATE OF THE FILING OF THIS MD&A

Management Changes

On January 10, 2025, Maria Au resigned from her position as the Company's Secretary-Treasurer, Chief Financial Officer ("CFO") and as a director. Kursat Kacira, Altai's Chairman, President and Chief Executive Officer, accepted a position of interim Chief Financial Officer and Corporate Secretary, until a permanent replacement was appointed.

On May 1, 2025, the Company appointed Yana Silina as the CFO to replace Mr. Kacira in that role. Ms. Silina holds a diploma in management studies from Thompson Rivers University and is currently a senior accountant at Da Costa Management Corp., where she provides financial consulting and outsourced CFO services to both public and private companies. Ms. Silina serves as CFO of StimCell Energetics Inc., EraNova Metals Inc., Tocvan Ventures Corp., and Cascade Copper Corp.

Initiation of Strategic Review

On May 1, 2025, the Company announced that it had initiated a strategic review process to identify, evaluate, and pursue a range of potential strategic alternatives with the goal of maximizing shareholder value and liquidity (the “Strategic Review”). As part of the Strategic Review, the potential strategic alternatives could include, amongst other things, either individually or in combination, the sale of part, or all, of the assets of the Company, the sale of the Company, a merger or other business combination with another party, a special cash distribution, a wind-up, or any other strategic transaction.

As of the date of this MD&A, the Company has not established a definitive timeline to complete the Strategic Review or any transaction, and no decisions have been reached. As such, the process is subject to unknown variables, including the costs, structure, terms, timing, and outcome. There can be no assurance that the Strategic Review will result in any transaction or initiative or, if a transaction or initiative is undertaken, as to the terms or timing of such a transaction or initiative and its impact on the financial condition, liquidity, and results of operations of the Company.

As part of the Strategic Review, during the year ended December 31, 2025, the Company sold all of its remaining marketable securities for cash proceeds of approximately \$2.7 million, which were mostly reinvested into cash equivalents known as high-interest savings accounts (“HISA”), sold its Malartic Gold Property and Cessford Oil Property, and completed the special cash distribution to shareholders (as discussed below). As of the date of this MD&A, following the special cash distribution discussed below, the Company holds approximately \$0.7 million in cash and cash equivalents.

Special Cash Distribution

On September 3, 2025, the Company held a special meeting, where the shareholders approved a special resolution authorizing and approving a reduction of the stated capital account of the common shares of the Company (the “Common Shares”) by an aggregate amount to be determined by the board of directors of the Company from time to time up to a maximum cumulative total amount of \$4,000,000 pursuant to Section 34(1)(b) of the Business Corporations Act (Ontario) for the purposes of distributing such amount to holders of Common Shares by way of a return of capital in one or more special cash distribution(s).

On September 4, 2025, the Board of Directors approved the special cash distribution of \$0.06 per Common Share (the “Special Cash Distribution”) for a total of \$3,362,013. The Special Cash Distribution was paid on October 9, 2025, to holders of the Common Shares of record at the close of business on October 2, 2025. Due to the size of the Special Cash Distribution relative to the Company’s share trading price, the Common Shares commenced trading on a “due bill” basis, as mandated by the TSX Venture Exchange, at the opening of trading on October 3, 2025, and commenced trading “ex-distribution” on October 10, 2025. The initial due bill redemption date was October 10, 2025.

Sale of Malartic Gold Property

On August 26, 2025, the Company disposed of its 50% working interest in six mineral titles comprising the Malartic Gold Property, located in Malartic Township, Quebec, to the property’s operator, Globex Mining Enterprises (“Globex”), for a cash payment of \$142,000 and recognized a gain on disposal of \$18,289 reflecting the excess of proceeds over the previously impaired carrying value.

Sale of Cessford Oil Property

On September 29, 2025, the Company disposed of its 50% working interest in four oil wells comprising the Cessford Oil Property, located in Cessford, Alberta, to the property’s operator, Canadian Natural Resources Limited (“CNRL”) and settled other associated liabilities for a net cash payment of \$50,674. The Company recognized a gain of \$123,115 on the sale of the Cessford Oil Property, reflecting the net impact of derecognizing the previously impaired asset and the associated liabilities.

Dismissal of Claim Against the Quebec Government

The Company owns 100% of the Sorel-Trois Rivières natural gas property located in the St. Lawrence Lowlands, Quebec (the “Sorel-Trois Rivières Gas Property”), comprised of five oil and gas and reservoir exploration licences, which had all been revoked and expropriated by the Government of Quebec on August 23, 2022 through the 2022 *Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine*, CQLR c R-1.01 (the “Act”). In March 2022, the Company filed a claim (the “Claim”) in the Superior Court of Quebec (the “Court”)

against the Minister of Energy and Natural Resources of Quebec, the Government of Quebec, as represented by the Attorney General of Quebec, and the Attorney General of Quebec (collectively, the “Defendants”) seeking compensatory damages from the Defendants for the expropriation of the Company’s licences in Quebec by the Defendants through the enactment of the Act.

During the year ended December 31, 2025, the Company’s legal counsel voluntarily ceased to represent the Company in regard to the Claim, and the Company declined to appoint a new legal counsel. Further to that, the Court notified the Company that it had granted, at the request of the Attorney General of Quebec, the dismissal of the Claim on the grounds that the Company no longer had legal representation.

SELECTED ANNUAL INFORMATION

	Year ended December 31, 2025	Year ended December 31, 2024	Year ended December 31, 2023
	\$	\$	\$
Net loss from continuing operations	(1,015,483)	(86,923)	(19,601)
Net income from discontinued operations	5,506	63,782	58,985
Basic and diluted loss per share from continuing operations	(0.02)	(0.00)	(0.00)
Basic and diluted loss per share from discontinued operations	0.00	0.00	0.00
Total – basic and diluted	(0.02)	(0.00)	(0.00)
Total assets	716,240	5,334,591	4,995,318

OVERALL PERFORMANCE

During the year ended December 31, 2025, the Company undertook several activities aimed at simplifying its operations and reducing non-core expenditures. These activities included completing impairment assessments on its resource properties, disposing of its working interests in both its exploration gold property and oil-producing property, ceasing all legal expenditures in connection with the Company’s Claim against the Government of Quebec, and declaring a Special Cash Distribution funded from the Company’s cash reserves.

On September 29, 2025, the Company completed the disposal of the Cessford Oil Property to Canadian Natural Resources Limited. The transaction represents the Company’s exit from a separate revenue-generating business line, and results related to this operation have been classified as discontinued operations for the current and comparative periods.

Revenues from discontinued operations decreased by 38% compared to the prior year, reflecting declining well productivity as the wells approach the end of their economic lives and lower commodity prices, partially offset by modestly higher production volumes in the second quarter. Production costs remained relatively consistent with the prior year as the lower output was offset by higher per-unit operating costs. Net income from discontinued operations declined to \$5,506 (2024 – \$63,782), primarily as a result of the \$137,684 impairment recognized on the Cessford Oil Property. This impairment was partially offset by a \$123,115 gain on the settlement of the asset retirement obligations recorded on disposal.

Revenues from continuing operations, generated primarily from interest and dividend income, decreased by 44% relative to the prior year. The decline followed the termination of cash deposits to fund the special cash distribution as well as the disposal of all its dividend-producing marketable securities.

General and administrative expenses increased by 70% from the prior year, primarily reflecting higher professional and consulting fees, additional settlement payments upon the resignation of the former CFO and costs associated with the transition to a new CFO. Legal expenses for the Claim in connection with the Sorel-Trois Rivières Gas Property also remained a significant component of expenditures.

During the year ended December 31, 2025, the Company recorded total impairment charges of \$1,047,587, of which \$137,684 was related to impairment of four oil wells from discontinued operations and \$909,903 from impairment of exploration and evaluation assets included in continuing operations. These impairments reflected decreases in the estimated fair values of the Malartic Gold Property, Cessford Oil Property and the Sorel-Trois Rivières Gas Property.

For the year ended December 31, 2025, the Company recorded a net loss and comprehensive loss from continuing operations of \$971,995, which included a \$43,488 increase in the fair value of marketable securities recognized in

other comprehensive income. Net income from discontinued operations was \$5,506 for the year. Total net loss and comprehensive loss from both continuing and discontinued operations was \$966,489.

RESULTS OF OPERATIONS

Continuing Operations for the Years Ended December 31, 2025 and 2024

Years ended December 31,	2025	2024
	\$	\$
Revenue		
Interest and dividend income	108,255	192,585
Expenses		
General and administrative expenses	207,554	122,325
Expenses on Quebec oil and gas interests	24,455	126,617
Amortization	115	866
Share-based compensation	–	29,700
Impairment of exploration and evaluation assets	909,903	–
Total expenses	(1,142,027)	(279,508)
Gain from sale of exploration and evaluation assets	18,289	–
Net loss from continuing operation	(1,015,483)	(86,923)
Increase in fair value of investment in marketable securities, net of taxes	43,488	189,199
Comprehensive income (loss)	(971,995)	102,276

Revenue

Revenue from continuing operations consisted of interest earned on the Company's cash invested in HISA and dividends paid on its investment in marketable securities. During the year ended December 31, 2025, revenue decreased by 44% to \$108,255 (December 31, 2024 – \$192,585) as the Company sold all of its dividend-producing marketable securities and reduced cash balances held in HISA.

Expenses

For the year ended December 31, 2025, expenses from continuing operations included general administrative expenses (“G&A”), amortization expenses on office equipment, legal expenses relating to the claim against the Government of Quebec, and impairment charges on exploration and evaluation assets. Total expenses increased by 309% to \$1,142,027 (December 31, 2024 – \$279,508) mainly due to an impairment charge of \$909,903 (December 31, 2024 – \$Nil) for the Malartic Gold Property and the Sorel-Trois Rivières Gas Property.

General and administrative expenses: G&A expenses increased by 70% to \$207,554 (December 31, 2024 – \$122,325) and included \$108,000 in consulting fees and resignation-related payments to the former CFO (December 31, 2024 – \$54,000), \$22,293 in legal fees (December 31, 2024 – \$385), and \$16,503 in transfer agent fees (December 31, 2024 – \$8,782).

Expenditures on Quebec oil and gas interests: The expenditures for the expropriated Sorel-Trois Rivières Gas Project were \$24,455 or 81% lower compared to \$126,617 for the year ended December 31, 2024. These expenditures covered legal expenses for Altai’s claim filed in March 2022 against the Minister of Energy and Natural Resources of Quebec and the Government of Quebec, as further described in the *Sorel-Trois Rivières Property, Quebec (Oil and Gas Interests, Quebec)* section of the MD&A.

Amortization: The Company recognized \$115 in depreciation of office equipment for the year ended December 31, 2025 (December 31, 2024 – \$866). The office equipment was fully depreciated in the first quarter.

Impairment charges: At September 30, 2025, impairment charges were \$909,903 (December 31, 2024 – \$Nil); of this amount, \$909,902 was associated with the impairment of the Malartic Gold Property and \$1 was associated with the impairment of the Sorel-Trois Rivières Gas Property.

Gain from the sale of exploration and evaluation assets

The disposal of the Malartic Gold Property included a cash payment of \$142,000, which resulted in a gain of \$18,289 for the year ended December 31, 2025.

Net loss

For the year ended December 31, 2025, the Company recognized a net loss of \$1,015,483 (December 31, 2024 – \$86,923).

Discontinued Operations for the Years Ended December 31, 2025 and 2024

<u>Years ended December 31,</u>	<u>2025</u>	<u>2024</u>
	\$	\$
Revenue		
Oil sales	127,939	206,877
Royalties	(5,878)	(9,387)
	122,061	197,490
Expenses		
Production	67,558	67,684
Accretion	5,271	7,713
Amortization	29,157	58,311
Impairment of non-current assets	137,684	–
Total expenses	(239,670)	(133,708)
Gain from sale of oil wells	123,115	–
Net income from discontinued operations	5,506	63,782

Revenue

Revenue from discontinued operations included oil sales from the Cessford Oil Property, net of royalties. Revenue fell by 38% to \$122,061 net of royalties (December 31, 2024 - \$197,490).

Expenses

For the years ended December 31, 2025 and 2024, expenses from discontinued operations included production costs, accretion related to decommissioning liabilities, amortization, and impairment charges. Total expenses increased by 79% due to an impairment charge of \$137,684 (December 31, 2024 - \$Nil), as the Company determined that the fair market value of the Cessford Oil Property was \$Nil. This increase was in part offset by lower accretion expense of \$5,271 (December 31, 2024 - \$7,713) and amortization expense of \$29,157 (December 31, 2024 - \$58,311). The \$67,558 in production expenses was consistent with production expenses incurred during the year ended December 31, 2024.

Gain from the sale of the Property

The sale of the Cessford Oil Property resulted in a gain of \$123,115.

Net income

Total net income from the discontinued operations for the year ended December 31, 2025, decreased by \$58,276 to \$5,506, compared to \$63,782 the Company realized during the previous year ended December 31, 2024. The decrease in net income was mainly related to reduced revenue, which reflected declining oil wells productivity as the wells reached the end of their economic lives.

Total Comprehensive Income (Loss)

For the year ended December 31, 2025, the Company incurred a total comprehensive loss of \$966,489 (December 31, 2024 - \$166,058 income), which included a \$43,488 (December 31, 2024 - \$189,199) increase in the fair value of marketable securities recognized in other comprehensive income.

SUMMARY OF QUARTERLY RESULTS

The following table presents the quarterly results for each of the last eight quarters:

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Revenue – continuing operations	7,756	23,569	37,462	39,468	46,551	48,613	49,200	48,221
Revenue – discontinued operations	–	39,124	56,919	26,018	50,139	55,046	52,770	39,535
Net income(loss) – continuing operations	(50,921)	5,650	(926,514)	(43,698)	(92,835)	8,006	12,190	(14,284)
Net income(loss) – discontinued operations	–	172,194	(154,377)	(12,311)	8,844	21,304	22,410	11,224
Total net income(loss)	(50,921)	177,844	(1,080,891)	(56,009)	(83,991)	29,310	34,600	(3,060)
Net income (loss) per share (basic and diluted) – continuing operations	(0.00)	0.00	(0.02)	(0.00)	(0.00)	0.00	0.00	(0.00)
Net income (loss) per share (basic and diluted) – discontinued operations	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00	0.00
Net income (loss) per share (basic and diluted)- total	(0.00)	0.00	(0.02)	(0.00)	(0.00)	0.00	0.00	(0.00)

(1) For net income (loss) from discontinued operations, refer to Discontinued Operations for the year ended December 31, 2025 and 2024 section of this MDA and Note 8 of the audited consolidated financial statements for the years ended December 31, 2025 and 2024.

Q4 of 2025

Total revenues from interest and dividend income from continuing operations decreased compared to the prior quarter. This decline resulted from the absence of dividend income following the disposal of all marketable securities, as well as lower interest income from a substantial reduction in high-interest savings account balances. Total expenses for the quarter increased by 29%, primarily due to audit fees, increases in legal fees, and transfer agent and filing fees. As a result, total net loss increased in the fourth quarter compared to the prior quarter, largely reflecting lower revenues and higher operational expenses. There were no revenues and operational expenses from discontinued operations in the fourth quarter as the Cessford Oil Property was sold in the prior quarter.

Q3 of 2025

During the quarter ended September 30, 2025, the Company sold its interests in the Malartic Gold Property and the Cessford Oil Property. The sales of these properties resulted in gains on disposal, and, as a result, the Company recorded net income from its continuing operations as well as discontinued operations (represented by the Cessford Oil Property operations). Revenue from discontinued operations decreased as a result of the sale of the Cessford Oil Property. Revenue from continuing operations decreased as a result of the sale of the Company's investments in marketable securities during the quarter ended June 30, 2025.

Q2 of 2025

During the quarter ended June 30, 2025, the Company's operating results were mainly impacted by impairment charges on its exploration and evaluation assets and its property and equipment, which amounted to \$1,047,587 (of which \$137,684 was attributed to discontinued operations). Discontinued operations were affected by increased production expenses, which amounted to \$57,263, as compared to \$21,981 incurred during the quarter ended March 31, 2025.

Q1 of 2025

The operating results for the quarter ended March 31, 2025, increased as a result of the changes in management, which included a \$50,000 severance payment to the Company's former CFO for her services. Additionally, the Company's revenue from oil production declined by 44% compared to Q4 2024, mainly due to lower oil prices and reduced production volumes.

Q4 of 2024

During the quarter ended December 31, 2025, oil revenues declined by 15%, or \$8,496, compared to Q3, reflecting softer commodity prices late in the year. Costs related to the Sorel-Trois Rivières Gas Property increased due to higher legal activity. Operating costs included the annual insurance renewal for the Cessford Oil Property, while G&A expenses rose with AGM-related spending and audit fee accruals. The Company also recorded \$29,700 in stock-based compensation for option grants issued to new directors and an officer.

Q3 of 2024

Oil revenues remained relatively stable quarter-over-quarter, supported by consistent production levels. Expenditure on G&A and on the Sorel-Trois Rivières Gas Property remained fairly consistent.

Q2 of 2024

Oil revenues increased from Q1 as production levels improved. Sorel-Trois Rivières Gas Property expenditures continued to consist of legal costs associated with the ongoing claim. G&A expenses mainly reflected routine filing fees, transfer agency services, and property accretion.

Q1 of 2024

Oil revenues decreased from the prior quarter due to lower oil prices early in the year. Sorel-Trois Rivières Gas Property costs were driven by legal activity on the expropriation file. G&A expenditures included annual TSXV sustaining fees, transfer agency charges, and accretion related to the Cessford Oil Property.

EXPENDITURES FOR MINING PROPERTY AND QUEBEC OIL AND GAS INTERESTS

	Years ended December 31,	
	2025	2024
	\$	\$
Malartic Gold Property, Quebec	—	—
Sorel-Trois Rivières Gas Property, Quebec (licences revoked and expropriated by the Government of Quebec on August 23, 2022)	24,455	126,617
Expenditures	24,455	126,617

Refer to the Section on Overall Performance and Results of Operations for the years ended December 31, 2025 and 2024.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2025, the Company had cash and cash equivalents of \$701,533 (December 31, 2024 - \$1,499,432) and a working capital of \$690,725 (December 31, 2024 - \$3,957,295). The decrease in working capital from prior year was attributed to substantial decrease in cash and cash equivalents as funds were used for the Special Cash Distribution. In addition to cash and cash equivalents, current assets included \$9,403 (December 31, 2024 - \$7,784) in prepaid expenses and \$5,304 (December 31, 2024 - \$28,271) in accounts receivable.

The Company maintains a conservative approach to managing its operating expenditures and adheres to industry best practices to mitigate financial risk. Interest income from the Company's low-risk cash equivalents remained stable during the year ended December 31, 2025. However, in response to the Bank of Canada's monetary policy easing cycle, including reductions in benchmark interest rates to address moderating economic growth and inflationary pressures, the Company expects a decrease in interest income on its cash equivalents in future periods.

The Company's marketable securities previously consisted of investments in Canadian large-cap corporations, which were liquid and generated dividend income. While inflation has moderated, ongoing uncertainty in the global economic environment, including shifting trade policies, geopolitical tensions, and variable investor sentiment, has contributed to increased volatility in capital markets. In response, the Company rebalanced its investment portfolio during the year by reducing its exposure to marketable securities and reallocating funds to high-interest savings instruments. This strategy is intended to preserve capital, maintain liquidity, and provide more predictable returns in the current environment.

As such, during the year ended December 31, 2025, the Company sold all of its marketable securities for total cash proceeds of \$2,662,251, which was deposited into high-interest savings accounts.

The Company included the following in its capital as at December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
	\$	\$
Share capital	30,641,007	34,003,020
Contributed surplus	3,306,091	3,306,091
Accumulated deficit	(33,256,373)	(33,653,764)
Accumulated other comprehensive income	—	1,162,940
Total Shareholders' Equity	690,725	4,818,287

The Company's objectives when managing capital are to:

- (a) ensure that the Company maintains the level of capital necessary to meet the requirements of its exploration programs and current operating expenditures;
- (b) allow the Company to respond to changes in economic and/or marketplace conditions;
- (c) give shareholders sustained growth in shareholder value by increasing shareholders' equity; and
- (d) maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk.

The Company manages its capital structure and makes adjustments in light of variations in economic conditions and the risk characteristics of its underlying assets. The Company maintains or adjusts its capital level to enable it to meet its objectives by:

- (a) realizing proceeds from the disposition of its investments; and
- (b) raising capital through equity financings.

The Company is not subject to any capital requirements imposed by a regulator.

On September 4, 2025, the board of directors of the Company declared the Special Cash Distribution, further to the approval of the Company's shareholders on September 3, 2025. The Special Cash Distribution of \$0.06 per common share, for a total amount of \$3,362,013, was paid on October 9, 2025, to holders of the Company's common shares of record at the close of business on October 2, 2025.

The Company's management is responsible for the management of capital. The Company expects that its current capital resources will be sufficient to discharge its liabilities for the ensuing twelve months.

MATERIAL ACCOUNTING POLICIES

The preparation of the Company's consolidated financial statements requires management to use accounting policies relevant to its industry and operations. The material accounting policies used are presented in Note 3 to the consolidated financial statements for the years ended December 31, 2025 and 2024.

In the process of applying the Company's accounting policies, management has to make:

- 1) estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. The estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results could differ from those estimates; and
- 2) critical judgments related to the economic recoverability of the Company's resource properties and the assumption that the Company will continue as a going concern.

SHARE CAPITAL

Authorized: Unlimited number of common shares with no par value;

The following table summarizes the outstanding share capital as of the date of the MD&A:

Type	Amount	Conditions
Common Shares	56,033,552	Issued and outstanding
Stock Options	200,000	Fully vested and exercisable into 200,000 Shares at \$0.10, expiring on November 23, 2028
Stock Options	600,000	Fully vested and exercisable into 600,000 Shares at \$0.10, expiring on October 19, 2029
	56,833,552	Total common shares outstanding (fully diluted)

COMMITMENTS

The Company was committed to certain royalty payments on the Cessford Oil Property. Upon the sale of the Cessford Oil Property on September 29, 2025, the Company has no obligations related to any assets.

RELATED PARTY TRANSACTIONS

During the year ended December 31, 2025, the Company incurred \$18,000 in consulting fees with Maria Au, the Company's former Secretary-Treasurer, CFO and director (December 31, 2024 - \$54,000). During the same period, the Company incurred a \$50,000 settlement fee on the resignation of Ms. Au from her positions as the Company's Secretary-Treasurer, CFO and director effective January 10, 2025.

During the year ended December 31, 2025, the Company incurred \$8,000 in consulting fees to the new CFO (December 31, 2024 - \$Nil).

Apart from the compensation reported above, the Company did not pay any other benefits to the directors and officers during the periods ended December 31, 2025 and 2024.

At December 31, 2025, the balance payable to related parties was \$Nil (December 31, 2024 - \$Nil).

OFF-BALANCE SHEET TRANSACTIONS

As at December 31, 2025 and to date, the Company does not have any off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

The Company has designated its cash and cash equivalents as fair value through profit or loss and marketable securities as available-for-sale, both of which are measured at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as financial liabilities measured at amortized cost.

The Company is exposed in varying degrees to a number of risks arising from financial instruments. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Board approves and monitors the risk management process.

The types of risk exposure and the way in which such exposures are managed are as follows:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if counterparty to a financial instrument fails to meet its payment obligations. The Company's exposure to credit risk includes cash and cash equivalents. The risk exposure is limited to their carrying amounts at the date of the financial position statement. Cash and cash equivalents are maintained with financial institutions. The risk is mitigated because the financial institutions are major institutions with high credit ratings. Cash and cash equivalents include highly liquid money market instruments with original maturities of three months or less. These instruments are readily convertible to known amounts of cash and are subject to an insignificant risk in change of value. As at December 31, 2025, the Company held a total of \$701,533 in cash and cash equivalents.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by actively forecasting, planning, reviewing and monitoring expenditures and commitments and anticipated financial requirements. Cash and cash equivalents on hand at December 31, 2025, and to date are expected to be sufficient to fund the Company's ongoing operational needs for the next 12 months. As at December 31, 2025, the accounts payable were due between 30 and 60 days.

(c) Market risk

Market risk is the risk that changes in market prices, such as natural gas and mineral prices, foreign exchange rates and interest rates will affect the Company's income. The object of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

(d) Commodity risk

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals and oil and gas prices. The Company does not use derivative financial instruments to reduce its exposure to commodity price risk. As at December 31, 2025, the Company does not own any resource properties.

(e) Currency risk

The Company is not exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates only in Canada and all of its expenses are incurred in Canadian dollars.

(f) Interest rate risk

The Company is not exposed to significant interest rate risks since all of its financial instruments can be quickly turned into cash, thus avoiding additional risks.

DISCLOSURE CONTROL AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

In accordance with National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, the Company has filed Venture Issuer Basic Certificates for the year ended December 31, 2025. Unlike the certificates required for non-venture issuers, the Company's certificates do not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR").

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations made in the certificates. There were no changes in the Company's ICFR during the year ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.