

REX RESOURCES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FOURTH QUARTER ENDED SEPTEMBER 30, 2025

(All amounts expressed in Canadian dollars, unless otherwise stated)

This Management Discussion and Analysis ("MD&A") provides a detailed analysis of the business of Rex Resources Corp. (the "Company") and describes its financial fourth quarter ended September 30, 2025. The MD&A should be read in conjunction with the audited consolidated financial statements for the year ended September 30, 2025, and related notes and accounting policies for the same year end. The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in the Canadian dollar. This MD&A is current as at January 29, 2026.

Management's Responsibility

The Company's management is responsible for the preparation and presentation of the consolidated financial statements and the MD&A. The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. This MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

Forward-Looking Statements

This MD&A may contain forward-looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to the proposed transaction with Bathurst Holdings Inc., future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the *forward-looking information*.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, which are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain drilling rigs, personnel and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; failure to maintain or obtain all necessary government permits, approvals and authorizations; failure to maintain community acceptance (including First Nations); increase in costs; litigation; failure of counterparties to perform their contractual obligations; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under "Risks and Uncertainties" as well as in our public filings available at www.sedarplus.ca. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our

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expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

BACKGROUND

The Company is an exploration stage company engaged in the acquisition and exploration of mineral properties. The Company is currently focusing its exploration activities on precious metals in the Alberni Mining Division of British Columbia, Canada. The Company is a British Columbia company. Its primary business objective is to successfully earn into its key mineral project, and locate and develop this key project into an economically viable mineral property. The Company is primarily a junior exploration company with no revenues from mineral producing operations. The recoverability of amounts shown for the mineral properties and related deferred exploration expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration of the property, and upon future profitable production. See "Proposed Transactions" regarding Bathurst Holdings Inc.

The Company's continuation as a going concern is dependent upon results from its mineral property exploration activities, its ability to attain profitable operations, generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations and ongoing operating losses. The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, tariffs, inflation rates, changes in laws, and national and international circumstances. Geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business. These uncertainties may cast a significant doubt on the ability of the Company to continue operations as a going concern. There has been no material disruption to the Company's current operations to date. The Company's current focus is on its project located in British Columbia, Canada and as a result, access to the property is not prohibited. The Company may consider acquisitions of other properties in foreign or domestic jurisdictions in the future.

MINERAL PROPERTIES**Mactush Option**

On May 20, 2024, and amended on November 19, 2024, the Company entered into a property option agreement to purchase 100% undivided interest in and to eight (8) mineral claims located in the Alberni Mining Division of British Columbia ("Mactush Option").

To exercise the option, the Company must make a series of payments totalling \$300,000 as follows:

- 1- \$20,000 payable within 2 business days upon the final bulletin of the TSX Venture Exchange which was on June 27, 2024 (paid);
- 2- \$20,000 payable on or before November 20, 2024 (paid);
- 3- \$60,000 payable on or before February 20, 2025 (not paid);
- 4- \$100,000 payable on or before May 20, 2025 (not paid), and
- 5- \$100,000 payable on or before May 20, 2026.

In addition, the Company must issue shares to the optionors as follows:

- 1- 833,333 common shares upon the final bulletin of the TSX Venture Exchange (issued);
- 2- \$75,000 worth of common shares on or before May 20, 2025 (not issued); and
- 3- \$100,000 worth of common shares on or before May 20, 2026;

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In the event that the Company wishes to accelerate the option exercise within 12 months following the date of the Mactush Option, the final cash payment and the final issuance of Common Shares will be subject to reductions of \$25,000 and \$50,000, respectively.

Upon the exercise of the Mactush Option, the property will be subject to a 2% net smelter returns royalty in favour of the optionors, one-half (or 1%) of which the Company has the option to purchase at any time for \$250,000. The Mactush Option is subject to an arm's length finders fee of \$18,000 (paid).

As at September 30, 2025, the Company has decided not to move forward with this project curtailed, and all capitalized costs have been impaired.

Rex Property

On June 19, 2023, the Company closed an acquisition transaction to acquire for all the issued and outstanding shares 1414447 B.C. Ltd., an arm's length private B.C. company that holds an undivided 100% interest eight contiguous mineral claims totalling approximately 1,562 hectares located near Port Alberni, British Columbia, generally known as the Rex Property. The Company acquired 1414447 B.C. Ltd. for the sole purpose of acquiring the Rex Property. The Company is currently awaiting drill permits as of the date of this document.

LIQUIDITY AND CAPITAL RESOURCES

In management's view, given the nature of the Company's operations, which consist of exploration and evaluation of a mining property, the most relevant financial information relates primarily to current liquidity, solvency and planned property expenditures. The Company's financial success will be dependent upon the extent to which it can successfully exercise its option, discover mineralization and the economic viability of developing its properties.

Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond the Company's control, including the market value of the metals to be produced. The Company does not expect to receive significant income from any of its properties in the foreseeable future.

On June 4, 2025, the Company completed a three to one share consolidation to optimize its capital structure. All share and per share information in this MD&A, including references to the number of common shares, warrants, options, prices of issued shares, exercise prices of warrants and options, and loss per share, have been adjusted retrospectively to reflect the impact of the share consolidation.

On October 31, 2024, the Company closed a private placement through the issuance of 633,333 units at a price of \$0.30 for gross proceeds of \$190,000. Each unit consisted of one common share and one-half share purchase warrants. The attached warrants have a two year expiry and have an exercise price of \$0.60 per share.

On January 10, 2025, the Company closed a private placement through the issuance of 166,667 flow-through common shares at a price of \$0.30 per flow-through share for gross proceeds of \$50,000.

On December 12, 2025, the Company completed a non-brokered private placement financing consisting of 10,000,000 common shares issued at a price of \$0.06 per share for aggregate gross proceeds of \$600,000. The financing was completed as

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a bridge financing in connection with a proposed arm's length business combination with Bathurst Holdings Inc., which is expected to constitute a reverse takeover under the policies of the TSX Venture Exchange.

As at September 30, 2025, the Company had working capital deficiency of \$272,293 including cash of \$12,185.

The Company's expected cash resources are not sufficient to meet its working capital and mineral property requirements for the next year since the Company has no source of revenue; therefore management will continue to seek new sources of capital to maintain its operations and to further the development and acquisition of its mineral properties.

The consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

OUTSTANDING SHARE DATA

The following share capital as of date of this document is:

	Balance
Shares issued and outstanding	18,173,965
Warrants	1,175,000
Options	466,667

RESULTS OF OPERATION**For the three and twelve months ended September 30, 2025**

The Company incurred a net loss of \$412,013 and \$549,060 for the three and twelve months ended September 30, 2025, compared to a net loss of \$86,463 and \$331,421 for the comparable periods. The increase in net loss for the three and twelve months period can be attributed to recognition of impairment expense in the current period of the Mactush Property offset by the decrease in stock-based compensation and non-recurrence of property investigation costs recovery which occurred in the prior comparative period.

SELECTED QUARTERLY INFORMATION FOR MOST RECENT COMPLETED QUARTERS

	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
	\$	\$	\$	\$
Net loss	(412,013)	(26,504)	(51,326)	(59,217)
Basic loss per share	(0.05)	(0.00)	(0.00)	(0.00)
Diluted loss per share	(0.05)	(0.00)	(0.00)	(0.00)

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
	\$	\$	\$	\$

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Net loss	(86,463)	(145,776)	(53,727)	(45,455)
Basic loss per share	(0.00)	(0.01)	(0.00)	(0.00)
Diluted loss per share	(0.00)	(0.01)	(0.00)	(0.00)

SELECTED ANNUAL INFORMATION FOR MOST RECENT COMPLETED YEARS

	For the year ended September 30, 2025 \$	For the year ended September 30, 2024 \$	For the year ended September 30, 2023 \$
Consolidated Statements of Comprehensive Loss			
Net loss	(549,060)	(331,421)	(784,117)
Loss per share (basic and diluted)	(0.07)	(0.06)	(0.06)
Consolidated Statements of Financial Position			
Total resource properties	282,986	520,986	275,000
Total assets	310,036	551,275	322,395

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash, amounts receivable, promissory note, and accounts payable and accrued liabilities. The fair values of the Company's financial instruments are not materially different from their carrying values due to the short-term maturity nature of the financial instruments. The Company's cash are measured using level 1 inputs. There are no financial instruments measured using level 2 or 3 inputs.

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Management of Industry and Financial Risk

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and amounts receivable. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. Amounts receivable are due from the Canada Revenue Agency and a third party vendor which management believes there to be a low risk of default. The Company is not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company will require financing from lenders, shareholders and other investors to generate sufficient capital to meet its short term operating requirements. The Company's cash is held in corporate bank accounts available on demand. The Company's accounts payable and accrued liabilities are due within 90 days of September 30, 2025. Liquidity risk has been assessed as high.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Currency risk

The Company may be exposed to foreign currency risk on fluctuations related to cash, amounts receivable and accounts payable and accrued liabilities that are denominated in a foreign currency. As at September 30, 2025, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Price risk

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of components of shareholders' equity. There were no changes in the Company's approach to capital management during the year. The Company will require

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financing from lenders, shareholders and other investors to generate sufficient capital to meet its short term operating requirements. The Company is not subject to any externally imposed capital requirements.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. The Company has identified its directors and officers as its key management personnel.

During the year ended September 30, 2025, \$60,000 (2024 - 60,000) was paid or accrued to the Chief Executive Officer for consulting fees. During the year ended September 30, 2025, \$12,944 (2024 - \$9,000) was paid or accrued to an independent director for consulting fees.

During the year ended September 30, 2025, the fair value of the stock-based compensation expense issued to related parties is \$Nil (2024 - \$72,333).

On March 28, 2025, the Chief Executive Officer, indirectly through a private company under his control, loaned \$4,000 as a promissory note to the Company. The promissory note bears an annual interest rate of 15%, is unsecured, and due on demand. As of September 30, 2025, the Company accrued \$300 of interest on this loan.

In addition to the promissory note, the Company owes \$88,335 (2024- \$25,785) to related parties as at September 30, 2025. The amounts due to related parties are included in accounts payable and accrued liabilities, unsecured, non-interest bearing and payable on demand.

Off-Balance Sheet Transactions

The Company has not entered into any significant off-balance sheet arrangements or commitments.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses.

The use of estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. There were no critical accounting estimates used during year ended September 30, 2025.

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BASIS OF MEASUREMENT

These consolidated financial statements have been prepared on a historical cost basis and except for cash flow information, using the accrual basis of accounting.

PROPOSED TRANSACTIONS

Subsequent to year-end, on January 14, 2026, the Company entered into a definitive acquisition agreement with Bathurst Holdings Inc. ("BHI") and a wholly-owned subsidiary of the Company incorporated for the purposes of the transaction, pursuant to which the Company proposes to complete a reverse takeover transaction ("RTO") in accordance with TSX Venture Exchange Policy 5.2 – Changes of Business and Reverse Takeovers.

The transaction is structured as a three-cornered amalgamation under the Business Corporations Act (Ontario), whereby the Company will acquire all of the issued and outstanding common shares of BHI. Upon completion of the transaction, the former shareholders of BHI are expected to receive an aggregate of 25,000,000 common shares of the Company, resulting in BHI shareholders obtaining control of the Company and the Company becoming the resulting issuer for TSXV reporting purposes.

Following completion of the RTO, the Company is expected to carry on the business of BHI, which is primarily focused on the exploration and development of mineral properties in New Brunswick, including the Stratmat and Halfmile projects. These projects will be subject to a 2% net smelter returns royalty, with an option to repurchase 50% of the royalty for \$1 million for a period of five years following closing.

In connection with the RTO, BHI expects to complete a concurrent private placement financing of subscription receipts at a price of \$0.25 per subscription receipt, for minimum gross proceeds of \$2.5 million and maximum gross proceeds of \$3.5 million. Each subscription receipt is expected to convert into one common share of the resulting issuer upon satisfaction of certain escrow release conditions, including TSXV conditional approval and satisfaction of all conditions precedent to the RTO.

Completion of the RTO is subject to a number of conditions precedent, including, but not limited to:

- (i) receipt of all required regulatory and TSXV approvals;
- (ii) completion of the concurrent financing;
- (iii) completion of audited financial statements of BHI;
- (iv) completion of a National Instrument 43-101 technical report in respect of BHI's mineral projects;
- (v) completion of BHI's acquisition of the Stratmat and Halfmile projects; and
- (vi) satisfaction of other customary closing conditions.

As at the date of the approval of these financial statements by the Board of Directors, the RTO transaction has not yet closed, and there can be no assurance that the transaction will be completed on the terms described above, or at all.

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RISK AND UNCERTAINTIES

The Company is in the mineral exploration and development business and, as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

- a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. The recovery of the Company's investment in exploration and evaluation assets and the attainment of profitable operations are dependent upon the discovery and development of economic ore reserves and the ability to arrange sufficient financing to bring the ore reserves into production.
- b) The most likely sources of future funds for further acquisitions and exploration programs undertaken by the Company are the sale of equity capital and the offering by the Company of an interest in its properties to be earned by another interested party carrying out further exploration or development. If such exploration programs are successful, the development of economic ore bodies and commencement of commercial production may require future equity financings by the Company, which are likely to result in substantial dilution to the holdings of existing shareholders.
- c) The Company's capital resources are largely determined by the strength of the resource markets and the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.
- d) The prices of metals greatly affect the value and potential value of its exploration and evaluation assets. This, in turn, greatly affects its ability to raise equity capital, negotiate option agreements and form joint ventures.
- e) The Company must comply with health, safety, and environmental regulations governing air and water quality and land disturbances and provide for mine reclamation and closure costs. The Company's permission to operate could be withdrawn temporarily where there is evidence of serious breaches of such regulations, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations.
- f) The operations of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue exploration and development activities in the future.
- g) Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. Such assets may be subject to prior agreements or transfers and title may be affected by such undetected defects.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in any forward-looking statement. The development and exploration activities of the Company are subject to various laws governing exploration, development, and labour standards which may affect the operations of the Company as these laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such

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standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are, or were conducted.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The information provided in this report is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.