

**TRACTION URANIUM CORP.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE THREE MONTHS ENDED DECEMBER 31, 2025**

## ***Management's Discussion and Analysis***

### **For the Three Months Ended December 31, 2025, Prepared and Approved as of March 2, 2026**

The following management's discussion and analysis ("MD&A") has been prepared by management. The following discussion of performance, financial condition and future prospects should be read in conjunction with the unaudited condensed interim financial statements for the three months ended December 31, 2025 and 2024 of Traction Uranium Corp. ("Traction" or the "Company") and notes thereto (together, the "financial statements"). The information provided herein supplements but does not form part of the financial statements. This discussion covers the three months ended December 31, 2025 and the subsequent period up to the date of issue of this MD&A. Unless otherwise noted, all dollar amounts are stated in Canadian dollars.

Additional information on the Company can be found on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

The Company's unaudited condensed interim financial statements for the three months ended December 31, 2025 have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting using accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The Company's management is responsible for the preparation of the Company's financial statements as well as other information contained within this MD&A.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This MD&A is intended to help the reader understand Traction, its operations, financial performance, current and future business environment and opportunities and risks facing the Company. Certain statements in this report incorporate forward looking information and readers are advised to review the cautionary note regarding such statements in "Cautionary Note Regarding Forward-Looking Statements" of this MD&A.

### **Description of Business and Overview**

Traction Uranium Corp. was incorporated under the *BC Business Corporations Act* as "Traction Exploration Inc." on July 20, 2020. On November 4, 2021, the Company changed its name to "Traction Uranium Corp." to highlight the Company's intention to focus on the acquisition, exploration and evaluation of uranium mining opportunities. The principal business of the Company is the acquisition, exploration and evaluation of resource properties. On September 1, 2021, the Company's common shares began trading on the Canadian Securities Exchange under the symbol "TRAC".

The Company has not commenced commercial operations. At present, the Company has no current operating income. Without additional financing, the Company may not be able to fund its ongoing operations and complete its development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

### **General Development of the Business**

On December 1, 2025, Jared Suchan was appointed as a Director and Chief Executive Officer of the Company, following the resignation of Paul Gorman from his roles as Director and Chief Executive Officer.

On January 16, 2026, the Company completed a non-brokered private placement of unsecured convertible debentures for aggregate gross proceeds of \$500,000. The convertible debentures were issued in principal amounts of \$1,000, mature 12 months from the date of issuance, and bear interest at a rate of 10% per annum, calculated quarterly in arrears and payable on the maturity date. The convertible debentures are convertible, at the holder's option, into units at the most recent CSE closing share price prior to conversion, subject to a minimum price of \$0.05. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at 110% of the conversion price for a period of 24 months.

On February 10, 2026, the Company entered into an option agreement with Cosa Resources Corp. ("Cosa"), under which it has the right to earn up to an 80% interest in Cosa's Aurora uranium project (the "Project" or "Aurora") in Northern Saskatchewan. The Company may earn up to the 80% interest by solely funding exploration work and completing a series of cash and share payments over five earn-in phases. The Company may accelerate the earn-in and advance the exploration work plan at its discretion. If The Company terminates the Agreement prior to completion of Phases 1 and 2, all consideration paid will be forfeited and Cosa's interest will revert to 100%. During the earn-in period, Cosa will act as operator and will be entitled to charge an operator fee. Upon completion of the Phase 4 earn-in requirements (65% interest), The Company will have the option to assume operatorship of the Project. Any The Company shares issued to Cosa as part of an option exercise payment will be subject to a statutory hold period of four months and one day from the date of issuance, pursuant to Canadian securities laws.

During the three months ended December 31, 2025, 676,542 warrants exercisable at \$2.00 expired unexercised.

### Exploration And Evaluation Assets and Expenses

Staking costs, property option payments and other costs associated with acquiring exploration and evaluation assets are capitalized and classified as exploration and evaluation assets. Other expenditures (i.e. geological and geographical surveys, analysis, mapping, etc.) are expensed as they are incurred.

The following table summarizes the Company's exploration and evaluation assets by property at December 31, 2025 and September 30, 2025.

	Hearty Bay	Grease River	Total
	\$	\$	\$
<b>Balance, September 30, 2024</b>	<b>2,768,559</b>	<b>159,375</b>	<b>2,927,934</b>
Acquisition costs (shares)	136,000	-	136,000
Impairment expense	-	(159,375)	(159,375)
<b>Balance, September 30, 2025 and December 31, 2025</b>	<b>2,904,559</b>	<b>-</b>	<b>2,904,559</b>

The Company did not have any exploration and evaluation expenses for the three months ended December 31, 2025 or for the three months ended December 31, 2024.

#### a) Hearty Bay Property

On October 30, 2021 the Company entered into an option agreement with F3 Uranium Corp. ("F3") whereby the Company will be granted the right to earn and acquire up to a 70% interest in the Hearty Bay property in Saskatchewan (together the "Hearty Bay Option Agreement"). During the year ended September 30, 2024, the Hearty Bay option agreement and royalty agreement were transferred from F3 to F4 Uranium Corp. by way of a plan of arrangement.

Pursuant to the Hearty Bay Option Agreement, the Company will acquire up to a 70% interest in the Hearty Bay property, in consideration for completing a series of cash payments, issuances of common shares and incurring exploration expenditures. The Hearty Bay Option Agreement was amended on February 28, 2023 and further amended on July 22, 2025, with the revised series of cash payments, issuances of common shares, and required exploration expenditures outlined in the following schedule:

Milestones	Cash Payments	Exploration Expenditures
<b>Phase 1: Acquire 50%</b>		
Seven days after effective date of Dec 9, 2021 (cash payment - met)	\$300,000	-

December 9, 2022 (cash payment and expenditures - met)	\$100,000	\$1,000,000
June 9, 2023 (cash payment - met)	\$100,000	-
December 31, 2024 (cash payment – met)	\$150,000	-
December 31, 2025 (not met)	-	\$2,000,000
<b>Phase 2: Acquire Additional 20% (Total 70%)</b>		
June 6, 2026	\$150,000	-
December 9, 2026	\$200,000	\$3,000,000

During the three months ended December 31, 2025, the Company paid \$nil (2024 - \$nil) in cash consideration.

F4 will retain a 2% net smelter royalty (“NSR”) on the property.

During the year ended September 30, 2025, the Company entered into a further amending agreement with F4. As consideration for the amendment, the Company issued 400,000 common shares to F4, with a fair value of \$136,000. The amendment extended the deadline to incur the remaining \$2,000,000 of exploration expenditures required to acquire the initial 50% option interest to December 31, 2025, and extended the deadlines to acquire the additional 20% to June 6, 2026 for the \$150,000 cash payment, December 9, 2026 for the \$200,000 cash payment, and December 9, 2026 for the \$3,000,000 additional exploration expenditures.

As at December 31, 2025, the Company continued to be in negotiations with F4 to extend the terms of the amended option agreement, and was not in default of any milestones required under the option agreement.

#### **b) Grease River**

On February 3, 2023, the Company entered into an option agreement with Forum Energy Metals Corp. (“Forum”), whereby the Company will be granted the right to earn and acquire up to a 100% interest in the Grease River Property in Saskatchewan (together, the “Grease River Option Agreement”).

Pursuant to the Grease River Option Agreement, the Company would acquire up to a 100% interest in the Grease River property, in consideration for completing a series of cash payments, issuance of common shares and incurring exploration expenditures.

During the year ended September 30, 2025, the Company terminated the Grease River option agreement. Accordingly, the Company wrote-off the acquisition cost of \$159,375 through the statement of loss and comprehensive loss.

#### **Trends**

There are significant uncertainties regarding the prices of precious and base metals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the prices of gold, silver and other minerals have fluctuated widely in recent years and wide fluctuations may continue. Management is not aware of any trends, commitments, events or uncertainties that could reasonably be expected to have a material adverse effect on the Company’s business, financial condition or results of operations.

## Financial Results of Operations

### Selected Financial Information

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:

	December 31, 2025	September 30, 2025	September 30, 2024
Total revenue	\$Nil	\$Nil	\$Nil
Net loss	\$57,476	\$1,709,275	\$3,049,896
Loss per common share, basic and diluted	\$(0.01)	\$(0.18)	\$(0.34)
Total assets	\$3,476,34	\$3,567,850	\$3,826,320
Long-term debt	\$891,835	\$891,835	\$Nil
Dividends paid/payable	\$Nil	\$Nil	\$Nil

### Quarterly Financial Results

	Quarter Ended December 31, 2025	Quarter Ended September 30, 2025	Quarter Ended June 30, 2025	Quarter Ended March 31, 2025	Quarter Ended December 31, 2024	Quarter Ended September 30, 2024	Quarter Ended June 30, 2024	Quarter Ended March 31, 2024
Cash	\$375,401	\$466,646	\$472,070	\$482,407	\$614,796	\$722,647	\$596,308	\$813,853
Total assets	\$3,476,134	\$3,567,850	\$3,434,560	\$3,440,898	\$3,719,282	\$3,826,320	\$3,874,220	\$4,090,306
Shares outstanding	10,949,093	10,949,093	9,260,912	9,260,912	9,260,912	9,260,912	9,055,913	9,025,913
Net loss	\$57,476	\$1,215,793	\$125,863	\$296,088	\$71,531	\$81,165	\$261,544	\$1,376,052
Loss per common share (basic and diluted)	\$(0.01)	\$(0.13)	\$(0.01)	\$(0.03)	\$(0.01)	\$(0.01)	\$(0.03)	\$(0.15)

The decrease in cash for the quarter ended December 31, 2025 was primarily due to payments of \$50,773 related to the Company's outstanding professional fees, combined with payments of \$10,748 and \$6,194 related to the Company's filing fees as the Company looks to manage its remaining cash. The net loss for the quarter ended December 31, 2025 was primarily due to consulting fees of \$45,000 related to the Company's key management personnel.

The decrease in cash for the quarter ended September, 30, 2025 was primarily due to payments of \$2,756 related to the Company's exchange fees and \$2,559 for corporate secretarial services as the Company looks to manage its remaining cash. The net loss for the quarter ended September 30, 2025 was largely due to the Part XII.6 tax of \$225,650, arising from the Company's short-fall in meetings its committed flow-through expenditure requirements, as well as an indemnity provision of \$891,835 related to the potential reimbursement of investors for lost tax benefits arising from unmet flow-through expenditure commitments.

The decrease in cash for the quarter ended June 30, 2025 was primarily a result of filing fees of \$3,993, and office and miscellaneous fees of \$6,055 paid during the quarter. The net loss for the quarter ended June 30, 2025 was largely due to consulting fees of \$105,000 incurred related to the Company's key management personnel combined with \$10,815 of professional fees related to legal and accounting costs.

The decrease in cash for the quarter ended March 31, 2025 was primarily a result of consulting fees of \$37,500 incurred related to the Company's key management personnel, combined with filing fees of \$27,608 and flow-through tax of \$50,000. The net loss for the quarter ended March 31, 2025 was largely due to the same factors impacting the decrease in cash.

The decrease in cash for the quarter ended December 31, 2024 was primarily a result of consulting fees of \$52,125 incurred related to the Company's key management personnel. The net loss for the quarter ended December 31, 2024 was largely due to the same consulting fees, along with filing fees of \$7,283, office and miscellaneous costs of \$8,883, and professional fees of \$3,240.

The increase in cash for the quarter ended September 30, 2024, was primarily a result of a \$339,026 return of cash call deposits related to the Hearty Bay property. This increase was partially offset by consulting fees of \$72,000 and exploration

and evaluation expense of \$121,816. The net loss for the quarter ended September 30, 2024 was largely driven by the consulting fees and exploration and evaluation expense noted above, as well as filing fees of \$14,243, office and miscellaneous costs of \$11,799, and professional fees of \$36,307, partially offset by the reversal of share-based compensation costs of \$175,000.

The decrease in cash for the quarter ended June 30, 2024 was primarily a result of exploration and evaluation expenses of \$174,594, along with \$71,750 of consulting expenses. The net loss for the quarter ended June 30, 2024 was largely due to the same factors.

The decrease in cash for the quarter ended March 31, 2024 was primarily a result of the purchase of exploration and evaluation assets for \$50,000, coupled with exploration and evaluation expenses of \$1,171,721. The net loss for the quarter ended March 31, 2024 was primarily a result of the exploration and evaluation expenses noted above, as well as consulting fees of \$87,000, filing fees of \$32,329, and flow-through taxes paid for \$64,019.

The increase in cash for the quarter ended December 31, 2023 was primarily a result of the completion of two non-brokered private placements for proceeds of \$1,031,274 net of share issuance costs. In addition, proceeds on warrant exercises completed during the previous quarter of \$250,000 were received, offset by the acquisition cost paid to F3 Uranium Corp. for the Hearty Bay property of \$150,000 and exploration and evaluation expense of \$490,512. The net loss for the quarter ended December 31, 2023 was mainly a result of exploration and evaluation expenses outlined above, as well as share-based compensation expense of \$490,000 related to the issuance of restricted share units that were granted to certain directors, officers and consultants of the Company in December 2023 and impairment recognized on Key Lake South property of \$150,000.

## **Results of Operations**

### **Three months ended December 31, 2025 and 2024**

The Company incurred a net loss of \$57,476 for the three months ended December 31, 2025 compared to a net loss of \$71,531 for the comparable period in 2024. The loss in 2025 is primarily attributable to consulting fees of \$45,000 related to the Company's key management personnel. The loss in 2024 is also primarily related to consulting fees related to the Company's key management personnel.

For the three months ended December 31, 2025, the Company incurred consulting fees of \$45,000 (2024 - \$52,125). The decrease was mainly due to the Company's CEO role being filled as of January 1, 2026.

For the three months ended December 31, 2025, the Company incurred \$nil exploration and evaluation expenditures (2024 - \$nil). No exploration and evaluation expenditures were incurred as management has ceased exploration activities at Hearty Bay as it evaluates future opportunities.

For the three months ended December 31, 2025, the Company incurred transfer agent and filing fees of \$3,496 (2024 - \$7,283). Transfer agent and filing fees decreased due to reduced corporate activities.

For the three months ended December 31, 2025, the Company incurred office and miscellaneous costs of \$5,375 compared to \$8,883 for the comparable period in 2024. The decrease in costs were primarily due to the overall reduction in corporate activities.

For the three months ended December 31, 2025, the Company incurred professional fees of \$3,605 compared to \$3,240 for the comparable period in 2024. The costs remained relatively consistent period over period.

## Liquidity and Capital Resources

As the Company is in the exploration phase, it does not receive nor does it anticipate receiving any revenue in the next fiscal year. The Company's mineral interests do not currently generate cash flow from operations.

During the quarter ended December 31, 2025, the Company's cash and cash equivalents decreased by \$91,235 from \$476,636 at September 30, 2025.

Cash used in operating activities amounted to \$91,235 (2024 - \$107,851) resulting from a smaller net loss of \$57,476 in 2025 compared to \$71,531 in 2024.

The Company did not use cash in investing activities during the three months ended December 31, 2025 and December 31, 2024.

The Company did not receive or use cash in any financing activities during the three months ended December 31, 2025 and December 31, 2024.

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

At December 31, 2025, the Company had working capital of \$115,321 (September 30, 2025 –\$172,797) which included cash of \$375,401 (September 30, 2025 - \$466,636) available to meet current liabilities of \$456,254 (September 30, 2025 - \$490,494). The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

At December 31, 2025, the Company had not advanced its exploration and evaluation properties to commercial production. The Company's continuation as a going concern is dependent upon the successful results from exploration activities on its mineral properties and its ability to attain profitable operations and generate cash from its operations in the foreseeable future.

(1) Non-GAAP Financial Measure:

The Company uses "working capital" to assess liquidity and general financial strength and is calculated as current assets less current liabilities. Working capital does not have any standardized meaning prescribed by IFRS and is referred to as a "Non-GAAP Financial Measure." It is unlikely for Non-GAAP Financial Measures to be comparable to similar measures presented by other companies. Working capital is calculated as current assets, less current liabilities.

## Newly adopted accounting policies and accounting standards issued but not yet effective

The Company did not adopt any new accounting policies or accounting standards during the three months ended December 31, 2025.

### ***Future accounting pronouncements***

The following are the standards, amendments, and interpretations that the Company expects may be applicable at a future date and, if so, intends to adopt when they become effective. Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

### ***IFRS 18 – Presentation and Disclosure in Financial Statements***

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its financial statements.

## Subsequent Events

Subsequent to year end, the Company completed a non-brokered private placement of unsecured convertible debentures for aggregate gross proceeds of \$500,000. The convertible debentures were issued in principal amounts of \$1,000, mature 12 months from the date of issuance, and bear interest at a rate of 10% per annum, calculated quarterly in arrears and payable on the maturity date. The convertible debentures are convertible, at the holder's option, into units at the most recent CSE closing share price prior to conversion, subject to a minimum price of \$0.05. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at 110% of the conversion price for a period of 24 months.

On February 10, 2026, the Company entered into an option agreement with Cosa Resources Corp. ("Cosa"), under which it has the right to earn up to an 80% interest in Cosa's Aurora uranium project (the "Project" or "Aurora") in Northern Saskatchewan. The Company may earn up to the 80% interest by solely funding exploration work and completing a series of cash and share payments over five earn-in phases. The Company may accelerate the earn-in and advance the exploration work plan at its discretion. If The Company terminates the Agreement prior to completion of Phases 1 and 2, all consideration paid will be forfeited and Cosa's interest will revert to 100%. During the earn-in period, Cosa will act as operator and will be entitled to charge an operator fee. Upon completion of the Phase 4 earn-in requirements (65% interest), The Company will have the option to assume operatorship of the Project. Any The Company shares issued to Cosa as part of an option exercise payment will be subject to a statutory hold period of four months and one day from the date of issuance, pursuant to Canadian securities laws.

## Outstanding Share Data

As at the date of this report, the Company had 10,949,093 issued and outstanding common shares, 70,000 options, nil RSUs and 1,288,181 share purchase warrants outstanding.

## Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

## Proposed Transactions

There are no proposed transactions as of the date of this MD&A.

## Transactions with Related Parties

Key management are those personnel having the authority and responsibility for planning, directing, and controlling the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

The aggregate value of transactions relating to key management personnel during the three months ended December 31, 2025 and 2024 were as follows:

	2025	2024
	\$	\$
Consulting fees – former CEO	-	15,000
Consulting fees – CFO	22,500	22,500
<b>Total</b>	<b>22,500</b>	<b>37,500</b>

As at December 31, 2025, \$31,500 (2025 - \$51,975) was owing to key management personnel for fees and expenses incurred on behalf of the Company with these amounts all included in accounts payable and accrued liabilities. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

## Accounting Policies and Estimates

The Company's significant accounting policies are disclosed in Note 4 of the Company's audited financial statements for the year ended September 30, 2025.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

In preparing this MD&A, management has made significant assumptions regarding the circumstances and timing of the transactions contemplated therein, which could result in a material adjustment to the carrying amount of certain assets and liabilities if changes to the assumptions are made.

## Financial Instruments

The Company's financial instruments as at December 31, 2025 include cash, restricted cash, accounts receivables, prepaid expenses and accounts payable and accrued liabilities and PartXII.6 tax payable.

The Company's financial assets and financial liabilities are classified and measured as follows:

Financial instrument	Category
Cash / restricted cash	Amortized cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Part XII.6 tax payable	Amortized cost

The carrying values of financial assets and liabilities approximate their fair values due to the short-term maturity of these financial instruments.

## RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

### (a) Credit risk

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk on its \$375,401 in cash (September 30, 2025 - \$466,636) and \$10,000 (2024 - \$10,000) in restricted cash is low as the Company's cash is held with major Canadian financial institutions. As at December 31, 2025, the full balance of the accounts receivable relates to GST receivable from the Canadian Revenue Agency.

(b) Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2025, the Company has working capital of \$115,321 (September 30, 2025 – \$172,797) and long-term liability, consisting of a provision of indemnity. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company intends to seek additional financing to better manage its liquidity risk to ensure it will have sufficient liquidity to meet its current and future liabilities. All of the Company's accounts payable and accrued liabilities are due within 90 days of period end.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

(d) Currency Risk

The operating results and financial position of the Company are reported in Canadian dollars. The Company has limited exposure to these risks. The Company does not engage in any form of derivative or hedging instruments.

### **Additional Risks Related to the Company's Business**

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavors, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

#### *History of losses*

The Company has incurred losses in the period from incorporation on July 13, 2021 to December 31, 2025. The Company may not be able to achieve or maintain profitability and will continue to incur significant losses in the future.

#### *Dependence on suppliers and skilled labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

#### *Management of growth*

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its human capital base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

#### *Internal controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian

securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's shares.

#### *Liquidity*

The Company cannot predict at what prices the Company's securities will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

#### *Litigation*

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Company's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Company resources.

#### *Privacy*

The Company and its employees and consultants have access, in the course of their duties, to personal information of clients of the Company. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future clients whether or not such a breach of privacy were to have occurred as a result of the Company's employees or arm's length third parties. If a client's privacy is violated, or if the Company is found to have violated any law or regulation, it could be liable for damages or for criminal fines and/or penalties.

## **Management's Responsibility for Financial Statements**

The information provided in this report, including the financial statements 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 judgements and have been properly reflected in the accompanying financial statements.

## **Cautionary Note Regarding Forward-Looking Statements**

This MD&A contains "forward-looking statements". Forward-looking statements reflect the Company's current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions, including those discussed elsewhere in this MD&A. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as "intends", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "anticipates" or "does not anticipate", or "believes", or various of such words and phrases or state certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements to differ. Such factors include, among others, risks related to actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in minerals resources, grade or recovery rates, accidents, labour disputes, title disputes and other risks of the mining industry, fluctuation of currency exchange rates, delays in obtaining, or inability to obtain, required governmental approvals or financing or in the completion of development or construction activities, claims limitations on insurance coverage, as well as other factors discussed under "Risk Factors". Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained in this MD&A are made as of the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual

results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligations to update forward-looking statements, except as required by applicable law.