

**CARBONTECH CAPITAL CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

April 29, 2026

The following management discussion and analysis ("MD&A") of the results of the operations and financial position of Carbontech Capital Corp. (the "Company") provides a summary of the financial results for the year ended December 31, 2025. This MD&A should be read in conjunction with the Company's audited financial statements and the accompanying notes thereto for the year ended December 31, 2025. The financial statements for the year ended December 31, 2025 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). Unless otherwise stated, all dollar amounts referred to in this MD&A, including tabular amounts, are expressed in Canadian dollars.

Cautionary Statement Regarding Forward-Looking Information

Certain statements contained in this MD&A constitute forward-looking information and forward-looking statements within the meaning of securities laws ("FLI"). In some cases, FLI can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Examples of such statements include, but are not limited to, the Company's anticipated business strategy and outlook and the Company's ability to complete future acquisitions, including the Transaction, and financings including the Concurrent Financing.

FLI is also subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what the Company currently expects. These factors include the ability of the Company to complete future acquisitions and the ability of the Company to obtain necessary financing.

More information on these risks and uncertainties is set forth in the Prospectus (as hereinafter defined) which is available under the Company's profile on SEDAR+ at www.sedarplus.ca. FLI contained in this MD&A is based on the Company's current estimates, expectations and projections, which the Company believes are reasonable as of the current date. Readers should not place undue importance on FLI and should not rely upon this information as of any other date. While the Company may elect to, it is under no obligation and does not undertake to update this information at any particular time except as may be required by applicable securities laws.

Company Overview

CarbonTech Capital Corp. (the "Company") was incorporated on July 15, 2021, by Certificate of Incorporation Company issued pursuant to the provisions of the Business Corporations Act (Ontario) under the name "CarbonTech Capital Corp.". The Company is a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal undertaking of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules.

On June 9, 2022, the Company completed its initial public offering (the “IPO”) under the Exchange rules and the final prospectus of the Company dated April 7, 2022, pursuant to which it issued an aggregate of 5,000,000 Common Shares at a price of \$0.10 per share for total proceeds of \$500,000 (before transaction costs). The Common Shares began trading on the Exchange on June 9, 2022 under the symbol “CT.P”. As at the closing of the Offering, the Company has 17,308,439 common shares issued and outstanding (12,308,439 of which are subject to escrow restrictions).

The registered office of the Company is located at 77 King Street West, Suite 400, Toronto, Ontario, M5K 0A1. The head office of the Company is located at 161 Bay Street, 27th Floor, Toronto, Ontario M5J 2S1.

Summary of selected financial information

Year ended December 31,	2025	2024
Statement of Financial Position	(\$)	(\$)
Total Assets	339,365	380,023
Total Liabilities	78,315	77,103
Shareholders' Equity	261,050	302,920
Total Liabilities and shareholders' equity	339,365	380,023
Statement of Loss and Comprehensive Loss		
Expenses	41,870	240,073
Net loss and comprehensive loss	(41,870)	(240,073)

The decrease in the total value of assets of the Company was mainly due to payments of general and administrative expenses for the current period.

The increase of total liabilities of the Company was mainly due to the accruals for professional services for prior period and current period.

Results of Operations

For the year ended December 31, 2025

The Company recorded a net loss of \$41,870. The expenses primarily reflect the current year professional services and accruals.

Quarterly financial information

	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Expenses	\$11,559	\$6,688	\$9,196	\$14,427	\$214,877	\$5,634	\$13,183	\$6,379
Net loss	(11,559)	(6,688)	(9,196)	(14,427)	(214,877)	(5,634)	(13,183)	(6,379)

Expenses were higher in 2024 mainly due to expensing the capitalized cost of prior qualifying transactions, including Happi Ventures and Capricorn Developments Ltd., which were terminated during 2024 or shortly thereafter.

Liquidity and Capital Resources

As at December 31, 2025, the Company had \$339,365 in cash as a result of net proceeds derived from the issuance of Common Shares and payment of professional fees incurred, current liabilities of \$78,315, and working capital of \$261,050.

	Year ended December 31, 2025 (\$)	Year ended December 31, 2024 (\$)
CASH FLOWS		
Operating activities	(40,658)	(65,287)
Increase (decrease) in cash	(40,658)	(65,287)
Cash – beginning of period	380,023	445,310
Cash – end of period	339,365	380,023

Cash flows used in operating activities are mainly due to payment of professional services.

Additional Disclosure for Venture Issuers without Significant Revenue

Since the Company has no revenue from operations, the following is a breakdown of the material costs incurred in the year ended December 31, 2025:

Material	Material Cost
Legal Fees	\$ 3,247
General and administrative	\$ 7,738
Professional services	\$ 30,885

Capital Structure

As of December 31, 2025, the Company had 17,308,439 Common Shares issued and Outstanding and 2,140,000 options to acquire Common Shares, of which 1,230,000 options have an exercise price of \$0.05 per Common Share and an expiry of November 1, 2026 and 910,000 have an exercise price of \$0.10 per Common Share and an expiry of June 9, 2027.

Material Accounting Policies and Accounting Estimates

Summaries of the material accounting policies and accounting estimates are set forth in Notes 3 to the financial statements for the year ended December 31, 2025.

In applying these policies, in certain cases it is necessary to use estimates, which management determines using information available to the Company at the time. Management reviews key estimates on a quarterly basis to determine their appropriateness and any change to these estimates is applied prospectively in compliance with IFRS. Material estimates are made with respect to the fair values of financial instruments.

Financial Instruments

The Company, as part of its operations, carries financial instruments consisting of cash and accounts payable and accruals. It is management's opinion that the Company is not exposed to material credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed. The applicable material accounting policies and recognition of financial assets and financial liabilities are discussed in-detail in Note 3 to the accompanying financial statements for the year ended December 31, 2025.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity Risk and Capital Availability Risk

The Company's approach to managing liquidity risk and capital availability risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company has no market risks.

Off-Balance Sheet Arrangements

As of December 31, 2025, the Company does not have any off-balance sheet arrangements.

Qualifying Transaction

On June 11, 2025, the Company entered into a non-binding letter of intent (the “LOI”) with Royal Queensway General Partner Inc. (“RQGP”), a corporation incorporated under the laws of Ontario. RQGP is the general partner of the Royal Queensway Limited Partnership, which has invested in three residential development projects in the Mimico neighbourhood of Toronto, Ontario.

The proposed transaction (the “Transaction”) contemplates the Company acquiring all of the issued and outstanding securities of RQGP for a purchase price of approximately \$400,000, to be satisfied by the issuance of units of the Company, each unit comprised of one common share and one common share purchase warrant. The units will be issued at the maximum discounted market price permitted under TSX Venture Exchange (“Exchange”) policies.

The Transaction is subject to the approval of the Exchange and is intended to constitute the Company’s Qualifying Transaction under Policy 2.4 – Capital Pool Companies. Upon completion of the Transaction, the Company, as the resulting issuer, will continue to list its common shares on the Exchange as a Tier 2 Investment Issuer.

The Transaction is considered a related party transaction as a director and officer of the Company is also a director and shareholder of one of the shareholders of RQGP.

As at December 31, 2025, the non-binding LOI remains in effect and the parties are in the process of negotiating a definitive agreement. Completion of the Transaction remains subject to customary conditions, including Exchange approval. No amounts have been recorded in these financial statements as the Transaction has not yet closed.

Risks and Uncertainties

The Company’s operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company’s operations and ability to finance its operations and a Qualifying Transaction.

The Company’s overall performance and results of operations are subject to a number of risks and uncertainties. Please refer to the risk factors outlined in the Prospectus available under the Company’s profile at www.sedarplus.ca.

Additional Information

Additional information relating to the Company is available under the Company’s profile on SEDAR+ at www.sedarplus.ca.