



MATADOR TECHNOLOGIES INC.

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
– QUARTERLY HIGHLIGHTS**

**FOR THE THREE MONTHS ENDED JANUARY 31, 2026
(EXPRESSED IN CANADIAN DOLLARS, UNLESS STATED OTHERWISE)**

Introduction

The following Interim Management's Discussion & Analysis ("Interim MD&A") of Matador Technologies Inc. and its subsidiaries ("Matador" or the "Company") for the three months ended January 31, 2026 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended October 31, 2025. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended October 31, 2025, and October 31, 2024, together with the notes thereto, and unaudited condensed interim financial statements for the three months ended January 31, 2026, together with the notes thereto.

Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

Accordingly, information contained herein is presented as of March 31, 2026, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), 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; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Unless otherwise stated, results are reported in Canadian dollars. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The results presented in the MD&A are not necessarily indicative of the results that may be expected for any future period.

Information about the Company and its operations can be obtained from the System for Electronic Documents Analysis and Retrieval ("SEDAR+") and is available for review under the Company's profile on the SEDAR+ website (www.sedarplus.com).

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

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Inherent in forward-looking statements are risks, uncertainties, and other factors beyond the Company's ability to predict or control. Please also refer to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether because of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly, or otherwise revise, any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

PART I – COMPANY AND HIGHLIGHTS

THE COMPANY

Matador Technologies Inc. (TSXV: MATA, OTCQB: MATAF, FSE: IU3) is a publicly listed, Bitcoin-first treasury company dedicated to bridging traditional finance with the emerging digital economy. The Company's core strategy centers on aggressively holding Bitcoin as its principal treasury reserve asset while building the infrastructure and products necessary to accelerate the adoption of the broader Bitcoin network. Matador aims to deliver outsized, long-term shareholder value through a combination of disciplined Bitcoin accumulation, innovation in Bitcoin-based technologies, and targeted investments in digital asset infrastructure— all while prioritizing capital efficiency.

A cornerstone of Matador's value creation model is the systematic expansion of its corporate treasury, driven by a stated corporate objective to accumulate 1,000 Bitcoin by the end of 2026. As of February 26, 2026, the Company holds approximately 175 Bitcoin and equivalents, representing 17.5% of its 1,000 Bitcoin target. To maximize its Bitcoin-per-share metrics, the Company employs strategic capital market initiatives and actively generates yield through sophisticated Bitcoin volatility strategies. Additionally, Matador maintains strategic international exposure through the option to subscribe to warrants that grant the right to acquire up to a 24% ownership stake in HODL Systems, a publicly traded Bitcoin treasury company listed in India. The execution of this investment is currently deferred pending further regulatory clarity regarding digital assets in the Indian jurisdiction. Once exercised, this positioning is intended to provide Matador with a global capital advantage and open cross-border arbitrage opportunities.

Matador's thesis is that Bitcoin is not only a superior treasury reserve asset, but also the ultimate foundation for a new wave of financial and cultural innovation. Operating as a launchpad for the Bitcoin ecosystem, the Company is focused on developing products, platforms, and partnerships that strengthen the utility, reach, and relevance of the network. This includes the rollout of its Digital Asset Platform, which leverages the Bitcoin network and Ordinals to deliver secure, tokenized real-world assets (such as gold) on-chain. Supported by strategic collaborations with industry leaders like UTXO Management, Matador is actively exploring Layer 2 solutions. By integrating traditional assets with Bitcoin-native technologies, Matador is helping transform Bitcoin from a simple store of value into a platform for scalable financial utility.

SUMMARY OF QUARTERLY RESULTS

Quarter ended	Operating Expenses (\$)	Total Loss and Comprehensive Loss (\$)	Basic and Diluted Loss Per Share (\$)
January 31, 2026	3,552,607	(8,228,439)	(0.07)
October 31, 2025	2,129,341	(3,246,196)	(0.05)
July 31, 2025	2,248,399	(520,017)	(0.00)
April 30, 2025	1,640,241	(2,542,235)	(0.03)
January 31, 2025	2,707,776	(5,084,333)	(0.06)
October 31, 2024	1,466,948	(1,667,718)	(0.03)
July 31, 2024	994,782	(1,232,173)	(0.01)
April 30, 2024	453,189	(1,052,356)	(0.02)

During the first quarter of fiscal 2026 (quarter ended January 31, 2026), operating expenses reached a new peak of \$3,552,607. This increase was heavily driven by the transaction costs associated with closing the initial drawdown under the secured convertible note facility with ATW Partners. Specifically, the Company recognized \$1,751,965 in professional fees and a \$717,660 commitment fee related to this financing. Because the convertible notes are designated at Fair Value Through Profit or Loss (FVTPL), all transaction costs were expensed as incurred rather than capitalized.

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Beyond the structural operating expenses, the quarter-over-quarter volatility in Total Comprehensive Loss continued to be heavily influenced by the Company's digital asset treasury and non-cash adjustments:

- **Quarter Ended January 31, 2026 (Q1 2026):** The Company recorded an outsized comprehensive loss of \$8,228,439. While the net loss for the period was heavily mitigated by a \$2,650,370 non-cash fair value adjustment gain on the convertible note, this was entirely eclipsed by a \$6,917,703 unrealized mark-to-market loss on digital assets recognized in other comprehensive loss, with \$5,700,436 of the unrealized loss is recognized in the net loss, with the remainder recognized in other comprehensive income. This reflects the inherent volatility of the digital asset markets and the outsized impact it has on the Company's overall financial reporting.
- **Quarter Ended October 31, 2025 (Q4 2025):** Comprehensive loss expanded to \$3,246,196. While core operating expenses stabilized at \$2,129,341, the quarter was impacted by year-end adjustments, most notably a \$580,110 non-cash impairment loss recognized on holdings of Legacy and Uncommon Satoshis to reflect a contraction in numismatic Bitcoin market premiums.
- **Quarter Ended July 31, 2025 (Q3 2025):** Despite maintaining high operating expenses of \$2,248,399, the comprehensive loss narrowed dramatically to \$520,017. This positive volatility demonstrates the impact of the Company's Bitcoin strategy, as unrealized mark-to-market revaluation gains on the expanding digital asset treasury significantly offset cash operating burn during the period.

BALANCE SHEET TRANSFORMATION AND TREASURY EXPANSION

As at January 31, 2026, the Company had total assets of \$19,417,812, representing an increase compared to \$15,201,921 as at October 31, 2025. This growth continues to be driven by the aggressive execution of the Company's Bitcoin treasury strategy. Digital asset holdings grew from \$12,130,741 at year-end to \$18,480,897 by the end of Q1 2026. This expansion was fueled by the receipt of 92 Bitcoin (valued at \$13,267,858) acquired directly through the proceeds of the secured convertible note. This substantial acquisition was partially offset by the aforementioned \$6,917,498 revaluation loss on Bitcoin during the quarter.

LIQUIDITY AND CAPITAL DEPLOYMENT

As of January 31, 2026, the Company had total cash on hand of \$388,936 compared to \$2,445,801 for the year ended October 31, 2025. The decrease in fiat cash reflects the Company's ongoing cash burn, utilizing \$2,056,865 in operating activities during the quarter. While the Company successfully closed a US\$10,500,000 convertible note facility in November 2025, the proceeds of this facility were strictly restricted for the exclusive purpose of purchasing Bitcoin. Consequently, this financing did not increase fiat cash reserves, but rather resulted in the non-cash receipt of \$13,395,430 in digital assets. To support future operating liquidity and maintain flexibility, the Company subsequently established a CAD\$30,000,000 At-The-Market (ATM) equity program shortly after the quarter's end.

PART II – REVIEW OF FINANCIAL RESULTS

FIRST QUARTER RESULTS

For the three months ended January 31, 2026, operating expenses were \$3,552,607, an increase from \$2,707,776 for the comparative period in 2025. This increase was primarily driven by costs associated with the initial drawdown of the Company's secured convertible note facility, which included \$1,751,965 in professional fees and a \$717,660 commitment fee. For the three months ended January 31, 2026, the Company recorded a total net loss and other comprehensive loss of \$8,228,439, compared to \$5,084,333 for the same period in 2025. The Company's operational net loss for the period was \$7,011,172, aided by a \$2,650,370 favorable fair value adjustment on the new convertible note, the expanded overall comprehensive loss was primarily driven by a \$6,917,703 unrealized mark-to-market loss on digital assets. Basic and diluted loss per share for the quarter was \$0.07, compared to \$0.06 for the three months ended January 31, 2025.

As at January 31, 2026, the Company's total assets grew to \$19,417,812, up from \$15,201,921 as at October 31, 2025. This asset growth was not the result of equity financings, but rather the direct execution of the Company's treasury strategy via the November 2025 closing of a US\$10,500,000 secured convertible note facility with ATW Partners. Because the proceeds of this debt facility were restricted exclusively for the purchase of Bitcoin, the Company added 92 Bitcoin to its treasury (valued at \$13,267,858 upon receipt). Consequently, the Company's non-current digital assets grew to \$18,480,897, while fiat cash and cash equivalents decreased to \$388,936 as of quarter-end.

PART III – FINANCIAL CONDITION, LIQUIDITY, AND CAPITAL RESOURCES

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2026, the Company had a working capital balance of \$616,073 (October 31, 2025 - \$2,708,084), and shareholders' equity, attributable to the owners of the Company, of \$7,009,809 (October 31, 2025 - \$14,838,825). The Company currently anticipates having sufficient cash and cash equivalents to meet its current operating and administrative costs for the next 12 months.

The following summarizes and explains the Company's cash flow activities:

	Three Months Ended January 31, 2026 \$	Three Months Ended January 31, 2025 \$
Net cash used in		
Operating activities	(2,056,865)	(1,855,016)
Financing activities	-	5,228,229
Investing activities	-	(4,932,262)
Increase in cash	(2,056,865)	(1,559,049)

CASH FLOW

At January 31, 2026, the Company had cash and cash equivalents of \$388,936. The decrease in cash of \$2,056,865 from the October 31, 2025 cash balance of \$2,445,801 was driven primarily by the cash flow from operating activities, driving a reduction in cash of \$2,056,865. Operating activities were affected by share-based compensation of \$399,422, professional fees of \$1,469,722 and offset by a change in the fair value adjustment on the convertible note of \$2,650,370, and net change in non-cash working capital balances of \$35,097 because of a decrease in prepaid expenses of \$77,400 and a decrease in accounts payable and accrued liabilities of \$42,303.

The Company has no capital commitments as at the date of this report.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

PART IV – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's overall objective is to set policies that minimize risk without unduly affecting competitiveness and flexibility. To reduce the potentially adverse effects of market volatility and credit exposure, the Company has established specific risk management procedures.

CREDIT RISK

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument or asset custodian fails to meet its contractual obligations. The Company's maximum exposure to credit risk is limited to the carrying amount of its cash, term deposits, and digital assets.

While the Company mitigates credit risk on cash and term deposits by holding them with reputable Canadian financial institutions, it is subject to a significant concentration of counterparty risk regarding its digital assets. The Company's Bitcoin and Satoshi assets are held entirely with third-party custodians. To mitigate this custodian credit risk, management performs regular assessments of the custodian, evaluating its financial stability, regulatory compliance, insurance coverage, and internal security protocols. Investors should note that digital assets held by the Company or its custodians are not insured by the Canada Deposit Insurance Corporation (CDIC), the Canadian Investor Protection Fund (CIPF), or any similar governmental or regulatory insurance agency.

INTEREST RATE RISK

The Company is exposed to interest rate risk in connection with its secured convertible notes, which bear a fixed coupon of 8% per annum. While the fixed rate eliminates variability in contractual cash flows, changes in prevailing interest rates affect the fair value of the instrument. Because the convertible notes are designated at FVTPL, changes in fair value, including those driven by interest rate movements are recognized in profit or loss each reporting period.

FOREIGN CURRENCY RISK

The Company's secured convertible notes are denominated in USD, while the Company's functional currency is CAD. As a result, the Company is exposed to foreign currency risk arising from fluctuations in the USD/CAD exchange rate. Changes in the exchange rate directly affect the Canadian dollar fair value of the outstanding notes and the related interest obligations. As at January 31, 2026, the USD-denominated convertible note had a principal balance of US\$10,500,000. A 5% strengthening (weakening) of the USD against the CAD at the reporting date would result in an increase (decrease) in the carrying value of the convertible note liability of approximately \$735,000, with a corresponding impact to profit or loss.

CONVERSION AND DILUTION RISK

The convertible notes are convertible into common shares at a floor conversion price of CAD\$0.72 per share. At this floor price, the maximum number of common shares issuable upon full conversion of the US\$10,500,000 principal balance is approximately 19,842,083 shares. Upon a successful uplisting to a senior U.S. exchange, the conversion price may adjust to the lower of 125% of the closing price on the listing date or 90% of the 5-day VWAP, which could result in a lower conversion price and a greater number of shares issued upon conversion, increasing the dilutive impact to existing shareholders.

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 monitors the maturity dates of existing accounts payable and accrued liabilities, loans payable, and commitments to mitigate this risk. As at January 31, 2026, the Company's financial liabilities consist of accounts payable and accrued liabilities totaling \$320,841, which are due within one year, and secured convertible notes with a carrying value of \$12,087,162 maturing on December 7, 2027.

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The contractual undiscounted cash flows for the Company's financial liabilities include \$1,532,121 due in less than one year and \$16,169,695 due in one to two years. The Company manages liquidity risk associated with the convertible notes through its ongoing treasury strategy, including proceeds from its ATM equity program and potential future equity raises. Furthermore, management monitors the collateral maintenance requirement of 150% of the principal value on an ongoing basis.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of an asset will fluctuate due to changes in market prices. The Company is exposed to significant digital asset price risk as a result of its holdings in Bitcoin and Satoshis. The market prices of these digital assets are highly volatile and can be materially affected by macroeconomic factors, regulatory developments, and shifts in market supply and demand. As at January 31, 2026, the Company held digital assets with a total carrying value of \$18,480,897. A 10% increase or decrease in the market price of the Company's digital assets at the reporting date would result in a corresponding increase or decrease to comprehensive income (loss) of approximately \$1,848,090, assuming all other variables remain constant.

The Company is also exposed to market risk through its secured convertible notes, which are designated at FVTPL. The fair value of the notes is sensitive to changes in the Company's share price, as the embedded conversion feature is valued using the Black-Scholes option pricing model. As at January 31, 2026, the convertible notes had a carrying value of \$12,087,162. A 10% increase (decrease) in the Company's share price at the reporting date would result in an increase (decrease) in the fair value of the convertible note liability of approximately \$8,730, with a corresponding impact recognized in profit or loss. The fair value is also sensitive to changes in expected volatility and the Company's credit spread, as disclosed in Note 12 of the Financial Statements.

DIGITAL ASSET PRICE RISK

The Company is exposed to significant digital asset price risk as a result of its holdings in Bitcoin and Satoshis. The market prices of these digital assets are highly volatile and can be materially affected by macroeconomic factors, regulatory developments, and shifts in market supply and demand. As at January 31, 2026, the Company held digital assets with a total carrying value of \$18,480,897. A 10% increase or decrease in the market price of the Company's digital assets at the reporting date would result in a corresponding increase or decrease to comprehensive income (loss) of approximately \$1,848,090, assuming all other variables remain constant.

CUSTODIAL AND SECURITY RISKS OF DIGITAL ASSETS

The Company relies on a third-party qualified custodian to hold its Bitcoin treasury in offline cold storage. Despite institutional-grade security protocols, these assets remain subject to the risk of cyberattacks, hacking, unauthorized access, or operational failures. If the custodian suffers a security breach or experiences a loss of the cryptographic private keys required to access the wallets, the Company's digital assets could be permanently lost or stolen. Furthermore, 138 Bitcoin of the Company's holdings are actively held as collateral to secure the ATW Partners convertible note facility.

Unlike fiat bank accounts or traditional brokerage accounts, digital assets held by the Company or its custodians are not insured by the Canada Deposit Insurance Corporation (CDIC), the Canadian Investor Protection Fund (CIPF), or any similar governmental or regulatory insurance agency. While the custodian maintains commercial crime insurance, the Company does not carry its own standalone insurance policy to cover the loss or theft of its digital assets. If a loss event occurs and the custodian's insurance is insufficient, denied, or exhausted by other clients, the Company would suffer a material and unrecoverable loss of capital.

PART V – RELATED PARTY TRANSACTIONS AND COMPENSATION

RELATED PARTY TRANSACTIONS

Hillcrest Merchant Partners Inc. is a related party as it is controlled by a member of the Company's key management personnel. DASA Media LLC is a related party as it is controlled by a different member of the Company's key management personnel.

During the three months ended January 31, 2026, the Company paid \$270,922 (three months ended January 31, 2025 – \$406,802) in consulting fees to DASA Media LLC and Hillcrest Merchant Partners Inc. for:

- a. Business operations support;
- b. HR services;
- c. Bookkeeping services;
- d. Corporate secretarial services;
- e. Financial advisory services

Consulting fees paid to key management personnel for the three months ended January 31, 2026 totaled \$287,872 (three months ended January 31, 2025 – \$276,239). For the three months ended January 31, 2026, consulting fees included an annual bonus for the calendar year ended December 31, 2025. Share based payments to key management personnel and the Board of Directors of the Company for January 31, 2026, were valued using the Black-Scholes valuation model to be \$13,257 (three months ended January 31, 2025 – \$246,067) and this is included in share based compensation. Key management personnel is comprised of the Company's Chief Executive Officer ("CEO").

PART VI – CAPITAL MANAGEMENT AND OUTSTANDING SECURITIES

CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company considers its capital to be equity, comprising share capital, stock options, RSUs, PSUs, Advisor Shares, and the accumulated deficit. As at January 31, 2026, total equity was \$7,009,809 (October 31, 2025 – \$14,838,825).

Outstanding securities as at January 31, 2026:

Common Shares	107,605,101
Convertible securities	
Stock options	14,499,773
Restricted share units	676,015
Performance share units	3,000,000
Advisor shares	2,500,000
Warrants	7,820,312
Fully diluted shares	136,101,201

Outstanding securities as at March 31, 2026:

Common Shares	115,711,101
Convertible securities	
Stock options	15,949,773
Restricted share units	676,015
Performance share units	3,000,000
Advisor shares	2,500,000
Warrants	7,820,312
Fully diluted shares	146,188,201

PART VII – RISKS

RISKS AND UNCERTAINTIES

Given the nature of our business and current stage of development, prospective investors should carefully consider the specific and general risks involved in an investment in our securities. Key risk factors that could materially affect our business, results of operations, prospects, and financial condition include a history of operating losses, future capital needs, and the uncertainty of additional financing. Additionally, liquidity risk, the availability of capital resources, and share price volatility present challenges in maintaining financial stability and funding growth initiatives.

Global economic and financial market deterioration may impede access to capital or increase the cost of financing. Regulatory compliance risks, including potential legal and regulatory changes, could impact our ability to operate effectively across jurisdictions. The concentration of control within the Company and exposure to foreign currency and exchange rate fluctuations add to financial uncertainties.

We also face challenges related to product development, rapid technological changes, and dependence on technical infrastructure. The protection of intellectual property and compliance with privacy laws are crucial as we handle sensitive personal and financial information. Cybersecurity risks, network security vulnerabilities, and potential system failures could disrupt operations and impact customer confidence.

Market expansion, the ability to manage rapid growth, and competition may impact our business trajectory. Additionally, risk management, internal controls, marketing, and brand development remain critical for maintaining consumer trust. Improper or illegal use of our services, customer complaints, and negative publicity could affect brand reputation. Our reliance on key personnel, exposure to uninsured or underinsured losses, and potential theft or harm to personnel further contribute to operational risks.

Fluctuations in cryptocurrency prices and regulatory uncertainty in the digital asset market pose additional financial and compliance risks. The trading, custody, and security of both precious metals and digital assets require robust safeguards to mitigate operational risks.

The market for our common shares may be limited, which could result in reduced liquidity and increased price volatility. As a result, investors may be unable to sell their shares at desired times or prices. A lack of active trading volume may contribute to significant fluctuations in the market price of our securities, unrelated to our actual operating performance or financial condition. Factors such as market perception, macroeconomic conditions, industry developments, and limited analyst coverage can amplify these price movements. Furthermore, broader market volatility or events impacting investor confidence may further depress our share price, increase our cost of capital, and reduce our ability to raise additional funds through equity financings. Any of these factors could materially and adversely affect the value of an investment in our securities.

Finally, there may be additional unknown or unforeseen risks that could materially impact our business operations, financial condition, and future growth. Our ability to secure and manage liquidity, maintain access to capital resources, and manage share price volatility will be key factors in sustaining and scaling our operations.

PART VIII – ACCOUNTING POLICIES, CRITICAL ACCOUNTING ESTIMATES AND INTERNAL CONTROLS

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING POLICIES

The preparation of the audited financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and reported assets, liabilities, revenue and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in profit or loss, when, and if, better information is obtained.

ESTIMATES

Valuation of digital assets: Matador holds digital assets, including Bitcoin, USDC, Tether, Ethereum and Satoshis, as part of its intangible assets. Bitcoin, Tether, Ethereum and USDC is measured at fair value using the quoted price on reputable exchanges. Satoshis are measured using the cost method, due to the lack of an active market available to reliably determine their fair value. Under this method, digital assets are recorded at their original purchase cost, minus any impairment losses. Since satoshis have an indefinite life, no amortization is applied. If impairment indicators arise, the assets are evaluated against their recoverable amount, with any loss recognized in the statement of loss and comprehensive loss. Management assesses the recoverable amount of satoshis by evaluating factors such as market developments, regulatory changes, and technological advancements that could impact their value. If impairment indicators arise, a detailed review is conducted, considering available market data and relevant economic conditions. Any impairment loss identified is recognized in the statement of loss and comprehensive loss.

Fair value measurement of convertible notes: The Company's secured convertible notes are designated at FVTPL and require fair value measurement at each reporting date. The fair value of the notes is determined using a discounted cash flow model incorporating estimates of the Company's credit risk and market-derived discount rates. The embedded conversion feature is valued using the Black-Scholes option pricing model, which requires management to make estimates regarding expected volatility, risk-free interest rates, and the expected life of the instrument. Changes in these assumptions could result in materially different fair value measurements.

Fair value measurement of stock-based compensation: Estimating fair value for stock options and other share based compensation requires determining the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model, including the expected life of stock options and volatility while making assumptions about them. Management continuously reviews the assumptions and underlying data used in these estimates to ensure they reflect the best available information at the reporting date. However, due to inherent uncertainties, actual results may differ from these estimates, which could result in material adjustments in future financial periods.

PART IX - DISCLOSURE OF INTERNAL CONTROLS

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements; and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim consolidated financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

PART X - SUBSEQUENT EVENTS

On February 3, 2026, the Company entered into an equity distribution agreement to establish an ATM equity program. Under this program, the Company may issue common shares from time to time at prevailing market prices to raise aggregate gross proceeds of up to CAD \$30,000,000. The program terminates on January 22, 2028, or upon reaching the maximum funding limit. Concurrently, the Company obtained a waiver and amendment under its ATW convertible note facility to permit this program.

On February 17, 2026, the Company granted 2,800,000 incentive stock options to certain directors, officers, and consultants (which includes the re-issuance of 1,350,000 options to the CEO). The options are exercisable at \$0.13 per share, possess a 10-year term expiring on February 17, 2036, and vest over a three-year period.