

**HERTZ ENERGY INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE NINE MONTHS ENDED APRIL 30, 2026 AND 2025**

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The following management discussion and analysis ("MD&A") is a review of results of operations, current financial position and outlook of Hertz Energy Inc. together with its 100% subsidiaries named Hertz Lithium USA LLC, Hertz Uranium Inc. and Canuck Lithium Corp. (collectively, the "Company" or "Hertz"). The MD&A is prepared as at June 29, 2026 and should be read in conjunction with the condensed interim consolidated financial statements for the nine months ended April 30, 2026 and the consolidated financial statements for the year ended July 31, 2025, including the notes thereto (the "Financial Statements"). The Financial Statements together with the following MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to potential future performance.

Additional information related to the Company can be made available upon request from the Company's head office located at: 1055 West Georgia Street, 1500 Royal Centre, Vancouver, British Columbia, V6E 4N7, Canada.

**FORWARD LOOKING STATEMENTS**

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Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and represent management's best judgment based on facts and assumptions that management considers reasonable, including that the demand for mineral deposits develops as anticipated, that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labor disturbances, interruption in transportation or utilities, or adverse weather conditions, and that there are no material unanticipated variations in the cost of energies or supplies. The Company makes no representation that reasonably prudent people in possession of the same information would reach the same conclusions.

This MD&A may include certain "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements other than statements of historical facts, included in this MD&A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive, strengths, goals, expansion and growth of the Company's businesses, operations, plans and other such matters are forward looking statements. When used in this MD&A, the words "estimate", "plan", "anticipate", "expect", "intend", "believe" and similar expressions are intended to identify forward-looking statements.

These statements involve known and unknown risks, including, among others, risks related to the unavailability of capital and financing on acceptable terms, unfavorable market conditions, inherent risks involved in the exploration and development of mineral properties, uncertainties concerning reserve and resource estimates, results of exploration, inability to obtain required regulatory approvals, unanticipated difficulties or costs in any rehabilitation which may be necessary, market conditions and general business, economic, competitive, political and social conditions. These statements are based on several assumptions, including assumptions regarding general market conditions, timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Additional factors are discussed in the section titled "Risks".

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results, and future events could differ materially from those anticipated in such statements.

Other than as required by applicable securities laws, the Company does not intend, and does not assume any obligation, to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results or otherwise. 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 the forward-looking statements.

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**QUALIFIED PERSON STATEMENT**

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All scientific and technical information contained in this MD&A has been reviewed and approved by Paul Ténière, P.Geo., Technical Advisor of the Company, who is considered a "Qualified Person" as defined in National Instrument 43-101 ("NI 43-101").

**NATURE OF BUSINESS AND OVERALL PERFORMANCE**

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Hertz Energy Inc. was incorporated on February 15, 2019, in the province of British Columbia, Canada as Hybrid Ventures Inc. On January 24, 2022, the Company changed its name to Hertz Lithium Inc. and then to Hertz Energy Inc. on February 9, 2024. The Company's head office and registered address is located at 1055 West Georgia Street, 1500 Royal Centre, Vancouver, British Columbia, V6E 4N7, Canada. The Company's common shares are traded on below security exchanges:

- the Canadian Securities Exchange ("CSE") under the symbol "HZ",
- the Frankfurt Stock Exchange under the symbol "QE2",
- the OTCQB Venture Market under the trading symbol "HZLIF"

Hertz is a British Columbia based junior exploration company primarily engaged in the acquisition and exploration of mineral properties. The Company's mineral exploration projects include the AC/DC Lithium Project, Harriman Antimony Property, Lake George Antimony Property, Agastya Lithium Property and Crag and Rod Properties. The AC/DC Project is 26,500 hectares in size and located in the James Bay Lithium District in Québec, Canada, 26 km southeast of the Shaakichiuwaanaan Property (formerly known as the Corvette Project) owned by Patriot Battery Metals and is contiguous to Rio Tinto's Kaanaayaa project claims. The Harriman Antimony Property is located in the Gaspé region of Québec. The Lake George Antimony Property is located in the southwestern part of New Brunswick near the city of Fredericton, and the Agastya Lithium Property is also located in the James Bay Lithium District in Québec. The Crag and Rod Properties are located in east-central Yukon.

Currently, the Company does not own any operating mines and has no operating income from mineral production. Funding for operations is raised primarily through private and public share offerings. It is not known whether the Company's mineral properties contain reserves that are economically recoverable. The recoverability of amounts recorded by the Company for mineral property interests and related deferred exploration costs are dependent upon the discovery of economically recoverable reserves, the ability to raise funding for continued exploration and development, the completion of property option expenditures and acquisition requirements, and from proceeds from disposition.

Effective December 11, 2024, the Company consolidated the issued share capital on the basis of 4 old common shares for one new common share. Effective September 19, 2025, the Company completed another consolidation of its common shares on the basis of one post-consolidation common share for 2.5 pre-consolidation common shares. All stock option, warrants, common shares and per common share amounts in this MD&A have been retroactively restated to reflect the share consolidations.

Management expects to be successful in arranging sufficient funding to meet operating commitments for the ensuing year. However, the Company's future capital requirements will depend on many factors, including the costs of exploring and developing its resource properties, operating costs, the current capital market environment, and global market conditions. As of April 30, 2026, the Company has a working capital deficit of \$429,901 (July 31, 2025 – \$997,794). For significant expenditures and resource property development, the Company will depend almost exclusively on outside capital. Such outside capital will include the issuance of additional equity shares. There can be no assurance that capital will be available, as necessary, to meet the Company's operating commitments and further exploration and development plans. The issuance of additional equity securities by the Company may result in significant dilution to the equity interests of current shareholders. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected.

**HERTZ ENERGY INC.**
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**FOR THE NINE MONTHS ENDED APRIL 30, 2026 AND 2025**
**MINERAL PROPERTY INTERESTS**

|                                                     | AC/DC and La<br>Fleur Project,<br>Quebec | Maskwa<br>Property,<br>Quebec | Harriman,<br>Property<br>Quebec | Lake George,<br>NB | Crag and Rod,<br>YK | Agastya<br>Project | Total            |
|-----------------------------------------------------|------------------------------------------|-------------------------------|---------------------------------|--------------------|---------------------|--------------------|------------------|
|                                                     | \$                                       | \$                            | \$                              | \$                 | \$                  | \$                 | \$               |
| <b>Balance July 31, 2024</b>                        | <b>6,646,224</b>                         | <b>319,912</b>                | <b>-</b>                        | <b>-</b>           | <b>-</b>            | <b>-</b>           | <b>6,966,136</b> |
| <b>Acquisition Cost:</b>                            |                                          |                               |                                 |                    |                     |                    |                  |
| Shares issued                                       | -                                        | -                             | 60,000                          | -                  | -                   | 1,200,000          | 1,260,000        |
| Cash payment                                        | -                                        | -                             | 20,000                          | -                  | -                   | -                  | 20,000           |
| Impairment                                          | -                                        | (100,000)                     | -                               | -                  | -                   | -                  | (100,000)        |
|                                                     | -                                        | (100,000)                     | 80,000                          | -                  | -                   | 1,200,000          | 1,180,000        |
| <b>Exploration and evaluation<br/>expenditures:</b> |                                          |                               |                                 |                    |                     |                    |                  |
| Staking and claim maintenance                       | -                                        | -                             | -                               | 4,438              | -                   | -                  | 4,438            |
| Geological exploration                              | 43,667                                   | 35,074                        | 312,771                         | 9,552              | -                   | 331,798            | 732,862          |
| Prepayment                                          | (107,000)                                | (40,000)                      | -                               | -                  | -                   | -                  | (147,000)        |
| Impairment                                          | -                                        | (214,986)                     | -                               | -                  | -                   | -                  | (214,986)        |
|                                                     | (63,333)                                 | (219,912)                     | 312,771                         | 13,990             | -                   | 331,798            | 375,314          |
| <b>Balance July 31, 2025</b>                        | <b>6,582,891</b>                         | <b>-</b>                      | <b>392,771</b>                  | <b>13,990</b>      | <b>-</b>            | <b>1,531,798</b>   | <b>8,521,450</b> |
| <b>Acquisition Cost:</b>                            |                                          |                               |                                 |                    |                     |                    |                  |
| Shares issued                                       | -                                        | -                             | -                               | -                  | 625,000             | -                  | 625,000          |
| Cash payment                                        | -                                        | -                             | -                               | 25,000             | 100,000             | -                  | 125,000          |
|                                                     | -                                        | -                             | -                               | 25,000             | 725,000             | -                  | 750,000          |
| <b>Exploration and evaluation<br/>expenditures:</b> |                                          |                               |                                 |                    |                     |                    |                  |
| Staking and claim maintenance                       | 825                                      | -                             | -                               | 970                | -                   | 1,225              | 3,020            |
| Consulting                                          | -                                        | -                             | -                               | 17,500             | -                   | -                  | 17,500           |
| Geological exploration                              | 32,142                                   | -                             | 11,670                          | 19,134             | 1,155               | 7,219              | 71,320           |
| Licenses and Filing Fees                            | 1,472                                    | -                             | -                               | -                  | -                   | 1,830              | 3,302            |
|                                                     | 34,439                                   | -                             | 11,670                          | 37,604             | 1,155               | 10,274             | 95,142           |
| <b>Balance April 30, 2026</b>                       | <b>6,617,330</b>                         | <b>-</b>                      | <b>404,441</b>                  | <b>76,594</b>      | <b>726,155</b>      | <b>1,542,072</b>   | <b>9,366,592</b> |

**CURRENT AND ACTIVE MINERAL PROJECTS:**

**AC/DC and La Fleur Project, Québec:**

AC/DC and La Fleur Project consists of certain lithium properties located in Québec and was acquired pursuant to the acquisition of Canuck.

On January 31, 2023, the Company entered into a property purchase agreement (the “Glenn Purchase Agreement”) with Glenn Griesbach (“Glenn”), to acquire a 100% beneficial interest in 58 mineral tenements located in Québec, Canada, of which 33 claims made up the AC/DC property and 25 claims made up the La Fleur property. Pursuant to the Glenn Purchase Agreement, the Company agreed to make the following payments:

- a) Cash payment of \$15,000 (paid on January 31, 2023);
- b) Issue 15,000 common shares within 7 days of execution of the agreement (issued on August 15, 2023);
- c) Issue 25,000 common shares upon surface samples returning results in excess of 1% lithium; and
- d) Issue 25,000 common shares upon drill results returning minimum of 25 meters with assays of 1% lithium or greater.

The Company also agreed to pay Glenn a 2% NSR Royalty upon commencement of commercial production. The NSR Royalty may be reduced by 1% at any time by paying cash of \$500,000.

On March 31, 2023, the Company entered into a property purchase agreement with Prospectus Capital Inc. (“Prospectus”), to acquire a 100% beneficial interest in 336 mineral tenements located in Québec, Canada, of which 121 claims were additions to the AC/DC property and 215 claims were additions to the La Fleur property, in exchange for the following considerations:

- a) Cash payment of \$100,000 due 30 days after obtaining a listing on a recognized stock exchange, which has been extended to September 30, 2026 pursuant to an amendment dated September 30, 2024; and
- b) Issue 1,220,000 (issued on August 16, 2023).

The Company also agreed to pay Prospectus a 2% NSR Royalty upon commencement of commercial production.

On July 4, 2023, the Company entered into a property purchase agreement with Anna-Rosa Giglio and 9219-8845 QC. Inc. (collectively referred as the “Québec Optionors”), to acquire a 100% beneficial interest in 125 mineral tenements located in Québec, Canada of which 52 claims were additions to AC/DC property and 67 were additions to the La Fleur property in exchange of 300,000 common shares of the Company (issued on August 16, 2023). The Company also agreed to pay the Québec Optionors a 2% NSR Royalty upon commencement of commercial production. The NSR Royalty may be reduced by 1% at any time by paying Anna-Rosa Giglio \$500,000.

In October 2023, the Company conducted a maiden field program to follow up on the initial priority targets within the 12 zones identified on the property. The four-person crew conducted prospecting, mapping, and sampling in an effort to locate spodumene and targeted some enriched mineralized zones on the property and completed initial prospecting over a 3.5-day period. The identification of multiple advanced pegmatites with lithium-associated minerals on the property was encouraging and provided the exploration team with strong confidence on the merits of the AC/DC project, as the adjoining Rio Tinto Kaanaayaa Lithium project hosts similar geology as the AC/DC Lithium Project.

In July 2024, the Company completed field activities to evaluate the potential for spodumene mineralization within pegmatitic dykes on the property. A total of 171 observation points and 81 rock samples were collected along several traverses with samples not returning any significant assay results. The Company is evaluating further exploration programs for the property in 2026.

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**Harriman Antimony Property, Québec:**

On August 29, 2024, the Company entered into an option agreement with prospector Glenn, to acquire a 100% interest in the Harriman Antimony Property, located in the Gaspé region of Québec. The property originally comprised of 49 mineral claims, of which 44 remained in good standing as at April 30, 2026 and July 31, 2025. To exercise the option, the Company must:

- (a) Pay \$20,000 in cash within 7 business days of execution (paid on November 5, 2024);
- (b) Issue 400,000 common shares as follows:
  - 100,000 common shares upon execution of the agreement and upon receipt of approval from the exchange (Issued on January 9, 2025 valued at \$60,000 based on the Company's stock trading price at the date of issuance).
  - 150,000 common shares on or before the 12-month anniversary of the agreement date.
  - 150,000 common shares on or before the 24-month anniversary of the agreement date.

Upon the Company's exercise of the option, it will also grant Glenn a 2.5% NSR royalty on the property. The NSR royalty may be reduced to 1% by paying cash of \$1,500,000.

The Harriman Property is an exploration stage antimony project, and the Company completed a program of geological mapping and prospecting in fall 2024. The Company is evaluating further exploration programs for the property in 2026.

**Lake George Antimony Property, New Brunswick:**

On September 9, 2024, the Company staked 97 claims surrounding the past-producing Lake George antimony mine located in the southwestern part of New Brunswick, approximately 30 km southwest of the city of Fredericton. These claims are royalty-free and not subject to any agreement. The property surrounds the past-producing Lake George Antimony Mine and is considered an exploration stage Antimony-Gold (Sb-Au) prospect located immediately along strike to the southwest and northeast, as well as down-dip to the north of the historical mine.

The Lake George antimony mine is currently under care and maintenance within an active mining lease and is owned by the Province of New Brunswick. The Company has had several discussions with New Brunswick government officials within the NB Department of Natural Resources and Energy Development about a possible tendering process for the mine lease in the coming months. The Company awaits a formal decision by the Minister on next steps to acquire the mining lease and exploring and developing the Lake George Antimony mine.

**Agastya Property, Quebec:**

On December 9, 2024, Canuck entered into a property purchase agreement with Prospectus, to acquire a 60% interest in 207 mineral claims of Agastya property, located in the province of Quebec, Canada. As consideration, the Company issued 3,200,000 common shares valued at \$1,200,000 based on the Company's 10-day volume-weighted average trading price as of the date of issuance on March 5, 2025. Pursuant to the agreement, the Company shall also grant a 2% Gross Metal Royalty to Prospectus.

**Crag and Rod Properties, Yukon:**

On January 26, 2026, Canuck entered into an option agreement with Strategic Metals Ltd. to acquire a 100% interest in the Crag and Rod properties, together with and including the Craig silver-lead-zinc deposit (collectively, the "Crag and Rod Properties"), located in east-central Yukon.

Under the option agreement, the Company will earn the 100% interest for a total consideration of \$2,350,000, comprised of the following:

- a) \$100,000 in cash upon execution (paid February 1, 2026);
- b) 2,500,000 common shares issued within 10 business days of execution; (issued February 5, 2026)

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- c) \$1,500,000 payable in cash or common shares of the Company (at the Company's election) on or before the earlier of (i) 10 days following receipt of a Yukon quartz mining land use permit to conduct drilling or (ii) the first anniversary of the agreement.

Upon exercise of the option, Strategic Metals Ltd. shall retain a 2% NSR Royalty on all mineral production from the properties, which may be reduced to 1% at any time prior to a production decision by delivering 500 ounces of gold or the cash equivalent to Strategic Metals Ltd.

The Crag and Rod Properties are situated within the Craig Belt, a prospective sub-belt of the 175-kilometre-long Rackla Belt, a region recognized for hosting some of Yukon's highest-grade silver-lead-zinc and gold mineralization. The Craig Deposit is a drill-defined silver-lead-zinc asset that remains open along strike and at depth, offering significant potential for resource expansion. Historical drilling has returned numerous high-grade intercepts, including intervals exceeding 200 g/t silver with substantial lead and zinc values. In addition to base-metal mineralization, historical geochemical and mineralogical studies identified gold-bearing arsenic sulphide assemblages, with rock samples returning elevated gold values locally up to approximately 9.5 g/t Au, suggesting Carlin-style gold affinity.

The surrounding claims that include Crag and Rod cover approximately 31,200 hectares of highly prospective ground, providing Hertz with a large, consolidated land position in a proven and mining-friendly jurisdiction. Together, the Crag and Rod properties form a contiguous, district-scale land position prospective for both base-metal and precious-metal discoveries. The combination of historical high-grade drill intercepts, multiple mineralization styles, kilometre-scale structural and geochemical trends, and extensive areas lacking modern drill testing supports the exploration potential of the Crag-Rod project areas.

**PAST AND INACTIVE MINERAL PROJECTS:**

**Maskwa Property, James Bay, Québec:**

On December 20, 2023, the Company entered into an option agreement with Sirios Resources Inc. to acquire a 100% interest in 424 mineral claims of Maskwa property located in Eeyou Istchee James Bay in Québec. Total payments made included cash payment of \$100,000 and exploration expenditures incurred of \$214,986.

During the year ended July 31, 2025, due to lack of significant results from its prospecting and sampling program, the Company decided to discontinue this project and recognized a loss on impairment of \$314,986.

**SUMMARY OF QUARTERLY FINANCIAL RESULTS**

The following table provides a summary of the Company's eight quarterly results ending on April 30, 2026:

|                                  | <b>April 30,<br/>2026<br/>\$</b> | <b>January 31,<br/>2026<br/>\$</b> | <b>October 31,<br/>2025<br/>\$</b> | <b>July 31,<br/>2025<br/>\$</b> |
|----------------------------------|----------------------------------|------------------------------------|------------------------------------|---------------------------------|
| Revenue                          | Nil                              | Nil                                | Nil                                | Nil                             |
| Net income (loss) for the period | (680,189)                        | (181,876)                          | (148,787)                          | (277,062)                       |
| Income (loss) per share          | (0.04)                           | (0.02)                             | (0.02)                             | (0.01)                          |
|                                  | <b>April 30,<br/>2025<br/>\$</b> | <b>January 31,<br/>2025<br/>\$</b> | <b>October 31,<br/>2024<br/>\$</b> | <b>July 31,<br/>2024<br/>\$</b> |
| Revenue                          | Nil                              | Nil                                | Nil                                | Nil                             |
| Net income (loss) for the period | (181,367)                        | 123,908                            | (409,657)                          | (884,395)                       |
| Income (loss) per share          | (0.02)                           | 0.01                               | (0.02)                             | (0.01)                          |

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With the acquisition of mineral properties in the last quarter of the 2022 fiscal year, the Company became operational and started managing its properties. As the Company started exploration activities on its properties and began investigation for potential acquisitions, the quarterly net loss increased during the 2024 fiscal year. During the 2024 fiscal year, the Company had multiple significant events including acquisition of Canuck Lithium Corp., closing of private placements, acquisition of more mineral properties, hiring of marketing consultants and termination of 3 mineral properties. Consequently, the Company reported the highest quarterly losses during the quarter ended July 31, 2024. As the Company works towards expanding its portfolio of mineral properties, it has reported increases in its periodic expenses and resulting losses over certain fiscal quarters. During the quarter ended October 31, 2024, the net loss reduced due to reduction in legal fees and termination of advertising agreements. The Company recognized the flow through premium as income during the quarter ended January 31, 2025, which resulted in a net income during the said quarter.

**RESULTS OF OPERATIONS**

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**Three months ended April 30, 2026**

During the three months ended April 30, 2026, the Company had a net loss of \$680,189 (2025 – \$181,367). Following are the significant variances in the expenses incurred by the Company:

- Professional fees of \$41,217 (2025 - \$47,189) consists of accounting and legal expenses. During the three months ended April 30, 2026, the decrease in professional fees is mainly due to the decrease in business activities.
- Management fees of \$60,000 (2025 - \$90,000) includes payments made and accrued to the companies controlled by the senior officers of the Company as discussed under the heading “Transactions with Related Parties”. During the current period, management fees are lower compared to the prior fiscal period, as the former CFO charged a portion of the fees as management fees, while all of the current CFO’s fees are classified as professional fees.
- Share-based compensation of \$515,469 (2025 - \$3,933) relates to the vested value of the issued stock options during the three months ended April 30, 2026.

**Nine months ended April 30, 2026**

During the nine months ended April 30, 2026, the Company had a net loss of \$1,010,852 (2025 - \$467,116). Following are the significant expenses incurred by the Company:

- Loss on impairment of mineral property of \$Nil (2025 - \$314,986) relates to a loss recognized due to termination of Maskwa Property, QC during the prior period.
- Advertisement and marketing expenses of \$26,748 (2025 - \$68,837) consists of online publicity and business promotion expenses. During the nine months ended April 30, 2026, the advertisement and marketing decreased mainly because of the termination of some marketing agreements.
- Management fees of \$211,000 (2025 - \$264,500) includes payments made and accrued to the companies controlled by the senior officers of the Company as discussed under the heading “Transactions with Related Parties”. During the current period, management fees are lower compared to the prior fiscal period, as the former CFO charged a portion of the fees as management fees, while all of the current CFO’s fees are classified as professional fees.
- Share-based compensation of \$516,852 (2025 - \$63,649) relates to the vested value of the issued stock options during the nine months ended April 30, 2026.

**CAPITAL DISCLOSURE**

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The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to finance its growth using internally generated cash flow and debt capacity; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

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The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets.

The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash and receivables.

**LIQUIDITY & CAPITAL RESOURCES**

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For the nine months ended April 30, 2026, the Company used cash of \$457,391 in operating activities. The Company's investing activity used cash of \$220,142 which consisted of exploration expenses incurred on various mineral projects. The Company's financing activity provided cash of \$1,350,007 which consisted of net proceeds from private placements.

As at April 30, 2026, the Company had a working capital deficit of \$429,901 (July 31, 2025 – \$997,794) and cash balance of \$723,573 (July 31, 2025 – \$49,336). As the Company is an initial stage exploration company, it does not generate, nor does it anticipate generating any revenue in the next fiscal year. The Company's mineral property interests do not currently generate cash flow from operations and, to continue operations and fund its expenditure commitments, it is dependent on equity financing through existing and new members, third party financing, and cost sharing arrangements to fund its work programs and operations.

**SHARE CAPITAL AND OUTSTANDING SHARE DATA**

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**Share consolidation**

Effective December 11, 2024, the Company consolidated the issued share capital on the basis of 4 old common shares for one new common share. Effective September 19, 2025, the Company completed another consolidation of its common shares on the basis of one post-consolidation common share for 2.5 pre-consolidation common shares. These consolidated financial statements reflect the share consolidation for all shares, warrants, options and per share amounts retrospectively.

**Share capital transactions**

**During the nine months ended April 30, 2026:**

On January 16, 2026, the Company closed a non-brokered private placement for gross proceeds of \$420,000, which consists of 4,200,000 units of the Company at a price of \$0.10 per unit. Each unit consists of one common share and one common share purchase warrant granting the holder the right to purchase one additional common share of the Company at a price of \$0.125 at any time on or before 36 months from closing. In connection with the private placement, the Company issued a total of 400,000 finder's warrants. Each finder's warrant is exercisable at \$0.125 per share until January 15, 2029.

On February 5, 2026, the Company issued 2,500,000 common shares in connection with the Crag and Rod property option agreement. The fair value of the shares issued was \$625,000.

On March 26, 2026, the Company closed a non-brokered private placement offering for total gross proceeds of \$1,000,000, which consists of 1,650,000 units of the Company ("LIFE Units") at a price of \$0.40 per LIFE Unit for gross proceeds of \$660,000 as part of the LIFE Offering, and 680,000 flow-through units of the Company ("FT Units") at a price of \$0.50 per FT Unit for gross proceeds of \$340,000 as part of the FT Offering. 40,000 of the FT Units were issued subsequent to April 30, 2026 as a result of an administrative delay.

Each LIFE Unit consists of one common share and one-half common share purchase warrant, with each full common share purchase warrant granting the holder the right to purchase one additional common share

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of the Company at a price of \$0.60 at any time on or before 24 months from closing. Each FT Unit consists of one common flow-through share and one-half common share purchase warrant with each full common share purchase warrant granting the holder the right to purchase one additional common share of the Company at a price of \$0.60 at any time on or before 24 months from closing. In connection with the private placement, the Company paid finders a cash fee totalling \$67,200, incurred share issue costs of \$2,793 and issued a total of 59,850 finder's warrants. Each finder's warrant is exercisable at \$0.60 per share until March 26, 2029.

*During the year ended July 31, 2025:*

On January 9, 2025, pursuant to an option agreement for the Harriman Antimony Property, the Company issued 100,000 common shares valued at \$60,000 based on the Company's stock trading price at the date of issuance.

On March 5, 2025, pursuant to a property purchase agreement for the Agastya Property, the Company issued 3,200,000 common shares valued at \$1,200,000 based on the Company's 10-day volume-weighted average trading price as of the date of issuance.

**Outstanding share data**

The following table summarizes the outstanding share capital of the Company as at April 30, 2026, and the report date:

|                      | <b>April 30, 2026</b> | <b>Report date</b> |
|----------------------|-----------------------|--------------------|
| Common shares        | 18,894,671            | 18,934,671         |
| Options              | 1,993,467             | 1,993,467          |
| Warrants             | 5,824,850             | 5,824,850          |
| Total, fully diluted | <b>26,712,988</b>     | <b>26,752,988</b>  |

**OFF-BALANCE SHEET ARRANGEMENTS**

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The Company has no off-balance sheet arrangements other than reported in the accompanying notes to the consolidated financial statements.

**TRANSACTIONS WITH RELATED PARTIES AND EXECUTIVE COMPENSATION**

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Related party transactions are in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed by the related parties. Amounts due to or from related parties are non-interest bearing and unsecured.

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As at April 30, 2026 and July 31, 2025, the balances of due to related parties are as below:

|                                                                                                            | <b>April 30,<br/>2026</b> | <b>July 31,<br/>2025</b> |
|------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------|
|                                                                                                            | <b>\$</b>                 | <b>\$</b>                |
| <b>Current</b>                                                                                             |                           |                          |
| Company controlled by the CEO, who is also a director of the Company (i) and (ix)                          | 212,395                   | 258,173                  |
| Loan payable to a company related to the CEO (ii)                                                          | 295,930                   | 288,002                  |
| Loan payable to a company controlled by the relative of CEO (iii)                                          | 178,029                   | 166,809                  |
| Loan payable to a company controlled by the CEO (iv)                                                       | 97,445                    | 94,080                   |
| Loans payable to the CEO (v), (vi), (vii) and (viii)                                                       | 196,237                   | 146,729                  |
| Company controlled by the CEO (i)                                                                          | 20,000                    | 20,000                   |
| Company in which the CFO is a shareholder (i)                                                              | 18,994                    | 5,513                    |
| Company controlled by the Corporate Development Officer ("CDO"), who is also a director of the Company (i) | -                         | 7,350                    |
| Due to directors (i)                                                                                       | 20,834                    | 15,669                   |
| <b>Non-current</b>                                                                                         |                           |                          |
| Company controlled by the CEO (i)                                                                          | 107,440                   | 109,175                  |
|                                                                                                            | <b>1,147,304</b>          | <b>1,111,500</b>         |

- (i) Amounts due to related parties, except loans payable, are non-interest bearing and unsecured. The balance in the amount of \$107,440 (July 31, 2025 - \$109,175) is owed to a company controlled by the CEO who has agreed not to claim the repayment before July 31, 2026; therefore the amount has been classified as non-current as at April 30, 2026 and July 31, 2025.
- (ii) On June 1, 2023 (as amended on December 31, 2023 and 2024), Canuck entered into a loan agreement with Coloured Ties Inc. ("CTI") for \$265,000. This loan bears interest at the rate of 4% annually and was due on December 31, 2025. A director and officer of CTI is also a director and officer the Company. The total interest accrued on the loan as of April 30, 2026 was \$30,930 (July 31, 2025 - \$23,002).
- (iii) On June 17, 2024, the Company entered into a loan agreement with Flowing Lithium Exploration Inc. for \$150,000. This loan bears interest at the rate of 10% annually and was originally due on June 17, 2025. On June 17, 2025, the Company entered into an amendment to loan agreement and both parties agreed to extend the loan maturity date to June 17, 2026. The total interest accrued on the loan as of April 30, 2026 was \$28,029 (July 31, 2025 - \$16,809).
- (iv) On September 3, 2024, the Company entered into a loan agreement with Bullrun Capital Inc. ("Bullrun") for \$90,000. This loan bears interest at the rate of 5% annually and was originally due on September 3, 2025. On June 3, 2025, the Company entered into an amendment to loan agreement and both parties agreed to extend the loan maturity date to September 3, 2026. The total interest accrued on the loan as of April 30, 2026 was \$7,445 (July 31, 2025 - \$4,080).
- (v) On November 4, 2024, the Company entered into a loan agreement with Kulwant Malhi, the CEO, for \$40,000. This loan bears interest at the rate of 7% annually and was due on November 4, 2025. On November 4, 2025, the Company entered into an amendment to loan agreement and both parties agreed to extend the loan maturity date to November 4, 2026. The total interest accrued on the loan as of April 30, 2026 was \$4,159 (July 31, 2025 - \$2,064).
- (vi) On December 5, 2024, the Company entered into a loan agreement with Kulwant Malhi, the CEO, for \$60,000. This loan bears interest at the rate of 8% annually and was due on December 5, 2025. The total interest accrued on the loan as of April 30, 2026 was \$6,720 (July 31, 2025 - \$3,130).

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- (vii) On February 6, 2025, the Company entered into a loan agreement with Kulwant Malhi, the CEO, for \$40,000. This loan bears interest at the rate of 8% annually and was due on February 6, 2026. The total interest accrued on the loan as of April 30, 2026 was \$3,929 (July 31, 2025 - \$1,535).
- (viii) On November 18, 2025, the Company entered into a loan agreement with Kulwant Malhi, the CEO, for \$40,000. This loan bears interest at the rate of 8% annually and is due on November 18, 2026. The total interest accrued on the loan as of April 30, 2026 was \$1,429 (July 31, 2025 - \$nil).
- (ix) As at April 30, 2026, an amount of \$30,000 is receivable from the CEO (July 31, 2025 - \$30,000).

During the nine months ended April 30, 2026, total interest expense charged by the CEO on these related-party loans was \$32,021 (2024 - \$7,180).

As at April 30, 2026 and July 31, 2025, the balances of due from related parties are as below:

|                                          | <b>April 30,<br/>2026</b> | <b>July 31,<br/>2025</b> |
|------------------------------------------|---------------------------|--------------------------|
|                                          | <b>\$</b>                 | <b>\$</b>                |
| Due from a company controlled by the CEO | 494                       | 494                      |
|                                          | <b>494</b>                | <b>494</b>               |

The Company's key management includes the CEO, CFO and CDO. Key management personnel were not paid post-employment benefit, termination fees or other long-term benefits for the nine months ended April 30, 2026 and 2025. Key management compensation for the three and nine months ended April 30 2026, and 2025 is as follows:

|                      | <b>Three months ended<br/>April 30,</b> |                | <b>Nine months ended<br/>April 30,</b> |                |
|----------------------|-----------------------------------------|----------------|----------------------------------------|----------------|
|                      | <b>2026</b>                             | <b>2025</b>    | <b>2026</b>                            | <b>2025</b>    |
|                      | <b>\$</b>                               | <b>\$</b>      | <b>\$</b>                              | <b>\$</b>      |
| Management fees      | 60,000                                  | 85,500         | 197,500                                | 249,000        |
| Professional fees    | 23,396                                  | 17,976         | 70,052                                 | 37,976         |
| Director fees        | 4,500                                   | 4,500          | 13,500                                 | 15,500         |
| Share based payments | 63,150                                  | 3,933          | 64,533                                 | 6,196          |
|                      | <b>151,046</b>                          | <b>111,909</b> | <b>345,585</b>                         | <b>308,672</b> |

Management fees incurred during the nine months ended April 30, 2026 consist of \$180,000 (2025 - \$180,000) paid to Bullrun, \$17,500 (2025 - \$31,500) paid to the CDO, and \$Nil (2025 - \$37,500) paid to a company controlled by the former CFO. Directors' fees incurred during the nine months ended April 30, 2026 consist of \$13,500 (2025 - \$13,500) paid to a director and \$Nil (2025 - \$2,000) paid to a former director. Accounting fees incurred during the nine months ended April 30, 2026 consist of \$70,052 (2025 - \$17,976) paid to a company in which the CFO is a shareholder, and \$Nil (2025 - \$20,000) paid to a company controlled by the former CFO.

## **COMMITMENTS**

Bullrun Capital Inc., an entity controlled by Kal Malhi ("Mr. Malhi"), entered into a consulting agreement with the Company dated September 13, 2022 (the "KM Consulting Agreement"). Pursuant to the KM Consulting Agreement, Mr. Kal Malhi has agreed to provide his services as CEO of the Company at a remuneration of \$20,000 per month (the "Base Fee"). Mr. Kal Malhi is also entitled to receive a bonus equal to (i) \$150,000 upon the Company achieving a market capitalization of \$20,000,000 on the CSE or another recognized stock exchange, and (ii) \$250,000 upon the Company achieving a market capitalization of \$40,000,000 on the CSE or another recognized stock exchange. The term of this agreement commences from the date of execution and will remain in force until termination by written notice at least 30 days in advance by either party. Mr. Malhi may terminate this agreement in connection with any change in control by providing 30

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days' notice in writing to the Company within 90 days after the change in control has been effected; provided, however, that the Company may waive or abridge any notice period specified in such notice in its sole and absolute discretion. If Mr. Malhi terminates this agreement as a consequence of a change in control, the Company will pay to him an amount equal to 24 times the Base Fee in effect at the date of termination.

Eminere Ventures Inc, a company controlled by Milan Malhi, entered into a consulting agreement with the Company dated May 1, 2022, as revised on September 1, 2022 (the "MM Consulting Agreement"). Pursuant to the MM Consulting Agreement, Mr. Milan Malhi has agreed to provide his services as a CDO to the Company at a remuneration of \$2,000 per month commencing on May 1, 2022, and further increased to \$3,500 per month effective September 1, 2022. Mr. Milan Malhi may also be paid a bonus depending on his performance and the financial circumstances of the Company. Mr. Milan Malhi is also entitled to participate in the Company's option plan. The term of this consulting agreement is for two years and will remain in force until termination by written notice at least 30 days in advance by either party. If this Agreement is terminated by the Company other than for a just cause or if this Agreement is terminated by the Consultant for good reason, then the Company will pay to Mr. Milan Malhi an amount equal to 3 times the base fee in effect at the date of termination.

**PROPOSED TRANSACTIONS**

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There are no proposed transactions as of April 30, 2026 and on the date of this report.

**CRITICAL ACCOUNTING ESTIMATES**

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For a detailed summary of the Company's significant accounting estimates, the readers are directed to Note 2 of the condensed interim consolidated financial statements for the nine months ended April 30, 2026.

**CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

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For a detailed summary of the Company's significant accounting policies, the readers are directed to Note 3 of the consolidated financial statements for the year ended July 31, 2025.

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

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A detailed listing of exploration expenditures and a breakdown of general and administrative expenses are provided in the condensed interim consolidated financial statements for the nine months ended April 30, 2026.

**OTHER MATTERS**

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**Legal proceedings**

The Company is not aware of any legal proceedings.

**Contingent liabilities**

At the date of the report, management was unaware of any outstanding contingent liability relating to the Company's activities.

**MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

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In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual Filings and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim consolidated financial statements for the nine months ended April 30, 2026 and this accompanying MD&A (together the "Interim Filings").

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In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

## **RISKS**

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The Company is engaged in the exploration for and development of mineral deposits. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases, eliminate. The commercial viability of any material deposit depends on many factors, not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade, proximity to infrastructure, government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations.

The discovery, development and acquisition of mineral properties are in many respects, unpredictable events. Future metal prices, capital equity markets, the success of exploration programs and other property transactions can have a significant impact on capital requirements.

The Company has entered into a service agreement to verify title to its exploration properties, however these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.

The Company's current operations do not generate any positive cash flow and it is not anticipated that any positive cash flow will be generated for some time. The Company has limited financial resources and the mining claims impose financial obligations on the Company. There can be no assurance that additional funding will be available to allow the Company to fulfill such obligations.

Further exploration and development of the various mineral properties in which the Company holds interests depends upon the Company's ability to obtain financing through joint venture of projects, debt financing, equity financing or other means. Failure to obtain additional financing on a timely basis could cause the Company to forfeit all or part of its interests in some or all of its mineral properties and reduce or terminate its operations.

The Company's properties are in the exploration stages only and are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. Exploration of properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company could be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of the properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to its current properties that may result in material liability to the Company.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, the changing budget priorities of the Company and other factors.

**OUTLOOK**

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The Company's primary focus for the foreseeable future will be on reviewing its financial position, raising funds to support exploration and operational activities, continuing exploration activities on its mineral properties and financing business ventures in the mineral resource industry.

**ADDITIONAL INFORMATION**

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Additional information related to the Company can be made available by requesting further information from the Company's head office in the province of British Columbia, Canada.

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