

Transition Metals Corp.
Management Discussion & Analysis – Quarterly Highlights
For the Three Months Ended November 30, 2025

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Transition Metals Corp. ("we", "our", "us", "Transition Metals", "TMC", "Transition" or the "Company") as of November 30, 2025, unless otherwise noted. The MD&A provides a detailed analysis of the Company's operations for the three months ended November 30, 2025, and should be read in conjunction with the condensed interim financial statements for the three months ended November 30, 2025 and the audited financial statements for the years ended August 31, 2025 and 2024. This MD&A was prepared as of January 28, 2026.

The financial statements and related notes of Transition Metals have been prepared in accordance with IFRS® Accounting Standards ("IFRS"). The Company's reporting currency is the Canadian dollar, and all monetary amounts in this MD&A are expressed in Canadian dollars unless otherwise stated.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Except for statements of historical fact relating to Transition Metals certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the Company's proposed acquisitions and strategy, development potential and timetable of the Company's properties; the Company's ability to raise required funds; future mineral prices; mineralization projections; conclusions of economic evaluation; the timing and amount of estimated future exploration and development; costs of development; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration activities are based on previous industry experience and regional political and economic stability. Capital and operating cost estimates are based on extensive research of the Company, recent estimates of exploration costs and other factors that are set out herein. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward- looking statements, including but not limited to risks related to: unexpected events and delays during exploration and development; acquisition risks; regulatory risks; revocation of government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of minerals; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, 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. Accordingly, readers should not place undue reliance on forward- looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from current project properties. Please see Risk Factors section of this MD&A. In particular, the current state of the global securities markets may cause significant fluctuations and/or reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

DESCRIPTION OF THE BUSINESS & BUSINESS OVERVIEW

Transition Metals is a publicly traded mineral exploration company. The Company's projects and their history are disclosed in press releases, technical reports and other continuous disclosure filings which may be viewed on the internet on the System for Electronic Document Analysis and Retrieval (SEDAR+) at www.sedarplus.ca and on the Company's website at www.transitionmetalscorp.com.

Transition Metals Corp. is engaged in the acquisition and exploration of mineral exploration properties in Canada. The Company's registered office is 100 King Street West, 1 First Canadian Place, Suite 6200, Toronto, Ontario, M5X 1B8.

Transition Metals (XTM-TSX.V) is a multi-commodity exploration company in Canada. It focuses on key, high quality exploration projects while maintaining a pipeline of projects across the country to advance in the future, option or sell. This approach maximizes shareholder exposure to discoveries and capital gain while minimizing shareholder equity dilution by selling interest in the projects rather than ownership in the Company. The Company has established funding partnerships with other companies that are earning an interest in Transition Metals property by providing a blend of cash, shares and royalties, and committing exploration expenditures to advance the projects. The Company has developed a portfolio of base and precious metals projects in Ontario, British Columbia, Nova Scotia, Yukon, Northwest Territories and Saskatchewan with direct property ownership interest in approximately 683 km² mining land and share ownership interests in partner companies. The Company also holds 9 Net Smelter Return royalties (NSR) and has exposure to up to \$13.5M in potential Milestone payments.

Key projects for the Company include: the Pike Warden Au-Ag-Cu project near Whitehorse, Yukon, the Saturday Night PGM project near Thunder Bay, Ontario, and the Sunday Lake PGM discovery near Thunder Bay held through a Joint Venture with Impala Platinum Holdings Limited ("Implats") and Impala Canada Limited ("Impala Canada").

Key investments for the Company include the Company's shareholdings in: SPC Nickel Corp. (SPC), a public company which is focused on advancing the Muskox project in Nunavut and Canadian Gold Miner Corp. (CGM) a private company which is focused on advancing the South Kirkland gold project. In addition, the Company holds shares of publicly traded companies including Forum Energy Metals Corp. (subsequently acquired by Geiger Energy Corp.), McFarlane Lake Mining Limited, Heritage Mining Limited and Class 1 Nickel and Technologies Limited. It also holds shares of two other private companies.

The business of exploration and mining involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's business is dependent upon the discovery of economically recoverable mineral deposits, securing and maintaining title and beneficial interest in the properties, the ability to obtain the necessary financing to complete exploration, development and construction of a mine and processing facilities, obtaining certain government approvals to monetize its assets or generate profitable revenue from mining production. There can be no assurance that the Company will be able to raise sufficient funds as and when required.

The Company's financial statements are prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of the Company's business. The application of the Going Concern concept is dependent on the Company's ability to obtain financing to continue its operations.

The Company presently has no known quantifiable mineral deposits that justify exploitation, and activities completed by the Company constitute exploratory searches for economic mineral deposits.

OUTLOOK

The Company intends to continue to develop and advance its portfolio projects with the objective of attracting new funding partners to further leverage the Company's exposure while retaining the upside value that can come from the discovery of new mineral deposits.

Projects that the Company considers key to driving value into the next period include: the Pike Warden

Au-Ag-Cu project in the Yukon, and the Saturday Night PGM-Ni-Cu project near Thunder Bay Ontario. SPC Nickel is undertaking some financing and restructuring measures towards providing the company with sufficient resources to advance its projects in Sudbury and Nunavut. It is anticipated that CGM will complete a public transaction soon.

INTERNAL QUALIFIED PERSON AND QUALITY CONTROL/QUALITY ASSURANCE

Greg Collins, P.Geo., Chief Operating Officer of the Company, is a Qualified Person as defined under National Instrument 43-101 and has reviewed and approved the technical information contained in this MD&A.

MINERAL PROPERTIES, ACTIVITY AND PLANS

CORPORATE ACTIVITIES

On October 2, 2025 the Company reported that it had closed a non-brokered private placement consisting of 10,108,439 critical flow through shares ("CFT Shares") at a price of \$0.075 per CFT Share for aggregate proceeds of \$758,133. Proceeds from the offering were intended to explore and advance critical minerals properties in Ontario (Saturday Night PGM) and Yukon (Pike Warden Au-AgCu). In connection with the private placement, the Company paid cash finders' fees totaling \$30,675 and issued 409,006 compensation warrants. Each compensation warrant entitles the holder thereof to purchase one common share of the Company at \$0.12 per share for a period of 18 months from the closing date.

EXPLORATION HIGHLIGHTS

On September 9, 2025, the Company reported that targeting work completed during the Summer 2025 field season has outlined 17 drill ready targets across 4 of the 5 mineralized prospective areas previously identified at its 100% optioned Pike Warden Project in Southern Yukon. Work to Date has outlined the potential for both large copper porphyry and epithermal gold-silver systems on the property and was undertaking plans to mobilize a drill.

On October 6, 2025 the Company announced that it had mobilized a diamond drill to the Pike Warden project to test select seasonally accessible targets from the 17 drill-ready sites outlined in the Copper Junction area and identified during the Company's 2025 summer field program.

On October 14, 2025 the Company reported results from the summer field program at Pike Warden citing the discovery of 4 new showings, with select highlight assay values from different samples ranging up to >10,000 ppm Ag, 2.8 g/t Au, 1.9% Cu, 3.41% Mo and 4.31% Pb.

On November 10, 2025, the Company announced the resumption of drilling at the Saturday Night Project near Thunder Bay. The program is designed to follow up on encouraging results reported earlier in the year, which included assays of up to 1.44 g/t Pt, 0.90 g/t Pd, and 0.21 g/t Au (a combined 2.55 g/t 3E PGM), along with 0.12% Ni and 0.46% Cu within a 14.00-metre interval grading 1.04 g/t 3E PGM and 0.19% Cu. The objective of the current drilling is to further evaluate the Saturday Night intrusion and advance understanding of its mineral potential.

On January 22, 2026 the Company provided and general corporate update that contained results from fall drilling at Pike Warden. In connection with this drilling the Company reported that it had completed 2 holes for 504 metres testing logically accessible targets associated with the Copper Junction target area. Although no economic mineralization was encountered, favourable structure and alteration intersections have increased the geological understanding of the targeted project area and will inform future programs.

PROPERTY HOLDINGS

The Company owns properties in several jurisdictions in Canada and is currently registered to conduct business in Ontario, Yukon, British Columbia, Saskatchewan, Northwest Territories and Nova Scotia. As of November 30, 2025, the Company owned or held under option an ownership interest in mining properties totaling approximately 56,310 hectares (ha) (563 square kilometres) for purposes of conducting exploration and development activities. Additionally, the Company has exclusive rights to

stake claims pursuant to an Agreement with a holder of a Prospecting Permit covering approximately 713 square kilometres in the Northwest Territories.

| Projects | Properties Nov 30, 2025 | Hectares Nov 30, 2025 | Properties Aug 31, 2025 | Hectares Aug 31, 2025 |
|---------------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| Pike Warden - Yukon | 203 | 4,166 | 203 | 4,166 |
| Thunder Bay - Ni-Cu-PGM's | 374 | 6,956 | 374 | 6,956 |
| Saskatchewan Copper | 9 | 5,375 | 9 | 5,375 |
| Gold - Ontario | 976 | 16,875 | 976 | 16,875 |
| Other | 106 | 22,938 | 106 | 22,938 |
| Totals | 1,668 | 56,310 | 1,668 | 56,310 |

The number of properties listed in the tables above refers to the number of discrete mining titles that the Company holds an interest in and consists of a mix of individual mining claims, leases and patents. The number of properties and hectares held remained unchanged from the previous reporting period. The Company's properties have been grouped into the following major project categories based on factors including geographic location, commodity focus and partnership agreements. An overview of the projects is presented below.

OVERVIEW OF PROJECTS

The Company has developed a portfolio of gold, copper, nickel, uranium, tungsten and PGM projects with ownership interest in approximately 563 km² of property interest in several focus area as defined by region or commodity focus structure. These include: Pike Warden – Yukon (Au-Ag-Cu), Thunder Bay (Ni-Cu-PGM's); Saskatchewan (Cu); Abitibi (Au); and Other. Updates during the reporting period for potentially material and/or projects that the Company is actively working are as follows.

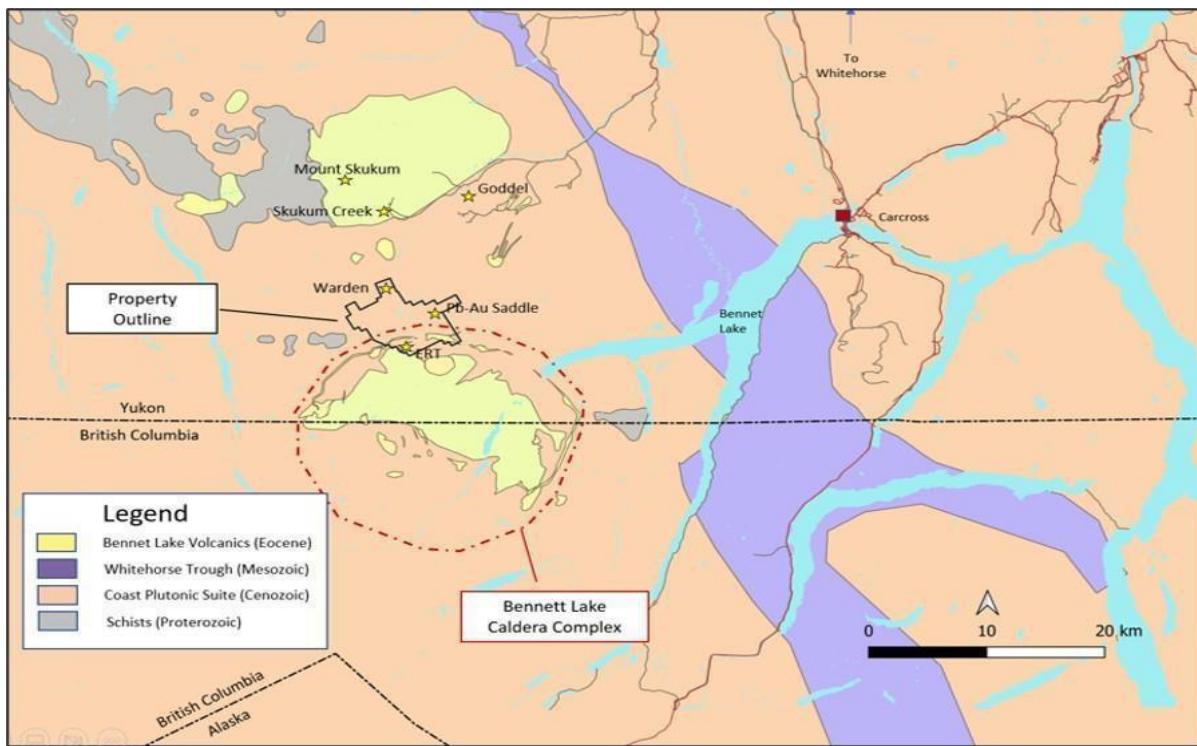
Pike Warden (Gold and Silver) – Yukon Territory

In 2022, the Company entered into an option agreement to acquire a 100% interest in the Pike Warden Au-Ag-Cu Property located approximately 65 kilometres southwest of Whitehorse. Pursuant to the option agreement, Transition retains the option to earn a 100% interest in the property by issuing \$150,000 in cash (\$85,000 paid) and 1,000,000 shares (750,000 issued) to the Vendor and completing an aggregate of \$1,000,000 (~\$1,000,000 completed subsequent to the reporting year) in work over a 4-year period. If the Company vests its interest, the Vendor will retain a 1% Net Smelter Return royalty (NSR) and a \$1,500,000 Milestone Payment to be paid within 6 months following Commercial Production being achieved from the Property. During the year ended August 31, 2025, the Agreement was amended whereby the year 3 payment of \$30,000 was cancelled reducing the overall cash payments required towards vesting to \$120,000.

The property covers more than 25 historic and recently discovered high-grade polymetallic gold (Au), copper (Cu), and silver (Ag) epithermal showings indicative of a large epithermal-porphyry system situated near the margin of the Bennett Lake caldera complex.

Since optioning the property, the Company has completed three seasons of exploration work compiling a robust geoscience database consisting of property wide coverage with high resolution magnetic, radiometric and VLF geophysical data, Lidar and high resolution orthophotography, high resolution remote sensing based alteration mapping, and the collection of more than 1500 rock and 700 soil samples. This work has highlighted more than 25 new polymetallic mineralized occurrences hosting elevated values of gold, silver, copper, molybdenum and other base metals. Assay samples from these zones have returned values up to 48.1 g/t Au, 11,270 g/t Ag, 7.49% Cu and 2.37% Mo.

Figure 1: Geology and location of the Pike Warden Property and outline of the Bennett Lake Caldera Complex



In 2022, the Company undertook programs to better understand the geological context of showing areas identified on the property by the Optionor. This effort led to the identification of 3 new showing areas and confirmed a drill testable high sulphidation epithermal silver target at the ERT Zone. In the fall of 2022, the Company mobilized a RC drill to complete three holes to further evaluate the extent and vertical continuity of target mineralization identified at ERT. Assay results from this drilling returned:

- 16.76 metres grading 88.01 g/t Aq including 1.5 metres grading 468.00 g/t Ag in hole 22-PW-01
- 21.34 metres grading 91.43 g/t Aq including 1.5 metres grading 362.00 g/t Ag in hole 22-PW-02
- 12.19 metres grading 46.20 g/t Aq including 1.5 metres grading 211.00 g/t Ag in hole 22-PW-03

In 2023, the Company returned to evaluate other areas of the property towards assembling a more comprehensive geoscientific database to better understand and target other showing areas on the property and to further assess indications mineralization associated with both epithermal and porphyry copper style mineralizing systems. High resolution multispectral satellite data was tasked over the area to assist with alteration mapping and an airborne Lidar survey was completed along with orthophotography to obtain an accurate digital elevation model and to help map out structure. Approximately 300 rock and soil samples were collected confirming the discovery of two new molybdenite occurrence. In October of 2023 an additional 376 ha was staked to secure favourable ground peripheral to these discoveries. On November 20, 2023, the Company reported assays in connection with the sampling reported in October from the newly found Nemean Lion, Minotaur and Hercules showing areas returning highlight assay values from grab samples include: 2.91 g/t Au, 6.57 g/t Ag, and >1% Mo.

On May 29, 2024, the Company disclosed encouraging results from ongoing research further validating the potential for copper porphyry mineralization at Pike Warden. Rock sample trace element geochemistry studies highlighted robust epithermal and porphyry style alteration signatures with petrography confirming the presence of high temperature potassic alteration associated copper and moly mineralization on the property. In June, the Company completed a helicopter-borne Z-Axis Tipper Electromagnetic (ZTEM) geophysical survey over the property seeking to use the audio frequency magnetotelluric (AMT) data collected from this survey to establish a 3D model of subsurface resistivity. The intent behind the completion of this survey was to highlight subsurface structures and pathways for intrusions considered favourable for generating copper porphyry systems. Detailed field mapping was completed over a two-week period in July towards better constraining alteration, fracture and vein

type and density and to obtain material for additional geochemical and petrography analysis. This work has led highlighted 3 areas on the property which exhibit prospective indication for hosting porphyry copper mineralization in addition to the epithermal Au/Ag potential previously highlighted at ERT and in other locations on the property.

During the reporting period, two holes for a total of 504 metres were drilled to test logically accessible targets defined at the Copper Junction target area. Although no economic mineralization was encountered, favourable structure and alteration intersections have increased the geological understanding of the targeted project area and will inform future programs. Additional exploration work is recommended for 2026-2027, inclusive of targeted drilling, where feasible, at Copper North, Saddles, and ERT, in conjunction with petrographic studies, to further assess the scale of mineralization.

As at the end of the reporting period the property consisted of 4,166 hectares of optioned and 100% owned claims. The Company plans to continue to explore the property with programs of additional mapping and sampling as well as drilling in 2025 and 2026.

Saturday Night

In 2015, the Company staked a magnetic target comparable to the magnetic signatures of other 'Early Rift' intrusions in this area located approximately 16 kilometres west of its Sunday Lake discovery near Thunder Bay, Ontario. This target, named "Saturday Night", was highlighted by an airborne survey flown by the Ontario Geological Survey (OGS).

In November 2016, the Company completed one drill hole to test targets defined by the summer geophysical program. On January 23, 2017, the Company announced that it had intersected a platinum group element enriched mid-continental rift intrusion. Assays returned 6.25 metres averaging 1.07 g/t PGM's including a higher-grade section of 4.0 g/t PGM and 0.56% Cu over a core length of 0.30 metres near the interpreted base of a greater than 200-metre-thick sequence of early-rift intrusive rocks.

The Company has covered the property with an AMT/MT ground geophysical survey, similar to the approach taken by Impala Canada (formerly North American Palladium) at the nearby Sunday Lake project, to better define the extent and morphology of the Saturday Night intrusion which indicates that the extent of the prospective intrusion is extensive. In October of 2020, the Company assigned 1% NSR on the project to Metalla Royalty. During the reporting period the Company applied for permits to resume drilling on the property and plans to complete an airborne AMT survey over the property as soon as possible.

In 2023, the Company completed a passive Audio frequency Magnetotelluric (AMT) airborne survey over the project area to more fully define the interpreted extent of the Saturday Night intrusion under cover. The results of the survey indicate that the Saturday Night intrusion may be larger than previously understood and have highlighted possible extensions to the intrusion that should be targeted for drilling.

At the end of the reporting period, the Saturday Night project consisted of 63 mining claims for an estimated 1,081 hectares.

In January 2025, the Company completed two diamond drill holes for a total of 1,417m to further define the target host intrusion and explore for Ni-Cu and PGM hosting magmatic sulphides. Hole SN-025-02 intersected 14.00m grading 1.04 g/t PGEs (Au + Pt + Pd) with 0.19% Cu, including 1.86m grading 2.55 g/t PGEs with 0.46% Cu. Hole SN-25-03 was drilled to a depth of 830m encountering more than a 450-metre-thick sequence of rift-related intrusion before being stopped due to budgetary limitations. Overall, these observations and results confirm that the Saturday Night Intrusion exhibits key characteristics associated with prospective magmatic Ni-Cu-PGM systems. The combination of thick, layered intrusive sequences, favorable structural settings, and mineralized basal contacts enhances the project's exploration potential and warrants further investigation. The deepening of drill hole SN-25-03 remains a key priority for further exploration at Saturday Night, with Ni-Cu-PGM mineralization expected at the basal contact.

On November 10, 2025, the Company announced the resumption of drilling at the Saturday Night Project near Thunder Bay. The program is designed to follow up on encouraging results reported earlier in the year, which included assays of up to 1.44 g/t Pt, 0.90 g/t Pd, and 0.21 g/t Au (a combined 2.55 g/t 3E PGM), along with 0.12% Ni and 0.46% Cu within a 14.00-metre interval grading 1.04 g/t 3E PGM

and 0.19% Cu. The objective of the current drilling is to further evaluate the Saturday Night intrusion and advance understanding of its mineral potential.

On January 22, 2026 the Company disclosed that three holes for a total of 1,436 metres of drilling was completed in December intersecting indications of mineralization proximal to basal contacts. Core has been sampled and submitted for analysis, with assay results pending at the time of this report.

Project Generation

During the reporting period the Company remained active in conducting exploration activities towards the identification and assessment of new opportunities with a focus on critical minerals in Ontario.

Other Projects

Transition has a number of other exploration projects in the Canadian provinces of Ontario, Nova Scotia, Northwest Territories and British Columbia. Targets are mainly gold and copper. A table of all projects, ownership interests and status are provided below:

| Properties | Ownership | Commodities | Claims - Nov 30/25 | Hectares - Nov 30/25 | Status During Reporting Period |
|---|--|---------------|--------------------|----------------------|--------------------------------|
| Pike Warden - Yukon | | | 203 | 4,166 | |
| Pike-Warden | Option to Earn 100%, Subject to 1% NSR | Cu, Au, Ag | 185 | 3,790 | Active |
| Pike-Warden | 100% Owned Mining Claims | Cu, Au, Ag | 18 | 376 | Active |
| Thunder Bay - Ni-Cu-PGM's - Implats Alliance | | | 374 | 6,956 | |
| Maude Lake | 100% Owned Mining Claims, 2% NSR to Optionor subject to 1% buydown, 1% NSR held by Metalla | Ni, Cu | 95 | 2,017 | Active |
| Saturday Night | 100% Owned Mining Claims, 1% NSR held by Metalla | PGM's, Ni, Cu | 63 | 1,081 | Active |
| Sunday Lake | Sunday Lake JV - 25% Interest Carried to Feas | PGM's, Ni, Cu | 176 | 3,012 | Dormant |
| Owl Lake | 100% Owned Mining Claims, 1% Impala | PGM's, Ni, Cu | 40 | 846 | Dormant |
| Gold - Ontario | | | 976 | 16,875 | |
| Gowganda Gold | | | | | |
| Haultain | 100% Owned Mining Claims | Au, Ag, Co | 231 | 3,897 | Dormant |
| Haultain-Swain | 100% Owned Mining Claims, 2% NSR to Vendor with 1% buy back | Au, Ag, Co | 55 | 692 | Dormant |
| Haultain | 100% Owned Mining Claims, 1% NSR to BMR | Au, Ag, Co | 233 | 4,066 | Active |
| Pipestone | Participating JV - 60% Gowest, 40% XTM | Au | 237 | 3,354 | Dormant |
| Cryderman | 100% Owned Mining Leases, 2% NSR to Vendor with 1% buy back | Au | 6 | 106 | Dormant |
| Cryderman | 100% Owned Mining Claims, 2% NSR to Vendor with 1% buy back | Au | 2 | 11 | Dormant |
| Jolly | Option to Earn 100%, Subject to 1% NSR | Au, Cu, Zn | 9 | 465 | Dormant |
| Jolly | 100% Staked Claims | Au, Cu, Zn | 194 | 4,094 | Dormant |
| Jolly | 100% Owned Mining, 1% NSR to Vendor | Au, Cu, Zn | 9 | 190 | Dormant |
| Saskatchewan Copper | | | 9 | 5,375 | |
| Fannon | 100% Owned Mining Claims, 1% NSR assigned to Metalla | Cu, Zn | 4 | 2,564 | Dormant |
| Porcupine | 100% Owned Mining Claims, 1% NSR assigned to Metalla | Cu | 5 | 2,811 | Dormant |
| Other Projects | | | 106 | 22,938 | |
| Highland Gold | Option to Earn 100%, Subject to 1% NSR to Vendor | Au | 4 | 1,409 | Dormant |
| | 100% Owned Mining Claims | Au | 17 | 9,844 | Dormant |
| Raglan Hills | 100% Owned Mining Claims, 1% NSR assigned to Metalla | Ni, Cu, PGM's | 7 | 137 | Dormant |
| Limerick | 100% Owned Mining Claims, 1% NSR assigned to Metalla | Ni, Cu, PGM's | 68 | 1,679 | Dormant |
| Island Copper | 100% Owned Mining Claims | Cu | 5 | 81 | Dormant |
| Homathko | Under Option to Aurum Mining Ltd. | Au, Sb, Cu | 5 | 9,788 | Active |
| Thompson | 100% Owned Mining Claims | Au | 0 | - | Returned |
| | Option to Earn 100%, Subject to 1% NSR to Vendor | Au | 0 | - | Returned |
| Totals | | | 1,668 | 56,310 | |

Royalties and Milestone Payments

| Royalties Held | | | | | |
|----------------|---------------------|--------------|-------------|---------|------------------|
| Project | Company | Jursidiction | NSR Royalty | Buyback | Residual Royalty |
| Dundonald | Class One Nickel | ON | 1.25% | 0 | 1.25% |
| Janice | Forum Energy Metals | SK | 1.00% | 50% | 0.50% |
| Elephant Head | Canadian Gold Miner | ON | 1.00% | 50% | 0.50% |
| Jumping Moose | Canadian Gold Miner | ON | 1.00% | 50% | 0.50% |
| Mongowin | McFarlane Lake | ON | 1.50% | 0% | 1.50% |
| South Kirkland | Canadian Gold Miner | ON | 1.00% | 50% | 0.50% |
| Nabish Lake | Heritage Mining | ON | 2.00% | 25% | 1.50% |
| Fostung | UMAY Cobalt | ON | 0.25% | 0% | 0.25% |
| Duntarra | Stephen Stockley | NF | 2.00% | 50% | 1.00% |

| Receiveable Milestone Payments | | | | | |
|--------------------------------|-----------------------|---------------------|---|--|--|
| Project | Company | Payment(s) | Comment | | |
| Golden Elk | Canadian Gold Miner | \$1,000,000 | Commercial Production Payment | | |
| Janice Lake | Geiger Energy | \$7,000,000 | Feasibility Study and Commercial Production | | |
| Janice Lake | Metalla Royalties | \$2,000,000 | Production from Janice Lake Project | | |
| West Matachewan | Canadian Gold Miner | \$1,000,000 | Commercial Production Payment | | |
| Mongowin | McFarlane Lake Mining | \$2,500,000 | Commercial Production Payment | | |
| Total | | \$13,500,000 | | | |

Cumulative exploration expenditures as at November 30, 2025

| | Pike Warden | Maude Lake | Saturday Night | Project Generation | Other | Former projects | Total |
|---|----------------|---------------|-------------------|-----------------------|-------------|--------------------|-------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance, August 31, 2024 | 868,252 | 711,172 | 143,453 | 4,121,435 | 5,110,115 | 6,857,625 | 17,812,052 |
| Acquisition costs | 7,000 | 1,153 | - | - | 5,370 | - | 13,523 |
| Camps, accomodations, meals, travel | 14,303 | 1,590 | 16,240 | 738 | 80,745 | - | 113,616 |
| Assay, core logging and sampling | 21,464 | - | 8,132 | 9,295 | 10,514 | - | 49,405 |
| Geophysical, geochemical and geological | 282,702 | 12,868 | 113,945 | 13,357 | 93,790 | - | 516,662 |
| Drilling and trenching | - | - | 333,530 | - | - | - | 333,530 |
| Recoveries | (50,000) | - | (200,000) | - | (3,577,705) | - | (3,827,705) |
| Balance, August 31, 2025 | 1,143,721 | 726,783 | 415,300 | 4,144,825 | 1,722,829 | 6,857,625 | 15,011,083 |
| Acquisition costs | - | - | - | - | 5,000 | - | 5,000 |
| Camps, accomodations, meals, travel | 4,117 | - | 10,874 | - | 13,823 | - | 28,814 |
| Assay, core logging and sampling | 8,862 | - | - | 125 | - | - | 8,987 |
| Geophysical, geochemical and geological | 280,574 | 360 | 35,132 | 217 | 42,745 | - | 359,028 |
| Drilling and trenching | 230,251 | - | 209,754 | - | - | - | 440,005 |
| Recoveries | - | - | - | - | (67,810) | - | (67,810) |
| Balance, November 30, 2025 | 1,667,525 | 727,143 | 671,060 | 4,145,167 | 1,716,587 | 6,857,625 | 15,785,107 |

INVESTMENT IN ASSOCIATE COMPANIES

CANADIAN GOLD MINER CORP.

As at November 30, 2025, the Company owns 15,000,100 common shares in Canadian Gold Miner Corp. ("CGM") being approximately 19% of the issued and outstanding shares. CGM is a private corporation exploring for gold in the Larder Lake Mining District near Kirkland Lake. The Company has assembled an exceptional land position totaling approximately 365 km² around the Cadillac Larder, Lincoln-Nipissing and Ridout structures in the southwestern part of the prolific Abitibi Greenstone belt in Ontario. The Company is currently monitoring the market to assess next steps towards a public

transaction.

In January 2026, Canadian Gold Miner provided an update regarding its activities and plans for 2026, stating that it had completed a flow through financing on December 30, 2025 for gross proceeds of \$359,166.99 through the issuance of 920,941 common shares at a price of \$0.39 per share.

INVESTMENT

A continuity of investment balances, and the resultant income statement impact, for the period ended November 30, 2025 is as follows:

| | Equity Investment in CGM (\$) | Marketable Securities (\$) | Total (\$) |
|--|--|---------------------------------------|-----------------------|
| Balance as at August 31, 2025 | 411,115 | 1,296,111 | 1,707,226 |
| Share of loss for the period | (17,304) | - | (17,304) |
| Mark to market adjustments | - | 526,651 | 526,651 |
| Balance as at November 30, 2025 | 393,811 | 1,822,762 | 2,216,573 |

Income statement impact is as follows:

| For the three months ended November 30, 2025 | Realized gain on disposition (\$) | Equity accounting pick up (\$) | Unrealized gain (loss) (\$) | Total (\$) |
|---|--|---|--|-----------------------|
| Equity (loss) pick up | - | (17,304) | - | (17,304) |
| Mark to market adjustments | - | - | 526,651 | 526,651 |
| Original cost on securities sold | - | - | - | - |
| Adjusted for: | | | | |
| Proceeds on sales | - | - | - | - |
| Total | - | (17,304) | 526,651 | 509,347 |

DISCUSSION OF OPERATIONS

THREE MONTHS ENDED NOVEMBER 30, 2025, COMPARED TO THREE MONTHS ENDED NOVEMBER 30, 2024

During the three months ended November 30, 2025, the Company had a net loss of \$578,957 compared to net loss of \$540,995 in the comparative period. The change is mainly due to the following:

- Operating expenditures for the three months ended November 30, 2025, were \$1,103,747 compared to \$289,104 for the three months ended November 30, 2024. The changes are due to:
 - Exploration and evaluation expenditures increased to \$774,024 for the three months ended November 30, 2025 (2024 - \$180,421) due to increased drilling activities in the Pike Warden and Saturday Night properties.
 - Consultant fees increased to \$106,269 for the three months ended November 30, 2025 (2024 - \$28,700) due to increased management fees paid to the officers and directors of the Company.
 - Share based compensation increased to \$135,120 for the three months ended November 30, 2025 (2024 - \$7,174). Share based compensation varies depending on the vesting of stock options, RSUs, and DSUs.
- Unrealized gain on marketable securities increased to \$526,651 for the three months ended November 30, 2025 (2024 - loss of \$218,306). The change in the unrealized gain or loss on marketable securities is due to changes in the underlying market price of the common shares.

PROJECT EXPENDITURES

| | Three Months Ended November 30, 2025 \$ | Three Months Ended November 30, 2024 \$ |
|---------------------------|--|--|
| Pike Warden | 523,804 | 81,183 |
| Maude Lake | 360 | 12,231 |
| Saturday Night | 255,760 | 45,979 |
| Project generation | 342 | 2,554 |
| Other | (6,242) | 38,474 |
| Total | 774,024 | 180,421 |

QUARTERLY INFORMATION

A summary of selected financial information for the past eight quarters is presented below:

| For the three months ended and as at: | November 30, 2025 ⁽¹⁾ | August 31, 2025 ⁽²⁾ | May 31, 2025 ⁽³⁾ | February 28, 2025 ⁽⁴⁾ |
|--|-------------------------------------|-----------------------------------|--------------------------------|-------------------------------------|
| Operating (expenses) recoveries | \$(1,103,747) | \$(300,098) | \$24,665 | \$(596,466) |
| Net income (loss) for the period | (578,957) | 3,541,777 | 105,119 | (649,258) |
| Income (loss) per share – basic and fully diluted | (0.01) | 0.05 | 0.00 | (0.01) |
| Total Assets | 5,611,616 | 5,337,919 | 1,624,022 | 1,637,905 |
| Total Liabilities | 333,626 | 343,460 | 178,593 | 304,848 |

| For the three months ended and as at: | November 30, 2024 ⁽⁵⁾ | August 31, 2024 ⁽⁶⁾ | May 31, 2024 ⁽⁷⁾ | February 29, 2024 ⁽⁸⁾ |
|---|-------------------------------------|-----------------------------------|--------------------------------|-------------------------------------|
| Operating expenses | \$(289,104) | \$(418,580) | \$(261,200) | \$(168,400) |
| Net loss for the period | (540,995) | (327,927) | (196,682) | (171,551) |
| Loss per share – basic and fully diluted | (0.01) | (0.00) | (0.00) | (0.00) |
| Total Assets | 2,272,690 | 2,584,723 | 2,780,511 | 2,937,124 |
| Total Liabilities | 304,469 | 284,681 | 228,428 | 231,014 |

- 1) Net loss of \$561,653 consisted mainly of: (i) operating expense of \$1,103,747, which included exploration and evaluation expense of \$774,024; (ii) consultant fees of \$106,269; (iii) professional fees of \$40,611; (iv) office and general expenses of \$46,314; (v) share based compensation of \$135,120; (vi) share of loss of equity investment of \$17,304; and (vii) unrealized gain on marketable securities of \$526,651.
- 2) Net income of \$3,541,777 consisted mainly of: (i) operating expense of \$300,098, which included exploration and evaluation expense of \$153,125; (ii) professional fees of \$47,711; (iii) office and general expenses of \$13,995; (iv) share of loss of equity investment of \$136,753; (v) unrealized gain on marketable securities of \$559,966; and (vi) gain on sale of Fostung property of \$3,410,000.
- 3) Net income of \$105,119 consisted mainly of: (i) operating expense recovery of \$24,665, which included exploration and evaluation expense recovery of \$171,247; (ii) professional fees of \$26,210; (iii) office and general expenses of \$32,088 (iv) share of income of equity investment of \$48,857; (v) loss on sale of marketable securities of \$5,420; and (vi) unrealized gain on marketable securities of \$36,099.
- 4) Net loss of \$649,258 consisted mainly of: (i) operating expenses of \$596,466, which included exploration and evaluation expense of \$446,732; (ii) professional fees of \$27,642; (iii) office and general expenses of \$46,359 (iv) equity loss of \$64,320; (v) loss on sale of marketable securities of \$8,004; (vi) unrealized loss on marketable securities of \$72,427; (vii) recovery of flow- through of \$89,584.
- 5) Net loss of \$540,995 consisted mainly of: (i) operating expenses of \$289,104, which included

exploration and evaluation expense of \$180,421; (ii) professional fees of \$30,262; (iii) office and general expenses of \$22,803 (iv) share of loss of equity investment of \$92,949; (v) gain on sale of marketable securities of \$41,345; (vi) unrealized loss on marketable securities of \$218,306; (vii) recovery of flow- through of \$13,518.

- 6) Net loss of \$327,927 consisted mainly of: (i) operating expenses of \$418,580, which included exploration and evaluation expense of \$196,493; (ii) professional fees of \$51,744; (iii) office and general expenses of \$26,487 (iv) share of income of equity investment of \$23,942 and gain on dilution from associates of \$103,141; (v) gain on sale of marketable securities of \$21,850; (vi) unrealized loss on marketable securities of \$152,783; (vii) recovery of flow- through of \$87,028.
- 7) Net loss of \$196,682 consisted mainly of: (i) operating expenses of \$261,200, which included exploration and evaluation expense of \$96,828; (ii) professional fees of \$15,323; (iii) office and general expenses of \$45,293 (iv) share of loss of equity investment of \$22,148 and gain on dilution from associates of \$27,054; (v) gain on sale of marketable securities of \$33,851; (vi) unrealized loss on marketable securities of \$99,988; (vii) recovery of flow- through of \$75,491.
- 8) Net loss of \$171,551 consisted mainly of: (i) operating expenses of \$168,400, which included exploration and evaluation recoveries of \$50,823; (ii) professional fees of \$46,725; (iii) office and general expenses of \$88,681 (iv) share of loss of equity investment of \$62,731; (v) gain on sale of marketable securities of \$300; (vi) unrealized loss on marketable securities of \$38,729; (vii) recovery of flow- through of \$63,337.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS

Operating activities were affected by net loss of \$578,957, non-cash adjustments of \$373,031 and non-cash working capital items of \$148,956.

Non-cash adjustments consisted of: depreciation of \$1,196, unrealized gain on marketable securities of \$526,651, share-based compensation of \$135,120, and share of loss of equity investment of \$17,304.

Non-cash working capital balances consisted of: an increase in sales tax recoverable of \$77,527, a decrease in amounts receivable of \$15,523, an increase in prepaid expenses of \$77,118, and a decrease in accounts payable and other liabilities of \$9,834.

Cash flows from financing activities of \$727,368 consisted of: proceeds from financing of \$758,133, partially offset by share issuance costs of \$30,765.

On November 30, 2025, the Company had cash of \$1,048,641 (August 31, 2025 - \$1,422,217). In addition, it had short-term investments of \$2,000,000 (August 31, 2025 - \$2,000,000) and marketable securities with a fair market value of \$1,822,762 (August 31, 2025 - \$1,296,111). The Company's working capital (based on current assets minus current liabilities) was \$4,811,825 on November 30, 2025 (August 31, 2025 - \$4,509,794). TMC will continue to focus on optioning numerous projects in 2026 and anticipate new revenues from option payments. Currently, TMC has two properties farm out option agreements in place which is estimated to generate gross option payments of \$170,000 in fiscal 2026. These payments are subject to the optionee having sufficient funds available to meet the obligations and option terms of potential new options being approved. Transition monitors the outstanding amounts on an ongoing basis. The Company continues to negotiate option agreements and the potential sale of properties. The Company believes that based on the current cash and working capital position and its access to liquidity sources, it has sufficient resources readily available to meet its current exploration and corporate and administrative requirements for the next twelve months. See "Cautionary Note Regarding Forward- Looking Statements".

In addition, the Company's estimated exploration budget is between \$1 to \$2 million, which will be spent or deferred. Further financing will be required from related party loans or an equity issue to continue corporate and exploration activities. There can be no assurance that additional funding from related parties or others will be available on terms acceptable to the Company. For these reasons, management considers it to be in the best interests of the Company and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed, or for other purposes, as needs arise.

The Company does not have any long-term debt or similar contractual commitments. See "Risk Factors" in this MD&A.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities or derivative financial obligations.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties). The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, to similar transactions to non-key management personnel related entities on an arm's length basis.

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties:

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key management of the Company for the periods ended November 30, 2025 and 2024 was as follows:

| | Three Months Ended November 30, 2025 (\$) | Three Months Ended November 30, 2024 (\$) |
|-------------------------|--|--|
| Short term benefits (i) | 111,094 | 66,850 |
| Share based payments | 109,327 | 5,939 |
| Accounting fees (ii) | 10,942 | 9,135 |
| | 231,363 | 81,924 |

(i) Short term benefits are included in consultant fees and exploration and evaluation expenditures. Accounts payable and accrued liabilities as at November 30, 2025, is \$2,500 (August 31, 2025 - \$95,498) owing to the Company's officers, who have management consulting contracts with the Company. The amounts are unsecured, non-interest bearing, and are due on demand.

(ii) During the three months ended November 30, 2025, the Company paid professional fees of \$10,942 (2024 - \$9,135), to Marrelli Support Services Inc., a Company controlled by the Chief Financial Officer of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. As at November 30, 2025, Marrelli Support was owed \$7,500 (August 31, 2025 - \$7,500) with respect to services provided. The amounts are unsecured, non-interest bearing, and are due on demand.

COMMITMENTS AND CONTINGENCIES

ENVIRONMENTAL CONTINGENCIES

The Company's exploration activities are subject to various federal, state, provincial, and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

FLOW-THROUGH EXPENDITURES

From time-to time, the Company and its associates enter into flow-through financings and indemnify the

subscribers of flow-through shares for any tax related amounts that become payable by the subscriber. In the ordinary course of business, the Company is subject to ongoing audits by tax authorities. There are many transactions and calculations for which the ultimate tax determination is uncertain. While the Company believes that its tax filing positions are appropriate and supportable, from time to time, certain matters are reviewed and challenged by the tax authorities. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities.

RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business, which involves the acquisition, financing, exploration, and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking information relating to the Company.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of its properties. There can be no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on favorable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all its properties or reduce or terminate some or all of its activities.

Nature of Mining, Mineral Exploration and Development Projects

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in the mineral exploration, development and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, reserve and resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Current market conditions are forcing many mining operations to increase capital and operating cost estimates. Indeed, there have been a number of mining operations that have ceased or been suspended or delayed because operation costs are estimated to be greater than projected prices of product. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

No Revenues from Project Generation Activities

To date the Company has recorded no revenues from exploration operations and the Company has not commenced commercial production or development on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years in

relation to the engagement of consultants, personnel and equipment associated with advancing exploration, development, and commercial production of the Company's properties. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming exploration. There can be no assurance that the Company will generate any revenues or achieve profitability.

Licenses and Permits, Laws and Regulations

The Company's exploration and development activities, including mine, mill, road, rail and other transportation facilities, require permits and approvals from various government authorities and are subject to extensive federal, provincial, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that Transition Metals will be able to maintain or obtain all necessary licenses, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

Mineral Commodity Prices

The value of the Company's properties will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of mineral commodities has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

Investment price risk

Investment price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Company is subject to price risk due to changes in the fair value of the common shares it holds in various companies as well as SPC and CGM.

Environmental

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the value of its properties. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Title to Properties

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

Uninsured Risks

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could result in significant liabilities to the Company and increase costs of projects.

Competition

Transition Metals competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

Dependence on Outside Parties

Transition Metals has relied upon consultants, engineers and others and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop processes to extract the commodity from the ore. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on Transition Metals.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of Transition Metals may have a conflict of interest in negotiating and concluding terms respecting such participation.

Litigation

Transition Metals has entered into legally binding agreements with various third parties on a consulting and partnership basis. The interpretation of the rights and obligations that arise from such agreements is open to interpretation and Transition Metals may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Transition Metals to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any such disputes could have a material adverse effect on Transition Metals.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Potential Dilution

The issue of shares upon the exercise of stock options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Extreme volatility

The extreme volatility occurring in the financial markets is a significant risk for the Company. As a result of the market turmoil, investors have been moving away from assets they perceive as risky to those they perceive as less so. Companies like Transition Metals are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for Transition Metals to access the capital markets to raise the capital it will need to fund its current level of expenditures.

MATERIAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continually evaluated based on

historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

RECENT ACCOUNTING PRONOUNCEMENTS

FUTURE POLICIES

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after September 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

The IASB issued narrow scope amendments as part of its periodic maintenance of IFRS. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows. The amendments to IFRS 9 address a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9. The amendments are effective for annual periods beginning on or after January 1, 2026, with earlier application permitted.

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including information from the related audited financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to decide of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

As part of the oversight role of the Board of Directors to ensure the Company's disclosures contain no misrepresentations, the Audit Committee reviews the interim and annual financial statements and MD&A prepared by management, and the preparation process. The Audit Committee, once satisfied, recommends the statements and MD&A to the Board of Directors for approval. The Board considers the financial statements and MD&A before approving them for filing in the prescribed manner.

INTERNAL CONTROLS

Management has established processes to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (a) the unaudited condensed interim 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 financial statements and (b) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

- 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 financial statements for external purposes in accordance with 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 this 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.