OCHAM'S RAZOR CAPITAL LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2025

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") dated as of February 27, 2026, supplements the financial statements of Ocham's Razor Capital Limited (the "Company" or "Ocham's Razor") and the notes thereto for the years ended December 31, 2025 and 2024. The MD&A has been prepared in accordance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the financial statements of the Company for the years ended December 31, 2025 and 2024 together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). Information contained herein is presented as of February 27, 2026, unless otherwise indicated.

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

Further information about the Company and its operations is available on SEDAR+ at **www.sedarplus.ca**.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

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

Forward-looking statements	Assumptions	Risk factors
The Company's cash balance at December 31, 2025, is not sufficient to fund its operating expenses at current levels. At the date hereof, the Company's cash balance has diminished as a result of normal business operations and management is attempting to defer payments, to the extent practical.	The operating activities of the Company for the twelve-month period ending December 31, 2026, and the costs associated therewith, will be dependent on raising sufficient capital consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.	Adverse changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs and activities; changes in legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.
The Company expects to obtain financing in the future primarily through equity financing or loans from its shareholders, specifically its principal shareholder, or other related parties.	As at December 31, 2025, the Company had a $73,316 (December 31, 2024 - $66,608) loan from a related party. As of December 31, 2025, the related party has indicated that they will not demand repayment within the next 12 months, therefore not impeding operating activities.	The related party not being able to provide funding when required or on acceptable terms. The principal shareholder as of December 31, 2025 not being able to provide funding when required or on acceptable terms.

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

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

DESCRIPTION OF BUSINESS

The Company was incorporated on August 2, 2007 under the British Columbia Business Corporation Act and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "TSXV"). On May 30, 2014, the Company completed its qualifying transaction pursuant to the policies of the TSXV through the acquisition of Haijin International Holdings Limited (the "Qualifying Transaction"). Subsequent to the completion of the Qualifying Transaction, the Company changed its name to New Era Minerals Inc. On June 5, 2020, New Era Minerals Inc. changed its name again to Hylands International Holdings Inc. On October 26, 2022, the Company voluntarily delisted from the TSXV in an effort to reduce operating expenses and provide greater flexibility in pursuing transactions that will be required to recapitalize the Company.

On December 5, 2022, the Company changed its name to Ocham's Razor Capital Limited. On the same date, the Company consolidated its outstanding common shares on a 1 for 65 basis. Accordingly, information relating to the number of shares, options and loss per share presented in this MD&A gives effect to this share consolidation.

The Company was previously engaged in the acquisition and exploration of mineral resource properties it believed to be prospective for minerals in the People's Republic of China ("PRC"). Following expiration of the license on the Company's principal property and the Company's inability to obtain a renewal, the Board determined to discontinue resource activities and has revised the Company's strategy to focus on identifying suitable assets or businesses to acquire or merge with, with a view to maximizing value for shareholders.

The Company's head office address is located at the Canadian Venture Building at 82 Richmond St. East, Toronto, ON, M5C 1P1.

OPERATIONAL HIGHLIGHTS

2025 Highlights

On March 3, 2025, the Company announced a proposed transaction with Torino Metals (Canada) Corp. The transaction has subsequently been canceled due to a lack of necessary financing. No further obligations remain between the parties.

Overall performance

As at December 31, 2025, the Company had assets of $90 and a net deficiency position of $16,750,123. This compares with assets of $580 and a net deficiency position of $16,733,955 at December 31, 2024. At December 31, 2025, the Company had $16,860 of current liabilities (December 31, 2024 – $7,890 of current liabilities).

At December 31, 2025, the Company had a working capital deficiency of $16,770, compared to working capital deficiency of $7,310 at December 31, 2024, an increase in working capital deficiency of $9,460. The Company had cash/(bank indebtedness) of $(29) at December 31, 2025 compared to $499 at December 31, 2024, an decrease of $528, due to net financing provided of $5,328, offset by cash used in operating activities of $5,798. For a description of operating activities, refer to the section labeled "Cash flow" below.

TRENDS

There can be no assurance that additional funding will be available to the Company which could delay some of the Company's planned or proposed business activities. In addition, external risks like a trade dispute with the U.S. could put significant strain on Canada's broader economy. Tit-for-tat import tariffs are generally inflationary and would raise costs. Management, in conjunction with the Board, will continue to monitor these developments and their effect on the Company's business.

Strong equity markets are favourable conditions for completing a public merger, financing or acquisition transactions. Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Inflation has increased the Company's major operating expenses, including service provider fees such as accounting, legal, audit, and costs associated with being a reporting issuer. While the Company actively seeks to mitigate rising costs through various efficiency measures, inflationary pressures continue to impose additional financial burdens.

Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition of the Company or results of operations. See "Risk Factors" below.

OFF-BALANCE-SHEET ARRANGEMENTS

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

PROPOSED TRANSACTION

The Company is evaluating various business development opportunities which could entail a merger or the acquisition of assets or businesses within or outside the resource sector. Other than the Pelican transaction described under "Subsequent Events" and in Note 12 to the financial statements, the Company has not entered into any definitive agreements with respect to proposed transactions as of the date of this MD&A. There can be no assurances that any such transactions will be concluded in the future.

SELECTED ANNUAL FINANCIAL INFORMATION

The following is selected financial data derived from the audited consolidated financial statements of the Company at December 31, 2025 and December 31, 2024 and December 31, 2023 and for the years ended December 31, 2025, December 31, 2024 and December 31, 2023.

	Year ended December 31, 2025 ($)	Year ended December 31, 2024 ($)	Year ended December 31, 2023 ($)
Total revenues	nil	nil	nil
Net income (loss)	(16,168)	(28,976)	(14,641)
Net income (loss) per share - basic and diluted	(0.00)	(0.00)	0.00

	As at December 31, 2025 ($)	As at December 31, 2024 ($)	As at December 31, 2023 ($)
Total assets	90	580	171
Total non-current financial liabilities	73,316	66,608	37,987

SUMMARY OF QUARTERLY RESULTS

A summary of selected information for each of the eight most recent quarters is as follows:

Quarter Ended	Revenues ($)	Income (Loss) for the Period ($)	Income (Loss) Per Share - Basic and Diluted ($)
December 31, 2025	nil	(3,293)	(0.00)
September 31, 2025	nil	(3,483)	(0.00)
June 30, 2025	nil	(2,321)	(0.00)
March 31,2025	nil	(7,071)	(0.00)
December 31, 2024	nil	(3,379)	(0.00)
September 30, 2024	nil	(2,542)	(0.00)
June 30, 2024	nil	(18,067)	(0.01)
March 31, 2024	nil	(4,988)	(0.00)

RESULTS OF OPERATIONS

Year ended December 31, 2025, compared with year ended December 31, 2024

The Company's net loss totaled $16,168 for the year ended December 31, 2025, with basic and diluted loss per share of $0.00. This compares to a net loss of $28,976 for the year ended December 31, 2024, with basic and diluted loss of $0.00 per share. The decrease in the net loss of $12,808 for the year ended December 31, 2025 compared to the year ended December 31, 2024, was principally the result of:

- For the year ended December 31, 2025, the Company recorded administrative expenses of $3,046, compared to $11,136 for the year ended December 31, 2024, a decrease of $8,090, as a result of a decrease in administrative activities in 2025.

- For the year ended December 31, 2025, the Company recorded professional fees of $13,122, compared to $17,840 for the year ended December 31, 2024, a decrease of $4,718 as a result of decreased corporate activities in 2025.

Cash flow

The Company had cash/(bank indebtedness) of $(29) at December 31, 2025 (December 31, 2024 - $470). The decrease in cash of $499 during the year ended December 31, 2025 was primarily due to cash provided by financing activities of $5,328 offset by cash used in operating activities of $5,827.

Cash used in operating activities was $5,827 for the year ended December 31, 2025. Operating activities were affected by a net loss of $16,168, finance costs of $1,380, changes in non-cash working capital balances relating to a decrease in sales tax recoverable of $20 and an increase in amounts payable and accrued liabilities of $8,941. For the year ended December 31, 2024, cash used in operating activities was $27,193. Operating activities were affected by net loss of $28,976 and changes in non-cash working capital balances relating to an increase in sales tax recoverable of $52, an increase in amounts payable and accrued liabilities of $860, finance costs of $975 and an decrease in due from broker of $96.

Cash provided by financing activities were $5,328 for the year ended December 31, 2025 comprised of net additional loans received from a related party. For the year ended December 31, 2024, cash provided by financing activities were $27,646 due to net loans received from a related party.

LIQUIDITY AND CAPITAL RESOURCES

The activities of the Company were historically financed through the completion of equity transactions such as, equity offerings and the exercise of stock options and warrants. More recently, activities have been funded by loans. As the Company has no revenue, the Company's ability to fund its operations is dependent upon its ability to secure financing through equity issues, debt funding or the sale of assets.

The Company has no operating revenues, and therefore must utilize its current cash reserves to meet ongoing operating activities. The Company expects to obtain financing in the future primarily through loans from a former significant shareholder who is a related party. As of December 31, 2025, the Company had 7,755,900 common shares issued and outstanding. The Company also had no options and warrants outstanding as of December 31, 2025. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operations and planned activities.

As of December 31, 2025, the Company had a working capital deficiency of $16,770 (December 31, 2024 - working capital deficiency of $7,310). The Company had cash (bank indebtedness) of $(29) as at December 31, 2025 (December 31, 2024 - $470). Based on the rate of expenditure, the Company does not have sufficient cash on hand and will have to raise additional capital in the near term in amounts sufficient to fund its operations.

As at December 31, 2025, the Company had a $16,831 (December 31, 2024 - $7,890) outstanding loan balance provided by its former significant shareholder who is a related party. The outstanding balance is unsecured, bears interest at an annual rate of 2%, has no fixed terms of repayment and is due on demand. The outstanding balance includes principal amounts of $70,818 (December 31, 2024 - $65,490) and interest of $2,498 (December 31, 2024 - $1,118). The former significant shareholder who is a related party has informed the Company that they will not demand repayment of the outstanding balance within the next 12 months, therefore not impeding operating activities.

CRITICAL ACCOUNTING ESTIMATES

Critical Judgments in Applying Accounting Policies

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. By definition, estimates and assumptions seldom equal actual results and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, and to the amounts of revenue and expenses presented in these consolidated financial statements. The areas that require management to make significant judgments, estimates and assumptions are discussed below:

Share-based compensation

The Company uses the fair value method to account for share-based employee compensation plans. The calculation of this benefit relies on estimates of the anticipated life of the option, risk free rate, forfeiture rate and the volatility of the Company's share price. For stock options and warrants that expire unexercised, the recorded value is transferred to deficit.

Income taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Going concern

The Company does not generate any revenue and has to date experienced operating losses. Management has assessed and concluded that the going concern assumption is appropriate for a period of at least twelve months following the end of the reporting period. Management applied significant judgment in arriving at this conclusion including anticipated expenditures and the timing thereof; the ability to raise additional capital to fund expenses; and the assessment of potentially discretionary expenditures that could be delayed or accrued in order to manage cash flows. Given the judgment involved, actual results may lead to a materially different outcome.

CAPITAL RISK MANAGEMENT

In the management of capital, the Company defines capital as its shareholders' equity. As at December 31, 2025, the Company's shareholders' deficiency was $90,086 (December 31, 2024 - deficiency of $73,918). The Company's objectives when managing capital are to maintain a low level of on-going operating costs and to continue as a going concern while the Company identifies suitable assets or businesses to acquire or merge with.

The Company is not subject to external capital requirements.

Financial Instruments

The Company's financial instruments consists as per "*Categories of financial instruments*" below. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature and current market rates for similar financial instruments.

Categories Of Financial Instruments

	December 31, 2025	December 31, 2024
Financial assets		
Amortized cost		
(consisting of cash and cash equivalents; other receivables; due from a related party; due from a former director)	**$ 90**	$ 580
Financial liabilities		
Amortized cost		
(consisting of accounts payable and accrued liabilities; loans from a former director; loan payable to a director; short-term loan; bank indebtedness)	**$ 16,860**	$ 7,890

The risks associated with these financial instruments include market risk (interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Financial Risk Management Objectives And Policies

<u>Market risk</u>

Interest rate risk

The Company does not have significant exposure to interest rate risk as the loans from a former director bear the fixed interest rate.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents; other receivables and due from a former director. The Company limits its exposure to credit risk on cash and cash equivalents by depositing with reputable financial institutions only.

Foreign currency risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchanges rates.

As at December 31, 2025, the Company was not subject to any currency risk.

Liquidity risk

In the management of the liquidity risk, management seeks opportunity in capital contribution from potential new investors and monitors and maintains a level of cash balances deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. The Company's financial liabilities have contractual maturities for less than 3 months or repayable on demand. Accordingly, no liquidity risk by maturity analysis is presented.

As at December 31, 2025, the Company had total debt in the amount of $16,860 due within 12 months and working capital deficiency of $16,770 (December 31, 2024 - total debt $7,890 and working capital deficiency of $7,310).

Fair Value

Fair value is the amount at which a financial instrument could be exchanged between willing parties based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on present value and other valuation techniques using rates that reflect those that the Company could currently obtain, on the market, for financial instruments with similar terms, conditions and maturities.

The Company classifies the fair value of the financial instruments according to the following hierarchy based on the observable inputs used to value the instrument:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The Company does not have financial instruments measured at the fair value on a recurring basis. The fair values of cash and cash equivalents, other receivables and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of these instruments. The interest rate applied to loans from a former director is not considered to be materially different from market rates, thus the carrying value of the loans from this former director approximates fair value.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate and foreign currency risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be minimal.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2025, the Company had a cash balance of $(29) (December 31, 2024 - $499) to settle current liabilities of $16,831 (December 31, 2024 - $7,890). All of the Company's financial liabilities are subject to normal trade terms and are generally due within 60 days, except for the related party loan, which is due on demand; however, management understands the lender does not intend to demand repayment within the next 12 months. The Company does not have sufficient cash on hand and will have to raise additional capital in the near term in amounts sufficient to fund its operations.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have any significant exposure to market risk.

Interest rate risk

The Company does not have significant exposure to interest rate risk as the loans from its former significant shareholder bear a fixed interest rate.

Foreign currency risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchanges rates.

As at December 31, 2025 and 2024, the Company was not subject to any currency risk.

DISCLOSURE OF INTERNAL CONTROLS

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the 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 financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

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

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

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

RELATED PARTY TRANSACTIONS

Related parties include the Board and officers of the Company, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the amount established and agreed to by the related parties.

Other amounts and shares payable to management

During the year ended December 31, 2025, the Company incurred fees totaling $5,249 (year ended December 31, 2024 - $2,868) for corporate secretarial, regulatory filing and transfer agent services from DSA Corporate Services Limited Partnership (the "LP"). The LP is controlled by Carmelo Marrelli beneficial owner of Marrelli Capital Limited ("Marrelli Capital"). As of December 31, 2025 the LP was owed $536 (December 31, 2024 - $712) and was included in amounts payable and accrued liabilities.

Major shareholder

To the knowledge of the directors and senior officers of the Company, as at December 31, 2025, no person or corporation beneficially owns or exercises control over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than as set out below:

As of December 31, 2025 **Major shareholder (i)**	**Number of common shares**	**Percentage of outstanding common shares**
Marrelli Capital Limited (ii) (iii) (iv)	5,413,708	69.80 %
Hang Peng	819,517	10.57 %

(i) None of the Company's major shareholders has different voting rights than other holders of the Company's common shares.

(ii) On February 25, 2025, Marrelli Capital Limited ("Acquiror") announced that it had acquired ownership and control of 5,413,708 common shares (the "Subject Shares") of the Company amounting to aggregate gross proceeds of $270,685, effective February 21, 2025. The Subject Shares were acquired through a private purchase and sale transaction.

(iii) On February 25, 2025, Maria Noel Marrelli ("Vendor") announced that she had disposed of ownership and control of 5,413,708 common shares (the "Subject Common Shares") of the Company amounting to aggregate gross proceeds of $270,685, effective February 21, 2025. The Subject Common Shares were sold through a private purchase and sale transaction.

(iv) Maria Noel Marrelli is a related party as she is the spouse of Carmelo Marrelli who beneficially controls Marrelli Capital.

SUBSEQUENT EVENT

On February 20, 2026, the Company and Pelican Canada Inc. ("Pelican") announced that they have entered into a definitive business combination agreement dated February 20, 2026 (the "Business Combination Agreement") pursuant to which, among other things, the Company and Pelican will complete a business combination transaction which will result in the reverse takeover of the Company by Pelican (the "Transaction"), subject to the satisfaction of certain conditions, including receipt of all necessary approvals.

In connection with the Transaction, Pelican is launching a brokered private placement of subscription receipts (each, a "Subscription Receipt") at a price of C$0.25 per Subscription Receipt for total gross proceeds of up to C$5,000,000, or such greater amount as Pelican and the Lead Agent (as defined below) may jointly determine (the "Offering").

Canaccord Genuity Corp. (the "Lead Agent") is acting as sole lead manager and sole bookrunner in connection with the Offering, together with a syndicate of agents including Research Capital Corporation ("Research Capital") and Haywood Securities Inc. ("Haywood" and together with Research Capital and the Lead Agent, the "Agents").

The Transaction will be structured as an amalgamation, arrangement, takeover bid, share purchase or other similar form of transaction or a series of transactions that have a similar effect with the Company acquiring all of the common shares in the capital of Pelican ("Pelican Shares"). The final structure of the Transaction will be determined by the parties following receipt of tax, corporate and securities law advice.

The resulting issuer that will exist upon completion of the Transaction (the "Resulting Issuer") will change its business to the current business of Pelican.

Prior to closing the Transaction, the Company will complete a consolidation of its issued and outstanding common shares on the basis of 4.6166 pre-consolidation common shares being exchanged for one common share of the Company following consolidation (the "Consolidation"). In addition, the Company anticipates issuing common shares to settle its liabilities prior to the closing of the Transaction, resulting in a total of 4,000,000 common shares being issued and outstanding following the Consolidation.

Pursuant to the terms of the Business Combination Agreement, upon closing of the Transaction, the holders of the issued and outstanding Pelican Shares will be issued one (1) common share of the Resulting Issuer in exchange for every one (1) Pelican Share held immediately prior to the closing of the Transaction.

Completion of the Transaction is subject to a number of conditions, which include, among others, receipt of all necessary board, shareholder and regulatory approvals, including the conditional approval of the listing of the common shares of the Resulting Issuer on the Canadian Securities Exchange ("Exchange"). The Company and Pelican will be making an application to list the common shares of the Resulting Issuer on the Exchange. There is no assurance that the Exchange will approve the application.

The closing date of the Offering (the "Offering Closing Date") is expected to occur on or about March 5, 2026. If the closing of the Acquisition does not occur by June 30, 2026, or such other date as may be mutually agreed to in writing by the parties (the "Outside Date"). The Company and Pelican agree that in the event that the Concurrent Financing has closed and the Outside Date of June 30, 2026 is imminently approaching, they will amend the Outside Date to align with the date of any escrow release date in connection with the Concurrent Financing.

Upon the satisfaction of the Escrow Release Conditions (as defined below), each Subscription Receipt will be automatically exchanged, without payment of any additional consideration and without further action on the part of the holder thereof, into one Pelican Share. On closing of the Transaction, each Pelican Share will be exchanged for one common share of the Resulting Issuer. As a result of the Transaction, the common shares of the Resulting Issuer issued to former holders of Subscription Receipts are anticipated to be free-trading, subject to applicable securities laws.

On the Offering Closing Date, the gross proceeds from the Offering, less the cash commission payable to the Agents and the reasonable costs and expenses of the Agents payable by Pelican (collectively the "Escrowed Funds") will be delivered to and held by an escrow agent mutually acceptable to Pelican and the Lead Agent (the "Escrow Agent"). The Escrowed Funds will be subject to customary escrow release conditions (the "Escrow Release Conditions"), including, among other things, the satisfaction or waiver of the conditions precedent to the completion of the Transaction, upon satisfaction of which, the Escrowed Funds (less any remaining expenses of the Agents) will be released to Pelican.

In the event that the Escrow Release Conditions are not satisfied prior to 11:59 p.m. (Toronto time) on the date that is 180 days after the Offering Closing Date or such later date as Pelican and the Agents may agree (the "Escrow Deadline"), the Escrow Agent will return to holders of Subscription Receipts an amount equal to the aggregate issue price of the Subscription Receipts held by them and their pro rata portion of any interest earned thereon. To the extent that the Escrowed Funds are insufficient to pay such amounts to the holders of the Subscription Receipts, Pelican will be liable for and will be required to contribute such amounts as are necessary to satisfy any shortfall.

The completion of the Transaction is subject to a number of customary conditions, including: (i) receipt of all required consents or approvals, including approval of the Exchange; (ii) completion of the Transaction on or before June 30, 2026, or such other date as may be agreed upon by the parties; (iii) no prohibition at law existing for completion of the Transaction; (iv) escrow agreements being entered into pursuant to the policies of the Exchange; (v) approval of the Transaction and all matters related thereto required to be approved by the shareholders of the Company and Pelican; (vi) the representations and warranties of each of the Company and Pelican being true and correct as of the date of the closing of the Transaction; and (vii) no material adverse change of each of the Company and Pelican.

Upon the closing of the Transaction, all of the Company's current directors and executive officers will resign and the board of directors and executive officers of the Resulting Issuer will be comprised of the nominees of Pelican.

Management is also aware that Pelican is a party to certain legal proceedings. The Company has not completed its assessment of the potential impact of these matters and, accordingly, no amounts have been recognized in these financial statements in respect of the Pelican transaction or the related legal proceedings.

OUTSTANDING SHARE DATA

The Company's authorized capital is unlimited common shares without par value. At the date of this MD&A, the Company had 7,755,900 common shares issued and outstanding.

RISK FACTORS

The Company has no current source of income and is dependent on future financing. The Company's financial condition, results of operation and business are subject to certain risks, certain of which are described below (and elsewhere in this MD&A). The Company must rely on the skills of its management team, which skills represent one of the main assets of the Company.

Global Economy and Financial Markets

Current global financial and economic conditions, while improving, remain volatile. Many industries are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity and foreign exchange markets, and a lack of market liquidity. Such factors may impact the Company's ability to obtain financing and complete merger and acquisition transactions in the future on favourable terms or at all. Additionally, global economic conditions may cause a long term decrease in asset values. If such global volatility, market turmoil and the global recession continue, the Company's operations and financial condition could be adversely impacted.

Government and Environmental Regulations

The Company's operations are subject to various regulations governing prospecting, permitting, mine safety, labour standards, explosive storage, reclamation, spills, tailings disposal and any other environmental issues. There is no guarantee that new rules and compliances will not be enacted or existing regulations will not be changed and applied in such a way that they may adversely affect the Company's operations. Environmental legislation has becoming more stringent and penalties are enforced for non-compliance. Compliance with existing and evolving regulations means increasing costs to the Company.

United States Tariffs and Retaliatory Tariffs

The imposition of tariffs by the United States (the "U.S. Tariffs") and resulting retaliatory measures between governments may have multifaceted effects on the economy. The U.S. Tariffs could adversely affect the Company's operations by contributing to economic downturns, inflationary pressures, and increased uncertainty in capital markets. Currently, the Company believes there are no direct impacts of the U.S. Tariffs on its operations. However, the Company continues to assess the potential indirect impacts of these tariffs, as well as any retaliatory tariffs or other protectionist trade measures that may arise. These indirect impacts could be significant and may include additional inflationary pressures. Failure to effectively mitigate the negative effects of the U.S. Tariffs could have a material adverse impact on the Company's operating results and financial condition.

Potential Dilution

The Company may issue additional options and warrants or additional common 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.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

	Year ended December 31,	
Operating expenses	**2025**	**2024**
Professional fees	$ 13,122	$ 17,840
Administrative expenses	3,046	11,136
Total	**$ 16,168**	**$ 28,976**