THIOGENESIS THERAPEUTICS, CORP.

Management's Discussion and Analysis

For the Year Ended

December 31, 2025

(Expressed in Canadian Dollars)

OVERVIEW

Thiogenesis Therapeutics, Corp., ("TTI" or the "Company") (formerly: Rozdil Capital Corporation) is a clinical stage biotechnology company that was incorporated under the *Ontario Business Corporations Act* on May 3, 2018. On March 22, 2022, the Company filed articles of amendment and changed its name from Rozdil Capital Corporation to Thiogenesis Therapeutics, Corp. The Company is developing thiol-active therapeutic drug product candidates, that are prodrugs, used to treat unmet pediatric medical needs. TTI-0102, the Company's lead drug product candidate, was developed to address the obstacles facing existing thiol-based drugs, their short half-live and side effects. TTI-0102's initial applications are for mitochondrial encephalopathy lactic acidosis and stroke-like episodes ("MELAS"), Leigh syndrome ("LS"), pediatric metabolic dysfunction-associated steatohepatitis ("MASH") and nephropathic cystinosis.

The registered head office of the Company is located at 4 King Street West, Suite 401, Toronto, Ontario, M5H 1B6. The Company's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol TTI and on the OTCQX Best Market under the symbol TTIPF.

The Company's public filings can be accessed and viewed via the System for Electronic Data Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca.

The following Management's Discussion and Analysis ("MD&A") of the Company should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2025, together with notes thereto. The Company's consolidated financial statements for the year ended December 31, 2025, have been prepared in accordance with IFRS® Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). All amounts herein are presented in Canadian dollars, unless otherwise noted.

This Management's Discussion and Analysis is dated April 30, 2026, and has been approved by the Board of Directors of the Company.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS AND RISK FACTORS

Certain statements and information in this MD&A contain forward-looking statements or forward-looking information under that may not be based on historical fact, including, without limitation, statements containing the words "believe", "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect", "predict", "project", "potential", "continue", "ongoing", "could", "would", "seek", "target" or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words and similar expressions.

Forward-looking statements are necessarily based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as factors that we believe are appropriate. Forward-looking statements in this MD&A include, but are not limited to, statements relating to:

- *Our ability to continue as a going concern;*
- *the initiation, timing, cost, progress and success of our research and development programs;*
- *our ability to advance product candidates into, and successfully complete, preclinical studies and clinical trials;*
- *the implementation of our business model and strategic plans;*
- *estimates of our expenses, future revenue, capital requirements and our need for and ability to raise additional financing;*
- *our commercialization, marketing, manufacturing, quality assurance, finance and management capabilities and strategy;*
- *our ability to engage and retain the employees, consultants or third party research and development contractors required to grow our business;*
- *our ability to achieve profitability;*

- *our ability to protect our intellectual property and operate our business without infringing upon the intellectual property rights of others; and*
- *our expectations regarding market risk, including overall market conditions, interest rate changes and foreign currency fluctuations.*

Such forward-looking statements reflect our current views with respect to future events, are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant scientific, business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause our actual results, performance, achievements, prospects or opportunities to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. In making the forward-looking statements included in this MD&A, the Company has made various material assumptions, including, but not limited to: (i) obtaining regulatory approvals for future clinical trials; (ii) obtaining positive results from the Company's clinical trials; (iii) assumptions regarding general business and economic conditions; (iv) the Company's ability to successfully develop experimental compounds; (v) the availability of financing on reasonable terms; (vi) the Company's ability to attract and retain skilled staff; (vii) assumptions regarding market competition; (viii) the products offered by the Company's competitors; and (ix) the Company's ability to protect patents and proprietary rights.

In evaluating forward-looking statements, current and prospective shareholders should specifically consider various factors, including the risks outlined in this MD&A under the heading "Financial Risks". Should one or more of these risks or uncertainties, or a risk that is not currently known to us, materialize, or should assumptions underlying the forward-looking statements contained herein prove incorrect, actual results may vary materially from those described herein. All forward-looking statements herein are made as of the date of this MD&A and we do not intend, and do not assume any obligation, to update these forward-looking statements except as required by applicable securities laws. Investors are cautioned that forward-looking statements are not guarantees of future performance and are inherently uncertain. Accordingly, investors are cautioned not to put undue reliance on forward-looking statements.

ABOUT TTI

Thiogenesis Therapeutics, Corp. is a clinical-stage biopharmaceutical company that is developing proprietary, new chemical entities ("NCEs"), that are prodrugs and that act as precursors to thiol compounds. Thiols or thiol derivatives are organosulfur compounds that have an R-SH functional group, where the functional group is responsible for biochemical reactions independent of the overall compound. Highly reactive sulfur makes thiols versatile in chemistry and creates several promising mechanisms of action that have potential as therapeutics.

TTI-0102

The Company's lead drug product candidate TTI-0102 is an asymmetric disulfide, made up of two thiols that lead to two independent cysteamine molecules and one molecule of pantothenic acid ("B5"). Cysteamine is a thiol that has been rigorously studied and tested; it is the active pharmaceutical ingredient that has been used for decades in drugs for the treatment of the lysosomal storage disease nephropathic cystinosis. TTI-0102 has been engineered to address the important obstacles facing thiol-based drugs: their short half-life, strong gastrointestinal ("GI") side-effects and dosing limitations.

As a prodrug, TTI-0102 is metabolized into cysteamine molecules and pantothenic acid after it is ingested, the metabolic process acts as a 'gating mechanism' that eliminates the spike in immediate release cysteamine that is commonly linked to GI side effects. It also allows for increased dosing and has shown potential to be administered once-a-day.

In May 2022 the Company completed a Phase 1 clinical trial administering oral TTI-0102 in healthy volunteers in Australia. The Phase 1, *"Open-Label, Dose-Escalation Study - to Evaluate Safety, Tolerability and Pharmacokinetics of Oral TTI-0102 Compared to Cystagon® (cysteamine bitartrate) in Healthy Volunteers"*, demonstrated that TTI-0102 was safe and well tolerated at dose levels ranging from 600 mg cysteamine-base equivalent to 2400 mg cysteamine-base equivalent with no serious adverse events. The pharmacokinetic ("PK") profile suggests the potential for once-a-day dosing at target therapeutic levels compared to the required four times a day dosing with the generic Cystagon®, when treating nephropathic cystinosis.

The results from this study have been used to support the Company's Investigational Medicinal Product Dossier ("IMPD") submission in Europe and its Investigational New Drug ("IND") submissions in the U.S. for human efficacy trials in multiple disease indications including MELAS, LS, pediatric MASH and nephropathic cystinosis.

On November 4, 2024, the Company announced that one of its core patents titled, *"Methods for The Treatment of Cysteamine Sensitive Disorders,"* has been allowed by the European Patent Office.

Regulatory

On January 27, 2025, the Company announced that it had received final regulatory clearance from the European Medicines Agency ("EMA"), to commence a Phase 2 clinical trial in the inherited mitochondrial disease, MELAS. Further, the Company is in the process of submissions to the U.S. Food and Drug Administration ("FDA") and/or EMA for human efficacy trials in another inherited mitochondrial disease, Leigh syndrome, and pediatric metabolic dysfunction-associated steatotic liver disease ("MASLD")/ MASH. As a prodrug, TTI-0102 is eligible to use the accelerated 505 (b)(2) regulatory pathway with the FDA and its equivalent with the EMA, which would allow the use of third-party safety data, saving significant time and cost in advancing to human efficacy trials.

MELAS

Mitochondrial encephalomyopathy, lactic acidosis, and stroke like episodes ("MELAS") is a genetic disorder of the mitochondria, typically diagnosed before the age of twenty. It is a disease that affects mitochondrial function including, the function and development of the brain causing neurological impairment, lowering oxygen levels in the blood, fatigue, headaches and seizures. The key mechanisms of action for TTI-0102, applied to MELAS, are its thiol-disulfide balancing mechanism (redox activity) based-on generating significantly increased intracellular glutathione (antioxidant) and acting as a precursor to the amino acid taurine, both of which are known to be deficient in MELAS.

On March 25, 2024, Thiogenesis announced that the EMA has accepted the Company's Clinical Trial Application ("CTA") Part I – Scientific and Medicinal Product Documentation, for its lead drug product candidate TTI-0102, to commence a Phase 2 clinical trial for the treatment of MELAS. The CTA Part I is the equivalent of an IND application in the U.S. On January 27, 2025, the Company announced that it has received regulatory acceptance of the CTA Part II – National and Patient Level Documentation, the final regulatory clearance necessary to initiate a Phase 2 clinical trial in MELAS.

On May 14, 2025, Thiogenesis announced that it has dosed its first two patients in its Phase 2 clinical trial for the treatment of MELAS with its lead product candidate TTI-0102. The first two patients were dosed on May 12th, at the Radboud University Medical Center in Nijmegen, Netherlands; where the Phase 2 clinical trial was initially conducted. On June 17, 2025, Thiogenesis announced that it had expanded its MELAS clinical trial and dosed its first patient at Angers University Hospital Center ("CHU Angers"), France. The prevalence of MELAS is estimated to be 4.1/100,000 people, and there are currently no approved drugs in the EU or U.S. for the treatment of MELAS.

The Company's Phase 2 MELAS clinical trial was a multi-country, multi-center trial conducted at leading institutions in the Netherlands and France. The trial was a randomized, double-blind, placebo-controlled study to assess the safety, tolerability, efficacy, and PK / pharmacodynamics ("PD") of oral TTI-0102 for the treatment of patients with MELAS over a 6-month period. The trial planned to enroll a total of 12 patients, of which 8 patients would receive TTI-0102, and 4 patients would receive placebo. After 3 months, there would be an interim analysis of safety and clinical efficacy.

On November 4, 2025, Thiogenesis reported 3-month interim results from its EU Phase 2 MELAS trial. The study aims to confirm biological proof-of-concept, determine dosing, assess biomarker activity, and evaluate early efficacy. Five patients over 70 kg remain active (two on TTI-0102, three on placebo), with TTI-0102 showing good tolerability consistent with previous findings. Four patients under 50 kg left due to dose-related side effects, leading to plans for adjusted dosing regimens in future trials. Biomarker and efficacy data are confidential until a potential 2026 publication, but interim results show clear biological differences and indicate significant support for TTI-0102's mitochondrial antioxidant and restorative activity.

On January 23, 2026, the Company announced that interim data from its Phase 2 (EU) MELAS study of TTI-0102 were presented at Mitocon 2026. The results demonstrated that once-daily, weight-based dosing could achieve sustained 24-hour cysteamine exposure and informed refinement of the dosing approach for clinical development. In patients who achieved appropriate weight-adjusted exposure, treatment with TTI-0102 was associated with improvements in patient-reported fatigue, as measured by the Modified Fatigue Impact Scale, together with pharmacodynamic biomarker changes consistent with reduced oxidative stress and improved cellular energy metabolism. However, the interim dataset also highlighted variability in clinical response and tolerability constraints in lower-weight patients, where fixed or sub-optimal dosing resulted in gastrointestinal adverse events, treatment discontinuations, and reduced ability to achieve target exposure. Overall, the Company concluded that the results were principally informative for dose optimisation and supported the use of weight-based, exposure-guided study design in future clinical trials.

Leigh Syndrome Spectrum ("LSS")

Leigh syndrome ("LS") is a rare, inherited genetic disorder characterised by impaired mitochondrial energy production resulting from mutations in nuclear or mitochondrial DNA. The disease is typically diagnosed in infancy or early childhood and occurs in approximately 1 in 40,000 live births. LS is clinically severe and progressive, with symptoms that may include hypotonia, developmental regression, feeding difficulties, respiratory impairment, seizures, and early mortality. At present, there are no approved pharmacologic treatments for LS, and clinical management remains largely supportive.

Leigh Syndrome Spectrum ("LSS") refers to a broader group of genetically defined mitochondrial disorders that share the core pathophysiology of impaired oxidative phosphorylation and mitochondrial dysfunction but may present with variable age of onset, rate of progression, and organ involvement. While classical LS represents the most severe end of this continuum, the broader LSS population includes patients with overlapping biochemical, radiographic, and clinical features who may survive longer and exhibit more heterogeneous disease trajectories. These related mitochondrial disorders share common downstream consequences, including oxidative stress, impaired cellular energy balance, and tissue injury, particularly in high-energy organs such as the brain and muscle.

By encompassing a wider and more heterogeneous patient population than classical LS alone, the LSS represents a substantially larger addressable population with similarly high unmet medical need and no approved disease-modifying therapies. Therapeutic approaches targeting shared mitochondrial and redox dysfunction mechanisms across this spectrum may therefore have applicability beyond classical LS and support a broader development opportunity.

On July 18, 2024, Thiogenesis announced a collaboration with an undisclosed U.S. based children's hospital to collaborate on a Phase 2a 'proof-of-concept' clinical trial to test safety and efficacy in LSS. The Company and the children's hospital worked together on pre-IND meetings with FDA and on filing an IND. The key mechanisms of action for TTI-0102 for LS are that it increases intracellular levels of the antioxidant glutathione to reduce oxidative stress in the mitochondria and as a precursor to the amino acid taurine, which has the potential to reduce seizures.

On June 11, 2025, Thiogenesis announced FDA clearance of its IND application for a Phase 2a clinical trial in LSS with TTI-0102. The trial is to be conducted in collaboration with Children's Hospital of Philadelphia ("CHOP"). The trial will be evaluating safety, tolerability, pharmacokinetics/pharmacodynamics ("PK/PD") and efficacy, initially in adults and adolescents and then in pediatric patients. The total number of patients to be evaluated is 15.

On November 4, 2025, Thiogenesis provided an update on its clinical program for the LSS. The Company is currently completing drug manufacturing and seeking Institutional Review Board ("IRB") approval for its Phase 2 clinical trial, which is expected to begin in the first half of 2026 in collaboration with CHOP. Adjustments to dosing, informed by interim findings from its Phase 2 MELAS study, will be included in the revised protocol that will be submitted to the FDA.

Nephropathic Cystinosis

Nephropathic cystinosis is a rare autosomal recessive lysosomal storage disorder caused by mutations in the CTNS gene, resulting in the intracellular accumulation of cystine and progressive, multi-system disease. Without effective long-term management, patients typically develop renal failure and other serious extra-renal complications. Lifelong cysteamine therapy is the established standard of care and has demonstrated clinical benefit; however, existing formulations are associated with frequent dosing, gastrointestinal adverse effects, and a high treatment burden, which have been shown to negatively affect adherence over time, particularly during adolescence and adulthood.

TTI-0102 is a next-generation cysteamine prodrug designed to improve upon existing therapies through controlled release across the gastrointestinal tract, providing sustained exposure with lower peak concentrations. The drug product candidate is intended to enable once-daily dosing with improved tolerability and simplified administration, with the objective of improving long-term adherence and disease control. Clinical and potential commercial development of TTI-0102 for the treatment of nephropathic cystinosis allows the Company to rely on well-established regulatory precedent, validated surrogate clinical endpoints, and durable orphan pricing, and represents an addressable market of up to approximately $350 million annually.

On November 4, 2025, Thiogenesis announced plans for a late-stage clinical trial targeting nephropathic cystinosis. Building on positive pharmacokinetic and biomarker results from TTI-0102 in MELAS and prior studies, the Company intends to submit an IND application for a Phase 3 pivotal clinical study in the U.S. The planned non-inferiority clinical trial will compare TTI-0102 to the current standard-of-care.

Pediatric MASLD/MASH

Metabolic dysfunction-associated steatotic liver disease ("MASLD") is a condition that occurs when there is a build-up of fat in the liver. When MASLD progresses to metabolic dysfunction-associated steatohepatitis ("MASH") there is inflammation of the liver and liver damage, often leading to fibrosis (where the liver is stiffening). Building on cysteamine's decades long history as a safe pediatric drug treating children with nephropathic cystinosis, TTI-0102 is targeting the unmet medical need of pediatric MASH as its initial indication in liver disease. There are over 5,000,000 children with pediatric MASLD and well-over 1,000,000 that have pediatric MASH in the U.S. (https://www.niddk.nih.gov/health-information/liver-disease/nafld-nash-children/definition-facts). There are important links between a healthy mitochondria and MASH; suggesting that potential interventions that target oxidative stress and its impact on mitochondrial health could have a clinical benefit on MASH. In addition, there are potential benefits in treating MASH from increasing exposure to compounds that act as antioxidants and anti-inflammatories - like those provided by TTI-0102.

On August 20, 2024, Thiogenesis announced a Collaborative Agreement with the University of California San Diego ("UCSD"). At UCSD, Thiogenesis will work with Jeffrey Schwimmer, M.D., as the Principal Investigator, in a proposed Phase 2 clinical trial titled "*An Open Label, Controlled Clinical Trial to Evaluate the Efficacy and Safety of TTI-0102 in Pediatric Nonalcoholic Steatosis ("NASH").*" This will be a small open-label Phase 2 proof of concept clinical trial. Thiogenesis and UCSD are currently working on pre-IND meetings with FDA and the potential filing of an IND with the FDA.

On June 25, 2025, Thiogenesis announced that it had received confirmatory guidance from the European Medicines Agency ("EMA") supporting the preparation of an Investigational Medicinal Product Dossier ("IMPD") for a proposed Phase 2a clinical trial in pediatric metabolic dysfunction-associated steatohepatitis ("pediatric MASH"). The Company sought scientific advice from the EMA regarding the design of the proposed Phase 2a clinical trial in pediatric patients.

The proposed trial is intended to evaluate the safety, tolerability, PK/PD, and exploratory efficacy of TTI-0102 in children aged 10 to 17 years. The Company plans to submit an IMPD to the EMA upon completion of manufacturing of the final TTI-0102 salt, selection of a recognized Principal Investigator, finalisation of clinical endpoints and diagnostic methodologies, and securing the resources required to support trial execution.

OVERALL PERFORMANCE

On July 30, 2025, the Company closed a non-brokered private placement and issued an aggregate 5,529,066 common shares at $0.75 per share for gross proceeds of $4,146,800, paid $68,784 in direct costs, paid $266,406 in Finder's fees and issued 353,208 Finder's Options exercisable at $0.75 per share for a period of two years following the date of issue.

On February 12, 2025, the Company's common shares commenced trading on the OTCQX International under the symbol TTIPF.

For the year ended December 31, 2025, the Company recorded a net loss of $7,426,077 and a net loss per share, basic and diluted of $0.15 compared to net loss of $3,145,730 and a net loss per share, basic and diluted of $0.07 for the year ended December 31, 2024. The increase in net loss experienced during the year ended December 31, 2025, was primarily related to an increase of $3,545,313 to $5,768,648 in research and development costs compared to $2,223,335 for the year ended December 31, 2024, and an increase in general and administrative of $270,639 to $1,626,578 compared to $1,355,939 for the year ended December 31, 2024.

The increase in research and development expenses for the year ended December 31, 2025, compared to the year ended December 31, 2024, was primarily related to an increase in clinical trial expenses, clinical materials and regulatory expenses related to the Company's clinical trials and an increase in stock based compensation. The increase in general and administrative expenses for the year ended December 31, 2025, compared to the year ended December 31, 2024, primarily relate to increases in stock based compensation and investor relations partially offset by a decrease in professional fees.

SELECTED ANNUAL INFORMATION

The following tables reflects the summary of results for the years set out:

	December 31, 2025 ($)	December 31, 2024 ($)	December 31, 2023 ($)
Total assets	1,814,967	3,983,388	7,243,000
Total revenue	Nil	Nil	Nil
Net loss	(7,426,077)	(3,145,730)	(5,063,011)
Net loss per share, basic and diluted	(0.15)	(0.07)	(0.13)

For the year ended December 31, 2025, the Company recorded a net loss of $7,426,077 and a net loss per share, basic and diluted of $0.15 and recorded research and development expenses of $5,768,648, general and administrative expenses of $1,626,578, interest income of $48,722 and a loss on foreign exchange of $79,573.

For the year ended December 31, 2024, the Company recorded a net loss of $3,145,730 and a net loss per share, basic and diluted of $0.07 and recorded research and development expenses of $2,223,335, general and administrative expenses of $1,355,939, interest income of $200,327 and a gain on foreign exchange of $233,217.

For the year ended December 31, 2023, the Company recorded a net loss of $5,063,011 and a net loss per share, basic and diluted of $0.13 and recorded research and development expenses of $4,162,957, general and administrative expenses of $1,043,064, interest income of $171,165 and a loss on foreign exchange of $28,155.

RESULTS OF OPERATIONS

December 31, 2025, compared to December 31, 2024

The following table presents a breakdown of research and development expenses for the years set out:

	For the Years Ended December 31,		
Research and development expenses	**2025**	**2024**	**Variance**
Clinical materials	$1,864,092	$812,963	$1,051,129
Clinical trial expenses	2,930,215	551,182	2,379,033
Preclinical studies	49,029	63,218	(14,189)
Patent legal expenses	172,514	129,332	43,182
Consulting	-	12,328	(12,328)
Regulatory expenses	193,651	200,048	(6,397)
Salaries and wages	324,116	316,543	7,573
Stock based compensation	195,809	73,645	122,164
Travel	39,222	64,076	(24,854)
Total research and development	**$5,768,648**	**$2,223,335**	**$3,545,313**

Research and development expenses for the year ended December 31, 2025, increased by $3,545,313 to $5,768,648 compared to $2,223,335 for the year ended December 31, 2024. The increase in research and development expenses for the year ended December 31, 2025, was primarily related to an increase of $2,379,033 to $2,930,215 in clinical trials expenses compared to $551,182 for the year ended December 31, 2024, an increase of $1,051,129 to $1,864,092 in clinical materials compared to $812,963 for the year ended December 31, 2024, and an increase of $122,164 to $195,809 in stock based compensation compared to $73,645 for the year ended December 31, 2024.

Higher clinical trial expenses recorded for the year ended December 31, 2025, related to the Company's preparation for and/or execution of clinical trials for pediatric MASLD/MASH, LS and MELAS. The Company's Phase 2 MELAS clinical trial commenced on May 12, 2025. During the year ended December 31, 2025, the Company incurred higher expenses related to the development and manufacture of its proprietary lead drug product candidate TTI-0102 for use in stability testing and clinical trials. The increase in stock based compensation for the year ended December 31, 2025, compared to the year ended December 31, 2024, was primarily related to the May 23, 2025, grant of 400,000 common shares purchase options and the June 11, 2025, grant of 200,000 common shares purchase options. The fair value of the common share purchase options was estimated on the date of grant using the Black-Scholes option pricing model and expensed over their respective vesting periods.

The following table presents a breakdown of general and administrative expenses for the years set out:

	For the Years Ended December 31,		
General and administrative expenses	**2025**	**2024**	**Variance**
Professional fees	$260,163	$348,481	$(88,318)
General and office	52,195	48,542	3,653
Stock based compensation	578,408	275,338	303,070
Consulting fees	292,521	272,876	19,645
Director fees	101,304	100,019	1,285
Public company expenses	117,962	113,724	4,238
Investor relations	190,838	139,520	51,318
Travel	33,187	57,439	(24,252)
Total general and administrative	**$1,626,578**	**$1,355,939**	**$270,639**

General and administrative expenses for the year ended December 31, 2025, increased by $270,639 to $1,626,578 compared to $1,355,939 for the year ended December 31, 2024. The increase in general and administrative expenses for the year ended December 31, 2025, was primarily related to an increase of $303,070 to $578,408 in stock based compensation compared to $275,338 for the year ended December 31, 2024, and an increase in investor relations of $51,318 to $190,838 compared to $139,520 for the year ended December 31, 2024. These increases were partially offset by a decrease of $88,318 to $260,163 in professional fees compared to $348,481 for the year ended December 31, 2024.

The increase in stock based compensation for the year ended December 31, 2025, compared to the year ended December 31, 2024, is primarily related to grant of 1,000,000 RSU's granted September 26, 2024, 100,000 common share purchase options granted October 1, 2024, 100,000 common share purchase options granted February 15, 2025, 50,000 common shares purchase options granted May 23, 2025, 200,000 common shares purchase options granted June 11, 2025 and 150,000 common share purchase options granted September 10, 2025. The fair value of the common share purchase options was estimated on the date of grant using the Black-Scholes option pricing model and expensed over their vesting periods. The fair value of the Restricted Share Units ("RSU's") was based on the market price of the underlying common shares on the date of grant and expensed over their vesting periods. The increase in investors relations expenses for the year ended December 31, 2025, was related to increased social media engagement and expansion of the Company's contact network for fundraising activities. For the year ended December 31, 2024, the Company recorded higher professional fees related to the Company's DTC eligibility, OTCQX listing and tax related costs which were not repeated in the current year ended December 31, 2025.

Interest Income
For the year ended December 31, 2025, the Company recorded interest income of $48,722 versus $200,327 for the year ended December 31, 2024.

Lower interest income for the year ended December 31, 2025, was a result of lower interest rates earned on the decreased cash invested during the year.

Gain/Loss on Foreign Exchange
For the year ended December 31, 2025, the Company recorded a loss on foreign exchange of $79,573 compared to a gain on foreign exchange of $233,217 for the year ended December 31, 2024.

The gain or loss on foreign exchange is primarily a result of the exchange difference on the Company's USD and EURO cash translated into the Company's functional currency on December 31, 2025, and December 31, 2024.

Net Loss
For the year ended December 31, 2025, net loss was $7,426,077 and net loss per share, basic and diluted was $0.15 compared to net loss of $3,145,730 and a net loss per share, basic and diluted of $0.07 for the year ended December 31, 2024. Components of the increase in net loss for the year ended December 31, 2025, compared to the year ended December 31, 2024, are discussed in detail above.

Other Comprehensive Loss

Foreign currency translation
For the year ended December 31, 2025, the Company recorded a loss on foreign currency translation of $10,885 compared to a loss of $31,274 for the year ended December 31, 2024.

Foreign currency translation gains and losses result from translating TTI U.S.'s balance sheets from USD, Thiogenesis Australia Pty Ltd.'s balance sheets from AUD and Thiogenesis Therapeutics, SARL's balance sheets from EURO into the Company's functional currency, CAD at the period end exchange rate, and their respective results of operations converted at average exchange rates for the period.

QUARTERLY RESULTS

The following tables reflect the summary of quarterly results for the periods set out.

For the quarter ending	December 31, 2025 ($)	September 30, 2025 ($)	June 30, 2025 ($)	March 31, 2025 ($)
Total assets	1,814,967	3,625,225	1,940,380	3,133,155
Total revenue	Nil	Nil	Nil	Nil
Net loss	(1,731,838)	(2,383,961)	(1,899,443)	(1,410,835)
Net loss per share, basic and diluted	(0.03)	(0.05)	(0.04)	(0.03)

For the three months ended December 31, 2025, net loss was $1,731,838, net loss per share basic and diluted was $0.03, research and development expenses were $1,266,516 general and administrative expenses were $464,400, interest income was $4,416 and loss on foreign exchange was $5,338.

For the three months ended September 30, 2025, net loss was $2,383,961, net loss per share basic and diluted was $0.05, research and development expenses were $1,922,572, general and administrative expenses were $471,840, interest income was $6,450 and gain on foreign exchange was $4,001.

For the three months ended June 30, 2025, net loss was $1,899,443, net loss per share basic and diluted was $0.04, research and development expenses were $1,465,864, general and administrative expenses were $368,800, interest income was $11,010 and loss on foreign exchange was $75,789.

For the three months ended March 31, 2025, net loss was $1,410,835, net loss per share basic and diluted was $0.03, research and development expenses were $1,113,696, general and administrative expenses were $321,538, interest income was $26,846 and loss on foreign exchange was $2,447.

For the quarter ending	December 31, 2024 ($)	September 30, 2024 ($)	June 30, 2024 ($)	March 31, 2024 ($)
Total assets	3,983,388	4,253,553	5,064,283	5,688,009
Total revenue	Nil	Nil	Nil	Nil
Net loss	(1,126,981)	(656,856)	(651,323)	(710,570)
Net loss per share, basic and diluted	(0.02)	(0.01)	(0.01)	(0.02)

For the three months ended December 31, 2024, net loss was $1,126,981, net loss per share basic and diluted was $0.02, research and development expenses were $778,491, general and administrative expenses were $537,967, interest income was $34,391 and gain on foreign exchange was $155,086.

For the three months ended September 30, 2024, net loss was $656,856, net loss per share basic and diluted was $0.01, research and development expenses were $404,857, general and administrative expenses were $272,925, interest income was $48,617 and loss on foreign exchange was $27,691.

For the three months ended June 30, 2024, net loss was $651,323, net loss per share basic and diluted was $0.01, research and development expenses were $468,555, general and administrative expenses were $263,158, interest income was $57,683 and gain on foreign exchange was $22,707.

For the three months ended March 31, 2024, net loss was $710,570, net loss per share basic and diluted was $0.02, research and development expenses were $571,434, general and administrative expenses were $281,888, interest income was $59,636 and gain on foreign exchange was $83,116.

FOURTH QUARTER RESULTS

December 31, 2025, compared to December 31, 2024

	For the Three Months Ended December 31,		
Research and development expenses	**2025**	**2024**	**Variance**
Clinical materials	$252,830	$325,154	$(72,324)
Clinical trial expenses	777,079	164,341	612,738
Preclinical studies	943	434	509
Patent legal expenses	82,330	27,238	55,092
Consulting	-	4,370	(4,370)
Regulatory expenses	45,711	108,839	(63,128)
Salaries and wages	77,877	77,611	266
Stock based compensation	24,758	47,075	(22,317)
Travel	4,988	23,429	(18,441)
Total research and development	**$1,266,516**	**$778,491**	**$488,025**

For the three months ended December 31, 2025, research and development expenses increased by $488,025 to $1,266,516 compared to $778,491 for the three months ended December 31, 2024. The increase in research and development for the three months ended December 31, 2025, was primarily attributed to an increase in clinical trial expenses and patent legal expenses offset by a decrease in clinical materials, regulatory expenses and stock based compensation.

Higher clinical trial expenses recorded for the three months ended December 31, 2025, are attributed to the Company's preparation for and/or execution of clinical trials for pediatric MASLD/MASH, LS and MELAS. Increased patent legal expenses recorded for the three months ended December 31, 2025, are related to patent activity associated with the Company's proprietary lead drug product candidate TTI-0102. Decreased clinical materials for the three months ended December 31, 2025, relate to a reduction in production of the Company's lead drug product candidate TTI-0102. Decreased regulatory expenses recorded for the three months ended December 31, 2025, relate to a decrease in activity associated with the Company's regulatory submissions for its clinical trials. Decreased stock based compensation for the three months ended December 31, 2025, relate to the timing of vesting of certain common share purchase options.

	For the Three Months Ended December 31,		
General and administrative expenses	**2025**	**2024**	**Variance**
Professional fees	$151,539	$178,536	$(26,997)
General and office	13,758	4,781	8,977
Stock based compensation	107,759	118,359	(10,600)
Consulting fees	74,629	68,747	5,882
Director fees	24,155	25,306	(1,151)
Public company expenses	38,834	70,560	(31,726)
Investor relations	40,130	47,939	(7,809)
Travel	13,596	23,739	(10,143)
Total general and administrative	**$464,400**	**$537,967**	**$(73,567)**

For the three months ended December 31, 2025, general and administrative expenses decreased by $73,567 to $464,400 compared to $537,967 for the three months ended December 31, 2024. The decrease in general and administrative expenses for the three months ended December 31, 2025, primarily relates to a decrease in public company expenses, a decrease in professional fees and a decrease in stock based compensation.

For the three months ended December 31, 2025, the decrease in public company expenses is primarily related to a decrease in stock exchange fees and filing fees. For the three months ended December 31, 2024, the Company recorded higher professional fees related to the Company's DTC eligibility, OTCQX listing and tax related costs which were not repeated in the three months ended December 31, 2025. For the three months ended December 31, 2025, the decrease in stock based compensation relate to the timing of vesting of certain common share purchase options.

Interest Income
For the three months ended December 31, 2025, the Company recorded interest income of $4,416 compared to interest income of $34,391 for the three months ended December 31, 2024.

Lower interest income for the three months ended December 31, 2025, was a result of lower interest rates earned on the decreased cash invested during the period.

Gain/Loss on Foreign Exchange
For the three months ended December 31, 2025, the Company recorded a loss on foreign exchange of $5,338 compared to a gain on foreign exchange of $155,086 for the three months ended December 31, 2024.

The gain or loss on foreign exchange is primarily attributed to the exchange difference on the Company's USD and EURO cash translated into the Company's functional currency, CAD, at the period end.

Net Loss
For the three months ended December 31, 2025, the Company recorded a net loss of $1,731,838 and a net loss per share basic and diluted of $0.03 compared to a net loss of $1,126,981 and a net loss per share basic and diluted of $0.02 for the three months ended December 31, 2024. Components of the increase in net loss for the three months ended December 31, 2025, compared to the three months ended December 31, 2024, are discussed in detail above.

Other Comprehensive Income (Loss)

Foreign currency translation

For the three months ended December 31, 2025, the Company recorded a gain on foreign currency translation of $20,413 compared to a loss on foreign currency translation of $14,472 for the three months ended December 31, 2024.

The foreign currency translation gains and losses result from translating TTI U.S.'s balance sheets from USD, Thiogenesis Australia Pty Ltd.'s balance sheets from AUD and Thiogenesis Therapeutics, SARL's balance sheets from EURO into the Company's functional currency, CAD at the period end exchange rate, and their respective results of operations converted at average exchange rates for the period.

CAPITAL EXPENDITURES

The Company had no capital expenditures during the year ended December 31, 2025, or during the year ended December 31, 2024.

FINANCING ACTIVITIES

During the year ended December 31, 2025, the Company received proceeds, net of issue costs of $3,811,610 from a private placement of 5,529,066 common shares.

During the year ended December 31, 2024, the Company received $462,500 upon the exercise of 925,000 common share purchase warrants and $260,900 upon the exercise of 521,800 finder's options.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Management has determined that cash flows for operations, clinical trial expenses, and general and administrative expenses will be funded by the Company's current cash and future private placements and other funding mechanisms.

Cash Flow Summary

The following table sets out the cash flow summary for the respective periods:

	For the Year Ended December 31,	
	2025	**2024**
Cash and cash equivalents beginning of period	$3,847,864	$7,076,308
Cash flow used in operating activities	(6,032,623)	(3,920,570)
Cash flow provided by financing activities	3,811,610	723,400
Exchange rate effect	(10,885)	(31,274)
Cash and cash equivalents, end of period	**$1,615,966**	**$3,847,864**

Cash flow used in operating activities for the year ended December 31, 2025, was $6,032,623 which increased by $2,112,053 from cash used in operations of $3,920,570 for the year ended December 31, 2024. The increase in cash flow used in operating activities during the year ended December 31, 2025, was primarily due to an increase in net loss offset by an increase in accounts payable and accrued liabilities.

Cash flow provided by financing activities was $3,811,610 for the year ended December 31, 2025, compared to $723,400 for the year ended December 31, 2024. During the year ended December 31, 2025, the Company received proceeds, net of issue costs of $3,811,610, from a private placement of 5,529,066 common shares. During the year ended December 2024, the Company received net proceeds of $462,500 upon the exercise of 925,000 common share purchase warrants and $260,900 upon the exercise of 521,800 finder's options

Working Capital

At December 31, 2025, the Company had working capital of $574,377 compared to a working capital of $3,425,512 as of December 31, 2024, representing a decrease in working capital of $2,851,135.

The decrease in working capital for the year ended December 31, 2025, was primarily related to a decrease in cash offset by an increase in accounts payable and accrued liabilities.

MATERIAL ACCOUNTING POLICY INFORMATION

The Company's material accounting policies are outlined in Note 3 to the Company's consolidated financial statements for the year ended December 31, 2025.

Significant Accounting Estimates and Judgments

The preparation of these consolidated 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 consolidated financial statements and the reported amounts of income and expenses during each reporting period. Actual results could differ from those estimates. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the consolidated financial statements are:

Going concern

The Company's assessment of its ability to continue as a going concern requires judgments about whether there are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Management has determined that the use of the going concern basis of accounting is appropriate and has disclosed material uncertainties.

Recognition of Internally Generated Intangible Assets
The Company is in the process of undergoing clinical trials for its thiol-active therapeutic drug product candidate, TTI-0102. Accordingly, management applies judgment in its assessment of the activities being undertaken and whether certain costs meet the definition of internally generated intangible assets in the research or development phase.

Recognition of Deferred Tax Assets
The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future or whether taxable temporary differences will reverse such that deferred tax assets can be utilized. Recognition therefore involves a degree of judgment regarding the future financial performance of the Company or the timing of the reversal of deferred tax liabilities where deferred tax assets have been recognized.

Fair Value of Stock Based Compensation and Warrants
In determining the fair value of stock based payments, the calculated amounts are not based on historical cost, but is derived based on assumptions (such as the expected volatility of the price of the underlying security, expected hold period before exercise, dividend yield and the risk-free rate of return) input into a pricing model in the case of options and compensation warrants. In determining the fair value of restricted share units ("RSU's") granted to employees and directors, the Company recognizes an expense over the vesting period of the RSU's equal to the fair value at the grant date based on the closing market price of the Company's common shares on the TSX Venture Exchange and an estimate of the number of RSU''s expected to vest. The value of options, RSUs and compensation warrants calculated is not necessarily the value that the holder of the options, RSU's or compensation warrants could receive in an arm's length transaction, given that there is no market for the options, RSU's, or compensation warrants and they are not transferable. Similar calculations are made in estimating the fair value of the warrant component of an equity unit. The assumptions used in these calculations are inherently uncertain. Changes in these assumptions could materially affect the related fair value estimates.

Accounting Standards Issued but not yet Effective.
Certain new accounting standards and interpretations have been published that are not mandatory for the current year and have not been early adopted. The Company is reviewing the new standards but does not expect their future adoption to have a material impact on the Company in the current or future reporting years. The new standards are as follows:

IFRS 18 - Presentation and Disclosure in Financial Statements
Issued in April 2024, IFRS 18 replaces IAS 1 and introduces significant changes to the presentation of financial statements to enhance comparability across entities. The key requirements of the standard include:

• Separate reporting of operating, investing, and financing activities in the statement of earnings, with prescribed subtotals for each category.
• Disclosure of management-defined performance measures in a dedicated note within the financial statements.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with retrospective application required. The Company's consolidated financial statements are expected to include changes related to categorization and subtotals in the statement operations and other comprehensive loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures. The Company is in the process of determining the impact of the above changes.

IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7, issued in May 2024, clarify the derecognition of financial liabilities upon settlement and provide new guidance on financial assets with environmental, social, and governance ("ESG") features. These amendments also introduce additional disclosure requirements for financial instruments with contingent features and equity instruments measured at Fair Value Through Other Comprehensive Income ("FVTOCI").

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, and are not expected to have a material impact on the Company's consolidated financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CAPITAL MANAGEMENT

The capital managed by the Company includes the components of shareholders' equity as described in the consolidated statements of changes in shareholders' equity. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's capital management for the year ended December 31, 2025.

The Company's objectives of capital management are to create long-term value and economic returns for its shareholders. It does this by seeking to maximize its resources to fund the growth and development of its business, and to support the working capital required to maintain its ability to continue as a going concern. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its assets by seeking to limit shareholder dilution and optimize its cost of capital while maintaining an acceptable level of risk. In order to maintain or adjust its capital structure, the Company considers all sources of financing reasonably available to it, including but not limited to the issuance of new capital, the issuance of new debt, the receipt of government grants and the sale of assets in whole or in part.

FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

Credit risk is primarily related to the Company's receivables and cash and cash equivalents and the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. At December 31, 2025, accounts receivable was $76,770 of which $76,770 was Goods and Services Tax (December 31, 2024: $87,928 of which $82,290 was Goods and Services Tax).

The Company's maximum exposure to credit risk is as follows:

	December 31, 2025	December 31, 2024
Cash and cash equivalents	$1,615,966	$3,847,864
Account receivable	-	5,638
	$1,615,966	**$3,853,502**

Currency Risk

The Company holds financial instruments denominated in CAD, USD, AUD and EURO that may differ from the functional currency of the entity in which the financial instrument resides in. A significant change in the currency exchange rates between the currency of the financial instrument and the functional currency of the Company could have a material effect on the Company's financial instruments.

As at December 31, 2025, a 5% fluctuation in the foreign exchange rate would have an impact of approximately $7,349 (December 31, 2024 - $115,340) in the Company's consolidated statements of operations and other comprehensive loss.

Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash accounts is relatively unaffected by changes in short term interest rates. The income earned on certain bank accounts is subject to movements in interest rates. Currently, this risk will have an immaterial effect on operations.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's main source of cash resources has been through equity financings and grants. The Company's financial obligations are limited to its current liabilities which have contractual maturities of less than one year. The Company manages liquidity risk as part of its overall "Management of Capital".

The following tables illustrate the contractual maturities of financial liabilities as at December 31, 2025, and December 31, 2024, respectively:

December 31, 2025	Payments Due by Year $				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Accounts payable and accrued liabilities	1,240,590	1,240,590	-	-	-
Total	**1,240,590**	**1,240,590**	-	-	-

December 31, 2024	Payments Due by Year $				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Accounts payable and accrued liabilities	557,876	557,876	-	-	-
Total	557,876	557,876	-	-	-

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

As of December 31, 2025, and 2024, cash and cash equivalents are recorded at fair value under level 1 within the fair value hierarchy.

Management believes that the recorded values of accounts receivable and accounts payable and accrued liabilities, approximate their current fair values because of their nature and anticipated short term settlement dates.

SHARE CAPITAL AND RESERVES

Share Capital

Authorized:
Unlimited common shares

Issued:
The following table summarizes the changes in common shares during the years set out:

	Note	**#**	**$**
Balance, December 31, 2023		44,570,575	15,010,430
Exercise of warrants	(i)	925,000	646,253
Exercise of Finder's Options	(ii)	14,000	12,884
Exercise of Finder's Options	(iii)	507,800	467,160
Balance, December 31, 2024		46,017,375	16,136,727
Exercise of common share purchase options	(iv)	214,408	45,713
Exercise of common share purchase options	(v)	75,107	39,807
Common shares issued for private placement	(vi)	5,529,066	3,698,456
Balance, December 31, 2025		**51,835,956**	**19,920,703**

(i) During the year ended December 31, 2024, 925,000 common share purchase warrants were exercised at $0.50 per share for proceeds of $462,500. The fair value of $183,753 was transferred from reserves to share capital upon exercise.

(ii) On August 29, 2024, 14,000 Finder's Options were exercised for $0.50 per share for proceeds of $7,000. The fair value of $5,884 was transferred from reserves to share capital upon exercise.

(iii) On November 18, 2024, 507,800 Finder's Options were exercised for $0.50 per share for proceeds of $253,900. The fair value of $213,260 was transferred from reserves to share capital upon exercise.

(iv) On March 31, 2025, 214,408 common shares were issued to consultants pursuant to the cashless exercise of 300,000 common share purchase options exercisable at $0.20. The fair value of $45,713 was transferred from reserves to share capital upon the cashless exercise.

(v) On March 31, 2025, 75,107 common shares were issued to consultants pursuant to the cashless exercise of 150,000 common share purchase options exercisable at $0.35. The fair value of $39,807 was transferred from reserves to share capital upon the cashless exercise.

(vi) On July 30, 2025, the Company closed a non-brokered private placement and issued an aggregate 5,529,066 common shares at $0.75 per common share for gross proceeds of $4,146,800. In connection with the private placement, the Company paid $68,784 in direct costs, paid cash Finder's fees of $266,406 and issued 353,208 Finder's Options with an estimated fair value of $113,154.

Escrow Securities

Capital Pool Company ("CPC") Escrow

An aggregate of 2,775,000 common shares were held in escrow in accordance with the CPC Policy of the TSXV and were released as to 10% immediately following the issuance of the Final TSXV Bulletin dated April 11, 2022 (the "Bulletin") and as to 15% every six months thereafter. At December 31, 2025, no common shares were held in escrow (December 31, 2024: 352,500 common shares).

Value Security Escrow

In addition to the CPC Escrowed common shares, a further 10,737,869 common shares were held in escrow after giving effect to the reserve takeover transaction with Rozdil Capital Corporation and were released as to 10% on the date of the Bulletin and as to 15% every six months thereafter. At December 31, 2025, no common shares were held in escrow (December 31, 2024: 1,610,681 common shares).

Weighted Average Shares Outstanding

The following table summarizes the weighted average shares outstanding:

	For the Years Ended December 31,	
	2025	**2024**
Weighted average shares outstanding, basic and diluted	48,584,255	45,360,652

The effects of any potential dilutive instruments on loss per share are anti-dilutive and therefore have been excluded from the calculation of diluted loss per share.

Omnibus Equity Incentive Plan

The Company established a stock option plan under which the Company may grant common share purchase options from time to time to acquire up to a fixed 20% of the outstanding common shares as of August 15, 2022, or 5,648,535 (the "Plan").

On September 3, 2024, the shareholders of the Company approved an Omnibus Equity Incentive Plan (the "2024 Plan") for its directors, officers, employees and consultants (the "Participants") that amends and restates all predecessor Plans in their entirety. The maximum aggregate number of common shares that may be available and reserved for issuance, at any time, under the 2024 Plan, is fixed at 20% of the outstanding common shares as of July 15, 2024, or 9,099,095 shares.

Under the 2024 Plan the exercise price of each award granted shall be at the discretion of Company's Board of Directors, however, the exercise price per share shall be not less than the fair market value of the Company's common shares on the date of grant and for a maximum term of ten years. The maximum aggregate number of common shares issuable pursuant to awards granted to any one Participant in any 12 month period must not exceed 5% of the Company's issued and outstanding common shares. The maximum aggregate number of common shares that are issuable pursuant to all awards granted or issued in any 12 month period to insiders (as a group) must not exceed 10% of the issued and outstanding common shares. Any award granted or issued to any Participant will expire upon termination of participant's services or in any event no later twelve months following the date the Participant ceases to be an eligible Participant.

For the year ended December 31, 2025, the Company recorded stock based compensation expense of $774,217 (December 31, 2024: $348,982) (Note 8).

Common Share Purchase Options

The following table is a summary of the status of the Company's common share purchase options and changes during the years set out:

	Note	Number of Options	Weighted Average Exercise Price $
Balance, December 31, 2023		3,100,000	0.39
Common share purchase options granted	(i)	325,000	0.75
Common share purchase options granted	(ii)	100,000	0.70
Balance, December 31, 2024		3,525,000	0.43
Common share purchase options granted	(iii)	100,000	0.64
Common share purchase options exercised		(300,000)	0.20
Common share purchase options exercised		(150,000)	0.35
Common share purchase options expired	(iv)	(50,000)	0.35
Common share purchase options granted	(v)	450,000	0.73
Common share purchase options granted	(vi)	400,000	0.77
Common share purchase options granted	(vii)	150,000	0.75
Balance December 31, 2025		**4,125,000**	**0.53**

(i) On January 15, 2024, the Company granted 325,000 common share purchase options exercisable at $0.75 per share until January 15, 2029, to consultants of the Company. The common share purchase options vest 25% on each of June 30, 2024, December 31, 2024, June 30, 2025, and December 31, 2025. The fair value of the common share purchase options was estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price of $0.78, dividend yield 0%, risk-free interest rate of 3.27%, expected volatility of 94.83% and an expected life of five years. The fair value attributed to these common share purchase options was $187,431.

(ii) On October 1, 2024, the Company granted 100,000 common shares purchase options exercisable at $0.70 per share until October 1, 2027, to a consultant of the Company. The common share purchase options vest 50% on April 1, 2025, and 25% on each of July 1, 2025, and October 1, 2025. The fair value of the common share purchase options was estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price of $0.67, dividend yield 0%, risk-free interest rate of 3%, expected volatility of 80.58% and an expected life of three years. The fair value attributed to these common share purchase options was $35,224.

(iii) On February 15, 2025, the Company granted 100,000 common shares purchase options exercisable at $0.64 per share until February 15, 2028, to a consultant of the Company. The common share purchase options vest 25% on each of May 15, 2025, August 15, 2025, November 15, 2025, and February 15, 2026. The fair value of the common share purchase options was estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price of $0.64 dividend yield 0%, risk-free interest rate of 2.71%, expected volatility of 80.54% and an expected life of three years. The fair value attributed to these common share purchase options was $34,179.

(iv) On March 31, 2025, 50,000 common share purchase options with an estimated fair value of $13,221 expired unexercised.

(v) On May 23, 2025, the Company granted 450,000 common shares purchase options exercisable at $0.73 per share until May 23, 2028, to consultants of the Company. The common share purchase options vest 25% on each of August 23, 2025, November 23, 2025, February 23, 2026, and May 23, 2026. The fair value of the common share purchase options was estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price of $0.73 dividend yield 0%, risk-free interest rate of 2.73%, expected volatility of 63.28% and an expected life of three years. The fair value attributed to these common share purchase options was $144,616.

(vi) On June 11, 2025, the Company granted 400,000 common shares purchase options exercisable at $0.77 per share until June 11, 2030, to directors of the Company. The common share purchase options vest 25% on each of December 11, 2025, June 11, 2026, December 11, 2026, and June 11, 2027. The fair value of the common share purchase options was estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price of $0.77 dividend yield 0%, risk-free interest rate of 2.93%, expected volatility of 94.12% and an expected life of five years. The fair value attributed to these common share purchase options was $224,334.

(vii) On September 10, 2025, the Company granted 150,000 common shares purchase options exercisable at $0.75 per share until September 10, 2030, to directors of the Company. The common share purchase options vest 25% on each of March 10, 2026, September 10, 2026, March 10, 2027 and September 10, 2027. The fair value of the common share purchase options was estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price of $0.74 dividend yield 0%, risk-free interest rate of 2.75%, expected volatility of 90.57% and an expected life of five years. The fair value attributed to these common share purchase options was $79,559.

Finders' Options

The following table is a summary of the status of the Company's Finder's Options and changes during the years set out:

	Note	Number of Finder's Options	Weighted Average Exercise Price $
Balance, December 31, 2023		1,085,082	0.59
Finder's options exercised		(521,800)	0.50
Finder's options expired	(i)	(153,700)	0.50
Balance, December 31, 2024		409,582	0.75
Finder' options granted	(ii)	353,208	0.75
Finder's options expired	(iii)	(228,247)	0.75
Finder's options expired	(iv)	(181,335)	0.75
Balance, December 31, 2025		**353,208**	**0.75**

(i) On November 18, 2024, 153,700 Finder's Options with an estimated fair value of $64,545 expired unexercised.

(ii) In connection with the July 30, 2025, non-brokered private placement, the Company issued 353,208 Finder's Options. Each Finder's Options is exercisable into one (1) common share at a price of $0.75 per common share until July 30, 2027. The fair value of the Finder's Options was estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price of $0.82, dividend yield 0%, discount rate 2.79%, expected volatility 62.71%, forfeiture rate 0% and expected life of two years. The fair value attributed to the Finder's Options was $113,154.

(iii) On December 15, 2025, 228,247 Finder's Options with an estimated fair value of $77,618 expired unexercised.

(iv) On December 19, 2025, 181,335 Finder's Options with an estimated fair value of $58,920 expired unexercised.

The following tables are a summary of the Company's common share purchase options and Finder's Options outstanding and exercisable as at December 31, 2025, and December 31, 2024, respectively:

Expiry Date	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
March 31, 2032	$0.35	6.25	1,950,000	1,950,000
August 31, 2032	$0.50	6.67	150,000	150,000
December 8, 2032	$0.60	6.94	450,000	450,000
October 31, 2028	$0.80	2.84	50,000	50,000
January 15, 2029	$0.75	3.04	325,000	325,000
October 1, 2027	$0.70	1.75	100,000	100,000
February 15, 2028	$0.64	2.13	100,000	75,000
May 23, 2028	$0.73	2.39	450,000	225,000
June 11, 2030	$0.77	4.45	400,000	100,000
July 30, 2027	$0.75	1.58	353,208	353,208
September 10, 2030	$0.75	4.70	150,000	-
As at December 31, 2025	**$0.55**	**4.90**	**4,478,208**	**3,778,208**

Expiry Date	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
March 31, 2025	$0.20	0.25	300,000	300,000
March 31, 2032	$0.35	7.25	1,950,000	1,950,000
March 31, 2025	$0.35	0.25	200,000	200,000
August 31, 2032	$0.50	7.67	150,000	150,000
December 8, 2032	$0.60	7.94	450,000	450,000
October 31, 2028	$0.80	3.84	50,000	50,000
December 15, 2025	$0.75	0.96	228,247	228,247
December 19, 2025	$0.75	0.97	181,335	181,335
January 15, 2029	$0.75	4.04	325,000	162,500
October 1, 2027	$0.70	2.75	100,000	-
As at December 31, 2024	**$0.46**	**5.38**	**3,934,582**	**3,672,082**

Restricted Share Units
The following table is a summary of the status of the Company's RSU's and changes during the periods set out:

	Note	Number of RSU's	Weighted Average Grant Date Fair Value $
Balance, December 31, 2023		-	-
Restricted share units granted	(i)	1,000,000	0.68
Balance, December 31, 2025, and December 31, 2024		**1,000,000**	**0.68**

On September 26, 2024, the Company granted 1,000,000 RSU's to the Chief Financial Officer of the Company. The RSU's vest 50% on each on January 15, 2026, and January 15, 2027. Upon vesting, each RSU will entitle the holder to exchange it for one common share of the Company. The Company estimated the fair value of the RSU's of $680,000 based on the market price of the underlying common shares on the date of grant.

Common Share Purchase Warrants
The following table summarizes the changes in common share purchase warrants for the years set out:

	Number of Warrants	Weighted Average Price $
Balance, December 31, 2023	1,000,000	0.50
Warrants exercised	(925,000)	0.50
Warrants expired	(75,000)	0.50
Balance, December 31, 2025, and December 31, 2024	**-**	**-**

RELATED PARTY TRANSACTIONS

The following transactions with individuals related to the Company arose in the normal course of business have been accounted for at the amount agreed to by the related parties.

Compensation of Key Management Personnel
The remuneration of directors and other members of key management personnel during the years set out were as follows:

	For the Years Ended	
	December 31, 2025	December 31, 2024
Salaries and consulting fees (1)	$616,637	$589,419
Share based compensation (2)	556,585	167,315
Director fees (3)	101,304	100,019
Total	**$1,274,526**	**$856,753**

1) Salaries and consulting fees paid or accrued to the Company's CEO and CFO, respectively.
2) Stock based compensation recorded on stock options and RSU's granted to directors and officers.
3) Director fees paid or accrued to directors of the Company.

As of December 31, 2025, included in accounts payable and accrued liabilities was director fees of $Nil (December 31, 2024: $Nil) and consulting fees of $Nil payable to a company controlled by the CFO (December 31, 2024: $Nil).

During the year ended December 31, 2025, and 2024, certain common share purchase options and RSU's were granted to directors of the Company (see Share Capital).