



CHAMPION ELECTRIC METALS INC.

MANAGEMENT DISCUSSION & ANALYSIS

For the Year Ended December 31, 2025

(Expressed in Canadian Dollars)

Management Discussion & Analysis – Year ended December 31, 2025

The following discussion and analysis (“MD&A”) of the operating results and financial condition of **CHAMPION ELECTRIC METALS INC.** (“Champion” or the “Company”) for the year ended December 31, 2025 (the “Reporting Period”) should be read in conjunction with the audited consolidated financial statements and notes thereto at December 31, 2024 (“Annual Financial Statements”). All financial information in this MD&A has been prepared in accordance with IFRS Accounting Standards (“IFRS”), and all dollar amounts are expressed in Canadian dollars (\$) unless otherwise indicated. Additional information, including the Company’s press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval (“SEDAR”) and is available online at www.sedar.com. This MD&A was approved by the Board of Directors effective April 29, 2026.

1.0 COMPANY OVERVIEW

Champion was incorporated under the laws of the Province of Ontario on June 16, 2016. The Company is engaged in the acquisition, exploration and evaluation of natural resources in Quebec, Canada, and Idaho, United States of America (“USA”). Champion’s corporate office is located at Suite 1800, 372 Bay Street, Toronto, Ontario, M5H 2W9.

Champion is a discovery-focused exploration company that is committed to advancing its highly prospective lithium properties in James Bay Area, Quebec, Canada and cobalt properties in Idaho, USA. In addition, the Company owns the Champagne polymetallic project in Butte County near Arco.

Champion trades on the CSE under the symbol “LTHM”, and on the Frankfurt Exchange as “CHELF”.

Exploration Risks

The Company notes that although the exploration of its current projects is prospective, mineral exploration in general, is uncertain. As a result, the Company believes that by acquiring additional mineral properties, it is able to better minimize overall exploration risk. Risk factors to be considered in connection with the Company’s search for, and acquisition of, additional mineral properties include the significant expenses required to locate and establish mineral reserves; the fact that expenditures made by the Company may not result in discoveries of commercial quantities of minerals; environmental risks; risks associated with land title; the competition faced by the Company; and the potential failure of the Company to generate adequate funding for any such acquisitions. Refer to the “*Risks and Uncertainties*” section for additional information.

The Company’s mineral exploration efforts have not resulted in any commercial production and, accordingly, the Company is dependent upon debt and/or equity financings, the accommodation of service providers and creditors, and the optioning and/or sale of resource or resource-related assets for its funding.

2.0 STRATEGY AND OBJECTIVES FOR 2026

- ✓ Main strategy – to identify and secure a new project of merit; and
- ✓ Secure additional funding for Champion through private placements, joint venture agreements, or other financing activities for additional acquisitions and further exploration programs.

2.1 TECHNICAL UPDATE

2025 Activity

- ✓ In late 2025, the Company entered into a mining claim sale agreement (the “Sale Agreement”) with a director (the “Buyer”) pursuant to which the Buyer shall acquire the Company’s wholly owned Champion Lithium Project (the “Project”) located in the Eeyou Istchee James Bay territory of

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Quebec. The proceeds resulting from the project divestiture will be used to reduce aged payables and allow Management the time and resources necessary to evaluate new advanced-stage opportunities to drive the Company forward;

- ✓ Management continues to monitor the progress of Legacy Gold Mines, an Optionee that is advancing exploration on the Company's Baner (Idaho) claims, pursuant to an option earn-in agreement. <https://www.legacygoldmines.com/news>.

See section 3.0 - *Projects Profile and Section 8.0*

2.2 CORPORATE UPDATE

- Changes of Management:
 - i) August 25, 2025 the Board accepted the resignation of Jonathan Buick as President and CEO. The Board thanks Mr. Buick for his leadership. Mr. Buick will stay on as a director while he focuses on his wellness.
 - ii) Effective on the same date the Board appointed Mr. Nicholas Konkin to serve as Interim President and CEO. Nicholas Konkin brings to Champion Electric over 15 years of capital markets and corporate development experience, with a track record of guiding private and public companies in the resource sector. He was part of the team that took Champion Electric public and currently serves as Director of Capital Markets at Grove Corporate Services.
 - iii) On November 6, 2025 the Board accepted the resignation of Paul Fomazarri who had served as Director and Chair of the Audit Committee since 2018. The Board thanks Mr. Fomazarri for his contribution to the Company. The Board continues to search for a suitable candidate to join the Board.
- **Project Sale** - On December 19, 2025, the Company announced the intended disposition of the Quebec lithium claims to a director, (the "Buyer"), pursuant to which the Buyer will acquire the Company's wholly owned Champion Lithium Project (the "Project"), located in the Eeyou Istchee James Bay territory of Quebec. As consideration for the Project, the Company shall receive cash payments in the aggregate of USD\$1,000,000. The completion of the transaction contemplated by the Agreement remains subject to the approval of all regulatory and other approvals, including the approval of the Canadian Securities Exchange. The Company intends to use the consideration to reduction of liabilities, working capital, and advancing strategic corporate initiatives.

2.3 SUBSEQUENT EVENTS

- i) On January 15, 2026, a total of 3,000,000 warrants with an exercise price of \$0.20 expired.
- ii) On March 24, 2026, a total of 500,000 stock options priced at \$0.20 expired, unexercised.
- iii) On March 25, 2026, the Company completed a debt settlement (the "Transaction"). Pursuant to the terms of Transaction, the Company has settled an aggregate of \$1,821,548 owed to arm's length creditors of the Company through the issuance of 44,006,638 common shares in the capital of the Company and a cash payment of \$789,812.

3.0 PROJECTS PROFILE

LITHIUM

James Bay Projects – Quebec, Canada

Project Description, Location and Access

- The Projects (now covering approximately 529.17 km²), include historic findings of pegmatite and sit to the north of the Patriot Battery Metals' ("Patriot") PEA stage Shaakichiuwaanaan project (formerly called the Corvette project) Consolidated Mineral Resource statement (CV5 & CV13 spodumene pegmatites)
 - **80.1 Mt at 1.44% Li₂O** and 163 ppm Ta₂O₅ **Indicated**, and
 - **62.5 Mt at 1.31% Li₂O** and 147 ppm Ta₂O₅, **Inferred**.

(see Patriot's news release dated August 5, 2024) and also located in close proximity to infrastructure in a developing lithium pegmatite district that has shown high prospectivity for lithium mineral resources.

The Projects are at an early stage of exploration, and the Company cautions that the qualified persons have not verified scientific or technical information produced by third parties, and proximity to projects containing lithium resources offers no assurance that the rock types or lithium resources reported by Patriot and others extend onto the Projects and such proximity is not necessarily indicative of the mineralization reported by third parties with projects in the district.

2024 Maiden Exploration Drilling Highlights:

- Drilling concentrated on the Western Prospect following encouraging results from initial prospecting, various geophysical surveys, and till sampling.
- Integrated targeting based on multiple data sets identified a high-priority pegmatite target directly up-ice from the previously reported spodumene grains in till discovery.
- The Western Prospect lies close to the Trans-Taiga Road and relatively close to neighbouring advanced projects run by Patriot Battery Metals and Winsome Resources.
- Two drill holes EIQ24-007 and EIQ24-008 encountered spodumene-bearing pegmatite near surface.
- All the drill holes intersected a combination of mafic volcanic rocks, magnetite-rich iron formations, gabbro dikes and minor felsic porphyry dykes and tonalite. These rock types show a range in rheology contrast which is favourable for the development of dilational zones during deformation which create preferred sites for pegmatite dikes and sills.
- Drilling reached an average vertical depth of 173 metres from surface.
- Results of the Q1 program contributed to the design, planning and mobilization of the team to conduct a Spring/Summer field programme.
- High-grade lithium was encountered in boulders from initial geochemical rock sampling

Spring, Summer Field Programmes

- Following up on the Q1 trenching program, the Company mobilized to drill up to 1,500 metres to further test spodumene-bearing pegmatite dikes intersected in Phase I drill holes EIQ24-007 and -008.
- Initial drilling was planned to focus on a 700-metre-long segment of the recently reported 1,700-metre glacial dispersal train of spodumene-bearing boulders.
- Additionally, the team planned to collect a 50 kg sample of spodumene mineralization in pegmatite for metallurgical testing. See *Press Release dated August 26, 2024*.
- A total of 12 trenches were completed, exposing spodumene-mineralized pegmatite dykes at three locations over a strike length of 340 metres.

Systematic channel sampling yielded 157 samples of nominal one-metre length each. The length-weighted average grade of all channel samples in pegmatite is 0.47% Li₂O, while the length-weighted average of the 45 samples grading more than 0.40% Li₂O is 1.09% Li₂O. The highest Li₂O content Systematic channel for a one-metre channel sample is 2.39% Li₂O from channel EIQCH24-24 in Trench 8. The program included fill-in till sampling (closer spacing), boulder prospecting, mapping, trenching, and channel sampling with overburden clearing at the new boulder field.

Next Steps

See Project Sale above.

COBALT

Idaho, USA

[Twin Peaks Project \(TP & Badger Claims\)](#)

Location, Access, & Climate

The Twin Peaks Project is situated in Lemhi County and consists of 341 unpatented mining claims and is comprised of 2,761 hectares (6,820 acres) and includes the historic Twin Peaks Copper Mine. It is located approximately 3 kilometres southeast from Electra Battery Metals' advanced exploration stage Iron Creek Project and approximately 17.9 miles south-southwest of the city of Salmon.

The property lies between 5,500 feet, at the mouth of Badger Creek, and 6,700 feet elevation, in the northwest. The claims cover the south-facing, sagebrush-covered eastern slopes of Degan Mountain. The climate is typified by hot summers and cool to cold winters. Snowfall provides most of the 12 inches of precipitation received by the basin. Several of the small springs on the flank of Degan Mountain keep Badger Creek flowing year-round. The surface exploration season extends from March through November.

Past Activity – In June 2023, the Company mobilized its US technical team to commence a field program in the Idaho Cobalt Belt. The campaign was comprised of geologic mapping and rock sampling in conjunction with a reconnaissance stream sediment sampling program. It was intended that this program provide rapid project-wide geochemical reconnaissance. Contemporaneous geologic mapping and selective rock sampling along drainages was supposed to serve as Champion's first systematic traverses across the Twin Peaks property. In addition to cobalt, it was intended that: a) this recon program would also map the concentrations of base and precious metals in this fertile belt and b) areas for more comprehensive geologic mapping would be prioritized based on observations made along these traverses, in conjunction with results from the just-completed drone-based aeromagnetic survey, and on geochemical results from rock and

stream sediment samples.

Following up on the above, the Company completed a low altitude orthophotography and aeromagnetic data acquisition at the Project. MWH Geo-Surveys of Reno, Nevada, was engaged to conduct the airborne surveys in two stages. The first stage involved the deployment of an unmanned aerial vehicle (UAV) to collect detailed orthophotography. The airborne photography and resulting digital terrain model served as a base map for subsequent fieldwork and guide safe low-altitude aeromagnetic data acquisition. The second stage utilized a subsequent aeromagnetic survey consisting of approximately 640 line-km flown at a nominal sensor height and line spacing of 50 m.

In early 2024 the Company pivoted to focus on its James Bay project. The Company continues to maintain the claims for this Project in good standing while exploring joint venture and/or alternative opportunities for this Project.

Victory Project (DUP Claims)

Location, Access, & Climate

The Victory project consists of 201 DUP unpatented lode mining claims located in east-central Idaho, approximately 25.8 miles west of the town of Salmon. The property covers 1,627 hectares (4,020 acres). The claim block is within the Salmon-Cobalt Ranger District of the Salmon-Challis National Forest lands under surface use administration by the United States Forest Service (USFS).

Fairway Project (SC Claims)

Location, Access, & Climate

The Fairway project consists of 10 SC unpatented mining claims totaling 81 hectares (200 acres) situated in Lemhi County, approximately 17 miles west of the city of Salmon. The property lies between 6,400- and 7,680-foot elevation, above sea level. The climate is typified by warm summers and cool to cold winters. The surface exploration season extends from March through November.

Update for the Victory and Fairway Projects

In order to focus on the Company's lithium projects, Management accepted the technical team's recommendation not to renew the claims for the Victory and Fairway projects effective September 1, 2024.

GOLD

Baner Project – Idaho, USA

Project Description, Location and Access

Baner Project – Idaho, USA

The Baner Project, located 10 km southwest of Elk City, Idaho, is accessible year-round via State Highway 14 and has maintained forest service roads. The property comprises 215 unpatented lode claims covering approximately 4,520 acres, consisting of the wholly owned BC Group claims and the historic Baner property. All claims are in good standing. No significant factors or risks affect access, title, or work rights.

During the 2024 financial year, Champion Electric entered into an agreement to option out the Baner Gold Project for the purpose of a future disposition of rights and claims to the Optionee.

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Sale of Baner Gold Project – Idaho, USA

On July 22, 2024, the Company entered into an option agreement to sell the Baner Gold Project. The optionor can acquire 100% interest in the property pursuant to the following:

1. On completion of the Transaction, Champion Electric will receive:
 - a. Cash payment of CAD\$75,000;(received)
 - b. 1.1 million common shares of Prestwick (“Common Shares”); (received) and
 - c. warrants to purchase up to 200,000 Common Shares at \$0.30 per share for two (2) years from the date of issuance (received)
2. Within 18 months from the completion of the sale, the Company to receive (“Payment #1 Date”):
 - a. Cash payment of CAD\$350,000;
 - b. 200,000 Common Shares; and
 - c. warrants to purchase up to 200,000 Common Shares at the last closing price for the Common Shares prior to the date of issuance, for two (2) years from the date of issuance
3. Within 12 months from the Payment #1 Date, Champion to receive (“Payment #2 Date”):
 - a. Cash payment CAD\$500,000; and
 - b. warrants to purchase up to 200,000 Common Shares at the last closing price for the Common Shares prior to the date of issuance, for two (2) years from the date of issuance.

As part of the agreement, Legacy will have the exclusive right to manage and operate all work programs conducted on the Baner Gold Project at its sole discretion. Legacy will also be responsible for maintaining the Baner Gold Project in good standing during this period.

Additionally, upon fulfillment of the payments and securities issuances outlined in the binding agreement, the Option will be deemed exercised, and a 100% undivided interest in the Baner Gold Project will be transferred to Prestwick, free and clear of all encumbrances, subject to a 1% net smelter return royalty (the “NSR”) in favor of the Company. Prestwick may buy back the NSR in exchange for a \$7.5 million payment to Champion Electric. See *Press Release dated October 4, 2024*.

POLYMETALLIC

Champagne Project – Idaho, USA

The following summary of the Champagne Project is derived from an amended technical report entitled “Technical Report on the Champagne Property, Arco, Idaho, U.S.A.” prepared by Mr. Peter Karelse, P. Geo., of PK Geologic Services Ltd. and James Baughman, P. Geo., amended as of July 21, 2020 with an effective date of June 21, 2020 (the “**Champagne Technical Report**”). Each of the authors of the Champagne Technical Report is a “Qualified Person” for the purposes of NI 43-101. The complete Champagne Technical Report can be viewed on SEDAR at www.sedar.com. The technical information in this AIF is subject to the assumptions and qualifications contained in this document and the Champagne Technical Report.

Project Description, Location and Access

The Champagne Project is located 32 km southwest of Arco, Idaho, accessible via a county-maintained gravel road from Interstate 20. The property includes 312 claims (Spark 1–312) covering both BLM-registered and county-filed lands, as well as five mining patents, one mill site patent, and the Reliance group of seven unpatented claims, all held by Champion Electric. Additional claims, Blanche and Julliette, were acquired in 2020. An option to purchase the Ella group of claims, with structured payments over 40 years has expired. A separate five-year property option agreement, signed June 29, 2021, allows Champion to acquire additional surface and mineral rights through staged cash and share payments. There are no known royalties, back-in rights, or environmental liabilities. All claims are in good standing with required BLM and county payments maintained.

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Next Steps

The results to date have advanced Management’s understanding of the regional geology and structural interpretation of both projects. To focus on the Company’s lithium projects, Management is exploring joint venture and/or alternative opportunities for this Project.

4.0 EXPLORATION AND EVALUATION EXPENDITURES (“E&E”)

Cumulative project costs incurred to December 31, 2025 and 2024 are summarized as follows:

| | Dec. 31, 2023 | Additions | Dec. 31, 2024 | Additions | Dec. 31, 2025 |
|----------------------------------|---------------------|--------------------|---------------------|------------------|---------------------|
| Acquisition – James Bay (1) | \$2,790,379 | \$695,427 | \$3,485,806 | \$68,512 | \$3,554,318 |
| Acquisition – Cobalt (1) | 1,300,043 | 177,514 | 1,477,557 | 83,029 | 1,560,586 |
| Acquisition – Baner (1) | 732,990 | — | — | — | — |
| Acquisition – Champagne (1) | 438,423 | 109,469 | 547,892 | 83,868 | 631,760 |
| Acquisition – Sally and Data (1) | 283,355 | — | 283,355 | — | 283,355 |
| Exploration – James Bay | 3,078,736 | 4,078,683 | 7,157,419 | (66,694) | 7,090,725 |
| Exploration – Cobalt | 998,722 | 79,693 | 1,078,415 | 3,334 | 1,081,749 |
| Exploration – Baner | 4,727,674 | (378,224) | — | — | — |
| Exploration – Champagne | 5,856,006 | 73,432 | 5,929,438 | — | 5,929,438 |
| Exploration – Nudulama | 11,645 | — | 11,645 | — | 11,645 |
| Quebec Mining Credit | — | (453,704) | (453,704) | 16,398 | (437,306) |
| | \$20,217,973 | \$4,382,290 | \$19,517,823 | \$188,447 | \$19,706,270 |

(1) Acquisition costs include all payments made (and the issuance of shares) to acquire and maintain in good standing all permits, licenses and claims renewals.

5.0 RESULTS OF OPERATIONS

For the year ended December 31, 2025 Champion reported a net loss of \$1,093,852, compared to a loss of \$5,364,741 in the comparable period in 2024. In 2025, the Key Management focus was twofold – reduce debt while determining on how best to move the Company’s projects forward, while working to secure the funds needed to execute on potential exploration and acquisition plans.

As a general comment, the principal difference in spending year over year relates directly to the level of E&E activity. In 2024, the Company was highly focused on expanding and exploring the Quebec lithium claims. A robust spring drill program and follow-up sampling and analysis testing resulted in unanticipated cost overruns and a forced pause in the Company’s mining activity. Management quickly scaled back in 2025 to operating on a care-and-maintenance basis with a view to conserving cash while strategizing on the Company’s future direction.

Years ended December 31, 2025

The following table outlines the material increases (decreases) in expenses experienced by the Company in years ended December 31, 2025 and 2024:

| | December 31, | | |
|---------------------------------------|-----------------|------------|------------------------------|
| | 2025 \$ | 2024 \$ | Increase (Decrease) \$ |
| Exploration and evaluation expenses | (46,962) | 3,399,880 | (3,446,842) |
| Professional and consulting fees | 235,409 | 982,410 | (747,001) |
| IR and business development | 196,228 | 416,524 | 220,296 |
| Management compensation | 76,648 | 231,217 | (154,569) |
| Office and general | 28,726 | 277,916 | (249,190) |
| Regulatory and transfer agent | 27,768 | 33,930 | (6,162) |
| Share-based compensation | 267,397 | 779,163 | (511,766) |
| (Gain) on flow-through premium | — | (539,979) | (539,979) |
| Interest expense (income) net | 170,347 | (2,095) | 172,442 |
| Unrealized (gain) loss on investments | 143,633 | (257,996) | (401,629) |

- *The higher costs of professional consulting fees during the year ended December 31, 2024, is primarily due to \$70,000 legal fees related to claims acquisitions and higher tax return accounting fees for the preparation and filing of several US tax returns and professional assistance with the preparation and filing of multiple sets of flow-through documents filed with the CRA and Revenue Quebec;*
- *In the mode of reduced spending Management terminated and or paused prior marketing awareness commitments; in 2024 Management attended several conferences and investor one-on-one events and Management retained certain consultants to implement social media coverage;*
- *Management compensation decreased in 2025 as the CEO resigned in late 2024. Directors do not receive any compensation fees but are eligible to participate in the Company's incentive plans;*
- *Office and general was significantly higher in 2024 principally due to the accrual of Part X11.6 tax related to the June 2024 flow-through financing, late fees on flow-through filings, and higher D&O insurance and general liability insurance premiums;*
- *Share-based compensation was significantly higher in 2024 principally due to grants of options and RSUs. that were not repeated in 2025. Using the Black Scholes valuation methods to assign a fair value to equity instruments requires the use of assumptions that vary almost daily. See Annual Financial Statements – notes 11 and 12 – Warrants and Share-based Payments for details of all equity instruments expensed in 2025 and 2024;*
- *The flow-through liability established in 2023 and 2024 was reduced and extinguished as sufficient CEE was incurred to satisfy the spending commitment to subscribers. The derecognition of the CEE incurred resulted in recording a gain on the statement of loss. No flow-through financing occurred in 2025;*
- *Certain aged payables included interest on sums owing. As a result, a total of \$170,347 has been accrued as interest expense for outstanding invoices from 2024 and 2025; and*
- *The Company continues to hold common shares and warrants related to the option earn-in agreement with Legacy Gold Mines. At each reporting period the portfolio is priced at market values, and any unrealized gain or loss is recorded to investments and the statement of loss. In 2024, when the Company received the first tranche of shares and warrants, the market value was significantly higher than that quoted at December 2025. This revaluation accounts for the large swing in portfolio market value from 2024 to 2025.*

6.0 SELECTED QUARTERLY INFORMATION

Set forth below is a summary of selected financial information for the past eight completed quarters:

| | 2025 | | | | 2024 | | | |
|--------------------------------|------------------|--------------------|------------------|------------------|----------------|--------------------|--------------------|--------------------|
| | Dec. 31 | Sep. 30 | Jun. 30 | Mar. 31 | Dec. 31 | Sep. 30 | Jun. 30 | Mar. 31 |
| E&E expenditures | \$(90,486) | \$(10,471) | \$2,254 | \$51,741 | \$(686,886) | \$2,137,746 | \$1,109,313 | \$839,707 |
| Property acqns. | 194,989 | - | 22,591 | 17,829 | 53,340 | 249,468 | 27,094 | 652,508 |
| Shareholder & IR | (26,341) | 3,551 | 36,075 | 15,441 | 30,743 | 46,264 | 78,121 | 122,788 |
| Management fees | 46,501 | 46,500 | 46,500 | 56,727 | 102,750 | 102,750 | 103,672 | 107,352 |
| Professional & consulting fees | 16,772 | 19,800 | 19,800 | 20,276 | 64,462 | 31,533 | 34,516 | 100,706 |
| Net (income) loss | \$659,829 | \$(151,220) | \$361,865 | \$223,378 | 631,602 | (2,408,076) | (1,395,291) | (2,192,976) |
| Income (loss) per share | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.01 | \$(0.01) | \$(0.01) | \$(0.01) |

7.0 LIQUIDITY AND CAPITAL RESOURCES

Selected Financial Information

| | Dec. 31, 2025 | Dec. 31, 2024 | Dec. 31, 2023 |
|------------------------------|---------------------|---------------|---------------|
| Cash | \$515,365 | 216,069 | 2,621,192 |
| Total assets | 1,544,039 | 1,488,021 | 3,089,264 |
| Total liabilities | 3,516,457 | 2,633,984 | 493,696 |
| Working capital (deficiency) | (1,972,418) | (1,145,963) | 2,595,568 |
| Accumulated deficit | (33,805,926) | (33,412,044) | (28,212,748) |

As of December 31, 2025, the Company had \$515,365 cash (December 31, 2024 - \$216,069) to meet current liabilities of \$3,516,458 (December 31, 2024 - \$2,633,985) and a working capital deficiency of \$1,972,418 (December 31, 2024 - \$1,145,964). As at December 31, 2025, in addition to mineral claim interests in Quebec and Idaho, Champion has public company marketable securities valued at \$395,246 (December 31, 2024 - \$538,879). The Company is positioned to receive additional cash and shares depending on the success of the exploration conducted by the Purchaser of the Baner claims option. See Sale of Baner Project.

Further to the cash and investments held, the Company has applied for a total of \$437,316 of Quebec Mining Tax Credits ("QMTC") (pending) and a science/technical grant in the amount of \$142,776 (received in 2026). See Annual Financial Statements – note 6 – *Accounts and Prepaid Expenses*.

The Company is a junior resource exploration corporation and, accordingly does not have the ability to generate sufficient amounts of cash from earnings or asset sales to pay for its operating costs, even in the short term. The activities of the Company, principally the exploration and development of mineral properties, are, therefore, financed through the sale of equity securities and short-term loans. The equity offerings generally take the form of private placements.

The discovery and acquisition of mineral properties are unpredictable events. Future metal prices, the success of exploration programs, and other property transactions can have a significant impact on capital requirements. The Company does not expect to receive significant income from any of its properties within the foreseeable future. Should the Company decide to further develop any of its properties, the Company may fund its capital requirements by arranging further equity financing, issuing long-term debt, selling royalties, arranging joint ventures with other companies, or through a combination of the above.

The Company may also consider the sale of certain non-core properties to raise additional capital.

NON-CASH LIABILITY – Deferred Premium on Flow-Through Shares

The premium paid for flow-through shares in excess of the market value of the shares without the flow-through features is initially recognized as a liability. The liability is subsequently reduced and recorded in the statements of loss and comprehensive loss on a pro-rata basis based on the corresponding eligible exploration expenditures that have been incurred. In respect of the Charitable flow-through private placement completed in June 2024, a total premium liability of \$262,500 was recorded.

During the year ended December 31, 2025, a total of \$nil (2024 - \$3,019,835) was expended on eligible Canadian Exploration Expenses (“CEE”), which resulted in a total of \$nil (2024 - \$539,979) being derecognized to flow-through share premium.

The following is a continuity schedule of the liability of the flow-through share issuances:

| | |
|--|------------------|
| Balance, December 31, 2023 | \$277,479 |
| Liability incurred on flow-through shares issued | \$262,500 |
| Flow-through share premium derecognized | (539,979) |
| Balance, December 31, 2024 and 2025 | \$— |

8.0 TRANSACTIONS WITH RELATED PARTIES

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

a) Related party transactions

Since November 2021, the Company has retained Grove Corporate Services Ltd. (“Grove”) to provide certain professional corporate services to the Company, including administrative, investor relations, financial reporting and corporate secretarial services provided by the CFO and Corporate Secretary (the “Services”). During the year ended December 31, 2025, Grove billed the Company a total of \$186,000 (2024 - \$240,502). Included in accounts payable and accrued liabilities at December 31, 2025, is \$425 (December 31, 2024 - \$42,831) owed to Grove for unpaid Services. The amount is unsecured, non-interest bearing, and due on demand.

During the year ended December 31, 2025, the Company incurred professional legal fees of \$1,500 (2024 - \$286,897) for services provided by a law firm (“Legalco”) of which a former director was a partner. At December 31, 2025, the Company owed Legalco a total of \$288,594 (2024- \$286,897). The amount owed is unsecured, non-interest bearing and due on demand.

Included in accounts payable and accrued liabilities as at December 31, 2025, is \$164,472 (2024 - \$nil) owing to a director of the Company. The amount is unsecured, non-interest bearing, and due on demand.

On December 10, 2025, the Company entered into the Sale Agreement with a director (the “Buyer”) pursuant to which the Buyer shall acquire the Company's wholly owned Champion Lithium Project located in the Eeyou Istchee James Bay territory of Quebec, for Consideration of US\$1,000,000. To December 31, 2025 the Buyer has advanced US\$500,000 (\$685,300) which has been recorded to Deferred Income. See Annual Financial Statements - note 8 – *Exploration and Evaluation Expenditures*.

b) Key Management Compensation

During the year ended December 31, 2025, the Company remunerated its former Chief Executive Officer (“CEO”) \$10,227 (2024 - \$225,000). Included in accounts payable at December 31, 2025 is \$62,983 (2024 - \$65,136) owing for unpaid management fees and reimbursable expenses. This amount is unsecured, non-interest bearing and due on demand.

Directors, officers, employees and consultants are eligible for stock option grants. During the year ended December 31, 2025, the Company granted an aggregate of nil (2024 – 4,500,000) stock options to certain directors and officers.

Key Management Compensation for the year ended December 31, 2025, and 2024 is as follows:

| | 2025 | 2024 |
|--------------------------|------------------|-------------|
| Salary and wages | \$10,227 | \$225,000 |
| Corporate services | 186,000 | 240,502 |
| Share-based compensation | 267,397 | 710,605 |
| | \$463,624 | \$1,176,107 |

9.0 COMMITMENTS AND CONTINGENCIES

Environment

The Company’s exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company periodically evaluates its obligations under environmental regulations and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through Commitments.

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

Flow-through agreements require the Company to renounce certain tax deductions for CEE incurred on the Company’s mineral properties to flow-through subscribers. As at December 31, 2025 and 2024 the Company has met its flow-through spending commitments.

Corporate Services Agreement

During the years ended December 31, 2025 and 2024, the Company retained Grove to provide the Services on a monthly retainer basis. Termination of the arrangement may be effected by either party with three months termination notice.

As a triggering event has not taken place, these contingent payments have not been reflected in the Annual Financial Statements or this MD&A.

10.0 MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these financial statements requires Management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cashflows.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustments to the carrying amounts of assets and liabilities recognized in these financial statements is discussed below:

i. Income, Value-Added, Withholding and Other Taxes

The Company is subject to income, value-added, withholding, and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value-added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax-related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax-related accruals and deferred income tax provisions in the period in which such determination is made.

ii. Share-Based Payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment is used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates, and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

iii. Going concern assumption

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

iv. Provisions and contingencies

Provisions and contingencies arising in the course of operations, including provisions for income or other tax matters are subject to estimation uncertainty. Management uses all information available in assessing the recognition, measurement and disclosure of matters that may give rise to provisions or contingencies. The actual outcome of various provisional and contingent matters may vary and may cause significant adjustments to the Company's assets when the amounts are determined or additional information is required.

v. Flow-through shares

The Company may, from time to time, issue flow-through common shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the date of issuance of the flow-through shares, the premium relating to the proceeds received in excess of the fair value of the Company's common shares is allocated to the premium on flow-through shares liability. The reduction to the premium liability in the period of renunciation is recognized through operations.

vi. Existence of decommissioning and restoration costs and timing of expenditure

Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration, or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations with regulatory authorities.

vii. Valuation of deferred income tax assets

Each year, the Company evaluates the likelihood of whether some portion of deferred tax assets, if any, will be realized. This evaluation is based on historic and future expected levels of taxable income, the timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, tax planning initiatives, and deferred tax rates.

Recent Accounting Pronouncements

During the year ended December 31, 2025, certain amendments and/or improvements of existing accounting standards occurred, however Management believes such changes do not have any material impact on the Company's financial statements.

Future Accounting Changes

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2026. See Annual Financial Statements – note 5 – *New Accounting Standards Issued and Future Accounting Changes*.

Restatement Due to Errors

- (i) Understatement of accounts receivable and prepaids and overstatement of exploration expenditures

The Consolidated Financial Statements have been restated to reflect additional Quebec Mining Tax Credits ("QMTC") receivable that were not recorded in the year ended December 31, 2024. Pursuant to this omission, the \$453,704 of QMTC have been recorded in accounts receivable and prepaids and in exploration and evaluation expenses as a recovery item, in 2024.

Management Discussion & Analysis – Year ended December 31, 2025

(ii) Understatement of income tax payable and income tax expense

The Consolidated Financial Statements have been restated to reflect an income tax provision that was not recorded in the year ended December 31, 2024. Pursuant to this restatement, income tax payable balance as at December 31, 2024 is \$31,598 (US \$21,960).

| Statement of Financial Position As at December 31, 2024 | As previously reported | Adjustment | Restated |
|--|---------------------------|-------------------|---------------------|
| Assets | | | |
| Current assets | | | |
| Cash | \$ 216,069 | \$ — | \$ 216,069 |
| Accounts receivable and prepaids (i) | 279,369 | 453,704 | 733,073 |
| Investments | 538,879 | — | 538,879 |
| Total assets | \$ 1,034,317 | \$ 453,704 | \$ 1,488,021 |
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | \$ 2,602,386 | \$ — | \$ 2,602,386 |
| Income tax payable (ii) | — | 31,598 | 31,598 |
| Total liabilities | 2,602,386 | 31,598 | \$2,633,984 |
| Shareholder's Deficiency | | | |
| Share capital | 27,430,683 | — | 27,430,683 |
| Warrants | 1,358,759 | — | 1,358,759 |
| Contributed surplus | 3,476,639 | | 3,476,639 |
| Accumulated deficit | (33,834,150) | 422,106 | (33,412,044) |
| Total shareholders' deficiency | (1,568,069) | 422,106 | (1,145,963) |
| Total liabilities and shareholders' deficiency | \$ 1,034,317 | \$ 453,704 | \$ 1,488,021 |

| Statement of Loss and Comprehensive Loss As at December 31, 2024 | As previously reported | Adjustment | Restated |
|---|---------------------------|---------------------|---------------------|
| Operating expenses | | | |
| Exploration expenditures (i) | \$ 3,853,584 | \$ (453,704) | \$ 3,399,880 |
| Loss for the year before the under-noted items and income tax | 6,574,744 | (453,704) | 6,121,040 |
| Foreign exchange (gain) loss (ii) | 12,173 | 1,517 | 13,690 |
| Loss before taxes | 5,786,847 | (452,187) | 5,334,660 |
| Income tax expense (ii) | — | 30,098 | 30,098 |
| Net loss and comprehensive loss for the year | \$ 5,786,847 | \$ (422,106) | \$ 5,364,741 |

| Statement of Shareholders' Equity (Deficiency) As at December 31, 2024 | As previously reported | Adjustment | Restated |
|---|---------------------------|-------------------|------------------------|
| Balance - December 31, 2023 – Deficit | \$ (28,212,748) | \$ — | \$ (28,212,748) |
| Options expired | 165,445 | — | 165,445 |
| Net loss for the year | (5,786,847) | 422,106 | (5,364,741) |
| Balance - December 31, 2024 - Deficit | \$ (33,834,150) | \$ 422,106 | \$ (33,412,044) |

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| Statement of Cash Flows As at December 31, 2024 | As previously reported | Adjustment | Restated |
|---|---------------------------|------------|----------------|
| Net loss for the year (i) | \$ (5,786,847) | \$ 422,106 | \$ (5,364,741) |
| Net change in non-cash working capital balances: | | | |
| Income tax payable (ii) | — | 31,598 | 31,598 |
| Accounts receivable (i) | 260,989 | (453,704) | (192,715) |
| Accounts payable (i) | 2,313,883 | — | 2,313,883 |
| Net cash used in operating activities | \$ (3,149,123) | \$ — | \$ (3,149,123) |

11.0 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

See Annual Financial Statements – note 14 - *Financial Instruments and Risk Management*.

As at December 31, 2025 and 2024, the Company investments are carried at market value.

| Categories of Financial Instruments | December 31, 2025 | December 31, 2024 ⁽¹⁾ |
|---|----------------------|-------------------------------------|
| Financial Assets—amortized cost | | |
| Cash | \$515,365 | \$216,069 |
| Accounts receivable | 633,428 | 733,073 |
| Financial Assets – fair value through profit and loss | | |
| Investments | 395,246 | 538,879 |
| Financial Liabilities – amortized cost | | |
| Accounts payable and accrued liabilities | 2,801,059 | 2,602,387 |

(1) Certain balances have been restated – see section 10.0 – Critical judgments and estimates

12.0 CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying natural resource properties. The Company's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Company considers its capital structure to include cash and working capital. In order to maintain or adjust the capital structure, the Company may from time-to-time issue shares and adjust its capital spending to manage current and projected debt levels. To assess capital and operating efficiency and financial strength, the Company continually monitors its net cash and working capital. The Company's capital management objectives, policies and processes have remained unchanged during the years ended December 31, 2025 and December 31, 2024. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body.

13.0 OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

14.0 SHARE CAPITAL ACTIVITY

Authorized and Issued Common Shares

The Company is authorized to issue an unlimited number of common shares. At December 31, 2025 and 2024 there are 278,938,729 common shares issued and outstanding.

The following table shows the common share activity for the years ended December 31, 2025 and 2024:

| | Number of common shares | Amount |
|--|-------------------------|---------------------|
| Balance, December 31, 2023 | 250,463,731 | \$26,326,514 |
| Shares issued for property purchase | 6,075,000 | 302,625 |
| Shares issued for private placements | 20,000,000 | 800,000 |
| Shares issued for RSUs (2023) | 1,999,998 | 320,000 |
| Share issue costs | — | (75,956) |
| Shares issued for finder's fee | 400,000 | 20,000 |
| Flow-through share premium | — | (262,500) |
| Balance, December 31, 2024 and 2025 | 278,938,729 | \$27,430,683 |

Warrants Outstanding

At December 31, 2025, there are 4,700,000 regular and finders' warrants outstanding, with each warrant entitling the holder to acquire one common share of the Company at the exercise prices noted below:

| Number | Fair Value Assigned (\$) | Exercise Price | Remaining Contractual Life In Years | Expiry Date |
|------------------|--------------------------|----------------|-------------------------------------|--------------|
| 3,000,000 | 39,922 | \$0.20 | 0.04 | Jan 15, 2026 |
| 300,000 | 28,265 | \$0.25 | 0.35 | May 7, 2026 |
| 1,400,000 | 19,956 | \$0.05 | 0.63 | Aug 19, 2026 |
| 4,700,000 | \$88,143 | \$0.16 | 0.24 | |

Share-based Incentive Plans

SOP

Champion has a stock option plan that provides for granting of incentive stock options up to a maximum of 10% of the Company's issued and outstanding common shares. Terms of the options granted are subject to the allocation and approval by the Board of Directors. All options granted are subject to a four-month hold period from the date of grant as required by the CSE.

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A summary of the issued and outstanding stock options as at December 31, 2025, is as follows:

| Exercise Price | Number of Options Outstanding | Number of Options Exercisable | Remaining Contractual Life – Years | Expiry Date |
|----------------|-------------------------------|-------------------------------|------------------------------------|------------------|
| \$0.20 | 500,000 | 500,000 | 0.23 | March 24, 2026 |
| \$0.20 | 100,000 | 100,000 | 0.32 | April 26, 2026 |
| \$0.15 | 400,000 | 400,000 | 1.30 | April 19, 2027 |
| \$0.05 | 2,500,000 | 2,500,000 | 1.65 | August 24, 2027 |
| \$0.08 | 3,000,000 | 3,000,000 | 2.05 | January 18, 2028 |
| \$0.13 | 2,100,000 | 2,100,000 | 2.36 | May 11, 2028 |
| \$0.16 | 550,000 | 550,000 | 2.61 | August 9, 2028 |
| \$0.075 | 5,500,000 | 5,500,000 | 3.20 | March 14, 2029 |
| \$0.09 | 14,650,000 | 14,650,000 | 2.38 | |

Restricted Stock Unit (“RSU”) Plan

Champion has an RSU Plan that provides for the granting of restricted stock units up to a maximum of 10% of the Company's issued and outstanding common shares, less any issued and outstanding stock options. Terms of the RSUs are subject to the allocation and approval by the Board of Directors. Each RSU shall be converted into one common share as vesting occurs. RSUs are measured at fair value on the grant date.

On August 8, 2023, the Company granted 6,000,000 RSUs. On August 19, 2024, 1,999,998 RSUs were settled, resulting in the issuance of a corresponding number of common shares. The shares were valued at \$320,000 based on share price on the original grant date.

On April 29, 2025, the Board of Directors passed a resolution to cancel the settlement of the remaining 4,000,002 RSUs originally granted on August 8, 2023. Pursuant to IFRS 2, when a grant of equity instrument is cancelled/forfeited during the vesting period, for other than a grant cancellation by forfeiture when the vesting conditions are not met, the vesting period of the remaining RSUs is accelerated and any unamortized fair value shall immediately be recognized in the Company's financial statements. Accordingly, the remaining fair value of \$267,397 has been charged to the statement of loss during this reporting period. Post cancellation of the remaining RSUs, the fair value of \$640,000 was reclassified to retained earnings.

15.0 OUTSTANDING SHARE DATA as at April 29, 2026

| As at | Common Shares | Warrants | Stock Options | Restricted Stock Units | Fully Diluted |
|-------------------|---------------|------------|---------------|------------------------|---------------|
| December 31, 2024 | 278,938,729 | 32,776,326 | 14,950,000 | 4,000,002 | 330,665,057 |
| December 31, 2025 | 278,938,729 | 4,700,000 | 14,650,000 | — | 298,288,729 |
| April 29, 2026 | 278,938,729 | 1,700,000 | 14,050,000 | — | 294,688,729 |

16.0 MANAGEMENT’S RESPONSIBILITY

Management is responsible for all information contained in this report. The Annual Financial Statements for the years ended December 31, 2025, and 2024 have been prepared in accordance with IFRS and include amounts based on Management’s informed judgments and estimates.

17.0 INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the audited consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited consolidated financial statements; and (ii) the audited financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented. 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), this Venture Issuer Basic Certificate 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 this certificate are not making any representations relating to the establishment and maintenance of:

- ✓ 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
- ✓ a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

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

18.0 RISKS AND UNCERTAINTIES

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Only investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment should undertake such investment. Prospective investors should carefully consider the risk and uncertainties that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

Nature of Mineral Exploration and Development Projects

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. The exploration and development of mineral

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deposits involves significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Few mining properties that are explored are ultimately developed into producing mines. Major expenses are required to establish reserves by drilling and to construct mining and processing facilities. Large amounts of capital are frequently required to purchase necessary equipment. It is impossible to ensure that the current or proposed exploration programs on properties in which the Corporation has an interest will result in profitable commercial mining operations.

Success in establishing mineral reserves through exploration is the result of a number of factors, including the quality of management, the Corporation's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Whether a deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as its size and grade, costs and efficiencies of the recovery methods that can be employed, proximity to infrastructure,

financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gold or silver, and environmental protection.

The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Corporation not receiving an adequate return on its invested capital. Because of these uncertainties, no assurance can be given that exploration programmes will result in the establishment or expansion of resources or reserves.

Financing Risk

To fund future investments in its mineral properties the Corporation requires capital. Subject to economic conditions at the time, there can be no assurance the Corporation would be able to raise additional debt or equity financing on acceptable terms. If the Corporation cannot finance its future projects, it could have a material and adverse effect on the Corporation's future cash flows, earnings, results of operations and financial condition.

19.0 FORWARD-LOOKING STATEMENTS

Certain statements contained in this discussion, including information as to future activities, events and financial or operating performance of the Company and its projects, constitute forward-looking statements. Such forward-looking statements involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated activities, events or results implied or expressed in such forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, “believes”, or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made.

Many factors could cause actual activities and events, and the Company's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. These include metal prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions.

These forward-looking statements are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.