Resouro Strategic Metals Inc.

MANAGEMENT'S DISCUSSION & ANALYSIS
For the three months ended June 30, 2026
(Reported in Canadian Dollars)

General

This Management's Discussion and Analysis ("**MD&A**") provides a review of the operational performance of Resouro Strategic Metals Inc. ("**Resouro**", or the "**Company**"). The report was prepared in accordance with the requirements of National Instrument 51-102, Continuous Disclosure Obligations, and it should be read in conjunction with the condensed interim consolidated financial statements for the three months ended June 30, 2026 (the "**Financial Statements**"). The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"). All dollar amounts are reported in Canadian dollars ("**CAD**") unless otherwise stated. This document is dated August 20, 2026.

The Board of Directors of the Company have reviewed and approved the information contained in this MD&A and the condensed interim consolidated Financial Statements.

Readers are cautioned that this MD&A contains certain forward-looking statements. Please see the section concerning "Forward Looking Statements" below.

Additional information relating to the Company can be found on the Canadian System for Electronic Document Analysis and Retrieval ("**SedarPlus**") at www.sedarplus.ca. The Company is listed on the Canadian TSX Venture Exchange ("**TSX-V**") under the symbol "RSM", on the Australian Securities Exchange ("**ASX**") under the symbol "RAU" and the United States Over the Counter Venture Market Exchange ("**OTCQB**") under the symbol "RSGOF".

Additional information relevant to the Company's activities can be found on the Company's website at www.resouro.com.

Corporate Mandate

Resouro is a mineral exploration and development company focused on the discovery and advancement of economic mineral projects in Brazil, including the Tiros Titanium dioxide and Rare Earth Elements Project ("**Tiros Project**" or "**Tiros**") in Minas Gerais and the Novo Mundo Gold project in Mato Grosso.

Forward Looking Statements

This MD&A may contain "forward looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by securities law and regulations.

Going Concern

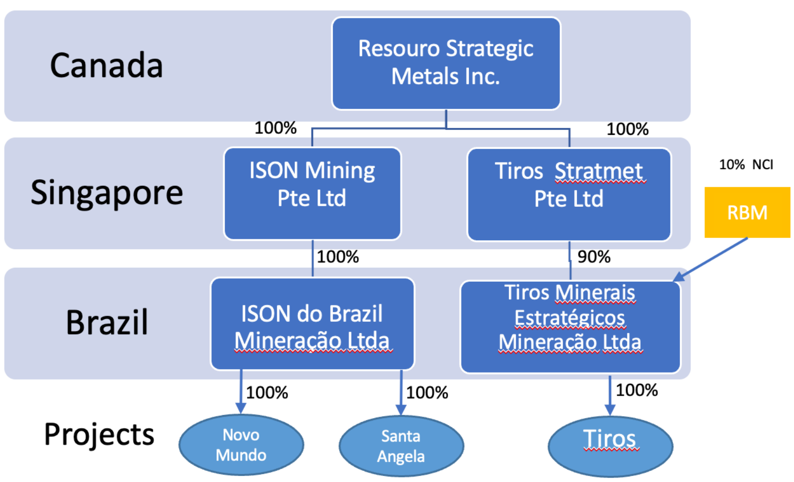
These condensed interim consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. Realization values may be substantially different from the carrying values shown and these condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. The Company's continuing operations and the ability of the Company to meet mineral property and other commitments are dependent upon the ability of the Company to continue to raise additional equity or debt financing and to seek joint venture partners. At the date of these condensed interim consolidated financial statements, the Company has not achieved profitable operations and has accumulated losses since inception. The Company had a working capital deficit of $192,756 and an accumulated deficit attributable to shareholders of $20,704,731 for the three months ended June 30, 2026. The Company has incurred a comprehensive loss from operations of $1,010,447 for the three months ended June 30, 2026.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Management believes the going concern basis is appropriate, as the Company has sufficient capital to fund operations for the next twelve months and has demonstrated an ability to raise additional capital from new and existing investors. However, there can be no assurance that such financing will be available when required.

Title to exploration and evaluation assets involve certain inherent risks due to the difficulty of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of exploration and evaluation assets. The Company has investigated title to all of its exploration and valuation assets, and, to the best of its knowledge, title to all of its properties is properly registered and in good standing. However, there can be no guarantee that title to exploration and evaluation assets are not subject to prior claims, agreements, or transfers and rights of ownership may be affected by undetected defects. The properties in which the Company has earned or committed to earn an interest are located in Brazil.

Corporate Structure

The Company was incorporated on August 4, 1992, in the province of British Columbia, Canada. The Company's registered office is Suite 250 – 997 Seymour Street, Vancouver, British Columbia, Canada. ISON Mining Pte Ltd ("**ISON**") is 100% owned by Resouro. ISON is incorporated under the laws of Singapore. ISON owns 100% of the outstanding shares of ISON do Brasil Mineração Ltda ("**ISON do Brasil**"), a company incorporated under the laws of Brazil. The Novo Mundo project titles and rights belong to ISON do Brasil and the Santa Angela project title and rights are under assignment and transfer to ISON do Brasil. Tiros Stratmet Pte Ltd ("**TSPS**") is 100% owned by Resouro. TSPS is incorporated under the laws of Singapore and owns 90% of the outstanding shares of Tiros Minerais Estrategicos Mineração Ltda ("**TMEL**"), a company incorporated under the laws of Brazil. RBM Consultoria Mineral Eirlei ("**RBM**") holds a 10% free-carry, non-controlling interest in TMEL. The Tiros Project is 100% owned by TMEL.



Corporate Highlights

Non-brokered Private Placement Closed August 11, 2026

On August 11, 2026, the Company closed a non-brokered private placement for the sale of 10,000,000 common shares at a price of $0.25 for total proceeds of $2,500,000. The Company paid a cash finders' fee of $4,500.

All securities issued under the Offering are subject to a statutory hold period of four months plus one day from the date of issuance, in accordance with applicable Canadian securities laws and TSX Venture Exchange policies. In accordance with the ASX Listing Rules, the shares were issued pursuant to the Company's available placement capacity under Listing Rule 7.1. No Related Parties or their Associates are participating in the Offering.

The Offering remains subject to final approval by the TSX Venture Exchange. The Private Placement is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals including the approval of the TSX Venture Exchange.

The Company intends to use the net proceeds of the Private Placement for general working capital purposes and to advance the environmental program, an essential step toward the Preliminary Feasibility Study for the Tiros project.

Tiros Project – Preliminary Economic Assessment

On July 29, 2026 Canada (July 30, 2026 Australia), the Company filed the NI 43-101 Technical Report ("**NI 43-101**") supporting the Preliminary Economic Assessment ("**PEA**") results for its Tiros Rare Earths and Titanium Project in Minas Gerais, Brazil, which was announced on June 14, 2026, Canada (June 15, 2026, Australia). The PEA indicates that the Project has the potential to generate a post-tax net present value ("**NPV**") of US$715 million, discounted at 8%, over an initial 20 year mine life, with a post-tax internal rate of return ("**IRR**") of 44.2%.

The Technical Report evaluated the development of a staged, high-grade starter operation based on a 500,000 tonne per annum ("**tpa**") processing facility operating over a 20-year mine life. The study targets approximately 9.5 million tonnes ("**Mt**") of high-grade run-of-mine ("ROM") material that represents less than one percent of the Company's 1.4 billion tonne ("**Bt**") Measured and Indicated Mineral Resource grading 12% titanium dioxide ("**TiO_2**"), 4,000 ppm total rare earth oxides ("**TREO**") and 1,100 ppm magnetic rare earth oxides ("**MREO**").

Highlights:

- Strong Project Economics: The PEA indicates positive project economics.
- Capital-efficient Development Strategy: The PEA supports a capital-efficient, staged development strategy centered on a 500,000 tpa high-grade starter operation that targets less than 1% of the current Measured and Indicated Mineral Resource, reducing initial capital requirements while providing a pathway to production and preserving significant long-term expansion potential.
- Favorable Project Fundamentals: The Project combines conventional free-digging open-pit mining with a low strip ratio, the production of three potential product streams assumed in the PEA including a coarse titanium dioxide concentrate, a fine titanium dioxide concentrate and a Mixed Rare Earth Carbonate, and a location in the established mining jurisdiction of Minas Gerais, Brazil, with access to existing infrastructure and a skilled workforce.

Novo Mundo – Mining and Processing Agreements

On June 1, 2026 Canada (June 2, 2026 Australia), Resouro through its Brazilian subsidiary, ISON do Brasil, announced that it had signed a mining, transport and processing agreement with Future Mining Ltda. ("**Future Mining**") and Buriti Gold Mineração Ltda. ("**BGM**") for a proposed mining and processing program at its 100%-owned Novo Mundo Gold project in Mato Grosso, Brazil. The Agreement establishes a structure for the proposed mining, transport and processing of gold-bearing material from Guia de Utilização No. 20/2022 under Brazilian Department of Mines ("**ANM**") Title No. 866.035/2009 (the "**Novo Mundo GU**"), subject to the satisfaction of conditions precedent, including verification of applicable ANM and environmental authorizations, operating plans, budget, accounting protocols, safety controls and regulatory requirements.

Under the Agreement, Future Mining and BGM will prepare and implement a basic economic study, mine plan, transport plan and processing plan for shallow gold-bearing material from the Novo Mundo GU. The basic economic study, mine plan, transport plan and processing plan will not constitute a feasibility study, prefeasibility study, Mineral Reserve estimate or Ore Reserve estimate. Once the conditions precedent are satisfied, material is expected to be mined from the authorized GU area, transported to the BGM processing plant and processed for the recovery and sale of gold product, subject to applicable authorizations, operational performance, technical constraints, metallurgical performance, costs, recoveries, grade control, reconciliation, market conditions and regulatory compliance.

On June 9, 2026 Canada (June 10, 206 Australia), Resouro announced that it had signed a binding Memorandum of Understanding (the "**MOU**") with Future Mining and BGM for the two remaining Titles in the Novo Mundo Gold Project in Mato Grosso, Brazil. The MOU provides for the completion of work required to support the preparation and submission of the

Final Exploration reports due to the ANM, for Titles 866.320/2018 and 866.171/2018. The Final Exploration Reports were filed on July 28, 2026.

On July 23, 2026, Canada (July 24, 2026, Australia), the Company announced that it had successfully filed the Mining Concession Application for the Novo Mundo GU. The area covered by the Novo Mundo GU is comprised of approximately 930 hectares and is the subject of a trial mining operation being conducted under a Guia de Utilização, pursuant to the previously announced Binding Mining and Processing Agreement for Novo Mundo. The submission of the Mining Concession Application represents the next stage in the ANM licensing process for Novo Mundo, and once granted, will authorize long-term commercial mining of the area.

Approval for DTC Eligibility

On August 11, 2025, Resouro announced that its common shares are now eligible for electronic clearing and settlement in the United States ("**US**") through the Depository Trust Company ("**DTC**"). DTC eligibility is expected to simplify the trading process on the OTCQB exchange and enhance the liquidity of the Company's shares for US investors by enabling Resouro's shares to be traded through a wider network of U.S. brokerage firms, facilitating faster settlement and improved market access. This represents a meaningful step toward increasing the Company's visibility and accessibility within the U.S. capital markets.

Tiros Acquisition

On March 11, 2024, Resouro completed the Tiros acquisition. The following transactions were undertaken:

1. Resouro acquired 100% of the outstanding shares of TSPS whose 90% owned subsidiary, TMEL, holds the titles that comprise the Tiros Project assets.
2. Resouro paid the following consideration for the acquisition:
    a. 1,642,000 common shares of Resouro were issued to RBM for the acquisition of RBM's control over TSPS.
    b. 750,000 performance rights were issued to RBM for the acquisition of RBM's control over TSPS. The rights give RBM the right to convert to common shares if the Definitive Feasibility Study ("**DFS**") is completed within 5 years from the date of issue.
    c. 4,000,000 stock options were issued to Resmin for the acquisition of Resmin's 33.3% ownership in TSPS. The stock options may be exercised at a price of $0.20 and will expire on March 11, 2029. Resmin is a corporation, incorporated in Singapore and owned by Resouro's Chairman of the Board, Christopher Eager.

In exchange for the consideration paid, TMEL holds the rights to the Tiros Project assets which are currently being explored for Titanium dioxide and rare earth elements.

Listing on Australian Securities Exchange and Concurrent Private Placement

On June 12, 2024, the Company successfully completed a dual listing on the ASX. Concurrent to the Australian Securities Exchange ("ASX") listing the Company closed a private placement which was considered an Initial Public Offering ("**IPO**") on the ASX ("**ASX offer**").

The Company successfully closed the ASX offer on June 12, 2024, in which 16,000,000 CHESS Depository Interests ("**CDI**") over common shares were issued at a price of AUD $0.50 (CAD $0.46). Cash consideration of AUD$8,000,000 (CAD $7,300,718) was received.

Taylor Collison Limited, an Australian broker, acted as the Lead Manager for the ASX Offer. As compensation for its services, the Lead Manager was paid a broker fee of AUD $440,000 (CAD $402,600) which was equal to 5.5% of the aggregate gross proceeds of the Offer and was issued 1,843,643 broker compensation stock options at an exercise price of CAD $0.68, vesting immediately, and expiring three years from the date of issue.

Issuance of Shares

	Ref	*Number* [1]		Value
Balance at March 31, 2024		*76,182,192*	$	12,985,642
Shares issued, June 14, 2024	(i)	16,000,000		7,300,420
Shares issue costs, June 14, 2024	(i)	-		(933,772)
Stock options exercised, April 26, 2024	(ii)	150,000		50,915
Stock options exercised, October 22, 2024	(iii)	115,000		37,717
Shares issued, October 24, 2024	(iv)	142,857		40,000
Balance at March 31, 2025		***92,590,049***		**19,480,922**
Shares issued, October 21, 2025	(v)	*15,000,000*		2,999,999
Share issue costs, October 21, 2025	(v)			(19,069)
Balance at March 31, 2026		***107,590,049***		**22,461,852**
Stock options exercised	*(vi)*	*320,000*		117,562
Balance at June 30, 2026		***107,910,049***	**$**	**22,579,414**

[1] An Officer and Director of the Company owned 17% of the outstanding common shares.

(i) On June 14, 2024, the Company successfully completed a dual listing on the ASX. Concurrent to the ASX listing the Company closed a private placement in Australia, which was considered an IPO on the ASX.

The Company successfully closed the ASX offer on June 14, 2024, in which 16,000,000 CDIs over common shares were issued at a price of AUD $0.50 (CAD $0.46). Cash consideration of AUD $8,000,000 (CAD $7,300,420) was received and $933,772 of share issue costs were recognized. The CDIs were subject to a 4 month plus 1 day hold period, which has now expired.

Taylor Collison Limited, an Australian broker, acted as the Lead Manager for the ASX Offer. As compensation for its services, the Lead Manager was paid a broker fee of AUD $440,000 (CAD $402,600) which was equal to 5.5% of the aggregate gross proceeds of the Offer and was issued 1,843,643 broker compensation options at an exercise price of CAD $0.68, vesting immediately, and expiring three years from the date of issue. The fair value assigned for the stock options was $428,094. The broker options are subject to a 24-month escrow period.

(ii) On April 26, 2024, 150,000 stock options were exercised. The options were valued at $50,915 which is comprised of $26,250 cash and $24,665 of the Black-Scholes value re-classified from contributed surplus to share capital.

(iii) On October 22, 2024, 115,000 stock options were exercised. The options were valued at $37,717 which is comprised of $20,125 cash and $17,592 of the Black-Scholes value re-classified from contributed surplus to share capital.

(iv) On October 24, 2024, 142,857 common shares were issued to acquire 3 additional tenements in the Tiros Project area. The shares were issued at a deemed consideration of $0.28 for a value of $40,000.

(v) On October 21, 2025, the Company closed a private placement in which 15,000,000 units were issued at a price of $0.20 per unit for cash consideration of $3,000,000. Each unit was comprised of one common share of the capital in the Company and one-half of one common share purchase warrant, with each whole warrant being exercisable to acquire one common share at an exercise price of $0.30 per share for a three-year period, expiring on October 21, 2028. The Company paid $19,068 in share issue costs.

(vi) On April 21, April 28 and May 12, 2026, a total of 320,000 stock options were exercised. The options were valued at $117,562 which is comprised of $56,000 cash and $61,562 of the Black-Scholes value re-classified from contributed surplus to share capital.

Issuance of Stock Options

On January 18, 2024, the Company announced the results of the Annual General Meeting ("**AGM**") which included the approval of an amended stock option plan. The amended stock option plan allows the Company to issue up to a fixed number of stock options, 14,193,752, which represented 20% of the issued and outstanding common shares as of December 15, 2023.

Date	Note	Number of Options	Number Vested	Remaining life
Issued: June 13, 2023	1	4,560,000	4,560,000	1.9
Issued: October 11, 2023	2	2,250,000	2,250,000	2.3
Issued: March 11, 2024	3	4,000,000	4,000,000	2.6
Exercised: April 26, 2024	5	(150,000)	(150,000)	-
Expired: April 30, 2024	6	(50,000)	(50,000)	-
Exercised: October 22, 2024	7	(115,000)	(115,000)	-
Issued: November 1, 2024	4	2,000,000	-	-
Total as of March 31, 2025		**12,495,000**	**12,495,000**	
Expired: August 14, 2025	4	(2,000,000)	-	-
Issued: March 18, 2026	8	1,000,000	500,000	4.7
Total as of March 31, 2026		**11,495,000**	**10,995,000**	
Exercised: April 21, April 28 and May 12 2026	9	(320,000)	-	-
Total as of June 30, 2026		**11,075,000**	**10,995,000**	**2.5**

1. On June 13, 2023, the Company issued 4,560,000 stock options to directors, officers and a consulting firm with an exercise price of $0.175 and a 5-year expiry period, pursuant to the Company's stock option plan. The options vested over a 24-month period.

2. On October 11, 2023, the Company issued 2,250,000 stock options to directors, officers and a consulting firm with an exercise price of $0.50 with a 5-year expiry period, pursuant to the Company's stock option plan. The options vested immediately. Further to the June 14, 2024 listing on the ASX, the 1,500,000 options issued to Directors are subject to a 24-month escrow, ending June 14, 2026.

3. On March 11, 2024, 4,000,000 stock options were issued to Resmin as compensation for its 33.3% ownership of TSPS. The options are exercisable at a price of $0.20 per share, for a period of five years from the date of grant. The fair value assigned for the stock options was $1,456,400 and was expensed upon issuance. The fair value was determined using the Black-Scholes option-pricing model, with the following assumptions: expected dividend yield of 0%; risk-free interest rate of 3.87%; volatility of 75%, and an expected life of 3 years. The options vested immediately following issuance. The value of the options form part of the value of the Tiros exploration assets recognized on the balance sheet. The options are subject to a 24-month escrow, ending June 14, 2026. The options expire on March 11, 2029.

4. On November 1, 2024, the Company issued 2,000,000 common share purchase options to the former CEO of the Company. The options lapsed on August 14, 2025, when the CEO resigned and the conditions of the options were no longer met.

5. On April 26, 2024, 150,000 stock options were exercised. The options were valued at $50,915 which is comprised of $26,250 cash and $24,665 of the Black-Scholes value re-classified from contributed surplus to share capital.

6. On April 30, 2024, 50,000 stock options expired.

7. On October 22, 2024, 115,000 stock options were exercised. The options were valued at $37,717 which is comprised of $20,125 cash and $17,592 of the Black-Scholes value re-classified from contributed surplus to share capital.

8. On March 18, 2026, the Company issued 1,000,000 common share purchase options to a director of the Company. The options are exercisable at a price of $0.50 per share, for a period of five years from the date of grant. The fair value assigned for the stock options was $117,026 and will be expensed over the vesting period, 12 months. The fair value was determined using the Black-Scholes option-pricing model, with the following assumptions: expected dividend yield of 0%; risk-free interest rate of 2.81%; volatility of 101%, and an expected life of 5 years. 500,000 options vested immediately upon issuance with the remaining options vesting in 12 months on March 18, 2027. The options expire on March 18, 2031.
9. On April 21, April 28 and May 12, 2026, a total of 320,000 stock options were exercised. The options were valued at $117,562 which is comprised of $56,000 cash and $61,562 of the Black-Scholes value re-classified from contributed surplus to share capital.

Sustainability Report

During June 2024, the International Sustainability Standards Board ("**ISSB**") published the Sustainability Policy, IFRS S1 and the Climate Policy, IFRS S2. Both policies became effective January 1, 2025. These policies provide the requirements for the disclosure of climate and sustainability-related financial information to meet the needs of investors and stakeholders. It ensures companies provide relevant, reliable, and comparable information about the sustainability risks and opportunities that impact their enterprise value. The financial disclosure for implementing IFRS S1 and IFRS S2 must include a comprehensive understanding of its financial impact on the Company's operations, systems, and reporting procedures. In response, Resouro published its inaugural Sustainability report with the year end, March 31, 2025, Audited Financial Statements and MD&A on its website: https://resouro.com/about-us/#corporate-responsibility.

To assist us with the creation of the Company's Sustainability program and policies for the year ended March 31, 2025, Resouro engaged an external advisor prior to the ISSB publication of the IFRS standards. Digbee provided us with an independent assessment of Resouro's Environmental, Social, and Governance ("**ESG**") policies and management practices at both the corporate and project level. Digbee hosts a specialized data and research platform focused on providing ESG solutions tailored to the mining sector. It offered Resouro insights into sustainability performance and assisted in addressing our ESG related risks and opportunities.

Resouro also engaged Carbon Hound Inc. to determine the Company's reporting disclosure for Climate and Green House Gas emissions ("**GHG**").

Resouro published its second Sustainability report concurrently with the year end, March 31, 2026 Financial Statements and MD&A. The report can be found on the Company's website: https://resouro.com/about-us/#corporate-responsibility.

Exploration Projects

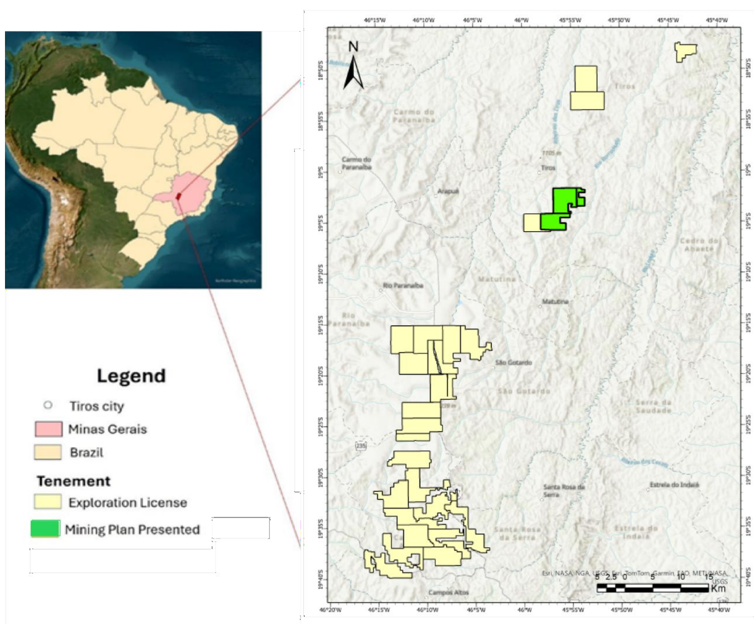
PROPERTY I - Tiros Titanium (“TiO_2”) and Rare Earth Elements (“REE”) Project

The Tiros Project is located in the Alto Paranaíba region, Minas Gerais, Brazil. Tiros is comprised of 28 mineral licenses totaling approximately 497 square kilometers (“**km²**”) located 350 kilometres (“**km**”) from Belo Horizonte, the state capital which is in one of the most infrastructurally developed states of Brazil. The Tiros licenses (“**titles**”) cover the most prospective portions of the Capacete formation with the greatest exploration potential.

The Tiros Project hosts a sedimentary-type mineral deposit formed through the reworking and deposition of weathered volcanic material of alkaline affinity, predominantly kamafugites. The deposit is made by epiclastic rocks, including conglomerates and sandstones, representing a flat-lying, laterally continuous stratigraphic package deposited in a stable, low-energy environment. These epiclastic sediments originated from the intense chemical weathering of the volcanic source rocks, resulting in the transport and accumulation of resistant mineral phases such as anatase (TiO_2) and rare earth element (“**REE**”) bearing phases within the sedimentary basin. Over time, the upper portions of this bed were subjected to lateritic weathering, leading to supergene enrichment of titanium and rare earth elements near the top of the profile.

The resulting deposit is characterized by a horizontal geometry, shallow depth, and significant areal continuity. Mineralization is typically hosted within the finer-grained matrix of the conglomerates and sandstones and is concentrated in the lateritic cap developed during prolonged subaerial exposure.

The geological evolution of the Tiros Project area has produced a laterally continuous, shallow mineralized horizon with characteristics conducive to large-scale resource development. This distinctive hybrid deposit model provides the foundation for the project's potential to support the potential for long-term extraction of both titanium and rare earth elements.



On July 31, 2023, a definitive agreement was signed between Resouro Inc. and RBM Consultoria Mineral Ltd. (“**RBM**”) to acquire a 90% interest in the Tiros Project. Resouro acquired 100% of the outstanding shares of TSPS, a company incorporated in Singapore owns the subsidiary TMEL, a company incorporated in Brazil, which holds the titles that comprise the Tiros Project. The earn-in terms would require three stages of payments for the acquisition of 90% of the property in exchange for a total of 1,642,000 shares of Resouro. The stages are related to the conclusion of the scoping study, pre-feasibility studies and definitive feasibility studies (“**DFS**”) The remaining 10% is a free carried Interest in the name of the original owner, RBM.

An addendum to this agreement was signed on October 9, 2023, whereby RBM waived the requirements for the transfer of 90% of the title holder equity to Tiros. As compensation for the acceleration, RBM received 750,000 performance rights, which will be converted into shares of the company upon completion of the DFS.

On September 9, 2024, the Company entered into a binding agreement to acquire three (3) additional titles in the Tiros Project area. The titles complement the existing holdings by extending the mineral rights held in the North to the Southern holdings. The three (3) titles, totaling 4,744 ha, are contiguous with the Sao Gotardo block of the Tiros Project and intersect the Capacete Formation associated with the project.

Consideration paid includes the following staged transactions:

a. Initial payment $50,000 and 142,857 common shares of Resouro was made.
b. Milestone 1: Resouro will drill 6 holes on the titles whereby at least 3 holes show a minimum of 20 continuous meters of intercepts with over 2,000 ppm of TREO, within 2 years of the purchase date. If drilling is not completed within 2 years, then the payment is due on September 9, 2026.
   Payment: $50,000 and issuance of 142,857 common shares of Resouro, valued at $50,000.
c. Milestone 2: Resouro completes sufficient work to issue a JORC compliant report with an inferred Resouro of 100 mn tonnes of at least 2,000 ppm TREO within 3 years of the purchase date.
   Payment: $50,000 and common shares based on the 20-day Volume Weighted Average Price ("**VWAP**") of Resouro shares which occur immediately prior to the date the milestone is completed, with a minimum VWAP floor price of $0.24.
d. Milestone 3: Up to one year after the milestone 2 payment is made the final payment is due.
   Payment: $100,000 and common shares based on the 20-day VWAP of Resouro shares which occur immediately prior to the date the milestone is completed, with a minimum VWAP floor price of $0.24.

The Company considers this consolidation of titles in the highly prospective Capacete Formation a strategic acquisition to complement the current land holdings in the Tiros area.

NI 43-101 Technical Report Supporting the Preliminary Economic Assessment ("PEA") Results

On July 29, 2026, Canada (July 30, 2026, Australia), the Company filed the NI 43-101 Technical Report ("**NI 43-101**") supporting the Preliminary Economic Assessment ("**PEA**") results for its Tiros Rare Earths and Titanium Project in Minas Gerais, Brazil, which was announced on June 14, 2026, Canada (June 15, 2026, Australia). The PEA indicates that the Project has the potential to generate a post-tax net present value ("**NPV**") of US$715 million, discounted at 8%, over an initial 20 year mine life, with a post-tax internal rate of return ("**IRR**") of 44.2%.

The Technical Report evaluated the potential of developing a staged, high-grade starter operation based on a 500,000 tonne per annum ("**tpa**") processing facility operating over a 20-year mine life. The study targets approximately 9.5 million tonnes ("**Mt**") of high-grade run-of-mine ("**ROM**") material that represents less than one percent of the Company's 1.4 billion tonne ("**Bt**") Measured and Indicated Mineral Resource grading 12% titanium dioxide ("**TiO_2**"), 4,000 ppm total rare earth oxides ("**TREO**") and 1,100 ppm magnetic rare earth oxides ("**MREO**").

Highlights

1. The PEA indicated an after-tax net present value of US$714.9 million using an 8% nominal discount rate and an after-tax IRR of 44.2%;
2. The proposed operation contemplates annual processing throughput of 500,000 tpa over an initial mine life of 20 years for a total ROM feed of 9.5 Mt of high grade at 26.3% TiO_2, 10,832 ppm total REE oxides and a 2.7 strip ratio;
3. Operational targets of a high-grade area of mineralization makes up less than 1% of the Company's previously announced 1.4 Bt Measured and Indicated Resource;
4. Significant expansion potential supported by a large TiO_2 and REE mineral resource;
5. Simple open-pit mining with free digging near-surface mineralization;
6. Proposed processing flowsheet incorporates grinding and sizing beneficiation, calcination, magnetic separation/electrostatic separation and gravity separation, acid leach, sulphation/water leach, hydrolyzation, precipitation, and solid liquid separation;

7. The overall recovery of TiO_2 is estimated to be 68.7% which will be recovered as two products: coarse TiO_2 and fine TiO_2. The recovery of the REEs to a mixed REE carbonate product is estimated to be 67%;
8. Dual-revenue model based on TiO_2 and REE product streams;
9. Environmentally conscious design, assuming dry-stack tailings; and,
10. Favourable jurisdiction: Minas Gerais, Brazil with established infrastructure.

The proposed operation incorporates conventional open-pit mining, and a processing metallurgical flowsheet designed to produce both TiO_2 concentrates and REE products, creating a diversified dual-revenue stream.

PEA Economics

The economic analysis is based on a dual-revenue model from REE and TiO_2 product streams. Revenue assumptions are based on long-term TREO basket pricing and TiO_2 concentrate pricing with the TREO basket reflecting the distribution of REE within the Tiros deposit.

Financial Analysis Summary

Financial Analysis	Pre-Tax	Post-Tax
Net present value (US$ M)	1,138.8	714.9
Internal rate of return (%)	62.7	44.2
Annual average EBITDA (US$ M)	144.6	144.6
Payback period (years)	1.3	1.9
Total Cash Flow (US$ M)	2,535.8	1,673.9

Summary of Tiros Project Key Metrics and PEA Results (Life-of-Mine)

Indicators		Life-of-Mine Total / Average
General		
Mine Life	Years	20
Exchange rate	BRL/USD	5.00
Production (Life-Of-Mine)		
MREC	dmt	118,474
TREO Content in MREC	dmt	83,275
TiO_2 Coarse	dmt	808,326
TiO_2 Fine	dmt	912,727
Product Pricing		
Basket price for MREC	US$/kg	57.4
MREC Payability	%	70.0
Payable Basket USD/kg (MREC)	US$/kg	40.2
TiO_2 Coarse	US$/t	900.0
TiO_2 Fine	US$/t	650.0
Capital Expenditure		
Initial Capex	US$ M	191.2
Sustaining Capital	US$ M	59.6
Operating Costs		

Mining	US$ M	109.5
Processing	US$/t ROM	219.0
G&A	US$ M	92.6
Total Site Costs	US$/t ROM	186.3
Product Logistics	US$/t Prod	53.00
Financials		
Total EBITDA	US$ M	2,746.7
Average EBITDA (*)	US$ M	144.4
Pre-Tax Net Present Value	US$ M	1,138.8
Pre-Tax Internal Rate of Return	%	62.7
Post-Tax Net Present Value	US$ M	714.9
Post-Tax Internal Rate of Return	%	44.2
Post-Tax Payback Period	Years	1.9

(*) Years 2-19 (full run rate production)

The PEA estimates initial capital of approximately US$191.2 million, sustaining capital of approximately US$59.6 million, and average annual operating costs of approximately US$109.5 million, equivalent to approximately US$219 per tonne of ROM material processed. Estimates are based on an assumed exchange rate of USD 1.00 = BRL 5.00. These estimates are preliminary and will be refined through future engineering, metallurgical test work, permitting work, and PFS level studies.

The sensitivity analysis indicates that the Project's economics are most sensitive to variations in sale prices and overall recovery, with comparatively lower sensitivity to changes in OPEX and CAPEX:

- On a post-tax basis, the base case NPV of US$714.9 million decreases to approximately US$390.6 million under a reduction of 30% in TREO basket prices. Inversely, the post-tax NPV8% increases to approximately US$ 1,039.2 as a result of an increase of 30% in the TREO price. Similarly, reductions and increases of -/+30% in TiO_2 prices result in NPVs approximately of US$ 587.0 million and US$842.8 million.
- Variations of −30% and +30% in REE weight recoveries result in NPVs (8%) of approximately US$391.8 million and US$1,038.1 million.
- Variations of −30% and +30% in TiO_2 weight recoveries result in NPVs (8%) of approximately US$596.8 million and US$833.0 million.
- Variations of −30% and +30% in OPEX result in NPVs (8%) of approximately US$897.6 million and US$532.1 million.
- Variations of −30% and +30% in CAPEX result in NPVs (8%) of approximately US$772.2 million and US$657.5 million.

Mineral Resource Estimate

Resouro engaged Atticus Geoscience Consulting Ltd. to prepare a mineral resource estimate for the Tiros Deposit ("**2026 MRE**"). The work completed for the 2026 MRE included geological interpretation; construction of the lithology, oxidation and weathering, lithology facies, and mineralized domain models; statistical and geostatistical analysis; grade interpolation, and density modelling.

The estimation of the mineral resource was established by undertaking the following steps:

- Validation of the information utilized in the resource and database compilation.
- Interpretation and 3D modeling of the lithology and mineralization.
- Development of the estimation domains.
- Compositing of grade within the domains.

- Exploratory data analysis.
- Block model definition.
- Interpolation of grade within the defined domains.
- Review and model the variability in the rock density.
- Evaluation of confidence in the estimation.
- Model validation.
- Definition of reasonable prospects of eventual economic extraction.

Data and database compilation were validated using GeobankTM data management software. The interpretation and 3D geological modeling were completed using Leapfrog GeoTM software. Statistical studies were performed using MicromineTM tools. The block model, subsequent estimation and validation were carried out using the MicromineTM 2020 software. The reasonable prospects of eventual economic extraction were defined using Datamine NPV Scheduler.

Table - Mineral Resouro Estimate

Domain	Category	Tonnage (Mt)	TiO_2 (%)	TREO (ppm)	MREO (ppm)	MREO/TREO
High-grade domain						
High-grade	Measured	30	24	9,300	2,500	27%
High-grade	Indicated	74	23	8,900	2,300	26%
High-grade	**Measured + Indicated**	**103**	**23**	**9,100**	**2,400**	**26%**
High-grade	Inferred	33	22	8,300	2,200	27%
Low-to-medium-grade domain						
Low-to-medium	Measured	340	11	3,700	1,000	27%
Low-to-medium	Indicated	930	11	3,600	1,000	27%
Low-to-medium	**Measured + Indicated**	**1,300**	**11**	**3,600**	**1,000**	**28%**
Low-to-medium	Inferred	470	11	3,400	920	27%
Total Mineral Resource						
Total	Measured	367	12	4,100	1,100	27%
Total	Indicated	1,000	12	4,000	1,100	28%
Total	**Measured + Indicated**	**1,400**	**12**	**4,000**	**1,100**	**28%**
Total	Inferred	500	12	3,700	1,000	27%

Notes to accompany the Mineral Resource Estimate:

1. The independent and qualified person for the MRE, as defined by NI 43-101, is Simon Mortimer, FAIG. (Atticus). The effective date of the MRE is March 15, 2026.
2. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The MRE follows current CIM Definitions (2014) and CIM MRMR Best Practice Guidelines (2019).
3. The results are presented undiluted and are considered to have Reasonable Prospects for Eventual Economic Extraction.
4. The estimate was completed using a sub-block model in Micromine™ version 2020 with a user block size of 100 m x 100 m x 10 m and a minimum block size of 50 m x 50 m x 1 m. Grades interpolation was obtained by Ordinary Kriging (OK).
5. Bulk density values were estimated using IDW based on 5267 samples using domains based on a combination of the lithology and weathering models
6. The mineral resource estimate is classified as measured, indicated and inferred where reasonable geological and grade continuity have been demonstrated. The Measured mineral resource category is defined with a minimum of three (3) drill holes in areas where the drill spacing is less than 150 m. The Indicated mineral resource category is defined with a minimum of three (3) drill holes in areas where the drill spacing is less than 250 m. The Inferred category is defined with a minimum of two (2) drill holes in areas where the drill spacing is less than 400 m.
7. The number of tonnes was rounded to 3 significant figures for Measured and Indicated resources and to 2 significant figures for Inferred resources, following the recommendations in NI 43-101, and any discrepancies in the totals are due to rounding effects.
8. The QP is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political or marketing issues or any other relevant issue not reported in the Technical Report that could materially affect the MRE.

Conceptual Mining Operation

This disclosure summarizes the conceptual mining operation for the Tiros Project. The assessment remains at Preliminary Economic Assessment level and is based on Mineral Resources only. No Mineral Reserves have been estimated. All quantities discussed should be read as the subset of the Mineral Resource, not as a Mineral Reserve estimate.

The PEA considers an open-pit mining operation exploiting near-surface mineralization and assumes dry-stack tailings in the project design. The PEA mine plan schedules 9.53 Mt of high-grade ("**HG**") material for processing over an approximately 20-year operating period at a nominal processing rate of 500,000 tpa, with an average plant-feed grade of approximately 26.3% TiO_2 and 10,852 ppm TREO. The plant feed HG material contains Measured and Indicated ("**M+I**"), with no Inferred category material. The plant feed ("**ROM**") contains less that 1% of the total M+I Mineral Resources.

The 10,852 ppm TREO plant-feed grade at approximately 26.3% TiO_2 is the average grade carried through the mine schedule for the 9.53 Mt of HG material.

The conceptual pit designs also contain 25.98 Mt of waste and 12.78 Mt of MG mineralized material. The MG material is mined and stockpiled for potential future evaluation, is classified as mineralized material rather than waste, and is excluded from the PEA plant feed. Accordingly, the reported strip ratio is approximately 2.7:1 on a plant-feed basis, calculated as 25.98 Mt of waste divided by the 9.53 Mt of HG material scheduled for processing. The HG plant feed represents less than 1% of the Project's 1.4 Bt Measured and Indicated Mineral Resource. The PEA mine plan is conceptual and based on a simplified schedule; detailed mine sequencing should be refined in subsequent studies.

Proposed Titanium and REE Recovery Methods (Metallurgical Process Flowsheet)

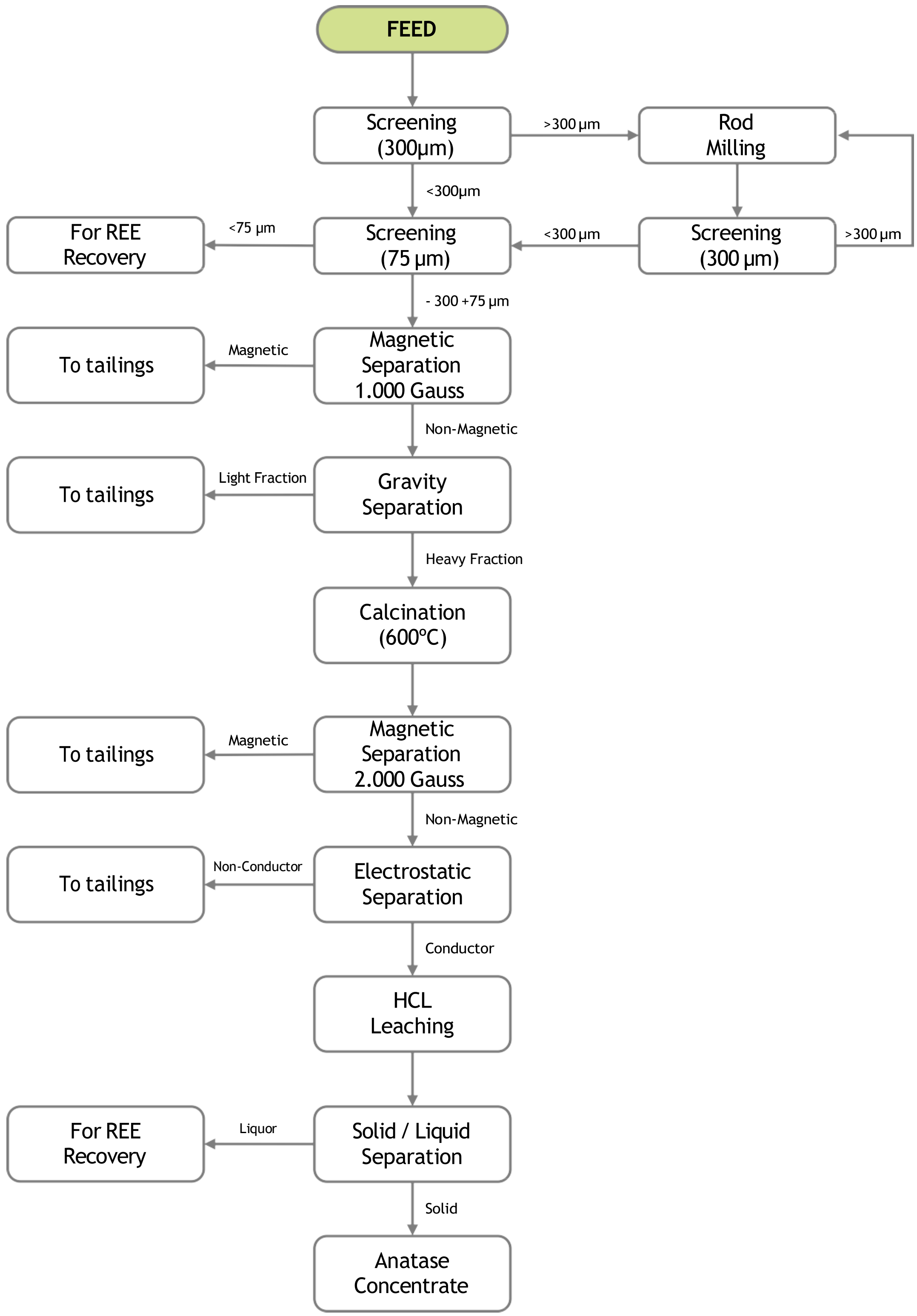
The proposed metallurgical process flowsheet integrates beneficiation, calcination and hydrometallurgical recovery of both titanium dioxide and rare earth products. The flowsheet comprises:

- Beneficiation, including crushing, grinding, screening/size classification, magnetic separation and gravity density separation;
- Calcination at approximately 600°C to enhance magnetic removal of iron minerals;
- Magnetic/electrostatic separation, acid leaching and solid/liquid separation for recovery of the coarse TiO_2 concentrate;
- Magnetic separation, acid sulphation / water leach, filtration and hydrolyzation for recovery of the fine TiO_2 product; and
- Acid sulphation, water leach, precipitation and filtration for recovery of rare earths as a mixed rare earth carbonate (MREC) product.

The metallurgical process flowsheet development was designed around a two-stage processing strategy. The first stage focuses on the recovery of coarse titanium-bearing minerals to produce a marketable concentrate for the conventional titanium minerals market. The second stage targets the recovery of rare earth elements and fine titanium-bearing minerals through the leaching of the fine particle fraction, thereby maximizing the overall recovery of valuable minerals not captured in the coarse particle circuit.

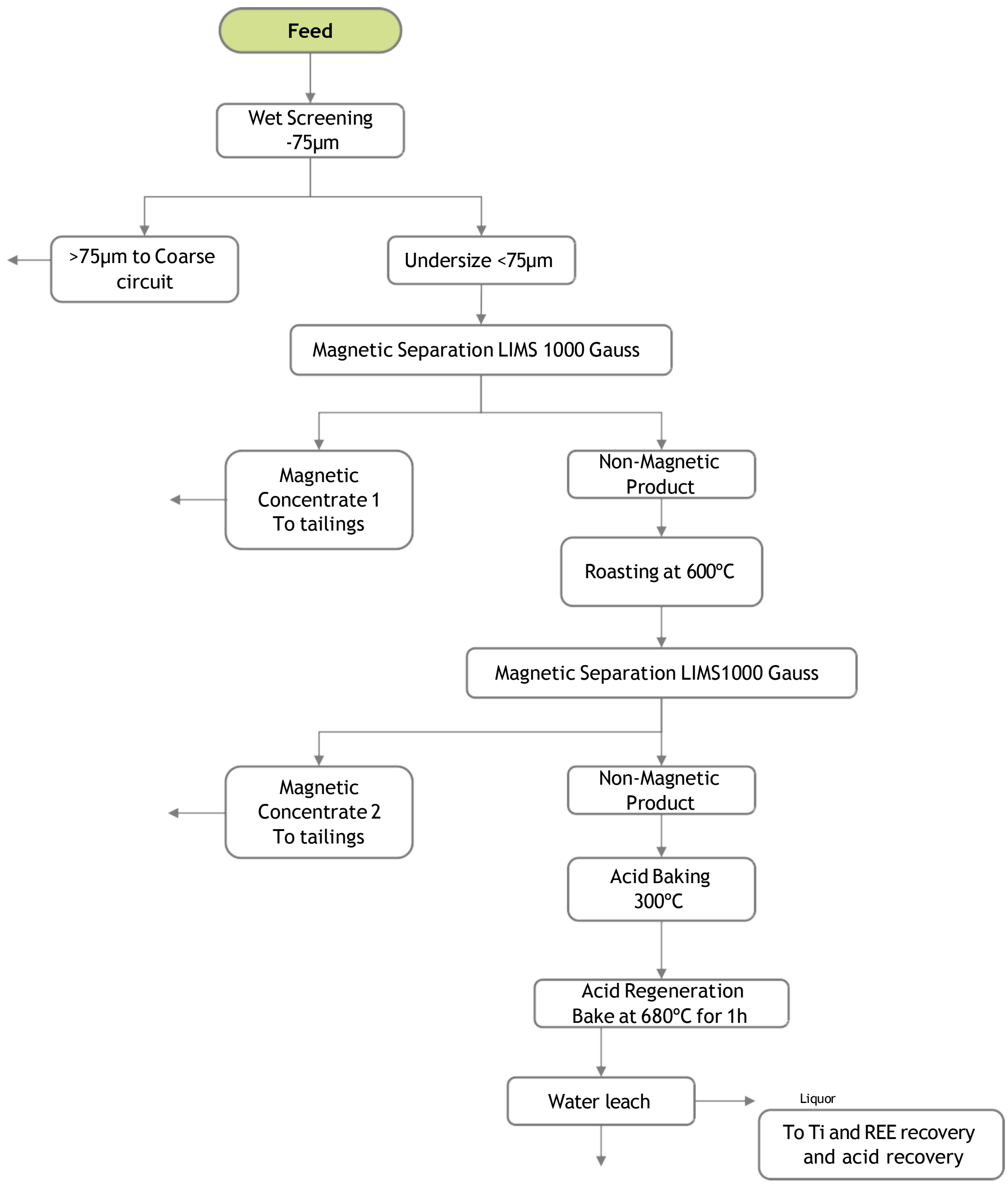
To facilitate this processing approach, the feed material is screened at 75 microns. The +75 micron fraction is directed to the coarse particle processing circuit, while the -75 micron fraction is routed to the fines leach circuit for recovery of rare earth elements and fine titanium-bearing minerals.

Proposed Metallurgical Process Flowsheet – Coarse Material (+75 micron fraction)



Source: Page 221 of NI43-101 Technical Report (https://resouro.com/tiros-project)

Proposed Metallurgical Process Flowsheet – Fine Material (-75 micron fraction)



Source: Page 222 of NI43-101 Technical Report (https://resouro.com/tiros-project)

Environmental Studies, Permitting and Social Impact

Environmental studies required for Project development are being undertaken as part of preparation of the Environmental Impact Assessment (“**EIA**”). The company Sete Soluções e Tecnologia Ambiental Ltda (“**Sete**”) has been engaged to support the project development in relation to permitting matters. For this purpose, Sete is currently developing field reconnaissance, physical-environment studies and qualitative flora surveys have begun, together with planning for environmental-quality, fauna, socioeconomic, speleological, cultural-heritage and other campaigns required for permitting. Results available to date are preliminary and do not constitute a consolidated environmental baseline.

Based on preliminary inspections and information, no environmental conditions have been identified at this stage as definitive impediments to development. However, factors requiring further investigation may influence Project design, the mine plan, capital and operating costs, and the development schedule. These include watercourses near proposed facilities, potential effects on legally protected riparian and preservation areas, rural properties with irrigated agriculture, potentially competing water demands, and the need for suitable drainage and sediment-control systems.

Essential studies remain outstanding regarding water availability, the Project water balance, hydrogeology, potential groundwater drawdown, the inventory of springs, and possible effects on water intakes, watercourses and existing users. Further assessment will also be required for pit and stockpile stability, acid rock drainage and metal leaching, waste rock and tailings management, reclamation of disturbed areas and mine closure.

Initial flora surveys identified remnants of native vegetation. These records should be considered in the consolidated environmental baseline, the assessment of siting alternatives, the definition of intervention areas, and the design of mitigation, compensation and reclamation measures.

Final definition of project facilities and completion of environmental studies will be required to confirm the extent of environmental interactions and assess their materiality to the MRE, mine plan and economic analysis. Until these studies are completed, such matters represent uncertainties typical of an early-stage project and should be monitored and progressively incorporated into subsequent engineering, permitting and economic-evaluation stages.

Next Steps

Prefeasibility Study and the Preliminary Environment Impact Assessment

The Company plans to advance the Tiros project to completion of a Prefeasibility Study (“**PFS**”) using the following work programs:

- File the preliminary Environmental Impact Assessment with the ANM;
- Infill drilling within the defined starter-pit areas to upgrade resource confidence and support potential conversion of Inferred material;
- Additional sample generation and metallurgical testwork to confirm recoveries, variability and product specifications;
- Flowsheet optimization, including improvements to beneficiation, evaluation of acid recycling opportunities and evaluation of alternative process routes to reduce operating costs;
- Product specification and marketing work, including offtake and customer test work to confirm payable product forms, impurity penalties and commercial terms;
- Continued environmental baseline studies, permitting activities and stakeholder engagement and regulatory consultation; and,
- Assessment of staged expansion scenarios beyond the initial 500,000 tpa operation, including future production in the range of 5 to 10 Mtpa, subject to technical, economic, permitting, financing and market outcomes.

Longer term, the Company also intends to consider staged expansion opportunities beyond the initial 500,000 tpa initial operation, including future production scenarios in the range of 5 to 10 Mt per annum, subject to technical, economic, permitting, financing, and market outcomes.

The PFS will focus on flowsheet optimization, beneficiation improvements, acid recycling opportunities, alternative process routes, product specification work, and staged scale-up scenarios.

PROPERTY II - Novo Mundo Gold Project

The Novo Mundo project is located in the gold mining district of Alta Floresta Gold Belt, Mato Grosso. The Company's three contiguous exploration licences cover an area of 16,735 ha. To date, 5,500 m have been drilled to identify mineralization in 10 separate zones. The most significant drill intercepts are listed below:

Resouro Drill Hole 010 16.21 m @ 2.97 g/t gold ("**Au**") from 55.9 m *Including* 2.29 m @ 11.4 g/t Au at 55.9 m and 1.08 m @ 19.93 g/t Au at 71.03 m
Resouro Drill Hole 002 Located 200 m to the west of Drill Hole 10 11.65 m @ 5.11 g/t Au from 65.89 m *Including* 2.5 m @ 8.09 g/t Au from 66.39 m and 4.6 m @ 6.30 g/t Au from 72.94 m
Historic Drill Hole FNV 009 Located to the East of Drill Hole 10 6.61 m @ 5.47 g/t Au from 62.73 m *Including* 5.26 m @ 6.82 g/t Au from 64.08 m

On May 11, 2021, the Company, through its subsidiary, ISON, entered into a definitive purchase agreement with Nexa Recursos Minerais S.A. ("**Nexa**"), (the "**ISON-Nexa Agreement**"), pursuant to which the Company agreed to purchase from Nexa a 100% right to three precious metal exploration titles in the Novo Mundo Gold project area.

Resouro has the right to explore the Novo Mundo project area for precious metals and if a commercially viable project is discovered, Resouro will grant a 1.5% net smelter royalty ("**NSR**") to Nexa. The Company has a right of first refusal to buy back the NSR if any third party wants to purchase it.

On January 19, 2023, the Company submitted two partial exploration reports ("**PER**") to the ANM for Titles, 866.320/2018 and 866.171/2018. On July 28, 2026, the Final Exploration Reports were filed with the ANM for these two Titles.

During 2023, ANM granted the mining concession Guia de Utilização No. 20/2022 under ANM Title No. 866.035/2009 (the "**Novo Mundo GU**") to the Company. The Company will pay a 1.5% net service revenue ("**NSR**") to Cooperativa dos Garimpeiros do Vale do Rio Peixoto ("**Coogavepe**"), if any effective commercialization is undertaken on the Novo Mundo GU. Coogavepe may also be assigned some of the exploration areas which will provide them with the right to apply for a Permissão de Lavra Garimpeira ("**PLG**") which is effectively an Artisanal Mining Permit. On July 16, 2026, the Company successfully filed the Mining Concession Application ("**Application**"). The Application represents the next stage in the ANM licensing process. Once granted, will authorize long-term commercial mining for the title.

The mineral Titles acquired under and subject to the ISON-Nexa Agreement are as follows:

(i) Novo Mundo GU - ANM Title 866.035/2009, Exploration License No. 5004/2009, which is active and existing under the Brazilian Mining Code ("**BMC**") for gold ore, covering 930.35 ha;

(ii) ANM Title 866.320/2018, Exploration License No. 6787/2018, which is active and existing under the BMC for gold ore, covering 7,645.58 ha; and

(iii) ANM Title 866.171/2018, Exploration License No. 6784/2018, which is active and existing under the BMC for gold ore, covering 8,159.00 ha.

The Titles are located in the Novo Mundo Municipality, State of Mato Grosso, Brazil.

As of the date of this report, Resouro has completed all regulatory requirements for the ANM as required to maintain the project's tenements in good standing.

Novo Mundo – Mining and Processing Agreement

On June 1, 2026, Resouro announced that it had signed a mining, transport and processing agreement ("**Agreement**") with Future Mining and BGM through its Brazilian subsidiary, ISON do Brasil, for a proposed mining and processing program at its 100%-owned Novo Mundo Gold project in Mato Grosso, Brazil. The agreement establishes a structure for the mining, transport and processing of gold-bearing material from the Novo Mundo GU subject to the satisfaction of conditions precedent, including verification of applicable ANM and environmental authorizations, operating plans, budgets, accounting protocols, safety controls and regulatory requirements.

Under the Agreement, Future Mining and BGM will prepare and implement a basic economic study and related mine plan, transport and processing plans for shallow gold-bearing material from the Novo Mundo GU. These plans will not constitute a feasibility study, prefeasibility study, Mineral Reserve estimate or Ore Reserve estimate.

Subject to satisfaction of conditions precedent, material is expected to be mined from the authorized GU area, transported to the BGM processing plant and processed for the recovery and sale of gold product. The program remains subject to applicable authorizations, operating performance, technical constraints, metallurgical performance, costs, recoveries, grade control, reconciliation, market conditions and regulatory compliance.

ISON will remain the titleholder/controller of the Novo Mundo GU and related ANM rights. The Agreement does not transfer or encumber any mineral title, mining right or GU. Future Mining and BGM will be responsible for funding and undertaking the operational workstreams, including mining contractors, equipment, haulage, plant processing, security, laboratory work, metallurgical accounting and operating cost funding, subject to agreed controls and oversight.

The parties have agreed to establish a joint operating committee to approve key matters, including budgets, monthly production plans, assay protocols, reconciliation procedures, environmental and safety controls, cost deductions and payment flows. The Agreement also contains audit rights, confidentiality obligations, anti-corruption undertakings, indemnities, suspension rights and Brazilian-law dispute resolution provisions.

Commencement of operations remains subject to customary conditions precedent, including confirmation of the Novo Mundo GU, required environmental and operating authorizations, approval of operating plans and protocols, agreement on budget and payment mechanics, completion of satisfactory due diligence, and any required corporate, stock exchange or regulatory filings or approvals.

On June 9, 2026, Resouro announced that it had signed a binding Memorandum of Understanding (the "**MOU**") with Future Mining and BGM for the two remaining Titles in the Novo Mundo Gold Project, located in Mato Grosso, Brazil. The MOU provides for the completion of work required to support the preparation and submission of the Final Exploration reports to the ANM for Titles No. 866.320/2018 and No. 866.171/2018. The Final Exploration Reports were filed on July 28, 2026.

PROPERTY III - Santa Angela Project

The Santa Angela project is an early-stage exploration property. It is situated within the same Alta Floresta Gold Belt as the Novo Mundo project and is located approximately 150 km from the Novo Mundo project. In December 2021, the Company acquired certain mineral exploration rights from the ANM to conduct mineral exploration work on the Santa Angela project in the State of Mato Grosso, Brazil. Total consideration paid for the exploration rights was BRL 551,099 ($140,530).

As of the year ended March 31, 2026, Resouro has completed all regulatory requirements for the ANM as required to maintain the project's tenements in good standing.

Results of Operations

Three months ended June 30, 2026

The Company recorded a total comprehensive loss of $1,010,447 of which $30,010 was attributable to a non-controlling interest ("**NCI**"), for the three months ended June 30, 2026, compared to a total comprehensive loss of $1,002,049 of which $40,982 was attributable to an NCI, for the three months ended June 30, 2025.

Quarterly Financial Information

The following table provides selected financial information for the eight quarters up to June 30, 2026, and should be read in conjunction with the Company's financial statements.

Quarter ended	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Total comprehensive loss	$(1,010,447)	$(1,202,052)	$(1,108,051)	$(722,300)
Net loss, non-controlling interest	33,010	51,282	43,831	29,367
Earnings (loss) per share[(1)]	(0.01)	(0.01)	(0.01)	(0.01)
Weighted average shares outstanding[(1)]	107,805,434	107,590,049	104,003,092	92,590,049

Quarter ended	June 30, 2025	March 31, 2025	March 31, 2025	December 31, 2024
Total comprehensive loss	$(1,002,358)	$(1,008,867)	$(1,008,867)	$(1,423,516)
Net loss, non-controlling interest	40,982	31,958	31,958	50,094
Earnings (loss) per share[(1)]	(0.01)	(0.00)	(0.00)	(0.02)
Weighted average shares outstanding[(1)]	92,590,049	92,590,049	92,590,049	92,526,532

[(1)] Basic and diluted

Discussion of quarterly results

Three months ended June 30, 2026 compared to June 30, 2025

Total comprehensive loss of $1,010,447 and $1,002,358 were recognized for the three months ended June 30, 2026, and June 30, 2025, respectively of which $33,010 was attributable to the NCI, for the three months ended June 30, 2026 (June 30, 2025 - $40,982).

Significant variances between expenditures incurred during the three months ended June 30, 2026, and during the three months ended June 30, 2025:

	Three months ended, June 30, 2026	Three months ended, June 30, 2025	Variance
Management fees	$ 215,526	$ 313,884	$ (98,358)
Professional fees	107,025	167,222	(60,197)
Investor relations and travel	114,131	89,729	24,402
Exploration and evaluation expenditures	512,624	370,876	141,748

Management fees were $98,358 lower during the three months ended June 30, 2026, compared with the three months ended June 30, 2025, because the Company had two fewer Directors and Officers engaged during the 2026 period.

Professional fees were $60,197 lower during the three months ended June 30, 2026, compared with the three months ended June 30, 2025, primarily because the Company engaged in fewer marketing events during the 2026 period.

Investor relations expenses were $24,402 higher during the three months ended June 30, 2026, compared with the three months ended June 30, 2025, primarily due to increased investor outreach and promotional activities undertaken to support awareness of the Company's Preliminary Economic Assessment.

Exploration expenditures were $141,748 higher during the three months ended June 30, 2026, as the Company engaged consultants to complete the PEA report for the Tiros Project. In comparison, the Company undertook a metallurgical studies program during the three months ended June 30, 2025.

Financial Condition, Liquidity and Capital Resources

As at June 30, 2026, the Company had a deficit attributable to shareholders of $20,704,731 (March 31, 2026 - $19,727,294). The Company reported a cash position of $348,728 (March 31, 2026 - $1,091,663), accounts receivable of $41,705 (March 31, 2026 - $32,690) and a prepaid balance of $36,568 (March 31, 2026 - $70,866). Current liabilities are comprised of accounts payable and accruals of $359,744 (March 31, 2026 - $380,583) and an amount due to a related parties of $260,013 (March 31, 2026 - $78,948).

During the three months ended June 30, 2026, cash decreased by $742,935. Funds were provided from the gross proceeds of $2,999,999 received through a private placement that closed on October 21/22, 2025. The funding, together with any future capital raising initiatives, will finance the Company's exploration programs and administrative costs for the next 12 months. The Company has demonstrated its ability to raise new capital during the past 12 months and the Board is confident that it can continue to raise new capital as needed to fund its operations.

Operating activities

During the three months ended June 30, 2026, net cash used in operating activities amounted to $855,935 (June 30, 2025 - $992,431).

Financing activities

During the three months ended June 30, 2026, the Company received $57,000 as an unsecured loan from a Director and $56,000 through the exercise of stock options. There were no cash receipts during the three months ended June 30, 2025.

Financial Instruments, Risks and Capital Management

The Company does not utilize complex financial instruments in hedging metal price, foreign exchange or interest exposure. Any hedging activity requires approval of the Company's Board of Directors. The Company will not hold or issue derivative instruments for speculation or trading purposes. Please refer to the notes found in the Audited Consolidated Financial Statements for the year ended March 31, 2026.

Related Party Transactions

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, which includes the directors and officers. The aggregate value of transactions related to key management personnel are as follows:

Period ended,	**June 30, 2026**	**June 30, 2025**
Officers	$ 135,081	$ 118,550
Directors	80,445	195,334
Total compensation	**$ 215,526**	**$ 313,884**

As of June 30, 2026, $203,013 was due to Officers and Directors for consulting fees and reimbursable expenses (June 30, 2025 - $27,584). As of June 30, 2026, a loan valued at $57,000 was due to an Officer and Director of the Company. The loan amount is unsecured, non-interest bearing and repayable on demand.

Internal Controls and Disclosure Controls Over Financial Reporting

On November 23, 2007, the British Columbia Securities Commission by which the Company is regulated, exempted Venture Issuers from certifying disclosure controls and procedures, as well as, Internal Controls over Financial Reporting as of December 31, 2007, and thereafter. Since the Company is a Venture Issuer, it is required to file basic certificates. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under National Instrument 52-109.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements or obligations that are not disclosed in the Financial Statements.

Accounting Policies and Recent Accounting Pronouncements

The Company's material accounting policies are presented in the annual audited financial statements for the year ended March 31, 2026.

Risks and Uncertainties

In addition to the usual risks associated with an investment in an exploration-stage company, management and the directors of the Company believe that, in particular, the following risk factors should be considered. It should be noted that the list is not exhaustive and that other risk factors may apply. For further information regarding the Company's risks, please refer to the detailed disclosure below concerning the material risks and uncertainties associated with the Company's business. An investment in the Company may not be suitable for all investors.

No assurance of titles or borders

The acquisition of the right to exploit mineral properties is a very detailed and time-consuming process. There can be no guarantee that the Company has acquired title to any such surface or mineral rights or that such rights will be obtained in the future. To the extent they are obtained, titles to the Company's surface or mineral properties may be challenged or impugned and title insurance is generally not available. The Company's surface or mineral properties may be subject to prior unregistered agreements; transfers or claims and title may be affected by, among other things, undetected defects. Such third-party claims could have a material adverse impact on the Company's operations.

Competition

The Company will compete with many companies and individuals that have substantially greater financial and technical resources than the Company for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.

Financing risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. The Company's ability to secure a new project is dependent upon the Company's ability to obtain financing through equity or debt financing or other means. The securities markets can experience a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, may experience wide fluctuations in share prices which will not necessarily be related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Mineral property exploration and mining risks

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. The main operating risks include: ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing and obtaining permits for drilling and other exploration activities. The Company may earn an interest in certain properties through option agreements and acquisition of title to the properties is only completed when the option conditions have been met. These conditions generally include making property payments, incurring exploration expenditures on the properties and can include the satisfactory completion of prefeasibility studies. If the Company does not satisfactorily complete these option conditions in the time frame laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write-off the previously capitalized costs related to that property.

In addition, there can be no assurance that the Company will successfully develop a technically feasible and economically viable process to recover rare earth elements and titanium from its mineral deposits. The Company's projects remain subject to ongoing metallurgical testing and process development, and there is a risk that recoveries, concentrate quality, processing costs or other technical parameters may not support commercial extraction. It is possible that a commercially viable extraction process may not be identified or may only be achievable through methods that are uneconomic or impractical. If the Company is unable to establish an effective and economically viable extraction process, the affected mineral properties may never be developed into producing mines, which could result in the impairment or write-off of some or all of the carrying value of those assets.

The market price for the Company's target metals can be volatile and there is no assurance that a profitable market will exist to support a production decision or the ultimate sale of the metals, even if commercially recoverable mineral resources are identified and an economically viable extraction process is developed.

Insured and uninsured risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of risks and hazards in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in the damage to the Company's property or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability. Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and a decline in the value of the securities of the Company.

Environmental risks and hazards

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present.

Conflicts of interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Political and currency risks

The Company is operating in countries that currently have varied political environments. Changing political situations may affect the way the Company operates. The Company's equity financings are sourced in Canadian dollars, but for the most part, it incurs its expenditures in local currencies. There are no currency hedges in place. Therefore, a weakening of the Canadian dollar against the Brazilian real could have an adverse impact on the amount of exploration conducted.

Key personnel risk

The Company's success depends on key personnel working in management and administrative capacities or as consultants. The loss of the services of senior management or key personnel could have a material and adverse effect on the Company, its business, and the results of operations.

Outstanding Share Data

As of the date of this MD&A, the Company has issued 118,010,049 common shares, 11,075,000 common share purchase options, 1,843,643 broker compensation options, 750,000 performance rights and 7,500,000 common share purchase warrants.

DIRECTORS AND OFFICERS

Simon Stilwell, Board Chair and Remuneration Committee Chair (Audit Committee Member)
Chris Eager, Director and Chief Executive Officer (Audit Committee Member)
Anne Landry, Director and Audit Committee Chair (Remuneration Committee Member)
Sandra Evans, Chief Financial Officer and Corporate Secretary