

## FORM 5A

### ANNUAL LISTING SUMMARY

#### Introduction

The requirement to file this Form 5A does not apply to NV Issuers. NV Issuers must file a Form 51-102F2 Annual Information Form.

This Annual Listing Summary must be posted on or before the day on which the Issuer's annual financial statements are to be filed under the Securities Act. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies.

#### **General Instructions**

- (a) Prepare this Annual Listing Summary using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

**Listed Issuer Name:** Nexcel Metals Corp.

**Website:** <https://nexcelmetals.com/>

**Listing Statement Date:** May 20, 2026

**Description(s) of listed securities(symbol/type):** NEXX, common shares

**Brief Description of the Issuer's Business:** The Issuer is a mineral exploration company focused on rare earth elements and other critical minerals in Canada. The Company is currently advancing two principal mineral projects: the Lac Ducharme rare earth element project in the Province of Québec and the Burnt Hill tungsten molybdenum tin project in the Province of New Brunswick.

**Description of additional (unlisted) securities outstanding:**

As at February 28, 2026, the Issuer had the following additional listed securities outstanding:

Warrants: 24,072,357

**Jurisdiction of Incorporation:** British Columbia, Canada

**Fiscal Year End:** February 28

**Date of Last Shareholders' Meeting and Date of Next Shareholders' Meeting (if scheduled):** N/A; May 28, 2026

**Financial Information as at:** February 28, 2026

|                                      | <b>Current</b> | <b>Previous</b> |
|--------------------------------------|----------------|-----------------|
| <b>Cash</b>                          | \$2,574,371    | \$312,625       |
| <b>Current Assets</b>                | \$3,037,939    | \$338,809       |
| <b>Non-current Assets</b>            | \$10,135,189   | \$129,527       |
| <b>Current Liabilities</b>           | \$220,738      | \$33,623        |
| <b>Non-current Liabilities</b>       | \$Nil          | \$Nil           |
| <b>Shareholders' equity</b>          | \$12,952,390   | \$434,713       |
| <b>Revenue</b>                       | \$Nil          | \$Nil           |
| <b>Net Income</b>                    | (\$670,451)    | (\$129,206)     |
| <b>Net Cash Flow from Operations</b> | (\$1,004,020)  | (\$121,767)     |

## SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in the Schedules. If the required details are included in Schedule A or B, provide specific reference to the page or note.

### 1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.

- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

All related party transactions have been provided in Note 6 of the financial statements and in Note 17 of the Management Discussion and Analysis for the year ended February 28, 2026 and attached as Schedules A and B respectively.

**2. Summary of securities issued and options granted during the period.**

Provide the following information for the Listed Issuer's fiscal year:

- (a) summary of securities issued during the period,

| Date of Issue | Type of Security (common shares, convertible debentures, etc.) | Type of Issue (private placement, public offering, exercise of warrants, etc.) | Number    | Price  | Total Proceeds | Type of Consideration (cash, property, etc.) | Describe relationship of Person with Issuer (indicate if Related Person) | Commission Paid                   |
|---------------|--|--|-----------|--------|----------------|--|--|-----------------------------------|
| June 2/25     | Common Shares  | Private Placement  | 1,835,400 | \$0.10 | \$183,540      | Cash   | Arm's Length   | N/A                               |
|               | Warrants   | Private Placement  | 1,835,400 | \$0.20 | N/A            |  |  |                                   |
| June 9/25     | Common Shares  | Property Option Agreement  | 50,000    | N/A    | N/A            | N/A  | Arm's Length   | N/A                               |
| Jul 18/25     | Common Shares  | Private Placement  | 220,000   | \$0.50 | \$110,000      | Cash   | Arm's Length   | \$7,700 and 15,400 warrants       |
|               | Warrants   | Private Placement  | 220,000   | \$0.75 | N/A            |  |  |                                   |
| Aug 1/25      | Common Shares  | Exercise of Warrants   | 500,000   | \$0.10 | \$50,000       | Cash   | Arm's Length   | N/A                               |
| Aug 10/25     | Common Shares  | Exercise of Warrants   | 500,000   | \$0.10 | \$50,000       | Cash   | Arm's Length   | N/A                               |
| Sep 22/25     | Common Shares  | Exercise of Warrants   | 2,000     | \$0.20 | \$400          | Cash   | Arm's Length   | N/A                               |
| Dec 4/25      | Common Shares  | FT Private Placement   | 1,190,000 | \$0.42 | \$499,800      | Cash   | Arm's Length   | \$34,986 and 83,300 warrants      |
|               | Warrants   | FT Private Placement   | 1,190,000 | \$0.50 | N/A            |  |  |                                   |
| Dec 4/25      | Common Shares  | NFT Private Placement  | 8,714,285 | \$0.35 | \$3,050,000    | Cash   | Arm's Length   | \$195,290.21 and 557,972 warrants |
|               | Warrants   | NFT Private Placement  | 8,714,285 | \$0.45 | N/A            |  |  |                                   |
| Dec 8/25      | Common Shares  | Property Option & Assignment Agreement   | 1,355,775 | \$0.78 | \$1,057,504.50 | Cash   | Arm's Length   | N/A                               |
| Dec 10/25     | Common Shares  | Exercise of Warrants   | 2,000     | \$0.20 | \$400          | Cash   | Arm's Length   | N/A                               |
| Jan 7/26      | Common Shares  | Exercise of Warrants   | 350,000   | \$0.20 | \$70,000       | Cash   | Arm's Length   | N/A                               |
| Jan 23/26     | Common Shares  | Exercise of Warrants   | 2,000     | \$0.20 | \$400          | Cash   | Arm's Length   | N/A                               |

|              |                  |                                 |           |        |          |      |                 |     |
|--------------|------------------|---------------------------------|-----------|--------|----------|------|-----------------|-----|
| Feb<br>17/26 | Common<br>Shares | Property<br>Option<br>Agreement | 3,931,094 | N/A    | N/A      | N/A  | Arm's<br>Length | N/A |
|              | Warrants         | Property<br>Option<br>Agreement | 6,250,000 | \$0.90 | N/A      |      |                 |     |
| Feb<br>19/26 | Common<br>Shares | Exercise of<br>Warrants         | 250,000   | \$0.10 | \$25,000 | Cash | Arm's<br>Length | N/A |
| Feb<br>19/26 | Common<br>Shares | Exercise of<br>Warrants         | 120,000   | \$0.20 | \$24,000 | Cash | Arm's<br>Length | N/A |
| Feb<br>26/26 | Common<br>Shares | Exercise of<br>Warrants         | 610,000   | \$0.10 | \$61,000 | Cash | Arm's<br>Length | N/A |

(b) summary of options granted during the period,

| Date | Number | Name of Optionee<br>if Related Person<br>and relationship | Generic description<br>of other Optionees | Exercise Price | Expiry Date | Market<br>Price on<br>date of<br>Grant |
|------|--------|---|---|----------------|-------------|--|
|      | Nil    |   |   |                |             |  |

### 3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

A summary of the securities has been provided in the financial statements for the year ended February 28, 2026 and attached as Schedule A.

- (a) description of authorized share capital including number of securities outstanding for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,  
**30,190,554 common shares outstanding as at February 28, 2026**
- (b) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and  
**There are no options outstanding.**

| Warrants  | Exercise Price | Expiry Date   | Value        |
|-----------|----------------|---------------|--------------|
| 5,690,000 | \$0.10         | June 2, 2028  | \$569,000.00 |
| 1,351,400 | \$0.20         | June 2, 2028  | \$270,280.00 |
| 220,000   | \$0.75         | July 18, 2027 | \$165,000.00 |
| 15,400    | \$0.50         | July 18, 2027 | \$7,700.00   |

|                   |        |                   |                        |
|-------------------|--------|-------------------|------------------------|
| 9,111,257         | \$0.45 | December 4, 2027  | \$4,100,065.65         |
| 1,206,800         | \$0.50 | December 4, 2027  | \$603,400.00           |
| 161,000           | \$0.35 | December 4, 2027  | \$56,350.00            |
| 66,500            | \$0.42 | December 4, 2027  | \$27,930.00            |
| 6,250,000         | \$0.90 | February 17, 2029 | \$5,625,000.00         |
| <b>24,072,357</b> |        |                   | <b>\$11,424,725.65</b> |

(c) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

**18,071,154 common shares were subject to statutory hold periods or other restrictions on transfer, including 2,880,000 common shares that were subject to escrow, as at February 28, 2026.**

**4. List the names of the directors and officers and include the position(s) held and the date of appointment, as at the date this report is signed and filed.**

| Name of Director/Officer | Position with Issuer                 |
|--------------------------|--------------------------------------|
| Hugh Rogers              | Chief Executive Officer and Director |
| Christopher Ross         | Chief Financial Officer and Director |
| Christopher Beltgens     | Director                             |
| David Waterhouse         | Director                             |

**5. Financial Resources**

- a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;
- b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;
- c) Disclose the total funds available to the Issuer and the following breakdown of those funds:
  - (i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and
  - (ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and
  - (iii) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

See the Issuer's financial statements and Management Discussion and Analysis for the year ended February 28, 2026 and attached as Schedules A and B respectively.

## 6. Status of Operations

During the fiscal year, did the Listed Issuer

- (a) reduce or impair its principal operating assets; or
- (b) cease or substantively reduce its business operations with respect to its stated business objectives in the most recent Listing Statement?

Provide details:

**No, the Issuer did not reduce or impair its assets or substantively reduce its business operations.**

## 7. Business Activity

a) Activity for a mining or oil and gas Listed Issuer

- (i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, significant revenue from operations, or \$50,000 in exploration or development expenditures? Yes.

Provide details. See the Issuer's financial statements and Management Discussion and Analysis for the year ended February 28, 2026 and attached as Schedules A and B respectively.

- (ii) If the response to (i) above is "no", for the three most recent fiscal years did the Listed Issuer have an aggregate of \$100,000 in exploration or development expenditures? **N/A**

Provide details.

b) Activity for industry segments other than mining or oil & gas

- (i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, or \$100,000 in revenue from operations or \$100,000 in development expenditures?

Provide details.

- (ii) If the response to (i) above is "no", for the three most recent fiscal years, did the Listed Issuer have either \$200,000 in operating revenues or \$200,000 in expenditures directly related to the development of the business?

Provide details.

**SCHEDULE A: AUDITED ANNUAL FINANCIAL STATEMENTS**

# **Nexcel Metals Corp.**

## **Financial Statements**

**For the Year Ended February 28, 2026**

**and**

**the period from April 30, 2024 (date of incorporation) to February 28, 2025**

(Expressed in Canadian Dollars)

# DAVIDSON

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
Nexcel Metals Corp.

### Opinion

We have audited the accompanying financial statements of Nexcel Metals Corp. (the "Company"), which comprise the statements of financial position as at February 28, 2026 and 2025, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended February 28, 2026 and the period from April 30, 2024 (date of incorporation) to February 28, 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2026 and 2025, and its financial performance and its cash flows for the year ended February 28, 2026 and the period from April 30, 2024 (date of incorporation) to February 28, 2025 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company has a working capital of \$2,817,201 as at February 28, 2026 and incurred a loss of \$670,451 for the year then ended. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matter to be communicated in our auditor's report.

### *Assessment of Impairment Indicators of Exploration and Evaluation Asset ("E&E Assets")*

As described in Note 4 to the financial statements, the carrying amount of the Company's E&E Assets was \$10,135,189 as of February 28, 2026. As more fully described in Notes 2 and 3 to the financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the Company's E&E Assets is a key audit matter is that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate its assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the Company's E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity and expenditure budgets for future periods.
- Obtaining, on a test basis through government websites, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

### **Other Information**

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Carmen Newnham.

*Davidson & Company LLP*

Chartered Professional Accountants

Vancouver, Canada

May 20, 2026

**NEXCEL METALS CORP.**  
**Statements of Financial Position**  
**(Expressed in Canadian dollars)**

| As at   | Notes | February 28,<br>2026<br>\$ | February 28,<br>2025<br>\$ |
|---|-------|----------------------------|----------------------------|
| <b>Assets</b>                                     |       |                            |                            |
| Current Assets                                    |       |                            |                            |
| Cash  |       | 2,574,371                  | 312,625                    |
| Amounts receivable                                |       | 54,972                     | 6,184                      |
| Deferred financing costs                          | 12    | 60,402                     | -                          |
| Prepaid expenses                                  |       | 348,194                    | 20,000                     |
| <b>Total current assets</b>                       |       | <b>3,037,939</b>           | <b>338,809</b>             |
| Non-current assets                                |       |                            |                            |
| Exploration and evaluation assets                 | 4     | 10,135,189                 | 129,527                    |
| <b>Total non-current assets</b>                   |       | <b>10,135,189</b>          | <b>129,527</b>             |
| <b>Total assets</b>                               |       | <b>13,173,128</b>          | <b>468,336</b>             |
| <b>Liabilities and Shareholders' Equity</b>       |       |                            |                            |
| Current Liabilities                               |       |                            |                            |
| Accounts payable and accrued liabilities          | 6     | 137,438                    | 33,623                     |
| Flow-through premium liability                    | 5     | 83,300                     | -                          |
| <b>Total liabilities</b>                          |       | <b>220,738</b>             | <b>33,623</b>              |
| <b>Shareholders' Equity</b>                       |       |                            |                            |
| Share capital                                     | 5     | 8,461,530                  | 392,500                    |
| Special warrants                                  | 5     | -                          | 171,419                    |
| Reserves  | 5     | 5,290,517                  | -                          |
| Deficit   |       | (799,657)                  | (129,206)                  |
| <b>Total shareholders' equity</b>                 |       | <b>12,952,390</b>          | <b>434,713</b>             |
| <b>Total liabilities and shareholders' equity</b> |       | <b>13,173,128</b>          | <b>468,336</b>             |

**Nature and Continuation of Operations (Note 1)**  
**Subsequent Events (Note 12)**

The accompanying notes are an integral part of these financial statements.

**NEXCEL METALS CORP.**  
**Statements of Loss and Comprehensive Loss**  
**(Expressed in Canadian dollars)**

|  |       | Year Ended<br>February 28, 2026 | Period from April<br>30, 2024 (date of<br>incorporation) to<br>February 28, 2025 |
|--|-------|---------------------------------|--|
|  | Notes | \$                              | \$   |
| <b>Expenses:</b>   |       |                                 |  |
| Consulting   | 6     | 12,921                          | 22,900   |
| Director fees  | 6     | 14,000                          | –  |
| Foreign exchange   |       | 9,492                           | 564  |
| Management fees  | 6     | 81,000                          | 36,000   |
| Marketing and advertising  |       | 52,623                          | –  |
| Office and administration  |       | 58,092                          | 4,045  |
| Professional fees  |       | 282,485                         | 56,174   |
| Regulatory and filing fees                                       |       | 120,870                         | 5,373  |
| Rent   | 6     | –                               | 4,150  |
| Transfer agent and investor relations                            |       | 23,515                          | –  |
| Travel and related   |       | 15,453                          | –  |
| Loss and comprehensive loss for the period                       |       | (670,451)                       | (129,206)  |
| Basic and diluted loss per share                                 |       | (0.04)                          | (0.02)   |
| Weighted average number of shares outstanding, basic and diluted |       | 15,461,916                      | 8,359,704  |

The accompanying notes are an integral part of these financial statements.

**NEXCEL METALS CORP.**  
**Statements of Changes in Shareholders' Equity**  
**(Expressed in Canadian dollars)**

|  | Number of<br>Common Shares | Share Capital<br>\$ | Special Warrants<br>\$ | Reserves<br>\$   | Deficit<br>\$    | Total Equity<br>\$ |
|--|----------------------------|---------------------|------------------------|------------------|------------------|--------------------|
| <b>Balance, April 30, 2024 (date of incorporation)</b> | –                          | –                   | –                      | –                | –                | –                  |
| Shares issued for cash                                 | 10,550,000                 | 392,500             | –                      | –                | –                | 392,500            |
| Special warrant financing, net of issuance costs       | –                          | –                   | 171,419                | –                | –                | 171,419            |
| Loss for the period                                    | –                          | –                   | –                      | –                | (129,206)        | (129,206)          |
| <b>Balance, February 28, 2025</b>                      | 10,550,000                 | 392,500             | 171,419                | –                | (129,206)        | 434,713            |
| Shares issued on exercise of special warrants          | 1,835,400                  | 171,419             | (171,419)              | –                | –                | –                  |
| Shares issued for exploration and evaluation asset     | 5,336,869                  | 4,695,111           | –                      | –                | –                | 4,695,111          |
| Warrants issued for exploration and evaluation assets  | –                          | –                   | –                      | 4,871,933        | –                | 4,871,933          |
| Shares issued on exercise of warrants                  | 2,344,000                  | 282,800             | –                      | –                | –                | 282,800            |
| Flow-through units issued for cash                     | 1,410,000                  | 526,500             | –                      | –                | –                | 526,500            |
| Non-flow-through units issued for cash                 | 8,714,285                  | 3,050,000           | –                      | –                | –                | 3,050,000          |
| Unit issuance costs                                    | –                          | (238,216)           | –                      | –                | –                | (238,216)          |
| Finders' warrants                                      | –                          | (418,584)           | –                      | 418,584          | –                | –                  |
| Loss for the year                                      | –                          | –                   | –                      | –                | (670,451)        | (670,451)          |
| <b>Balance, February 28, 2026</b>                      | <b>30,190,554</b>          | <b>8,461,530</b>    | <b>–</b>               | <b>5,290,517</b> | <b>(799,657)</b> | <b>12,952,390</b>  |

The accompanying notes are an integral part of these financial statements.

**NEXCEL METALS CORP.**  
**Statements of Cash Flows**  
**(Expressed in Canadian dollars)**

|  | Year Ended<br>February 28, 2026<br>\$ | Period from April<br>30, 2024 (date of<br>incorporation) to<br>February 28, 2025<br>\$ |
|--|---------------------------------------|--|
| <b>Operating activities</b>  |                                       |  |
| Loss for the period  | (670,451)                             | (129,206)  |
| Changes in non-cash operating working capital items:                                     |                                       |  |
| Amounts receivable   | (48,788)                              | (6,184)  |
| Prepaid expenses   | (328,194)                             | (20,000)   |
| Accounts payable and accrued liabilities   | 43,413                                | 33,623   |
| <b>Net cash used in operating activities</b>   | <b>(1,004,020)</b>                    | <b>(121,767)</b>   |
| <b>Investing activities</b>  |                                       |  |
| Exploration and evaluation asset expenditures  | (438,618)                             | (129,527)  |
| <b>Cash used in investing activities</b>   | <b>(438,618)</b>                      | <b>(129,527)</b>   |
| <b>Financing activities</b>  |                                       |  |
| Proceeds from share issuance   | –                                     | 392,500  |
| Proceeds from flow-through unit issuance   | 609,800                               | –  |
| Proceeds from non-flow-through unit issuance   | 3,050,000                             | –  |
| Unit issuance costs  | (238,216)                             | –  |
| Proceeds from exercise of warrants   | 282,800                               | –  |
| Proceeds from special warrant issuance   | –                                     | 183,540  |
| Special warrant financing issuance costs   | –                                     | (12,121)   |
| <b>Cash provided by financing activities</b>   | <b>3,704,384</b>                      | <b>563,919</b>   |
| <b>Change in cash</b>  | <b>2,261,746</b>                      | <b>312,625</b>   |
| <b>Cash, beginning of period</b>   | <b>312,625</b>                        | <b>–</b>   |
| <b>Cash, end of period</b>   | <b>2,574,371</b>                      | <b>312,625</b>   |
| <b>Supplemental cash flow information:</b>   |                                       |  |
| Interest paid  | –                                     | –  |
| Income taxes paid  | –                                     | –  |
| <b>Non-cash transactions:</b>  |                                       |  |
| Fair value of common shares and warrants issued<br>for exploration and evaluation assets | 9,567,044                             | –  |
| Fair value of finders' warrants for private placements                                   | 418,584                               | –  |
| Deferred financing costs   | 60,402                                | –  |
| Conversion of special warrants   | 171,419                               | –  |
| Flow-through premium liability   | 83,300                                | –  |

The accompanying notes are an integral part of these financial statements.

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Nexcel Metals Corp. (the “Company” or “Nexcel”) was incorporated under the laws of the province of British Columbia on April 30, 2024. The Company is in the exploration stage, currently focusing on exploration, evaluation, and development of mineral resource properties in Canada. The Company’s registered office is located at 6071 Boundary Road E., Surrey, BC, Canada. The Company’s principal executive office is located at Suite 1710 – 1050 West Pender Street, Vancouver, BC, Canada.

On June 2, 2025, the Company’s common shares commenced trading on the Canadian Securities Exchange (“CSE”) under the ticker symbol “NEXX”. On September 18, 2025, the Company’s common shares commenced trading on the OTCQB Venture Market under the ticker symbol “NXXCF”.

These financial statements are 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 for the foreseeable future.

To date, the Company has incurred losses and further losses are anticipated as the Company continues to develop its business. The continuing operations of the Company are dependent upon its ability to generate profitable operations in the future, and to continue to secure additional financing. There can be no assurance that the Company will be successful in its efforts to raise additional financing or, if financing is available, that it will be on terms that are acceptable to the Company. The Company has working capital of \$2,817,201 as at February 28, 2026 and incurred a loss of \$670,451 for the year then ended. The Company anticipates it will need further funding to maintain its operations and activities for the next twelve months. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. These financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

**2. BASIS OF PREPARATION**

**a) Statement of Compliance**

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

These financial statements were authorized by the Company’s directors on May 19, 2026.

**b) Basis of Presentation**

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value.

These financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

**c) Use of Estimates and Judgments**

The preparation of these financial statements in conformity with IFRS requires the Company’s management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

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**2. BASIS OF PREPARATION (CONTINUED)**

**c) Use of Estimates and Judgments (continued)**

The estimates and underlying assumptions are reviewed on an ongoing basis. 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.

***Key sources of estimation uncertainty***

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, accrued liabilities, impairment of exploration and evaluation assets, and unrecognized deferred income tax assets.

***Significant judgments in applying accounting policies***

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements:

***Exploration and Evaluation Expenditures***

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting impairment, the amount capitalized is written off in profit or loss in the period the new information becomes available.

**3. MATERIAL ACCOUNTING POLICY INFORMATION**

**a) Cash**

Cash consists of cash on hand and deposits in banks with no restrictions.

**b) Exploration and Evaluation Assets**

Exploration and evaluation ("E&E") activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Examples of E&E activities include:

- acquiring the rights to explore;
- researching and analyzing historical exploration data;
- gathering exploration data through topographical, geological, geochemical, and geophysical activities;
- exploratory drilling, trenching and sampling;
- determining and interpreting the tonnage and grade of the resource;
- surveying transportation and infrastructure requirements; and
- compiling pre-feasibility and feasibility studies.

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**b) Exploration and Evaluation Assets (continued)**

Pre-license expenditures are expensed in the period in which they are incurred. Capitalization of E&E expenditures commences on acquisition of a beneficial interest or option in mineral rights. Subsequently, E&E assets are carried at cost, less any impairment. No amortization is charged during the exploration and evaluation phase as the asset is not available for use.

Exploration, development and field support costs directly related to mineral resources are deferred until the property to which they relate is developed for production, determined to be commercially viable, sold, abandoned, or subject to a condition of impairment. E&E expenditures are transferred to mining assets when the technical feasibility and commercial viability of a mineral resource have been demonstrated, and a development decision has been made and all necessary mine development permits issued.

Exploration and evaluation assets are assessed for impairment at each reporting period, or if facts and circumstances suggest that the carrying amount exceeds the recoverable value. If an indicator of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and the value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the year.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized in profit or loss.

**c) Foreign Currency Translation**

The Company's functional and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Revenues and expenses are translated at average rates for the periods. Foreign exchange gains and losses are included in the statement of operations.

**d) Financial Instruments**

*Classification and measurement – initial recognition*

On initial recognition, all financial assets and liabilities are classified and recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss ("FVTPL").

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**d) Financial Instruments (continued)**

*Classification and measurement – subsequent to initial recognition*

Subsequent measurement of financial assets and liabilities depends on their classification and measurement basis.

*Financial Assets*

Subsequent to initial recognition, financial assets are measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss, depending on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income (“FVOCI”) if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that do not meet the above conditions are classified as FVTPL.

The Company’s cash is measured at amortized cost.

*Financial liabilities*

Subsequent to initial recognition, financial liabilities are measured at amortized cost, unless designated as FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative, or it is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are recognized in profit or loss.

The Company’s accounts payable and accrued liabilities are measured at amortized cost. The Company does not designate any financial liabilities as FVTPL.

*Impairment of Financial Assets*

The Company applies the expected credit loss (“ECL”) model to its financial assets measured at amortized cost. Under the ECL model, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**d) Financial Instruments (continued)**

Upon recognition of a financial asset, 12-month ECLs are recognized in the statement of operations and a loss allowance is established. At each reporting date, if the credit risk associated with a financial asset has increased significantly and is not considered low, lifetime ECLs are recognized in the statement of operations.

**e) Share Capital**

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity from the proceeds.

**f) Share Purchase Warrants Issued in Unit Offerings**

Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the fair market value of the shares. If the proceeds from the offering are less than or equal to the fair market value of shares issued, a nil carrying amount is assigned to the warrants.

**g) Earnings (Loss) Per Share**

Basic earnings (loss) per share are computed using the weighted average number of common shares outstanding during the year. Diluted earnings per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury stock method. If the Company incurs net losses in a fiscal year, basic and diluted losses per share are calculated in the same manner. In the Company's case, diluted loss per share is the same as basic loss per share as the effect of any outstanding share options and warrants on loss per share would be anti-dilutive.

**h) Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources, services or obligations.

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**i) Flow-Through Shares and Units**

Canadian income tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby the premium paid, if any, for the flow-through shares in excess of the market value of the shares without flow-through features at the time of issue is credited to other liabilities and included in profit or loss on a pro-rata basis at the same time the qualifying expenditures are made.

**j) Income Taxes**

Income tax comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also directly recognized as equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting year.

Deferred tax is provided for using temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date. The carrying amount of deferred tax assets are reviewed at the end of each reporting year and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting year and are recognized to the extent it becomes probable that future taxable profit will be available to allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset, and they relate to the income taxes levied by the same tax authority and the Company intends to settle current tax liabilities and assets on a net basis or their tax assets and tax liabilities will be realized simultaneously.

Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit.

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**k) New Standards, Amendments, and Interpretations that are Not Yet Effective**

**IFRS 18 – Presentation and Disclosure in Financial Statements**

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective for reporting periods beginning on or after January 1, 2027, with early adoption permitted.

The Company is currently assessing the impact of this amendment on its financial statements.

**4. EXPLORATION AND EVALUATION ASSETS**

The following expenditures were incurred on the Company's exploration and evaluation assets:

|   | <b>Lac Ducharme<br/>Property<br/>\$</b> | <b>Burnt Hill<br/>Property<br/>\$</b> | <b>Total<br/>\$</b> |
|---|---|---------------------------------------|---------------------|
| <b>Beginning balance, February 28, 2025</b> | 129,527                                 | –                                     | 129,527             |
| <b>Costs Incurred:</b>                      |   |                                       |                     |
| <b>Acquisition Costs</b>                    |   |                                       |                     |
| Option payments and other acquisition costs | 41,000                                  | 9,746,043                             | 9,787,043           |
| <b>Exploration Expenditures</b>             |   |                                       |                     |
| Geological consulting and technical fees    | 113,218                                 | 79,385                                | 192,603             |
| Assay                                       | 7,500                                   | 360                                   | 7,860               |
| Resource claims maintenance                 | –                                       | 4,100                                 | 4,100               |
| Field supplies                              | 14,056                                  | –                                     | 14,056              |
| <b>Ending balance, February 28, 2026</b>    | 305,301                                 | 9,829,888                             | 10,135,189          |

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**4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)**

|  | <b>Lac<br/>Ducharme<br/>Property<br/>\$</b> |
|--|---|
| <b>Beginning balance, April 30, 2024 (date of incorporation)</b> | –   |
| <b>Costs Incurred:</b>   |   |
| <b>Acquisition Costs</b>   |   |
| Option payments  | 10,000                                      |
| <b>Exploration Expenditures</b>                                  |   |
| Geological consulting and technical fees                         | 70,228                                      |
| Field supplies   | 42,244                                      |
| Assay  | 5,284                                       |
| Resource claims maintenance                                      | 1,771                                       |
| <b>Ending balance, February 28, 2025</b>                         | <b>129,527</b>                              |

**A. Lac Ducharme Property**

On August 1, 2024, the Company entered into an option agreement on the Lac Ducharme Property in the Cote-Nord region of Quebec, Canada. The Company can earn a 100% interest in the property by fulfilling the following requirements:

- a) Cash payments
  - i) \$10,000 on or before the date that is seven days after August 1, 2024 (paid);
  - ii) \$20,000 on or before the date that is seven days after a public listing event which occurred on June 2, 2025 (paid); and
  - iii) \$20,000 on or before the date that is twelve months after a public listing event.
  
- b) Shares
  - i) 50,000 shares on or before the date that is seven days after a public listing event which occurred on June 2, 2025 (issued);
  - ii) 100,000 shares on or before the date that is twelve months after a public listing event;
  - iii) 100,000 shares on or before the date that is twenty-four months after a public listing event; and
  - iv) 600,000 shares on or before the date that is thirty-six months after a public listing event.
  
- c) Exploration expenditures of \$1,000,000 as follows:
  - i) \$75,000 on or before December 31, 2024 (fulfilled);
  - ii) \$100,000 on or before the date that is twelve months after a public listing event which occurred on June 2, 2025 (fulfilled);
  - iii) \$225,000 on or before the date that is twenty-four months after a public listing event; and
  - iv) \$600,000 on or before the date that is thirty-six months after a public listing event.

The property is subject to a 2% net smelter return royalty (“NSR”), of which the Company has the right to purchase one half for \$1,000,000.

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**4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)**

**B. Burnt Hill Property**

During the year ended February 28, 2026, the Company entered into a series of agreements to acquire ownership interest in the Burnt Hill Property (the "Property") located in New Brunswick, Canada.

**a) Initial Interest and Assignment**

On August 1, 2025, the Company entered into an assignment agreement with Northex Capital Partners Inc. ("Northex") and Cadillac Ventures Inc. ("Cadillac"), allowing Nexcel to assume Northex's rights to acquire Cadillac's 58% interest in the Property and the associated obligations. Nexcel had fulfilled the terms of the assignment by:

- (i) reimbursing Northex for \$5,000 non-refundable deposit and \$25,000 refundable deposit previously paid to Cadillac, totalling \$30,000 (paid);
- (ii) making monthly payments of \$5,000 to Cadillac until the completion of the transaction (paid);
- (iii) incurring \$52,495, inclusive of taxes, in exploration expenditures and renewal fees required to maintain the Project claims in good standing (incurred); and
- (iv) issuing 1,000,000 common shares of the Company to Northex at a fair value of \$0.78 per share for a total of \$780,000 (issued Note 5).

Of these payments, items (i) and (ii) were credited against cash consideration payable to Cadillac, and item (iii) was credited against share consideration payable to Cadillac.

**b) Option Agreement**

On October 3, 2025, the Company entered into an option agreement with Cadillac (the "Optionor") and Wyloo Ring of Fire Ltd. (the "Minority Owner") pursuant to which the Company may earn up to a 58% interest in the Property. The Property was owned 58% by the Optionor and 42% by the Minority Owner.

Under the terms of this agreement, the Company may acquire the Optionor's 58% interest in the Property in four stages as follows:

- First Option (to 29.6%): by paying \$200,000 in cash, of which \$30,000 is payable to Northex for reimbursement of deposits, issuing \$330,000 in common shares of the Company, and making \$5,000 monthly payments until the first cash installment is made;
- Second Option (to 38.3%): by paying \$25,000 in cash and issuing \$200,000 in common shares of the Company on or before the first anniversary of this agreement;
- Third Option (to 46.4%): by paying \$25,000 in cash and issuing \$200,000 in common shares of the Company on or before the second anniversary of this agreement; and
- Fourth Option (to 58%): by paying \$200,000 in cash and issuing \$200,000 in common shares of the Company any time after the second anniversary of this agreement.

In December 2025, the Company fulfilled the First Option and earned an initial 29.6% interest in the Property through i) an aggregate cash payment of \$200,000, consisting of \$170,000 to Cadillac and \$30,000 to Northex as reimbursement of deposits, and ii) the issuance of 355,775 common shares at a fair value of \$0.78 per share for a total of \$277,505 to Cadillac (Note 5). The fair value of the shares issued, together with the exploration expenditures of \$52,495 incurred, fulfils the \$330,000 share consideration requirement.

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**4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)**

**B. Burnt Hill Property (continued)**

**c) Acquisition of Minority Interest**

On February 17, 2026, the Company closed a definitive purchase agreement (dated January 30, 2026 and amended February 4, 2026) to acquire an additional 42% interest in the Property from the Minority Owner. This transaction increased the Company's total interest in the project to 71.6%

The Company fulfilled its consideration for the 42% interest through the following:

- Common Shares: the issuance of 3,931,094 common shares at a fair value of \$0.92 per share for a total fair value of \$3,616,606 (Note 5). These shares are subject to a voluntary resale restriction released over a 36-month period; and
- Warrants: the issuance of 6,250,000 non-transferrable common share purchase warrants with a fair value of \$4,871,933. The fair value of the finder's warrants was estimated using the Black-Scholes option pricing model with a share price of \$0.92, exercise price of \$0.90, volatility of 162%, risk free interest rate of 2.58%, dividend rate of 0%, and expected life of 3 years. Each warrant is exercisable to acquire one common share of the Company at a price of \$0.90 for a period of 36 months following the closing date. The warrants include a restriction preventing exercise if the holder's ownership exceeds 19.99% of the Company's outstanding shares, unless disinterested shareholder approval is obtained.

As the Company currently maintains exclusive control over all operational and strategic decision-making and bears 100% of the exploration costs to advance the Burnt Hill Project, it recognizes and capitalizes 100% of the exploration and evaluation expenditures incurred as exploration and evaluation assets.

**5. SHARE CAPITAL**

**a) Common Shares**

**Authorized**

The authorized capital stock of the Company is an unlimited number of common shares without par value.

**Issued and Outstanding**

***Transactions during the Year Ended February 28, 2026***

- i) On June 2, 2025, the Company's 1,835,400 special warrants were deemed to have been exercised in accordance with the terms of the special warrants subscription agreement as the Company obtained a receipt from British Columbia Securities Commission for the Company's long form prospectus. As a result, 1,835,400 common shares were issued.
- ii) On June 9, 2025, the Company issued 50,000 common shares pursuant to the Lac Ducharme Property option agreement (Note 4). The fair value of these shares was based on the closing price of the Company's common shares as traded on the CSE at \$0.42 per share, for a total fair value of \$21,000.

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**5. SHARE CAPITAL (CONTINUED)**

**a) Common Shares (continued)**

- iii) On July 18, 2025, the Company completed a non-brokered private placement of 220,000 flow-through units ("FT Units") at a price of \$0.50 per FT Unit for gross proceeds of \$110,000. Each FT Unit comprises one common share qualifying as a "flow-through share" under the Income Tax Act (Canada) and one common share purchase warrant ("FT Warrant"). Each FT Warrant entitles the holder to purchase one additional non-flow-through common share at an exercise price of \$0.75 for a period of 24 months from the date of issuance. There was no flow-through share premium upon issuance.

Total unit issuance costs were \$14,468 in connection with this private placement, which include \$7,800 of cash and \$6,668 related to 15,400 finder's warrants issued to agents. Each finder's warrant entitles the holder to purchase one non-flow-through common share of the Company at a price of \$0.50 per share until July 18, 2027. The fair value of the finder's warrants was estimated using the Black-Scholes option pricing model with share price of \$0.54, exercise price of \$0.50, volatility of 177%, risk free interest rate of 2.8%, dividend rate of 0%, and expected life of 2 years.

- iv) On December 4, 2025, the Company closed a non-brokered private placement for aggregate gross proceeds of \$3,549,800. The financing was completed through the issuance of (i) 1,190,000 flow-through units ("FT Units") at a price of \$0.42 per FT Unit for gross proceeds of \$499,800 and (ii) 8,714,285 non-flow-through units ("NFT Units") at a price of \$0.35 per NFT Unit for gross proceeds of \$3,050,000. The FT common shares had an associated flow-through premium liability of \$83,300 on issuance.

Each FT Unit consists of one flow-through common share of the Company (a "FT Unit Share") and one transferable common share purchase warrant ("FT Unit Warrant"). Each FT Unit Warrant entitles the holder to purchase one non-flow-through common share of the Company at an exercise price of \$0.50 until December 4, 2027.

Each NFT Unit consists of one non-flow-through common share of the Company and one transferable common share purchase warrant ("NFT Unit Warrant"). Each NFT Unit Warrant entitles the holder to purchase one non-flow-through common share of the Company at an exercise price of \$0.45 until December 4, 2027.

Total unit issuance costs of \$642,332 were incurred in connection with this private placement, consisting of \$230,416 in cash and \$411,916 representing the fair value of 641,272 non-transferable finder's warrants issued to agents. Each finder's warrant entitles the holder to purchase one non-flow-through common share of the Company at prices ranging from \$0.35 to \$0.50 per share until December 4, 2027. The fair value of the finder's warrants was estimated using the Black-Scholes option pricing model with share price of \$0.78, exercise prices ranging from \$0.35 to \$0.50, volatility of 162%, risk free interest rate of 2.4%, dividend rate of 0%, and expected life of 2 years.

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**5. SHARE CAPITAL (CONTINUED)**

**a) Common Shares (continued)**

- v) On December 8, 2026, the Company issued 1,000,000 common shares to Northex a in connection with the acquisition of the Burnt Hill Property (Note 4). The fair value of these shares was based on the closing price of the Company's common shares as traded on the CSE at \$0.78 per share for a total fair value of \$780,000.
- vi) On December 8, 2026, the Company issued 355,775 common shares to Cadillac in connection with the acquisition of the Burnt Hill Property (Note 4). The fair value of these shares was based on the closing price of the Company's common shares as traded on the CSE at \$0.78 per share for a total fair value of \$277,505.
- vii) On February 17, 2026, the Company issued 3,931,094 common shares to Wyloo in connection with the acquisition of the Burnt Hill Property (Note 4). The fair value of these shares was based on the closing price of the Company's common shares as traded on the CSE at \$0.92 per share for a total fair value of \$3,616,606.
- viii) During the year ended February 28, 2026, the Company issued a total of 2,344,000 common shares for gross proceeds of \$282,800 in connection with the exercise of 2,344,000 share purchase warrants, with exercise prices ranging from \$0.10 to \$0.20 per share.

As at February 28, 2026, there were 2,880,000 common shares subject to escrow which includes 2,700,000 shares issued to officers of the Company with the initial release date from escrow being no earlier than ten days following public announcement of the results of the Lac Ducharme Phase I Work Program ("Initial Release Date"). The remaining tranches will be released over 36 months from the date of the Initial Release Date which was October 24, 2025.

***Transactions During the Period from April 30, 2024 (date of incorporation) to February 28, 2025***

- i) On May 3, 2024, the Company issued 3,000,000 common shares to its founders and directors at a price of \$0.005 per share, for gross proceeds of \$15,000.
- ii) On July 26, 2024, the Company completed a non-brokered private placement of 7,550,000 units of the Company at a price of \$0.05 per unit for aggregate gross proceeds of \$377,500. Each unit consists of one common share in the capital of the Company and one share purchase warrant. Each warrant is exercisable to acquire one further common share at a price of \$0.10 per warrant share for a period of three years from the date of listing on a recognized stock exchange in Canada or the United States.

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**Notes to Financial Statements**  
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**(Expressed in Canadian dollars)**

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**5. SHARE CAPITAL (CONTINUED)**

**b) Share Purchase Warrants**

The following table summarizes the continuity of the Company's warrants:

|   | <b>Number of<br/>Warrants<br/>#</b> | <b>Weighted Average<br/>Exercise Price<br/>\$</b> |
|---|-------------------------------------|---|
| <b>Balance at incorporation on April 30, 2024</b> | –                                   | –   |
| Issued  | 7,550,000                           | 0.10  |
| <b>Balance at February 28, 2025</b>               | 7,550,000                           | 0.10  |
| Issued  | 18,866,357                          | 0.58  |
| Exercised   | (2,344,000)                         | 0.12  |
| <b>Balance at February 28, 2026</b>               | 24,072,357                          | 0.47  |

As at February 28, 2026, the Company had outstanding warrants as follows:

| <b>Expiry Date</b> | <b>Weighted Average<br/>Exercise Price<br/>\$</b> | <b>Number of Warrants<br/>Outstanding<br/>#</b> |
|--------------------|---|---|
| July 18, 2027      | 0.50  | 15,400  |
| July 18, 2027      | 0.75  | 220,000   |
| December 4, 2027   | 0.35  | 161,000   |
| December 4, 2027   | 0.42  | 66,500  |
| December 4, 2027   | 0.45  | 9,111,257                                       |
| December 4, 2027   | 0.50  | 1,206,800                                       |
| June 2, 2028       | 0.10  | 5,690,000                                       |
| June 2, 2028       | 0.20  | 1,351,400                                       |
| February 17, 2029  | 0.90  | 6,250,000                                       |
|                    |   | <u>24,072,357</u>                               |

As at February 28, there were 180,000 share purchase warrants subject to escrow and will be released over 36 months from the date of the Initial Release Date, as defined in Note 5(a).

**c) Special Warrants**

On December 31, 2024, the Company issued 1,835,400 special warrants at \$0.10 per special warrant for gross proceeds of \$183,540. The Company incurred \$12,121 in issuance costs associated with the issuance of this offering.

Each special warrant will, upon exercise, entitle the holder to receive one common share of the Company and one common share purchase warrant. Each warrant will be exercisable into a common share at a price of \$0.20 for a period of three years from the date the Company's shares are listed on a recognized stock exchange in Canada or the United States.

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**5. SHARE CAPITAL (CONTINUED)**

**c) Special Warrants**

The special warrants are deemed to have been exercised on the earlier of: (i) the fifth business day after the date on which a receipt for the final prospectus of the Company has been issued; and (ii) 18 months after the date of issuance of the Special Warrants, at which time each Special Warrant shall be automatically exercised. On June 2, 2025, the special warrants were deemed exercised.

The following table summarizes the continuity of the Company's special warrants:

|   | <b>Number of Special<br/>Warrants<br/>#</b> | <b>Weighted Average<br/>Exercise Price<br/>\$</b> |
|---|---|---|
| <b>Balance at incorporation on April 30, 2024</b> | –   | –   |
| Issued  | 1,835,400                                   | –   |
| <b>Balance at February 28, 2025</b>               | 1,835,400                                   | –   |
| Exercised   | (1,835,400)                                 | –   |
| <b>Balance at February 28, 2026</b>               | –   | –   |

**d) Stock option plan and Restricted share unit plan**

The Company has a stock option plan (the “Plan”) by which the directors may grant options to purchase common shares to directors, officers, employees, and service providers of the Company on the terms that the directors may determine within the limitations set forth in the Plan. The maximum number of common shares issuable upon the exercise of options granted pursuant to the Plan is set at 10% of the total issued and outstanding shares. Options granted under the Plan will have the term, exercise price and vesting determined by the directors.

The Company has a RSU plan (the “RSU Plan”) dated effective December 3, 2025 by which the directors are authorized to provide for the granting, vesting, settlement, and method of settlement of RSUs. The aggregate maximum number of common shares made available for issuance under the RSU Plan, including any other share compensation arrangements, shall not exceed 20% of the total issued and outstanding shares.

There have been no Plan or RSU Plan grants to date.

**6. RELATED PARTY TRANSACTIONS**

Key management personnel are the persons responsible for planning, directing, and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers its directors, Chief Executive Officer, and Chief Financial Officer to be key management personnel.

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**(Expressed in Canadian dollars)**

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**6. RELATED PARTY TRANSACTIONS (CONTINUED)**

- a) For the year ended February 28, 2026, the Company incurred \$45,000 (2025 - \$20,000) in management fees to the CEO and a company controlled by the CEO of the Company.
- b) For the year ended February 28, 2026, the Company incurred \$36,000 (2025 - \$16,000) in management fees to a company controlled by the CFO of the Company.
- c) For the year ended February 28, 2026, the Company incurred \$nil (2025 - \$4,000) in consulting fees to a director of the Company.
- d) For the year ended February 28, 2026, the Company incurred \$14,000 (2025 - \$nil) in directors' fees to the Company's directors. As at February 28, 2026, the Company owed \$4,000 (2025 - \$nil) in accounts payable and accrued liabilities to these directors for directors' fees not yet paid.
- e) For the year ended February 28, 2026, the Company incurred rent expense of \$nil (2025 - \$4,150) to a company where both the CEO and CFO of the Company serve as officers.

**7. SEGMENT INFORMATION**

The Company operates in one segment, with all assets and operations located in Canada.

**8. MANAGEMENT OF CAPITAL**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its business and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company considers its capital for this purpose to be its shareholders' equity.

The Company's primary source of capital is through the issuance of equity. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital.

**9. COMMITMENTS**

On February 27, 2026, the Company entered into a consulting agreement for technical advisory services for a term of twelve months. As consideration for these services, the Company has committed to granting 50,000 stock options to the consultant. Each option entitles the consultant to acquire one common share of the Company at an exercise price equal to the market price on the date of grant. These options vest immediately upon issuance. As at February 28, 2026, these options have not yet been formally granted.

**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Fair Value

The Company's financial instruments consist of cash and accounts payable and accrued liabilities, which are classified as and measured at amortized cost. The fair values of these instruments approximate their carrying values due to their short-term nature.

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**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)**

The Company's financial instruments are characterized using a fair value hierarchy based on whether the inputs to those valuation techniques are observable (inputs reflect market data obtained from independent sources) or unobservable (inputs reflect the Company's market assumptions).

The three levels of fair value estimation are:

- Level 1 – unadjusted quoted prices in active markets for identical instruments.
- Level 2 – quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Risk Management

The Company has exposure to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The type of risk exposure and the way in which such exposure is managed is provided as follows:

**a) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure.

The Company's cash is held with a major financial institution in Canada, and management believes the exposure to credit risk with respect to such institutions is not significant.

**b) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company currently has no debt subject to variable interest rates. Accordingly, the Company has limited exposure to interest rate movements.

**c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company is exposed to liquidity risk through accounts payable and accrued liabilities. To mitigate this risk, the Company has a planning and budgeting process in place by which it projects the funds required to support its operations.

The Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

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**11. INCOME TAXES**

A summary of the Company's reconciliation of income taxes (recovery) at statutory rates for the year ended February 28, 2026 and the period from April 30, 2024 (date of incorporation) to February 28, 2025 is as follows:

|  | February 28,<br>2026<br>\$ | February 28,<br>2025<br>\$ |
|--|----------------------------|----------------------------|
| Loss before income taxes   | (670,451)                  | (129,206)                  |
| Expected income tax (recovery)                                   | (180,000)                  | (36,000)                   |
| Tax effect of:   |                            |                            |
| Adjustment to prior year provisions versus statutory tax returns | 12,000                     | –                          |
| Impact of flow through shares                                    | 30,000                     | –                          |
| Share issue cost   | (64,000)                   | (3,000)                    |
| Change in unrecognized deductible temporary differences          | 202,000                    | (39,000)                   |
| Income tax expense (recovery)                                    | –                          | –                          |
| Current income tax   | –                          | –                          |
| Deferred tax recovery  | –                          | –                          |

The significant components of the Company's deferred tax assets that have not been included on the statement of financial position are as follows:

|  | 2026<br>\$ | 2025<br>\$ |
|--|------------|------------|
| Deferred income tax assets (liabilities) |            |            |
| Share issue costs                        | 53,000     | 3,000      |
| Non-capital losses carried forward       | 188,000    | 36,000     |
|  | 241,000    | 39,000     |
| Unrecognized deferred income tax assets  | (241,000)  | (39,000)   |
| Net deferred income tax assets           | –          | –          |

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

|                              | 2026<br>\$ | Expiry Date<br>Range |
|------------------------------|------------|----------------------|
| <b>Temporary Differences</b> |            |                      |
| Share issue costs            | 198,000    | 2047 to 2050         |
| Non-capital losses           | 696,000    | 2045 to 2046         |

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**12. SUBSEQUENT EVENTS**

- a) Subsequent to the year ended February 28, 2026, the Company issued a total of 2,734,506 common shares for gross proceeds of \$394,153 in connection with the exercise of 2,734,506 share purchase warrants, with exercise prices ranging from \$0.10 to \$0.45 per share.
  
- b) On March 9, 2026, the Company received a final receipt for its short-form base shelf prospectus with the British Columbia Securities Commission, acting as principal regulator, and the securities regulatory authorities in each of the other provinces and territories of Canada. As at February 28, 2026, the Company had incurred \$60,402 (2025 - \$nil) in professional fees related to the Company's short-form base shelf prospectus which are recorded as deferred financing fees. These costs are offset to share capital on completion.

**SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS**

**NEXCEL METALS CORP.**

(AN EXPLORATION STAGE COMPANY)

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the Year Ended February 28, 2026

Dated: May 19, 2026

## **1. DESCRIPTION OF BUSINESS**

Nexcel Metals Corp. ("Nexcel" or the "Company") was incorporated under the Business Corporations Act of the province of British Columbia on April 30, 2024. The Company is in the exploration stage, currently focusing on exploration and development of mineral resource properties in Canada.

## **2. INTRODUCTION**

This Management's Discussion and Analysis ("MD&A") provides management's interpretation of the Company's results and financial condition for the year ended February 28, 2026, and includes events up to the date of this MD&A. This MD&A was prepared as of May 19, 2026, and should be read in conjunction with the Company's audited financial statements for year ended February 28, 2026, including accompanying notes.

The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless otherwise stated, all dollar amounts presented in the financial statements and this MD&A are expressed in Canadian dollars.

The Company's fiscal year end is February 28. References to a fiscal year refer to the calendar year in which such fiscal year ends. The quarter-ends are the three-month periods ending on the last day of May, August, November, and February.

The following terms have meanings as shown below:

"Q1 2026" means the three months ended May 31, 2025

"Q2 2026" means the three months ended August 31, 2025

"Q3 2026" means the three months ended November 30, 2025

"Q4 2026" means the three months ended February 28, 2026

"FY2025" means fiscal year ended February 28, 2025.

"FY2026" means fiscal year ended February 28, 2026.

The disclosure of technical and scientific information regarding the mineral properties described in this MD&A has been reviewed and approved by Francis Newton, P.Geol, a consultant to the Company, who is a qualified person for the Company as defined by National Instrument 43-101 ("NI 43-101").

## **3. CAUTIONARY NOTE REGARDING FORWARDING LOOKING STATEMENTS**

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, including but not limited to the Company's mineral properties and operations, and any statements preceded by, followed by

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or that include the words “believe”, “expect”, “aim”, “intend”, “plan”, “continue”, “will”, “may”, “would”, “anticipate”, “estimate”, “forecast”, “predict”, “project”, “seek”, “should” or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company’s expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied, or forecasted in such forward-looking statements.

Factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: geological risks; limited operating history; uncertain ability to raise additional funds when required; reliance on a small number of key employees or consultants; potential conflicts of interest among directors and officers of the Company; lack of liquidity for shareholders of the Company; ability to secure needed permits; and market risk consisting of fluctuations in the Company’s share price, metal prices, credit market conditions; and investor appetite for early stage exploration companies. Refer to the “Risks and Uncertainties” section for additional risk factors that may cause actual results to differ materially from forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, or achievements to be materially different from any of its anticipated results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements.

The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required under applicable securities law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required under applicable securities law. The financial statements present the business of the Company, representing the activities, assets and liabilities of the Company that relate to or have been assigned to the Company.

#### **4. OVERALL PERFORMANCE**

The Company remains in the exploration stage and has not generated revenue from operations to date. Its primary focus continues to be the exploration and evaluation of the Lac Ducharme Project and the Burnt Hill Project.

For the year ended February 28, 2026, the Company reported a net and comprehensive loss of \$670,451, compared to \$129,206 for the period from April 30, 2024 (date of incorporation) to February 28, 2025.

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During the current year, the Company completed its listing on the Canadian Securities Exchange and subsequently commenced trading on the OTCQB market. In addition, the Company acquired an interest in an additional mineral property and expanded its corporate activities. As a result of these developments, operating expenses increased compared to the prior year.

## 5. SELECTED ANNUAL INFORMATION

The following table summarizes selected information from the Company's audited financial statements for the year ended February 28, 2026, and period from April 30, 2024 (date of incorporation) to February 28, 2025.

|  | Year Ended<br>February 28, 2026<br>\$ | For the period from<br>April 30, 2024 (date of<br>incorporation) to<br>February 28, 2025<br>\$ |
|--|---------------------------------------|--|
| Total revenue                              | –                                     | –  |
| Loss and comprehensive loss for the period | (670,451)                             | (129,206)  |
| Loss per share (basic and diluted)         | (0.04)                                | (0.02)   |
| Cash dividends per share                   | –                                     | –  |
| Total Assets                               | 13,173,128                            | 468,336  |
| Long-term financial liabilities            | –                                     | –  |
| Accumulated deficit                        | (799,657)                             | (129,206)  |

## 6. OPERATIONAL HIGHLIGHTS AND KEY EVENTS

During the year ended February 28, 2026, the Company focused on advancing its mineral property portfolio, completing financings, and expanding its corporate activities as a publicly listed entity. The following summarizes key operational and corporate developments during and subsequent to the year.

### Public Listing

- On June 2, 2025, the Company's common shares commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "NEXX." The Company's listing statement is available under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).
- Concurrent with the CSE listing, the Company's Special Warrants as described in Note 5(c) of the Company's audited financial statements for the year ended February 28, 2026, were deemed to have been exercised, resulting in the issuance of 1,835,400 common shares and 1,835,400 common share purchase warrants. Each warrant is exercisable at a price of \$0.20 per share for a period of three years from the listing date.
- As of September 18, 2025, the common shares of the Company commenced trading on the OTCQB market under the ticker symbol "NXXCF". The OTC listing makes the Common Shares available to a large group of US investors. The Company will continue to trade on the CSE under the symbol "NEXX".

### **Private Placements**

- On July 18, 2025, the Company completed a non-brokered private placement of 220,000 flow-through units at a price of \$0.50 per flow-through unit for gross proceeds of \$110,000.
- On December 4, 2025, the Company closed a non-brokered private placement for aggregate gross proceeds of \$3,549,800 that consists of the issuance of a combination of:
  - i) 1,190,000 flow-through units of the Company at a price of \$0.42 per flow-through unit for gross proceeds of \$499,800; and
  - ii) 8,714,285 non-flow-through units of the Company at a price of \$0.35 per non-flow-through unit for gross proceeds of \$3,050,000.
- On March 9, 2026, the Company announced that it has filed a final short form base shelf prospectus with the securities regulatory authorities in each of the provinces and territories of Canada. The base shelf prospectus will allow the Company to offer and issue common shares, warrants, subscription receipts, debt securities, units or any combination thereof for up to an aggregate offering price of \$25,000,000 during the 25-month period that the base shelf prospectus is effective across one or more transactions.
- On April 29, 2026, the Company announced the filing of a prospectus supplement dated April 29, 2026 to its final short form base shelf prospectus dated March 9, 2026 with the securities commissions in each of the provinces of Canada, except Québec, qualifying the distribution of a minimum of 2,500,000 common shares in the capital of the Company at the price of \$1.00 per share for minimum gross proceeds of \$2,500,000, and a maximum of 5,000,000 common shares at the price for maximum gross proceeds of \$5,000,000. See the Company's news release dated April 29, 2026 for further information.

### **Lac Ducharme Project (see Section 7.1)**

- On June 9, 2025, the Company made a cash payment of \$20,000 and issued 50,000 common shares pursuant to the terms of the option agreement as described in Section 7.1.
- In July 2025, the Company commenced its 2025 summer prospecting program at the Lac Ducharme Project. The program was completed in August 2025.
- On October 14, 2025, the Company reported results from its summer 2025 sampling program. Sampling results indicate the presence of light rare earth element ("LREE") enrichment at the Lac Ducharme Property, including Lanthanum (La), Cerium (Ce), and Neodymium (Nd).

### **Burnt Hill Project (see Section 7.2)**

- In August 2025, the Company entered into a letter of intent amendment and assignment agreement with Northex Capital Partners Inc. and Cadillac Ventures Inc. ("Cadillac"), allowing Nexcel to purchase Cadillac's 58% interest in the Burnt Hill Project in New Brunswick, Canada.
- On October 3, 2025, the Company entered into an option agreement with Cadillac and Wyloo Ring of Fire Ltd. ("Wyloo") pursuant to which the Company may earn up to a 58% interest in the Burnt Hill Project (the "Burnt Hill Property") located in New Brunswick,

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Canada. At the time of this agreement, the Burnt Hill Property was owned 58% by Cadillac and 42% by the Wyloo.

- On December 12, 2025, the Company announced that it has earned an initial 29.6% interest in the Burnt Hill Project, pursuant to its option agreement dated October 3, 2025.
- On January 30, 2026, the Company entered into a purchase agreement with Wyloo pursuant to which the Company proposes to acquire Wyloo's 42% interest in the Burnt Hill Project. On February 17, 2026, this acquisition transaction was completed, bringing the Company's total interest in the Burnt Hill Project to 71.6%. As consideration for this 42% interest, the Company issued 3,931,094 common shares of the Company and 6,250,000 non-transferable common share purchase warrants to Wyloo.
- On February 13, 2026, the Company announced that it has filed an independent National Instrument 43-101 ("NI 43-101") technical report for the Burnt Hill project, with an effective date of January 26, 2026.
- Following the publication of an NI 43-101 technical report and in February 2026, the Company appointed a geological consultant, Mr. Graham Giles, P. Geo, MSc, who specializes in GIS, historical data compilation, and resource modeling, to advance technical work at the Burnt Hill Project. The short-term focus of this engagement is the compilation, digitization, and verification of available historical geological, geophysical, geochemical, and drilling data for integration into an updated resource modeling framework. The results will be utilized to plan the Company's Phase 1 exploration program, which aims to validate historical exploration data and identify priority targets for potential resource expansion within the project area.
- On March 3, 2026, the Company announced the appointment of Mr. Ruan Kroukamp, B.Tech (Chemical Engineering), B.Sc (Hons) Metallurgy, MBA, PMP®, as Metallurgical Advisor to the Company. Mr. Kroukamp will advise the Company on metallurgical strategy, flowsheet optimization, and process evaluation for material from its Burnt Hill Project.
- On March 13, 2026, the Company announced that Mr. Graham Giles has commenced the comprehensive compilation and digitization of historical exploration data for the Burnt Hill Project. The data compilation program is focused on integrating historical geological, geochemical, geophysical, and drilling information into a modern GIS and data management platform. The updated GIS framework will allow the Company to better analyze historical exploration results and refine its exploration strategy for the project.
- On March 24, 2026, the Company announced the expansion of the Burnt Hill Property through the staking of additional mineral claims contiguous to the existing property. The newly staked claims increase the total Project size to approximately 5,677 hectares, representing a substantial expansion from the previous 1,540 hectares. Subsequently, on April 15, 2026, the Company announced the further expansion of the Burnt Hill Property through the staking of additional mineral claims contiguous to the existing property, increasing the total Project size to approximately 8,046 hectares. The additional claims were selected based on their geological significance, specifically covering extensions of a granite-related structural corridor interpreted to be closely associated with the known tungsten mineralization at the Burnt Hill Property. The Company is currently advancing plans for a Phase 1 drill program scheduled for Summer 2026, which will aim to: (i) confirm

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and expand known zones of tungsten mineralization, (ii) test newly identified geophysical and geological target, and (iii) evaluate the broader mineralized system across the expanded property.

- On April 7, 2026, the Company announced the commencement of its airborne geophysical survey program at the Burnt Hill Property (the "Airborne Survey"). The primary objectives of the Airborne Survey were to: (i) identify and prioritize new drill targets across the expanded Burnt Hill Property land package, (ii) map conductive structures associated with tungsten mineralization and related intrusive systems, (iii) support the Phase 1 drilling planned for Summer 2026, and (iv) upgrade and refine the Company's geological and geophysical model using modern, high-resolution data. The Airborne Survey was conducted by Xcalibur MPH (Canada) Ltd. and was completed in the second half of April 2026.
- On May 19, 2026, the Company announced that it had engaged Condor North Consulting ULC ("Condor") to complete the processing, interpretation, and analysis of the airborne geophysical data collected by Xcalibur, along with historical geological and geophysical data sets from the Burnt Hill Project.

Condor will conduct a comprehensive analysis program integrating the newly acquired HeliTEM data with historical DIGHEM electromagnetic surveys, induced polarization ("IP") surveys, ground magnetic surveys, geological mapping, geochemical data, and historical drilling information. The objective of the program is to establish and refine a modern geophysical targeting model for Burnt Hill and prioritize high-quality drill targets for the Company's planned Phase 1 drill program. Key components of Condor's analysis program include:

- Layered earth inversion processing of both DIGHEM and HeliTEM electromagnetic datasets;
- Derivation of conductivity parameters including AdTau conductivity analysis;
- Merging and advanced processing of airborne magnetic datasets to create a comprehensive magnetic interpretation model;
- 2D inversion and 3D modeling of historical induced polarization data;
- GeoInterp™ geological interpretation and structural analysis of the integrated geophysical dataset;
- Identification and ranking of conductive and structural targets associated with tungsten, molybdenum, and tin mineralization across the Burnt Hill property.

Condor's work is expected to generate a series of advanced targeting products including conductivity depth slices, interpreted structural models, ranked conductor maps, MultiPlot™ geophysical sections, GIS deliverables, and a final interpretive report to support drill targeting and future exploration planning.

The Company is continuing to evaluate its mineral property interests, which are at an early stage and have not yet been determined to be economically viable, while also assessing new mineral investment opportunities. The advancement of these projects is dependent on the Company's ability to obtain additional financing. There can be no assurance that such financing will be available on terms acceptable to the Company. Any future equity financings may result in dilution to existing shareholders.

## 7. EXPLORATION AND EVALUATION PROJECTS

### 7.1 LAC DUCHARME PROJECT

On August 1, 2024, Nexcel entered into an option agreement to acquire the right to earn up to a 100% interest in the Lac Ducharme Project, located in Quebec, Canada. The property comprises 23 mineral claims.

To earn the option, Nexcel must fulfil the following conditions:

- **Cash payments:** Nexcel must pay a total of \$50,000 in cash to the optionor over a three-year period, with installments due upon signing, at the time of a public listing event, and one year after the listing event. As at the date of this MD&A, \$30,000 have been paid in accordance with the payment schedule.
- **Share issuance:** Nexcel must also issue an aggregate of 850,000 shares to the optionor over a three-year period, with installments due at the time of a public listing event, one, two, and three years after the listing event. As at the date of this MD&A, 50,000 shares have been issued.
- **Expenditures:** Nexcel must incur a total of \$1,000,000 in expenditures related to the Lac Ducharme Property over a three-year period, with installments due on or before December 31, 2024; within twelve, twenty-four, and thirty-six months after a public listing event. As at the date of this MD&A, the first and second installments have been fulfilled.

Upon exercising the option, Nexcel will be obligated to pay an optionor royalty to the optionor, calculated as 2% of net smelter returns from the Lac Ducharme Property. Nexcel has the right to purchase one-half of the optionor royalty from the optionor at any time after exercising the option with a payment of \$1,000,000.

During the year, the Company completed a summer exploration program at the Lac Ducharme Property. The program included backpack drilling, channel sampling, geological mapping and radiometric surveying to investigate subcropping zones for the presence and extent of rare earth element ("REE") mineralization.

A total of 18 backpack drill holes, with total production of 16.61m, and 30 channels were cut over 43.15 m. A total of 107 samples were sent for geochemical analysis. Also, several hundred radiometric measurements were made over 5 km of traverses. The program has confirmed

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significant LREE enrichment, with up to 0.169% La (Lanthanum), 0.323% Ce (Cerium), and 0.1565% Nd (Neodymium) at the Lac Ducharme REE Project.

The results of the program are being used to support exploration planning and the identification of additional targets for future work.

## **7.2 BURNT HILL PROJECT**

During the year ended February 28, 2026, the Company entered into a series of agreements to acquire ownership interest in the Burnt Hill Property (the "Property") located in New Brunswick, Canada.

### **Letter of Intent Amendment and Assignment Agreement**

On August 1, 2025, the Company entered into an assignment agreement with Northex Capital Partners Inc. ("Northex") and Cadillac Ventures Inc. ("Cadillac"), allowing Nexcel to acquire Cadillac's 58% interest in the Burnt Hill Property in New Brunswick, Canada.

In accordance with this agreement, Nexcel is to make certain payments and expenditures prior to the completion of the transaction which will be credited against the consideration payable to Cadillac. These include:

- (i) reimbursement of Northex's \$30,000 deposits previously paid to Cadillac;
- (ii) monthly payments of \$5,000 to Cadillac until the earlier of completion or termination of the Agreement; and
- (iii) \$46,000 of non-refundable exploration expenditures and renewal fees required to maintain the Project claims in good standing.

Of these payments, items (i) and (ii) are to be credited against cash consideration payable to Cadillac, while item (iii) is to be credited against share consideration payable to Cadillac.

In connection with this agreement and upon closing the transaction, subject to the approval of the CSE the Company will issue share-based consideration to Northex in the amount of 1,000,000 common shares.

The Company fulfilled the terms of the assignment agreement by i) paying \$30,000 in cash to Northex as reimbursement of deposits, ii) making monthly cash payments to Cadillac totaling \$22,500, iii) incurred \$52,495 (inclusive of taxes) in exploration expenditures on the Burnt Hill Project, and iv) issuing 1,000,000 common shares of the Company to Northex at a fair value of \$0.78 per share for a total of \$780,000.

### **Definitive Agreement**

In connection with the letter of intent amendment and assignment agreement as described above and on October 3, 2025, the Company entered into an option agreement (the "Agreement") with

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Cadillac and Wyloo Ring of Fire Ltd. ("Wyloo") pursuant to which the Company may earn up to a 58% interest in the Burnt Hill Property located in New Brunswick, Canada. The Burnt Hill Property was owned 58% by Cadillac and 42% by Wyloo.

Under the terms of the Agreement, the Company may acquire Cadillac's 58% interest in the Burnt Hill Property in four stages as follows:

- First Option (to 29.6%): by paying \$200,000 in cash, of which \$30,000 is payable to Northex, issuing \$330,000 in common shares of the Company, and making \$5,000 monthly payments until the first cash installment is made;
- Second Option (to 38.3%): by paying \$25,000 in cash and issuing \$200,000 in common shares of the Company on or before the first anniversary of the Agreement;
- Third Option (to 46.4%): by paying \$25,000 in cash and issuing \$200,000 in common shares of the Company on or before the second anniversary of the Agreement; and
- Fourth Option (to 58%): by paying \$200,000 in cash and issuing \$200,000 in common shares of the Company any time after the second anniversary of the Agreement.

In December 2025, the Company fulfilled the First Option and earned an initial 29.6% interest in the Burnt Hill Property through i) an aggregate cash payment of \$200,000, consisting of \$170,000 to Cadillac and \$30,000 to Northex as reimbursement of its deposits, and ii) the issuance of 355,775 common shares to Cadillac.

### **Acquisition of Minority Interest**

On February 17, 2026, the Company closed a definitive purchase agreement (dated January 30, 2026 and amended February 4, 2026) to acquire an additional 42% interest in the Property from Wyloo. This transaction increased the Company's total interest in the project to 71.6%.

The Company fulfilled its consideration for the 42% interest through the following:

- Common Shares: the issuance of 3,931,094 common shares, valued at \$3,616,606 based on the quoted market price at the date of issuance. These shares are subject to a voluntary resale restriction released over a 30-month period; and
- Warrants: the issuance of 6,250,000 non-transferrable common share purchase warrants with a fair value of \$4,871,933, estimated using the Block-Scholes option pricing model and recognized in reserves. Each warrant is exercisable to acquire one common share of the Company at a price of \$0.90 for a period of 36 months following the closing date. The warrants include a restriction preventing exercise if the holder's ownership exceeds 19.99% of the Company's outstanding shares, unless disinterested shareholder approval is obtained.

### **Project Status and Development**

As the Company currently maintains exclusive control over all operational and strategic decision-making and bears 100% of the exploration costs to advance the Burnt Hill Project, it recognizes and capitalizes 100% of the exploration and evaluation expenditures incurred as exploration and evaluation assets.

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In February 2026, the Company engaged an external specialist to support technical work at the Burnt Hill Project, including the compilation, digitization, and verification of historical geological, geophysical, geochemical, and drilling data. This work is intended to support geological interpretation and the planning of future exploration programs. In March 2026, the Company initiated the integration of historical data into a modern GIS and data management framework, with preliminary results being used to refine its exploration planning.

Also in March 2026, the Company engaged a metallurgical advisor to support the evaluation of historical metallurgical data and to assist in the design of future metallurgical programs, including the assessment of potential processing approaches and recovery optimization.

The Company also engaged a geophysical contractor to conduct a high-resolution airborne electromagnetic and magnetic survey over the project, with mobilization planned for April 2026. The results of this work are expected to support target definition and the design of the Company's initial drilling program.

On March 24, 2026, the Company announced the expansion of the Burnt Hill Property through the staking of additional mineral claims contiguous to the existing property. The newly staked claims increase the total Project size to approximately 5,677 hectares, representing a substantial expansion from the previous 1,540 hectares. Subsequently, on April 15, 2026, the Company announced the further expansion of the Burnt Hill Property through the staking of additional mineral claims contiguous to the existing property, increasing the total Project size to approximately 8,046 hectares. The additional claims were selected based on their geological significance, specifically covering extensions of a granite-related structural corridor interpreted to be closely associated with the known tungsten mineralization at the Burnt Hill Property. The Company is currently advancing plans for a Phase 1 drill program scheduled for Summer 2026, which will aim to: (i) confirm and expand known zones of tungsten mineralization, (ii) test newly identified geophysical and geological target, and (iii) evaluate the broader mineralized system across the expanded property.

On April 7, 2026, the Company announced the commencement of its airborne geophysical survey program at the Burnt Hill Property (the "Airborne Survey"). The primary objectives of the Airborne Survey were to: (i) identify and prioritize new drill targets across the expanded Burnt Hill Property land package, (ii) map conductive structures associated with tungsten mineralization and related intrusive systems, (iii) support the Phase 1 drilling planned for Summer 2026, and (iv) upgrade and refine the Company's geological and geophysical model using modern, high-resolution data. The Airborne Survey was conducted by Xcalibur MPH (Canada) Ltd. and was completed in the second half of April 2026.

On May 19, 2026, the Company announced that it had engaged Condor North Consulting ULC ("Condor") to complete the processing, interpretation, and analysis of the airborne geophysical data collected by Xcalibur, along with historical geological and geophysical data sets from the

## Burnt Hill Project.

Condor will conduct a comprehensive analysis program integrating the newly acquired HeliTEM data with historical DIGHEM electromagnetic surveys, induced polarization ("IP") surveys, ground magnetic surveys, geological mapping, geochemical data, and historical drilling information. The objective of the program is to establish and refine a modern geophysical targeting model for Burnt Hill and prioritize high-quality drill targets for the Company's planned Phase 1 drill program. Key components of Condor's analysis program include:

- Layered earth inversion processing of both DIGHEM and HeliTEM electromagnetic datasets;
- Derivation of conductivity parameters including AdTau conductivity analysis;
- Merging and advanced processing of airborne magnetic datasets to create a comprehensive magnetic interpretation model;
- 2D inversion and 3D modeling of historical induced polarization data;
- GeoInterp™ geological interpretation and structural analysis of the integrated geophysical dataset;
- Identification and ranking of conductive and structural targets associated with tungsten, molybdenum, and tin mineralization across the Burnt Hill property.

Condor's work is expected to generate a series of advanced targeting products including conductivity depth slices, interpreted structural models, ranked conductor maps, MultiPlot™ geophysical sections, GIS deliverables, and a final interpretive report to support drill targeting and future exploration planning.

### **Project Overview**

On February 4, 2026, the Company filed an independent National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") technical report for the Burnt Hill Project, with an effective date of January 26, 2026. A copy of the report is available on the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

The Burnt Hill Tungsten Project is located approximately 95 kilometres north of Fredericton, New Brunswick, and consists of one contiguous non-surveyed mineral claim comprising 70 mining cells totaling approximately 1,540 hectares. The Project is accessible by established logging roads and is situated in a well-known historic tungsten mining district.

The Technical Report recommends a two-phase exploration program:

- Phase 1 - Data Compilation and GIS Integration  
Compilation of all historical data into a modern GIS platform
- Phase 2 - Geological Mapping, Sampling and Geophysics  
Preliminary geological mapping, surface sampling, and geophysical surveys

The recommended work program is designed to modernize the historical dataset, verify historical

results, and support future exploration targeting.

### Qualified Person

Francis Newton, P.Geo, a consultant of the Company and a "Qualified Person" as defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, has reviewed, verified and approved the scientific and technical information contained in this MD&A. Mr. Newton is not independent of the Company.

## 8. EXPLORATION AND EVALUATION SPENDING

|   | Lac Ducharme<br>Property<br>\$ | Burnt Hill<br>Property<br>\$ | Total<br>\$ |
|---|--------------------------------|------------------------------|-------------|
| <b>Beginning balance, February 28, 2025</b> | 129,527                        | –                            | 129,527     |
| <b>Costs Incurred:</b>                      |                                |                              |             |
| <b>Acquisition Costs</b>                    |                                |                              |             |
| Option payments                             | 41,000                         | 9,746,043                    | 9,787,043   |
| <b>Exploration Expenditures</b>             |                                |                              |             |
| Geological consulting and technical fees    | 113,218                        | 79,385                       | 192,603     |
| Assay                                       | 7,500                          | 360                          | 7,860       |
| Resource claims maintenance                 | –                              | 4,100                        | 4,100       |
| Field supplies                              | 14,056                         | –                            | 14,056      |
| <b>Ending balance, February 28, 2026</b>    | 305,301                        | 9,829,888                    | 10,135,189  |

In the year ended February 28, 2026, the Company made the scheduled cash and share payments in accordance with the Lac Ducharme option agreement (see Section 7.1) and continued its exploration and evaluation of the Lac Ducharme Property. The Company also advanced the acquisition and exploration of the Burnt Hill project as described in Section 7.2.

## 9. OUTLOOK

Looking ahead, the Company is committed to advancing the exploration and evaluation of the Lac Ducharme Project and Burnt Hill Project, subject to available resources and exploration permits. The Company has completed the first stage of the two-stage program recommended in the NI 43-101 report, aimed at advancing the Lac Ducharme Property and systematically testing its potential. Further exploration activities will be strategically guided by the results of ongoing and completed programs, alongside a comprehensive evaluation of the potential and viability of its acquired claims.

In the year ended February 28, 2026, the Company completed its Summer 2025 exploration plan on the Lac Ducharme Project (see Section 7.1). The Company aims to generate sufficient geological and assay data to define drill-ready targets for a more advanced program in 2026.

The Company also aims to continue advancing the Burnt Hill property as described in Section 7.2,

subject to available financing and exploration permit approval.

The Company remains focused on optimizing its financial and operational resources to advance its assets' potential. Decisions regarding the scope and timing of future exploration will also reflect prevailing market conditions and opportunities for potential financing to support sustainable growth. The Company will continue to evaluate and acquire future growth opportunities.

## **10. RESULTS OF OPERATIONS**

### **10.1 Year Ended February 28, 2026**

During the year ended February 28, 2026, the Company recorded operating expenses and a comprehensive loss of \$670,451, compared to operating expenses and comprehensive loss of \$129,206 for the period from incorporation on April 30, 2024 to February 28, 2025.

The change in operating expenses between periods was mainly due to the following:

a) **Management Fees**

Management fees for FY2026 were \$81,000, compared to \$36,000 for FY2025. Prior year's fees were maintained at a lower level during the Company's initial start-up phase. In FY2025, management elected to defer or waive a portion of their fees to maximize available working capital.

b) **Marketing and Advertising**

Marketing and advertising expenses were \$52,623 for FY2026, compared to \$nil in FY2025. The increase is due to the Company commencing market awareness and corporate branding initiatives following its public listing in Q2 2026.

c) **Office and Administration**

Office and administration expenses were \$58,092 for FY2026, compared to \$4,045 for FY2025. The increase reflects higher administrative needs following the Company's transition to a publicly listed company in Q2 2026.

d) **Professional Fees**

Professional fees for FY2026 were \$282,485, compared to \$56,174 for FY2025. The increase was primarily due to higher legal, accounting, and audit costs associated with the Company's increased financing activities, expanded financial reporting requirements, and corporate activities following the Company's transition to a publicly listed company in Q2 2026.

e) **Regulatory and Filing Fees**

Regulatory and filing fees totalled \$120,870 in FY2026, compared to \$5,373 in FY2025. The increase was a result of the Company becoming a publicly listed entity in Q2 2026,

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leading to increased exchange listing and continuous disclosure filing fees.

f) Transfer Agent and Investor Relations

Transfer agent and investor relations expenses totalled \$23,515 in FY2026, compared to \$nil in FY2025. The increase was primarily due to costs associated with the Company's initial public listing and subsequent share capital activities, alongside increased investor outreach and communication efforts following the Company's transition to a reporting issuer.

## 10.2 Three Months Ended February 28, 2026

During the three months ended February 28, 2026 ("Q4 2026"), the Company recorded operating expenses and a comprehensive loss of \$363,433, compared to operating expenses and comprehensive loss of \$38,781 for the three months ended February 28, 2025 ("Q4 2025").

The change in operating expenses between periods was mainly attributable to the following:

a) Management Fees

Management fees were \$81,000 in Q4 2026, compared to \$nil in Q4 2025. The variance is attributable to the Company's officers electing to defer or waive their management fees for the prior period to preserve the Company's working capital.

b) Marketing and Advertising

Marketing and advertising expenses were \$52,623 for Q4 2026, compared to \$nil in Q4 2025. The increase is due to the Company commencing market awareness and corporate branding initiatives following its public listing in Q2 2026.

c) Professional Fees

Professional fees in Q4 2026 were \$113,386 compared to \$29,853 in Q4 2025. The increase was primarily due to higher legal, accounting, and audit costs associated with the Company's increased financing activities, expanded financial reporting requirements, and corporate activities following the Company's transition to a publicly listed company in Q2 2026.

d) Regulatory and Filing Fees

Regulatory and filing fees totalled \$43,945 in Q4 2026, compared to \$5,000 in Q4 2025. These costs were incurred as a result of the Company becoming a publicly listed entity in Q2 2026, leading to increased exchange listing and continuous disclosure filing fees.

## 11. SUMMARY OF QUARTERLY RESULTS

The following selected financial information is a summary of the most recently completed quarters from the date of incorporation on April 30, 2024 up to February 28, 2026:

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|                                  | February 28,<br>2026<br>\$ | November 30,<br>2025<br>\$ | August 31,<br>2025<br>\$ | May 31,<br>2025<br>\$ |
|----------------------------------|----------------------------|----------------------------|--------------------------|-----------------------|
| Revenue                          | –                          | –                          | –                        | –                     |
| Net and Comprehensive loss       | (363,433)                  | (82,087)                   | (102,738)                | (122,193)             |
| Basic and diluted loss per share | (0.01)                     | (0.01)                     | (0.01)                   | (0.01)                |
| Total assets                     | 13,173,128                 | 461,130                    | 532,856                  | 433,015               |

|                                  | February 28,<br>2025<br>\$ | November 30,<br>2024<br>\$ | August 31,<br>2024<br>\$ | April 30 to<br>May 31, 2024<br>\$ |
|----------------------------------|----------------------------|----------------------------|--------------------------|-----------------------------------|
| Revenue                          | –                          | –                          | –                        | –                                 |
| Net and Comprehensive loss       | (38,781)                   | (58,480)                   | (30,585)                 | (1,360)                           |
| Basic and diluted loss per share | (0.00)                     | (0.01)                     | (0.01)                   | (0.00)                            |
| Total assets                     | 468,336                    | 450,499                    | 425,921                  | 1,360                             |

During the initial quarters after the Company's inception on April 30, 2024, expenses were minimal as activities were limited. Since then, expenditures have increased as the Company incurred higher professional, regulatory, administrative, and filing fees associated with its listing on the CSE and subsequent cross-listing on the OTCQB. As the Company remains in the exploration and evaluation stage, it has not generated any revenues to date. The fluctuations in quarterly net loss primarily reflect the timing of financing activities and the strategic scaling of corporate operations.

All financial information is prepared in accordance with IFRS. All dollar amounts are expressed in Canadian dollars, which is the Company's functional currency, unless otherwise indicated.

## 12. LIQUIDITY

At February 28, 2026, the Company had a cash balance of \$2,574,371 and a working capital of \$2,817,201. Operating activities consumed \$1,004,020 of cash during FY2026. The Company is in the exploration stage and has not yet begun generating revenue, and it continues to rely on financing to support its operations and exploration activities. Since incorporation, funding has primarily come from the issuance of common shares, units, and warrants.

### Financing Activities

During FY2026, the Company generated \$3,704,384 from financing activities, comprising \$609,800 from the issuance of flow-through units, \$3,050,000 from the issuance of non-flow-through units, and \$282,800 from the exercise of warrants, with associated transaction costs totalling \$238,216.

In July 2025, the Company generated \$110,000 from the issuance of flow-through units, which were fully utilized for exploration efforts on the Lac Ducharme Project. Cash issuance costs of

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\$7,800 were incurred in connection with the flow-through unit financing.

In December 2025, the Company completed a non-brokered private placement raising total gross proceeds of \$3,549,800. This financing was completed through the issuance of (i) 1,190,000 flow-through units at \$0.42 per unit for gross proceeds of \$499,800 and (ii) 8,714,285 non-flow-through units at \$0.35 per unit for gross proceeds of \$3,050,000. The proceeds from this financing will be used to fund ongoing exploration programs and for general and administrative expenses and working capital purposes.

There have been no material changes to the intended use of the proceeds from financing activities. Management continues to evaluate additional financing opportunities to support its long-term strategic objectives.

### **Investing Activities**

During FY2026, investing activities consumed \$438,618 of cash, primarily related to the option payment on and exploration of the Lac Ducharme Project and costs incurred to advance the Burnt Hill Project under the agreement described in Section 7.2. The difference between the cash used in investing activities and the total increase in exploration and evaluation assets during the period is attributable to non-cash option payments settled through the issuance of shares and warrants. In comparison, during the period from incorporation on April 30, 2024 to February 28, 2025, investing activities consumed \$129,527 of cash, which primarily related to the exploration of the Lac Ducharme Project.

The Company anticipates that, for the foreseeable future, it will continue to rely on equity issuances as its primary source of capital to fund ongoing operations and growth initiatives.

## **13. CAPITAL RESOURCES**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its business and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company considers its capital for this purpose to be its shareholders' equity.

The Company's primary source of capital is through the issuance of equity. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital.

## 14. OFF-BALANCE SHEET ARRANGEMENTS

As at February 28, 2026 and the date of this MD&A, the Company does not have any undisclosed off-balance sheet arrangements.

## 15. PROPOSED TRANSACTIONS

As at February 28, 2026 and the date of this MD&A, the Company does not have any undisclosed proposed transactions.

## 16. OUTSTANDING SHARE DATA

The authorized capital stock of the Company is an unlimited number of common shares without par value.

A summary of the number of the Company's issued and outstanding equity instruments is as follows:

|               | February 28, 2026 | Date of MD&A |
|---------------|-------------------|--------------|
| Common shares | 30,190,554        | 32,925,060   |
| Warrants      | 24,072,357        | 21,337,851   |

## 17. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for planning, directing, and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers its directors, Chief Executive Officer ("CEO"), and Chief Financial Officer ("CFO") to be key management personnel. For further information, see Note 6 of the Company's audited financial statements for the year ended February 28, 2026.

- a) For the year ended February 28, 2026, the Company incurred \$45,000 (2025 - \$20,000) in management fees to the CEO and a company controlled by the CEO of the Company.
- b) For the year ended February 28, 2026, the Company incurred \$36,000 (2025 - \$16,000) in management fees to a company controlled by the CFO of the Company.
- c) For the year ended February 28, 2026, the Company incurred \$nil (2025 - \$4,000) in consulting fees to a director of the Company.
- d) For the year ended February 28, 2026, the Company incurred \$14,000 (2025 - \$nil) in directors' fees to the Company's directors. As at February 28, 2026, the Company owed \$4,000 (2025 - \$nil) in accounts payable and accrued liabilities to these directors for directors' fees not yet paid.
- e) For the year ended February 28, 2026, the Company incurred rent expense of \$nil (2025 - \$4,150) to a company where both the CEO and CFO of the Company serve as officers.

The Company has entered into management agreements with its CEO and CFO, effective

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January 1, 2026, for a one-year term, with the following monthly fees:

- CEO \$ 10,000
- CFO \$ 8,000

The Company's Board of Directors has approved a compensation plan under which each independent director will receive \$3,000 per quarter, effective January 1, 2026.

All related transactions are in the normal course of business and are measured at the exchange amount.

## **18. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of financial statements under IFRS Accounting Standards requires management to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

For further information on accounting estimates and judgements, see Note 2(c) of the Company's audited financial statements for the year ended February 28, 2026.

## **19. NEW STANDARDS NOT YET ADOPTED**

A number of new standards and amendments to standards and interpretations are not yet effective for the year ended February 28, 2026. See Note 3(k) of the Company's audited financial statements for the year ended February 28, 2026 for further information.

## **20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company's financial assets and liabilities consist of cash, amounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. See Note 10 of the Company's audited financial statements for the year ended February 28, 2025 for further information.

## **21. RISKS AND UNCERTAINTIES**

### **Dependence on the Properties**

The Company is an exploration stage company and as such does not anticipate receiving revenue from its mineral properties (the "Properties") for some time. The Company will be solely focused on the exploration and development of the Properties, which do not have any identified current mineral resources or reserves. Unless the Company acquires additional property interests, any adverse developments affecting any of the Properties could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance

and results of operations of the Company.

Mineral exploration and development involve a high degree of risk and few minerals properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs at any of the Properties will result in the definition of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered that any of the Properties will be brought into commercial production. Failure to do so will have a material adverse impact on the Company's operations and potential future profitability. The discovery of bodies of commercial mineralization is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Most of the above factors are beyond the Company's control.

### **Exploration, Development, and Production Risks**

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few mineral properties that are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's resource base.

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. In addition, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new mineral properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained

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on a timely basis. The economics of developing precious metals and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access of properties in which the Company has an interest will have an adverse effect on profitability as a result of higher infrastructure costs. There are also physical risks to the exploration personnel working in the terrain in which the Properties are or will be located, often in poor climate conditions.

The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from the Properties and to locate and acquire additional mineral properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory mineral properties or acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

### **Mineral Resources and Reserves**

Because the Company has not defined or delineated any current mineral resources or reserves on any of the Properties, mineralization estimates for the Properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Unless otherwise indicated, mineralization figures presented in the Company's public disclosure documents available on the Company's SEDAR+ profile are based upon estimates made by the Company, personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis which may prove to be unreliable.

There can be no assurance that these estimates will be accurate; resource or other mineralization figures will be accurate; or such mineralization could be mined or processed profitably.

### **Global Economic Conditions**

Global financial conditions could suddenly and rapidly destabilize in response to economic shocks, as government authorities may have limited resources to respond to crises. Economic shocks may be precipitated by a number of causes, including a rise in the price of oil, geopolitical instability and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms

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favourable to the Company. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. Further, in such an event, the Company's operations and financial condition could be adversely impacted.

Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, structural changes in the global mining industry, global supply and demand for commodities, political developments, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Company's operating environment and its operating costs, profit margins and share price. Any negative events in the global economy could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

### **Public Health Crisis**

The Company's business, operations and financial condition, and the market price of the Common Shares could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises. Such public health crises can result in volatility and disruptions in the supply and demand for rare earth metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk, share prices, and inflation.

The risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labor and fuel costs, regulatory changes, political or economic instabilities or civil unrest.

### **Military Conflict in Ukraine and the Middle East**

Although the Company's operations and the Properties are located in Canada, the Company's future operations may be affected by international conflicts including but not limited to, the war between Russia and Ukraine and the conflict between Israel, Hamas and Hezbollah in the Middle East. Any further escalation of these conflicts or other conflicts, imposition of sanctions, outbreak of war into other countries or regions or other escalation may have a material adverse effect on the Company's operations due to, among other factors, the effect on the supply chain, diversion of resources to the conflict, and an increase in the Company's costs for fuel and other supplies used to carry out its exploration activities. Metal prices continue being impacted by economic and geopolitical concern. Recent hostilities in the Middle East and Europe, and the accompanying international response, has been disruptive to the world economy, with increased volatility in commodity markets, including higher oil and gasoline prices, international trade and financial markets, all of which have a trickle-down effect on supply chains, equipment and construction.

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There is material uncertainty about the extent to which this conflict will continue to impact economic and financial affairs, as the numerous issues arising from the conflict are in flux and there is the potential for escalation of the conflict both within Europe, the Middle East and globally. The Company continues to monitor the situation, although there is no assurance the Company's operations will not be adversely affected by geopolitical tensions.

### **Maintaining Interests in Mineral Properties**

The Company's continuing right to acquire and/or maintain its conditional interest in the Properties will be dependent upon compliance with applicable laws and with the terms of the option agreements relating to the Properties (the "Option Agreements"). There can be no assurance that the Company will have the funds, will be able to raise the funds or will be able to comply with the provisions of the Option Agreements which would entitle it to certain interests in the Properties and, if it fails to do so, its option to acquire an interest and/or its applicable interests in the Properties would be lost and the Option Agreements would terminate.

### **Option Agreements**

The Option Agreements provide that the Company must make certain cash and/or share payments, incur certain expenditures and/or perform such other obligations over a period of time to exercise the options to acquire the applicable interests in the Properties. If the Company fails to make such payments as set out in the Option Agreements, the Company may lose its right to ultimately acquire the applicable interests in the Properties, wherein, failure to exercise the options will result in the Company having no beneficial interest in and to any of the Properties.

### **Obtaining and Renewing Licenses and Permits**

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction, and commencement of mining at the Properties. Obtaining or renewing the necessary governmental licenses or permits is a complex and time-consuming process involving public hearings and costly undertakings on the part of the Company. The duration and success of the Company's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the licensing authority. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Company believes they can recover from the Properties. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

### **No Assurances**

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There is no assurance that economic mineral deposits will ever be discovered, or if discovered, subsequently put into production. Most exploration activities do not result in the discovery of commercially mineable deposits. The Company's future growth and profitability will depend, in part, on its ability to identify and expand its mineral reserves through additional exploration of the Properties and on the costs and results of continued exploration and development programs. Mining exploration is highly speculative in nature, involves many risks and frequently is not productive. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any anticipated level of recovery of mineral reserves will be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. There can be no assurance that the Company's exploration efforts at the Properties will be successful.

### **Title Matters, Surface Rights and Access Rights**

The Properties may be subject to prior unregistered agreements of transfer or indigenous land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of the Properties and any other mining or property interests derived from or in replacement or conversion of or in connection with the claims comprising the Properties or the size of the area to which such claims and interests pertain. The Company cannot guarantee that title to any of the Properties will not be challenged. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained.

Although, upon exercising any of the options pursuant to the Option Agreements, the Company will acquire the applicable rights to some or all of the minerals in the ground, it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In areas where there are local populations or landowners, it is necessary, as a practical matter, to negotiate surface access. There is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. If the development of a mine on any of the Properties becomes justifiable it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal. There can be no assurance that the Company will be successful in acquiring any such rights.

### **Additional Funding Requirements**

The exploration and development of the Properties will require substantial additional capital.

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When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favorable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. Any future issuance of securities to raise required capital will likely be dilutive to existing shareholders. In addition, debt and other debt financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the precious metals industries in particular), the Company's status as a new enterprise with a limited history, the location of the Properties, the price of commodities and/or the loss of key management personnel. Further, if the price of precious metals on the commodities markets decreases, then potential revenues from the Properties will likely decrease and such decreased revenues may increase the requirements for capital. Failure to obtain sufficient financing will result in a delay or indefinite postponement of development or production at the Properties.

**Dependence on Key Personnel and Qualified and Experienced Personnel**

The Company's success depends on the efforts and abilities of certain senior officers and key consultants. Certain of the Company's consultants have significant experience in the mineral exploration industry, and the number of individuals with significant experience in this industry is small. While the Company does not foresee any reason why such officers and key consultants will not remain with the Company, if for any reason they do not, the Company could be adversely affected. The Company has not purchased key man life insurance for any of these individuals. The Company's success also depends on the availability of qualified and experienced consultants and employees to work in the Company's operations and its ability to attract and retain such consultants and employees.

**Dilution**

Shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into Common Shares, may be created, issued, sold, and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company may issue additional Common Shares from time to time pursuant to Common Share purchase warrants and the options to purchase Common Shares issued from time to time by the Board. The issuance of these Common Shares could result in dilution to holders of Common Shares.

## **First Nations Land Claims**

Many lands in the jurisdictions in which the Properties are located and elsewhere are or could become subject to aboriginal land claim to title, which could adversely affect the Company's title to the Properties. The Company is required to obtain consent of the aboriginal title holders which may adversely affect the Company's activities. There can be no assurance that satisfactory agreements can be reached.

First Nations rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared First Nations title to lands outside of reserve land. The Properties may now or in the future be the subject of aboriginal or indigenous land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's current or future ownership interest in any of the Properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Properties are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of aboriginal interests in order to facilitate exploration and development work on the Properties, there is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Properties.

## **Environmental Risks**

All phases of the Company's operations with respect to the Properties will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for non-compliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact the Company's operations and future potential profitability. In addition, environmental hazards may exist on any of the Properties that are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the Properties, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company's operations and future potential profitability.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring

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capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

The Company may be subject to reclamation requirements designed to minimize long-term effects of mining exploitation and exploration disturbance by requiring the operating company to control possible deleterious effluents and to re-establish to some degree pre-disturbance landforms and vegetation. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures and could have a material adverse impact on the Company's financial resources.

### **Limited Operating History and Early-Stage Property**

The Company is an early-stage company, and each of the Properties is an exploration stage property. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources, and lack of revenues. The current state of each of the Properties requires significant additional expenditures before any cash flow may be generated. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of its success must be considered in light of its early stage of operations.

Each of the Properties is in the early exploration stage and is without current mineral resources or reserves. The proposed programs on the Properties are an exploratory search for a mineral deposit. Development of any of the Properties will only follow upon obtaining satisfactory results. Exploration for and the development of minerals involve a high degree of risk and few mineral properties, which are explored, are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore.

The long-term success of the Company's operations will be in large part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

### **Lack of Operating Cash Flow**

The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue its business. Further exploration and development of the Properties will require the commitment of substantial financial resources. It may be several years before the Company will generate any revenues from operations, if at all. There can be no assurance that the Company will realize

revenue or achieve profitability.

### **Regulatory Requirements**

Even if the Properties is proven to host economic reserves of precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of the Properties, environmental legislation and mine safety.

### **Volatility of Mineral Prices**

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's Properties cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in United States dollars.

### **Infrastructure**

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources, and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect the Company's operations.

### **Acquiring Additional Properties**

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, better established mining companies with substantial capabilities and greater financial and technical resources, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable.

## **Risks Associated with Acquisitions**

If appropriate opportunities present themselves, the Company may acquire other mineral claims and/or companies. The Company currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

## **Executive Recruitment and Retention**

The success of the Company will be dependent upon the performance of its management and key employees and consultants. The loss of any key executive or manager of the Company may have an adverse effect on the future of the Company's business.

The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative, geologic, and mining personnel as well as additional operations staff. There is no assurance that it will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on its future cash flows, earnings, results of operations, and financial condition.

## **Claims and Legal Proceedings**

The Company may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including relating to former employees. These matters may give rise to legal uncertainties or have unfavourable results. The Company may carry liability insurance coverage and mitigate risks that can be reasonably estimated; however, there is a risk that insurance may not be adequate to cover all possible risks arising from the Company's operations. In addition, the Company may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact the Company's financial position, cash flow, results of operations, and reputation, regardless of the specific outcome.

## **Force Majeure**

The Properties now or in the future may be adversely affected by risks outside the control of the Company, including the price of precious metals on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

## **Uncertainty Regarding Use of Proceeds**

Although the Company has set out its intended use of proceeds in the Company's public disclosure documents available on the Company's SEDAR+ profile, these intended uses are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds. The failure by the Company to apply these funds effectively could have a material adverse effect on the Company's business, including the Company's ability to achieve its stated business objectives.

## **Competition**

All aspects of the Company's business will be subject to competition from other parties. Many of the Company's competitors for the acquisition, exploration, production and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them than the Company. Competition could adversely affect the Company's ability to acquire suitable mineral properties or prospects in the future.

## **Conflicts of Interest**

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA. To the proposed management of the Company's knowledge, as at the date hereof there are no existing or potential material conflicts of interest between the Company and a proposed director or officer of the Company except as otherwise disclosed herein.

## **Dividends**

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To date, the Company has not paid any dividends on the outstanding Common Shares. Any decision to pay dividends on the Common Shares will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions.

### **Litigation**

The Company and/or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Company may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition.

### **Operating Hazards, Risks and Insurance**

The ownership, exploration, operation and development of a mine or mineral property involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes, and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on the Properties, and punitive awards in connection with those claims and other liabilities.

It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of our securities. Liabilities that the Company incurs may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event the Company could incur significant costs that could adversely impact its business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses. These could include loss or forfeiture of mineral interests or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by personnel.

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Annual Listing Summary.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated May 20, 2026.

Christopher Ross  
Name of Director or Senior Officer

"Christopher Ross"  
Signature

CFO & Director  
Official Capacity

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|---|---|---|
| <b>Issuer Details</b><br>Name of Issuer<br>Nexcel Metals Corp.                                | For Year<br>Ended:<br>February 28,<br>2026  | Date of Report<br>YY/MM/D<br>26/05/20     |
| Issuer Address<br>Suite 1710, 1050 West Pender Street   |   |   |
| City/Province/Postal Code<br>Vancouver, BC V6E 3S7  | Issuer Fax No.<br>( )   | Issuer Telephone No.<br>(604) 250 - 6162  |
| Contact Name<br>Hugh Rogers   | Contact Position<br>CEO & Director  | Contact Telephone No.<br>(604) 250 - 6162 |
| Contact Email Address<br><a href="mailto:hughrogersinc@gmail.com">hughrogersinc@gmail.com</a> | Web Site Address<br><a href="https://nexcelmetals.com/">https://nexcelmetals.com/</a> |   |