

MUSTANG ENERGY CORP.
Management Discussion and Analysis
For the Year Ended December 31, 2025

This management discussion and analysis of financial condition and results of operations (the “MD&A”) for Mustang Energy Corp. (formerly Glorious Creation Limited) (the “Company”) is prepared as of April 29, 2026 and is intended to assist in the understanding and assessment of trends and significant changes in the results of operations and financial condition of the Company. The information herein should be read in conjunction with the audited financial statements for the years ended December 31, 2025, and 2024 and related notes thereto which have been prepared under IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

The accounting policies applied in preparation of these consolidated financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended December 31, 2025, with the exception of the new adopted policies for exploration and evaluation assets and provision for environmental rehabilitation as described in Notes 3 and 4 to the financial statements.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

Forward-Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company’s future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to internet and social media industry (see section “Business Risks” herein). Forward-looking information is, in addition, based on various assumptions including, without limitation, the expectations and beliefs of management, that the Company can access financing, appropriate equipment and sufficient labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements.

Description of Business

The Company was incorporated under the Canada Business Corporations Act on December 24, 2015. On September 5, 2017, the Company completed its initial public offering ("IPO") and trading of the Company's common shares commenced on the Canadian Securities Exchange ("CSE" or the "Exchange").

The Company's head office and principal address is 480 - 789 West Pender Street, Vancouver, BC, Canada and the registered and records office of the Company is located at 2501 – 550 Burrard, Bentall 5, Vancouver, BC, V6C 2B5, Canada.

During fiscal 2024, the Company completed a name change from Glorious Creation Limited to Mustang Energy Corp., completed the re-listing of its common shares on the CSE, and changed its business to mineral exploration and development on the closing of an acquisition of uranium assets in Eastern Athabasca Basin of Saskatchewan as further described in acquisition discussion below.

Subsidiaries

Acquisition of Nucleus Uranium Ltd.

On May 5, 2025, the Company entered into a share exchange agreement (the "Agreement") with and Golden Mile Resources Corp. (the "Golden Mile"), the sole shareholder of Nucleus, pursuant to which the Company will acquire all of the issued and outstanding common shares of Nucleus. Nucleus is the sole registered and beneficial owner of the Nucleus Saskatchewan project, which consists of six mineral claims covering approximately 18,571 hectares in the Athabasca Basin, Saskatchewan ("Nucleus Project").

Pursuant to the Agreement, the Company has agreed to acquire all of the outstanding shares of Nucleus from Golden Mile in consideration for the issuance of 9,000,000 common shares with a fair value of \$2,340,000, such that, immediately following the closing of the acquisition, all of the issued and outstanding Nucleus will be owned by the Company and Nucleus will become a wholly-owned subsidiary of the Company. There is no change of control of the Company expected to occur as a result of the acquisition.

At acquisition date, the Company determined that the acquisition of Nucleus did not constitute a business as defined under IFRS 3, "Business Combination", and the transaction was accounted for as an asset acquisition. On application of the concentration test, the assets and liabilities were measured at their fair values at the acquisition date and the excess of the consideration paid over the fair value of net assets was attributed to the exploration and evaluation asset. The preliminary assessment of the fair value of the net assets is further described in the table below. The measurement period is determined to run through to May 12, 2026 during which time, the provisional values for the assets and liabilities could be adjusted until the end of the measurement period.

The preliminary fair value of the acquisition was recorded as follows:

Total consideration:		
Fair value of 9,000,000 common shares issued to acquire Nucleus	\$	2,340,000
Transaction cost		42,873
	\$	2,382,873
Allocated to:		
Exploration and evaluation asset	\$	2,382,873

Allied Strategic Resource Corp. (“Allied”)

On July 3, 2025, the Company incorporated a subsidiary, Allied, under the *Business Corporations Act* (British Columbia). Allied is currently a wholly-owned subsidiary of the Company. Allied has not yet commenced active operations and intends to acquire exploration and evaluation assets from Mustang in connection with a statutory plan of arrangement (Note 7 to the financial statements).

Plan of Arrangement and Spin-off of Allied

On October 9, 2025, the Company entered into an arrangement agreement (the “Arrangement”) with Allied, its wholly owned subsidiary, whereby the Company intends to, among other things:

- i. transfer all of its rights, title and interest in and to its Ford Lake, Roughrider South and Cigar East Properties, located in the Athabasca Basin, Saskatchewan, Canada (the “Properties”) in exchange for common shares in the capital of Allied (each, a “Allied Share”); and
- ii. spin out the Allied Shares received in consideration for the Properties to Company’s security holders on a pro rata basis, all pursuant to a statutory plan of arrangement to be effected under Part 9, Division 5 of the *Business Corporations Act*,

The aggregate purchase price payable to the Company for the Properties (the “purchase price”) will be paid and satisfied by Allied issuing to the Company 6,400,000 Allied Shares. On completion of the Arrangement, the Company shareholders and holders of the Company stock options, warrants and restricted share units will maintain their interest in the Company and will obtain a proportionate interest in Allied.

In connection with the Arrangement, Allied will seek approval for the listing (the “Listing”) of the Allied Shares on the Canadian Securities Exchange (“CSE”), and undertake a financing of approximately \$1,250,000.

The Arrangement will result in Allied becoming a separate “reporting issuer” in each of Alberta, British Columbia and Ontario.

On November 14, 2025, the Company shareholders approved the Arrangement at an annual general and special meeting.

On November 24, 2025, the British Columbia Supreme Court rendered a final order approving the Arrangement. Closing of the Arrangement was completed on March 27, 2026.

On March 27, 2026, the Company completed the previously announced Arrangement involving the spin-off of Allied. The Arrangement was approved by the Company shareholders on November 14, 2025 and received a final order from the Supreme Court of British Columbia on November 24, 2025 (Note 19 to the financial statements).

Under the Arrangement, the Company transferred all of its ownership, rights, title, and interests in the Ford Lake, Roughrider South, and Cigar East properties (collectively, the “SpinCo Properties”) to Allied in exchange for 6,400,000 Allied common shares at a deemed value of \$0.05 per share. The Company also completed a capital reorganization that included the renaming and re-designation of its existing common shares and the creation of a new class of common shares (“New Mustang Shares”). Shareholders of record on March 26, 2026 received one New Mustang Share and approximately 0.066336253 Allied Shares for each Company share held.

Following completion of the Arrangement, Allied became a separate unlisted reporting issuer in British Columbia, Alberta, and Ontario and now holds all rights and interests in the SpinCo Properties.

Discussion of Operations

Exploration and Evaluation Assets

Uranium Assets, Athabasca Basin, Saskatchewan, Canada

Ford Lake, Roughrider South, and Cigar Lake East Projects

On May 29, 2024, the Company acquired mineral claims located in Eastern Athabasca Basin of Saskatchewan, Canada, the Ford Lake Project, by way of definitive purchase and sale agreement with Stallion Uranium Corp. ("Stallion").

Pursuant to the definitive agreement, the Company acquired the Ford Lake Project for the following consideration:

- an initial cash payment of \$100,000 (paid) on signing the definitive agreement;
- a cash payment of \$300,000 on the date of the closing (paid);
- an aggregate of 2,500,000 common shares to be issued by the Company to Stallion as follows:
 - 500,000 common shares on the date which is six (6) months following the closing date, (issued)
 - 500,000 common shares on+ the date which is twelve (12) months following the closing date, (Issued)
 - 500,000 common shares on the date which is eighteen (18) months following the closing date (Issued), and
- 1,000,000 common shares on the date which is twenty-four (24) months following the closing date (Issued); and
- a 3.0% net smelter return royalty on the claims in favor of Stallion.

The royalty agreement includes a 1.5% buy-back right in favour of the Company which can be exercised at any point prior to commercial production as follows: (a) \$500,000 for 0.5%; (b) \$750,000 for a second 0.5%; and (c) \$1,000,000 for a third 0.5%. In connection with the transaction, the Company issued 350,000 common shares valued at market value of \$71,750, recorded to acquisition costs, issued to an eligible arm's length finder as a finder's fee in consideration for the finder's services.

During 2024, in connection to the acquisition of the Ford Lake Project, the Company issued 500,000 common shares valued at \$120,000 to Stallion as per terms of agreement.

During the year ended December 31, 2025, the Company issued 2,000,000 common shares valued at \$410,000 in connection to the acquisition of the Ford Lake Project. These common shares had been previously recognized as a commitment to issue shares (December 31, 2024 – 2,000,000 share commitment at \$410,000). The purchase consideration has been allocated amongst the acquired properties using a market approach considering the land package attributes.

In October 2025, the Company entered into an arrangement to spin out its Ford Lake, Roughrider South, and Cigar East properties into a new subsidiary, Allied, in exchange for 6,400,000 Allied shares. The Arrangement, which was subsequently approved by shareholders and the British Columbia Supreme Court, included a reorganization of the Company's share capital and the distribution of Allied shares to existing security holders.

March 27, 2026, the Arrangement transaction closed resulting in Allied becoming a separate reporting issuer in British Columbia, Alberta, and Ontario and holding all rights and interests in the transferred properties. Additional details regarding the Arrangement are provided in a separate section of this MD&A.

Brown Lake Project

On October 10, 2024, the Company closed on a mineral property acquisition agreement with Standard Uranium Ltd., pursuant to the acquisition agreement, the Company acquired a 90% interest in the Brown Lake Project located in the Province of Saskatchewan for consideration of 60,000 common shares with a fair value of \$26,400.

Dutton, Yellowstone, and Yellowstone East Projects

On October 10, 2024, the Company closed a binding purchase and sale agreement with Proton Uranium Ltd. and Electron Uranium Ltd. (together, the "Vendors"). Pursuant to the purchase agreement, the Company acquired a 100% undivided interest in mineral claims, the Yellow Stone Project, located in the Cluff Lake region of the Athabasca Basin of Saskatchewan. During 2024, pursuant to the purchase agreement, the Company acquired the claims in exchange for 12,000,000 common shares with a fair value of \$5,280,000. Also, during 2024, the Company staked additional claims in the Dutton Project for \$2,870 and Yellowstone Project for \$4,269. The purchase consideration has been allocated amongst the acquired properties using a market approach considering the land package attributes.

During the year ended December 31, 2025, the Company has determined that no further exploration work will be undertaken on Yellowstone East, Wrangler and Lasso projects and will allow the three mineral claims to lapse upon their expiry on April 23, 2026. Accordingly, the Company recognized an impairment of \$512,118, reducing the carrying amount of the related exploration and evaluation assets to \$1 for each project.

914W Uranium Project

On November 12, 2024, entered into a strategic option agreement with Skyharbour Resources Ltd. to acquire an undivided 75% interest in Skyharbour's 914W Uranium Project, located in the Athabasca Basin of Northern Saskatchewan. Pursuant to the terms of the option agreement, the Company can acquire a 75% interest in the 914W Uranium Project, by satisfying the following conditions over three years:

- Share Issuance: The Company will issue common shares with a total value of \$480,000.
- Cash Payments: The Company will make aggregate cash payments of \$275,000.
- Exploration Expenditures: The Company will incur \$800,000 towards exploration on the 914W Uranium Project.

On November 27, 2024 (the "Closing Date"), the Company completed the first milestone by making a cash payment of \$15,000 and issuing 93,750 common shares with fair value of \$30,938 to Skyharbour.

On November 21, 2025, the Company completed the cash and share issuance milestone for the first anniversary date milestone by making a cash payment of \$20,000 and issuing 1,098,901 common shares with fair value of \$93,407 to Skyharbour (Note 11). As at the current date, the Company has not completed the expenditure requirement milestone of \$100,000 on or before the first anniversary of the agreement, the Company and Skyharbour are in communications to extend the balance of \$100,000 in exploration expenditures for inclusion in the second anniversary milestone.

The committed cash payments, share issuances and exploration expenditures required to exercise the option in full are as follows:

Date	Cash payments	Exploration expenditures	Value of shares issued
	\$	\$	\$
On the Closing Date	15,000	-	30,000 ⁽¹⁾
On or before the first anniversary of Closing Date	20,000	100,000	100,000 ⁽¹⁾
On or before the second anniversary of Closing Date	40,000	200,000	150,000 ⁽¹⁾
On or before the third anniversary of Closing Date	200,000	500,000	200,000 ⁽¹⁾
TOTAL:	275,000	800,000	480,000

(1) Share values will be based on a five-day volume-weighted average price on the Canadian Securities Exchange ("CSE") prior to issuance, or such other price as required by the policies of the CSE.

Konigsstuhl Project

During the year ended December 31, 2024, the Company acquired 5,228-hectare property in the Eastern Athabasca Basin in northern Saskatchewan, Canada through stake claiming.

Nucleus Project

On May 5, 2025, the Company entered into a Agreement with Golden Mile, the sole shareholder of Nucleus, pursuant to which the Company will acquire all of the issued and outstanding common shares of Nucleus. Nucleus is the sole registered and beneficial owner of the Nucleus Project.

Pursuant to the Agreement, the Company agreed to acquire all of the outstanding shares of Nucleus from Golden Mile in consideration for the issuance of 9,000,000 common shares.

A summary of the acquisitions can be found in below the properties description, and in Note 5 to the financial statements.

The fair value of the acquisition was recorded as follows:

Total consideration:		
Fair value of 9,000,000 common shares issued to acquire Nucleus	\$	2,340,000
Transaction cost		42,873
	\$	2,382,873
Allocated to:		
Exploration and evaluation asset	\$	2,382,873

Staked Claims

During the years ended December 31, 2025 and 2024, the Company acquired by way of staking certain mineral claims:

- i. Mineral claims in the Athabasca Basin in Saskatchewan as further detailed below:
 - o Spur – staked for \$Nil as at December 31, 2025 (December 31, 2024 - \$5,613)
 - o Spur North – staked for \$Nil as at December 31, 2025 (December 31, 2024 - \$5,613)
 - o Konigsstuhl – staked for \$Nil as at December 31, 2025 (December 31, 2024 - \$6,939)
 - o 914W – staked for \$1,050 as at December 31, 2025 (December 31, 2024 - \$Nil)
- ii. Bridal Veil – The Company staked the Onyx Uranium Project and the Bridal Veil Copper-Silver Project in Newfoundland and Labrador for \$325 (December 31, 2024 - \$Nil).

Option Agreements

On June 16, 2025, the Company entered into two option agreements with Thunderbird Resources Ltd. ("Thunderbird") to acquire:

- i. An undivided 80% interest in certain mineral tenements held by Thunderbird in and around Cluff Lake (the "Cluff Lake Project").
- ii. An undivided 80% interest in certain mineral tenements held by Thunderbird in and around Surprise Creek, Pring Lake, and Ellis Bay/Bob Lake (the "Surprise Creek Project").

Cluff Lake Project

On June 16, 2025, the Company completed a cash payment of \$20,000 and issued 425,531 common shares with fair value of \$73,723 to Thunderbird as initial consideration for the Cluff Lake option agreement.

The cash payments, share issuance and exploration expenditure schedules for the remaining consideration for the Cluff Lake option agreement is as follows:

Interest Earned	Cash payments	Exploration expenditures	Value of shares issued
	\$	\$	\$
For the Company to earn a 60% interest on or before June 3, 2027 ("Stage 1 Cluff Lake Interest")	50,000	1,000,000	-
For the Company to earn a 20% interest on or before the second anniversary of earning the Stage 1 Cluff Lake Interest ("Stage 2 Cluff Lake Interest")	50,000	2,000,000	100,000 ⁽¹⁾
TOTAL:	100,000	3,000,000	100,000

(1) Share value will be determined by the market price at the time of issuance, as determined in accordance with the policies of the CSE.

Upon the Company earning the Stage 2 Cluff Lake Interest, Thunderbird will retain a 2% net smelter return royalty on the Cluff Lake Project in respect of any minerals, mineral products, ore or concentrates produced from the tenements comprising the Surprise Creek Project.

Surprise Creek Project

On June 16, 2025, the Company completed a cash payment of \$20,000 and issued 425,531 common shares with fair value of \$73,724 to Thunderbird as initial consideration for the Surprise Creek option agreement.

The cash payments, share issuance and exploration expenditure schedules for the remaining consideration for the Surprise Creek option agreement is as follows:

Interest Earned	Cash payments	Exploration expenditures	Value of shares issued
	\$	\$	\$
For the Company to earn a 51% interest on or before June 3, 2027 ("Stage 1 Surprise Creek Interest")	50,000	1,000,000	-
For the Company to earn a 29% interest on or before the second anniversary of of earning the Stage 1 Surprise Creek Interest ("Stage 2 Surprise Creek Interest")	50,000	2,000,000	100,000 ⁽¹⁾
TOTAL:	100,000	3,000,000	100,000

(1) Share value will be determined by the market price at the time of issuance, as determined in accordance with the policies of the CSE.

Upon the Company earning the Stage 2 Surprise Creek Interest, Thunderbird will retain a 2% net smelter return royalty on the Surprise Creek Project in respect of any minerals, mineral products, ore or concentrates produced from the tenements comprising the Surprise Creek Project.

On July 18, 2025, the Company completed an aggregate cash payment of \$40,000 as the initial consideration for the Cluff Lake and Surprise Creek option agreements.

Detailed Summary of Exploration and Evaluation Assets as further described above and in the Note 7 to the consolidated financial statements as of December 31, 2025.

	Ford Lake	Roughrider South	Cigar Lake East	Brown Lake	Dutton	Yellowstone	Yellowstone East	Wrangler	Lasso	914W	Spur	Spur North	Konigsstuhl	Surprise Creek	Cluff Lake	Nucleus Project	Bridal Veil	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition costs																		
Balance, December 31, 2024	685,000	104,750	212,000	26,400	1,242,870	3,549,269	495,000	-	-	45,938	5,613	5,613	6,939	-	-	-	-	6,379,392
Additions	-	-	-	-	-	-	-	-	-	114,457	-	-	-	98,724	98,723	2,382,873	325	2,695,102
Balance, December 31, 2025	685,000	104,750	212,000	26,400	1,242,870	3,549,269	495,000	-	-	160,395	5,613	5,613	6,939	98,724	98,723	2,382,873	325	9,074,494
Exploration costs																		
Balance, December 31, 2024	48,738	13,719	13,719	1,850	14,328	11,076	1,850	-	-	1,850	5,091	5,091	1,850	-	-	-	-	119,162
Permits and fees	20,348	333	333	4,683	2,846	3,754	-	-	-	21,634	2,739	-	-	42,214	42,215	-	-	141,099
Geological consulting	3,407	7,597	7,596	3,407	13,445	35,579	5,716	3,407	3,407	39,002	11,652	4,121	3,407	183,214	38,922	-	9,910	373,789
Drilling	-	-	-	-	-	-	-	-	-	-	1,181	-	-	398,147	-	-	-	399,328
Geophysics	1,517	137	137	137	146,937	213,436	137	137	137	7,999	291,414	137	136	1,278,664	106,007	-	22,305	2,069,374
Administrative	840	840	840	840	885	650	650	840	840	5,235	10,976	840	840	697	697	650	-	27,160
Reporting	2,000	-	-	-	7,315	21,214	-	-	-	-	634	-	-	12,718	9,985	-	30,606	84,472
Other	-	-	-	-	13,297	2,085	-	-	-	1,518	24,120	-	-	2,800	-	-	-	43,820
Balance, December 31, 2025	76,850	22,626	22,625	10,917	199,053	287,794	8,353	4,384	4,384	77,238	347,807	10,189	6,233	1,918,454	197,826	650	62,821	3,258,204
Assets held for distribution	(217,005)	(66,788)	(36,207)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(320,000)
Impairment	(544,845)	(60,588)	(198,418)	-	-	-	(503,352)	(4,383)	(4,383)	-	-	-	-	-	-	-	-	(1,315,969)
Carrying amounts																		
Balance, December 31, 2024	733,738	118,469	225,719	28,250	1,257,198	3,560,345	496,850	-	-	47,788	10,704	10,704	8,789	-	-	-	-	6,498,554
Balance, December 31, 2025	-	-	-	37,317	1,441,923	3,837,063	1	1	1	237,633	353,420	15,802	13,172	2,017,178	296,549	2,383,523	63,146	10,696,729

Detailed Summary of Exploration and Evaluation Assets as further described above and in the Note 7 to the consolidated financial statements as of December 31, 2024.

	Ford Lake	Roughrider	Cigar Lake	Brown		Yellowstone	Yellowstone	914W	Spur	Spur	Konigsstuhl	Total
	\$	South	East	Lake	Dutton	Yellowstone	East	\$	\$	North	\$	\$
Acquisition costs:												
Balance, December 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-
Additions:	685,000	104,750	212,000	26,400	1,240,000	3,545,000	495,000	45,938	-	-	-	6,354,088
Additions: staking	-	-	-	-	2,870	4,269	-	-	5,613	5,613	6,939	25,304
Balance, December 31, 2024	685,000	104,750	212,000	26,400	1,242,870	3,549,269	495,000	45,938	5,613	5,613	6,939	6,379,392
Exploration costs:												
Balance, December 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-
Permits and fees	3,784	-	-	-	-	-	-	-	-	-	-	3,784
Consulting	8,055	8,055	8,055	604	13,082	9,830	604	604	3,845	3,845	604	57,183
Geological	36,899	5,664	5,664	1,246	1,246	1,246	1,246	1,246	1,246	1,246	1,246	58,195
Balance, December 31, 2024	48,738	13,719	13,719	1,850	14,328	11,076	1,850	1,850	5,091	5,091	1,850	119,162
Carrying amounts:												
Balance, December 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-
Balance, December 31, 2024	733,738	118,469	225,719	28,250	1,257,198	3,560,345	496,850	47,788	10,704	10,704	8,789	6,498,554

Properties

The following section provides a detailed description of the Company's properties and the work completed during the current period. A detailed summary of the exploration and evaluation costs by project is provided below, and in Note 8 to the financial statements.

Ford Lake Project

The Ford Lake Project is strategically positioned in the Eastern Athabasca Basin, and consists of three claims covering an area of 7,431 hectares. The Project is located 2 km off the Fox Lake road and 12 km from the all-season highway between Key Lake Mill and McArthur River Mine. The Project is situated near the margin of the Mudjatik and Wollaston Domains which is associated with numerous deposits. The uranium endowment of the area is proven by the significant deposits of the Key Lake Mine only 15km to the southeast, and less than 30km from Cameco Corp.'s Millennium deposit and Denison Mines Corp.'s Gryphon and Phoenix deposits. The recent CanAlaska Uranium Ltd. high-grade discovery hole at Moon Lake is only 15 km to the northeast. The depth to the unconformity on the Ford Lake Project is 100 – 400 meters.

During 2024, the Company announced that it has received exploration permits from the Saskatchewan Government, authorizing ground-based exploration activities at the Ford Lake Project. The exploration permit, valid from September 1, 2024 to September 30, 2027, allows for key exploration activities, including ground-based geophysics, trail construction, the establishment of a temporary work camp and diamond drilling.

During the year ended December 31, 2025, the Company recognized an impairment charge of \$544,845 on the Ford Lake project and reclassified \$217,005 as assets held for distribution in connection with the Arrangement and spin-off of Allied. As a result, the carrying value of the Ford Lake project was reduced to \$Nil as at December 31, 2025 (December 31, 2024 – \$733,738).

Subsequent to the year ended December 31, 2025, as further described in Notes 8 and 19 to the financial statements, the Company transferred all rights and interests in the Ford Lake Project by way of a Plan of Arrangement and Spin-off of Allied. Additional details regarding the Arrangement are provided in a separate section of this MD&A.

Roughrider South and Cigar Lake East Project

Each of the Cigar Lake East and Roughrider South projects are located in the Eastern Athabasca Basin in northwest Saskatchewan, situated near the highly prospective Wollaston-Mudjatik transition zone. The Cigar Lake East and Roughrider South projects consist of four claims covering a total area of 3,443 hectares and are in close proximity to all-season roads and electrical transmission lines. The uranium endowment of the area is proven by the surrounding significant deposits including the world class Cigar Lake Uranium Mine and Rabbit Lake Uranium Mine to the Northeast.

During the year ended December 31, 2025, the Company incurred \$8,907 (Roughrider South) and \$8,906 (Cigar Lake East) in exploration and evaluation expenditures on these projects as further described in the table below. Mustang Energy engaged Resource Potentials, a geophysics consultant based in Perth Australia, to carry out a reinterpretation of the 2023 EM survey completed by Stallion Uranium to evaluate potential targets on the projects for further evaluation. As at the December 31, 2025 and the current date, the Company intends to evaluate these projects further during the term of the claim, which remains in good standing until 2026. Based on the reinterpretation of the geophysics, the Company is determining the projected timing and costs to take the project to the next stage. During the year ended December 31, 2025, the Company received exploration permits from the Saskatchewan

Government, allowing for ground-based exploration activities. The permits authorize the Company to carry out mineral exploration activities such as trail construction, line-cutting, ground geophysical surveys, and diamond drilling. The approved permits are valid until September 30, 2027.

During the year ended December 31, 2025, the Company recognized an impairment charge of \$259,006 on the Roughrider South and Cigar Lake East projects and reclassified \$102,995 as assets held for distribution in connection with the Arrangement and spin-off of Allied. As a result, the carrying value of the Roughrider South and Cigar Lake East projects were reduced to \$Nil as at December 31, 2025 (December 31, 2024 – \$344,188).

Subsequent to the year ended December 31, 2025, as further described in Notes 8 and 19 to the financial statements, the Company transferred all rights and interests in the Roughrider South and Cigar Lake East projects by way of a Plan of Arrangement and Spin-off of Allied. Additional details regarding the Arrangement are provided in a separate section of this MD&A.

Brown Lake Project

The Brown Lake project is a joint venture between Standard Uranium and Mustang Energy. Mustang holds a 90% interest in the project. The project covers 312 hectares which is situated near the southeastern margin of the Athabasca basin, and is bounded by Mustang's Ford Lake project which exhibits a structural magnetic low along trend of conductive corridors.

During the year ended December 31, 2025, the Company incurred \$9,067 in exploration and evaluation expenditures on the Brown Lake project as further detailed in the table below. The expenditures were part of a geophysics revaluation carried out by Resource Potentials which was part of the overall Ford Lake work.

As at December 31, 2025, and the current date, the Company intends to continue exploration of the project. Based on the reinterpretation of the geophysics, the Company is determining the projected timing and costs to take the project to the next stage.

Yellowstone Project

The Yellowstone Project is situated approximately 16 kilometres from the past producing Cluff Lake Mine in the Western Athabasca Basin. The project consists of seven adjoining claims totalling 21,820 hectares. The property surrounds the exterior of the Carswell Impact Structure and is adjacent to Fission Uranium's West Cluff Project. The Carswell Impact Structure is thought to be related to a meteorite impact measuring ~18 km in diameter, which exposed basement rock that underlies the Athabasca Basin sandstone formations and hosts high grade uranium mineralization including the Cluff Lake Uranium Mine. The Yellowstone Project is transected by multiple conductors which are yet untested.

During 2024, activities on the Yellowstone Project included:

- Engaged Expert Geophysics based out of Aurora, Ontario for a helicopter-borne Mobile Magneto Tellurics (“MobileMT”) survey on the Yellowstone Project. The survey was planned for 500 line-km at a 400 metre line spacing and to collect magnetic and very low frequency (VLF) data over the Northern portion of the Yellowstone Project’s claim package with a focus on areas that have not previously been surveyed with deep penetrating electromagnetic survey methods. This survey aims to detect conductors at depths exceeding 1000 meters, providing a more detailed resolution of these deeper structures which could potentially host uranium.
- MMT Survey was paused and delayed until 2025 due to adverse weather conditions.
- Applied for exploration permits.
- Historic data compilation completed by Axiom Exploration.
- Mustang Energy engaged Resource Potentials, a geophysics consultant based in Perth Australia, to carry out a reinterpretation of historic geophysics to evaluate potential targets on the projects for further valuation.

During the year ended, 2025, the Company completed the following activities:

- Completed the helicopter-borne MobileMT survey, completed by Expert Geophysics, covering 373 line-kilometres at a 400-metre line spacing. Line-kms was reduced from original planned 500 line-km due to adverse weather conditions during program.
- Received results from Expert Geophysics on the helicopter-borne MobileMT survey. Data was collected over the Northeastern portion of the Yellowstone claim block.
- Exploration Permits were received.
- Assessment Report completed and submitted to the Saskatchewan Ministry.
- 43-101 report completed by Axiom Exploration.

MobileMT SURVEY RESULTS

Analysis of the MobileMT data has outlined multiple exploration targets, characterized by strong, deep conductive anomalies coinciding with interpreted structural features, suggesting the potential for uranium hosting hydrothermal or structural zones related to unconformity type uranium deposits. These conductive zones are interpreted as being independent from the ring structures of the Carswell impact crater, suggesting a basement origin. Several of the anomalies are coincident with structurally complex corridors, possibly linked to NW-SE trending faults, and are associated with magnetic low trends—features often considered important for unconformity-type uranium systems. The VLF data reveals near-surface linear features interpreted as fault structures. These lineaments frequently align with breaks or offsets in the conductivity and magnetic datasets, as well as subtle radiometric U and Th anomalies suggesting fluid circulation from depth, adding a valuable structural layer for prioritizing targets. Geophysical surveys are not definitive, and the results are still at an early stage of interpretation, with no guarantee of a mineral discovery.

During the year ended December 31, 2025, the Company incurred \$276,718 in exploration and evaluation expenditures on the Yellowstone project as further detailed in the table below.

As at December 31, 2025, and the current date, the Company intends to further evaluate the project. Current work brought the claims into good standing until 2027. The Company is assessing the results of the work to date to determine the projected timing and costs to take the project to the next stage.

Yellowstone East Project

The Yellowstone East Project covers 3,340 hectares and is strategically positioned in the Western Athabasca Basin. The property covers the eastern portion of the Carswell Impact Structure, a ~18 km meteorite crater whose unique geology has hosted significant uranium deposits like the Cluff Lake Mine. Composite boulder sampling and geophysical datasets highlight significant anomalies spatially associated with interpreted fault zones, suggesting hydrothermal fluid pathways and the potential for uranium mineralization (SMAD# 74K06-0088_2007_MEGATEM_Lithogeochem).

During the year ended December 31, 2025, Mustang added one claim through staking of 1,021 hectares to the existing 100% owned Yellowstone East Project in the Western Athabasca Basin.

During the year ended December 31, 2025, the Company incurred \$6,503 in exploration and evaluation expenditures on the Yellowstone East project as further detailed in the table below. Mustang Energy engaged Resource Potentials, a geophysics consultant based in Perth Australia, to carry out a reinterpretation of historic geophysics to evaluate potential targets on the projects for further evaluation.

During the year ended December 31, 2025, the Company has determined that no further exploration work will be undertaken on Yellowstone East project and will allow the mineral claims to lapse upon their expiry on April 23, 2026. Accordingly, the Company recognized an impairment of \$503,352, reducing the carrying amount of the related exploration and evaluation assets to \$1 for this project.

Dutton Project

The Dutton Project spans 7,741 hectares over three adjoining claims in the Southern Athabasca Basin, Saskatchewan. Approximately 20 kilometres to the West of the Project is the Virgin River Shear Zone which hosts known high-grade uranium deposits such as Cameco Corp's Centennial Deposit. The property lies just west of the Cable Bay Shear Zone and the underlying basement rock is hosted in the Mudjatik Domain. Exploration within the nearby Cable Fault Corridor has intersected anomalous uranium values. The uranium is hosted in hematized fractures associated with the diabase dykes. The property encompasses a diabase dyke complex, including conductive anomalies and elevated radioactivity. Historical exploration (1978–1981) identified several features of interest, including weakly conductive EM anomalies, biogeochemical uranium enrichment, and radioactive dykes (SMAD# 74G06-0024, 1981 Transient EM).

During the year ended December 31, 2025, the Company completed the following activities:

- The Company received the exploration permit for the Dutton Project. The approved permits are valid from April 1, 2025 to March 31, 2028 and authorize the Company to carry out mineral exploration activities such as trail construction, line-cutting, ground geophysical surveys, and diamond drilling.
- Entered into an agreement with the English River First Nation. The agreement, covering exploration activities within the traditional territory of ERFN, lays the foundation for a collaborative relationship between the two parties and establishes a framework for responsible mineral exploration that respects ERFN's cultural, environmental, and economic interests.
- Completed an Aerial Electromagnetic Survey (Xcite™ TDEM) which covered the eastern portion of the claim package which has not been previously surveyed for electromagnetic (EM) conductors. The helicopter supported survey was completed by Axiom Exploration Group with 263 line-km flown at a 200 meter spacing. The survey is expected to precisely locate EM anomalies and aid in structural interpretations on the property for future drill targeting.

During the year ended December 31, 2025, the Company incurred \$184,725 in exploration and evaluation expenditures on the Dutton Project as further detailed in the table below.

As at December 31, 2025, and the current date, the Company was waiting on TDEM survey results and intends to evaluate future plans of this project based on these results.

914W Project

The 914W Project consists of one claim covering 1,260 hectares. It is situated approximately 48 km southwest of Cameco's Key Lake Operation, offering excellent logistics and access via Highway 914. The Project is strategically positioned within the Western Wollaston Domain, known for unconformity/basement hosted uranium mineralization. The project host favourable geology with local graphite bearing assemblages. Immediately to the north of the 914W property is the Scurry Rainbow Zone E (SMDI# 1961), and the Don Lake Trenches (SMDI# 1983), where up to 1,288 ppm U was encountered in drill hole ML-11, and surface prospecting revealed up to 0.64% U₃O₈ in a trench at Don Lake Zone E (SMDI# 1983). While historical exploration conducted several geophysical and geological surveys over portions of the property, most of the project remains underexplored.

As at December 31, 2025 and the current date, the Company intends to further evaluate the project. During the current period, the Company in connection with Skyharbour Resources Ltd., staked an additional claim on the 914W Uranium Project. The new claim totals 1,182.25 ha and is located immediately to the east of the original 914W claim. It has seen only minimal modern exploration, being partially covered by the same 2005 VTEM (southern half) and 2007 Tempest TDEM surveys (north half) as MC00017142, with lake sediment sampling also being done on the claim in 2007. Historical exploration on the claim included airborne EM, magnetic, and radiometrics surveys in 1969 and 1976, with prospecting, geological mapping, lake sediment and radon sampling, also taking place in 1969 and 1976.

During the year ended December 31, 2025, the Company incurred \$114,457 in acquisition costs on the 914W Project and \$75,388 in exploration and evaluation expenditures on the 914W Project as further detailed in the table below.

On November 5, 2025, the Company announced results of its one-week prospecting and soil sampling program completed during May of 2025. In total, 25 rock samples and 142 soil samples were collected. The soil sampling focused on the northwest corner of the Project immediately south of the Scurry Rainbow E Zone 1 and the Don Lake Trenches 2 where no outcrop exposure is present. Rock sampling was limited by the scarcity of exposed outcrop across the property. Although the program did not identify any new significant discoveries, particularly in the southern portion of the Project, the northern soil grid returned anomalous uranium values. In this program, five soil samples from the southern portion of the grid exceeded 4 ppm U, which would be considered slightly elevated. Prospecting efforts did not confirm elevated uranium values in the southwestern part of the grid, likely due to limited outcrop exposure. However, anomalous uranium values were identified in the northeastern portion of the soil grid, including a granitic gneiss sample that returned 42.3 ppm U.

On November 5, 2025, in connection with Skyharbour, the Company announced the results of a high resolution HTDEM survey at the 914W Uranium Project (the "Project"), totaling 136 line-kms. The Project has road access and is in a prospective region known for its mineral potential south of the Athabasca Basin. The 914W TDEM survey successfully defined a well-developed conductive zone within the Project. The geometry and strength of the anomaly are consistent with graphitic basement rocks or fault-bound alteration zones, both favorable for unconformity-type uranium mineralization. The Xcite™ helicopter-borne Time Domain Electromagnetic (TDEM) survey was flown by Axiom Exploration Group Ltd. over the Project, covering approximately 136 line-km. The survey simultaneously collected electromagnetic, magnetic, and radiometric data to map conductive, magnetic, and radiometric variations related to prospective uranium-bearing structures. The survey was flown in addition to Mustang's nearby Spur project TDEM survey. Early-time channels (0.014–0.045 ms) (figure 1) show strong, high-amplitude EM responses along the eastcentral portion of the 914W block, indicating shallow conductive zones near surface. This conductor persists through mid-to-late time channels (0.12–0.56 ms) and may represent graphitic horizons or fault-controlled alteration zones, a key uranium pathfinder feature in the Athabasca Basin margin setting. The intensity and continuity of the anomaly diminish slightly with later decay times, consistent with a discrete subsurface conductor rather than surficial noise. The inversion modelling from 50 m to 350 m depth shows consistent conductive features. From 50 – 150 m the depth slices (figure 2) show a strong, laterally continuous conductive zone trending east-northeast across the east-central portion of the property. The 250 to 350 m depth slices show the conductivity anomaly persists at depth.

A three-year exploration permit was applied for and received as of June 9, 2025.

As further described in Note 8 to the Financial Statements, as at the current date, the Company has not completed the expenditure requirement milestone of \$100,000 on or before the first anniversary of the agreement, the Company and Skyharbor are in communications to extend the balance of \$100,000 in exploration expenditures for inclusion in the second anniversary milestone. As at the current date The Company is assessing the results of the work to date to determine the projected timing and costs to take the project to the next stage.

Spur Project

The Spur Project comprises ten claims covering 23,680 hectares. It is located just south of the Athabasca Basin in northern Saskatchewan, a region globally renowned for its high-grade uranium deposits. The property is approximately 40 kilometers southeast of Cameco's Key Lake Mill Operation and 20 kilometers southwest of Skyharbour Resources/Terra Clean Energy's Fraser Lakes Zone B deposit. The Project's geological setting combines Proterozoic basement rocks of the Wollaston Group and uraniferous pegmatites, presenting potential for uranium, thorium, and rare earth element (REE) exploration. The Project offers lower cost exploration due to the absence of Athabasca Sandstone cover. Adjacent properties host high-grade surface grab samples including the Pipe Lake Showing with up to 8.0% U₃O₈ (sample # R69-10)² within a hornblende-rich pegmatite 2.5 km northeast of the Project boundary. The Red October Showing, east of the project boundary, shows grab sample assays of up to 1.93% U (sample # JBELR063)³ within syenite, and an outcrop chip sample through semipelitic gneiss showing 1.34% U (sample # AGELR008)³ over 1 meter. During the year ended December 31, 2025, the Company completed the following activities:

- Expanded the Spur Project by low-cost staking with the acquisition of a 100%-owned mineral claim comprising 5,751 hectares. The new claim extends the Spur Project southward and lies approximately 70 km southeast of Cameco's Key Lake Mill and within 45 km of all-season road access and a power transmission corridor. The property is situated within an underexplored area of the Wollaston Domain and encompasses a magnetic low trending south from the Burbidge Lake Shear Zone—a notable regional reverse fault. This addition further strengthens Mustang's land position in a geologically favorable region prospective for uranium, rare earth elements (REEs), thorium (Th), and base metal mineralization.
- Engaged Axiom Exploration Group to conduct an Aerial Electromagnetic Survey (Xcite™ TDEM) with Radiometrics. The Company anticipates that the Xcite™ TDEM survey with Radiometrics will commence in the spring 2025 and encompass the portion of the claim package which has not been covered by modern day electromagnetic (EM) survey techniques. The airborne survey aims to precisely locate EM and radiometric anomalies, and aid in geological interpretations on the property advancing exploration targeting. The survey was carried out in July.
- On June 30, 2025, the Company announced it received exploration permits from the Saskatchewan Government, allowing for ground-based exploration activities at the Spur Project (the "Project") south of the Athabasca Basin, Saskatchewan. The permit includes Crown Land Work Authorization, Aquatic Habitat Protection Permit, Forest Product Permit and Temporary Work Camp Permit. This authorizes Mustang to carry out mineral exploration activities such as trail construction, line-cutting, ground geophysical surveys, and diamond drilling. The approved permits are valid until April 30, 2028.

During the year ended December 31, 2025, the Company incurred \$342,716 in exploration and evaluation expenditures on the Spur Project as further detailed in the table below. The Company is evaluating the results of the exploration activities indicated above to determine the projected timing and costs to take the project to the next stage.

Königsstuhl Project

The Königsstuhl Project is strategically positioned in the Eastern Athabasca Basin, and consists of five claims covering an area of 5,228 hectares. The project is located approximately 25 kilometers northwest of Cameco's McArthur River Mine and 45 kilometers southwest of Cameco's Cigar Lake Mine. The geological setting of the Königsstuhl Project demonstrates potential for the discovery of unconformity-style and basement-hosted uranium mineralization similar to that found at Cigar Lake and McArthur River. The property features potential EM conductors and mapped faults identified through previous exploration (SMDI# 3549) (SMAD# 74H-0061), which serve as both conduits and traps for uranium mineralization.

During the year ended December 31, 2025, the Company incurred \$4,383 in exploration and evaluation expenditures on the Königsstuhl project as further detailed in the table below.

As at December 31, 2025, and the current date, the Company intends to further evaluate the project. The claims are in good standing for 2 years. The Company will provide further updates to timing and costs to advance the project to the next phase once plans are scheduled.

Cluff Lake North Project

The Cluff Lake North Uranium Project comprises a group of five mineral claims covering 13, 978 hectares located in a prospective area around 12 km north-east of the historical Cluff Lake uranium mine on the western flank of Canada's world-class Athabasca Basin. Mustang Energy entered into an option agreement with Thunderbird resources for an 80% earn-in to the project. The project includes high-priority drill target areas defined by the a 2024 MobileMT survey, one of which is coincident with a previously defined gravity/EM target. These targets are located within an interpreted structural corridor which extends north-northeast from the Cluff Lake Uranium deposits.

During the year ended December 31, 2025, on June 26, 2025 the Company announced the commencement of its field exploration activities at the Cluff Lake North Project, located in a prospective region known for its mineral potential in the world-renowned Athabasca Basin. The field program at the Project will involve surface prospecting activities, including detailed rock sampling, aimed at further refining target areas and outlining mineralization and alteration. The sampling program will be carried out over ten days. Results from this phase of exploration are expected to inform further exploration efforts, including drill targeting and projected timing and costs.

During the year ended December 31, the Company incurred \$197,826 in exploration and evaluation expenditures on the Cluff Lake North project as further detailed in the table below.

As at December 31, 2025, and the current date, the Company intends to further evaluate the project. The Company has engaged Axiom Exploration Group to prepare drill targets based on historic and new geophysics. The geophysics targets will influence the planning and required budget for a drilling program.

Surprise Creek Project Copper-Uranium Project

The Surprise Creek Project is located 25km north-west of the Beaverlodge Uranium District, which hosts the historical uranium mines of Gunnar and Eldorado (Ace-Fay-Verna) and is located just north of the Athabasca Basin. The project consists of 17 claims over 20,652 hectares. Multiple high-grade copper and uranium showing has previously identified across the project. A major high-resolution airborne magnetic, radiometric and VLF-EM survey completed by Thunderbird in September 2024 identified multiple new uranium targets (see THB:ASX announcement dated 19 December 2024 titled "Exploration to commence at Rockvale Antimony-Gold Project"). The Company entered into an option agreement with Thunderbird resources for an 80% earn-in to the project.

During year ended December 31, 2025, a work permit application for exploration including drilling at the Surprise Creek Fault prospect has been approved by the Saskatchewan Government.

During the year ended December 31, 2025, the Company commenced field exploration activities on the Surprise Creek Project. The three-week field program involved surface prospecting activities, including detailed rock sampling, aimed at further refining target areas and outlining mineralization and alteration.

Following the sampling program, on October 14, 2025, the Company announced the commencement of its inaugural diamond-drilling program at the Surprise Creek Uranium-Copper Project. The helicopter-supported program will test priority targets identified along the Surprise Creek Fault Zone, an area hosting high-grade uranium surface samples and historic drill intercepts 1,2. Mustang has engaged Base Diamond Drilling Ltd. to complete up to 2,000 metres of drilling focused on following up historical intercepts, improving structural understanding of the mineralized zones, and testing undrilled targets generated by recent geophysical surveys. Results from this phase of exploration are expected to inform further exploration efforts, timing, projected costs including drill targeting.

The Company completed a diamond drill program from September 24th to November 6th comprising 11 drill holes and totaling 1,263 m. The helicopter supported drill program was completed by Base Diamond Drilling Ltd., with support from HeliSource who completed the helicopter drill moves and crew transportation, and Axiom Exploration Group who provided geological support and drill core analysis. The company completed 9 drill holes on the uranium-focused Surprise Creek fault trend, and 2 drill holes on the copper-focused Bob Lake anomaly zone.

During year ended December 31, 2025, the Company incurred \$1,918,454 in exploration and evaluation expenditures on the Surprise Creek project as further detailed in the table below. The company intends to further explore surficial anomalies and is awaiting geochemical results from drilling which will determine the timing and projected costs of a drill program.

On April 17, 2026, the Company announced the results of the 2025 prospecting program at the target zones of Surprise Creek, Bob Lake, and Maimann Lake within the Surprise Creek property. Geochemical samples from outcrop at the Bob Lake showing returned Copper values of 11.8% and gold values up to 1.2 grams per ton. At the Maimann Lake showing, surficial geochemical samples had copper values up to 43.38%. At Surprise Creek, surficial geochemical samples returned values of up to 9.39% U₃O₈ and up to 3.11% Copper. The Company is evaluating these results and preparing a follow-up prospecting program for summer or fall 2026.

On April 29, 2026, the Company announced the results of the 2025 drill program at the target zones of Surprise Creek and Bob Lake within the Surprise Creek program. Copper values at the Bob Lake showing had intercepts up to 2.69% Copper over a 5-meter-wide interval. Elevated Uranium values were intercepted in the Surprise Creek area up to 535 ppm U₃O₈. The program drilled a total of 1,123 m with 333 samples taken for geochemical analysis, including QA/QC sample procedures.

Nucleus Project

Nucleus is the sole registered and beneficial owner of the Nucleus Saskatchewan project, which consists of six mineral claims covering approximately 18,571 hectares in the Athabasca Basin, Saskatchewan, some of which are adjacent to Mustang's existing projects. This project was acquired during the year ended December 31, 2025 and the Company is determining the projected timing and costs for exploration activities on this project.

During year ended December 31, 2025, the Company incurred \$650 in exploration and evaluation expenditures on the Nucleus project as further detailed in the table below.

As at December 31, 2025, and the current date, the Company intends to further evaluate the project.

Bridal Veil

The Company staked the Onyx Uranium Project and the Bridal Veil Copper-Silver Project in Newfoundland and Labrador for \$325.

During year ended December 31, 2025, the Company incurred \$62,821 in exploration and evaluation expenditures on the Bridal Veil project as further detailed in the table below.

Saddle Project

Acquired by low-cost staking in April 2025, the Saddle Project comprises two claims totaling 1,804 hectares, located approximately 10 km west of the historic Cluff Lake Uranium Mine (historical production of over 62 million pounds

of uranium concentrate), and 15 km northwest of the Shea Creek Uranium Deposit. The Saddle Project is situated along the outer rim of the Carswell Impact Structure, a circular geological feature believed to be caused by a meteorite impact. This area hosts intersecting structural features including ring faults and northwest-trending conductors that are sub-parallel to the Saskatoon Lake Conductor, a known mineralized trend associated with the Shea Creek Uranium Deposit. Historical drilling on the western boundary of the Saddle Project encountered zones of extensive structural disruption between 115 and 635 meters depth, with roughly 40% of the interval affected by brecciation, bleaching, silicification, and fractured core within the Athabasca Group sediments (drillhole 06WC-004).

The Company intends to do a data compilation and review of historic work on the project to advise for future exploration planning. Based on the results of the data compilation and review, the Company will determine the projected timing and costs to take the project to the next stage.

Ram Project

Acquired by low-cost staking in April 2025, the Ram Property spans 2,229 hectares in the southwest Athabasca Basin along the Clearwater Domain. This geological domain is considered a key driver of uranium mineralization along the Patterson Corridor, which hosts major uranium assets including NexGen Energy's Rook I Project. Although geologically prospective, the Ram Property remains relatively underexplored.

The Company intends to do a data compilation and review of historic work on the project to advise for future exploration planning. Based on the results of the data compilation and review, the Company will determine the projected timing and costs to take the project to the next stage.

Lariat Project

Acquired by low-cost staking in April 2025, the Lariat Project consists of one claim covering 4,396 hectares, situated just north of the Athabasca Basin and approximately 10 km northeast of Stony Rapids. The property comprising the Lariat Project lies along the Snowbird Tectonic Zone, a major crustal-scale shear zone known for hosting uranium deposits—including Cameco Corp's Centennial and Dufferin Lake deposits in the southern Athabasca Basin. Located about 15 km north along trend from Uranium Energy Corp.'s Black Lake Uranium Project, the Lariat Project not only holds strong potential for uranium but is also considered prospective for magmatic Cu-Ni-Co mineralization associated with mafic-ultramafic intrusions within the hybrid gneiss complex.

The Company intends to do a data compilation and review of historic work on the project to advise for future exploration planning. Based on the results of the data compilation and review, the Company will determine the projected timing and costs to take the project to the next stage.

Overall Project Activities

During 2024 and 2025, the Company has engaged Resource Potentials Ltd. ("Resource Potentials"), an arm's length geophysical consulting firm based out of Perth, Australia, to conduct detailed reprocessing, analysis, interpretation, and targeting on the Company's uranium projects located in the Athabasca Basin in Saskatchewan. The results from Resource Potentials' reprocessing and analysis provides critical insights for refining exploration targets and identifying areas for further investigation on these newly acquired properties. Mustang's team will work closely with Resource Potentials to prioritize and develop drill targets aimed at discovering potentially high-grade uranium mineralization.

The Company engaged Axiom Exploration for ongoing comprehensive historical compilation of previous exploration work conducted on and around its properties and new acquisitions, including geophysical datasets and models as well as historic showings and geological interpretations.

Qualifying Statement

The scientific and technical disclosures located in “The Properties” section for Mustang Energy Corp. have been reviewed by Troy Marfleet, P.Geo., a registered member of the Professional Engineers and Geoscientists of Saskatchewan. Mr. Marfleet is a Qualified Person as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

Selected Annual Information

The following table provides a brief summary of the Company’s financial operations for the prior three fiscal years. For more detailed information, refer to the financial statements for the year then ended.

	Year ended December 31, 2025	Year ended December 31, 2024	Year ended December 31, 2023
Total revenue	-	-	-
Gross profit (loss)	-	-	-
Expenses and other items	(4,879,459)	(2,190,288)	818,606
Net income (loss) and comprehensive income (loss) for the year	(4,879,459)	(2,190,288)	818,606
Basic income (loss) per share	(0.06)	(0.07)	0.03
Diluted income (loss) per share	(0.06)	(0.07)	0.02
As at December 31,			
	2025	2024	2023
Current assets	2,333,925	3,712,968	1,616,250
Non-current assets	10,696,729	6,498,554	-
Total assets	13,030,654	10,211,522	1,616,250
Current liabilities	2,118,281	643,262	31,584
Long term liabilities	-	-	-
Shareholders' equity	10,912,373	9,568,260	1,584,666
Total liabilities and equity	13,030,654	10,211,522	1,616,250
Working Capital	215,644	3,069,706	1,584,666

The years ended December 31, 2025 and 2024:

For the year ended December 31, 2025, the Company had a net loss and comprehensive loss of \$4,879,459 (2024 - \$2,190,288).

During the year ended December 31, 2025, the Company completed additional acquisitions of exploration and evaluation assets including the Surprise Creek and Cluff Lake and staked Bridal Veil claims as further described in Note 8 to the financial statements. The Company also acquired Nucleus Uranium, the sole registered and beneficial owner of the Nucleus Project. The increase in total assets and non-current assets during the year ended December 31, 2025 was partially offset by the impairment on the Ford Lake, Roughrider South and Cigar Lake East projects and reclassification as assets held for distribution in connection with the Arrangement and spin-off of Allied.

The exploration and evaluation asset acquisitions and change of business during the year ended December 31, 2024, contributed to the change in total assets, non-current assets, working capital, shareholders' equity and net loss and comprehensive loss for the year.

During the year ended December 31, 2025, the Company received cash of \$3,584,136 for the issuance of 20,129,646 shares (2024 - \$3,552,950 for issuance of 12,626,862 common shares, cash for exercise of warrants of \$Nil (2024 - \$697,112, issuing 9,958,738 shares) on warrant exercise, issued 3,949,963 common shares on acquisition of exploration and evaluation assets (2024 - 13,003,750 common shares), and 9,000,000 common share on acquisition of a subsidiary (2024 - Nil).

The Company's increased business activity contributed to the change net loss and comprehensive loss during the year ended December 31, 2025, of \$4,879,459 (2024 - \$2,190,288). The Company recognized impairment of exploration and evaluation assets of \$1,315,969 (2024 - \$nil) partially offset by the recovery of flow through of share premium of \$393,798 (2024 - \$Nil). Higher operational activities of the Company also resulted to higher costs such as consulting fees of \$482,544 (2024 - \$22,279), accounting and auditing of \$188,214 (2024 - \$42,130), share-based compensation of \$634,576 (2024 - \$586,429) and travel and related expenses of \$166,572 (2024 - \$13,126). In addition, the Company incurred an increase in marketing fees during the period of marketing fees of \$1,647,565 (2024 - \$865,658) in connection to marketing services utilized to support corporate awareness of the Company's business and achieve financing objectives.

The years ended December 31, 2024 and 2023:

For the year ended December 31, 2024, the Company had a net loss and comprehensive loss of \$2,190,288 (2023 - \$818,606 income).

During the year ended December 31, 2024, the Company completed a name change from Glorious Creation Limited to Mustang Energy Corp., completed the re-listing of its common shares on the CSE, and changed its business to mineral exploration and development on the closing of an acquisition of uranium assets in Eastern Athabasca Basin of Saskatchewan. Following the re-listing of its common shares, and initial acquisition, the Company completed additional acquisitions including the Brown Lake Project, Dutton, Yellowstone, and Yellowstone East Projects, the 914W Uranium Project, and staked claims including Spur, Spur North, and Königsstuhl as further described in Note 7 to the financial statements.

In the prior year, the Company, was a party to a definitive business combination agreement with Aerobionics Integrated Systems Inc. "Aerobloom", which was terminated. Pursuant to the termination, the Company received a termination fee of US\$1,000,000 dollars, repayment of outstanding notes receivable in connection to the agreement, and reimbursement of certain business expenses paid for on behalf of Aerobloom recorded as termination fee and recovery of business expenses. The agreement as previously contemplated was to acquire all of the issued and outstanding common shares of Aerobloom in exchange for securities of the Company.

The acquisitions and change of business during the year ended December 31, 2024, contributed to the change in total assets, non-current assets, working capital, shareholders' equity and net loss and comprehensive loss for the year. In addition, equity transactions also contributed to these changes, certain components of the changes as further described below, for a comprehensive list, see Note 6 to the financial statements for the year ended December 31, 2024.

During the year ended December 31, 2024, the Company received cash of \$3,552,950 for the issuance of 12,626,862 shares, cash for exercise of warrants of \$697,112, issuing 9,958,738 shares on warrant exercise, and issued 13,003,750 common shares on acquisition of exploration and evaluation assets.

In the prior year, there were no share capital transactions.

The Company's change of business, acquisitions, and relisting of its common shares on the CSE contributed to the change net loss and comprehensive loss during the year ended December 31, 2024, of \$2,190,288 (2023 - \$818,606 income). In connection to these activities the Company realized increases in legal and related fees of \$279,176 (2023 - \$230,385), registration and filing fees of \$122,189 (2023 - \$20,593), and transfer agent and shareholder costs of \$46,703 (2023 - \$4,441). In addition, the Company incurred an increase in marketing fees during the period of \$865,658 (2023 - \$nil) in connection to marketing services utilized to support corporate awareness of the Company's business and achieve financing objectives.

Summary of Quarterly Results

The following is a summary of selected financial information compiled from the quarterly unaudited financial statements for the eight quarters ended December 31, 2025:

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Three-month periods ended:	\$	\$	\$	\$
Total assets	\$ 13,030,654	\$ 12,507,446	\$ 11,693,381	\$ 10,092,451
Working capital	215,644	1,976,886	1,034,259	2,305,345
Long-term liabilities	-	-	-	-
Shareholder's equity	10,912,373	11,413,286	11,039,806	9,330,985
Revenue	-	-	-	-
Net loss and comprehensive loss for the period	(734,999)	(1,514,387)	(781,889)	(1,848,184)
Loss per share, basic and diluted	(0.01)	(0.02)	(0.01)	(0.03)

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Three-months periods ended:	\$	\$	\$	\$
Total assets	\$ 10,211,522	\$ 1,924,952	\$ 926,158	\$ 1,452,776
Working capital	3,069,706	1,248,321	855,832	1,347,308
Long-term liabilities	-	-	-	-
Shareholder's equity	9,568,260	1,832,994	1,387,159	1,465,166
Revenue	-	-	-	-
Net loss and comprehensive loss for the period	(1,490,319)	(251,277)	(329,192)	(119,500)
Loss per share, basic and diluted	(0.04)	(0.01)	(0.01)	(0.01)

The summary of quarterly results was taken from the consolidated financial statements for the periods then ended above which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. The consolidated financial statements do not include all of the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company's annual financial statements as at the year ended December 31, 2025 and December 31, 2024.

The accounting policies applied in preparation for these financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the years ended December 31, 2025 and 2024, with the exception of the new adopted policies for exploration and evaluation assets and provision for environmental rehabilitation as described Note 2 to the Financial Statements for the years then ended.

Certain factors contributing to variation in the eight quarters ending December 31, 2025, are included in the discussion below.

During the periods ended March 31, 2024 to June 30, 2024, the Company increased its efforts in pursuit of identifying and evaluating new potential assets or a business acquisition, and reactivation of its CSE listing. During the period ended June 30, 2024, the Company closed its initial property acquisition, the Ford Lake Project. In connection to pursuing and evaluating assets, and closing the acquisition, the Company incurred variances in net loss and comprehensive loss due to incurring increased costs associated with this transaction including legal, audit, and filing fee costs. During the period ended June 30, 2024, the Company made a cash payment of \$300,000 to Stallion on closing of the definitive purchase and sale of the Ford Lake Project uranium assets and as a result of this acquisition began capitalizing non-current, exploration and evaluation assets, increasing total non-current assets.

During the periods ended September 30, 2024 to December 31, 2025, the Company acquired additional projects as further described above in the Discussion of Operations section, which have contributed to the change in total assets, non-current assets, working capital, shareholders' equity and net loss and comprehensive loss for these periods. During the period ended December 31, 2025, the Company recognized an impairment of \$803,851 in connection to a plan of arrangement with Allied as further described in Note 8 to the financial statements to reclassify the Ford Lake, Roughrider South, and Cigar Lake East Projects to assets held for distribution.

In addition, equity transactions also contributed to changes, in total assets, non-current assets, working capital, and net loss and comprehensive loss for the eight quarters ended December 31, 2025. A description of equity transactions is provided in Note 10 to the financial statements for the period ended December 31, 2025.

Results of Operations

Three months ended December 31, 2025 and 2024

During the three months ended December 31, 2025, the Company incurred a net loss of \$754,996 (three months ended December 31, 2024 – \$1,490,319). The main categories of variance are comprised of the following items:

	December 31, 2025 -\$-	December 31, 2024 -\$-
Accounting and auditing	61,386	30,842
Costs in the current quarter include higher accrual of audit fees and accounting services provided compared to the prior quarter.		
Consulting fees	247,963	10,843
In the current quarter, the Company utilized consulting services for corporate strategy and advisory, whereas in the prior year quarter, the Company had no comparable costs as it was primarily focused on identifying and evaluating new potential assets or a business acquisition, and reactivation of its CSE listing. In addition, the Company reclassified \$153,500 of shares issued for consulting fees that had previously been presented as share-based compensation earlier this year.		

Legal fees	53,788	95,547
In the current quarter, the Company made an adjusting entry to capitalize legal fees related to the acquisition of Nucleus Uranium.		
Marketing fees	45,825	825,547
The Company incurred marketing fees related to services supporting corporate awareness and financing objectives. Marketing expenditures were lower in the current quarter compared to the same quarter in the prior year, as the Company had entered into new marketing agreements during the comparable period, and those programs concluded in earlier quarters		
Share-based compensation	(143,804)	436,745
Included in share-based compensation are costs related to the fair value of stock options issued during the current quarter (Note 10 to the consolidated financial statements). Share-based compensation was lower compared to the prior period, as RSUs granted under a corporate advisory agreement were fully vested in the prior period and no RSU-related costs were incurred in the current quarter. In addition, the Company reclassified \$153,500 of shares issued for consulting fees that had previously been presented as share-based compensation earlier this year.		
Recovery of flow through share premium	212,240	-
In the current quarter, the Company incurred of qualifying flow-through expenditures whereas no such qualifying flow-through expenditures incurred in the comparable prior year quarter. The Company derecognized the associated flow-through share premium liability and recognized a deferred income tax recovery of flow-through share premium, where there were no similar transactions in the prior quarter.		
Impairment of exploration and evaluation assets	513,694	-
The Company recognized an impairment of its exploration and evaluation assets based on the determination that no further exploration work will be undertaken on Yellowstone East, Wrangler and Lasso projects and will allow the three mineral claims to lapse upon their expiry on April 23, 2026.		

Year ended December 31, 2025 and 2024

During the year ended December 31, 2025, the Company incurred \$3,139,042 (December 31, 2024 - \$119,162) on its exploration and evaluation assets.

During the year ended December 31, 2025, the Company incurred a net loss of \$4,879,459 (year ended December 31, 2024 – \$2,190,288). The main categories of variance are comprised of the following items:

	December 31, 2025 -\$-	December 31, 2024 -\$-
Accounting and auditing	188,214	42,130
Costs occurred in 2025 include higher accrual of audit fees and accounting services provided due to the increase in business activities and exploration compared to the prior year.		
Consulting fees	482,544	22,279
During 2025, the Company utilized consulting services for corporate strategy and advisory, where in the prior period, the Company had no comparable costs as it was primarily focused on identifying and evaluating new potential assets or a business acquisition, and reactivation of its CSE listing. In addition, the Company reclassified \$153,500 of shares issued for consulting fees that had previously been presented as share-based compensation earlier this year.		
Legal fees	336,923	279,176
During 2025, the Company utilized higher legal services for various transactions such as the share exchange and acquisition and other exploration related transactions, and financing and day-to-day operations of the Company.		

Marketing fees	1,647,565	865,658
During 2025, the Company incurred higher marketing fees in connection with services utilized to support corporate awareness of the Company's business and achieve financing objectives.		
Share-based compensation	634,576	586,429
Included in share-based compensation are costs for RSU's in connection with a corporate advisory agreement, shares issued for consulting corporate advisory services and costs for the fair value of stock options issued during the current period (Note 10 to the financial statements) where there were fewer stock options granted in the prior period. In addition, the Company reclassified \$153,500 of shares issued for consulting fees that had previously been presented as share-based compensation earlier this year.		
Recovery of flow through share premium	393,798	-
During 2025, the Company incurred a total of \$2,796,096 of qualifying flow-through expenditures. The Company derecognized the associated flow-through share premium liability and recognized a deferred income tax recovery of flow-through share premium, where there were no similar transactions in the prior period.		
Impairment of exploration and evaluation assets	1,315,969	-
During 2025, the Company recognized an impairment of its exploration and evaluation assets in connection to a plan of arrangement with Allied as further described in Note 8 to the financial statements to reclassify the Ford Lake, Roughrider South, and Cigar Lake East Projects to assets held for distribution. In addition, the Company has determined that no further exploration work will be undertaken on Yellowstone East, Wrangler and Lasso projects and will allow the three mineral claims to lapse upon their expiry on April 23, 2026.		

Liquidity and Capital Resources

As at December 31, 2025, the Company had working capital of \$215,644 (December 31, 2024 - \$3,069,706), cash of \$536,906 (December 31, 2024 - \$3,368,699) and restricted cash of \$1,250,000 (December 31, 2024 - \$Nil).

During the year ended December 31, 2025, net cash and cash equivalents used in operating activities for the current period was \$2,963,994 (year ended December 31, 2024 - \$1,839,902). The net cash and cash equivalents used in operating activities for the period consisted of the operating loss and a change in non-cash working capital items.

During the year ended December 31, 2025, net cash and cash equivalents used in investing activities in the current period included utilization of cash for acquisition of exploration and evaluation assets of \$3,244,528 (year ended December 31, 2024 - \$525,026).

During the year ended December 31, 2025, net cash and cash equivalents and restricted cash provided by financing activities in the current period were \$4,626,729 (year ended December 31, 2024 - \$4,135,052) in connection private placement financings as further described below and in Note 11 to the audited financial statements.

During the year ended December 31, 2025, the Company had the following share issuances as further described in the notes to the financial statements as referenced below:

On February 21, 2025, the Company closed a non-brokered private placement financing, for gross proceeds of \$1,255,000, by issuing 6,275,000 units at \$0.20 per unit, with each unit comprised of one common share and one share purchase warrant. Each warrant is exercisable into one common share at a price of \$0.27 per warrant, expiring October 21, 2025.

On May 13, 2025, the Company issued 9,000,000 common shares with a fair value of \$2,340,000 to Golden Mile pursuant to the share exchange transaction and acquisition of Nucleus.

On June 16, 2025, the Company issued an aggregate of 851,062 common shares with aggregate fair value of \$157,447 pursuant to the option agreements with Thunderbird.

On July 9, 2025, the Company closed a first tranche non-brokered private placement financing consisted of the following:

- 1,980,000 Non-Flow Through (“NFT”) units at a price of \$0.14 per unit for gross proceeds of \$277,200;
- 5,424,806 Flow through (“FT”) units at a price of \$0.165 per unit for gross proceeds of \$895,093.

Each unit consists of one common share and one share purchase warrant. Each share purchase warrants is exercisable into one common share at a price of \$0.21 per warrant, expiring July 9, 2028. In connection to the financing, the Company paid an aggregate of \$141,270 in finders’ fees consisting primarily of finders’ fees, legal fees and the fair value of 518,336 finder warrants of \$50,396. Each finder warrant is exercisable into one common share at a price of \$0.175 per warrant, expiring July 9, 2028. The Company recorded initial flow-through premium liability of \$135,620 related to the value of the flow-through components.

On July 22, 2025, the Company closed a second tranche non-brokered private placement financing consisted of the following:

- 125,000 NFT units at a price of \$0.14 per unit for gross proceeds of \$17,500;
- 814,200 FT units at a price of \$0.165 per unit for gross proceeds of \$134,343;
- 3,510,640 FT units sold to charitable purchasers at a price of \$0.235 per unit for gross proceeds of \$825,000.

Each unit consists of one common share and one share purchase warrant. Each share purchase warrants is exercisable into one common share at a price of \$0.21 per warrant, expiring July 22, 2028. In connection to the financing, the Company paid an aggregate of \$96,544, consisting primarily of finders’ fees and the fair value of 311,489 finder warrants of \$28,165. Each finder warrant is exercisable into one common share at a price of \$0.175 per warrant, expiring July 22, 2028. The Company recorded initial flow-through premium liability of \$353,866 related to the value of the flow-through components.

On November 21, 2025, in connection to the acquisition of the 914W Uranium Project, the Company issued 1,098,901 common shares valued at \$93,407

On December 31, 2025, the Company completed non-brokered private placement and issued an aggregate of 2,000,000 flow-through units at a price of \$0.09 per unit for proceeds of \$180,000. Each unit consisted of one common share and one-half a share purchase warrant, each whole warrant is exercisable at \$0.15 per share, expiring on December 31, 2027. In connection to the financing, the Company paid \$12,600 in finders fees and issued 140,000 finder warrants with a fair value of \$5,177. Each finder’s warrants exercisable into common shares priced at \$0.15, expiring on December 31, 2027. The Company recorded initial flow-through premium liability of \$30,000 related to the value of the flow-through components.

During the year ended December 31, 2025, the Company issued an aggregate of 2,000,000 common shares with a fair value of \$410,000 in connection to the acquisition of the Ford Lake Project, pursuant to the terms of agreement with Stallion.

During the year ended December 31, 2025, the Company issued an aggregate of 600,000 common shares with a fair value of \$153,500 to a corporate advisor pursuant to the amended consulting agreement.

During the year ended December 31, 2025, the Company issued an aggregate of 1,500,000 common shares pursuant to the settlement of restricted share units. The fair value of \$472,500 for the restricted share units vested was reallocated from reserve to share capital.

During the year ended December 31, 2024, the Company had the following share issuances as further described in the notes to the financial statements as referenced below:

In December 2024, the Company completed non-brokered private placements and issued an aggregate 2,721,000 non-flow-through common shares at a price of \$0.25 per share for proceeds of \$680,250.

In December 2024, the Company completed non-brokered private placements and issued an aggregate 9,905,862 flow-through common shares at a price of \$0.29 per share for proceeds of \$2,872,700. The flow-through share premium liability value was \$396,234.

On November 27, 2024, in connection to the acquisition of the 914W Uranium Project, the Company issued 93,750 common shares valued at \$30,938.

On October 10, 2024, in connection to the acquisition of the Yellowstone Project, the Company issued 12,000,000 common shares valued at \$5,280,000.

On October 10, 2024, in connection to the acquisition of the Brown Lake Project, the Company issued 60,000 common shares valued at \$26,400.

On October 4, 2024, the Company issued 500,000 common shares pursuant to the settlement of restricted share units. The fair value of \$157,500 for the restricted share units vested was reallocated from reserve to share capital.

In July 2024, the Company issued 9,958,738 common shares pursuant to exercise of warrants priced at \$0.07 for proceeds of \$697,112.

On May 29, 2024, in connection to the acquisition of the Ford Lake Project, the Company issued 350,000 common shares valued at \$71,750, to an eligible arm's length finder as a finder's fee in consideration for the Finder's services.

During the year ended December 31, 2024, in connection to the acquisition of the Ford Lake Project, recorded commitment to issue shares of \$410,000 in connection to the future share issuances as further described in.

During the year ended December 31, 2023, there were no share capital issuances.

During the year ended December 31, 2024, the company issued 710,910 finder warrants with fair value of \$105,485 to an eligible arm's length finder as a finder's fee in consideration for the finder's services.

As at December 31, 2025, the Company is committed to spending approximately \$2,052,104 of qualifying expenditures in connection with its flow-through offerings (December 31, 2024 - \$2,872,700).

In connection to the two option agreements with Thunderbird as previously described in this MD&A and Note 8 to the consolidated financial statements, the Company is required to make the following:

Cluff Lake Project

The cash payments, share issuance and exploration expenditure schedules for the remaining consideration for the Cluff Lake option agreement is as follows:

Interest Earned	Cash payments	Exploration expenditures	Value of shares issued
	\$	\$	\$
For the Company to earn a 60% interest on or before June 3, 2027 ("Stage 1 Cluff Lake Interest")	50,000	1,000,000	-
For the Company to earn a 20% interest on or before the second anniversary of earning the Stage 1 Cluff Lake Interest ("Stage 2 Cluff Lake Interest")	50,000	2,000,000	100,000 ⁽¹⁾
TOTAL:	100,000	3,000,000	100,000

(1) Share value will be determined by the market price at the time of issuance, as determined in accordance with the policies of the CSE.

Surprise Creek Project

The cash payments, share issuance and exploration expenditure schedules for the remaining consideration for the Surprise Creek option agreement is as follows:

Interest Earned	Cash payments	Exploration expenditures	Value of shares issued
	\$	\$	\$
For the Company to earn a 51% interest on or before June 3, 2027 ("Stage 1 Surprise Creek Interest")	50,000	1,000,000	-
For the Company to earn a 29% interest on or before the second anniversary of earning the Stage 1 Surprise Creek Interest ("Stage 2 Surprise Creek Interest")	50,000	2,000,000	100,000 ⁽¹⁾
TOTAL:	100,000	3,000,000	100,000

(1) Share value will be determined by the market price at the time of issuance, as determined in accordance with the policies of the CSE.

In connection to the option agreement with Skyharbour as previously described in this MD&A and Note 8 to the consolidated financial statements, the Company is required to make the following:

Date	Cash payments	Exploration expenditures	Value of shares issued
	\$	\$	\$
On the Closing Date	15,000	-	30,000 ⁽¹⁾
On or before the first anniversary of Closing Date	20,000	100,000	100,000 ⁽¹⁾
On or before the second anniversary of Closing Date	40,000	200,000	150,000 ⁽¹⁾
On or before the third anniversary of Closing Date	200,000	500,000	200,000 ⁽¹⁾
TOTAL:	275,000	800,000	480,000

(1) Share values will be based on a five-day volume-weighted average price on the Canadian Securities Exchange ("CSE") prior to issuance, or such other price as required by the policies of the CSE.

Sources and circumstances of funding

As at December 31, 2025, the Company is committed to spending approximately \$2,052,104 of qualifying expenditures in connection with its flow-through offerings (December 31, 2024 - \$2,872,700).

As at December 31 2025, the Company had working capital of \$215,644 (December 31, 2024 - \$3,069,706).

The Company's ability to finance future growth, and to continue the exploration and evaluation of its assets will be dependent on its ability to supplement internally generated cash flows through the issuance of common shares pursuant to private placements, the exercise of warrants and stock options. Operations in the current period have been maintained through the completion of equity private placements

Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. This may be further complicated by the limited liquidity for shares of smaller companies, restricting access to some institutional investors. The Company's growth is dependent on external sources of financing which may not be available on acceptable terms.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

Use of Proceeds From Previous Financings

The Company completed equity financings for aggregate gross proceeds of \$7,137,086 raised through private placements in December 2024, February 2025, July 2025 and December 2025. These financings were completed to support the Company's progress to achieve its business objectives of exploration of its exploration and evaluation assets in the Athabasca Basin, Saskatchewan, Canada.

The Company initially disclosed its intended use of proceeds in the offering document, dated February 18, 2025, for its life offering (the "Life Offering"). The Life Offering and the amounts to be expended were the anticipated expenditures for the next 12 months. The data presented below is from March 1, 2025 to December 31, 2025, using March 1, 2025 as a cut off period for reporting. The table below reflects the use of only proceeds raised in the financings, other than for general working capital, variances, and any resulting impact on the Company's ability to meet its business objectives.

Principal Purpose	Amount to be expended -\$-	Actual Amount Expended -\$-	Remaining Amount to be Expended or (excess of spending) -\$-	
Exploration Expenditures, December 31, 2025	2,872,700	3,378,730	(506,030)	a
Exploration Expenditures, December 31, 2026	2,034,436	506,030	1,528,406	a
Investor Relations and Communications	580,000	1,147,110	(567,110)	b
General and Administrative Expenditures	594,031	1,939,060	(1,345,029)	c
Unallocated Working Capital	260,000	260,000	-	d
	4,306,731	2,388,350	(889,763)	

- a. As at December 31, 2025, the Company expended \$3,378,730 on exploration expenditures. Further to the Company's business objectives, it is continuing to conduct exploration activities of its mining properties and intends to expend an amount equal to \$2,872,700 prior to December 31, 2025, and \$2,034,436 prior to December 31, 2026.
- b. The Company spent \$567,110 in excess of the \$580,000 budgeted. The excess marketing/investor relations and communications expenditures were primarily directed toward raising awareness of the Company's newly acquired projects and enhancing its overall profile to support future financing efforts in order to support further exploration activities in alignment with the Company's business objectives. The excess of spending on investor relations and communications is offset in part by unallocated working capital of \$260,000 and the existing working capital as disclosed in the offering document for the Life Offering.
- c. The Company spent \$1,345,029 in excess of the \$594,031 budgeted, primarily due to growth-related factors, including increased exploration activities, expansion of its mining properties, and greater use of support services classified as general and administrative expenses.
- d. Unallocated working capital of \$260,000 was the balance of proceeds of the financing not attributed to the categories described. During the period ending March 1, 2025, the Company expended the unallocated working capital in connection with the excess expenditures described in sections b. and c. above.

Related Party

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and includes directors, executive officers, and entities controlled by such persons.

	ended December 31, 2025 \$	ended December 31, 2024 \$
Management fees to companies controlled by the CEO	126,000	110,250 ¹
Management fees to a company controlled by the CFO	64,312	44,100 ²
Management fees to a Company controlled by a director	50,400	50,400 ³
Management fees to a director	18,000	13,500 ⁴
Rent expense paid to a company controlled by a director	44,800	10,500 ³
Share-based compensation - stock options	290,748	149,684 ²
Total	594,260	378,434

¹ Nicholas Luksha, CEO, Director

² Teresa Cherry, CFO

³ Constantine Carmichel, Director

⁴ Teresa Rzepczyk, Director

During the year ended December 31, 2025, the Company granted incentive stock options to officers and directors of the Company to purchase a total of 4,750,000 common shares price range of \$0.09 to \$0.26, expiring September 30, 2026 and August 20, 2028. Pursuant to the option grant, the Company recorded total share-based compensation of \$290,748 for the year ended December 31, 2025 for vested stock options granted to a related party (year ended December 31, 2024 - \$149,684^{1,2,3,4}).

Balances

As at December 31, 2025, included in accounts payable and accrued liabilities were \$34,540 of amounts owing to directors and officers of the Company (December 31, 2024 - \$Nil).

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Investor Relations

N/A

Commitments

In connection with the acquisition of the Ford Lake Project, the Company recorded a commitment to issue 2,000,000 shares. On May 29, 2025, the Company issued 500,000 common shares and on August 12, 2025, the Company issued 1,500,000 common shares to settle its obligation (Notes 7 and 10 to the financial statements).

Contingency

During the year ended December 31, 2023, the Company was a party terminated definitive business combination agreement with Aerobloom. During 2024, the Company received notice that Aerobloom commenced a lawsuit naming the Company and is seeking an accounting of the monies which represented the termination fee, return of the termination fee, damages, litigation costs, other relief as the court deems proper, punitive damages, reasonable attorney's fees and pre-judgement interest. The Company intends to defend against the claim.

As at the year ended December 31, 2025 and 2024, and the current date, the Company assessed the likelihood of an outflow of resources is remote, and cannot reliably be estimated, as such, no amounts have been accrued in the financial statements. Subsequent to the year ended December 31, 2025, the matter was dismissed without prejudice.

Financial and Capital Risk Management

IFRS 13, Fair Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company measured its cash and cash equivalents, restricted cash, other receivables, share subscription receipts and accounts payable and accrued liabilities at amortized cost. The carrying values of these items approximate their fair value due to the relatively short periods to maturity of the instruments.

Credit risk

Credit risk arises from cash and cash equivalents and restricted cash held with financial institutions as well as credit exposure on outstanding receivables.

The Company's cash and cash equivalents is held at high-credit rating financial institutions. The Company's maximum exposure to credit risk is the carrying amounts of cash and receivables on its consolidated statement of financial position.

Currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has no significant assets or liabilities and has no revenue or expenses denominated in a foreign currency; accordingly, it is not exposed to foreign currency risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at December 31, 2025, the Company had a cash and cash equivalents and restricted cash balance of \$1,786,906 (December 31, 2024 - \$3,368,699) to settle current liabilities of \$2,118,281 (December 31, 2024 - \$643,262). All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company currently has no interest-bearing financial instruments other than cash, so its exposure to interest rate risk is insignificant.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities. The Company relies mainly on equity issuances and loans from related parties to raise new capital. In the management of capital, the Company includes the components of shareholders' equity. The Company prepares annual estimates of operating expenditures and monitors actual expenditures compared to the estimates in an effort to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to negotiate premium interest rates on savings accounts or to invest its cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated at any time without interest penalty. The Company will require additional financing in order to provide working capital to fund costs for the current period. These financing activities may include issuances of additional debt or equity securities.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

Material Accounting Policies, Critical Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are

considered to be relevant under the circumstances. Revisions to estimates on the resulting effects of the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The accounting policies applied in preparation of these financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended December 31, 2025, with the exception of the new adopted policies for exploration and evaluation assets and provision for environmental rehabilitation as described in Notes 3 and 4 to the financial statements.

Outstanding Share Data

The following table summarizes the Company's outstanding share data as at December 31, 2025:

Securities	
Common shares	96,478,166
Stock options	7,900,000
Restricted Share Units	-
Warrants	14,535,381

The following table summarizes the Company's outstanding share data as at the current date:

Securities	
Common shares	100,478,165
Stock options	100,000
Restricted Share Units	-
Warrants	14,535,381

Further description of the outstanding share data can be found in Notes 11 and 19 to the consolidated financial statements.

Risks and Uncertainties

The Company currently has no active business, significant assets, or source of recurring income.

The Company is currently evaluating other potential assets or business to acquire. The Company has only limited funds available to identify and evaluate potential projects and thereby cannot provide assurance the Company will be able to identify or complete a suitable transaction.

There can be no assurances that the Company will continue to be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The Company's success depends to a certain degree upon key members of the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management team or certain key employees could have a material adverse effect on the Company.

Corporate Governance

The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Audit Committee of the Company fulfills its role of ensuring the integrity of the reported information through its review of the interim and audited annual financial statements prior to their submission to the Board of Directors for approval.

The Audit Committee, comprised of three directors, all of whom are independent, meets with management of the Company on a quarterly basis to review the financial statements, including the MD&A, and to discuss other financial, operating and internal control matters as required.

Subsequent Events

Subsequent to December 31, 2025, the Company had the following transactions:

- a) On February 6, 2026, in connection to consulting agreements with third party consultants, the Company issued an aggregate of 4,000,000 of RSUs of the Company, which vested immediately, redeemable for one common share.
- b) Cancelled stock options:
 - i. 1,200,000 stock options to officers and directors priced at \$0.30, originally expiring on April 5, 2027.
 - ii. 300,000 stock options to a consultant priced at \$0.305, originally expiring on June 23, 2026.
 - iii. 500,000 stock options to officer and consultant priced at \$0.26, originally expiring on September 30, 2026.
 - iv. 5,500,000 stock options to officers, directors and consultants priced at \$0.10, originally expiring on August 20, 2028.
 - v. 100,000 stock options to a consultant priced at \$0.12, originally expiring on August 22, 2028.
 - vi. 200,000 stock options to a consultant priced at \$0.09, originally expiring on December 3, 2028.
- c) Plan of Arrangement and Spin-off of Allied

On March 27, 2026, the Company completed the previously announced Arrangement involving the spin-off of Allied. The Arrangement was approved by the Company shareholders on November 14, 2025 and received a final order from the Supreme Court of British Columbia on November 24, 2025.

Under the Arrangement, the Company transferred all of its ownership, rights, title, and interests in the Ford Lake, Roughrider South, and Cigar East properties (collectively, the "SpinCo Properties") to Allied in exchange for 6,400,000 Allied common shares at a deemed value of \$0.05 per share. The Company also completed a capital reorganization that included the renaming and re-designation of its existing common shares and the creation of a new class of common shares ("New Mustang Shares"). Shareholders of record on March 26, 2026 received one New Mustang Share and approximately 0.066336253 Allied Shares for each Company share held.

Following completion of the Arrangement, Allied became a separate unlisted reporting issuer in British Columbia, Alberta, and Ontario and now holds all rights and interests in the SpinCo Properties.

- d) On April 7, 2026, the Company converted 4,000,000 of RSUs issued on February 6, 2026 to common shares.