



Management's Discussion and Analysis
For the three and twelve months ended December 31, 2025

Management's Discussion and Analysis

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") of Nio Strategic Metals Inc. ("Nio" or the "Corporation") is a narrative explanation, through the eyes of Nio's management, on how the Corporation performed during the three-month and the twelve-month period ended December 31, 2025 as compared to the three-month and the twelve-month period ended December 31, 2024.

This MD&A is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations. These results of operations should be read in conjunction with audited consolidated financial statements and accompanying notes as at and for the year ended December 31, 2025. All amounts in this MD&A are in Canadian dollars unless otherwise indicated. This MD&A contains information available as at the disclosure date.

The Corporation's headquarters are located in Montreal, Canada. Nio Strategic Metals Inc. is listed on the TSX Venture Exchange ("TSX-V") under the symbol NIO. Additional information relating to the Corporation can be found on SEDAR+ at www.sedarplus.ca.

Responsibility of Management and the Board of Directors

Management is responsible for the information disclosed in this MD&A and the audited consolidated financial statements and accompanying notes, and has in place appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is materially complete and reliable. Nio's Board of Directors has approved this MD&A and the audited financial statements and accompanying notes. In addition, Nio's Audit Committee, on behalf of the Board of Directors, provides an oversight role with respect to all public financial disclosures made by Nio and has reviewed this MD&A and the audited consolidated financial statements and accompanying notes.

Forward-Looking Statements

This document contains forward-looking statements, which reflect the Corporation's current expectations regarding certain future events. To the extent that any statements in this document contain information that is not historical, the statements are essentially forward-looking and are often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". In the interest of providing shareholders and potential investors with information regarding Nio, including management's assessment of future plans and operations, certain statements in this MD&A are forward-looking and are subject to the risks, uncertainties and other important factors that could cause the Corporation's actual performance to differ materially from that expressed in or implied by such statements. The Corporation disclaims any obligation to update these forward-looking statements unless required to do so by applicable Securities laws. All subsequent forward-looking statements, whether written or orally attributable to the Corporation or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

For information identifying known risks and uncertainties, relating to the issuance by the Ministry of Sustainable Development, Environment and Fight against Climate Change ("MDDELCC") of the Certificate of Authorization ("CA") to build the mine in Oka, financial resources, market prices, exchange rates, politico-social conflicts, competition, the purchase of the old St-Lawrence Columbian mine site from the Municipality of Oka should the CA be issued, and other important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk and Uncertainties Section of this Management's Discussion and Analysis. Consequently, actual results may differ materially from the anticipated results expressed in these forward-looking statements.

Value proposition

Nio is a TSX-listed company with a focus on the exploration and the development of critical and strategic minerals projects. Nio is positioning itself to be a significant producer of high-quality critical minerals for use in rapidly developing applications.

The Corporation's immediate mission is to become a ferroniobium producer, following the issuance of a CA from the MDDELCC. Niobium is a critical material essential for many high-tech products and green technologies because of its unique characteristics and chemical properties that significantly reduce, when combined with steel, weight and increase its resistance. In the long term, the Corporation will assess if Rare Earth Elements ("REE") identified on its property can be recovered and produced in respect with the environment.

One of the long-term drivers for Nio is the outlook for the booming electric vehicle markets, where Nio has the capacity to make these vehicles even more efficient and greener by reducing their total weight and therefore manage longer distance and use less energy.

In order to support Canada's position as a leader in the supply of critical minerals, the Corporation:

- Wants to reinforce the importance of niobium as a critical mineral for the national defence and Canadian value-added applications
- Supports a vertically-integrated niobium supply chain on a market predominantly dominated by the BRICS countries
- Has initiated the demonstration that securing niobium supply is a national priority and how Nio could become a leader in such domain.

Nio has engaged the services of a lobbyist firm to properly position the property and related benefits at the government level. In July 2025, we conjointly finalized the redaction of a white-paper called *Strategic Niobium: Ensuring Canada's Industrial Sovereignty and National Security* - a call for a new vision for Canada's critical resources in order to build a resilient, sustainable and sovereign system that reflects our times.

The contribution of critical minerals - of which niobium is a particularly relevant example - remains central to strengthening our defence capabilities while meeting the challenges of the climate transition. Their integration into the production of advanced steel and alloys is an essential condition for achieving common goals of resilience, innovation and safety.

Most important, Nio's objectives are:

- Becoming a Quebec-based leader in ferroniobium production
- Implementing green mining concepts that considers crushing and sorting underneath surface
- Noiseless enclosures and minimal footprint
- Reduced impact scenario on agricultural and municipal water resources
- Being a key contributor to a sustainable world by innovating responsibly, giving back to the community and
- Reducing environmental impact for future generations.

The Quebec government announced in 2020 its first-ever Plan for the Development of Critical and Strategic Minerals 2020-2025 to support its leadership into the promotion of a green economy. One of its main orientations considers the identification of the sectors conducive to exploration for CSM deposits in order to support the discovery of new mines.

In December 2022, the Canadian government released its highly anticipated report entitled *The Canadian Critical Minerals Strategy - From Exploration to Recycling: Powering the Green and Digital Economy for Canada and the World*. The strategy recognizes that critical minerals, including niobium, represent a generational opportunity for Canada's workers, economy and net-zero future. Such minerals are the foundation on which our modern economy is built.

For a mineral to be deemed “critical,” it must be:

- ✓ essential to Canada’s economic security, and in threatened supply; or
- ✓ required for our national transition to a low-carbon economy; or
- ✓ a sustainable source of highly strategic critical minerals for our partners or allies.

At this year’s G7 Summit in Kananaskis in June, the government launched the **Critical Minerals Production Alliance** and **Critical Minerals Action Plan** – a Canadian-led initiative to coordinate production and catalyze global investment. The plan tasked relevant Ministers with developing a Roadmap to advance standards-based markets for critical minerals. Leaders committed to transparency, traceability, diversification, security, sustainable mining practices, trustworthiness, and reliability as essential principles for resilient critical minerals supply chains. The G7 commits to the following approach and deliverables to advance the development of standards-based markets for critical minerals.

In its 2025 Budget, Natural Resources Canada announced it is implementing several measures that will continue to leverage partnerships, promote and protect critical mineral value chains in Canada:

- Launch the **First and Last Mile Fund**, which will build on the Critical Minerals Infrastructure Fund to invest a total of \$1.5 billion between 2026 and 2030 to support strategic mining and infrastructure projects that will bolster Canada’s critical mineral value chains and get critical minerals to market, while enabling the capacity of implicated Indigenous nations, communities, and groups.
- Stand up the **Critical Minerals Sovereign Fund**, which will provide \$2 billion over five years to make strategic investments in critical mineral projects and companies through equity investments, debt instruments, and offtake contracts.
- In collaboration with Innovation, Science, and Economic Development Canada, support the **Defence Industrial Strategy** through \$443 million over five years to develop cutting-edge critical mineral processing technologies, partner with allies on joint investments in Canadian projects, and to continue building a critical mineral stockpiling mechanism to strengthen Canadian and allied security.

The Corporation’s management is actively engaged to position the Corporation to be included in some of those Government programs.

Most importantly to the development of these projects is the cooperation of and partnership with Indigenous communities. These discussions intensified over the course of the year. Nio continued to develop a path to engagement with the Mohawks.

The Research and Development program announced in February 2025 aims at improving innovation into metallurgic and mining waste water processes to enable niobium production of its exploration-stage Oka project in order to reduce operational risks.

This financial support was granted as part of Elements 08’s initiative and considers collaboration between the Corporation and the Centre technologique des résidus industriels («CTRI»). The expertise of the CTRI with the support of Impact Global Solutions Inc. ("IGS") will be required to develop an optimal metallurgic treatment process and reduce environmental impact from mining waste water. This program supports companies in the mineral exploration sector in carrying out their projects aimed at developing critical and strategic minerals («CSM») from deposits in Quebec and ensuring responsible and sustainable mining.

The report entitled *Development of a sustainable and optimized extraction of Nb and others Critical and Strategic Metals (CSMs) from OKA niobium deposit: Environmental de-risking* addresses environmental de-risking processes. This project was carried out as part of the Elements08 program partially funded by the Ministry of Economy, Science and Innovation. The final report is expected in April 2026. However, preliminary data from the project have made it possible to identify several solutions with regard to hydrometallurgy aspects but also procedures for mitigating the environmental risks associated with the use of water for mining and ore processing, through full water reuse.

Part of the project aimed to align with the principles of "green mining," with a focus on developing innovative and sustainable methods and processes; and, specifically, the extraction of rare earth elements during niobium concentration or ferro-niobium production. The evaluation of the proposed methods was taking into account the unique characteristics of the project and more specifically its specific location and geo-environmental constraints. The overall approach to development and the technologies adopted will be selected on the basis of their compatibility with these factors and the level of transformation required along the entire value chain, whether partial or complete.

Another pillar of the derisking approach remained the exploitation of the deposit by integrating the concepts and schemes developed by the Elements08 program into the future mining project. In this respect, the critical review carried out by IGS allowed us to affirm that all extraction processes should be housed underground.

Considering the footprint of the pyrometallurgy portion of the project, IGS also stated that the project should include the production of niobium oxide. If necessary and if the reprocessing of the historical slag is advanced, only the production of the concentrate would be carried out in Oka. The concentrate produced would be safely transported to extract niobium, rare earths and naturally radioactive elements on a second one to carry out the final metallurgy.

As it was crucial to rethink the mining model, for a green mining initiative, the following aspects were given special attention:

- Mitigation of the presence of radon in the planned underground mine and evaluation of the underground infrastructure hosting the processing plant planned for the production of a niobium concentrate or CSM;
- Reduction of the surface area of the treatment by the evaluation of selective exploitation and selective feeding;
- Mitigation of environmental risks related to the use of water for mining and ore processing, through full water reuse;
- Mitigating the risks associated with the use of chemicals by eliminating the flotation step, if possible, or using eco-friendly (green) flotation reagents;
- Evaluation of benefits and impacts for the local population;
- Sharing of findings with local stakeholders;
- Mitigating the risks associated with NORMs (Naturally Occurring Radioactive Materials) by evaluating best practices to contain these NORMs throughout the stages of the extraction, processing and reclamation chain.

The challenges related to the development of OKA's niobium project reinforce the Company's decision to focus on de-risking this project, with particular attention to the following aspects:

- The development of ecological treatment processes;
- Optimizing the extraction of niobium and CSMs contained in the deposit, in accordance with best practices, to ensure optimal environmental, social and governance outcomes.

The Oka project involves the development of a mining complex based on an underground mine, a concentrator and a converter to produce ferroniobium. The project has completed all exploration phases, including two drilling campaigns in 1995, 1996, and 1997 for a total of 22,204 meters, to define two resource ore bodies: the S-60 and the HWM-2 (historical resources). Numerous metallurgical concentration tests and analyses were undertaken throughout the exploration period. These tests, on the various mineralized facies of the principal resource mineral prospect, the S-60, allow for the development of an optimal pyrochlore recovery process. Pyrochlore is the niobium-bearing mineral. A modified NI-43-101 technical report titled *Modèle géologique et estimation des ressources de Niobium de la Zone S-60, Oka Québec* was filed on SEDAR on November 3, 2011 regarding the property.

Nio's prospective mineral assets are essentially included in the S-60 mining zone and the adjacent HWM-2 zone. They exceed 10 million tons of mineral resources averaging 0,64% Nb₂O₅ at a minimum 50 USD a kilogram (*price from Globe Metals and Mining, May 2023*) - see below for resources reference. This represents a conservative value of 3,2 billion USD. These resources are historical in nature; they have not

been validated by the qualified person. These historical resources have not been estimated in accordance with sections 1.2 and 1.3 of NI 43-101, are not up-to-date and should not be relied upon.

However, more niobium ore is available in several other carbonatite pyrochlore-enriched zones in Nio-claimed adjacent areas to the prospective S60 mining zone. That 3,2 billion USD figure is therefore likely to significantly increase with more exploration work.

Moreover, for each 4 kilograms of extracted niobium pentoxide (Nb₂O₅), approximately one kg of rare earth oxides (REO) is recoverable (from metallurgical study), mainly cerium, neodyme, lanthanium, praseodyme and europium. These still poorly assessed minerals are growing in price and in importance in today's market. They should contribute to Nio's assets enhancement.

In December 2024, the Corporation launched an exploration and mineral resource evaluation program on the Oka and the Fafnir properties in Quebec to determine the existence, location, extent, and quality of the niobium and other critical metals on these properties. The Corporation assumes the assessment will run over a period of 2 years with immediate assessment during the current year.

Management is currently working to obtain all the required permits and authorization to develop the Oka property. Nio is of the view that its project will eventually bring significant financial returns to the local parties involved and it hopes to work with the community to eventually build a mutually beneficial project.

Management is also pursuing financing activities to get the CA in Oka.

The Corporation's Business Model is yet always evolving and improving over next years consisting of very explicit and interrelated goals that drive Nio's day-to-day decisions based on the following salient objectives:

- Continue to support the commercial development, demonstration, and deployment of its Oka project
- REE separation technology platform
- Continue business and geological development efforts towards critical metals projects
- Continue to pursue REE metal, alloy, and strategic relationships
- Continue to work with Aboriginal leaders towards needed funding and support
- Continue to strengthen our relationships with all prospective communities
- Continue with exploration work for the Great-Whale Project in preparation for a feasibility study.

In 2004, Nio acquired a property with three mineral prospects (historical resources) of magnetite ore, located near the Great Whale River (the "Great Whale Iron Property"). A NI-43-101 technical report titled *Technical Report on Metallurgical Tests of the Great Whale Property* was filed on SEDAR on May 28, 2010 regarding the property. Management is currently reviewing its options regarding the Corporation's rights.

On June 4, 2024, the Corporation closed the acquisition of all outstanding shares, representing a 100% interest, in 1478472 B.C. Ltd. a company holding 85 mining claims comprising the Fafnir Project in Quebec, Canada. The Fafnir Project covers approximately 4,956 hectares (50 square kilometers) located approximately 60 km north west of Mont Laurier, and 165 km north of Gatineau and is home to some large high-grade niobium and Uranium deposits and discoveries. There is excellent access to all parts of the property that are held strategically throughout the region.

The Fafnir project, which will undergo geophysical review and ground work, contains a significant intrusive pegmatite of the NYF (Niobium-Yttrium-Fluorine) type, for which 9,238 ppm of Niobium, 8,022 ppm of Uranium, and 1,288 ppm of Praseodymium (Pr) / Neodymium (Nd) have been recorded. The structural shear fault that truncates the southwest flank of the property, identified as the likely context for enrichment, also truncates the Petawaga occurrence, where a bulk sample revealed 3.4% niobium, 0.7% uranium, and ~1% to 1.5% lithium. This is located 30 kilometers southwest of Fafnir. The Boxi project, located 10 kilometers northwest of Fafnir, provides further evidence of the strong rare earth element enrichment in the region, having returned assays of 14% uranium, 26% niobium, and 3,700 ppm in Pr/Nd

Although the Corporation will continue to consider potential transactions with respect to the critical metals projects, when the Corporation is reviewing such proposals, the Corporation will do so according

to the following priorities: (i) its own critical metals business plan; (ii) ESG (environmental, social and governance) objectives; and (iii) the Corporation's stakeholders and shareholders.

Nio aims at supporting Canada in its effort to become a worldwide leader in the safe and sustainable critical mineral and rare earth elements supply. These efforts are key for various Canadian ministries including National Defence, Innovation, Science and Economic Development, Natural Resources and Industry Canada.

The Corporation has no significant income at this stage.

Major events

On February 4, 2025, the Corporation announced that it had signed a collaboration agreement to develop an optimal metallurgic treatment process and reduce environmental impact from mining wastewater in collaboration with the Centre technologique des résidus industriels ("CTRI"). This program supports companies in the mineral exploration sector in carrying out their projects aimed at developing critical and strategic minerals from deposits in Quebec and ensuring responsible and sustainable mining. The Corporation was engaged to providing to the CTRI a monetary contribution of \$101,200 to support its activities required to the project. This amount was fully paid as at December 31, 2025.

On April 15, 2025, the Corporation entered into an agreement to issue a total of 1,000,001 shares at a price of \$0.045 per share for unpaid services as of April 2025 representing \$45,000 (of which \$20,000 was payable as of December 31, 2024) to Key management personnel.

On April 15, 2025 the Corporation entered into a shares-for-debt agreement to settle a total of \$450,000 of the Corporation's outstanding debt. An aggregate of 10,000,000 common shares in the capital of the Corporation at a deemed price of \$0.045 per common share were issued in accordance with the policies of the TSXV to improve balance sheets.

The Board of Directors and Management of Nio believe that these two agreements will improve its financial position drastically since, the Corporation will no longer carry any debt on its balance sheets, except for usual short-term accrued payables. Also, both agreements are in the best interests of Nio as it will help the Corporation preserve its cash position.

On May 15, 2025, 11,000,001 common shares were issued in settlement of these agreements following the receipt or the TSXV final acceptance.

On December 19, 2025, the Corporation announced that it has arranged a private placement of 6,400,000 flow-through common shares of the Corporation that will qualify as "flow-through shares" within the meaning of subsection 66(15) of the Income Tax Act (Canada) for gross proceeds of approximately \$800,000.

On March 6, 2026, the Corporation announced the closing of its non-brokered private placement of 34,515,967 common shares of the Corporation at a price of \$0.155 per common share for gross proceeds of \$5,349,975. In connection with the Private Placement, the Corporation paid certain eligible finders aggregate cash fees of \$117,210 and issued 645,161 Common Shares. These fees were between 5.5% and 6.5% of the aggregate gross proceeds raised from those purchasers introduced by such finders.

The common shares were offered by way of private placement pursuant to exemptions from the prospectus requirements under applicable Canadian securities laws. All common shares issued pursuant to the Private Placement are subject to a four-month hold period under applicable securities laws in Canada and the policies of the TSX-V. The Financing received conditional approval but remains subject to final acceptance of the TSX-V.

Results of Operations

(in \$)	For the 3 months ended December 31,		For the 12 months ended December 31,	
	2025	2024	2025	2024
Revenues	–	1,600	6,600	8,500
Expenses	376,915	221,763	1,023,409	887,564
Net finance expenses (income)	1,505	969	(7,931)	(9,255)
Deferred income tax	(51,695)	–	(51,695)	–
Net loss and comprehensive loss	(326,725)	(221,132)	(957,183)	(869,809)
Basic and diluted loss per outstanding share	(0.00)	(0.00)	(0.01)	(0.01)
Weighted average number of outstanding shares	102,347,670	85,776,981	97,634,318	82,699,467

Oka Niobium Project

The Corporation has for many years been awaiting the receipt of a CA from the MDDELCC which would allow it to exploit its Oka mine project. The Corporation considers that it has produced all information required by the MDDELCC for the issuance of a CA; however, in spite of the Corporation's repeated attempts to obtain an indication from the MDDELCC as to its intentions relatively to the CA, the Corporation has not received conclusive information to this effect. During 2010, the Corporation met with different stakeholders in the Oka region to obtain additional support to convince the MDDELCC to issue the CA, which would allow the Corporation to build its underground Niobium mine in the Ste. Sophie range of Oka, Quebec. In February 2010, representatives of the Corporation met with representatives of the Deputy Minister of Sustainable Development, Environment and Parks to further discuss the issuance of the CA. While the Corporation believes that this meeting was constructive and positive, the Corporation has not received further information as to if and when the CA will be issued by the MDDELCC.

During the fourth quarter of 2009, Nio granted a mandate to Met-Chem for the formal update of the capital/operating costs of the projected mine complex in Oka. This project was completed during the first quarter of 2010 and a press release was issued on this subject in March 2010.

St-Lawrence Columbian mine was the first significant niobium mine in the world. It operated for 16 years, and intensive resource evaluation took place at the time. National Instrument 43-101 was created after the mine closure. Data are therefore not gathered consistently with such today's standard and historical records are not considered as 43-101 compliant although they are geologically realistic.

According to the Resource estimation made by Niocan (now Nio Strategic Metals Inc.) in a Jan 2000 Feasibility report by Met-Chem/SNC Lavalin (abstracts below):

Method	Zone	Proven Resources		Probable Resources		Possible Resources		Total Resources	
		Million Tonnes	% Nb ₂ O ₅	Million Tonnes	% Nb ₂ O ₅	Million Tonnes	% Nb ₂ O ₅	Million Tonnes	% Nb ₂ O ₅
Section	S-60	7.63	0.69	3.11	0.62	3.63	0.62	14.37	0.66
Section	HWM-2	1.32	0.57	2.22	0.57	2.41	0.55	5.95	0.56
Geostat*	S-60	6.77	6.79	3.42	0.65	3.56	0.60	13.76	0.66

*: Geostatistical method, with cut-off grade of 0.5% Nb₂O₅

These resources are historical in nature, they have not been validated by the qualified person. These historical resources have not been estimated in accordance with sections 1.2 and 1.3 of NI 43-101, are not up-to-date and should not be relied upon.

The model validation by MetChem (MCP) provides a similar picture for the S-60 and nearby HWM-2 zones.

Estimated by	S-60		HWM-2*		Total	
	Tonnes	% Nb ₂ O ₅	Tonnes	% Nb ₂ O ₅	Tonnes	% Nb ₂ O ₅
Niocan	14,373,133	0.66	3,288,968	0.58	17,662,101	0.64
MCP	14,763,020	0.65	3,292,196	0.55	18,075,217	0.64

*: From section 3080 E to 3200 E

Moreover, the update to the 2000 socio-economic study performed by KPMG relative to the Oka Niobium Project was completed during the first quarter of 2010 to provide additional new information to all the Corporation's stakeholders, shareholders, government officials and departments and the regional communities. A press release was issued on this subject on March 17, 2010.

As further detailed above, the Corporation announced a revaluation. Nio plans to complete the remaining segments of the feasibility study as per NI 43-101 only when the CA is issued by the MDDELCC, and this information will be needed at that time for financing purposes. The Corporation considers that an update of the complete feasibility study which would be compatible with NI 43-101 would require approximately six (6) months.

The Corporation is actively pursuing this initiative and a significant amount of work has since been undertaken to advance the project, including:

- Numerous continuing meetings with multiple potential ferro-niobium and REE end-users or business partners
- Reinforced engagement with native communities, and stakeholders to inform the development of Nio's project and create shared value
- Working directly with the Canadian and Quebec governments regarding advancing various initiatives under way in order to increase awareness and social review.

In the meantime, these initiatives will be presented and discussed with local representative to gain social acceptance.

Great Whale Iron Property

On August 31, 2006, Met-Chem produced its technical report which recommends a plan of action on the Great Whale project for the period comprised between 2006 and 2008, which totalised seven million three hundred thousand dollars (\$ 7,300,000). The Corporation has not started this work.

In July 2009, the Corporation collected new drilled core samples and cores drilled in 1957-60 by Belcher Mining Corporation Ltd from the A, D and E iron mineralized (36% Fe magnetite) sites on the GWIP (17,098 acres) located 80 kilometers from the twin villages of Kuujjuarapik - Whapmagoostui on the Hudson Bay. The objective of the 2009 program, for which \$ 183,000 was spent in 2009, was to perform modern metallurgical tests to confirm the optimum ore grain size of the prospects (historical resources) for maximum iron liberation. The Corporation announced in February 2010 the delivery of this report, the results of which are further detailed above.

Management is currently reviewing its options regarding the Corporation's rights.

Fafnir Property

The Fafnir Property is comprised of 129 mineral claims covering approximately 18,860 hectares located approximately 60km north west of Mont Laurier, and 165 km north of Gatineau. There is excellent access to all parts of the property from a logging road off the La Verendrye 13, via the Trans-Canada highway.

The Fafnir property, subject of pass geophysics and ground work has a large intrusive NYF (Niobium-Yttrium-Fluorine) type pegmatite which has returned 9,238 ppm for Niobium, 8,022 ppm of Uranium and 1,288 ppm of Praseodymium (Pr) / Neodymium (Nd). The Structural shear fault that truncates the property's South Western flank, being the likely context for enrichment, also truncates the Petawaga

Indice, site of a bulk sample that revealed 3.4% Niobium, 0.7% uranium and ~1% to 1.5% Lithium, is located 30 kilometers south west of Fafnir. The Boxi project located 10 kilometers, North West of Fafnir is further evidence of the strong Rare Earth Elements enrichment in the area, having reported assays of 14% Uranium, 26% Niobium and 3,700 ppm in Pr/Nd.

Results of Operations for the three-month period ended December 31, 2025 (unaudited)

Revenues for the fourth quarter ended December 31, 2025, were \$ nil as compared to an amount of \$ 1,600 for the same period during the previous year from the leasing of some properties.

The operating expenses incurred for the fourth quarter of 2025 were \$ 376,915 as compared with \$ 221,763 in the fourth quarter of 2024. The increase of \$ 155,152 in the operating expenses was caused by exploration expenses incurred during the period.

Finance expenses for the fourth quarter of 2025 were \$ 1,505 as compared with \$ 969 in the fourth quarter of 2024.

The net loss and the comprehensive loss for the fourth quarter of 2025 was \$ 326,725 or \$ 0.00 per share, compared to a net loss and comprehensive loss of \$ 221,132 or \$ 0.00 per share as explained above.

Results of Operations for the twelve-month period ended December 31, 2025

Revenues for the twelve-month period ended December 31, 2025, were \$ 6,600 as compared to \$ 8,500 for the same period during the previous year from the leasing of some properties.

The operating expenses incurred for the twelve-month period ended December 31, 2025 were \$ 1,023,409 as compared with \$ 887,564 for the twelve-month period ended December 31, 2024. The increase of \$ 135,845 in the operating expenses was caused by exploration expenses recognized during the period of \$ 331,900 compared to negative \$ 27,250 recognised during the previous period offset by an important reduction of the mining fees of \$ 354,903 as compared for the twelve-month period ended December 31, 2024 following the acquisition of the Fafnir property.

Finance expenses for the twelve-month period ended December 31, 2025 considered a net revenue of \$ 7,931 as compared with a similar net finance income of \$ 9,255 for the twelve-month period ended December 31, 2024.

The net loss and the comprehensive loss for the twelve-month period ended December 31, 2025 was \$ 957,183 or \$ 0.01 per share, compared to a net loss and comprehensive loss for the twelve-month period ended December 31, 2024 of \$ 869,809 or \$ 0.01 per share as explained above.

Selected Quarterly Financial Information (unaudited)

The table below presents certain extracts of the unaudited consolidated condensed quarterly financial statements:

(in \$)	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	–	3,100	3,500	–	1,600	3,000	3,500	400
Net loss	(326,725)	(207,207)	(214,939)	(208,312)	(221,763)	(130,537)	(407,323)	(127,941)
Loss per share	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)

Since the Corporation has no mining operations at the present time, except for mining exploration expenses, the Corporation had no significant revenues over the past years. The variations in net losses result mainly from variations in expenditures relating to exploration works, professional and administration fees as well as registration fees related with claims currently held.

Liquidity and capital resources

The Corporation had \$ 1,150,403 of cash as of December 31, 2025, compared to \$ 1,164,021 of cash as of December 31, 2024.

The Corporation considers that these funds are sufficient to respect all its current commitments and could be sufficient to finalize the CA issuance process. Furthermore, the Corporation have to raise additional funds to update the feasibility study as per NI 43 -101 once the CA is issued by the MDDELCC, before raising substantial funds to proceed to the construction of the mine and the plant.

Operating Activity Cash Flows

Cash flows used in operating activities were \$ 787,368 for the twelve-month period ended on December 31, 2025, as compared to \$ 404,390 used in the corresponding period of 2024. The net changes in exploration expenses and professional fees explain the difference.

Financing Activity Cash Flows

Cash flows provided in financing activities were \$ 773,750 for the twelve-month period ended on December 31, 2025, following the issuance of flow-through shares as compared to \$ 264,000 for the same period during the previous year.

Investing Activity Cash Flows

Investing activities resulted in no cash movements for the twelve-month period ended on December 31, 2025, as compared to \$ nil for the same period during the previous year.

Related party transactions

Key management personnel compensation

Key management personnel correspond to the directors and the corporate officers of the Corporation.

During the twelve-month period ended December 31, the Corporation incurred the following expenses with key management personnel:

	2025	2024
	\$	\$
Salary and management fees included in office and administration	129,878	128,817
Directors' fees	51,756	42,410
Share-based payments	52,326	15,427

The Corporation has the following amounts owing to its Major shareholder:

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Loan	–	450,000
Accrued interest	–	12,936

During the twelve-month period ended December 31, 2025, interest expenses of \$ 6,666 (2024 - \$ 27,822) were incurred on the loan, of which \$ 19,601 were paid (2024 - \$ 25,014).

Going concern

The Corporation is in a development stage and has mineral exploration and development properties in the province of Quebec. The Corporation does not capitalize the exploration and evaluation expenses. As at December 31, 2025, the Oka mining property consisted of mining rights comprised of 56 claims covering 5,409 acres, the Fafnir property consists of 129 claims covering 18,860 acres and the Great Whale property consisted of surface and mining rights comprised of 27 claims covering 3,032 acres on the Hudson Bay territory. Substantially, all the Corporation's efforts are currently devoted to financing, developing and obtaining permits for its niobium property in Oka. Although the Corporation has taken steps to verify title to mineral properties in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the

Corporation's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

The consolidated financial statements have been prepared on a going concern basis which supposed that the Corporation will pursue its activities in a foreseeable future and will be able to realize its assets or discharge its obligations in the ordinary course of operations. The Corporation is in the process of exploring and evaluating its mineral properties and projects and has not yet determined whether its properties and projects contain ore reserves that are economically recoverable. The Corporation does not have any revenues coming from its operations that would enable the Corporation to discharge its obligations in the ordinary course of its operations. The consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Corporation were unable to realize its assets or discharge its obligations in the ordinary course of operations.

With respect to the niobium property in Oka, the Corporation has determined in 1999 that the property contains ore resources which provide a conceptual indication of the potential of the property. Management is currently working to obtain social acceptance from local stakeholders and all the required permits and authorization to develop the Oka property. Following year-end, the Corporation raised \$5,349,975 through a non-brokered private placement to confirm its intention of becoming a significant producer of high-quality critical minerals. The Corporation also launched a development project to improve innovation into metallurgic and mining waste water processes to enable niobium production of its exploration-stage Oka project.

The Corporation's ability to meet its commitments as they come due, including the final acquisition of properties and the development of mining projects, depends on its ability to obtain the necessary financing. These factors raise the existence of a material uncertainty that could cast significant doubt on the Corporation's ability to continue as a going concern. The consolidated financial statements do not reflect the adjustments that would be necessary to make to the carrying values of assets and liabilities if the Corporation were unable to realize its assets and discharge its obligations in the normal course of its activities.

Basis of preparation:

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were authorized for issuance by the Board of Directors on April 8, 2026.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, unless otherwise stated, which the Corporation's functional currency is.

Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year include, but are not limited to:

Going concern

The assessment of the Corporation's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually assessed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Black & Scholes valuation

The calculation of the fair value of units, stock options and warrants granted require management to make estimates and assumptions about the fair value of the underlying common shares of the Corporation, expected volatility, expected life and expected forfeiture rates, which could affect the Corporation's results if the current estimates change. Expected volatility was based on the Corporation's historical volatility.

Flow-through shares and tax credits

The Corporation finances a portion of its exploration activities through the issuance of flow-through shares, which require that the proceeds be incurred on qualifying exploration expenditures in accordance with applicable tax legislation.

Significant judgment is required in determining whether expenditures incurred by the Corporation qualify as eligible exploration expenditures. This determination impacts the Corporation's compliance with flow-through share commitments, the recognition of the flow-through share premium liability, and the measurement of tax credits receivable.

The Corporation is entitled to refundable tax credits on certain exploration expenditures incurred in Quebec. Management applies judgment in assessing the eligibility of such expenditures and the likelihood that the tax positions taken will be sustained upon examination by taxation authorities. Differences between the Corporation's interpretation and those of taxation authorities could result in adjustments to tax credits receivable, as well as to flow-through share liabilities and expenditure commitments.

Business combination

In a business combination, the Corporation allocates the purchase price to the identifiable assets acquired and liabilities assumed at their fair value at the acquisition date, in accordance with IFRS 3. This valuation requires the use of valuation techniques involving significant assumptions and estimates.

Significant accounting policies:

The preparation of annual consolidated financial statements in conformity with IFRS requires management to apply accounting policies and make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. There is full disclosure of the Corporation's critical accounting policies and accounting estimates in note 3 of the audited consolidated financial statements for the years ended December 31, 2025 and 2024.

Change in accounting policy

There is no change in accounting policy for the period ended December 31, 2025.

Off-balance sheet transactions

During the twelve-month period ended December 31, 2025, the Corporation did not record any off-balance sheet transaction.

Number of Shares Issued

As at December 31, 2025 the number of issued and outstanding shares of the Corporation was 108,095,497 and as at the date of publication of the MD&A, the number of issued and outstanding shares of the Corporation was 142,611,464.

Total outstanding securities were as follows as at:

	April 8, 2026	December 31, 2025	December 31, 2024
	#	#	#
Common shares	142,611,464	108,095,497	90,485,496
Warrants	187,500	187,500	187,500
Stock options	11,950,000	7,950,000	6,650,000
Total potential common shares	154,748,964	116,232,997	97,322,996

Capital Management

The Corporation's objectives when managing its capital are to safeguard the Corporation's ability to continue as a going concern in order to support ongoing exploration programs and development of its mining assets, to provide sufficient working capital to meet its ongoing obligations and to pursue potential investments. The Corporation's capital items are the following as at:

	December 31, 2025	December 31, 2024
	\$	\$
Cash and cash equivalent	1,150,403	1,164,021
Long-term debt	–	450,000
Share capital	22,848,094	21,579,344

The Corporation manages its capital structure and adjusts it in accordance with the objectives, as well as considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Corporation may issue new debentures, shares, acquire or dispose of assets or adjust the amount of cash and cash equivalents. There is no dividend policy. The Corporation is not subject to externally imposed capital requirements. The Corporation's management of capital remained unchanged since the last year.

Risks and uncertainties

The Corporation needs to obtain a Certificate of Authorization from the MDDELCC in order to build the Oka mine project. There is no assurance that the MDDELCC will issue this CA or that the CA will be issued in the near future. A series of actions are required to comply with current legislation prior to getting a CA. These events may delay the issuance of the CA.

The Corporation's mining lease on the Oka Property expired in 2020 and converted in mining claims covering 60.3 acres. The Corporation can maintain its mineral rights by securing mining claims on the Oka Property. Since the Oka Property considers only mining claims, additional regulatory requirements will apply in order to convert the mining claims to a Mining Lease.

The Regional County Municipality of Deux-Montagnes (the "MRC") is in the process of assessing whether lands in its region could be considered incompatible with mining activities and may propose changes to its regional land use plan designating parts of its territory as incompatible with mining activities. Although, the area covered by the Corporation's mining lease cannot be designed as "mining incompatible" territory while the lease is in force, if the lease expires and if the Corporation acquires claims on the property, the MRC could initiate the process for the designation of such area as "mining incompatible" territory.

In 2001 the agricultural land use commission ("CPTAQ") authorized the non-agricultural use of specific parcels in the area of the Mining Lease. The authorization for non-agricultural use expired on June 26, 2022.

The Corporation needs to secure new equity and debt financing in order to ultimately realize the Oka Project and pursue the exploration/development of other properties it has acquired, particularly that of

the Great Whale Iron mineral prospect. Given the nature of the speculative investment it is seeking in the capital markets, there is no assurance that the required financing will be available.

Management serves to maintain a sufficient amount of cash and cash equivalents, and to ensure that the Corporation has at its disposal sufficient sources of financing such as private placements. The Corporation establishes cash budgets to ensure it has the necessary funds to fulfill its obligations. Being able to obtain new funds allows the Corporation to pursue its activities and even though the Corporation was successful in the past, there is no guarantee that it will succeed in the future.

There are many factors that could affect the Corporation's results that are not controlled by management, such as general economic conditions, interest rate fluctuations, key personal, market prices, exchange rates, politico-social conflicts, competition and regulatory approvals.

The Corporation has not renewed its option to the purchase part of the old St-Lawrence Columbiac mine site from the Municipality of Oka, which expired on December 31, 2008, pending a decision from the MDDELCC relating to the issuance of the Certificate of Authorization. While the Corporation has a verbal understanding with the municipality of Oka that the parties will wait for the issuance of the CA before finalizing the purchase agreement, there is no assurance that the municipality of Oka will accept to extend this offer to purchase in the future should the Certificate of Authorization be issued by the MDDELCC. A letter from the Ministry of Energy and Natural Resources ("MENR") to the MRC dated May 9, 2017 confirms that the SLC site is included in the MENR's mine sites rehabilitation program and that rehabilitation work is planned for 2019. It must be noted that the MENR has initiated the rehabilitation of the site. The rehabilitation of the site may create an impediment to its sale.

Lack of Operating Cash Flow

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

Exploration, Development and Production Risks

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

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

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

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

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

Environmental Risks

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

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

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

The Corporation takes great care to minimize these risks by carefully choosing consultants and advisors that are experienced leaders in their field of environment, mining engineering and law.

Other

The reader is referred to financial statements and notes to consolidated financial statements for more details. Additional information relating to the Corporation may be consulted on SEDAR at www.SEDARplus.ca or on our web site <https://niostratmet.com>.

Hubert Marleau
Chairman, President and Chief Executive Officer
April 8, 2026