



XPLORE RESOURCES CORP.

Management's Discussion and Analysis

For the Three Months Ended September 30, 2025 and 2024

(Expressed in Canadian Dollars)

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(All amounts expressed in Canadian dollars, unless otherwise stated)

FORWARD-LOOKING INFORMATION AND MATERIAL ASSUMPTIONS

This report on results for the three months ended September 30, 2025 contains forward-looking information, including forward-looking information about Xplore Resources Corp.'s (the "Company" or "Xplore") operations, estimates, and exploration and acquisition spending.

Forward-looking information is generally signified by words such as "forecast", "projected", "expect", "anticipate", "believe", "will", "should" and similar expressions. This forward-looking information is based on assumptions that the Company believes were reasonable at the time such information was prepared, but assurance cannot be given that these assumptions will prove to be correct, and the forward-looking information in this report should not be unduly relied upon. The forward-looking information and the Company's assumptions are subject to uncertainties and risks, and are based on a number of assumptions made by the Company, any of which may prove to be incorrect.

GENERAL

This Management Discussion and Analysis ("MD&A") of the financial condition, results of operations and cash flows of the Company for the three months ended September 30, 2025 and 2024 should be read in conjunction with the unaudited condensed consolidated interim financial statements as at September 30, 2025 and for the three months then ended, and the audited consolidated financial statements as at June 30, 2025 and 2024 and for the years then ended, which are prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). The following information is prepared as at November 27, 2025. The board of directors of the Company has approved the disclosure contained in this MD&A.

Additional information related to the Company is available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.xploresources.com.

OVERVIEW

Xplore Resources Corp. was incorporated on February 24, 2017 pursuant to the *Business Corporations Act* of British Columbia and was classified as a capital pool company, as defined in TSX Venture Exchange ("TSX-V") Policy 2.4. On October 30, 2017, the Company completed its initial public offering and the Company's shares commenced trading on the TSX-V under the symbol XPLR. The Company's principal business activities include the acquisition and exploration of mineral property assets located in Canada and Brazil. The Company's head office and principal business address is 1615 – 200 Burrard Street, Vancouver, British Columbia, V6C 3L6. The Company's registered and records office is 2501 – 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

On May 15, 2025, the Company announced the appointment of Devin Pickell as President, Chief Executive Officer ("CEO") and a director of the Company.

EXPLORATION PROJECTS

Surge Root Project

Surge

On February 18, 2022, the Company entered into an agreement to earn a 100% interest in the Surge property, located in the Patricia Mining District in Ontario. Under the terms of the agreement, the Company must make payments as follows:

- Cash payment of \$20,000 (paid) and issuance of 160,000 common shares of the Company (issued and fair valued at \$20,000) on signing of the agreement;
- Cash payment of \$25,000 on or before February 18, 2023 (paid);
- Cash payment of \$5,000 for extending the February 18, 2023 payment date to May 15, 2023 (paid);
- Cash payment of \$30,000 on or before February 18, 2024 (paid); and
- Cash payment of \$35,000 on or before February 18, 2025 (paid).

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The Company was also required to incur exploration expenditures of \$60,000 on or before February 18, 2023 (incurred).

The vendors retain a 1.5% net smelter return royalty ("NSR") on the property. The Company may purchase one-third of the NSR (0.5%) for \$800,000.

Surge Extension

On November 30, 2023, the Company entered into an agreement to acquire additional claims for \$9,500. The vendor of the additional claims retains a 1.5% NSR on the additional claims. The Company may purchase one-third of the NSR (0.5%) for \$500,000.

Root Bay North

On December 22, 2023, the Company entered into an agreement to earn a 100% interest in the Root Bay North property. Under the terms of the agreement, the Company must make payments as follows:

- Cash payment of \$9,000 (paid);
- Issuance of 300,000 common shares of the Company (issued and fair valued at \$42,000) within five business days of TSX-V approval;
- Cash payment of \$15,000 on or before December 22, 2024 (paid);
- Cash payment of \$21,000 on or before December 22, 2025; and
- Cash payment of \$30,000 on or before December 22, 2026.

The vendors retain a 1.5% NSR on the property. The Company may purchase one-third of the NSR (0.5%) for \$500,000.

Root Falls

On December 22, 2023, the Company entered into an agreement to earn a 100% interest in the Root Falls property. Under the terms of the agreement, the Company was required to make payments as follows:

- Cash payment of \$12,000 (paid);
- Issuance of 600,000 common shares of the Company (issued and valued at \$84,000) within five business days of TSX-V approval;
- Cash payment of \$18,000 on or before December 22, 2024 (paid);
- Cash payment of \$21,000 on or before December 22, 2025; and
- Cash payment of \$36,000 on or before December 22, 2026.

The vendors retained a 1.5% NSR on the property. The Company could purchase one-third of the NSR (0.5%) for \$600,000.

During the year ended June 30, 2025, the Company terminated the Root Falls property agreement and recorded an impairment of \$114,000.

Surge North

On June 5, 2024, the Company entered into an agreement to earn a 100% interest in the Surge North property. Under the terms of the agreement, the Company must make payments as follows:

- Cash payment of \$75,000 (paid); and
- Issuance of 1,500,000 common shares of the Company (issued and fair valued at \$180,000).

The vendors retain a 2% NSR on the property. The Company may purchase one-half of the NSR (1%) for \$750,000.

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Root Lake South

On May 30, 2024, the Company entered into an assignment agreement to earn 100% of the rights, titles, benefits and interest in, to and under an option agreement dated December 20, 2022 between optionors and an optionee. Under the terms of the assignment agreement, the Company must make a payment of \$200,000 (paid) to the assignor. Under the terms of the option agreement, the Company must make payments to the optionors as follows:

- Cash payment of \$29,000 (paid);
- Issuance of 260,000 common shares of the Company (issued and fair valued at \$27,300) within seven calendar days of TSX-V approval; and
- Cash payment of \$38,500 (paid) and issuance of 530,000 common shares of the Company (issued and fair valued at \$15,900) on or before January 11, 2025.

The vendors retain a 2% NSR on the property. The Company may purchase one-half of the NSR (1%) for \$1,000,000.

Exploration – Surge Root Project

The Surge Project is located in the Slate Falls area, Patricia Mining District, Ontario. The property is road accessible.

The Surge Project lies within the Pakwash – Lake St. Joseph rare element pegmatite field, an east-west trending, 20-kilometre wide, 100-kilometre long trend containing multiple peraluminous (aluminum rich) granitic intrusions, rare earth pegmatites and lithium-bearing pegmatites. The property is 12 kilometres east of the Root Lake pegmatite group, which hosts the McCombe lithium deposit (historic mineral resource of 2.3 million tonnes averaging 1.3% lithium oxide (“Li₂O”) – (Mulligan R. Geological Survey of Canada, 1965). Ardiden (2015) reported 5.0 metres averaging 2.1% Li₂O from continuous channel samples collected in 2016, approximately 5 kilometres west of the property boundary. Historical mapping (1963) identified seven distinct pegmatites, scattered peripheral to a central, east-west trending peraluminous granite that transects the Surge property claims. The Company considers the Surge property to be prospective for lithium-caesium-tantalum (“LCT”) type pegmatites.

In June 2022, the Company contracted Prospectair Geosurveys to complete a high-resolution, heliborne magnetic (“MAG”) survey of the Surge property. A total of 758-line kilometres were completed. Traverse lines were spaced 50 metres apart with control lines spaced every 500 metres. Flight lines were oriented N179°. Sensor height was 21 metres above ground.

In fiscal Q4 2022, the Company completed an initial reconnaissance program evaluating access and exposure at Surge to assist in planning the 2023 exploration. The contract geological team commissioned to complete this field evaluation was asked to locate, describe and, if warranted, sample any outcrops of interest noted during the survey, particularly outcrops of pegmatite. The survey confirmed excellent road access to and from the Surge property and extensive logging has produced excellent exposure throughout the claim block. Eight distinct pegmatite bodies were identified and four were sampled and submitted for multi-element geochemical analysis with the objective of determining if the property offers prospectivity for LCT pegmatite development. Sample results indicate anomalous lithium grades, but none of the sampled outcrops returned lithium grades of economic interest.

A series of outcrops associated with the Lake St. Joseph fault system were noted to contain disseminated to massive sulphide mineralization along an approximate 1,500 metre strike length. Anomalous gold (up to 48 parts per billion), copper (up to 141 parts per million (“ppm”)) and zinc (up to 393 ppm) were returned from sawn channel samples collected along this sulphide trend.

The Company proposes an exploration drill program at the Surge property to evaluate the potential for a stacked lithium-bearing pegmatite system similar to the Root Bay and Root Bay East discoveries. On May 15, 2024, the Company announced the receipt of an Early Exploration Permit for drilling at the Surge property.

On May 22, 2025, the Company announced completion of a new high-resolution airborne MAG survey. The survey results show linear magnetic highs extending from the Green Technology Metals Root Bay lithium deposit and through the Xplore property. The trend extends for over 17 kilometres on the Surge Project and is interpreted as iron formation and greenstone

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dismembered with abrupt magnetic breaks. These breaks match spatially with known pegmatites drilled by Green Technology Metals and may represent pegmatite intrusions, defining new high-priority targets for follow-up exploration.

This new magnetic data provides greater definition of regional structures and highlights geological characteristics similar to those observed near pegmatites intersected at Green Technology Metals' Root Bay East drilling, adjacent to the Surge Project. Field crews were mobilized in June 2025 to begin mapping and prospecting these new targets. Fieldwork has been completed and results are currently pending.

Perrigo Lake Property

On August 13, 2021, the Company entered into an agreement to earn a 100% interest in the Perrigo Lake Property, located in the Red Lake Mining Division in Ontario. Under the terms of the agreement, the Company must make payments as follows:

- Cash payment of \$18,000 on signing of the agreement (paid);
- Issuance of 48,000 common shares of the Company (issued and fair valued at \$9,000) within five days of TSX-V approval;
- Cash payment of \$20,000 (paid) and issuance of 48,000 common shares of the Company (issued and fair valued at \$6,000) on or before September 9, 2022;
- Cash payment of \$28,000 (paid) on or before September 9, 2023; and
- Cash payment of \$30,000 (paid) on or before September 9, 2024.

The vendors retain a 1.75% NSR on the property. The Company may purchase a portion of the NSR (0.5% of the 1.75%) for \$600,000. The remaining 1.25% NSR is subject to a pre-existing agreement with an arm's length third party.

During the year ended June 30, 2024, the Company staked 12 additional claims for the Perrigo Lake property.

During the year ended June 30, 2025, the Company recorded an impairment charge of \$239,728, as the property claims lapsed.

Raggy Creek, Aerial Lake and Cathy Creek Properties

On December 22, 2023, the Company entered into an agreement to earn a 100% interest in the Raggy Creek, Aerial Lake and Cathy Creek properties. Under the terms of the agreement, the Company must make payments as follows:

- Cash payment of \$30,000 (paid);
- Issuance of 900,000 common shares of the Company (issued and fair valued at \$126,000) within five business days of TSX-V approval;
- Cash payment of \$36,000 on or before December 22, 2024;
- Cash payment of \$54,000 on or before December 22, 2025; and
- Cash payment of \$84,000 on or before December 22, 2026.

The vendors retain a 1.5% NSR on the property. The Company may purchase one-third of the NSR (0.5%) for \$500,000.

On November 29, 2024, the Company terminated the option agreement and recorded an impairment charge of \$276,000 during the year.

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SELECTED ANNUAL INFORMATION

The following table presents selected financial information for each of the most recent three fiscal years:

| | June 30, 2025 | June 30, 2024 | June 30, 2023 |
|---|---------------|---------------|---------------|
| | \$ | \$ | \$ |
| Revenue | - | - | - |
| Net loss | (1,399,908) | (1,836,150) | (457,329) |
| Basic and diluted loss per common share | (0.03) | (0.07) | (0.03) |
| Total assets | 2,084,019 | 3,137,820 | 945,879 |
| Long-term debt | - | - | - |
| Dividends | - | - | - |

SELECTED QUARTERLY INFORMATION

The following table presents selected financial information for each of the most recent eight quarters:

| For the periods ending | September 30, 2025 | June 30, 2025 | March 31, 2025 | December 31, 2024 |
|---|--------------------|---------------|----------------|-------------------|
| | \$ | \$ | \$ | \$ |
| Revenue | - | - | - | - |
| Net loss | (96,518) | (231,082) | (166,642) | (677,345) |
| Basic and diluted loss per common share | (0.00) | (0.00) | (0.00) | (0.01) |
| Total assets | 2,141,810 | 2,084,019 | 2,232,187 | 2,182,407 |
| Non-current financial liabilities | - | - | - | - |

| For the periods ending | September 30, 2024 | June 30, 2024 | March 31, 2024 | December 31, 2023 |
|---|--------------------|---------------|----------------|-------------------|
| | \$ | \$ | \$ | \$ |
| Revenue | - | - | - | - |
| Net loss | (324,839) | (1,097,291) | (478,234) | (243,064) |
| Basic and diluted loss per common share | (0.01) | (0.03) | (0.02) | (0.01) |
| Total assets | 2,747,503 | 3,137,820 | 1,927,163 | 1,666,796 |
| Non-current financial liabilities | - | - | - | - |

All of the Company's mineral property assets are in the exploration and evaluation stage, and as such, the Company does not generate any revenues from operations. To date, the Company has been dependent on attaining working capital from the sale of its common shares.

During the quarter ended September 30, 2025, the Company incurred exploration and evaluation asset expenditures of \$103,929 on the Surge property,

During the quarter ended June 30, 2025, the Company incurred exploration and evaluation asset expenditures of \$233,580 on the Surge property and recorded an impairment of \$114,000 on the Root Falls property.

During the quarter ended March 31, 2025, the Company paid the accrued \$15,000 and \$18,000 cash payments for the Root Bay North and Root Falls properties, respectively, and paid the \$35,000 and \$38,500 cash payments for the Surge and Root Lake South properties, respectively. The Company issued 530,000 common shares (fair valued at \$15,900) for the Root Lake South

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property and also incurred exploration and evaluation asset expenditures of \$135,982. The Company received mining tax credits of \$82,154 during the quarter.

During the quarter ended December 31, 2024, the Company accrued its required \$15,000 and \$18,000 cash payments for the Root Bay North and Root Falls properties, respectively. The Company incurred exploration and evaluation asset expenditures of \$30,000 on the Surge property and recorded impairment of \$239,728 and \$276,000 on the Perrigo Lake and Raggy Aerial/Cathy Creek properties, respectively. The Company incurred exploration and evaluation asset expenditures of \$75,429 on the Surge Root properties.

During the quarter ended September 30, 2024, the Company completed its required \$30,000 cash payment for the Perrigo Lake property. The Company incurred exploration and evaluation asset expenditures of \$75,429 on the Surge property and \$12,500 on the Perrigo Lake property.

During the quarter ended June 30, 2024, the Company completed a private placement for gross proceeds of \$2,105,000. The Company prepaid exploration expenses for upcoming exploration work and the Company completed its required \$75,000 and \$229,000 cash payments for the Surge North and Root South properties, respectively.

During the quarter ended March 31, 2024, the Company completed the second tranche of a private placement for gross proceeds of \$425,000. The Company repaid its bridge loan of \$40,621. The Company completed its required \$30,000, \$9,000, \$12,000 and \$30,000 cash payments for the Surge, Root Bay North, Root Falls and Raggy Creek/Aerial Lake/Cathy Creek properties, respectively.

During the quarter ended December 31, 2023, the Company received bridge loan advances of \$40,000 and issued 320,000 bonus warrants associated with the loan. The Company completed its required \$9,500 cash payment for the Surge Extension. The Company incurred exploration and evaluation asset expenditures of \$60,000 on the Surge property and \$5,037 on the Brazil properties.

RESULTS OF OPERATIONS

Three Months Ended September 30, 2025

During the three months ended September 30, 2025, the Company reported a loss of \$96,518 (2024 - \$324,839). Significant components of the loss were:

- Consulting fees of \$37,500 (2024 - \$212,000) were lower due to a reduction in consultants engaged in the current period;
- Occupancy cost of \$12,000 (2024 - \$12,000) was comparable to the prior period;
- Office and general of \$11,779 (2024 - \$12,867) was comparable to the prior period;
- Professional fees of \$16,675 (2024 - \$44,749) decreased due to reduced legal expenses compared to the prior period;
- Shareholder communication and promotion of \$15,570 (2024 - \$41,287) decreased due to a reduction in promotion costs in the current period; and
- Transfer agent and filing fees of \$2,994 (2024 - \$2,917) were comparable to the prior period.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2025, the Company had a cash balance of 19,474 (June 30, 2025 - \$3,876). The Company spent \$20,788 (2024 - \$211,020) in operating activities and \$10,864 (2024 - \$159,487) on its mineral exploration project and received \$47,250 (2024 - \$40,000) from the net refund of exploration deposits.

The Company's working capital deficit as at September 30, 2025 was \$96,673 compared to working capital of \$103,774 at June 30, 2025.

As the Company does not currently own any revenue-generating assets, the Company will need to raise sufficient capital to further explore its properties and for working capital purposes for the 2026 fiscal year and beyond. At this time, the Company

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will rely on its current working capital and its ability to obtain further equity or debt financing for the foreseeable future. Although the Company has been successful in the past in obtaining financing, there is no guarantee that it will be able to obtain adequate financing in the future or that such terms of financing will be advantageous to the Company.

EVENTS SUBSEQUENT TO SEPTEMBER 30, 2025

None.

RELATED PARTY TRANSACTIONS

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

Key management personnel include the directors, CEO and chief financial officer ("CFO"), who have the authority and responsibility for planning, directing and controlling the activities of the Company.

The amount of key management compensation included in profit or loss for the three months ended September 30, 2025 and 2024 is as follows:

| | Three Months Ended September 30, 2025 | Three Months Ended September 30, 2024 |
|---|--|--|
| Short-term compensation | | |
| Consulting fees | \$ 15,000 | \$ 10,000 |
| Exploration and evaluation asset expenditures | 45,000 | 30,000 |
| Professional fees | 7,500 | 15,000 |
| | \$ 67,500 | \$ 55,000 |

Short-term compensation was paid or accrued as follows:

- \$30,000 (2024 - \$nil) in geological fees to a private company controlled by the CEO;
- \$nil (2024 - \$10,000) in consulting fees to a private company controlled by the former CEO;
- \$nil (2024 - \$7,500) in geological fees to a director of the Company;
- \$15,000 (2024 - \$22,500) in geological fees to a company controlled by a director of the Company;
- \$7,500 (2024 - \$15,000) in professional fees to a private company controlled by the CFO; and
- \$15,000 (2024 - \$nil) in consulting fees to a private company controlled by a director of the Company;

As at September 30, 2025, the Company has outstanding amounts payable to officers and directors of the Company of \$258,384 (June 30, 2025 - \$167,581).

As at September 30, 2025, the Company has an exploration and evaluation deposit with a private company controlled by a director of \$nil (June 30, 2025 - \$18,500).

During the three months ended September 30, 2025, the Company paid \$12,000 (2024 - \$12,000) in occupancy cost to a company with a common officer.

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During the three months ended September 30, 2025, the Company incurred \$nil (2024 - \$12,500) of exploration and evaluation asset expenditures to a private company controlled by a director.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not engaged in any off-balance sheet arrangements, such as obligations under guarantee contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments, or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing or hedging services with the Company.

FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist of cash, exploration and evaluation deposits, and accounts payable and accrued liabilities.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for assets or liabilities that are not based on observable market data.

The following table sets forth the Company's financial asset measured at fair value by level within the fair value hierarchy:

| September 30, 2025 | Level 1 | Level 2 | Level 3 | Total |
|--------------------|-----------|---------|---------|-----------|
| Cash | \$ 19,474 | \$ - | \$ - | \$ 19,474 |

| June 30, 2025 | Level 1 | Level 2 | Level 3 | Total |
|---------------|----------|---------|---------|----------|
| Cash | \$ 3,876 | \$ - | \$ - | \$ 3,876 |

The carrying values of exploration and evaluation deposits and accounts payable and accrued liabilities approximate their fair values.

There were no changes to the Company's approach to and management of risk exposures during the three months ended September 30, 2025. The Company has exposure to the following risks from its use of financial instruments:

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada.

The Company has minimal credit risk. The maximum exposure to credit risk at September 30, 2025 is the carrying value of cash of \$19,474 (June 30, 2025 - \$3,876).

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company has a planning and budgeting process in place

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to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

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

The financial liabilities of the Company as of September 30, 2025 total \$618,641 (June 30, 2025 - \$464,332). Accounts payable are due within 30 days of the reporting date.

The following are the contractual maturities of financial liabilities as at September 30, 2025:

| | Carrying Amount \$ | Contractual Cash Flows \$ | Within 1 year \$ | Within 2 years \$ | Within 3 years \$ | Over 3 years \$ |
|--|--------------------------|---------------------------------|------------------------|-------------------------|-------------------------|-----------------------|
| Accounts payable and accrued liabilities | 618,641 | 618,641 | 618,641 | | - | - |

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

- i) *Currency risk* – Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company has no funds held in foreign currencies, and as a result, is not exposed to significant exchange risk on its financial instruments at period-end.
- ii) *Interest rate risk* – Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest earned on cash is at nominal interest rates and the Company does not carry any interest-bearing financial liabilities. The Company does not consider interest rate risk to be significant.
- iii) *Other price risk* – Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is not exposed to significant other price risk.

d) Capital management

Capital is comprised of the Company's shareholders' equity and any debt it may issue. As at September 30, 2025, the Company's shareholders' equity was \$1,523,169 (June 30, 2025 - \$1,619,687). The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its operations and business development. 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.

The Company has not generated any revenues and cash flows since its inception, therefore, the Company is dependent on external financing to fund its business plan. The capital structure of the Company currently consists of working capital and shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in

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economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There have been no changes to the Company's approach to capital management during the three months ended September 30, 2025. The Company is not subject to externally imposed capital requirements.

RISKS AND UNCERTAINTIES

The Company, and the securities of the Company, should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities.

There are a number of outstanding securities and agreements pursuant to which common shares of the Company may be issued in the future. This will result in further dilution to the Company's shareholders.

The Company has a limited history of operations, is in the early stage of development and has received no revenues other than insignificant interest revenues following its transition to a mineral exploration and development company. As such, the Company is subject to many risks common to such enterprises. There can be no assurance that the Company will be able to obtain adequate financing in the future or, if available, that the terms of such financing will be favourable. The Company does not anticipate paying any dividends in the near future.

Although the Company has taken steps to verify the title to mineral properties in which it has acquired an interest, no assurance whatsoever can be given that the Company's interests may not be challenged by third parties. If challenged, and if the challenge is sustained, it will have an adverse effect on the business of the Company. Title to mineral properties may be subject to unregistered prior agreements or transfers and may also be affected by undetected defects or the rights of Indigenous peoples.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

The exploration of mineral properties involves significant risks, which even experience, knowledge and careful evaluation may not be able to avoid. The price of metals has fluctuated widely, particularly in recent years, as it is affected by numerous factors that are beyond the Company's control, including international economic and political trends, expectations of inflation or deflation, currency exchange fluctuations, interest rate fluctuations, global or regional consumptive patterns, speculative activities and increased production due to new extraction methods. The effect of these factors on the price of metals, and therefore, the economic viability of the Company's interests in the mineral properties, cannot be accurately predicted. Furthermore, changing conditions in the financial markets and Canadian income tax legislation may have a direct impact on the Company's ability to raise funds for exploration expenditures. A drop in the availability of equity financings will likely impede spending. As a result of all these significant risks, it is quite possible that the Company may lose its investments in the Company's mineral property interests.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

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(All amounts expressed in Canadian dollars, unless otherwise stated)

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income or loss in the year of the change if the change affects that year only, or in the year of the change and future years if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed consolidated interim financial statements within the next fiscal year are included in note 5 of the condensed consolidated interim financial statements.

INTERNATIONAL FINANCIAL REPORTING STANDARDS – CHANGES IN ACCOUNTING POLICIES

The following new standards and interpretations have been issued by the IASB, but are not yet effective and have not been applied in preparing these condensed consolidated interim financial statements. The Company will adopt the amendments on their effective dates.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which will replace International Accounting Standard (“IAS”) 1 *Presentation of Financial Statements*, but carries forward many of the requirements from IAS 1. The standard introduces new defined subtotals to be presented in the Company's statement of loss and comprehensive loss, disclosure of any management-defined performance measures related to the statement of loss and comprehensive loss and requirements for grouping of information. IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with earlier adoption permitted, and will apply retrospectively. The Company is currently in the process of assessing the impact of IFRS 18 (and applicable amendments to other standards) on the condensed consolidated interim financial statements and notes to the condensed consolidated interim financial statements.

IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments. The amendments clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date. Other clarifications include guidance on the classification of financial assets with ESG-linked features, non-recourse loans and contractually linked instruments. The amendments are effective for annual periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets (for contingent features). The Company is currently in the process of assessing the impact of the amendments on the condensed consolidated interim financial statements and notes to the condensed consolidated interim financial statements.

OUTSTANDING SHARE DATA

The Company had the following securities issued and outstanding:

| | November 27, 2025 | September 30, 2025 | June 30, 2025 |
|----------------------|-------------------|--------------------|---------------|
| Common shares | 52,601,505 | 52,601,505 | 52,601,505 |
| Warrants | 32,830,000 | 32,830,000 | 32,830,000 |
| Stock options | 2,300,000 | 2,300,000 | 2,300,000 |
| Fully diluted shares | 87,731,505 | 87,731,505 | 87,731,505 |

XPLORE RESOURCES CORP.

Management's Discussion and Analysis

For the Three Months Ended September 30, 2025

(All amounts expressed in Canadian dollars, unless otherwise stated)

DIRECTORS AND OFFICERS

The Company is currently governed by the following members of the board of directors:

| | |
|-------------------|---------------------------------|
| Wesley C. Hanson | Director and Executive Chairman |
| Devin Pickell | Director and CEO |
| Charles Edgeworth | Director |
| Richard Boulay | Director |
| Karly Oliver | Director |
| John Newell | Director |