



**Management's Discussion and Analysis
for the three-month and nine-month periods ended September 30, 2025**

This Management's Discussion and Analysis of Ucore Rare Metals Inc. ("Ucore" or the "Company"), prepared as of November 25, 2025, provides an analysis of the Company's financial results for the three-month and nine-month periods ended September 30, 2025. The following information should be read in conjunction with the unaudited condensed interim consolidated financial statements and notes thereto for the three-month and nine-month periods ended September 30, 2025 which are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") ("IFRS Accounting Standards") applicable to the preparation of the interim financial statements, including IAS 34 *Interim Financial Reporting*. All amounts are expressed in Canadian dollars unless otherwise noted.

Forward Looking Statements

This management's discussion and analysis ("MD&A") includes certain statements that may be deemed "forward-looking statements" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, without limitation, "believes", "assumes", "anticipates", "budget", "intends", "projections", "plans" and/or the negatives thereof or other variations of such words and phrases (or comparable terminology), or by statements that certain actions, events or results "may", "will", "could" or "would". Certain statements, beliefs and opinions in this MD&A (including those contained in graphs, tables and charts), which reflect the Company's or, as appropriate, the Company's directors' and/or management's, current expectations and projections about future events, constitute forward-looking information. All statements in this document (other than statements of historical facts) that address future business development and/or acquisition activities (including any related required financings), timelines, events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such forward-looking statements are not guarantees of future performance or results. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any estimated future results, performance or achievements expressed or implied by those forward-looking statements.

In regard to the Company's plans and objectives, the Company has assumed that through its subsidiary, Innovation Metals Corp. ("IMC"), it will be able to develop its RapidSX™ technology and demonstrate its commercial viability. The Company also assumes that the Company will be able to procure or retain additional partners and/or suppliers for the Company's expected Louisiana Strategic Metals Complex ("SMC") and other future SMCs. The Company has also assumed that sufficient external funding will be found to: (i) fund IMC's continued commercial development and demonstration of RapidSX™; (ii) fund the continued development of specific engineering and other required plans for the Company's prospective SMCs; (iii) fund the construction of the Louisiana SMC; and (iv) fund the work necessary for the creation of a new National Instrument 43-101 technical report that demonstrates that the Company's Bokan Project is feasible and economically viable for the production of both rare earth element and co-product mineral materials and metals and the then prevailing market prices based upon assumed customer off-take agreements. The Company has also assumed that sufficient external funding will be found to provide continuing working capital for the Company and, if required, repay any outstanding debt that is owed by the Company when it becomes due.

Factors that could cause actual results to differ materially from those in forward-looking statements include, without limitation: the Company failing to raise and maintain sufficient funds to pursue its objectives and continue as a going concern; RapidSX™ failing to demonstrate commercial viability in large commercial-scale applications; IMC failing to protect its intellectual property rights in RapidSX™; the Company not being able to procure additional key partners or suppliers for the Company's proposed Louisiana SMC; the Company not being able to raise sufficient funds to fund the specific design and construction of the Louisiana SMC; adverse capital-market conditions; adverse industry events; unexpected due diligence findings; the emergence of alternative superior metallurgy and metal-separation technologies; the inability of the Company and/or IMC to retain its key staff members; a change in the legislation in Louisiana and/or in the support expressed by the State of Louisiana regarding the development of the Louisiana SMC; the availability and procurement of any required interim and/or long-term financing, from internal and/or external sources, that may be required; the inability to access sufficient capital on favourable terms; marketing costs; foreign exchange and interest rate fluctuations; additional trade-related measures imposed by the United States or Canada, including increased tariffs, restrictions on cross-border supply chains or additional regulatory barriers; and general economic, market or business conditions. For additional information, see "Risks and Uncertainties" herein.

Notwithstanding the foregoing, readers are cautioned that the list of risks set forth herein and, in the Company's, other disclosure documents is not exhaustive. Except as required by law, we disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise. It is not the intention to provide a complete or comprehensive analysis of the Company's financial or business prospects. The information contained in these materials should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date these materials were prepared. Accordingly, you should not place undue reliance on any forward-looking statements or information. Where any opinion or belief is expressed in this MD&A, it is based on the assumptions and limitations mentioned herein and is an expression of present opinion or belief only. No warranties or representations can be made as to the origin, validity, accuracy, completeness, currency or reliability of the information. The Company disclaims and excludes all liability (to the extent permitted by law) for losses, claims, damages, demands, costs and expenses of whatever nature arising in any way out of or in connection with the information in this MD&A, its accuracy, completeness or by reason of reliance by any person on any of it.

Overview

The Company is focused on critical metals separation technologies with near term potential for production, growth, and scalability. The Company's vision and plan is to become an advanced technology company that provides separation products and services to the critical metals industry. Through strategic partnerships, this plan includes - developing a vertically integrated North American rare earth element ("REE") supply chain, disrupting the People's Republic of China's control of this supply chain, establishing long-term feedstock supply relationships, developing a heavy and light rare-earth processing facility in the US State of Louisiana, developing subsequent strategic metals complexes ("SMCs") in the United States and Canada, establishing long-term relationships with metal/alloy and magnet makers, and the longer-term development of the Company's heavy-rare-earth-element mineral-resource property at Bokan Mountain on Prince of Wales Island, Alaska (a NI-43-101 technical report was filed on SEDAR+ on March 14, 2013).¹

On May 8, 2020, the Company acquired Innovation Metals Corp. ("IMC"), a private company focused on the research and development of technologies including IMC's proprietary RapidSX™ process for the low-cost separation and purification of REEs and other technology metals, via an accelerated form of solvent extraction. IMC is currently commercializing this approach for REEs, to help enable mining, metal-recycling and other companies to compete in today's global marketplace.

The Company completed its formal commissioning program of the RapidSX™ REE Demonstration Plant at its Commercialization and Demonstration Facility in Kingston, Ontario, in Q4-2023 and is now in the process of demonstration testing of its RapidSX™ separation technology with a variety of prospective feedstocks. These demonstrations are prerequisite and corequisite activities to: (i) the physical creation of the Company's planned Louisiana SMC; and (ii) the Company participating in associated joint venture opportunities related to the use of its RapidSX™ process.

Additionally, the Company has an effective 100% ownership stake in the Bokan-Dotson Ridge Rare Earth Project. On March 31, 2014, Ucore announced the unanimous support of the Alaska State Legislature for Senate Bill 99 (2014), which authorized the Alaska Industrial Development and Export Authority ("AIDEA") to issue up to US\$145 million in bonds for the infrastructure and construction costs of the Bokan-Dotson Ridge Rare Earth Project. This financing by AIDEA is conditional upon, among other things, the Company delivering a positive definitive feasibility study for the Bokan-Dotson Ridge Rare Earth Project (the "Bokan Project").

The Company's full corporate structure, including its subsidiaries, is provided in Appendix "A".

IMC & RapidSX™

IMC is the Company's wholly-owned Canadian subsidiary company that is developing RapidSX™ technology for the commercial separation and purification of critical metals – starting with REEs. RapidSX™ is an accelerated solvent-extraction-based separation technology, developed and successfully piloted by IMC in the late 2010s. Amongst other test work, RapidSX™ has proven effective at the pilot scale in separating both heavy REE ("HREE") and light REE ("LREE") chemical concentrate feedstocks to commercially-pure individual REEs with much higher process efficiency relative to conventional solvent extraction technology. The Company and IMC have created a RapidSX™ Commercialization and Demonstration Facility to demonstrate the commercial efficacy of the technology for the separation and purification of REEs (the "RapidSX™ Program") in Kingston, Ontario, for the processing of mixed-rare earth oxide and carbonate chemical concentrates into separated REEs.

The RapidSX™ Program	For the nine-month period ended September 30, 2025
Description of the project, including the Company's short and long-term plans for the project and the status of the project relative to those plans:	In 2023 the Company completed the formal commissioning program of its 52-Stage RapidSX™ REE Commercial Demonstration Plant ("Demo Plant") within the Company's Commercialization and Demonstration Facility ("CDF") in Kingston, ON. With commissioning complete, the Company shifted its focus in 2024 to include demonstrating the commercial efficacy of the RapidSX™ technology platform for the separation and purification of REEs utilizing the Demo Plant as compared head-to-head versus a Conventional Solvent Extraction ("CSX") Pilot Circuit. This past and current work includes the completion of the Demo Plant commissioning trials over hundreds of runtime hours followed by thousands of runtime hours in demonstration trials mode. The primary objective of the trials is to produce consistent REE sub-groups and

¹ See the Company's Preliminary Economic Assessment (PEA) that was filed on SEDAR+ on March 14, 2013 as a technical report in compliance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101").

	<p>products² (from multiple feedstocks) at specifications sufficient to assess the efficiencies and benefits of the RapidSX™ technology versus the results of the concurrent trials taking place on the traditional CSX Pilot Circuit. This includes a commercial-scale techno-economic assessment of the RapidSX™ separation and purification process, including capital and operating costs. Concurrently, but slightly lagging the RapidSX™ Program, the Company is incorporating the RapidSX™ technology platform into the specific engineering and design packages for its first commercial-scale SMC planned for Louisiana. The Company also expects to incorporate the RapidSX™ commercial-scale technology platform into a future Bokan HREE Project Pre-Feasibility Study (“PFS”) and/or Feasibility Study (“FS”) contemplated for after completion of the Louisiana SMC.</p> <p>The RapidSX™ Program is being led by the Company’s CEO and Chairman, Pat Ryan, P.Eng., and the Company’s Vice-President and Chief Operating Officer, Mike Schrider, P.E., in conjunction with Dr. Boyd Davis and Mr. Alain Roy, principals of Kingston Process Metallurgy Inc. (“KPM”), supported by additional technical expertise that Ucore and IMC have engaged for the RapidSX™ Program. KPM is Ucore’s and IMC’s research, development, and commercialization partner and will be supporting all aspects of the technical work to finalize the commercialization program required to scale up the RapidSX™ technology for commercial deployment into the SMCs.</p> <p>The Company had originally planned to construct an 18-stage RapidSX™ REE demo plant for the separation of HREEs from LREEs. However, in early 2022, the Company received very positive results from the independent RapidSX™ technology evaluation, including the conclusion that a RapidSX™ production plant can potentially have one-third the footprint of a CSX production plant with the same throughput. The Company then expanded the design and construction of the Demo Plant to the now single machine 52-stage³ design for the separation of many different feedstocks to virtually any one particular target REE element or group.</p> <p>The single machine 52-stage RapidSX™ Demo Plant is designed and constructed to process:</p> <ol style="list-style-type: none"> 1. Many different feedstock sources, including all planned LREE and HREE chemical concentrates for the Louisiana SMC; 2. Tens of tonnes of mixed rare earth concentrates on a per-annum basis, including products for prospective metal/alloy makers and original equipment manufacturer (“OEM”) qualifications; and 3. All RapidSX™ splits required to produce individual praseodymium (Pr), neodymium (Nd), samarium (Sm), gadolinium (Gd), terbium (Tb), dysprosium (Dy) and / or yttrium (Y) - including the NdPr compound. <p>The short-term (12 months) objectives of the current RapidSX™ Program include the continuation of:</p> <ol style="list-style-type: none"> 1. Continued validation of the RapidSX™ applied chemistry at commercial demonstration-scale under semi-continuous conditions through the robust processing features of the Demo Plant; 2. Continued validation of the physical design of the RapidSX™ platform at commercial demonstration-scale over thousands of Demo Plant runtime hours;
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² NdPr, Pr, Nd, Sm, Gd, Tb, Dy, and Y rare earth compounds and elements.

³ Comprising of all of the unit operations of solvent extraction chemistry - extract, scrub, strip, wash and saponification.

	<ol style="list-style-type: none"> 3. Continually enhancing the program of continuous improvement to ensure that the Company is incorporating the knowledge and experience gained through operating the Demo Plant; 4. Validation of the specific process flowsheets/programming developed for a particular REE feedstock, including multiple US-friendly sourced commercial REE feedstocks currently under consideration; 5. Initial generation of REE product qualification samples for potential customers for independent evaluation; 6. Confirmation testing of the full-size RapidSX™ components for the Louisiana SMC; 7. Creation of design and construction inputs required for the design of a commercial-scale RapidSX™ HREE and LREE separation facility i.e., "copy and paste" all knowledge gained and lessons learned to the Louisiana SMC; and 8. Development of a detailed techno-economic assessment of RapidSX™ based separation, as part of the commercialization process. <p>The long-term (12-36 months) objectives of the current the RapidSX™ Program include:</p> <ol style="list-style-type: none"> 1. Demonstrate the successful process qualification of any feedstock destined for an SMC at the Demo plant over hundreds of runtime hours for each planned RapidSX™ production circuit. Transfer the knowledge gained to the full-scale SMC design, construction, commissioning, qualifications, and operating processes; 2. Utilize the Demo Plant for SMC operator training; and 3. Concurrently with the Demo Plant qualification process of REE feedstocks, focus the attention of RapidSX™ technology development to other critical metals.
<p>The expected timeline of the project, including the Company's progress compared to the timeline:</p>	<p>Since the Company completed its acquisition of IMC in May 2020, a significant amount of work has been planned and/or performed to advance the RapidSX™ Program, including:</p> <p>Technical:</p> <ol style="list-style-type: none"> 1. Engaging KPM as IMC's long-term research, development, and commercialization partner: Q2-2020; 2. Continuous development of the CDF in Kingston, ON: Q2-2020 through at least Q4-2027; 3. Completing the RapidSX™ initial technical-validation and optimization program on the constructed research & development apparatus (the "Research Rig"): Q2-2020 to Q3-2022; 4. KPM's participation with AIDEA in the execution of Dr. Ahmad Ghahreman's independent assessment of the RapidSX™ technology platform: Q3-2021 to Q2-2022; 5. Designing, constructing, operating and continuously improving the 52-Stage RapidSX™ REE Commercial Demonstration Plant ("Demo Plant") within the CDF: Q2-2022 through at least Q4-2027;

	<ol style="list-style-type: none"> 6. Designing, constructing, and operating the 52-stage CSX mixer settler pilot-scale circuit (the "CSX Pilot Circuit"): Q2-2022 through at least H2-2026 (extended from Q4-2025); 7. Demo Plant commissioning trials: Q1-2023 to Q4-2023; 8. Conducting the formal techno-economic assessment program for the commercial deployment of the RapidSX™ technology platform: Q2-2023 through at least H1-2026 (extended from Q4-2025); 9. Expanding the focus of the RapidSX™ technology platform to other critical metals: Q2-2026 through at least Q4-2027; 10. Commencement of the "Copy and Paste" technology template to transfer the engineering, construction, commissioning, and product qualification data from the Demo Plant to the full-scale Louisiana SMC: Q2-2022 through Q2-2026 (extended from Q4-2025); 11. Demo Plant product qualification trials: Q4-2023 through at least Q4-2027; and 12. SMC operator training at the Demo Plant: Q1-2026 (extended from Q4-2025) through at least Q4-2027. <p>Business:</p> <ol style="list-style-type: none"> 1. Working directly with US-registered lobbyist J.A. Green & Company and US municipal, state, and federal government entities to advance various initiatives related to the Demo Plant and the future SMCs; 2. Working directly with Canadian municipal, provincial, and federal government entities and/or representatives to advance various initiatives related to the Demo Plant and future potential SMCs; and 3. Significant business developments with multiple upstream and downstream prospective partners, suppliers and customers toward the establishment of a North American REE supply chain, focusing on Ucore's and IMC's role with mid-stream processing and RapidSX™: Q2-2020 to current.
The expenditures made on the project to date and during the period:	<p>During the nine-month period ended September 30, 2025, the Company incurred net research and development expenditures of approximately \$4.79 million compared to approximately \$6.65 million for the nine-month period ended September 30, 2024. Research and development expenditures relate to amortization, consulting and professional services, facility and equipment expenditures, laboratory and analytical expenses, labour, process feedstock and reagents, supplies, consumables and materials, and other expenses to further advance the Company's RapidSX™ technology and are recorded net of any recoveries from government assistance and tax credits. A breakdown of material components of the Company's research and development expenditures period over period is presented below in the Research and Development Expenditures section.</p>

<p>Previously issued forward-looking information about the project that is hereby being updated and a discussion of the events and circumstances that occurred during the period that caused the actual results to differ from the previously disclosed forward-looking information:</p>	<p>As previously disclosed, the Company has faced various engineering, material, and equipment challenges during the formal commissioning and early demonstration process. As a result, the commissioning, initially scheduled for Q3-2023, was completed in Q4-2023. As a result of overcoming these challenges, the Company has gained valuable insights and implemented the following improvements:</p> <ol style="list-style-type: none"> 1. a standardization of material and component suppliers (vs. procurement from multiple vendors for similar products); 2. an improved system pressurization and flow rate delivery system; 3. significant enhancement in the as-built PLC control algorithms and sensor feedback system; 4. improvements to design and construction details to enhance system reliability upon startup; and 5. a formal continuous improvement program. <p>The Company has also experienced certain technical challenges related to the application of HREE chemistry, which necessitated procedural upgrades and equipment reconfigurations. These quickly implemented changes highlighted the adaptability and modularity of the RapidSX™ platform to support enhanced and varying technical configurations for the evaluation of conditions required for the scale-up at the Louisiana SMC.</p> <p>For the reasons stated above as well as inflation, the anticipated costs to complete the project have risen from \$7,500,000 to \$9,750,000 as previously disclosed and outlined below.</p> <p>The Company has extended the timelines for certain project activities. These changes were primarily influenced by prevailing market conditions and the Company's ability to secure necessary feedstock, capital and financing. As a result, the previously disclosed forward-looking information about the project and related timelines has been updated to reflect these adjustments.</p>
<p>The anticipated timing and costs to take the project to the next stage of the project plan:</p>	<p>The Company's next significant milestone is the completion of the Department of Defense demonstration trials as further described in the U.S Department of Defense Government Funding Award section below. The Company expects to complete this milestone in H1 2026 (extended from - Q4-2025). The Company has been awarded US\$4,000,000 from the US Department of Defense to complete this milestone. The Company anticipates that the total gross cost to complete the program will be approximately \$9.75 million, of which approximately \$8.66 million has been incurred as at September 30, 2025. The anticipated total net cost to the Company (after the US government funding) will be approximately \$4.15 million.</p>
<p>The license(s) and regulatory approval(s) that the Company must obtain related to the project and the next milestone:</p>	<p>No required licenses or regulatory approvals are associated with the RapidSX™ technology development platform. Any licenses permits or approvals that are related to the operation of the CDF are the responsibility of KPM (the landlord and the Company's research, development, and commercialization partner).</p>

United States Patent Application

During the year ended December 31, 2023, IMC filed a United States Provisional Patent application for its RapidSX™ technology. In February 2024, IMC submitted the subsequent application for an international Patent Cooperation Treaty (PCT) filing. In August of 2025, IMC began the National Phase Jurisdiction entry filings in dozens of countries. The process remains "patent pending" and is ongoing.

The Company continues its engagement with Mech-Chem Associates, Inc. ("Mech-Chem") to develop the specific process engineering requirements for stages of the planned SMCs, in conjunction with other consultants and the Company's and IMC's engineering personnel. Additionally, Mech-Chem has incorporated its developed pre-and post-RapidSX™ process engineering into the design of the Demo Plant to ensure a truly seamless ramp up to the SMC's full-scale engineering package. The Company has constructed the Demo Plant within a 5,000-square-foot building at KPM's facilities in Kingston, ON. This concept of building a REE-processing plant within an existing building is the go-forward engineering and construction template for the process that the Company will replicate to create the full-scale Louisiana SMC.

The SMC Business Model

Since the Company's May 8, 2020, acquisition of IMC and its proprietary RapidSX™ metals separation technology, the Company has focused on a definitive commercialization pathway to achieve a secure, economic, REE supply chain in North America – starting with securing mid-stream REE processing. As critical as the establishment of a complete North American REE supply chain is, it must be achieved in the shortest time frame possible and with the lowest possible capital and operating costs. The Company's business plan is focused entirely on near-term North American REE independence, by establishing mid-stream REE processing and production capacity to cost-effectively transform US-friendly-sourced REE feedstocks into made in North America finished rare earth oxides "REOs".

On October 6, 2020, the Company introduced its ALASKA2023 business plan centered around the construction of an Alaska SMC founded on the RapidSX™ separation technology platform. In early 2022, it became apparent that additional SMCs are required to truly establish an independent North American REE supply chain and that given the projected rate of automotive electrification, the first SMC should be established in a "brownfield" facility surrounded by significant business infrastructure. Therefore, the Company expanded its SMC business model to now include additional SMCs and has strategically selected Alexandria, Louisiana, for the location of its first SMC. Alaska and/or Canada (Ontario, Saskatchewan and/or Nova Scotia) are the prospective locations for additional SMCs.

The LSMC Program	For the nine-month period ended September 30, 2025
<p>Description of the project, including the Company's short and long-term plans for the project and the status of the project relative to those plans:</p>	<p>On October 17, 2022, the Company announced that it had entered into a mutual commitment with the US State of Louisiana toward the establishment of the Company's first SMC REE separation facility - the Louisiana SMC ("LSMC"). Since the spring of 2022, the Company had been engaged with the state and numerous local economic development agencies and communities as it worked through the down-selection process from twenty potential existing brownfield facilities across the state to the selected Alexandria facility based on the following criteria:</p> <ul style="list-style-type: none"> • Commercial considerations; • Engineering fitness and expansion capabilities; • Environmental assessment and permitting; • Community integration; Commercial considerations; and • Government incentives (as further described below) <p>On April 6, 2023, Ucore announced that the State of Louisiana had increased its incentive offer to \$20+ million and the Company had selected an 80,800-square-foot brownfield facility within the England Airpark in Alexandria, LA, as the location for its planned Louisiana SMC REE separation and oxide production facility. The England Airpark is the former England Air Force Base and, since 1992, has been run by the England Authority. The mission of the England Authority is to create jobs for central Louisiana.</p> <p>On January 4, 2024, the Company announced that it has entered into a lease with the England Economic and Industrial Development District ("EEIDD") at its England Airpark complex for a multi-decade lease arrangement to ensure the long-term viability of the LSMC and continued employment opportunities for the residents of Rapides and the surrounding parishes. Simultaneously, the Company sub-leased the facility through January 2025. The facility is an 80,800-square-foot brownfield facility on a 10.7-plus-acre industrial parcel for the development of the Company's first commercial REE processing facility. Additionally, the EEIDD has committed to providing US\$360,000 of grant funding over 24 months to reduce the Company's initial lease obligations to the England Authority. This rate reduction has commenced upon the expiration of the sub-lease in Q1</p>

	<p>of 2025. The communities of central Louisiana have an available work force of over 114,000 persons within an hour's drive of the LSMC.</p> <p>The LSMC is being developed around the Company's proprietary RapidSX™ technology platform, representing North America's first REE processing center based on 21st century separation technology. It is expected to receive REE feedstock from several US-friendly nations and it is expected to produce the individual REOs required for fabricating rare earth permanent magnets used in electric motors and generators, thus forming a significant part of North America's developing independent REE supply chain.</p> <p>The LSMC Program, is being led by the Company's CEO and Chairman, Pat Ryan, P.Eng., and the Company's Vice-President and Chief Operating Officer, Mike Schrider, P.E., and is highly integrated with the RapidSX™ Program. This includes KPM, Mech-Chem, other technical consultants and the Company's internal resources. The Company is now engaging with architects, engineers and contractors familiar with executing projects in Alexandria, Louisiana, and with the CDF, joint product qualification and verification trials of feedstocks are underway for the LSMC.</p> <p>The Company will "copy and paste" all knowledge gained from the RapidSX™ Program at the CDF to the LSMC.</p> <p>Subject to available financing, the short-term (12 months) objectives of the current LSMC Program include:</p> <ol style="list-style-type: none"> 1. Secure US-friendly feedstock sources for early production opportunities; 2. Secure financing, including pre-purchase and supply offtake agreements with OEM-automotive companies and similar downstream users of REEs; 3. Finalizing the Stages 1-3 contract design engineering and estimating packages; 4. Commence the RapidSX™ Machine No. 1 and Stage 1 detail design engineering and estimating packages through the Louisiana-centric engineering and construction team; 5. Order and receive long lead materials and equipment for RapidSX™ Machine No. 1 and Stage 1; 6. Establish the required personnel and business infrastructure in Louisiana taking advantage of LED's FastStart assistance benefits program; 7. Secure permitting required to initiate construction (air) and commence production (water and solid discharges, building, etc.); 8. Commence RapidSX™ Machine No. 1 construction, testing, commissioning, and Department of War demonstration activities; 9. Finalize Stage-1 engineering, procurement, construction, commissioning, and OEM product qualifications;⁴ and 10. Initiate Stage-1 construction and potential RapidSX™ Machine No. 1 Early Production. <p>Subject to available financing, the long-term (12-60 months) objectives of the current RapidSX™ development program include:</p> <ol style="list-style-type: none"> 1. Finalize Stage-2 engineering, procurement, construction, commissioning, and OEM product qualifications;⁵ 2. Initiate Stage-2 production; 3. Finalize Stage-3 engineering, procurement, construction, commissioning, and OEM product qualifications;⁶ 4. Initiate Stage-3 production; 5. Secure final required permits; 6. Secure additional feedstock sources; and 7. Secure partner relationships for metal/alloy and magnet production opportunities.
<p>The expected timeline of the project, including the Company's progress compared to the timeline:</p>	<p>Establishment of a single RapidSX™ machine at the LSMC facility in mid-2026, with early production readiness in late-2026, remains the objective of the Company as the first step of the Company's SMC business model – this entails:</p>

⁴ Stage 1 = 2,000 tpa TREO throughput.

⁵ Stage 2 = 5,000 tpa TREO throughput.

⁶ Stage 3 is targeted for 10,000 tpa REO throughput.

	<p>Technical:</p> <ol style="list-style-type: none"> 1. Finalizing the RapidSX™ scale-up design and physical verification at the CDF: Q2-2025 through H1-2026; 2. Finalize the RapidSX™ Machine No. 1 engineering design package: Q2-2025 through H1-2026; 3. Permitting, procurement, construction, testing, and commissioning (RapidSX™ Machine No. 1 only): Q2-2025 to H2-2026; 4. Commissioning and product qualification trials⁷ (RapidSX™ Machine No. 1 only): H2-2026; and 5. Establish early production readiness (RapidSX™ Machine No. 1 only): H2-2026. <p>Business:</p> <ol style="list-style-type: none"> 1. Secure a second US-friendly feedstock for RapidSX™ Machine No. 1 operations: H2-2025 to H2-2026; 2. Establish an Alexandria corporate infrastructure⁸ and workforce for RapidSX™ Machine No. 1 operation: Q2-2025 to H1-2026; 3. Working directly with US-registered lobbyist J.A. Green & Company and US municipal, state, and federal government entities and representatives to advance various initiatives; and 4. Significant business developments with multiple upstream and downstream prospective partners toward the establishment of a North American REE supply chain, starting with mid-stream processing and RapidSX™: Q2-2020 to current.
The expenditures made on the project to date and during the period:	During the nine-month period ended September 30, 2025, the Company capitalized expenditures of \$251,452 (December 31, 2024 - \$128,516) relating to engineering and design of the LSMC.
Previously issued forward-looking information about the project that is hereby being updated and a discussion of the events and circumstances that occurred during the period that caused the actual results to differ from the previously disclosed forward-looking information:	<p>As previously disclosed, due to slowed re-scaled automotive OEM electric vehicle roll-out schedules, global economic concerns, and a dramatically changing worldwide rare earth industry, the Company's pre-purchase and supply financing and project execution timelines continue to face delays. In addition, lessons learned with the Demo Plant and improvements to design and construction details for the LSMC, as well as inflation and anticipated feedstock costs have resulted in an update to the total CAPEX of Stage 1 production and initial feedstock acquisition from US\$80 million to US\$95 million, including the commissioning feedstock (which can become saleable goods).</p> <p>The Company has extended the timelines for certain project activities. These changes were primarily influenced by prevailing market conditions and the Company's ability to secure necessary feedstock, capital and financing. As a result, the previously disclosed forward-looking information about the project and related timelines has been updated to reflect these adjustments.</p>
The anticipated timing and costs to take the project to the next stage of the project plan:	US\$95 ⁹ Million to get to Stage 1 production and initial sale delivery, as noted above.
The license(s) and regulatory approval(s) that the Company must obtain related to the project and the next milestone:	<p>The Company has conducted preliminary meetings with the State of Louisiana's Department of Environmental Quality regarding its prospective air, water and solid discharge permits and has received and expedited permitting pathway in its offer from LED. Additionally, the England Authority is responsible for all other required building permits.</p> <p>The next permitting milestone will be the submission of a "minor air" permit applications to the Department of Environmental Quality (the "DEQ") upon finalization of the process engineering design package.</p>
Description of the risks associated with not obtaining the required	The noted permits are required to operate the LSMC. With the declared expedited permitting support of LED and the England Authority as the local permitting authority, the Company has selected a project location which mitigates the permitting risk of the LSMC

⁷ Enhanced by identical feedstock qualification trials and knowledge transfer at/from the Kingston CDF.

⁸ The Company has established the Louisiana domiciled and wholly owned business entity, Ucore North America, LLC, as the entity to develop and operate the LSMC.

⁹ Estimated stage 1 facility CAPEX of US\$65 million and an estimated US\$30 million in commissioning feedstock acquisition costs.

license(s) and regulatory approval(s):	Project. However, any delay in receiving a required permit will likely delay the LSMC from going into operation.
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Letter of Intent from Louisiana Economic Development ("LED")

As the result of a larger than originally anticipated facility selection, the Company is targeting the expansion of its maximum production rate from 5,000 to 10,000 tonnes per annum ("tpa") of total rare earth oxide ("TREO") throughput. In turn, the Company has received and accepted an amended non-binding letter of intent from LED. This letter of intent added a potential US\$900,000 grant for infrastructure costs in consideration of the Company's updated 10,000-tonne-per-annum facility (at Stage 3) with a projected minimum of at least US\$75-million capital expenditure investment and 100 family wage paying jobs for the fully completed LSMC -- bringing the total potential value of state grants, tax incentives, payroll rebates, and customized employment recruitment and training to US\$15-million. Moreover, LED estimates the project will result in 298 new indirect jobs, for a total of 398 new jobs in central Louisiana.

The financial, economic and tax incentive offers described in the letter of intent are estimates based on the Company's commitment to and fulfillment of its capital investment schedules for the LSMC. This includes (i) a total capital investment by the Company for the Louisiana SMC of at least US\$75-million by December 31, 2027; The Company and the State of Louisiana recently eliminated the original jobs and payroll requirement per updated guidance from Louisiana in combination with current project timelines. While the overall capital investment, employment, and development plans and LED benefits for the LSMC remain unchanged.

Louisiana's industrial tax exemption program can offer up to a 10-year tax exemption to the Company. LED estimates that the exemption may result in up to US\$8.2-million in tax savings for the Company. The state's industrial tax exemption program is administered by the Louisiana Board of Commerce and Industry and required approvals from parish and municipal governing bodies, as well as the parish school board. The Company has received the final approved Contract for Exemption of Ad Valorem Taxes from the State of Louisiana.

Louisiana's quality jobs program provided a 4% or 6% payroll rebate on the gross annual payroll for qualifying new jobs for up to 10 years. The program also refunds state sales/use tax paid on construction materials purchased during construction or a 1.5% project facility expense rebate on certain capital expenditures. LED estimates that the value of this program could be up to US\$4.5-million for the Company. The quality jobs program is administered by and will be subject to a contract to be finalized between the Company and the Louisiana Board of Commerce and Industry. The overall benefits of this program will be retained.

Louisiana's research and development tax credit program encourages businesses to establish or continue qualified research and development activities within the state. The benefit is primarily tied to nationwide employment and ranges from 5% to 30% on increases in qualified expenses. Company eligibility for the program is subject to the statute and rules applicable to the program. The letter of intent contemplates the Company's participation in the program; however, the value of the benefits from the program will be determined later and will be dependent upon the actual qualified expenses that the Company incurs.

Louisiana's small business loan and guarantee program facilitates capital accessibility for small businesses by providing loan guarantees to banks and other small business lenders. The program is administered by the LED. The letter of intent contemplates the Company's participation in the program; however, the value of the benefits from the program will be determined during future negotiations between the Company and LED.

The program provides a performance-based grant to be used for reimbursement of Company expenditures for infrastructure costs. This will be administered pursuant to a co-operative endeavour agreement and requires Company compliance with and adherence to the capital investment and employment and payroll commitments. LED estimates the grant, based upon the needs of the facility, as well as the investment, employment and payroll projections, could be for up to US\$900,000, payable at US\$400,000 upon the facility being placed into operation/production with more than US\$45-million in capital expenditures and 45 full-time employees on payroll and US\$300,000 after US\$55-million in capital expenditures and 80 full-time employees on payroll, and US\$200,000 after US\$75-million in capital expenditures and 100 full-time employees.

The LED FastStart program offers substantial LED investment in customized employment recruitment and training during the Company's period of employment ramp-up. LED estimates that FastStart may provide a benefit to the Company of up to US\$1.4-million. This program is underway.

The Company's final board of directors' approval is contingent on receiving the offered Louisiana incentive packages.

Other Prospective SMC Business Model Partners

The Company has entered into various confidential discussions with several international companies, ranging from early-stage conversations to executed non-binding letter of intent ("LOIs") and memorandum of understanding ("MOUs"). These discussions are progressing towards pre-purchase and supply agreements for LSMC REO products and include due diligence activities such as reviewing the LSMC development plans. Additionally, discussions are ongoing with potential offtake partners for REOs and/or metal alloys.

On April 20, 2022, the Company provided information on the execution of a MOU with thyssenkrupp Materials Trading GmbH ("thyssenkrupp"). The MOU contemplates thyssenkrupp initially supplying a minimum of 1,000 tpa of mixed rare earth carbonate for processing at the Company's LSMC. The parties have agreed to work toward a 10-year binding contract for the continued and increasing supply of mixed rare earth carbonates for processing, including the consideration of various marketing strategies.

On January 9, 2024, the Company announced that it has established a non-binding MOU with Defense Metals Corp. ("Defense Metals") to explore collaborative opportunities in advancing North American REE supply chain initiatives. As part of this collaboration, Defense Metals sent a mixed rare earth carbonate sample to the Company's RapidSX™ Demo Plant. The sample was generated during 2023 hydrometallurgical piloting test work performed on concentrate produced by earlier flotation pilot plant testing of a 26-tonne bulk sample from Defense Metal's Wicheeda property in British Columbia.

On July 25, 2024, the Company announced that it has entered into a non-binding MOU with Cyclic Materials Inc. ("Cyclic") for the future supply of recycled mixed rare earth oxides ("rMREO"). The Company and Cyclic will work together towards determining the potential of a long-term supply agreement, starting with Cyclic supplying trial quantities of rMREO to the Company's RapidSX™ Demo Plant. The ultimate objective of the MOU is to qualify Cyclic's product in the Company's process and ensure the Company's developing North American commercial REO production output includes North American recycled content from Cyclic, as Cyclic's capacities scale.

On August 21, 2024, the Company announced that it has entered into a MOU with Meteoric Resources NL ("Meteoric") for the supply of 3,000 metric tonnes of TREO from Meteoric's forthcoming Caldeira rare earth ionic clay project in the Minas Gerais state of Brazil to the Company's LSMC.

Key provisions of the MOU:

- During the term of the MOU, the parties will work toward establishing a binding definitive agreement for the supply of mixed rare earth carbonate from Caldeira to the LSMC.
- Once the parties are in production, they envision that the Company will purchase a minimum quantity of 3,000 Mt of TREO annually from Caldeira. This could represent over 900 Mt of NdPr, approximately 6 Mt of Tb and 24 Mt of Dy.
- Both parties will support each other in the pursuit of financing and business development for their respective projects.

On September 4, 2024, ABx Group Ltd. ("ABx") and the Company have executed a MOU that describes the collaborative pathway ABx and the Company will advance to:

- A binding offtake agreement for the supply of a mixed rare earth carbonate by ABx to the Company; and
- An opportunity for the Company to invest in the ABx rare earth project in Tasmania.

ABx is an Australian public company headquartered in South Melbourne, Victoria, that has established an ionic adsorption clay REE resource in northern Tasmania. The grades of the two key heavy rare earths, dysprosium and terbium, are the highest of any clay-hosted rare earth resource in Australia and comparable with the highest in the world. Metallurgical testing by the Australian Nuclear Science and Technology Organisation ("ANSTO") has confirmed that samples from the resource have the highest ionic proportion of any clay-hosted rare earth resource in Australia.

Key features of the MOU:

- ABx and the Company will work toward an arrangement for the preferred annual volume of intermediate rare earth product, which is envisaged to be an MREC, to be supplied by ABx to the Company:
 - The intent is for the Company to obtain first right of refusal for 50% of ABx's annual volume for a minimum period of five years, subject to the agreement of commercial terms.
- The parties will explore potential investment by the Company into the ABx rare earth project, as well as project finance opportunities for ABx and the Company's projects, which may involve joint approaches to the companies active in the rare earth value chain, governments, institutional funds and private investors.
- ABx and the Company will collaborate to develop and optimize:

- A comprehensive product flow sheet considering where best to implement collective project efficiencies; and
 - A total project development strategy, including laboratory, pilot and demonstration plant testing.
- ABx and the Company will share information on global rare earth markets, particularly for the permanent magnet rare earths, with the objective of identifying opportunities for and mitigating risks to ABx and the Company's projects.

On August 27, 2025, the Company announced the execution of a non-binding LOI with Critical Metals Corp. ("CMC") for a long-term offtake agreement to secure HREE feedstock from CMC's Tanbreez project in southern Greenland. Under the terms of the proposed arrangement, CMC intends to supply the Company with a REE product from Tanbreez over an initial 10-year term. This material will be used as feedstock for the Company's SMC.

The LOI sets out the parties' intentions to negotiate and execute a definitive offtake agreement. Terms of the LOI include the delivery of a mixed rare earth carbonate or oxide, with specifications to be agreed to, over a multiyear term commencing on the later of July 1, 2027, or commercial production. The execution of a definitive offtake agreement remains subject to customary conditions, including completion of due diligence, finalization of commercial terms and necessary approvals.

On September 16, 2025, the Company announced the signing of a strategic technology collaboration agreement with Metallium Limited ("Metallium"). The binding agreement is for a term of 12 months from the date of signing, September 13, 2025. Each party will enter good faith discussions to explore the potential of a future commercial arrangement for future collaboration. Each party shall retain all rights to their technology and binding non-disclosure agreements are in place between the parties. There are no commercial arrangements by way of fees or consideration associated with this collaboration agreement. The primary objectives are:

- The formation of a strategic partnership with Metallium which will add to potential feedstock sources for the Company's prospective SMC in Alexandria, Louisiana.
- Metallium's Flash Joule Heating process provides an alternative to traditional sulfate leaching approaches to generating mixed rare earth products which will be suitable for refining using the Company's RapidSX™ technology.
- A staged program is being developed combining Metallium's front-end upgrading capability with the Company's downstream RapidSX™ separation capacity, reflecting the complementary roles of each technology within the integrated flowsheet.

On October 31, 2025, the Company announced that it has entered into a non-binding Heads of Agreement ("HoA") with Wyloo Gascoyne Pty Ltd ("Wyloo") and Hastings Technology Metals Ltd ("Hastings") to:

- Establish a long-term supply pathway for Yangibana rare earth concentrate; and
- Evaluate hydrometallurgical processing options in the United States, with the Company's prospective SMC in Louisiana as the priority location.

The HoA links Australian feedstock from the Yangibana Rare Earths and Niobium Project with US mid-stream processing and separation at the Company's prospective Louisiana SMC aligning with the Company's objective to establish a North American, ex-China rare earth supply chain and leverage the critical materials frameworks amid unprecedented policy convergence with allied jurisdictions, notably the United States, Canada, and Australia.

On November 3, 2025, the Company announced the signing of a non-binding MOU with Vacuumschmelze GmbH & Co. KG ("VAC") and eVAC Magnetics LLC ("eVAC") to develop a collaborative supply agreement for high-purity REOs.

- eVAC Magnetics has completed construction of a rare earth permanent magnet manufacturing facility in Sumter County, South Carolina with support from the US DoD and a \$111.9 million Qualifying Advanced Energy Project Tax Credit
- VAC also produces magnets at its facilities in Europe requiring rare earth oxides for product lines including neodymium-iron-boron (NdFeB) and Samarium-Cobalt (SmCo) permanent magnets.
- The MOU provides a means for eVAC and VAC to align with the Company for the supply of high-purity rare earth oxides which will be coordinated with the Company's staged growth refining plans in Louisiana, USA and Ontario, Canada.

Bokan-Dotson Ridge, Alaska

In 2006, the Company acquired the right to the Bokan Mountain mineral property through five separate option agreements to acquire a 100% interest in a parcel of unpatented mineral claims from underlying owners and through staking a 100% interest in an additional parcel of prospective ground. The option agreements provide for the Company to acquire a 100% interest in the optioned claims in exchange for total remaining payments of US\$90,000. The five vendors will retain Net Smelter Royalties ("NSR") ranging from 2% to 4% on their specific claims. The Company has the right to purchase between 33% and 100% of the NSR for cash payments of US\$500,000 to US\$1,000,000 per vendor. The staked claims, together with the exclusive option agreements, have the effect of providing the Company with an effective 100% control of the Bokan Mountain mineral property.

The Bokan Project in Alaska, USA	For the nine-month period ended September 30, 2025
<p>Description of the project, including the Company's short and long-term plans for the project and the status of the project relative to those plans:</p>	<p>The Company's Bokan Project is located on Prince of Wales Island, Alaska, approximately 60 km southwest of Ketchikan, Alaska and 140 km northwest of Prince Rupert, British Columbia, with direct ocean access to the western seaboard and the Pacific Rim. The project is situated in the Tongass National Forest, within an area set aside for natural resource development.</p> <p>On November 28, 2012, the Company reported the results of a PEA completed by Tetra Tech of Vancouver, BC, regarding the Dotson Ridge Zone of the Company's Bokan Project in Southeast Alaska. A copy of this PEA (a NI 43-101 technical report) was filed on SEDAR+ on March 14, 2013.</p> <p>On October 15, 2019, the Company issued a press release describing an updated mineral resource estimate for the Bokan Project (now including the 2014 drill program results) including the identification of the tonnes and the corresponding grades of additional critical-metal co-product mineral resources. At a TREO cut-off grade of 0.40 percent, an additional 38.5 thousand tonnes of the critical and strategic metals, including niobium (Nb), zirconium (Zr) beryllium (Be), hafnium (Hf), titanium (Ti) and vanadium (V) were added to the mineral resource estimate at Bokan. The October 2019 study did not increase the overall tonnage of the deposit relative to the Company's May 2015 mineral resource update; it only quantified the occurrence of co-product metals within the mineral resource established in 2015. The Company does not consider the co-product resources to be a "material change" to the Company.</p> <p>In the past, the Company's primary focus was the exploration and development of the Bokan Project in Alaska, where the Company has incurred the majority of its mineral exploration expenditures for the past several years. In recent years, more of the Company's time and expenses have been focused on developing the downstream metallurgy component of its plan, which involves the development of mineral separation, processing and metal purification technologies that can be utilized in its downstream business objectives. The Company sees the metallurgy component as one of its priorities since it is a potential bottleneck to implementing the full commercial production of the upstream Bokan Project. Accordingly, the Company's mineral exploration and development expenses at the Bokan Project have been modest in the past few years.</p>
<p>The expected timeline of the project, including the Company's progress compared to the timeline:</p>	<p>The Company expects that the prospective development profile of the Bokan Project is best implemented in the latter half of this decade after the Louisiana SMC and a North American centric REE supply chain is fully established.</p>
<p>The expenditures made on the project to date and during the period:</p>	<p>During the nine-month period ended September 30, 2024, the Company incurred expenditures of \$19,823 for the preparation of the Company's potential PEA update and other consulting services. During the period ended September 30, 2025, the Company incurred environmental and permitting expenditures of \$197,880 which includes the general carrying costs of the property, compared to \$180,846 in the comparable prior period. In total, during the nine-month period ended September 30, 2025, the Company incurred \$197,880 in expenditures on the Bokan Project, compared to \$200,669 for the nine-month period ended September 30, 2024.</p>

	The Company capitalizes its mineral exploration and evaluation (“E&E”) expenditures. A detailed schedule of the Company’s deferred E&E costs for the periods ended September 30, 2025 and September 30, 2024, is included in Appendix “B” of this MD&A.
The anticipated timing and costs to take the project to the next stage of the project plan:	It was anticipated that the next milestone for the Bokan Project was to refresh the 2013 PEA against the future expected back drop of a robust and independent North American REE supply chain supported by projects such as the Company’s LSMC and perhaps an Alaska SMC. The estimated cost for this effort was between \$150,000 and \$300,000. Work commenced in Q3-2023, with an updated PEA for the Bokan Project originally anticipated in approximately 2025. However, in August 2025, the Company determined it would be more appropriate to first complete an updated Mineral Resource Estimate (“MRE”) rather than proceeding with a PEA update. The estimated cost of the MRE is approximately \$45,000, with completion targeted for Q4-2025.
The license(s) and regulatory approval(s) that the Company must obtain related to the project and the next milestone:	None required to update the MRE.
Previously issued forward-looking information about the project that is hereby being updated and a discussion of the events and circumstances that occurred during the period that caused the actual results to differ from the previously disclosed forward-looking information:	In August 2025, the Company re-evaluated its planned technical work in light of current project development priorities and determined that proceeding with an updated MRE would better align with near-term objectives of the Company. As a result, the Company has deferred the completion of a PEA and is now advancing an updated MRE with completion anticipated in Q4-2025.

Qualified Persons

The technical disclosures in this section of this MD&A regarding the Bokan Project were written by the Company’s management based upon information provided to the Company and approved by James Robinson, P. Geo., an independent geologist with Aurora Geosciences.

Cautionary Notes

Please note that the Company’s PEA is preliminary in nature, that it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

General Business Information

IMC Former Employee Litigation

On December 14, 2022, a former employee of the Company’s wholly owned subsidiary, IMC, filed a civil claim against IMC and the Company for wrongful dismissal and breach of contract. The claim is derived from an employment relationship between the former employee and IMC and the subsequent termination of this relationship. The former employee is seeking \$650,000, plus interest and costs. The Company believes that the action is without merit and intends to fully defend its interest and take all other legal actions available to it. The parties have agreed to settle the claim through arbitration, which remains ongoing. While arbitration was initially expected to conclude in Q1 2025, the process has been extended, and a revised timeline has not yet been established. The outcome of this claim cannot be determined at this time, and no provision has been recorded in the consolidated financial statements for the three-month and nine-month periods ended September 30, 2025.

Change of Auditor

The Company's auditor has resigned, effective August 8, 2025. The former auditor has not expressed any modified opinions in the former auditor's reports on the consolidated financial statements of the Company and there were also no reportable events as such term is defined in National Instrument 51-102. On September 23, 2025, the Board of Directors appointed PricewaterhouseCoopers LLP ("PwC") as the Company's auditor to hold office until the next annual meeting of shareholders.

Critical Minerals Innovation Fund

On January 21, 2025, the Company announced that it has been awarded \$500,000 in partnership with Ontario's Critical Minerals Innovation Fund. The funding contribution is for the advancement of the continuous improvement process at the Company's RapidSX™ CDF. The Company receives payments based on project milestones. The Company has successfully completed all project milestones and received the full \$500,000 contribution.

Government of Canada Contribution Agreement

On November 20, 2023, the Company announced it had executed a \$4.28 million contribution agreement with the Government of Canada to demonstrate its RapidSX™ rare earth element separation technology capabilities. The formal announcement of financing was announced through Natural Resources Canada's ("NRCan") Critical Minerals Research, Development and Demonstration ("CMRDD") program on February 5, 2024. The funding to be received by the Company will be used to demonstrate the commercial efficacy of the Company's RapidSX™ technology specifically for light REEs.

Total eligible expenditures to be reimbursed further to the funding are budgeted at \$4,275,848 out of the total project budget of \$8,308,441. The project is to be completed by March 31, 2026, following an extension from the original completion date of March 31, 2025, and the eligible expenditures period runs from September 22, 2023, to March 31, 2026. The Company is currently in discussions with NRCan regarding a potential further extension of the project deadline. As at September 30, 2025, the Company incurred reimbursable eligible expenditures of \$1,463,638 out of the total \$4,275,848 available under contribution agreement and \$2,812,210 remains available to be claimed for future eligible expenditures.

This funding will assist the Company with qualifying specific critical magnet materials (Pr, Nd and NdPr) with automotive, wind energy and consumer original equipment manufacturers. This funding and its focus on the light REE magnet materials complements the Company's US Department of Defense Government Funding Award, which focuses on producing the heavy REE magnet materials, terbium (Tb) and dysprosium (Dy) as further described below.

US Department of Defense Government Funding Award

On June 2, 2023, the Company, through its wholly owned subsidiary, IMC, was awarded a firm fixed-price US\$4-million other transaction agreement ("OT Agreement" or "Award") by the United States Army Contracting Command-Orlando ("ACC-ORL" or "US DoD" ("Department of Defense")) to conduct a REE separation technology capabilities prototype project at the Company's RapidSX™ CDF, utilizing its 52-stage RapidSX™ Demo Plant for the separation of mixed heavy REE concentrate feedstocks.

The objectives of the project are to demonstrate to the US DoD:

1. The capability to commercially source a sustainable domestic (that is, United States and Canada) processing facility for converting heavy and light REE feedstock sources to salable individual rare earth products.
2. A new innovative separation process that increases the ability to create domestic REE processing plants.

The initial OT Agreement will allow the Company to operate the RapidSX™ demonstration plant for extended periods of nearly continuous operation, with the goal of demonstrating the following attributes to the US DoD:

1. Rare earth separation processing capability at a rate more efficient than conventional solvent extraction;
2. Separation technology applicability to both light and heavy REEs with the same equipment;
3. A continuous process working facility capable of processing tonnes of feedstock; and

4. An increase in the Company's RapidSX™ technology readiness level ("TRL").

Background information about the award process:

On November 10, 2022, the US DoD issued a request for solutions ("RFS") seeking vendors and suppliers of innovative REE projects that can promote the adoption of REE recovery and separation technologies that incorporate advanced processing capabilities with the ability to meet the US DoD's requirements.

On January 17, 2023, the Company, through IMC, submitted a solution to the US DoD in response to the RFS, based on the execution of its separation technology development program in Kingston, ON, and its commercial deployment advancements in Louisiana. The Company's solution described the proposed project and the use of its proprietary RapidSX™ separation technology at the CDF utilizing the Demo Plant.

On June 2, 2023, the OT Agreement was finalized and awarded to the Company, through IMC, by ACC-ORL. Pursuant to the terms of the OT Agreement, the Company is to pursue and complete the project in stages and provide regular reporting and information to ACC-ORL. The payment milestones are divided into fixed tranches and tied to the successful completion of each stage.

On December 13, 2024, the Company announced that the US DoD approved modifications to the Company's existing OT Agreement and a corresponding payment of US\$1.8 million for the completion of certain milestones under the Award. The modifications amended the existing agreement to more closely align payment milestones to the commercial objectives of the project, including:

- Significant business progress toward the establishment of a Western supply chain;
- Over 2,600 hours of demo plant operation in a simulated commercial environment processing tonnes of mixed rare earth elements; and
- Thousands of hours of conventional solvent extraction pilot operation for direct comparative analysis.

To date, the Company has completed 8 of the 10 project milestones (including all HREE objectives) under the initial OT Agreement. During the nine-month period ended September 30, 2025, the Company recorded a cost recovery of \$1,448,189 (US\$1,057,412) to research and development compared to \$680,133 (US\$499,612) for the nine-month period ended September 30, 2024. The Company continues to advance work on the remaining milestones and as at the date of this MD&A, US\$647,116 remains available to be claimed upon achievement of future milestones under the OT Agreement.

On May 14, 2025, the Company announced that it had reached an agreement with the DoD regarding amending the OT Agreement whereby an additional fixed amount of US\$18.4-million will be provided to the Company. On June 2, 2025, the Company announced the execution of the amending OT Agreement ("Second OT Agreement") bringing the total US DoD funding to US\$22.4 million.

The purpose of the additional US\$18.4 million award from the US DoD is to facilitate the construction of the Company's first commercial RapidSX™ machine and supporting infrastructure. Specifically, the additional requirements of the project and the Company's objectives pursuant to the Second OT Agreement are to:

- Complete detailed design, engineering, construction, and confirmation testing of commercial-scale RapidSX™ columns at the Company's CDF;
- Complete initial design and engineering plans for the LSMC;
- Submit the required permit applications for the initial single machine demonstration trials with respect to the LSMC;
- Construct the requisite RapidSX™ supporting infrastructure for the single machine trials, which will initially be scaled to service three RapidSX™ machines within the LSMC (with still capacity for additional machines within the 80,800-square-foot facility); and

- Construct one commercial-scale RapidSX™ machine within the LSMC, including commissioning, demonstration and achieving "early production" readiness of salable individual REE products from the LSMC in H2 2026.

The Second OT Agreement contains 20 project milestones. To date, the Company has fully completed 1 of the 20 project milestones under the Second OT Agreement. During the nine-month period ended September 30, 2025, the Company recorded a cost recovery of \$239,161 (US\$174,717) to research and development related to the Second OT Agreement. Additionally, the Company has made significant progress on 5 other project milestones. The Company continues to advance work on the remaining milestones and as at the date of this MD&A, US\$18,225,283 remains available to be claimed upon achievement of future milestones.

Government of Canada Funding for a Samarium and Gadolinium Facility

On October 31, 2025, the Company announced that it has been conditionally approved for a Government of Canada contribution of up to \$36.3 million for the "*Pathway to Samarium and Gadolinium Security*" project. This includes the conditional approval of a contribution of up to \$26.3 million from NRCan through the Global Partnerships Initiative Program and up to \$10 million from FedDev Ontario, to demonstrate and scale-up a first-of-its-kind commercial processing facility in Kingston, Ontario, dedicated to the refining of the critical rare earth elements samarium and gadolinium. If approved, this funding will address a critical gap in the North American defense and technology supply chains. As of the date of this MD&A, the Company does not have a definitive agreement with the Government of Canada for this funding. Definitive agreements for the up to \$26.3 million from NRCan and the up to \$10 million from FedDev Ontario are expected to be negotiated and finalized in the coming months.

Financing Transactions

2025 Private Placements

On June 19, 2025, the Company closed a brokered private placement for aggregate gross proceeds of \$15,500,000 million, which includes the full exercise of the agents' option. In aggregate pursuant to the brokered private placement, the Company issued 12,916,667 units of the Company at a price of \$1.20 per unit. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share at any time on or before June 19, 2028 at an exercise price of \$1.75.

Red Cloud Securities Inc., as lead agent and sole bookrunner, together with Raymond James Ltd., acted as agents in connection with the brokered private placement. As consideration for their services, the agents received cash commissions and advisory fees totaling \$855,000 and were issued an aggregate of 712,500 non-transferable common share purchase broker warrants. Each broker warrant is exercisable into one common share at \$1.20 at any time on or before June 19, 2028.

The units were issued to Canadian purchasers pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 – Prospectus Exemptions, as amended by Coordinated Blanket Order 45-935 – Exemptions from Certain Conditions of the Listed Issuer Financing Exemption. The units and the securities underlying the units are not subject to resale restrictions pursuant to applicable Canadian securities laws.

The net proceeds of the brokered private placement are expected to be used for the following: (i) finalization of upstream mixed-rare-earth feedstock agreements and downstream customer offtake agreements for the Company's planned SMC in Louisiana; (ii) completion of the Company's existing obligations pursuant to its agreements with the US DoD and NRCan; (iii) commercial scale column confirmation testing; (iv) progressing engineering drawings and plans, which are currently ongoing, for the Company's planned SMC; and (v) general working capital requirements.

On January 31, 2025, the Company closed a non-brokered private placement which consisted of 3,600,000 units at a price of \$0.60 per unit for gross proceeds of \$2,160,000. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.75 per common share for a period of 36 months following the date of issuance.

On February 28, 2025, the Company closed a non-brokered private placement of 1,955,800 units at a price of \$0.60 per unit for gross proceeds of \$1,173,480. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share at an exercise price \$0.75 per common share for a period of 36 months following the date of issuance.

2024 Private Placement

On November 14, 2024, the Company announced the closing of a non-brokered private placement of 4,803,329 units at a price of \$0.50 per unit for gross proceeds of \$2,401,665. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 24 months following the date of closing of the private placement at an exercise price of \$0.75. In connection with the private placement, the Company issued a total of 21,000 common shares to an arms-length finder.

Pursuant to the private placement, certain insiders of the Company – being Pat Ryan (the Company's Chairman and CEO) and Orca Holdings, LLC ("Orca"), which is wholly owned by Randy Johnson (a director of the Company) – purchased a total of 2,856,330 units for gross proceeds to the Company of \$1,428,165. As such, the private placement is considered a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Full details of the above-described transactions with Mr. Ryan and Orca will be disclosed on the System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca and, in the case of Orca, in an early warning press release and an early warning report available on the System for Electronic Document Analysis and Retrieval+ (SEDAR+) at www.sedarplus.ca. The private placement was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of the private placement, nor the consideration to be paid, exceeded 25% of the Company's market capitalization. No new insiders and no control persons were created in connection with the closing of the private placement.

2024 Line of Credit Facility Amendments

On April 26, 2024, the Company announced amendments to the 2023 Line of Credit Facility and the 2022 Line of Credit Facility with Orca. Both facilities are further described below under *2023 Line of Credit Facility and 2022 Line of Credit Facility*. The Company and Orca agreed to further amend their debt arrangements regarding the 2023 Facility and 2022 Facility, and entered into amending agreements in connection with these amendments. The Company and Orca agreed to: increase the credit limit under the 2023 Facility from US\$2.2 million to US\$3.2 million; and amend the interest payment terms of both the 2022 Facility and the 2023 Facility in accordance with the following:

(a) whereas interest was previously payable on maturity, interest will now be payable quarterly, unless the Company would have less than \$2.0 million in cash after such interest payment; and

(b) in the event that the Company would have less than \$2.0 million in cash after a quarterly interest payment:

- the interest will not be payable at that time;
- interest will compound on unpaid interest at the rate outlined in the applicable debt agreements between the parties (as amended); and
- unpaid interest will be added to the next quarterly interest payment.

In consideration for the above-stated amendments to the 2023 Facility the Company agreed to issue 1,300,000 additional warrants to Orca, with each warrant entitling Orca to acquire one common share at an exercise price of \$0.75 per share until January 31, 2026. The warrants were to contain a condition precedent to their exercise such that no warrants shall be exercisable if such exercise would cause Orca's ownership of the Company's, as calculated on a partially diluted basis, to exceed 19.99% of the aggregate of the issued and outstanding shares in the capital of the Company.

On June 7, 2024, the Company announced additional amendments to the 2023 Facility and the 2022 Facility with Orca. The Company and Orca agreed to further increase the credit limit under the 2023 Facility to US\$5.2 million and further extend the maturity dates of both the 2023 Facility and the 2022 Facility to October 1, 2026. All of the warrants that were previously issued or issuable in connection with the 2022 Facility and the 2023 Facility are deemed to have expired or become non-issuable (as applicable) concurrently with the effective date of the new amendments and extensions to the lines of credit. As consideration for these changes, the Company issued a total of 7.7 million new common share purchase warrants to Orca, with 4.4 million of these warrants having an exercise price of \$0.89 per common share and the rest of these warrants having an exercise price of \$0.75 per common share. All 7,700,000 warrants expire on October 1, 2026, and contain a condition precedent to their exercise such that no warrants shall be exercisable if such exercise would cause Orca's ownership of the Company, as calculated on a partially diluted basis, to exceed 19.99% of the aggregate of the issued and outstanding common shares, unless the Company obtains prior shareholder approval in accordance with the applicable requirements of the TSX Venture Exchange. The TSX Venture Exchange approved the issuance of the 7.7 million warrants on September 30, 2024.

2024 Convertible Debentures

On February 9, 2024, the Company closed the second and final tranche of a non-brokered private placement of convertible debentures for gross proceeds of \$1,990,000 (the "2024 Convertible Debentures"). Each debenture was issued at a price of \$1,000 per debenture. The 2024 Convertible Debentures bear interest at a rate of 7.5%, payable semi-annually on the last day of June and December of each year, commencing on June 30, 2024. The 2024 Convertible Debentures have a maturity date of January 31, 2026 and are unsecured. At any time before maturity, a holder may elect to convert the outstanding net principal amount, or any portion thereof, into units at a conversion price of \$0.75 per unit. Each unit shall consist of one common share of the Company and one-half of a warrant, with each whole warrant entitling the holder to acquire a common share at an exercise price of \$1.05 for a period ending on the maturity date of the debentures. In connection with the issuance of the 2024 Convertible Debentures the Company paid a total of \$89,250 finders' fees and issued a total of 231,000 finders' warrants. Each finder's warrant entitles the holder to acquire one common share of the Company at a price of \$0.75 for a period of 24 months from the date of issuance. As of the date of this MD&A, all of the 2024 Convertible Debentures have been converted.

2020 Convertible Debentures

On May 21 and 29, 2020, the Company issued 1,280 and 1,520 convertible debentures respectively, with a face value of \$1,000 each for total gross proceeds of \$2.8 million (the "2020 Convertible Debentures"). These unsecured convertible debentures bear interest at a rate of 7.5% payable semi-annually.

On April 26, 2024, the Company announced amendments to the 2020 Convertible Debentures that had a maturity date of May 31, 2024. The Company extended the maturity date of the convertible debentures to January 31, 2026 and amended the terms of conversion feature. Under the amended terms at any time during the term of the 2020 Convertible Debentures, a holder may elect to convert the outstanding net principal amount, or any portion thereof, into units at a conversion price of \$0.90 per unit, amended from \$1.20 per unit. Each unit shall consist of one common share of the Company and one-half of a warrant with each whole warrant entitling the holder to acquire a common share at an exercise price of \$1.30, amended from \$1.80, until the maturity date of the debenture. In consideration for the extension and amendments, the Company paid a restructuring fee equal to six months interest. The other terms of the 2020 Convertible Debentures remained unchanged. The TSX Venture Exchange approved the 2020 Convertible Debenture amendments on September 24, 2024. On September 3, 2025, the then 1,100 outstanding convertible debentures were automatically converted into equity pursuant to an automatic conversion clause.

2023 Line of Credit Facility

On May 9, 2023, the Company entered into a secured line of credit facility agreement with Orca, in the amount of up to US\$1 million (the "2023 Facility"). Proceeds from the 2023 Facility were primarily used to continue commissioning trials at the Company's RapidSX™ Demo Plant. Drawdowns on the 2023 Facility were available in multiples of US\$100,000 and as of the date of this MD&A the Company has drawn down the full US\$1,000,000 from the 2023 Facility. The 2023 Facility carries an interest at a rate of 10% per annum. All amounts owing under the 2023 Facility were to be repayable by December 31, 2023. An administrative loan origination fee equal to 1.5% of the available 2023 Facility was to be paid at maturity. A total of 1 million bonus warrants were issued as consideration for the granting of the 2023 Facility. The warrants contained a condition precedent to their exercise such that no warrant could be exercised if such exercise would cause Orca's ownership of the Company, as calculated on a partially diluted basis, to exceed 19.99%. The warrants had an exercise price of \$1.20 and a term of 12 months from the date of issue.

On December 22, 2023, the Company announced that the Company and Orca agreed to extend the term of the 2023 Facility such that the amended maturity date will be January 31, 2026. Further, Orca agreed to increase the available principal amount of the 2023 Facility to US\$2,200,000 which was fully drawn down at December 31, 2023. Orca agreed to keep the annual interest rate on the 2023 Facility unchanged at 10%. A total of one million warrants previously issued to Orca in connection with the 2023 Facility were deemed to have expired concurrently with the execution of the 2023 Facility amending agreement. In consideration for extending the due date of the 2023 Facility to January 31, 2026, and increasing the amount of the facility, a total of 2.9 million warrants were issued to Orca, with each warrant entitling Orca to acquire one common share of the Company at an exercise price of \$0.89. These warrants have a term ending on January 31, 2026. The TSX Venture Exchange approved the issuance of the 2.9 million warrants on March 4, 2024. The 2023 Facility has since been amended as further described above under

2024 Line of Credit Facility Amendments.

Orca is owned by Mr. Randy Johnson, a resident of Alaska, USA. Mr. Johnson, directly and indirectly, holds greater than 10% of the Company's outstanding common shares (but less than 20%) and he is a Director of the Company. Therefore, the transaction is considered a related party transaction within the meaning of MI 61-101. The line of credit facility transaction between the Company and Orca was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 since neither the fair market value of the subject matter of the transaction, nor the considered received or payable, exceeded 25% of the Company's market capitalization. No new insiders and no control persons were created in connection with the closing of the transactions. The Company's Board of Directors believes that the line of credit facility has reasonable commercial terms that are not less advantageous to the Company as compared to if the line of credit were obtained from a person dealing at arm's length with the Company. The above-described transactions were reviewed and unanimously approved by the Company's Board of Directors. No special committee of the Board of Directors was created to negotiate, review and approve the, line of credit, line of credit amending agreement, or the offering agreements; rather, the agreements were negotiated by the Company with Mr. Johnson declaring his conflict and abstaining from the Board of Directors' deliberations. No cash consideration was paid pursuant to the extension of the due dates for the line of credit and no commissions or similar fees were paid to any person with respect the extension.

2022 Line of Credit Facility

The Company was party to a secured line of credit facility agreement with Orca in the amount US\$2,000,000 (the "2022 Facility") which had a maturity date of March 31, 2024. On December 22, 2023, the Company announced that it had entered into an agreement with Orca to extend the term of 2022 Facility such that the amended maturity date will be January 31, 2026. Orca also agreed to keep the annual interest rate on the 2022 Facility unchanged at 9%. A total of 1.15 million warrants that were previously issued to Orca in connection with the 2022 Facility expired concurrently with the execution of the 2022 Facility amending agreement. In consideration for extending the due date of the 2022 Facility to January 31, 2026, a total of 1.5 million warrants were issued to Orca, with each warrant entitling Orca to acquire one common share of the Company at an exercise price of \$0.89. These warrants have a term ending on January 31, 2026. The TSX Venture Exchange approved the issuance of the 1.5 million warrants on March 4, 2024. The line of credit is secured by a general security agreement over the assets of the Company. Certain terms of the 2022 Facility have since been amended as further described above in *2024 Line of Credit Facility Amendments*. On November 12, 2025, the Company repaid the outstanding balance of the 2022 Facility in full, thereby extinguishing all obligations under the agreement.

Orca is owned by Mr. Randy Johnson, a resident of Alaska, USA. Mr. Johnson, directly and indirectly, holds greater than 10% of the Company's outstanding common shares (but less than 20%) and he is a Director of the Company. Therefore, the transaction is considered a related party transaction within the meaning of MI 61-101. The line of credit facility transaction between the Company and Orca was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 since neither the fair market value of the subject matter of the transaction, nor the considered received or payable, exceeded 25% of the Company's market capitalization. No new insiders and no control persons were created in connection with the closing of the transactions. The Company's Board of Directors believes that the line of credit facility has reasonable commercial terms that are not less advantageous to the Company as compared to if the line of credit were obtained from a person dealing at arm's length with the Company. The above-described transactions were reviewed and unanimously approved by the Company's Board of Directors. No special committee of the Board of Directors was created to negotiate, review and approve the, line of credit, line of credit amending agreement, or the offering agreements; rather, the agreements were negotiated by the Company with Mr. Johnson declaring his conflict and abstaining from the Board of Directors' deliberations. No cash consideration was paid pursuant to the extension of the due date for the line of credit and no commissions or similar fees were paid to any person with respect the extension.

Term Loan

The Company is party to a secured term loan payable to Orca in the amount of US\$964,928 which had a maturity date of November 30, 2024 (the "Term Loan"). On December 22, 2023, the parties executed an agreement to further extend the maturity date of Term Loan to January 31, 2027. The parties also agreed to keep the annual interest rate on the Term Loan at 9%. A total of one million warrants each with an exercise price of \$0.85 that were previously issued to Orca in connection with the Term Loan expired concurrently with the execution of the Term Loan amending agreement. In consideration for extending the maturity date for the Term Loan to January 31, 2027, and for not increasing the interest rate, a total of 1.2 million warrants were issued to Orca, with each warrant entitling Orca to acquire one common share at an exercise price of \$0.89. The warrants have a term ending on January 31, 2027. The TSX Venture Exchange approved the issuance of the 1.2 million warrants on March 4, 2024.

Orca is owned by Mr. Randy Johnson, a resident of Alaska, USA. Mr. Johnson, directly and indirectly, holds greater than 10% of the Company's outstanding common shares (but less than 20%) and he is a Director of the Company. Therefore, the transaction is considered a related party transaction within the meaning of MI 61-101. The Term Loan transaction between the Company and Orca was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 since neither the fair market value of the subject matter of the transaction, nor the considered received or payable, exceeded 25% of the Company's market capitalization. No new insiders and no control persons were created in connection with the closing of the transaction.

The Company's Board of Directors believes that Term Loan has reasonable commercial terms that are not less advantageous to the Company as compared to if the Term Loan were obtained from a person dealing at arm's length with the Company. The above-described transactions were reviewed and unanimously approved by the Company's Board of Directors. No special committee of the Board of Directors was created to negotiate, review and approve the Term Loan amending agreement or the offering agreements; rather, the agreements were negotiated by the Company with Mr. Johnson declaring his conflict and abstaining from the Board of Directors' deliberations. No cash consideration was paid pursuant to the extension of the due dates for the Term Loan, and no commissions or similar fees were paid to any person with respect to the extension.

Selected Annual Information

The following annual information is prepared in accordance with IFRS Accounting Standards. Amounts are reported in thousands of Canadian dollars, except for per share amounts.

	For the year ended December 31, 2024 \$	For the year ended December 31, 2023 \$	For the year ended December 31, 2022 \$
Net loss	13,470	7,605	5,469
Loss per share – basic and diluted	0.22	0.13	0.11
Total assets	62,055	60,621	53,241

Research and Development Expenditures

During the nine-month period ended September 30, 2025, the Company incurred \$4,794,383 (September 30, 2024 - \$6,650,746) in net research and development expenditures. The following is a breakdown of the material components of the Company's research and development expenditures:

	For the nine-month period ended September 30, 2025 \$	For the nine-month period ended September 30, 2024 \$
Amortization	1,343,431	1,348,352
Consulting and professional services	656,123	986,292
Facility and equipment expenditures	99,235	73,431
Laboratory and analytical expenses	67,020	89,037
Labour	3,809,750	3,729,104
Other operating expenses	162,975	148,800
Process feedstock and reagents	163,515	249,135
Share-based payments	73,344	17,227
Supplies, consumables, and materials	725,040	654,494
Waste management disposal	117,472	274,634
Total research and development expenditures	7,217,905	7,570,506
NRC-CMRDD program funding	(175,359)	(59,627)
Government tax credits and recoveries	(260,813)	(180,000)
CMIF funding	(300,000)	-
US DoD funding	(1,687,350)	(680,133)
Total research and development expenditures, net	4,794,383	6,650,746

Results of Operations

The Company has no operating revenues. The Company is dependent on equity or other external financings to fund the Company's mineral exploration and evaluation operations, to fund the Company's evaluation and intended development of the Company's prospective Louisiana SMC, to fund the Company's pursuit and development of the Company's consolidated business plans (including the expected continued development of IMC's RapidSX™), and also to fund all of the Company's general, administrative, interest and other costs. As a result, the Company expects to incur operating losses until such time as either: (i) an economic mineral resource is identified, developed and put into profitable commercial production on one or more of the Company's mineral properties; (ii) the Louisiana SMC becomes designed, constructed and then eventually operational to the extent that it generates net profits; (iii) the Company engages in other joint ventures related to its RapidSX™ technology; and/or (iv) the Company profitably sells one or more of its core assets.

During the nine-month period ended September 30, 2025, the Company incurred a net loss of approximately \$31.45 million compared to a net loss of \$11.63 million for the nine-month period ended September 30, 2024, an increase of approximately \$19.82 million. Operating expenses totalling approximately \$10.12 million were recognized during the nine-month period ended September 30, 2025 compared to approximately \$10.28 million during the nine-month period ended September 30, 2024. The increase in net loss is primarily attributable to the fair value adjustment of derivative liabilities, which increased due to the higher share price during the period, as the fair value of the conversion feature fluctuates with changes in the Company's share price. Further variances between the periods are discussed below.

The Company recorded a non-cash amortization expense of approximately \$707,000 during the nine-month period ended September 30, 2025, which is consistent with the comparable prior period amount of \$704,000 and is largely attributable to the amortization of the Company's intellectual property.

For the nine-month period ended September 30, 2025, the Company recorded salaries and management fees of approximately \$1.01 million compared to approximately \$846,000 for the comparable prior period. The increase was primarily due to one-time bonuses paid during the current period, while underlying salaries and management fees remained consistent period over period as the Company did not experience any significant fluctuations in management staffing levels.

Professional services expenditures totaled approximately \$1.17 million for the nine-month period ended September 30, 2025, compared to approximately \$1.03 million for the comparable prior period. Expenditures remained consistent period over period and were primarily attributable to legal, tax related services, audit fees, as well as the engagement of various professional service providers to support the advancement of the Company's business plan.

During the nine-month period ended September 30, 2025, the Company incurred net research and development expenditures of approximately \$4.79 million compared to approximately \$6.65 million for the nine-month period ended September 30, 2024. Research and development expenditures relate to expenditures incurred to further the advancement of the Company's wholly owned subsidiary's RapidSX™ technology. The decrease of approximately \$1.86 million in the current period is primarily attributable additional funding received from the US DoD in the current period, as compared to the prior period, in connection with milestones achieved. A breakdown of material components of the Company's research and development expenditures period over period is presented above in the Research and Development Expenditures section.

Investor relations and marketing expenditures were approximately \$595,000 for the nine-month period ended September 30, 2025 compared to approximately \$233,000 for the nine-month period ended September 30, 2024. Further details pertaining to the Company's investor relations and marketing activities is found below in the Investor Relations, Marketing and Other section.

The Company recorded office and premises expenditures of approximately \$238,000 for the nine-month period ended September 30, 2025, compared to approximately \$198,000 for the nine-month period ended September 30, 2024. The period-over-period amounts are consistent, as the Company has not undergone any operational changes that would result in a material increase or decrease in office and premises expenditures.

The Company recorded non-cash share-based compensation expense of approximately \$1.09 million, reflecting the estimated value of stock options and restricted share units recognized over their respective vesting periods during the nine-month period ended September 30, 2025 compared to approximately \$393,000 for the comparable prior period. Differences period-over-period are largely attributable to size and timing of the options and restricted share units granted in each period.

The Company recorded travel expenditures of approximately \$329,000 for the nine-month period ended September 30, 2025, compared to \$128,000 for the comparable prior period. The increase in the current period is primarily attributable to increased travel to the Company's CDF in Kingston, ON, and the Company's LSMC, in Alexandria, Louisiana, as well as attendance at various industry conferences.

When looking at the Company's consolidated statement of loss and comprehensive loss, the difference between the operating expenses and the net loss is the result of the following items:

- During the nine-month period ended September 30, 2025, the Company recorded interest and accretion expense of approximately \$2.26 million compared to approximately \$1.77 million for the nine-month period ended September 30, 2024. The interest and accretion expenditures are as a result of the Company's convertible debentures, loans payable and lease liabilities.
- The 2020 and 2024 Convertible Debentures contain multiple embedded derivatives which have been revalued as at September 30, 2025, resulting in a non-cash loss on the fair value adjustment of approximately \$19.35 million for the nine-month period ended September 30, 2025, as compared to a non-cash gain of approximately \$943,000 for the nine-month period ended September 30, 2024. The increase in the fair value adjustment is primarily attributable to the higher share price during the period, as the fair value of the conversion feature fluctuates with changes in the Company's share price. Furthermore, on initial recognition of the 2024 Convertible Debentures, the Company recognized financing fees of approximately \$142,000 during the nine-month period ended September 30, 2024.
- During the nine-month period ended September 30, 2025, the Company recognized other income of approximately \$25,000, compared to approximately \$446,000 for the nine-month period ended September 30, 2024. The decrease in the current period is due to the termination of the sublease for the Company's SMC facility in Alexandria, Louisiana, in early January of 2025.
- The Company recorded a foreign exchange gain of approximately \$253,000 during the nine-month period ended September 30, 2025, compared to a gain of approximately \$3,000 for the nine-month period ended September 30, 2024. As the Company continues to deal in both the Canadian and United States currencies, the Company may continue to incur foreign exchange gains and losses arising from changes in the value of the United States dollar relative to the Canadian dollar.

Summary of Quarterly Financial Results

Expressed in thousands of dollars, except per share amounts	09/30/25 \$	06/30/25 \$	03/31/25 \$	12/31/24 \$	09/30/24 \$	06/30/24 \$	03/31/24 \$	12/31/23 \$
Net loss	22,690	3,634	5,124	2,024	2,724 ⁽¹⁾	5,497 ⁽¹⁾	3,410 ⁽¹⁾	2,564
Net loss per share – basic and diluted	0.25	0.05	0.08	0.03	0.04	0.09	0.06 ⁽¹⁾	0.04
Total Assets	76,023	70,665	60,724	62,055	58,088	59,246	60,422	60,621

⁽¹⁾ The company has restated the net loss to reflect year-end December 31, 2024, adjusting journal entries that were reflected in the last annual consolidated financial statements as further described in note 3 of the unaudited condensed interim consolidated financial statements.

During the third quarter of 2025, the Company incurred a net loss of approximately \$22.69 million compared to a net loss of approximately \$2.72 million for the third quarter of 2024. As a result of fair value adjustments to the Company's convertible debentures, during the current quarter, the Company recorded a non-cash loss on the fair value adjustment of derivative liabilities of approximately \$17.40 million, as compared to a non-cash loss of approximately \$260,000 during the comparable prior quarter. As a result of fluctuations in foreign exchange rates, the Company recorded a loss due to foreign exchange of approximately \$135,000 in the current quarter, compared to a gain of approximately \$133,000 in the comparable prior quarter. In the current quarter, the Company recorded share-based payments of approximately \$503,000 compared to approximately \$118,000 in the comparable prior

quarter due to the timing and size of option grants period-over-period. The remaining operating and other expenditures remained relatively consistent period-over-period.

Liquidity and Capital Resources

As at September 30, 2025, the Company had positive working capital of approximately \$4.03 million with an unrestricted cash balance of approximately \$19.32 million. As at September 30, 2025, the Company had current assets of approximately \$20.56 million and current liabilities of approximately \$15.92 million resulting in current ratio of 1.24. Included in current liabilities at September 30, 2025, were convertible debentures of approximately \$13.87 million, all of which were subsequently converted in the fourth quarter.

During the nine-month period ended September 30, 2025, the Company used approximately \$7.07 million in cash to fund operating activities, primarily related to research and development at the Company's RapidSX™ Pilot Plant.

On January 31, 2025, the Company closed a non-brokered private placement which consisted of 3,600,000 units at a price of \$0.60 per unit for gross proceeds of \$2,160,000. See "Financing Transactions – 2025 Private Placements" above for additional information.

On February 28, 2025, the Company closed a non-brokered private placement of 1,955,800 units at a price of \$0.60 per unit for gross proceeds of \$1,173,480. See "Financing Transactions – 2025 Private Placements" above for additional information.

On June 19, 2025, the Company closed a brokered private placement of 12,916,667 units at a price of \$1.20 per unit for gross proceeds of \$15,500,000. See "Financing Transactions – 2025 Private Placements" above for additional information.

Subsequent to September 30, 2025, the Company received gross proceeds of \$10,527,576 from the exercise of stock-options and warrants.

On November 12, 2025, the Company repaid in full the outstanding principal balance and accrued interest of \$1,629,499 (US\$1,162,193) under the 2022 Facility, thereby extinguishing all remaining obligations pursuant to the agreement. See "Financing Transactions - 2022 Line of Credit Facility" above for additional information.

Based on the Company's closing share price of \$6.00 on November 24, 2025, there are in-the-money outstanding stock-options and warrants, that if exercised, would provide the Company with proceeds of \$23,982,199.

The Company is reliant on equity or other types of financing for its current short term and long-term working capital requirements and to fund its exploration programs and business development activities. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain necessary financing or other satisfactory arrangements to fund its operating expenses and interest expense until development financing is obtained to allow the Company to be self-sufficient. The Company's ability to continue its development activities is dependent on management's ability to secure additional financing in the future, which may be completed by way of traditional equity financings or in a number of alternative ways including, but not limited to, a combination of: new strategic partnerships; joint venture arrangements; project-level or subsidiary-level third-party financings; royalty or streaming financing; the sale of core and/or non-core assets; and other capital market alternatives. Management is currently pursuing additional financial sources, and while the Company's management has been successful in obtaining financing for the Company in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company.

Market Maker

In regard to market making services related to the Company's common shares, the Company currently retains the services of Venture Liquidity Providers Inc. ("VLP") to provide assistance in maintaining an orderly trading market for the common shares of the Company on the TSX Venture Exchange. These market making services are undertaken by VLP through a registered investment dealer, W.D. Latimer Co. Ltd., in compliance with the policies of the TSX Venture Exchange and other applicable legislation. The Company continues to pay VLP \$5,000 per month as was described in the Company's press release dated January 15, 2016 when VLP was first retained by the Company.

Investor Relations, Marketing, and Other

During the nine-month period ended September 30, 2025, and up until the date of this MD&A, the Company used advertising and promotion services offered by Google and Facebook to raise public awareness of the Company's website and corporate videos and to bring awareness to the Company's business initiatives. The Company's corporate videos are approved by the Company's management prior to public distribution. On October 28, 2024, the Company engaged Outside the Box Capital Inc. ("OTB") at a cost of \$150,000 for a period of six months. On May 13, 2025, the Company re-engaged OTB for a period of 12 months. In consideration of the services to be provided by OTB, the Company paid a cash fee in the amount of \$160,000 and issued 100,000 stock options to purchase the common shares of the Company with an exercise price of \$1.60 per common share. The Company also paid \$25,000 to be used by OTB for its influencer marketing campaign. Services performed by OTB are comprised of marketing and distribution services to communicate information about the Company and create awareness and investor engagement. On February 19, 2025 the Company engaged InvestorNews Inc. ("InvestorNews"), for 12 months, at a cost of \$18,750. InvestorNews Inc. provides digital marketing and video production services along with a 12-month brand awareness program featured on InvestorNews' website and social media channels. On May 5, 2025, the Company engaged Goldinvest Consulting GmbH ("Goldinvest") for a period of six months at a cost of 4,050 euros per month. Goldinvest will prepare corporate videos and assist with investor awareness activities in Germany. On May 8, 2025, the Company engaged InvestorBrandNetwork ("IBN"), to assist with various marketing initiatives and the Company expects that IBN will leverage its investor-based distribution network of 5,000-plus key syndication outlets, various newsletters and other outreach tools to generate awareness of the Company. The Company has engaged IBN for a period of 12 months, commencing May 8, 2025, at a cost of US\$23,200 per quarter.

Off-Balance Sheet Arrangements

As at September 30, 2025, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Critical Judgements and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates. Further information on management's judgments, estimates and assumptions and how they impact accounting policies are described below and also in the relevant notes to the consolidated financial statements.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year, and to fund planned and contractual development and exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

Recoverability of resource properties and related exploration costs

At the end of the reporting period, the Company assessed its resource properties and related exploration costs to determine whether any indication of impairment exists. Judgement is required in determining whether indicators of impairment exist, including factors such as expiration of rights to explore with no right or expectation of renewal, substantive expenditure on further exploration and evaluation in the specific area is neither budgeted nor planned or the entity has decided to discontinue such activities in the specific area, no commercially viable quantities are discovered and exploration and evaluation activities will be discontinued, or sufficient data exists to indicate that the carrying amount of the resource properties and related exploration costs are unlikely to be recovered in full from successful development or by sale.

Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the greater of the fair value less cost of disposal and value in use. The impairment analysis requires the use of estimates and assumptions, such as long-term commodity prices, discount rates, future capital expenditures, exploration potential and operating costs. The fair value of resource properties and related exploration costs is generally determined as the present value of estimated future cash flows arising from the continued use of the

assets, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participation may take into account. Cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk to the asset. If the Company does not have sufficient information about a particular mineral resource property to meaningfully estimate future cash flows, the fair value is estimated by management through comparison to similar market assets and, where available, industry benchmarks.

Convertible debentures

In 2020 and 2024, the Company issued convertible debentures with an embedded derivative, a conversion option, allowing the holder to convert any or all amounts outstanding to units, consisting of common shares and share purchase warrants of the Company. The terms of the debentures also allow the Company to extend the maturity date by one year. The identification of the convertible debenture components is based on interpretations of the substance of the contractual arrangement and therefore requires judgement from management. The separation of components affects the initial recognition of the convertible debenture at issuance and the subsequent recognition of interest on the liability component. The determination of fair value of the liability is also based on several assumptions, including contractual future cash flows, discount rates and the presence of any derivative financial instruments. The inputs used in the fair value models contain inherent uncertainties, estimates and use of judgment as certain valuation inputs are unobservable.

Changes in Accounting Standards including Initial Adoption

Other accounting standards issued but not yet effective

The Company is in the process of determining how the following new and amended standards could impact its financial statements.

The IASB has issued classification and measurement and disclosure amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* with an effective date for years beginning on or after January 1, 2026 with earlier application permitted. The amendments relevant to the Company clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system.

IFRS 18 *Presentation and Disclosure in Financial Statements* is a new standard that will provide new presentation and disclosure requirements and replace IAS1 *Presentation of Financial Statements*. IFRS 18 introduces changes to the structure of the income statement; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on Annual Report Consolidated Financial Statements aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted.

Related Party Transactions

Related parties consist of key management personnel, directors, and entities that are associated with the Company as well as significant shareholders including Orca. The Company has defined key management personnel as senior executive officers, as well as the Board of Directors. The total remuneration of key management personnel and the Board of Directors was as follows:

	For the nine-month period ended September 30, 2025 (\$)	For the nine-month period ended September 30, 2024 (\$)
Director's fees	169,500	143,250
Share-based payments to directors	132,000	101,712
Key management short-term benefits	558,148	393,053
Share-based payments to key management	410,052	119,325
	1,269,700	757,340

Key management short-term benefits include all salary, bonuses, and health/dental benefits earned by officers during the year.

Other related party transactions

The Company paid legal fees to Miller Thomson LLP of \$477,288 during the nine-month period ended September 30, 2025, compared to \$284,809 for the nine-month period ended September 30, 2024. Mr. Geoff Clarke, a director of the Company, is a partner of that law firm. Payments made by the Company to Miller Thomson LLP are for the various legal services provided to the Company by several lawyers and law clerks at the firm, which includes lawyers and law clerks in multiple provinces and offices across Canada. For additional related party transactions see "Financing Transactions" above.

The Company has loans payable to Orca and, during the nine-month period ended September 30, 2025, and year ended December 31, 2024, the Company amended certain loan agreements, received advances, repaid principal amounts, repaid interest, and incurred financing fees and interest charges as further described in the "Financing Transactions" section above.

All related party transactions were valued and recorded by the Company at the stated amount agreed to between the parties. To the Company's knowledge, the Company's reporting insiders have reported their transactions on the System for Electronic Disclosure by Insiders, known as SEDI (www.SEDI.ca). Orca Holdings, LLC (which is wholly owned by Mr. Randy Johnson, a director of the Company since October 6, 2020) filed its latest early warning report on SEDAR+ on May 29, 2025 (www.sedarplus.ca).

Outstanding Share Data

The Company's outstanding share capital is detailed in note 9 of the Company's unaudited condensed interim consolidated financial statements for the three-month and nine-month periods ended September 30, 2025. The following is the Company's issued and outstanding share data as of (November 25, 2025).

Securities	Number	Weighted average exercise price \$	Weighted average remaining life (years)
Common shares ⁽¹⁾	107,409,273	n/a	n/a
Warrants ⁽¹⁾⁽²⁾	20,447,602	0.91	1.10
Compensation options	2,625	1.00	0.67
Stock options ⁽³⁾	5,022,834	1.08	3
Deferred share units	25,710	n/a	n/a
Restricted share units	640,000	n/a	n/a

⁽¹⁾ Subsequent to September 30, 2025, all outstanding 2024 convertible debentures were converted into 1,713,330 common shares and 856,662 warrants exercisable into one common share of the Company at \$1.05 expiring on January 31, 2026.

⁽²⁾ Subsequent to September 30, 2025, the Company received proceeds of \$9,592,593 from the exercise of 8,137,616 warrants.

⁽³⁾ Subsequent to September 30, 2025, the Company received proceeds of \$934,983 from the exercise of 778,833 stock options.

Risks and Uncertainties

In conducting its business, the principal risks and uncertainties faced by the Company relate to:

- the development of the Company's prospective LSMC including the commercial deployment of the Company's innovative RapidSX™ mineral processing and purification technology capable of efficiently processing and purifying one or more feedstocks of mixed rare earth chemical concentrates;
- the ability of the Company to generate positive cashflow from its expected future business operations;
- commodity prices and the demand for REEs and other critical materials that underlay the business objectives of the Company;
- the availability of upstream REE feedstock, and in quantities and at prices that will allow for the Company to develop and then commercially operate its planned SMCs in order to refine the REEs and then sell and deliver them profitably to the Company's downstream customers;

- exploration and development success of the Company's mineral property (the Bokan Project);
- capital adequacy, liquidity and cash management along with the ability to obtain additional financing in both the short and long terms;
- counter-party risk and issues related to any significant non-compliance by the parties to the Company's material contracts;
- the ability of the Company to develop and/or protect its intellectual property; and
- general economic, business and capital market sentiment and conditions.

Within the next two years, the Company's development and growth depends on its ability to: (i) successfully trial the Demo Plant at the CDF in Kingston, Ontario; (ii) secure one or more reliable sources of REE feedstock at prices that are acceptable and attractive to the Company; (iii) secure one or more REE-product customers that are willing and able to purchase REE products from the Company at prices that are expected to be profitable for the Company; and then (iv) develop, construct and commission the Louisiana SMC (Stage 1), which is planned to be the Company's first commercially operated rare earth processing facility.

The success of the Company's business in the long run will depend, in part, on the growth of existing and emerging uses for rare earth products and other critical materials that are suitable for processing using RapidSX™. Demand for the REE products that the Company is planning on eventually producing and selling from the Company's planned SMCs may be impacted by demand for downstream products incorporating rare earths, including hybrid and electric vehicles, wind turbines, robotics, medical equipment, military equipment and other high-growth, advanced motion technologies, as well as demand in the general automotive and electronic industries. Lack of growth in these markets may adversely affect the demand for the Company's expected products. In contrast, extended periods of high commodity prices may create economic dislocations that may be destabilizing to rare earth oxides supply and demand and ultimately to the broader markets. Periods of high rare earth oxide market prices generally are expected to be beneficial to the Company's financial performance. However, strong rare earth oxide prices also create economic pressure to identify or create alternate technologies that ultimately could depress future long-term demand for rare earth oxides and products, and at the same time may incentivize development of competing rare earth processing technologies and also rare earth mining properties.

The Company's strategy is to eventually produce rare earth products from the Company's planned SMCs that are expected to be used by the Company's customers in their manufacturing or assembly of hybrid and electric vehicles, wind turbines, robotics, medical equipment, military equipment and other technologically advanced products. The success of the Company's eventual business will depend on the continued growth of these end markets and the successful commercialization of rare earth products, including NdPr, in such markets. If the market for these critical existing and emerging technologies does not grow as the Company expects, grows more slowly than is expected, or if the expected demand for the Company's future products in these markets decreases, then the Company's business, prospects, financial condition and operating results will be harmed. In addition, the market for these technologies, particularly in the automotive industry, tends to be cyclical, which exposes the Company to increased volatility, and it is uncertain as to how such macroeconomic factors will impact the Company's business. Any unexpected costs or delays in the commercialization of separated REE products or rare earth magnets, or less than expected demand for the critical existing and emerging technologies that use rare earth products, could have a material adverse effect on the Company's financial condition or results of operations.

Changes in the People's Republic of China's political environment and policies, including changes in export policy or the interpretation of China's export policy and policy on rare earths production or the import of rare earth feedstock, may adversely affect the Company's business prospects, viability, financial condition and the results of operations.

The production of rare earth products is a capital-intensive business and will require the commitment of substantial resources and if the Company does not have sufficient resources to provide for such production, it could have a material adverse effect on the Company's financial condition or results of operations. The development, construction and commissioning of the Louisiana SMC will require the commitment of substantial resources and capital expenditures. The Company's estimated expenses may increase as additional consultants, personnel and equipment associated with the Company's efforts are added, and as a result of inflationary pressures in Canada and the United States. The progress of the Louisiana SMC, the amounts and timing of expenditures and the success of the project will depend in part on the following: (a) the successful development and installation of the RapidSX™ equipment in the Louisiana SMC facility; (b) the ability of the new equipment and to separate REO as designed and engineered; (c) the Company's ability to timely procure new equipment and materials, certain of which may involve long lead-times, or to repair existing equipment at the Demo Plant; (d) the failure of service providers or vendors to meet contractually-negotiated delivery or completion deadlines or meet performance specifications or guarantees; (e) maintaining, and procuring, as required, any applicable federal, state and local permits; (f) the handling of project change orders, due to engineering, process, health and safety, or other considerations; (g) negotiating contracts for equipment, equipment assembly and installation, labor and work related to commissioning the Louisiana SMC; (h) impact of planned and unplanned shut-downs and delays in the Company's development plans; (i) impact of

stoppages or delays on construction projects; (j) disputes with contractors or other third parties; (k) negotiating sales and offtake contracts for the Company's planned production; (l) the execution of any joint venture agreements or similar arrangements with strategic partners; (m) the impact of COVID-19 or similar pandemics on the Company's business, the Company's strategic partners' or suppliers' businesses, logistics or the global economy; and (n) other factors, many of which are beyond our control.

IMC's RapidSX™ mineral processing and purification technology is being demonstrated at the Company's commercialization and demonstration facility, located in Kingston, Ontario. However, it has yet to be proven at a commercial scale in a large REE purification and processing facility. Ucore has not yet prepared or released an economic assessment or feasibility study that utilizes RapidSX™ for the separation and production of REEs from the Bokan Project property or any other potential REE feedstock. The following risks are specific to IMC and RapidSX™:

- The commercial effectiveness of RapidSX™ is subject to uncertainty and risk, and may be affected by many factors, some of which are beyond the Company's control, including the emergence of newer, more competitive technologies and processes, the cost of building and operating a commercial-scale RapidSX™ facility, regulatory and environmental requirements, unknown profitability performance and financial metrics, the existence, knowledge and cooperation of key individuals, and the ability to attract customers and sources of feedstock.
- The long-term success of the Company's acquisition of IMC will depend upon, among other things, the ability to protect the key intellectual property including any relevant patents, trade secrets, trademarks, and copyright materials and property. There is no assurance that these will remain protected. There is also no assurance that alternate or competing technologies will not get developed that will result in the Company's existing intellectual property becoming obsolete or less competitive.
- The Company may not be able to adequately protect the Company's and IMC's intellectual property rights. If the Company fails to adequately enforce or defend these intellectual property rights, then the Company's business may be harmed. If the Company infringes, or are accused of infringing, the intellectual property rights of third parties, it may increase the Company's costs or prevent the Company from being able to commercialize RapidSX™ or any other new products or processes.
- The specialized scientific nature of RapidSX™ means that the Company's success depends in a large part on the ability to recruit and retain key management, engineering, scientific, and operating personnel. Recruiting in these fields can be highly competitive and there is no assurance that key employees will be able to be recruited and retained.

The Louisiana SMC discussed in this MD&A is preliminary, conceptual and aspirational in nature as at the date hereof. The continued development of the SMC will require funding and the support of business partners, customers and the State government in order to be designed, developed, constructed and become operational, none of which is assured.

The Company does not currently have any contractually committed customers for the planned output and delivery of REEs from the Company's prospective Louisiana SMC. Although the Company is in periodic discussions with potential customers regarding potential prepayment offtake agreements (whereby the customer would prepay for a portion of the expected output from the Louisiana SMC and would pay for remaining ordered portions upon delivery), there is no assurance that the parties will be able to reach an agreement or that the Company will be able to produce and deliver the required REE products in accordance with the customer's required specifications and timing requirements. The Company's Demo Plant and then the Louisiana SMC will need to process REE to exacting specifications in order to provide future customers with a consistently high-quality product. An inability to process REO that meet individual customer specifications may have a material adverse effect on the Company's financial condition or results of operations.

The Company may not be able to convert the current commercial discussions with OEM-automotive and similar REE-product customers into contracts, which will have a material adverse effect on the Company's financial position and results of operations.

The Company's PEA (which was filed on SEDAR+ on March 14, 2013) is preliminary in nature. The PEA includes indicated and inferred mineral resources only, which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Most mineral exploration projects do not result in the discovery or development of commercially or profitably mineable ore deposits. No assurance can be given that any particular level of recovery of ore reserves or resources will be realized or produced from the Company's Bokan Project. Estimates of reserves and resources, mineral deposits and production costs can also be affected by such factors as: property title and tenement defects; environmental permitting; mining regulations and regulatory requirements; first nations rights or entitlements; wildlife concerns; weather and environmental factors; unforeseen technical difficulties; unusual or unexpected geological formations; work interruptions, strikes and/or protests. Material changes in ore reserves and resources, grades, stripping ratios, recovery rates or expected vs. realized selling prices of the underlying commodities may also significantly affect the economic viability of any project. Certain of the Company's mineral properties may be subject to defects in title not yet known to the Company resulting the risk of loss of ownership. The Company may incur significant costs related to defending the title to the Company's properties.

The Company's future viability may depend, in part, on its ability to identify and acquire new or additional mineral rights and/or business opportunities, and on the ability to finance and develop those opportunities. Mineral exploration and development is highly speculative in nature, expensive and is frequently non-productive or profitable. Substantial expenditures are required to:

- locate and establish ore reserves and resources through drilling and metallurgical and other testing techniques;
- determine metal content and metallurgical recovery processes to extract metal from the ore; and
- permit, construct, renovate and/or expand mining and processing facilities.

In addition, the prices of metals fluctuate widely and are affected by many factors outside of the Company's control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies.

The mining and mineral processing businesses are subject to extensive and costly environmental requirements; current and future laws, regulations and permits impose significant costs, liabilities or obligations or could limit or prevent the Company's ability to develop or operate the Louisiana SMC or the development and operations of the Bokan Project. Moreover, environmental legislation and regulation are evolving in a manner that may impose stricter standards and enforcement, increased fines and penalties for non-compliance, cessation of operations, more stringent environmental assessments, and a heightened degree of responsibility for companies and their officers, directors and employees.

The Company will be reliant on equity or other types of external financing for its current, short-term and long-term working capital requirements and to fund its exploration programs. The Company does not generate any revenue and does not have sufficient funds to put any of its resource's interests (including the Louisiana SMC) into production from its own financial resources. There is no assurance that a future significant financing will be available to the Company, or that it will be available on acceptable terms. If an equity or convertible securities financing is undertaken and completed by the Company, the Company's current stockholders will suffer immediate dilution to their equity and voting interests as a result of such a financing. If additional capital is not available in sufficient amounts or on a timely basis, the Company will experience liquidity problems, and the Company could face the need to significantly curtail current operations, change our planned business strategies and pursue other remedial measures.

Any curtailment of business operations would have a material negative effect on operating results, the value of the Company's outstanding common shares and the Company's ability to continue as a going concern.

The Company has no history of paying dividends on its common shares, and the Company does not anticipate paying any dividends in the foreseeable future.

There is no assurance that the Company will continue to qualify and receive any additional direct funding from any US Government (federal, state or municipal) or any Canadian Government (federal, provincial or municipal). There is no assurance that the State of Louisiana will provide any funding related to the Louisiana SMC, as contemplated in the Letter of Intent dated October 14, 2022.

The Company depends upon information technology systems in the conduct of its business. The Company's information technology systems are at risk to disruption, damage or failure from a variety of sources, including, without limitation, computer viruses, security breaches, cyber-attacks, natural disasters and defects in design. Cybersecurity incidents, in particular, are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data and other electronic security breaches that could lead to disruptions in systems, unauthorized release of confidential or otherwise protected information or the corruption of data. Various measures have been implemented to manage the Company's risks related to information technology systems and network disruptions. However, given the unpredictability of the timing, nature and scope of information technology disruptions, the Company could potentially be subject to downtimes, operational delays, the compromising of confidential or otherwise protected information, destruction or corruption of data, security breaches, other

manipulation or improper use of our systems and networks or financial losses from remedial actions, any of which could have a material adverse effect on our business, operating results and financial condition.

The Company's business activities are inherently risky and the Company is exposed to business and financial risks as well as liability. Many of these risks are non-insurable. For the insurable risks, if the Company is unable to maintain adequate insurance, or liabilities exceed the limits of the Company's insurance policies, the Company may be unable to continue operations. Because of the unique difficulties and uncertainties inherent in new mineral exploration ventures as well as new scientific and technological business ventures, the Company's activities face a high risk of business failure. Due to the Company's limited capital, this risk poses a significant threat as compared to larger companies in our business sector.

The Company's financial instruments consist of cash, restricted cash, short-term deposits, trade and other receivables, lease liabilities, accounts payable and accrued liabilities, convertible debentures, and loans payable. Management does not believe these financial instruments expose the Company to any significant interest, currency or credit risks arising from these financial instruments. The fair market values of these financial instruments approximate their carrying values, unless otherwise noted.

Climate Change

Recent increased attention regarding the risks of climate change may result in an increase in the stigmatization of the Company's industry (mineral resource development and mineral extraction/separation technologies). This may result in reduced interest or investment participation by capital market participants and the Company, thereby making it more difficult for the Company to raise funding on terms that are acceptable to the Company. In addition, increased concerns about climate change and any negative sentiments about the Company's industry and sector may adversely affect the timing or ability to receive any required environmental permits that may eventually be required prior to the potential Louisiana SMC facility going into production, the Bokan property becoming built into an operating mine, and/or influencing IMC's future expected customers and their ability to build and operate their mines and generate feedstock for eventual processing in a potential RapidSX™ separation facility.

Trade Relations and Potential Impact of Tariffs

On March 4, 2025, the United States announced additional tariffs targeting Canadian imports 25% on Canadian goods that do not qualify for CUSMA rules of origin and 10% on certain Canadian "energy and energy resources" from Canada became effective. In response, the Government of Canada imposed 25% tariffs on \$29.8 billion in certain goods imported from the US and non-Canada-United States-Mexico Agreement compliant vehicles imported from the US. Subsequently, Canada delayed the implementation of Phase 2 retaliatory tariffs, imposed further tariffs on US autos in April 2025, and announced temporary remission measures to support Canadian industry. Canada also implemented tariff-rate quotas on certain steel products in June 2025, cancelled the Digital Services Tax later that month to advance trade negotiations. In August 2025, Canada removed retaliatory tariffs on CUSMA-compliant US goods effective September 1, 2025, while maintaining measures on autos, steel and aluminum; related remission processes continue to apply.

The full scope, impact and duration of such measures remain uncertain. Additionally, there is a possibility that the trade dispute could escalate further, which may increase costs for Canadian exporters and may substantially impact the trade relationship between the US and Canada. Additional measures imposed could include, among others, increased tariffs on Canadian automobile exports, restrictions on cross-border supply chains or additional regulatory barriers that could impact the Company's ability to access international markets and conduct business efficiently. The impact of the Tariffs on the Company's business, results of operations and financial condition is unknown and may be material and adverse. For example, the Tariffs, as well as any other measures or tariffs that may be imposed in the future, may lead to increased costs for raw materials (such as feedstock), components and equipment, and could impact existing operations of the Company.

Supply Chain Risk

On January 1, 2024, an Act to enact the Fight Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff ("Supply Chains Act") came into force in Canada. Starting in May 2024, the Supply Chains Act introduced a public reporting requirement that was applied to many governmental institutions and private sector businesses, including Ucore. While there are no identified instances of the Company using forced labour or child labour in its supply chain, there is a risk that the Company's supply chain may have actual or alleged forced or child labour. Should such an instance arise, the Company would be required to take measures to address such a claim or risk of a claim, including disrupting its supply chain operations in pursuit of such a remedy, which could result in operational, financial, business or reputational harm. The recent Tariffs and retaliatory measures between Canada and the US may result in additional sanctions or other international actions, any of which may have a destabilizing effect on commodity prices and, more broadly, supply chains and global economies.

The full scope, impact and duration of the Tariffs and any resulting retaliatory measures remain uncertain and may adversely affect the Company's business, results of operations and financial condition.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that material information is gathered and reported to senior management to permit timely decisions regarding public disclosure. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with Canadian generally accepted accounting principles.

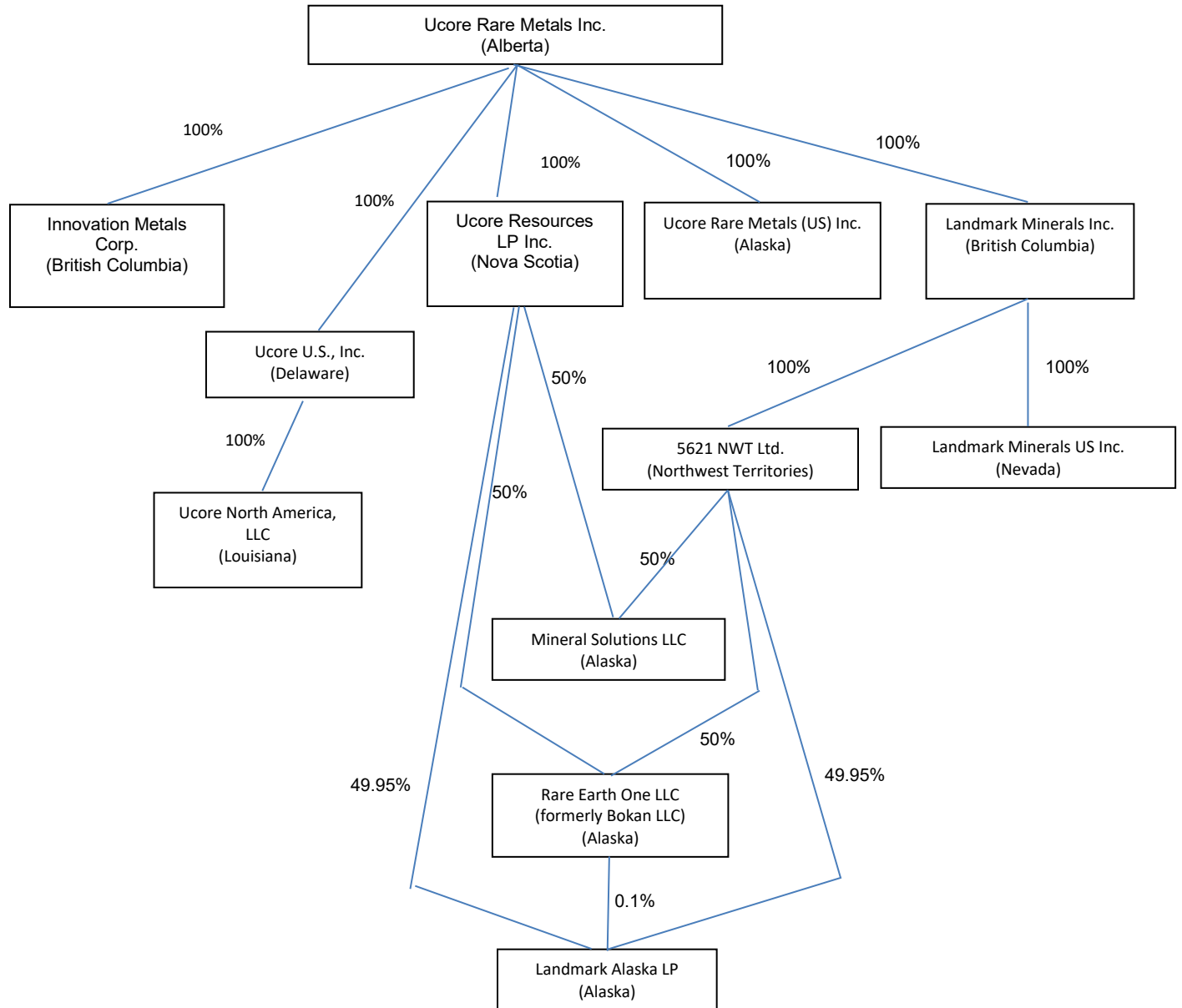
TSX Venture Exchange listed companies are not required to provide representations in their annual and interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) processes to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the Company's GAAP.

Other Information

Additional information regarding the Company is available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.ucore.com.

Appendix “A”

Ucore Rare Metals Inc. Corporate Organizational Chart as at November 25, 2025



Appendix “B”
Ucore’s Mineral Exploration and Evaluation (“E&E”) Expenditures

For the nine-month period ended September 30, 2025

Details of Resource Properties and Related Deferred Costs

	Bokan Mountain/ Dotson Ridge
Mineral Properties	
Balance, beginning of the period	\$ 5,096,231
Expenditures during the period	-
Change in foreign exchange rates	(103,084)
Balance, end of the period	<u>4,993,147</u>
Deferred Exploration expenditures:	
Environmental and permitting	197,880
	<u>197,880</u>
Balance, beginning of the period	36,399,279
	<u>36,597,159</u>
Change in foreign exchange rates	(727,144)
Balance, end of the period	<u>35,870,015</u>
Mineral properties and deferred exploration expenditures, end of the period	<u><u>\$ 40,863,162</u></u>

For the nine-month period ended September 30, 2024

Details of Resource Properties and Related Deferred Costs

	Bokan Mountain/ Dotson Ridge
Mineral Properties	
Balance, beginning of the period	\$ 4,839,975
Expenditures during the period	-
Change in foreign exchange rates	60,504
Balance, end of the period	<u>4,900,479</u>
Deferred Exploration expenditures:	
Environmental and permitting	180,846
Consulting and reports	19,823
	<u>200,669</u>
Balance, beginning of the period	34,220,220
	<u>34,420,889</u>
Change in foreign exchange rates	426,786
Balance, end of the period	<u>34,847,675</u>
Mineral properties and deferred exploration expenditures, end of the period	<u><u>\$ 39,748,154</u></u>