

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

Year ended December 31, 2025

This Management's Discussion and Analysis of Financial Conditions and Results of Operations ("MD&A") of Fortune Minerals Limited ("Fortune" or the "Company") is dated March 31, 2026 and should be read in conjunction with the Company's Annual Audited Consolidated Financial Statements and the notes thereto for the year ended December 31, 2025, prepared in accordance with International Financial Reporting Standards ("IFRS"). This discussion contains certain forward-looking information and is expressly qualified by the cautionary statement at the end of this MD&A. All dollar amounts are presented in Canadian dollars unless indicated otherwise. Unless the context otherwise requires, the terms "Fortune" and "the Company" where used herein refer to Fortune Minerals Limited and its subsidiaries on a consolidated basis.

SELECTED ANNUAL INFORMATION

	2025	2024	2023
Revenue and Other Income	112,249	171,001	12,270
Net loss from continuing operations	(4,524,646)	(3,608,045)	(2,850,574)
Basic loss per common share	(0.01)	(0.01)	(0.01)
Fully diluted loss per common share	(0.01)	(0.00)	(0.01)
Total assets	10,293,386	4,815,025	1,560,845
Debt – current	15,255,153	10,278,992	9,274,663

Revenue and other income decreased in 2025 as a result of recognizing flow through share premium as eligible expenditures were renounced. The net loss from continuing operations has increased year over year primarily due to an increase in project development and permitting expenditures. Total assets have increased year over year, mainly due to an increase in deposits made on capital assets related to the proposed hydrometallurgical facility in Alberta, and the purchase of that facility in 2025. The maturity of the current debt is April 30, 2026, the increase year over year is due to accrued interest which is payable at maturity. The non-current debt is related to a mortgage for the purchase of the Alberta hydrometallurgical facility.

SUMMARY OF QUARTERLY RESULTS

The following table provides selected consolidated financial information that is derived from the unaudited interim condensed consolidated financial statements and audited consolidated financial statements of the Company. The amounts represent the three-month periods ended:

	2025				2024			
	Dec-31	Sep-30	Jun-30	Mar-31	Dec-31	Sep-30	Jun-30	Mar-31
Revenue and Other Income	49,879	(16,911)	64,150	15,131	48,624	1,994	99,870	20,513
Net loss	(750,863)	(1,027,838)	(1,772,701)	(973,244)	(1,619,313)	(301,130)	(1,064,676)	(622,926)
Basic and fully diluted loss per common share⁽¹⁾	—	—	(0.01)	—	—	—	—	—

Notes:

(1) The sum of quarterly income (loss) per common share for any given period may not equal the year-to-date amount due to rounding

Revenue and other income fluctuates from quarter to quarter depending on the interest earned on outstanding cash balances, and in 2024, an increase was recognized due to flow through share premium being recognized into income as corresponding expenditures were incurred. The net loss increase in 2025 is a result of a change in fair value of the Company's convertible security and amortization as the deferred day one loss of the convertible security is recognized. Net loss from quarter to quarter fluctuates based on the level of work done in each quarter.

Fortune has undertaken the following activities during the year ended December 31, 2025 in support of corporate financing initiatives and the advancement of engineering and permitting for its wholly-owned, vertically integrated

NICO cobalt-gold-bismuth-copper Critical Minerals project in Canada ("NICO Project"). The NICO Project consists of a planned open pit and underground mine and concentrator ("NICO Mine") in the Northwest Territories ("NWT") and a related hydrometallurgical processing facility ("Hydromet Facility") that the Company plans to construct in Lamont County, Alberta to process concentrates from the NICO Mine, and other feed sources, to value added products:

- Fortune continued its hydrometallurgical and pyrometallurgical process optimization test work validation which started in the prior year at SGS Canada Ltd. ("SGS") and XPS Industry Relevant Solutions ("XPS"), respectively;
- The hydrometallurgical work for the bismuth circuits was completed and the results exceeded the Company's expectations, with a 95-97% bismuth cement filter cake produced in a smaller and more efficient process for an indicative material reduction expected capital and operating costs for these at the planned Hydromet Facility;
- The feasibility of blending Rio Tinto bismuth oxychloride with NICO Project bismuth concentrate prior to leaching was also validated;
- Production of 99.99% pure bismuth ingots from smelting and refining the bismuth cement was also proven;
- Hydrometallurgical test work on NICO Project cobalt concentrate after blending with the bismuth leach residue confirmed the operating conditions for the autoclave from the earlier 2008 pilot plant and resulted in improved cobalt recoveries at the concentrate design feed grade;
- Improvements were also made to the downstream circuits following pressure oxidation, including elimination of liquid/solid separation for the autoclave discharge solids and proving that neutralization could be carried out without the need for oxygen or heating, supporting a material reduction in the residence time, collectively indicating a material reduction for capital and operating costs for these circuits;
- Improvements were also made to the copper cementation circuit;
- Gold recoveries from the process residue were improved and the Company was also able to prove that gold deporting to the cleaner scavenger tails can be recovered using the same process conditions when gold-rich ores are processed at the mine site;
- Toxicity Characteristic Leach Procedure ("TCLP") tests verified that the leach residues from both gold streams can be disposed in a Class II government approved landfill;
- Cobalt hydrometallurgical test work is nearing completion at SGS with recent work verifying the removal of manganese from the cobalt solution, followed by solvent extraction purification, evaporation and crystallization of a high purity cobalt sulphate heptahydrate product for the rechargeable battery industry;
- Worley Canada Services Ltd. ("Worley") advanced the preparation of an updated Feasibility Study for the NICO Project and work is nearing completion for the facilities in the NWT;
- A new more energy efficient comminution circuit has been designed for the NICO concentrator that incorporates HPGR and vertical stir mills instead of a ball mill to reduce capital and operating costs;
- Worley is also advancing the work for the Hydromet Facility with the mass and water balance model in SysCad nearing completion and equipment sizing and engineering in progress;
- P&E Mining Engineering Consultants Inc. ("P&E") was retained to update the Geological Block Model, Mineral Resource and Mineral Reserve estimates for the NICO Deposit and prepare a new mine plan and production schedule all completed and vendor quotes currently in progress;
- Fortune has also retained Worley to assist the Company with permitting for the Hydromet Facility and the baseline environmental work has been completed and the reports received and reviewed by the Company;
- An air quality dispersion model is currently in preparation as well as the permitting applications;
- WSP Canada Inc. is supporting Fortune with the NWT permit renewals, management plans and securing the remaining authorizations for the NICO Mine;
- WSP is also supporting the NICO Project Access Road water license and land use permit applications;
- The Company is continuing to work with Rio Tinto on its process collaboration whereby Fortune would treat intermediates produced from Kennecott smelter wastes in Utah for processing to saleable metal products at the Alberta Hydromet Facility and augment NICO Project bismuth and cobalt production;
- Fortune is also engaged with various municipal, territorial, provincial and federal governments to attract political and financial support for the vertically integrated NICO Project and strengthen domestic supply chains for Critical Minerals needed in new technologies and defense;
- On July 29, 2025, the Company entered into a new convertible security funding agreement with Lind Global Fund III, LP ("Lind LP") to draw down \$3,155,000 in exchange for the issuance of a convertible security (the "Convertible Security") with a face value of \$3,774,000. The Convertible Security is due two years

from the date of issuance and is secured by a lien against the Company's mining assets. The proceeds from the Convertible Security will be used for general working capital purposes and to prepay and partially match the government supported work programs for the NICO Project;

- On July 31, 2025, the Company also entered into agreements with the debt holders of the Company's term loans in order to extend the maturity dates from December 31, 2025 to April 7, 2026, which were subsequently extended to April 30, 2026; and
- On December 12, 2025, the Company completed the purchase of the Hydromet Facility site in Lamont County, Alberta. The purchase was completed by obtaining a loan with a principal amount of \$3,800,000 from Prosper NWT, a public agency of the Government of the Northwest Territories and the application of \$3,037,500 of option payments previously made to the owners of the property.

Fortune continues to review the NICO Mineral Resource model, engineering, mining, and execution plans for the NICO Project to assess various opportunities to mitigate capital and operating cost escalation and accelerate processing of higher margin ores to improve project economics.

OVERVIEW

Fortune's vision is to become a leading developer, miner, processor and refiner of Critical Minerals needed for the energy transition, new technologies and defense, together with gold and other co-products contained in the Company's mineral deposits. Supporting this vision is Fortune's mission to profitably produce Critical Minerals and precious metals to meet the needs of our customers and partners, and to attract and develop an exceptional team of people motivated to acquire, explore, develop, mine, process minerals and reclaim resource properties in a safe and responsible manner. The Company's most significant asset is the NICO Project and the Company has spent approximately \$150 million advancing this in-house mineral discovery to a near construction-ready development asset.

The Canadian and U.S. governments have signed a Joint Action Plan on Critical Mineral Collaboration to enable more North American production of Critical Minerals. Minerals considered critical have important industrial and defense applications, cannot be easily substituted by other minerals, and their supply chains are vulnerable to disruption from geopolitical risks such as geographic concentration of production, sourcing in jurisdictions that are politically unstable or unfriendly to western democracies or, have Environmental-Social-Governance ("ESG") issues that are not aligned with western standards or values. Cobalt, bismuth and copper are identified as Critical Minerals by the U.S., European Union ("E.U.") and Canadian governments.

The Government of Canada is continuing to provide financial support for domestic production of Critical Minerals and at the G7 Summit in Kananaskis, Alberta in 2025, world leaders agreed on strategies to strengthen Critical Minerals supply. Following the summit, Canada's Prime Minister Mark Carney commented, "We will create a Critical Minerals production alliance, a G7-led strategic initiative to stockpile and develop Critical Minerals needed for defence and technology". The G7 agreed to work together to anticipate Critical Minerals shortages, coordinate responses to deliberate market disruption, and diversify mining, processing, manufacturing, and recycling. Further to this commitment to shore up Critical Mineral supplies, Prime Minister Carney said Canada can in part meet its potential annual \$150 billion NATO spending obligation with investment in extracting, processing and exporting Canada's Critical Minerals to allies that will count towards the 5% of GDP target.

NICO Project

Fortune continues to advance its wholly-owned NICO Project and the Company's business activities have been focused on certain priority critical path activities required to advance test work, engineering and permitting for the planned development and identify future sources of development capital. The NICO Project comprises a proposed open pit and underground mine and concentrator in the NWT, with a dedicated Hydromet Facility that would be constructed in Lamont County, Alberta where concentrates from the mine, and other feed sources, would be processed to value-added products. The Alberta site is brownfield and has the requisite planning approvals in place for industrial operations as well as 42,000 square feet of serviced shops and buildings adjacent to the Canadian National railway to materially reduce capital costs for the planned development. The Company completed the \$6M purchase of this site during the year.

In 2014, a Feasibility Study (the "2014 Feasibility Study") assessing the economics for the NICO Project prepared by Micon International Limited ("Micon") and is summarized in a Technical Report, dated May 5, 2014 and entitled "Technical Report on the Feasibility Study for the NICO Gold-Cobalt-Bismuth-Copper Project, Northwest Territories, Canada" (the "Technical Report") and a summary is filed on the SEDAR+ website. Fortune has identified a number of opportunities to optimize the NICO Project to produce a more financially robust project and these are being included in the new Feasibility Study led by Worley, and including P&E, Micon and WSP. They include:

- A new Mineral Resource model has been developed by P&E with a more constrained mineralization wireframe boundaries to reduce internal and external modeling dilution and better differentiation of higher grade resource blocks for earlier processing;
- The new model also identified additional high-grade drill intercepts that were not included in the previous Mineral Resource estimates and the ore zones were extended to surface where the deposit is known to outcrop, reducing near-surface waste rock stripping;
- A new Mine Plan and Production Schedule has been prepared by P&E, based on the new Mineral Resource model with a focus on earlier processing of high margin ores, additional high-grade underground ore mining, and a stockpiling strategy to defer processing lower margin ores;
- The Company has reviewed its equipment selection and has prepared tradeoff studies with Worley to replace equipment in some production circuits to save energy and construction costs and replace previously specified equipment with more efficient equipment;
- The completion of the new Tlicho Highway in the NWT, will enable the Company to eliminate redundant facilities associated with winter road construction and accelerate the construction schedule;
- A new rail terminal in Enterprise, NWT has been purchased by Cango Rail Terminals and will reduce trucking costs by by-passing Hay River; The new brownfield Hydromet Facility site in Lamont County, Alberta has buildings and equipment to reduce capital costs and its proximity to the human resources, reagents and services already in place for the petrochemicals industry will help reduce capital and operating costs; and
- Test work has validated several process optimizations to help mitigate capital and operating cost escalation.

Fortune has experienced personnel focused on advancing the NICO Project towards commercial production, while also minimizing the risks associated with its planned development. Fortune is committed to developing the NICO Project in a socially and environmentally responsible manner. Fortune continues to work with a number of private sector companies and potential strategic partners interested in the Critical Minerals and/or the gold contained in the NICO Project and potential investment. The Company is also engaged with the Canadian and U.S. governments to access pools of capital available for Critical Minerals development related to enabling infrastructure, process innovation, Indigenous participation and construction as well as supply chain resilience and security.

The increasing demand for lithium-ion batteries needed to store energy in EV's, portable electronics and stationary storage cells, together with government concerns over the reliability of the current supply chains for Critical Minerals are expected to support strong prices needed to enable the successful development of the NICO Project. Bismuth consumption is also increasing in the automotive glass and steel coatings, alloys, pharmaceutical products and as a non-toxic and environmentally safe replacement for lead in metal alloys. New applications for bismuth also include alloys for plugging decommissioned oil and gas wells to prevent greenhouse gas leakage, blowouts and subsurface water contamination, manganese-bismuth magnets, radiation shielding, semiconductors, highspeed-low thermal conductivity electrical connects and solders, rocket and missile propellants and other weapons systems.

The NICO Project will also produce a highly liquid and countercyclical gold co-product to help mitigate Critical Mineral price volatility, and copper as a minor by-product. Fortune will be able to demonstrate supply chain transparency and custody control of its metals from ores through to the production of value-added products and help mitigate the risks from geographic concentration of supply in the Democratic Republic of the Congo and China.

RESULTS OF OPERATIONS

Summary

The Company's net loss for the three and twelve months ended December 31, 2025 was \$750,863 and \$4,524,646, respectively, or \$Nil and \$0.01 per common share, respectively, compared to a net loss of \$1,619,313 and \$3,608,045 or \$Nil per common share, for both periods, for the three and twelve months ended December 31, 2024. The change year over year is primarily due an increase in stock-based compensation, change in fair value and amortization of deferred day one loss related to the convertible security, offset by a decrease in exploration and evaluation expenditures and general and administrative expenses.

Revenue and Other Income

Revenue and other income for the three and twelve months ended December 31, 2025 was \$49,879 and \$112,249 compared to \$48,624 and \$171,001 for the same period in the prior year. The decrease is primarily the result of a recognition of flow-through share premium income in the prior year offset by the fluctuation of foreign exchange on cash and cash equivalents in the current year.

Expenses

Expenses, excluding gain on modification of debt, change in fair value of convertible security and amortization of deferred day one loss of convertible security, decreased to \$947,483 and \$3,454,829 for the three and twelve months ended December 31, 2025, compared to \$1,657,364 and \$3,693,581 for the same periods in the prior year.

The decrease year over year is primarily attributable to a decrease in exploration and evaluation expenditures and general and administrative expenses, offset by an increase in stock-based compensation and interest expenses related to interest accrued on the Company's debts and modification of debts.

The change in fair value of convertible security and amortization of deferred day one loss of convertible security relates to the change in value from the valuation prepared at December 31, 2025, and recognition of the deferred loss for the period. The gain on modification of debt relates to the extension of current debt during the period.

Deferred Taxes

The Company has not recognized a net deferred income tax recovery or provision for the three and twelve months ended December 31, 2025. During the twelve months ended December 31, 2025, recognition of \$1,200,000 from the estimated tax loss was offset by a tax provision of (i) \$228,000 for non-deductible stock-based compensation and other expenses; and, (ii) \$972,000 for a loss carryforward not recognized.

During the same period in 2024, recognition of (i) \$956,000 from the estimated tax loss resulted in a tax recovery which was offset by a tax provision of (i) \$530,000 for a loss carryforward not recognized; (ii) \$393,000 for flow-through renunciation; and (iii) \$33,000 for non-deductible stock-based compensation and other expenses.

During the three months ended December 31, 2025, recognition of \$200,000 from the estimated tax loss resulted in a tax recovery which was offset by a tax provision of (i) \$5,000 for non-deductible stock-based compensation and other expenses; and (ii) \$195,000 for a loss carryforward not recognized. During the same period in 2024, recognition of (i) \$429,000 from the estimated tax loss; and (ii) \$96,000 for a loss carryforward not recognized resulted in a tax recovery which was offset by a tax provision of (i) \$393,000 for flow-through renunciation; and (ii) \$132,000 for non-deductible stock-based compensation and other expenses.

A valuation allowance of \$142,770,000 has been recognized related to the uncertainty of realizing the benefit of deferred income tax assets in future years.

Cash Flow

Cash used in operating activities during the three and twelve months ended December 31, 2025 was \$1,341,481 and \$2,965,828, respectively, compared to cash used of \$462,692 and \$187,175, respectively, for the same period in 2024. The increase in use of cash in operating activities year over year is mainly attributed to exploration and evaluation expenditures as discussed above in "Expenses" offset by proceeds received and receivable from government grants.

Cash used in investing activities was \$3,179,250, and \$4,082,900, respectively, for the three and twelve months ended December 31, 2025 compared to \$304,991 and \$1,603,131, respectively, for the same period in 2024. This increase is related primarily to a increase in option payments, and purchase of the Hydromet Facility.

Cash provided by financing activities for the three and twelve months ended December 31, 2025 was \$3,903,100 and \$7,713,850, respectively, compared to cash provided of \$1,498,500 and \$2,709,000, respectively, for the three and twelve months ended December 31, 2024. The difference year over year is primarily a result of the issuance of convertible securities, the exercise of warrants and options, and proceeds from a loan to purchase the Hydromet Facility in Alberta in 2025 compared to the issuance of convertible securities in 2024.

Below is a summary of Common Shares issued and net cash proceeds from financing activities for the years ended December 31, 2025 and 2024:

	2025		2024	
	Shares/Warrants Issued	Shares/Warrants Issued	Shares/Warrants Issued	Shares/Warrants Issued
	#	\$	#	\$
Common shares issued during the year				
Private offerings	—	—	—	—
Exercise of Convertible Securities ⁽¹⁾	66,635,001	—	11,875,408	—
Exercise of Warrants	14,860,000	933,600		
Exercise of Options	250,000	11,250	—	—
Share issuance costs	—	—	—	—
Total	81,745,001	944,850	11,875,408	—
Average proceeds per share issued		—		—
Warrants issued during the year				
Private offerings	—	—	—	—
On Issuance of Convertible Securities	15,641,293	—	28,838,174	—
Share issuance costs	—	—	—	—
Total	15,641,293	—	28,838,174	—
Average proceeds per warrant		—		—
Cash Proceeds from Financing Activities Net		944,850		—

⁽¹⁾ The Convertible Securities can be converted to common shares of the Company at a rate of no more than 1/24th of the face value of the Convertible Security in any given month and at a price per share equal to 85% of the volume weighted average price ["VWAP"] per share for the five consecutive trading days immediately prior to the conversion date. Lind shall have the right at any time to increase the conversion limit to up to \$250,000 or \$300,000 per month, for the Second and Third Tranche, respectively, providing that increased amount does not exceed 20% of the aggregate trading volume of the shares for the immediately preceding 20 days.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2025, Fortune had cash and cash equivalents of \$2,257,451 and negative working capital of \$16,194,672 compared to \$1,592,329 and negative working capital of \$13,471,564, respectively, for the prior year. The change in negative working capital is a result of the debt maturity date being extended from December 31, 2025 to April 7, 2026, the issuance of convertible securities and deferred government grants.

The Company regularly reviews its planned activities relative to available funding and prioritizes activities based on what is required to complete critical path activities and budgets accordingly. The Company invests its surplus cash in low risk, liquid investments, which typically have low yields but hold their value during times of market uncertainty. With its existing working capital, the Company will require additional financing to conduct certain critical path activities for 2026 and to repay its outstanding debt. The NICO Project will also require further funding to maintain its operations and advance the project through to production. The Company has historically been successful in financing its activities, however, there are no assurances that it will be successful in raising future funds required, especially considering the impacts inflation, increasing interest rates, and the Russia/Ukraine conflict could have on the global financial markets as a whole. Management is continuously pursuing and considering various financing opportunities.

On July 29, 2025, the Company drew down an additional \$3,155,000 (the "Third Tranche") from its Convertible Security with Lind. The Third Tranche has a face value of \$3,774,000. The Third Tranche is due two years from the date of issuance and matures on July 29, 2027. The Third Tranche is secured by a lien against the Company's assets and bears interest at 10% per annum. The Third Tranche includes covenants typical and customary for secured convertible securities of this nature. In relation to the Third Tranche, the Company issued 15,641,293 common share purchase warrants at an exercise price of \$0.1141 for a term of 60 months from the date of issuance. The Third Tranche can be converted to common shares of the Company at a rate of no more than 1/24th of the face value of the Convertible Security in any given month and at a price per share equal to 85% of the volume weighted average price ["VWAP"] per share for the five consecutive trading days immediately prior to the conversion date. Lind shall have the right at any time to increase the conversion limit to up to \$300,000 per month, providing that increased amount does not exceed 20% of the aggregate trading volume of the shares for the immediately preceding 20 days. The Company has the right to buy-back the outstanding face value of the Convertible Security at any time after 180 days following the closing date of the Third Tranche for an amount equal to 105% of the amount outstanding. If the Company elects to exercise its buy-back rights, Lind would have the option to convert up to 33% of such face value to common shares of the Company at a price per share that is equal to 85% of the VWAP for the five consecutive days immediately prior

The following is a summary of contractual obligations for the next five years and thereafter:

<i>Contractual Obligations</i>	<i>Payments Due by Year</i>				
	<i>Total</i>	<i>Less than 1 year</i>	<i>1-3 years</i>	<i>4-5 years</i>	<i>After 5 years</i>
<i>Accounts payable and accrued liabilities</i>	\$ 698,637	\$ 698,637	\$ —	\$ —	\$ —
<i>Lease liability</i>	111,980	66,660	45,320	—	—
<i>Current debts</i>	12,058,651	12,058,651	—	—	—
<i>Interest on debt</i>	3,834,215	3,834,215	—	—	—
<i>Provision for environmental rehabilitation</i>	167,569	—	—	—	167,569
<i>Convertible security</i>	2,826,750	2,531,200	295,550	—	—
<i>Total Contractual Obligations</i>	\$19,697,802	\$19,189,363	\$340,870	\$ —	\$167,569

The current debts represent a debenture in the principal amount of \$5,298,651 held by a previous secured creditor of the Company, a \$2,750,000 secured loan, and a \$250,000 secured loan, the latter of which only \$210,000 has been drawn. The debenture has an aggregate principal amount of \$5,298,651, matures on April 7, 2026, bears interest at a

rate of 10% per annum, compounded monthly in arrears, and is secured by all of the assets of the Company, including the NICO Project. The Loan and Security Agreement ("Loan") for \$2,750,000, matures on April 7, 2026, bears interest at 9% per annum, compounding annually, and both principal and interest are payable at maturity. The Loan is secured by the mining leases for NICO. The second secured loan ("Loan 2") for \$210,000, matures on April 7, 2026, bears interest at 9% per annum, compounding annually, and both principal and interest are payable at maturity. Loan 2 is also secured by the mining leases. The long-term debt represents a mortgage in the principle amount of \$3,800,000, bears interest at 8.45% per annum, compounding monthly. Interest only payments will be made for the first 24 months and blended principal and interest payments thereafter. The mortgage has a term of 5 years, and is due on demand. Proceeds for the mortgage were used to acquire the Hydromet Facility under the 2024 Option agreement. The Mortgage is secured by the property purchased. The convertible securities represents three tranches with a total face value of \$7,264,000. The first tranche has a face value of \$1,600,000, and has been fully converted with \$1,600,000 having been converted into common shares of the Company as of December 31, 2025. The second tranche has a face value of \$1,890,000, of which \$1,531,300 has been converted into common shares of the Company as of December 31, 2025. The third tranche has a face value of \$3,774,000, of which \$1,305,950 has been converted into common shares of the Company as of December 31, 2025. The outstanding convertible securities are secured by a lien against the Company's assets and bear interest at 10% for the second and third tranches. The second and third tranches mature on December 23, 2026 and July 29, 2027, respectively.

The Loans, debentures and mortgage balances have been recorded in the consolidated financial statements at their net present value using an effective interest rate of 12%, 14.5%, 14.5%, and 12.4%, respectively.

In addition to contractual obligations noted, non-discretionary budget commitments required to keep current mining leases for NICO in good standing consist of annual payments of \$25,690 plus an additional \$2,350 for water licenses.

The Company's current environmental reclamation obligations as defined by government regulators are fully secured by cash held in accounts with a large Canadian financial institution for NICO and Arctos. Additional financing is required to construct mine infrastructure and processing facilities and to acquire additional equipment for the NICO Project. Potential sources for future funding include but are not limited to equity financing, project financing, off-take and royalty agreements, additional strategic partnerships, mergers and acquisitions. The Company continues to evaluate its alternatives with a view to executing a financing plan suitable to fund its transformation into a producer and minimize potential dilution to shareholders.

OUTLOOK

The Company's principal objective is to achieve successful financing and development of the NICO Project. The Company's activities in pursuit of its objectives are subject to many risks as discussed under the heading "Risks and Uncertainties" section below. The most significant risk to meeting its objectives for the NICO Project continues to be the ability to finance the construction costs for the project. Additional risks include securing the requisite permits for construction and operations of the recently purchased Hydromet Facility. A significant risk to the NICO Project was removed with the completion of the Tlicho Highway to Whati, which opened to the public on November 30, 2021. In addition, the Company has completed an Access Agreement with the Tlicho Government that sets out the terms and conditions for the construction of a spur road to the mine. Other risks are primarily from external parties such as government regulators, First Nations and investors who have significant influence over the outcome of the Company's efforts and external factors such as commodity prices, economic conditions and the financial markets. Accordingly, management has sought and continues to seek ways to address risks in its business model and has developed appropriate strategies to move forward by focusing expenditures on critical path activities in a socially and environmentally responsible manner.

Major milestones to achieve on the path forward for the development of the NICO Project include:

- completion of various strategies to mitigate capital and operating cost escalation for the vertically integrated NICO Project and make it more financially robust;
- engaging with local governments and communities around the Hydromet Facility site and securing the permits required for its construction and operation;

- updating the engineering and incorporate identified optimizations to the 2014 Feasibility Study based on current estimates of costs and commodity prices to support a more financially robust project;
- completing the updated Feasibility Study by Worley and other companies to support project financing and construction;
- continuing engagement with governments in Canada and the U.S for financial support for the NICO Project development;
- continuing with the programs required to meet water license pre-construction requirements for the NICO Mine site;
- completing the process to renew the water licence and land use permit for the NICO Mine and access road, and amendments for the water license;
- advancing the negotiations and completing a Participation Agreement with the Tlicho Government;
- identifying and engaging strategic partners to support the financing and development for the NICO Project;
- arranging the project financing and potential transactions to finance the NICO Project; and,
- continuing engineering and procurement activities.

In the year ended December 31, 2025, Fortune continued its dialogue with potential strategic partners and advanced the metallurgical test work programs, engineering and permitting activities planned pursuant to its contribution funding from various government entities.

The Company has made significant progress towards achieving its milestones through the federal and Tlicho Government approvals for the NICO mine and concentrator environmental assessment, and the renewals for the land use permit and Type A water license for the NICO Mine site. The Company currently holds a land use permit for exploration and renews its other permits as required.

Activities undertaken during 2025 towards achieving the next major milestones for the NICO Project will remain the Company's focus through 2026. As it pursues this objective, the Company will strive to prudently manage capital resources and mitigate risks.

TRANSACTIONS WITH RELATED PARTIES

During the year ended December 31, 2025, the Company paid key management personnel, including officers, directors, or their related entities, an aggregate of \$673,346 for salaries and benefits and consulting and/or management services when compared to \$532,681 for the prior year. In addition, stock options with a fair value of \$757,510, using the Black-Scholes option pricing model, were granted in the year ended December 31, 2025 when compared to \$nil for the same period in 2024. At December 31, 2025, \$48,096 was owing to these related parties for services received during the year when compared to \$99,265 at December 31, 2024.

The following table summarizes the amounts paid and payable to related parties and the nature of the payments as at December 31, 2025:

Party ¹	Relationship	Business Purpose of Transaction						Total	
		Salaries and Benefits ⁵		Consulting Services		Stock Options		Paid/Awarded	Payable
		Paid	Payable	Paid	Payable	Granted ⁶	Payable		
Goad, Robin ²	President & CEO, Director	\$ 4,182	\$ -	\$ 257,692	\$ 15,000	\$ 168,700	\$ -	\$ 430,574	\$ 15,000
Koropchuk, Glen	Director	-	-	-	-	48,200	-	48,200	-
Massola, David ³	VP Business Development	2,302	-	37,000	14,000	118,860	-	158,162	14,000
McVey, John	Director	-	-	-	-	60,250	-	60,250	-
Naik, Mahendra	Director	8,532	-	-	-	120,500	-	129,032	-
Penney, Patricia	Interim CFO	155,729	9,346	-	-	72,300	-	228,029	9,346
Ramsay, David	Director	-	-	-	-	48,200	-	48,200	-
Schryer, Richard ⁴	VP Environmental & Regulatory Affairs	8,529	-	199,380	9,750	60,250	-	268,159	9,750
Yurkowski, Edward	Director	-	-	-	-	60,250	-	60,250	-
Total		\$ 179,274	\$ 9,346	\$ 494,072	\$ 38,750	\$ 757,510	\$ -	\$ 1,430,856	\$ 48,096

Fortune Minerals Limited
Management's Discussion and Analysis of Financial Conditions and Results of Operations
Year Ended December 31, 2025

¹ No amounts were paid or payable for the year ended December 31, 2025 for David Knight.

² Robin Goad is engaged to provide services of President and Chief Executive Officer of the Company pursuant to an independent consultant agreement and does not receive additional compensation for his services as a director.

³ David Massola is engaged to provide services of VP Business Development of the Company pursuant to an independent consultant agreement.

⁴ Richard Schryer is engaged to provide services of VP Environmental & Regulatory Affairs of the Company pursuant to an independent consultant agreement.

⁵ Salaries and benefits include a base salary plus benefits that are basic in nature, require participants to contribute to the premium costs and includes certain co-pay requirements.

⁶ The value of options granted are calculated using the Black-Scholes option pricing model.

CRITICAL ACCOUNTING ESTIMATES

Interests in Mining Properties and Exploration and Development Expenditures

Mineral Reserve and Mineral Resource estimates are not precise and also depend on statistical inferences drawn from drilling and other data, which may prove to be unreliable. Future production could differ from mineral resource estimates for the following reasons:

- mineralization or formation could be different from those predicted by drilling, sampling and similar tests;
- the grade of mineral resources may vary from time to time and there can be no assurance that any particular level of recovery can be achieved from the mineral resources; and
- declines in the market prices of contained minerals may render the mining of some or all of the Company's mineral resources uneconomic.

Going Concern Assumption

The recoverability of amounts shown for mineral properties and related exploration and development expenditures is dependent upon the economic viability of recoverable reserves, the ability of the Company to obtain the necessary permits and financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Currently, the Company does not have a source of revenue other than investment income and it has relied, primarily, on equity financings and strategic partners to fund its activities as well as contribution funding from the U.S. DoD, NRCan and Alberta Innovates for up to C\$17.5 million at current exchange rates. The Company may have limited access to capital at an acceptable cost to existing shareholders depending on economic conditions from time to time. The Company had a negative working capital balance of \$16,194,672 as a result of debt coming due in April 2026 and the issuance of convertible securities. The Company endeavours to manage the cash position prudently through ongoing monitoring of current and future cash and working capital balances relative to planned activities. The Company will require additional financing to extinguish the debt, conduct certain critical path activities in 2026 and to advance the NICO Project to production.

Deferred Income Taxes

The Company follows the deferred tax liability method in accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities, and measured using the substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. Assessing the recoverability of deferred tax assets requires management to make significant estimates related to expectations of future taxable income and substantively enacted tax rates. Prior to 2025, the Company completed feasibility studies and updates thereto for its principal project and is undertaking an updated feasibility study and related permitting and financing activities. The benefit of certain non-capital losses, investment tax credits, undeducted share issuance costs and tax value of exploration and evaluation expenditures and capital assets in excess of book value of \$142,770,000, has been offset by a valuation allowance of the same amount due to the uncertainty of realizing the benefit of deferred income tax assets in future years.

Stock Based Compensation, Warrants and Compensation Options

The Company recognizes an expense for option awards using the fair value method of accounting. The Company also records the fair value of warrants granted through private offerings or in lieu of fees and compensation options granted using a fair-value estimate. Management estimates the fair value of stock options, warrants granted through private

offerings or in lieu of fees, and compensation options using the Black-Scholes model. The Black-Scholes model, used by the Company to calculate fair values, as well as other accepted option valuation models, was developed to estimate fair value of freely tradable, fully transferable options and warrants, which may significantly differ from the Company's stock option awards or warrant grants. These models also require four highly subjective assumptions, including future stock price volatility and expected time until exercise, which greatly affect the calculated values. Accordingly, management believes that these models do not necessarily provide a reliable single measure of the fair value of the Company's stock option awards. The valuation models are used to provide a reasonable estimate of fair value given the variables used.

Asset Retirement Obligations

Legal or constructive obligations associated with site restoration on the retirement of assets are recognized when they are incurred and when a reasonable estimate of the value of the obligation can be made. While the Company has not commenced commercial operations on its mining properties, certain site development and exploration activities have occurred that have given rise to a constructive obligation related to the reclamation of the site at the NICO Project. As a result, the Company has recognized an environmental rehabilitation provision for the project. Due to the uncertainty around the settlement date and measurement of potential asset retirement obligations for the Company's project, management considers the assumptions used to calculate the present value of such liabilities at each reporting period and updates the value recognized as required.

ENVIRONMENT

Fortune is committed to a program of environmental protection at its exploration and development sites. Fortune was in compliance with government regulations in 2025. Secured letters of credit have been provided to be held against future environmental obligations with respect to Arctos and NICO sites in the amounts of \$25,000, representing 100% of the remaining Arctos JV letter of credit, and \$167,569, respectively.

RISK AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which are the acquisition, financing, exploration and development of mining properties. The risks below are not the only ones facing the Company. Additional risks may also impair the Company's operations. If any of the following risks actually occur, the Company's business, financial condition and operating results could be adversely affected.

Nature of Mineral Exploration and Mining

At the present time, the Company does not hold any interest in a mining property in commercial production. The Company's viability and potential success is based on its ability to develop, exploit and generate revenue from mineral deposits. The exploration and development of mineral deposits involves significant financial risk over a significant period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. In order to continue developing the projects towards commercial production, the Company will be required to make substantial additional capital investments. It is impossible to ensure that the past or proposed exploration and development programs on the properties in which the Company has an interest will result in a profitable commercial mining operation.

The operations of the Company are subject to all of the hazards and risks normally inherent to mining, exploration and development of mineral properties and metallurgical processing, any of which could result in damage to life and property, the environment and possible legal liability. The activities of the Company may be subject to prolonged disruptions due to weather conditions as a result of the Company's properties in northern Canada. At the proposed NICO Mine, the Company is subject to increased risks relating to the dependence on ice roads to supply and equip its work programs. While the Company has obtained insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or could be excluded from coverage. There are also risks against which the Company cannot insure or against which it may elect not to insure. For example, the Company has not obtained environmental insurance at its project sites to date and has limited its insured values of its assets to stated amounts approximating the estimated cash invested in its capital assets to date. The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance

coverage or associated with compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the future earnings and competitive position of the Company.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size and grade, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting and environmental protection. The Company has undertaken activities to reduce certain risks related to its major projects by completion of: extensive exploration and drilling programs, environmental baseline studies and environmental assessments, metallurgical test work and piloting engineering and economic studies, assisting with the development of local public infrastructure.

Limited Financial Resources

The existing financial resources of the Company are not sufficient to bring any of its properties into commercial production. The Company will need to obtain additional financing from external sources and/or find suitable joint venture partners in order to fund the development of the NICO Mine and Hydromet Facility. There is no assurance that the Company will be able to obtain such financing or joint venture partners on favourable terms or at all. Failure to obtain financing or joint venture partners could result in delay or indefinite postponement of further exploration and development of the Company's properties.

The Company's ability to raise additional funds is affected by numerous factors outside the Company's control including the global economy. The global economy is currently characterized by increased volatility and uncertainty. Particularly, the invasion of Ukraine by the Russian Federation, and the accompanying international response including economic sanctions, has been disruptive to the world economy, with increased volatility in commodity markets, international trade and financial markets, all of which have a trickle-down effect on supply chains, equipment and construction. There is substantial uncertainty about the extent to which this conflict will continue to impact global economic and financial affairs, and resulting turmoil could have a material adverse effect on the Company's ability to obtain financing and advance development of the NICO Project.

Dependence on Key Personnel and Limited Management Team

Fortune is dependent on the services of its senior executives including the President and Chief Executive Officer, Chief Financial Officer, Chief Metallurgist, Vice President of Business Development, Vice President of Environmental and Regulatory Affairs and other skilled and experienced consultants and employees. The loss of such individuals could have a material adverse effect on Fortune's operations. Fortune will need to supplement its existing management team in order to bring any of its projects into production.

Fluctuating Prices

Factors beyond the control of the Company may affect the marketability of cobalt, bismuth, gold, copper or any other minerals recovered or discovered. The prices of such commodities have fluctuated widely and are affected by numerous factors beyond the Company's control such as economic downturns, commodity supply shortages, weather events, political instability, and changes in exchange and interest rates. The effect of these factors cannot accurately be predicted. Further, there is opportunity for the product mix of cobalt and bismuth from the NICO Project to be adjusted to produce products with varying prices depending on the market.

Permits and Licenses

The operations of the Company require licenses and permits from various governmental authorities. The Company believes that it presently holds all necessary licenses and permits required to carry out the activities it is currently conducting under applicable laws and regulations and the Company believes it is presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to expiration, change in regulations and other circumstances. There can be no assurance that the Company will be able to obtain all licenses and permits required to carry out future exploration, development and mining operations at its projects.

Competition

The mining and mineral exploration business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including other resource companies with greater financial, technical and other resources than the Company, in the search for and acquisition of attractive mineral properties, acquisition of

mining equipment and related supplies, and the attraction and retention of qualified personnel. The Company will be constrained in its ability to manage the cost of salaries at the NICO Mine and the Hydromet Facility during construction and operations as Fortune may be competing for labour with diamond mining companies operating in the NWT, oil sands projects in Alberta and potash companies operating in Saskatchewan. There is no assurance that the Company will continue to be able to compete successfully in the acquisition of building materials, sourcing equipment or hiring people.

Environmental and Climate Change Regulation

The operations of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental contamination. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means standards, enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The Company has carried out and completed significant environmental baseline studies and environmental monitoring to position the Company to successfully complete required environmental assessments; however, despite this, the Company has not been able to obtain certain environmental certificates in a timely manner due to the complexities of the regulatory requirements and processes. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of future operations. The impacts of international or domestic climate agreements, carbon taxes and other potential climate change legislation are difficult to predict and are not yet fully understood, including impacts on capital and operating costs. In addition, the physical risks of climate change may have an adverse effect on the Company's operations, including extreme weather events, changes in precipitation patterns, and water availability that may require the Company to make additional expenditures to mitigate their impact or that may disrupt the delivery of essential consumables, equipment, or access to the Company's sites.

Indigenous Title and Rights Claims

Indigenous title and rights may be claimed with respect to Crown properties or other types of tenure with respect to which mining rights have been conferred. The lands that surround the NICO leases are owned by the Tlicho Government pursuant to the terms of an agreement (the "Tlicho Agreement") completed with the federal government, and the GNWT. The Company is not aware of any Indigenous land claims having been formally asserted or any legal actions relating to Indigenous issues having been instituted with respect to the NICO Mine other than certain treaty rights established by the Tlicho Agreement. The Company is aware of certain First Nations that claim certain title and rights with respect to Crown properties related to the Company's projects that may or may not be formally asserted with the Crown in order to seek comprehensive land claim settlements.

The Company has a right of access to the NICO mine site under the Tlicho Agreement with the Crown and Tlicho Government, and an Access Agreement was also entered into in 2019 between the Tlicho Government and the Company for the purposes of constructing an access road through Tlicho territory to the NICO Mine site. The Company has a Socio-Economic agreement with the GNWT. The Company is aware of the mutual benefits afforded by co-operative relationships with Indigenous communities in conducting exploration and development activities and is supportive of measures established to achieve such cooperation including preferential hiring practices, local business development activities, involvement in environmental stewardship and other forms of accommodation. The Company previously entered into a Cooperative Relationship Agreement and Environmental Assessment Funding Agreement with the Tlicho Government. The Company is committed to open and constructive dialogue with Indigenous communities and stakeholders and will continue to make every effort to increase Indigenous employment and business through its human resources and supply chain policies. However, certain challenges with respect to timely decision making may be encountered when working with Indigenous governments as a result of the limited number of key individuals in leadership positions, turnover of leadership personnel and delays while elections are held. It will also be necessary for the Company to negotiate and enter into appropriate participation agreements with relevant Indigenous Governments in order to bring its projects into production and there is no assurance that the Company will be able to negotiate such agreements on favourable terms or at all. In addition, other parties may dispute the Company's title to the properties and the properties may be subject to prior unregistered agreements or transfers

or land claims by Indigenous peoples, and title may be affected by undetected encumbrances or defects or government actions.

Estimates of Mineral Reserves and Resources May Not be Realized

The Mineral Reserve and Mineral Resource estimates published from time to time by the Company with respect to its properties are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. Material changes in resources, grades, stripping ratios or recovery rates may affect the economic viability of projects. However, through extensive investment in exploration drilling, test mining, bulk sampling, engineering planning and pilot plant testing, the Company has substantially mitigated and reduced these risks. There is a risk that minerals recovered in small-scale laboratory and large-scale pilot plant tests will be materially different under on-site conditions or in production scale operations. Short-term factors, such as the need for orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations or the results of operations.

The Company has engaged expert independent technical consultants to advise it with respect to the Mineral Reserve and Mineral Resource estimates and project engineering, mineral processing engineering among other things. The Company believes that those experts are competent and that they have carried out their work in accordance with all internationally recognized industry standards. However, if the work conducted by those experts is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays and increased costs in developing its properties.

Health and Safety Matters

The Company's exploration projects are affected by various laws and regulations, including those which cover health and safety matters. Existing legislation and regulations are subject to change, the impacts of which are difficult to measure. It is the policy of the Company to maintain safe working conditions at all its work sites, comply with health and safety legislation, maintain equipment and premises in safe condition and ensure that all employees are trained and comply with safety procedures. The Company has successfully implemented policies and procedures relating to health and safety matters at its project sites and has a good safety record to date.

Information Technology and Cybersecurity Risks

The Company depends upon information technology systems in the conduct of its business operations. The Company's information technology systems are subject to disruption, damage or failure from a variety of sources, including computer viruses, security breaches, cyber-attacks, natural disasters and defects in design. Cybersecurity incidents are evolving and include 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 protected information, or corruption of data. While the Company has implemented measures to manage risks related to information technology systems and network disruptions, the Company could potentially be subject to operational delays, the compromising of confidential information, destruction or corruption of data, security breaches, or financial losses from remedial actions, any of which could have a material adverse effect on its business, operating results and financial condition.

Geopolitical Risks and Global Conflicts

The Company's business operations and financial performance may be materially and adversely affected by ongoing and emerging geopolitical conflicts and instability. In addition to the Russia/Ukraine conflict referenced elsewhere in this MD&A, other global conflicts, including military and diplomatic tensions involving Israel, Iran, the United States, and the broader Middle East region, have contributed to significant volatility in global commodity markets, disruptions in international supply chains, and elevated uncertainty in global financial markets. Sanctions imposed by various governments, and the potential for further escalation of conflicts, have increased uncertainty across global energy and commodity markets, which may affect the cost and availability of fuel, equipment and other inputs essential to the Company's operations. Any escalation of existing conflicts, or the emergence of new geopolitical tensions, could contribute to a broader global economic downturn, with potential adverse consequences for commodity prices, capital markets access, input costs, and overall business conditions.

Tariffs and Trade Risks

Changes in international trade policies, including the imposition of tariffs and other protective measures, could adversely affect the Company's business. The United States and Canada have been subject to ongoing trade disputes and tariff implementations that may affect the cost and availability of equipment, materials and supplies necessary for the Company's operations. Additional tariffs or trade restrictions, or retaliatory measures between trading partners, could increase costs for the Company's operations, disrupt supply chains, and create uncertainty in the global economic environment. Any escalation of trade conflicts could have a material adverse effect on the Company's ability to advance the NICO Project and obtain financing on favourable terms.

FINANCIAL INSTRUMENTS

As at the date hereof, the Company's financial instruments consist of: cash and cash equivalents, reclamation security deposits, and accounts receivable which are financial assets designated as financial assets at amortized cost, measured initially at fair value and subsequently on the basis of amortized cost using the effective interest rate method; accounts payable and accrued liabilities, lease liability and current and long-term debts, which are financial liabilities designated as financial liabilities at amortized cost, measured initially at fair value and subsequently on the basis of amortized cost using the effective interest rate method and convertible security designated as financial liabilities at fair value through profit or loss, measured at fair value and revalued at each reporting period. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

During the years ended December 31, 2025 and 2024, profit and losses associated with each financial instrument are as follows:

	Impact on Profit (Loss)	
	2025	2024
Current debt	(1,192,829)	(1,102,062)
Convertible security	(1,201,543)	(243,198)

ADDITIONAL INFORMATION

Additional information relating to the Company, including its annual information form, is available on SEDAR+ at www.sedarplus.com.

SHARE DATA

As at the date hereof, the Company has:

1. 607,823,073 common shares issued and outstanding;
2. 44,479,467 warrants outstanding which entitle the holders to purchase one common share at various prices between \$0.0609 and \$0.1141 and expiring at various dates between May 21, 2029 and July 31, 2030; and
3. stock options outstanding to purchase an aggregate of 29,250,000 common shares expiring between August 23, 2026 and June 30, 2028 and exercisable between \$0.045 and \$0.075 per common share.

All stock options have vested as at the date hereof.

INTERNAL CONTROLS OVER EXTERNAL FINANCIAL REPORTING

Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), together with management, evaluated the design and operating effectiveness of the Company's disclosure controls and procedures as at the financial year ended December 31, 2025. Based on that evaluation, the CEO and the CFO concluded that the design and operation of these disclosure controls and procedures were effective as at December 31, 2025 to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would be made known to them by others within those entities and that information required to be disclosed by the Company in its annual and interim

filings and other reports submitted under securities legislation was recorded, processed, summarized and reported within the periods specified in securities legislation.

Internal Controls over Financial Reporting

The CEO and CFO, together with management, evaluated the design and operating effectiveness of the Company's internal controls over financial reporting as at the financial year ended December 31, 2025. Based on that evaluation, the CEO and the CFO concluded that the design and operation of internal controls over financial reporting were effective as at December 31, 2025 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS. Any system of internal control over financial reporting, no matter how well-designed, has inherent limitations. Therefore, even well-designed systems of internal control can provide only reasonable assurance with respect to financial statement preparation and presentation.

The control framework used to design and assess the effectiveness of the Company's internal controls over financial reporting is the *Internal Control - Integrated Framework* (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Company assesses internal controls over financial reporting on an ongoing basis and, where determined appropriate, proactively implements enhancements to the design of controls required to support anticipated changes to and growth of the business. Due to operational, financial and administrative changes planned to occur as the Company transforms from an exploration company to a producer, changes will be required to the Company's internal controls over financial reporting in order to maintain reasonable assurance regarding the reliability of the Company's financial reporting and preparation of financial statements.

No material weaknesses in the Company's internal controls over financial reporting were identified during the year ended December 31, 2025 and there have been no changes made to such internal controls that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

The disclosure of scientific and technical information contained in this MD&A has been approved by Robin Goad, M.Sc., P.Geo., President and Chief Executive Officer of Fortune, who is a "Qualified Person" under National Instrument 43-101.

This document contains certain forward-looking information. This forward-looking information includes, among other things, statements regarding the anticipated development of the NICO Project, including the building or acquisition of a Hydromet Facility in western Canada, purchase of a brownfield site in Lamont County in Alberta's Industrial Heartland Association pursuant to the Option to Purchase Agreement and the expected results of the technical report updating the 2014 Feasibility Study. With respect to forward-looking information contained in this document, the Company has made assumptions, including assumptions regarding, among other things, the Company's ability to obtain the necessary financing to develop and operate the NICO Project and the related Hydromet Facility, the ability of the Company to obtain all necessary regulatory approvals for the construction and operation of the NICO Project and the related Hydromet Facility, and the timing of the updated Worley Feasibility Study and the results thereof. Some of the risks that could affect the Company's future results and could cause results to differ materially from those expressed in the Company's forward-looking information include: the risk that the Company may not be able to carry on operating or to develop, construct and operate the NICO Project, including the related hydrometallurgical refinery; uncertainties with respect to the receipt or timing of required permits and agreements for the development of the NICO Project, including the related Hydromet Facility; the risk that updated Worley Feasibility Study may not be completed within the time frame anticipated and may not generate improved economics for the NICO Project to the extent anticipated; the risk that the operating and/or capital costs for any of the Company's projects may be materially higher than anticipated; the risk of decreases in the market prices of the metals to be produced by the Company's projects; loss of key personnel; discrepancies between actual and estimated mineral resources or between actual and estimated metallurgical recoveries; the inherent risks involved in the exploration and development of mineral properties and in the mining industry in general; uncertainties associated with estimating mineral resources and even if such resources prove accurate the risk that such resources may not be converted into mineral reserves, once economic conditions are applied; labour shortages; workplace accidents; the cost and timing of expansion activities; changes in applicable laws or regulations; competition for, among other things, capital and

skilled personnel; unforeseen geological, technical, drilling and processing problems; compliance with and liabilities under environmental laws and regulations; changes to the Company's current business strategies and objectives; and other factors, many of which are beyond the Company's control. Readers are cautioned to not place undue reliance on forward-looking information because it is possible that predictions, forecasts, projections and other forms of forward-looking information will not be achieved by the Company. These forward-looking statements are made as of the date hereof and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.