

C3 METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**For the Three and Nine Month Periods Ended May 31, 2025 and 2024
(Information as at July 23, 2025 unless otherwise noted)**



INTRODUCTION

This management's discussion and analysis ("MD&A") provides results of operations and financial condition for the three and nine month periods ended May 31, 2025 and 2024. It was approved by the Board of Directors on July 23, 2025.

The condensed consolidated interim financial statements include all of the assets, liabilities and expenses of C3 Metals Inc. ("C3 Metals" or the "Company") and its wholly-owned subsidiaries, Carube Resources Inc., Carube Resources Jamaica Limited ("CRJL"), Rodinia Jamaica Limited ("RJL"), Latin America Resource Group Limited ("LARG"), C3 Metals Peru S.A.C. ("C3 Peru") and Molino Azul S.A.C. ("Molino"). The Company holds a 50% interest in GP C3 JV Limited, also referred to as the Super Block joint operation. The Company's common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol CCCM and on the OTCQB Venture Market under the symbol CUAUF.

This MD&A should be read in conjunction with the Company's condensed consolidated interim financial statements for the three and nine month periods ended May 31, 2025 and 2024. This MD&A should also be read in conjunction with the Company's consolidated annual financial statements for the years ended August 31, 2024 and 2023, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). All figures are presented in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may be deemed "forward-looking statements" relating but not limited to the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, the failure to obtain sufficient funding for operating, capital and exploration requirements and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-

looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. C3 Metals undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

QUALIFIED PERSON

The technical information contained in this MD&A has been approved by Stephen Hughes, P.Geo., the Company's Vice President Exploration and a Director, who is a Qualified Person as defined by National Instrument 43-101.

NATURE OF OPERATIONS AND DESCRIPTION OF BUSINESS

C3 Metals is a junior minerals exploration company focused on creating substantive value through the discovery and development of large copper and gold deposits. The Company holds the 31,080 hectare Jasperoide project, a high-grade copper-gold skarn and porphyry system located in the prolific Andahuaylas-Yauri Porphyry-Skarn belt of southern Peru. Mineralization at the Jasperoide project is hosted in a similar geological setting to the nearby major mining operations at Las Bambas (MMG), Constancia (Hudbay) and Antapaccay (Glencore). C3 Metals also holds a 100% interest in mineral exploration licences covering 17,855 hectares and a 50% interest in 9,870 hectares of highly prospective copper-gold terrain in Jamaica. The Company also holds a 2% net smelter return ("NSR") royalty on Cascade Copper Corp.'s ("Cascade Copper") Rogers Creek project.

The Company has not determined whether its properties contain mineral resources that are economically recoverable. The recoverability of amounts recorded for exploration and evaluation assets is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

QUARTERLY HIGHLIGHTS

On June 3, 2025, the Company announced that it has commenced an initial 14 diamond drill hole, 2,500 metre ("m") program on its Super Block Project. The program is designed to test multiple epithermal gold targets over a five-kilometre strike extent, where a gold geochemical anomaly coincides with radiometric (potassium) highs.

On April 4, 2025, the Company granted a total of 3,380,000 stock options to directors, officers, employees and consultants of the Company. These stock options are exercisable at \$0.70 per share and expire on April 4, 2030. Of these stock options, 925,000 vested immediately. The remaining 2,455,000 stock options will vest on April 3, 2026.

On March 19, 2025, the Company closed a bought deal private placement of 23,000,000 common shares at a price of \$0.50 per common share for gross proceeds of \$11,500,000.

On January 15, 2025, the Company announced that had completed a grid-based soil sampling program at its Khaleesi copper-gold project in southern Peru. On February 19, 2025, January 8, 2025 and October 22, 2024, the Company announced the results from an extensive mapping and rock sampling program. Highlights of Khaleesi exploration programs since acquiring surface access rights in an agreement with the Cancahuani community (announced August 13, 2024) include:

- Completed a comprehensive 50m spaced grid soil sampling program covering the 3.3 sq. km porphyry and skarn alteration zone.
- Rock chip samples collected at 25m to 50m spacing over a 2,000m by 1,000m zone in the areas where outcrop was available. Grades up to 2.82% copper, 6.0 g/t gold, 57.7 g/t silver and 403 ppm molybdenum.
- Defined a 1,900m long by up to 650m wide copper-molybdenum soil anomaly, with two priority zones averaging 950ppm copper and 650ppm copper in soils.
- Defined a 470m long by 400m wide copper-zinc soil anomaly averaging 1,260ppm copper over top of a well-defined zone of prograde and retrograde skarn alteration. Significant copper sulphides were identified in skarn at surface.
- Soil sampling program partially covers an area of glacial till, interpreted as a thin (<1m to 15m) layer concealing a skarn and porphyry alteration zone.
- Ground magnetic (Mag), Induced Polarization (IP) and Magnetotellurics (MT) surveys were completed during March 2025.
- Secured an additional 200-hectare mineral concession to expand the project area.

The Khaleesi project is an outcropping, mineralized, undrilled copper-gold skarn and porphyry prospect that forms part of the greater Jasperoide project. The Company has strategically amalgamated a significant mineral concession package of over 30,000 hectares within 45km of the large Las Bambas (MMG) and Constancia (Hudbay Minerals) copper mines. More details are included under *Exploration Projects, Activities and Expenditures* below.

On February 10, 2025, the Company and Freeport-McMoRan Exploration Corporation (“Freeport”), a wholly-owned subsidiary of Freeport-McMoRan Inc. (NYSE: FCX), entered into a Mineral Property Earn-In Agreement (“EIA”) relating to the Company’s Bellas Gate, Browns Hall and Arthurs Seat Special Exclusive Prospecting Licences (SEPLs) in Jamaica. Under the terms of the EIA, Freeport has been granted a two-stage option to acquire up to a 75% ownership interest in the Bellas Gate, Browns Hall and Arthurs Seat SEPLs by funding cumulative exploration and evaluation expenditures of US\$75 million.

Under the first stage of the EIA, Freeport is required to fund US\$25 million of exploration and evaluation expenditures over five years to earn a 51% interest in the Bellas Gate, Browns Hall and Arthurs Seat SEPLs. The Company will remain the operator during the first stage earn-in period. Once Freeport has earned its initial 51% interest, Freeport will have the option to become the operator and to fund an additional US\$50 million of exploration and evaluation expenditures over an additional four year period to earn an additional 24% interest in the Bellas Gate, Browns Hall and Arthurs Seat SEPLs.

On February 10, 2025, the Company announced the successful partnership with Nine Miles of Smiles to deliver critical dental care and oral hygiene educational programs to the Bellas Gate community in rural

Jamaica. This initiative was generously supported by a grant from the RCF Foundation and exemplifies the Company's commitment to building meaningful partnerships and contributing to the long-term, sustainable wellbeing of the communities in which the Company operates.

On February 5, 2025, the Company announced results from its soil and channel sampling campaigns at its Super Block project. The completion of closely spaced soil and channel sampling at Super Block confirms strong gold geochemistry along trend and of similar intensity to the former Pennants Gold Mine. The former Pennants Gold Mine operated as an open pit mine between 2002 and 2004 with estimated production approximating 16,000 gold ounces (source: Jamaica Mines and Geology Division). Highlights of the surface sampling include:

- Anomalous gold in rocks and soils at the Super Block project are directly associated with radiometric (potassium) anomalies.
- Surface sampling extends the trend of gold mineralization to +5,000 metres and remains open in both directions along strike.
- At the Pennants East Zone prospect ("PEZ"), gold is highly anomalous in soils and coincides with a 1,500m east-west trending radiometric (potassium) anomaly.
- Best soil line results are 60m averaging 0.41 g/t gold and 103m averaging 0.20g/t gold with samples collected at 5m intervals. For reference, gold in soil assays above 0.04 g/t gold are considered anomalous.
- At the Donkey Hill Zone prospect ("DHZ"), highly anomalous gold is in weathered bedrock. It coincides with a 550m by 150m northwest-southeast trending radiometric (potassium) anomaly.
- Best channel sample result is 10m averaging 0.41 g/t gold, a combination of highly weathered rock and soil.

On October 9, 2024, the Company closed a non-brokered private placement with the issuance of 14,999,999 common shares at a price of \$0.30 per common share for gross proceeds of \$4,500,000.

EXPLORATION PROJECTS, ACTIVITIES AND EXPENDITURES

PERU – JASPEROIDE PROJECT

The Company holds a 100% beneficial interest in 62 exploration concessions and has an option agreement to earn a 100% interest in two additional concessions. These 64 exploration concessions are located in the Andahuaylas-Yauri belt of Peru proximal to Las Bambas (MMG), Haquira (First Quantum) and Constancia (Hudbay). The Jasperoide project concessions cover a total area of 31,080 hectares and host a number of copper-gold skarn and porphyry targets at various stages of exploration. During the nine month period ended May 31, 2025, the Company applied for and was awarded an additional two exploration concessions for which the Company is now awaiting official title. Once official title is granted on the additional two exploration concessions, the total Jasperoide project area could increase to 31,348 hectares.

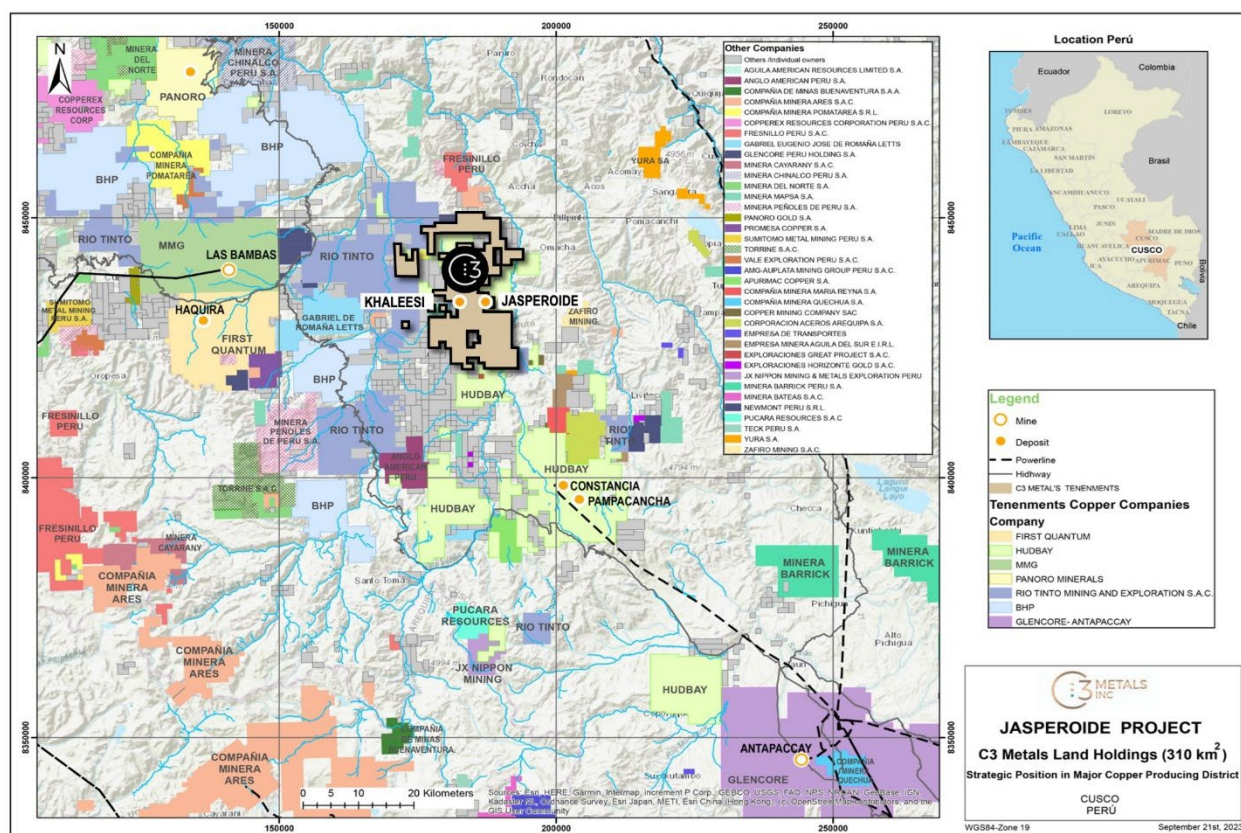


Figure 1 – Jasperoide project location, southern Peru

On February 26, 2020, the Company completed the acquisition of a 100% interest in LARG. At that time, LARG's wholly-owned subsidiary, C3 Peru, held a 100% beneficial interest in eight exploration concessions and had two option agreements (La Bruja Option Agreement and Ares Option Agreement) to earn a potential 100% beneficial interest in five additional concessions.

The La Bruja Option Agreement between C3 Peru and Inversiones La Bruja S.A.C. ("La Bruja") provides for an option to earn a 100% interest in the equity shares of La Bruja subject to minimum cumulative exploration expenditures of US\$2,000,000 and total cash option payments of US\$2,050,000. As at the date of this MD&A, cash option payments totaling US\$1,030,000 had been provided with a balance of US\$1,020,000 outstanding. Between June 2020 and February 2024, amending agreements to adjust the timing of cash option payments and exploration expenditure requirements were concluded. The remaining cash option payments, totalling US\$1,020,000, are due on or before the following dates: US\$250,000 by August 31, 2025; US\$350,000 by August 31, 2026; and, US\$420,000 by August 31, 2027. The minimum cumulative exploration expenditures of US\$2,000,000 requirement was met in 2021. Following the earn-in of a 100% interest in the concessions a NSR royalty of 1.5% would be payable to the former shareholders of La Bruja.

The Ares Option Agreement between C3 Peru and Compania Minera Ares S.A.C. ("Ares"), a subsidiary of Hochschild PLC ("Hochschild") provided the Company with the right to earn an initial 51% interest in three concessions subject to incurring cumulative exploration expenditures of US\$5,000,000 (including LARG and C3 Peru expenditures prior to the February 26, 2020 acquisition date and including certain

administrative costs) by October 2023. This condition was met in June 2021, when the Company exceeded the cumulative expenditure requirements. During Fiscal 2022, the Company concluded a binding Heads of Agreement and acquired 100% of Hochschild's interest in the three concessions. In connection with the acquisition, the Company granted a 2% NSR royalty in favour of Ares in respect of the Ares mineral concessions subject to the right of the Company to purchase 1% of the NSR (thereby reducing the NSR to 1%) for a price of US\$1,000,000 at any time, replacing the previously granted 1.5% net smelter returns royalty that had no buy back provision. In addition, the 2% NSR royalty applies to a five kilometre area of interest from the borders of the three concessions.

On August 13, 2024, the Company announced that its wholly owned subsidiary, Molino, had executed a surface access rights agreement with the Cancahuani community at its Khaleesi project. The Khaleesi project is an outcropping, mineralized, undrilled copper-gold skarn and porphyry prospect and is located approximately 8km west of a 28km magnetite skarn belt where 13 skarn prospects have been identified. The first of these 13 skarns that the Company systematically drill tested was Montana de Cobre, which yielded a maiden Measured and Indicated Mineral Resource of 51.9 million tonnes at 0.50% total copper and 0.20 grams per tonne gold for 569.1 million pounds of copper and 326,800 ounces of gold (See NI 43-101 Technical Report titled *Jasperoide Copper-Gold Project Cusco Region, Peru* dated July 5, 2023 posted on the Company's SEDAR+ profile). Khaleesi sits on a parallel porphyry and skarn belt approximately 8km to the west of Montana de Cobre.

Khaleesi hosts outcropping skarn and porphyry style copper-gold mineralization with proximal high-grade polymetallic epithermal veins and the mineralization is in a similar geological setting to the nearby major mining operations at Las Bambas (MMG), Constancia and Pampacancha (Hudbay) and Antapaccay (Glencore). The Ferrobamba Formation is an important host for copper-gold mineralization due to its highly reactive nature to hydrothermal fluids.

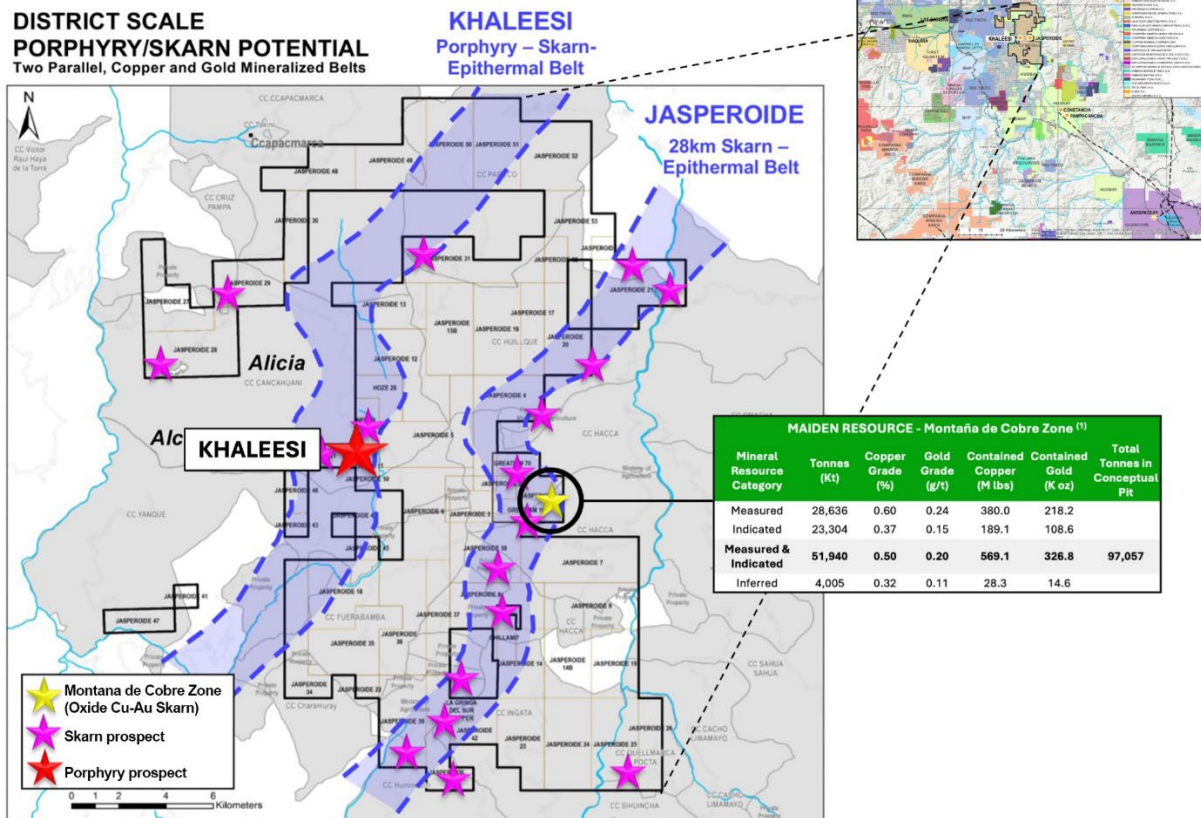


Figure 2 – The Company's 300 sq. km mineral concession package showing two parallel mineralized copper-gold skarn-porphyry belts and the locations of the Montaña de Cobre mineral resource and the Khaleesi project.

On October 22, 2024, the Company announced the results of a partially completed surface mapping and sampling program on its Khaleesi project. Highlights of this program include:

- Approximately 50% of surface mapping was completed with pervasive prograde magnetite skarn and retrograde garnet-diopside skarns identified over a 1,200m by 500m area (Figure 3).
- Skarn locally contains strong hypogene (chalcopyrite-bornite) and supergene (chrysocolla, malachite, azurite) mineralization.
 - Rock chips define anomalous copper zone 600m by 600m.
 - Rock chips assayed up to 2.82% copper, 6.0 g/t gold, 57.7 g/t silver and 284ppm molybdenum (Figure 4).
- Stockwork and sheeted quartz veins mapped over 600m by 300m area, cutting through marbleized limestone of the Ferrobamba Formation – a highly favourable rock unit in the district, as it acts as a "sponge" to hydrothermal fluids.
 - Elevated molybdenum and arsenic geochemistry in rock chip samples from the marble suggest potential for a porphyry system beneath the marbleized limestone.
- Rafts of magnetite and garnet skarn occur within marbleized limestone.
- Copper dominated epithermal veins containing bornite-chalcopyrite outcrop inconsistently for +2km, transitioning distally to galena-sphalerite rich (lead, zinc, silver) veins in the northwest.

- Grid soil geochemical sampling, Induced Polarization and ground magnetic geophysical surveys have been carried out to advance the copper-gold targets to drill status.

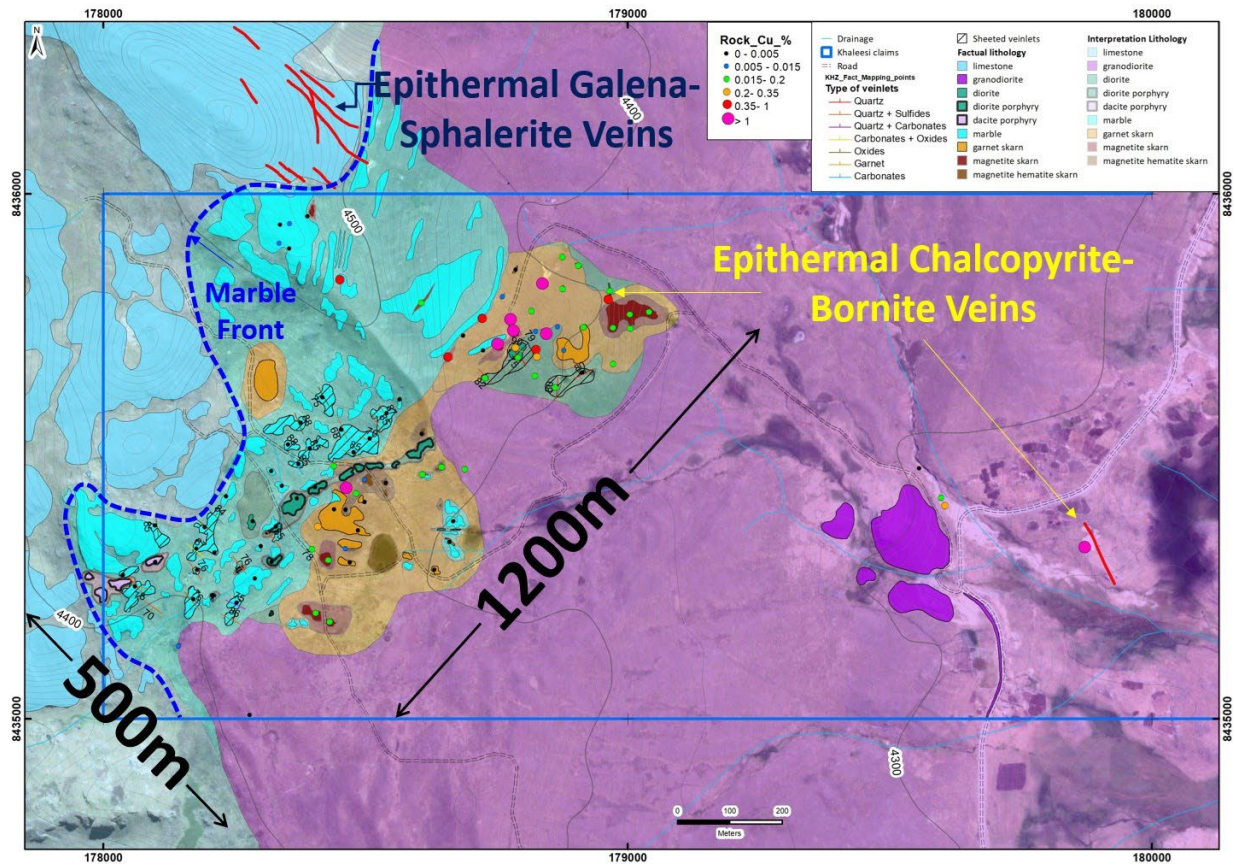


Figure 3 – Khaleesi map showing pervasive magnetite and garnet-diopside skarn alteration near to an intrusive diorite containing porphyry-style B-veins. Also showing copper in rock chip geochemistry.



Figure 4 – (Top Left) Garnet skarn with copper oxides, Rock sample P017010 assayed 2.82% copper; (Top Right) Garnet-magnetite skarn with copper sulphides and oxides, Rock sample P017020 assayed 1.11% copper and 0.19g/t gold; (Bottom Left) magnetite skarn, Rock sample P017021 assayed 1.13% copper and 0.17g/t gold; (Bottom Right) Quartz boxwork vein with goethite and hematite, a cutting marbleized limestone of the Ferrobamba Formation, rock sample P017045 assayed 2.55g/t gold, 19.3ppm molybdenum and 264ppm arsenic.

On January 8, 2025, the Company announced further results from the above surface mapping and rock sampling program at its Khaleesi project. Surface mapping and sampling has expanded the previously identified skarn, porphyry and epithermal vein copper-gold mineralization. Rock chip samples from the Company's mapping and rock sampling program returned up to 1.80% copper, 4.4 g/t gold and 403 ppm molybdenum. Highlights of the mapping and sampling program includes:

- Diorite dykes containing chalcopyrite and chrysocolla, malachite, azurite mineralization. Rock chips assayed up to 0.50% copper, 0.34 g/t gold and 403 ppm molybdenum.
- Prograde and retrograde skarn mapped over a 1,200m by 1,000m area. Rock chips assayed up to 0.26% copper and 0.48 g/t gold.
- Metre-scale epithermal veins containing bornite-chalcopyrite mineralization. Rock chips assayed up to 1.80% copper, 29.6 g/t silver and 4.4 g/t gold.
- Large prospective area is partially covered by thin glacial till. Grid-based soil sampling campaign is completed.
- Induced Polarization, Ground Magnetic and MT/AMT geophysical surveys commenced in January 2025.

On January 15, 2025, the Company announced the final results from the above surface mapping and rock sampling program at its Khaleesi project. Grid soils have now defined a significant copper-molybdenum anomaly, which extends for over 1,900m and is locally up to 650m wide with two zones averaging 950ppm copper and 650ppm copper.

- Completed a comprehensive 50m spaced grid soil sampling program covering the 3.3 sq. km porphyry and skarn alteration zone.
- Rock chip samples collected at 25m to 50m spacing over a 2,000m by 1,000m zone in the areas where outcrop was available. Grades up to 2.82% copper, 6.0 g/t gold, 57.7 g/t silver and 403 ppm molybdenum.
- Defined a 1,900m long by up to 650m wide copper-molybdenum soil anomaly, with two priority zones averaging 950ppm copper and 650ppm copper in soils.
- Defined a 470m long by 400m wide copper-zinc soil anomaly averaging 1,260ppm copper over top of a well-defined zone of prograde and retrograde skarn alteration. Significant copper sulphides were identified in skarn at surface.
- Soil sampling program partially covers an area of glacial till, interpreted as a thin (<1m to 15m) layer concealing a skarn and porphyry alteration zone.
- Ground magnetic (Mag), Induced Polarization (IP) and Magnetotellurics (MT) surveys were completed at the end of March 2025. Results are pending.
- Secured an additional 200-hectare mineral concession to expand the project area.

Mapping and sampling at Khaleesi have confirmed an extensive zone of prograde and retrograde skarn that measures 1,200m by 1,000m and remains open in multiple directions. Retrograde magnetite skarn is locally intensely mineralized with chalcopyrite and bornite sulphides (Figure 5). Epithermal quartz breccias and veins have been mapped along strike for over 2,000 metres and contain bornite, chalcopyrite and pyrite mineralization. These veins locally crosscut the skarn. Porphyry-style alteration and mineralization occurs in diorite dykes (up to 25-metres wide) and stocks in the eastern prospect area and along the batholith contact (Figure 6). This mapping program also confirmed that glacial till conceals the contact between skarn altered rocks of the Ferrobamba Formation, the Andahuaylas-Yauri Batholith and post batholith diorite intrusions. The glacial till varies from less than 1m to 15m in thickness and covers 1.3 sq km of the 4.0 sq km prospective area. Glacial till makes surface exploration challenging due to the lack of outcropping rock in the central project area. Therefore, the Company has executed multiple ground geophysical surveys from January to March of 2025 to gather important subsurface data beneath the till occurrence.

The Khaleesi copper-gold skarn, epithermal and porphyry prospect has a defined alteration zone of over 1,000m by 1,500m. With outcropping copper-gold mineralization confirmed along both the eastern and western contact of the till occurrence, there is potential that the core part of the mineralized system lies beneath the till. Geochemical, geophysical and drill data will be collected to test this potential.



Figure 5 – (Left) Magnetite skarn with strong chalcopyrite mineralization. (Right) Magnetite skarn with strong bornite mineralization.

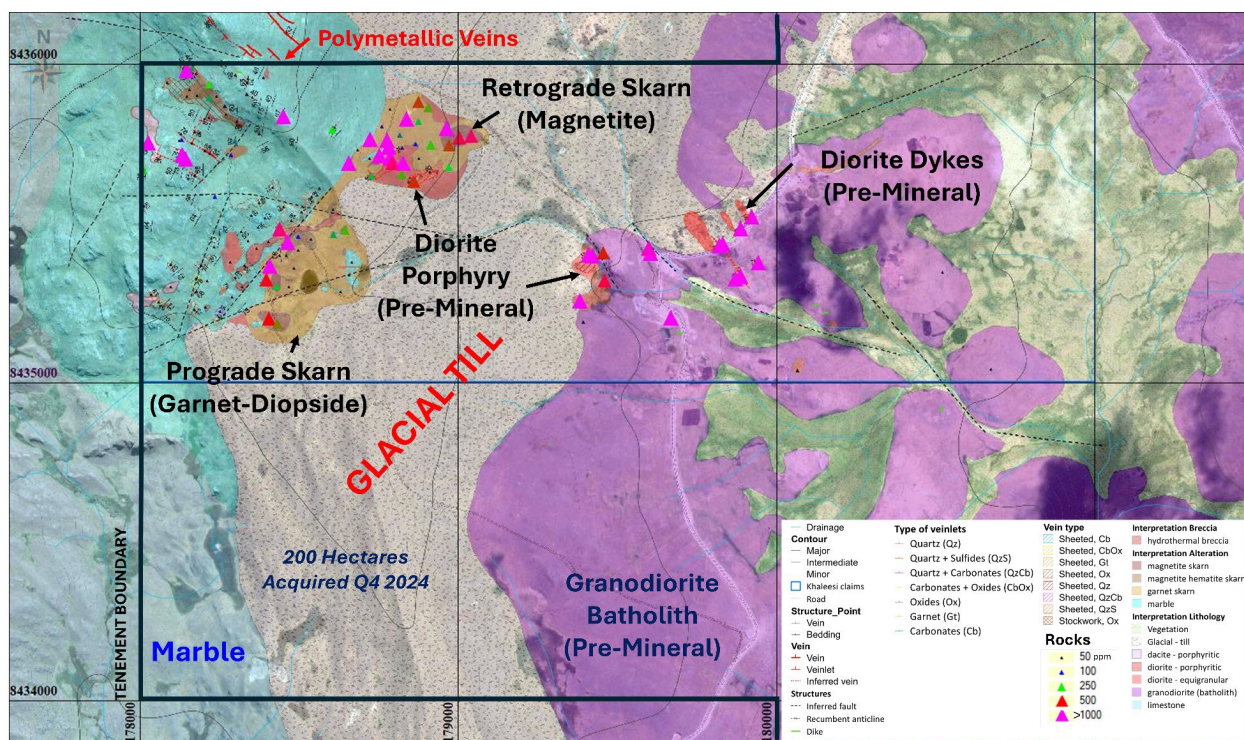


Figure 6 – Khaleesi map showing pervasive magnetite and garnet-diopside skarn alteration near to an intrusive diorite containing porphyry-style B-veins. Also showing copper in rock chip geochemistry.

Following on from the mapping and sampling program, the Company completed a 50-metre grid soil sampling program over the Khaleesi project area. On February 19, 2025, the Company announced the results from the 50-metre grid soil sampling program. The grid soils defined a significant copper-

molybdenum anomaly, which extends for over 1,900m and is locally up to 650m wide with two zones averaging 950ppm copper and 650ppm copper (Figure 7). Highlights of this program include:

- Completed a comprehensive 50m spaced grid soil sampling program covering the 3.3 sq. km porphyry and skarn alteration zone.
- Defined a 1,900m long by up to 650m wide copper-molybdenum soil anomaly, with two priority zones averaging 950ppm copper and 650ppm copper in soils (Figure 7).
- Defined a 470m long by 400m wide copper-zinc soil anomaly averaging 1,260ppm copper over top of a well-defined zone of prograde and retrograde skarn alteration (Figure 7). Significant copper sulphides were identified in skarn at surface.
- Ground magnetic (Mag), Induced Polarization (IP) and Magnetotellurics (MT) surveys were completed at the end of March 2025. Results are pending.

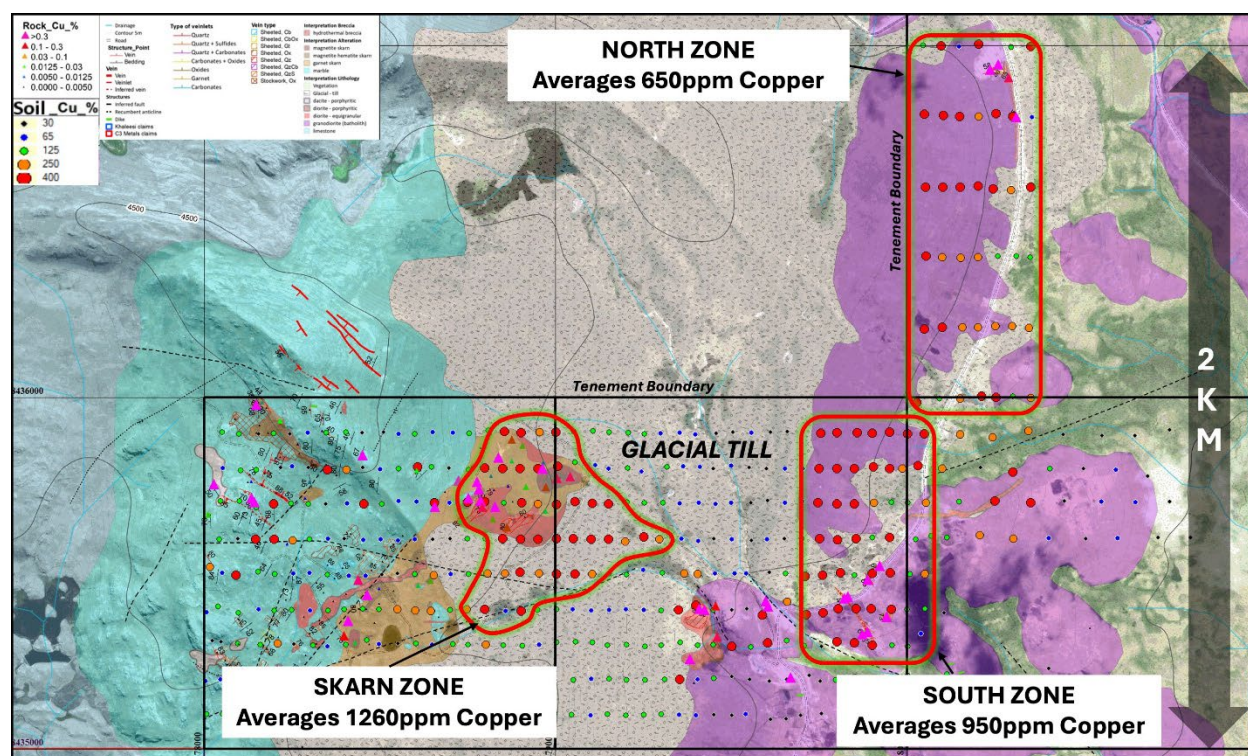


Figure 7 – Khaleesi map showing three well defined zones of pervasive copper-in-soil geochemistry. Also showing glacial till zone that appears to conceal mineralized rock below.

The Company contracted Arce Geofísicos to undertake a 45.5-line kilometre ground magnetic survey, a 24.5-line kilometre Induced Polarization survey and complete a MT/AMT survey (14 full-tensor stations). The magnetic, resistivity, chargeability and conductivity data and the subsequent imaging of the subsurface will provide the Company with critical information related to structural conduits and fluid pathways. This is an essential step for the design, development and execution of a maiden diamond drill program at Khaleesi.

Exploration and Evaluation Expenditures

During the nine month period ended May 31, 2025, a total of \$1,376,342 was capitalized to the Jasperoide project related to exploration and evaluation costs. Components of total costs capitalized comprised: \$295,923 related to licence acquisition and renewal fees; a cash payment of \$73,408 (US\$50,000) under the La Bruja option agreement; \$473,439 relating to geology and general field costs; \$35,070 related to geochemical costs; \$47,677 of drilling related and permitting costs; \$176,328 related to environmental costs; \$189,126 related to community and social development; \$3,331 related to health and safety costs; and, \$82,040 related to Peruvian IVA tax on these expenditures. As at May 31, 2025, the carrying value of the Jasperoide Project was \$37,989,483 (August 31, 2024 - \$35,308,039).

JAMAICA

In Jamaica, the Company has 100% ownership of Special Exclusive Prospecting Licences (“SEPL”) covering 17,855 hectares, including Bellas Gate, Browns Hall, Arthurs Seat, Hungry Gully, and a 50% interest in 9,870 hectares related to the Super Block project. The Bellas Gate project is comprised of the Bellas Gate, Browns Hall and Arthurs Seat SEPLs. The Bellas Gate and Browns Hall SEPLs are subject to two NSR royalties, including a 2% NSR royalty in favour of OZ Minerals Ltd. which provides a partial buyback right and a total payment cap, and a 2% NSR royalty in favour of Clarendon Consolidated Minerals Ltd. (“CCM”) which is subject to a 1% buydown right and a right of first refusal on the final 1% should the Company meet its obligations under the NSR Agreement (see below). The Arthurs Seat SEPL is subject to a 1% NSR royalty in favour of OZ Minerals Ltd. with a partial buyback right. The Hungry Gully SEPL is wholly-owned and the SEPLs making up the Super Block are owned 50% by the Company.

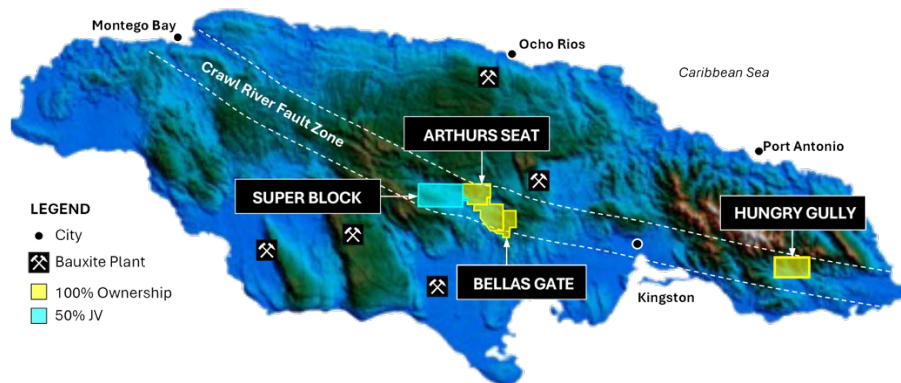


Figure 5 – C3 Metals’ mineral properties in Jamaica

Bellas Gate

Freeport-McMoRan Exploration Corporation Earn-In Agreement

On February 10, 2025, the Company and Freeport entered into an EIA relating to the Company’s Bellas Gate, Browns Hall and Arthurs Seat SEPLs in Jamaica. Under the terms of the EIA, Freeport has been granted a two-stage option to acquire up to a 75% ownership interest in the Bellas Gate, Browns Hall and Arthurs Seat SEPLs by funding cumulative exploration and evaluation expenditures of US\$75 million.

Under the first stage of the EIA, Freeport is required to fund US\$25 million of exploration and evaluation expenditures over five years to earn a 51% interest in the Bellas Gate, Browns Hall and Arthurs Seat SEPLs. The Company will remain the operator during the first stage earn-in period. Once Freeport has earned its initial 51% interest, Freeport will have the option to become the operator and to fund an additional US\$50 million of exploration and evaluation expenditures over an additional four year period to earn an additional 24% interest in the Bellas Gate, Browns Hall and Arthurs Seat SEPLs.

As the operator, the Company will receive an operator fee of 10% on all amounts payable to third parties where the contracted amounts are equal to or less than US\$200,000, and 5% on all amounts payable to third parties where the contracted amounts exceed US\$200,000. The operator fee receivable from Freeport is disclosed as other income in the statements of operations and comprehensive loss.

As at May 31, 2025, Freeport has maintained their exploration commitments under the EIA.

Amendment to Bellas Gate Net Smelter Return (NSR) royalty

The Bellas Gate and Browns Hall SEPLs are subject to a 2% NSR in favour of Clarendon Consolidated Minerals Ltd. During February 2025, CCM and the Company entered into a Royalty Amendment Agreement ("NSR Agreement") whereby the 2% NSR royalty would be reduced to 1% by making payments to CCM as follows: US\$95,000 within 10 days of the effective date of the NSR Agreement (paid February 2025); US\$75,000 prior to the first anniversary; US\$82,500 prior to the second anniversary; US\$90,750 prior to the third anniversary; US\$99,825 prior to the fourth anniversary; and, US\$500,000 prior to the fifth anniversary of the NSR Agreement. The Company retains a right of first refusal on the remaining 1% NSR after all payments have been made.

Exploration and Evaluation Expenditures

During the nine month period ended May 31, 2025, a total of \$4,375,932 was capitalized to the Bellas Gate project related to exploration and evaluation costs. Components of total costs capitalized comprised: A value of \$3,276,930 related to the Arthurs Seat SEPL that was contributed to the Bellas Gate project which is now subject to the Freeport EIA; \$324 related to licence renewal fees; \$135,908 (US\$95,000) related to the buydown of a NSR royalty on a portion of the Bellas Gate project; \$548,907 related to geology and general field costs; \$5,495 related to geochemical costs; \$11,310 related to geophysical costs; \$257,919 of drilling related costs; \$38,978 related to environmental costs; \$76,121 related to community and social development; and, \$24,040 related to health and safety costs. Additionally, an amount of \$779,783 funded by Freeport under the EIA was offset against the Bellas Gate project costs. As at May 31, 2025, the carrying value of the Bellas Gate project was \$21,049,283 (August 31, 2024 - \$17,497,921).

Super Block

On February 24, 2024, the Company entered into a joint arrangement with Geophysx for the exploration and development of the Super Block project. The Super Block project has combined Geophysx's SEPLs covering the past producing Pennants Mine and surrounding areas with the Company's Main Ridge SEPL and a portion of its Arthurs Seat SEPL. This joint arrangement is structured as a joint operation, whereby the participants share control and have rights to the assets and obligations for the liabilities of the arrangement.

The Company and Geophysx have agreed to share the costs and any future revenues associated with the exploration and development activities relative to each participant's interest, which is initially a 50% participating interest for each participant. If a participant fails to contribute their share of funding, their participating interest will be diluted on a proportionate basis. In the case that either participant is diluted to a 5% interest, such interest will be converted to a 3% NSR royalty on the Super Block project of which 2% can be repurchased for US\$2,000,000.

A Management Committee has been established and is responsible for determining the overall policies, objectives, procedures, methods, and actions under the agreement. Each participant has elected two members to the Management Committee, and the voting power of the members is proportionate to their respective participating interests. For a decision to be made, a majority vote is required.

The Company is the operator of the Super Block project and will conduct all exploration and evaluation activities, as well as be responsible for proposing annual work plans and budgets to be approved by the Management Committee. The Company will receive a 5% operator administrative fee up until such time that a production decision is made on the Super Block project. The operator fee is offset against office, general, and administrative expense.

On closing of the agreement, the Company transferred the carrying value of the Main Ridge SEPL and the relevant portion of the Arthurs Seat SEPL, with a combined carrying value of \$1,446,725, to the Super Block project within exploration and evaluation assets. Subsequent to the initial contribution of the SEPLs to the joint arrangement, the Company's share of the assets, liabilities, revenues, and expenses related to the joint arrangement will be included in the consolidated financial statements on a proportionate basis.

As part of the conditions subsequent to closing, both Participants received approval for the subdivision of their existing SEPLs by the Jamaican Ministry of Agriculture, Fisheries and Mining and formed the new Super Block SEPLs. On August 29, 2024, GP C3 JV Limited was incorporated to hold the Super Block SEPLs in trust with each participant holding 50% of its common shares. All conditions subsequent under the agreement have been satisfied.

Exploration and Evaluation Expenditures

During the nine month period ended May 31, 2025, a total of \$200,458 was capitalized to the Super Block project related to exploration and evaluation costs. Components of total costs capitalized comprised: \$56 related to licence renewal fees; \$81,362 related to geology and general field costs; \$5,485 related to geochemical costs; \$96,462 related to drilling and other related costs; \$9,455 related to environmental costs; \$2,918 related to community and social development; and, \$4,720 related to health and safety costs. As at May 31, 2025, the carrying value of the Super Block project was \$1,887,826 (August 31, 2024 - \$1,686,153).

Other Jamaican Licences

Exploration and Evaluation Expenditures

On February 10, 2025, the Arthurs Seat SEPL was contributed to the Bellas Gate project and is now subject to the Freeport EIA. During the nine month period ended May 31, 2025, a total of \$36,969 was capitalized to the other Jamaican licences related to exploration and evaluation costs. Components of total costs capitalized comprised: \$125 related to licence renewal fees; \$14,353 relating to geology and general field costs; \$4,214 of drilling related costs; \$9,052 related to environmental costs; \$4,008 related to community and social development; and, \$5,217 related to health and safety costs. As at May 31, 2025, the carrying value of the other Jamaican licences was \$556,669 (August 31, 2024 - \$3,736,583).

SELECTED INTERIM INFORMATION

The following table contains selected interim financial information for the three and nine month periods ended May 31, 2025 and 2024:

	Three month period ended May 31, 2025 \$	Three month period ended May 31, 2024 \$	Nine month period ended May 31, 2025 \$	Nine month period ended May 31, 2024 \$
Revenue	Nil	Nil	Nil	Nil
Total expenses	(1,192,230)	(651,000)	(2,617,905)	(1,905,500)
Total other income (expenses)	104,504	37,238	191,982	30,022
Net loss for the period	(1,087,726)	(613,762)	(2,425,923)	(1,875,478)
Basic and diluted loss per common share	(0.01)	(0.01)	(0.03)	(0.03)
Cash dividend per common share	Nil	Nil	Nil	Nil

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Total Expenses

For the three month period ended May 31, 2025, total expenses were \$1,192,230 and were comprised of: \$187,070 related to promotion and investor relations; \$15,615 related to regulatory authority and transfer agent fees; \$91,438 with respect to professional fees for legal, accounting, audit and financial advisory services; \$344,549 with respect to office, general and administrative costs; and, \$553,558 with respect to non-cash share based compensation expense related to stock options.

Total expenses, before other income and expenses were higher by \$541,230 during the third quarter of fiscal 2025 when compared to fiscal 2024. Promotion and investor relations costs were lower by \$21,390. Lower costs were incurred related to promotional campaigns to increase investor awareness and attendance at investor conferences and roadshows (including related travel), and less fees were paid to investor relations contractors. Regulatory and transfer agent fees remained consistent and were lower by \$691. Professional fees for legal, accounting, audit and financial advisory services were higher by \$24,129 primarily related to higher legal fees incurred in both Jamaica and Peru. Office, general and administrative costs were higher by \$28,624 related to an increase in headcount; higher health insurance premiums; and, higher accounting fees due to increased activity. Share based compensation expense relates to the stock option grant on April 4, 2025 (see *Quarterly Highlights*) and was higher by \$510,558 when compared to the share based compensation expense during the third quarter of fiscal 2024.

For the nine month period ended May 31, 2025, total expenses, before other income and expenses, were \$712,405 higher when compared to the same period during fiscal 2024. Promotion and investor relations costs were lower by \$147,828 due to lower costs incurred related to promotional campaigns to increase investor awareness and attendance at investor conferences (including related travel), and less fees were paid to investor relations contractors. Regulatory and transfer agent fees were lower by \$15,532 related to higher fees paid to the Company's transfer agent in relation to the share consolidation during the second quarter of fiscal 2024. Legal, accounting, audit and financial advisory costs were higher by \$425,698 primarily related to fees paid for financial advisory services and higher legal fees incurred related to the Freeport EIA. Office, general and administrative costs were higher by \$24,575 primarily related to an increase in headcount; higher health insurance premiums; and, higher accounting fees due to increased activity. Share based compensation expenses were higher by \$425,492.

Other expenses and income

For the three month period ended May 31, 2025, other expenses and income totaled a net income of \$104,504. The Company received a management fee of \$77,978 as the operator of the Bellas Gate project under the Freeport EIA. Interest income earned on cash balances for the three month period ended was \$80,678. A loss on the fair value of Cascade Copper Corp. marketable securities of \$9,375 was recorded. A foreign exchange loss of \$44,777 related to the revaluation of cash held in United States dollars was also recorded.

For the nine month period ended May 31, 2025, other expenses and income totaled a net income of \$191,982. During the second quarter of fiscal 2025, the Company received an exclusivity fee of \$41,835 (US\$30,000) in connection with the Freeport EIA. The Company received a management fee of \$77,978 as the operator of the Bellas Gate project under the Freeport EIA. Interest income earned on cash balances for the nine month period was \$136,613. A loss on the fair value of Cascade Copper Corp. marketable securities of \$12,500 was recorded. A foreign exchange loss of \$51,944 related to the revaluation of cash held in United States dollars was also recorded.

Net Loss and Loss per Common Share

For the three month period ended May 31, 2025, net loss was \$1,087,726 (Q3 fiscal 2024 – \$613,762). Basic and diluted loss per common share was \$0.01 (Q3 fiscal 2024 – \$0.01). For the nine month period

ended May 31, 2025, net loss was \$2,425,923 (nine months ended May 31, 2024 – \$1,875,478). Basic and diluted loss per common share was \$0.03 (nine months ended May 31, 2024 – \$0.03). As the Company incurred a net loss for each of these periods, the diluted number of common shares outstanding excludes all contingently issuable shares as they have an anti-dilutive effect for the periods presented.

Other Comprehensive Loss (Income)

Upon consolidation, the financial statements of the Jamaican subsidiaries (CRJL, RJL and GP C3 JV Limited) and Peruvian subsidiaries (C3 Peru and Molino) are translated into Canadian dollars as follows: assets and liabilities – at the closing rate at the date of the statement of financial position, and income and expenses – at the average rate for the period. All resulting foreign exchange translation adjustments are recognized in other comprehensive loss (income). During the three month period ended May 31, 2025, a foreign currency translation loss of \$1,275,390 (Q3 fiscal 2024 – gain of \$615,327) was recorded in other comprehensive income / loss. During the nine month period ended May 31, 2025, a foreign currency translation gain of \$1,341,496 (nine months ended May 31, 2024 – loss of \$286,564) was recorded in other comprehensive income.

LIQUIDITY AND CAPITAL RESOURCES

From inception to date, the Company has incurred losses from operations and has had negative cash flows from operating activities. As at May 31, 2025, the Company held cash and cash equivalents of \$13,367,171 (August 31, 2024 – \$1,521,374) and had a working capital surplus of \$12,589,586 (August 31, 2024 – \$1,354,037). The Company has financed its operations primarily with equity financing.

The Company has plans for significant exploration expenditures on its projects during fiscal 2025 where exploration costs for the Bellas Gate, Jamaica project will be funded by Freeport-McMoRan Exploration Corporation. Funds on hand currently are sufficient to support the Company's budget for planned exploration costs, costs of acquiring new exploration properties and corporate costs over the coming year. However, the Company's exploration programs remain subject to revision upward or downward depending on the results from ongoing and future exploration programs. These conditions raise material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern, and accordingly, the appropriateness of the use of the accounting principles applicable to a going concern. The Company will require additional future funding to advance and retain mineral exploration property interests and to meet ongoing requirements for general operations. The ability of the Company to continue as a going concern is dependent on its ability to raise required financing in the future whether through equity or debt financing; through joint ventures; or, the sale of property assets in the future.

Financing Activity During Fiscal 2025

On March 19, 2025, the Company closed a bought deal private placement of 23,000,000 common shares at a price of \$0.50 per common share for gross proceeds of \$11,500,000.

On October 9, 2024, the Company closed a non-brokered private placement of 14,999,999 common shares at a price of \$0.30 per common share for gross proceeds of \$4,500,000.

Contractual Obligations

The Company does not have any fixed contractual obligations or commitments for capital or operating leases, purchase obligations or other long-term commitments. Any commitments under exploration option agreements or joint arrangement agreements are cancellable at the Company's option but would result in forfeiture of rights under such agreements.

OUTSTANDING SHARE DATA

Information with respect to outstanding common shares, stock options, restricted share units and deferred share units as at July 23, 2025, May 31, 2025 and August 31, 2024 is as follows:

	July 23, 2025	May 31, 2025	August 31, 2024
Common shares	99,884,801	99,884,801	61,884,802
Stock options	6,260,750	6,260,750	3,510,748
Restricted share units (RSUs)	156,643	156,643	156,643
Deferred share units (DSUs)	15,117	15,117	15,117
Fully diluted shares outstanding	106,317,311	106,317,311	65,567,310

On April 4, 2025, the Company granted a total of 3,380,000 stock options to directors, officers, employees and consultants of the Company. These stock options are exercisable at \$0.70 per share and expire on April 4, 2030.

On March 19, 2025, the Company closed a bought deal private placement of 23,000,000 common shares at a price of \$0.50 per common share for gross proceeds of \$11,500,000.

On December 7, 2024, a total of 629,998 stock options with an exercise price of \$0.65 expired.

On October 9, 2024, the Company closed a non-brokered private placement of 14,999,999 common shares at a price of \$0.30 per common share for gross proceeds of \$4,500,000.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, restricted deposits, marketable securities, accounts payable and accrued liabilities. Details relating to financial instruments and risk management associated with credit risk, liquidity risk, price risk, currency risk and interest rate risk are disclosed in note 14 to the annual consolidated financial statements for the years ended August 31, 2024 and 2023.

RELATED PARTY TRANSACTIONS AND COMPENSATION OF KEY MANAGEMENT

The Company has contracts for management and geological services with its officers, directors and companies controlled by its officers and directors. Key management includes all persons named or performing the duties of CEO, CFO, Vice President, and Director. Compensation awarded to key management is set out in note 11 to the condensed consolidated interim financial statements for the three and nine month periods ended May 31, 2025 and 2024.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures in the notes thereto. These estimates and assumptions are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results may differ from those estimates. The most significant items requiring the use of management estimates and valuation assumptions are related to the recoverable value of mineral exploration properties and deferred exploration expenditures; the valuation of equity instruments including warrants, broker warrants and stock options; and, the ability of the Company to continue as a going concern.

Details with respect to critical accounting estimates, judgments and estimation uncertainties are disclosed in note 3 to the annual consolidated financial statements for the years ended August 31, 2024 and 2023.

NEW AND REVISED ACCOUNTING STANDARDS

Certain pronouncements were issued by the International Accounting Standards Board (IASB) or the IFRS Interpretations Committee (Committee) that are mandatory for accounting years beginning on or after January 1, 2024. They are not applicable or do not have a significant impact to the Company and have been excluded from the summary below.

New IFRS Accounting Standard - IFRS 18: Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued a new standard – IFRS 18: *Presentation and Disclosure in Financial Statements* with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: 1) the structure of the statement of profit or loss; 2) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and 3) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; however, many of the other existing principles in IAS 1 are retained with limited changes. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027. Retrospective application is required and early application is permitted. The Company has not yet adopted IFRS 18 and is currently assessing the effect of this new standard on the consolidated financial statements.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Investment in the natural resource industry in general, and the mineral exploration and development sector in particular, involves a great deal of risk and uncertainty. Current and potential investors should give special consideration to the risk factors involved. These factors are discussed more fully in the annual Management's Discussion and Analysis dated December 5, 2024 which is filed on SEDAR+.

CORPORATE INFORMATION

Officers and Directors

- Dan Symons, BA (Hons.) – Chief Executive Officer, President and Director
- John McNeice, B. Comm. (Hons.), CA, CPA – Chief Financial Officer
- Stephen Hughes, B.Sc. (Hons.), APGNS (P. Geo.), FSEG – Vice President, Exploration and Director
- Antony Manini, B.Sc., FAusIMM, FSEG – Director and Chairman of the Board
- Kimberly Ann Arntson – Director
- Zimi Meka, B. Eng. (Mech) Hons., FAusIMM, MAICD, FIEAust – Director
- Fernando Pickmann, LL.M. – Director
- Yale Simpson, BApSc. – Director

Corporate Web-site

www.c3metals.com

Corporate Office

69 Yonge Street, Suite 200, Toronto, Ontario, Canada M5E 1K3

Independent Auditor

PricewaterhouseCoopers LLP, Ottawa, Canada

Corporate Legal Counsel

Irwin Lowy LLP, Toronto, Canada