C3 Metals Inc.
An Exploration Stage Company

Management's Discussion and Analysis
For the three month period ended November 30, 2025 and 2024

(Information as at January 20, 2026 unless otherwise noted)

TSX-V : CCM | OTCQB : CUAUF

INTRODUCTION

This management's discussion and analysis ("MD&A") provides a review of the performance of C3 Metals Inc. and its subsidiaries (collectively, "C3 Metals" or the "Company") and should be read in conjunction with the Company's condensed consolidated interim financial statements for the three month periods ended November 30, 2025 and 2024. This MD&A should also be read in conjunction with the Company's audited consolidated financial statements for the years ended August 31, 2025 and 2024 (the "Financial Statements"), which have been prepared in accordance with generally accepted accounting principles in Canada ("GAAP") as set out in the CPA Canada Handbook – Accounting ("CPA Handbook") which incorporates International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The information presented in this MD&A is as at January 20, 2025. The reporting currency for the Company is the Canadian dollar. All figures are presented in Canadian dollars unless otherwise indicated. United States dollars are indicated by the symbol "US$".

FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information", as defined in applicable Canadian securities legislation. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "predict", "may" and "will" or similar words suggesting future outcomes. This information may include, but is not limited to comments regarding reserve and resource estimates, estimates of future production, unit costs, costs of capital projects, timing of commencement of operations, the Company's ability to continue as a going concern, and the Company's ability to obtain financing to fund future expenditure and capital requirements.

Although the Company believes that the plans and intentions reflected in this forward-looking information are reasonable, the Company cannot be certain. Actual results could differ materially from those contemplated, expressed or implied by the forward-looking information contained in this report.
Factors that could cause actual results to differ materially from any forward-looking information 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. 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'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.

C3 Metals holds the 31,280 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.

To date, 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.

RECENT ANNOUNCEMENTS

GENERAL

On January 12, 2025, the Company announced that project infrastructure has been restored following hurricane Melissa making landfall over Jamaica on October 28, 2025 (see below) and that full exploration activities in Jamaica have recommenced.

On November 5, 2025, the Company provided an update following hurricane Melissa making landfall over Jamaica on October 28, 2025. The Company reported no injuries and that its team on the ground in Jamaica was safe. The Company's equipment, drill rig, drill core and rocks samples were secured with no damage reported to these items. Only minor damage was sustained on its core logging and storage facilities. As multiple roads to the Company's project areas were impassable, project areas were without power and prepared drill pad sites and access required repair, the Company ceased exploration activities on its Bellas Gate and Super Block projects for up to eight weeks. In the meantime, the Company shifted its focus to community assistance. The Company's team also assisted in clearing landslide debris to open road access and helping local community members repair damaged homes where possible.

BELLAS GATE PROJECT, JAMAICA

On October 6, 2025, the Company announced that it had commenced a district-scale 3DIP geophysical survey (“3DIP Survey”) at its Bellas Gate project. The purpose of the 3DIP Survey is twofold: 1) extend the area covered from 16 square kilometres (“sq. km”) to approximately 70 sq. km; and, 2) identify drill targets to beyond 700 metres (“m”) depth — well beyond the 300m depth limitation of previous surveys at Bellas Gate. Dias Geophysical has been contracted to undertake the 3DIP Survey. 3DIP chargeability and resistivity results, together with existing magnetic geophysical data and geochemical data, will be used to design the 2026 drill program.

JASPEROIDE PROJECT, PERU

On September 30, 2025, the Company announced that the first drill rig had been mobilized at its Khaleesi copper-gold project forming part of the greater Jasperoide project (“Khaleesi” or “Khaleesi project”). The maiden drilling program includes 14 holes with a minimum of 6,300 m. A second drill rig has been mobilized to target porphyry-style copper mineralization mapped at surface.

On December 15, 2025, the Company announced the results of the first hole of the maiden drilling program at its Khaleesi project. The Company intersected 269.0 m at 0.30% copper, including 60.4 m at 0.41% copper from 346.0 m downhole (approximately 250.0 m vertical depth).

SUPER BLOCK, JAMAICA

On September 29, 2025, the Company announced the results from the first four scout holes of a 2,500 m drilling program.

EXPLORATION PROJECTS, ACTIVITIES AND EXPENDITURES

PERU – JASPEROIDE PROJECT

Overview

The Company holds a 100% beneficial interest in 63 exploration concessions and has an option agreement to earn a 100% interest in two additional concessions. These 65 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 31,280 hectares and host a number of copper-gold skarn and porphyry targets at various stages of exploration. During fiscal 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 would increase to 31,548 hectares.

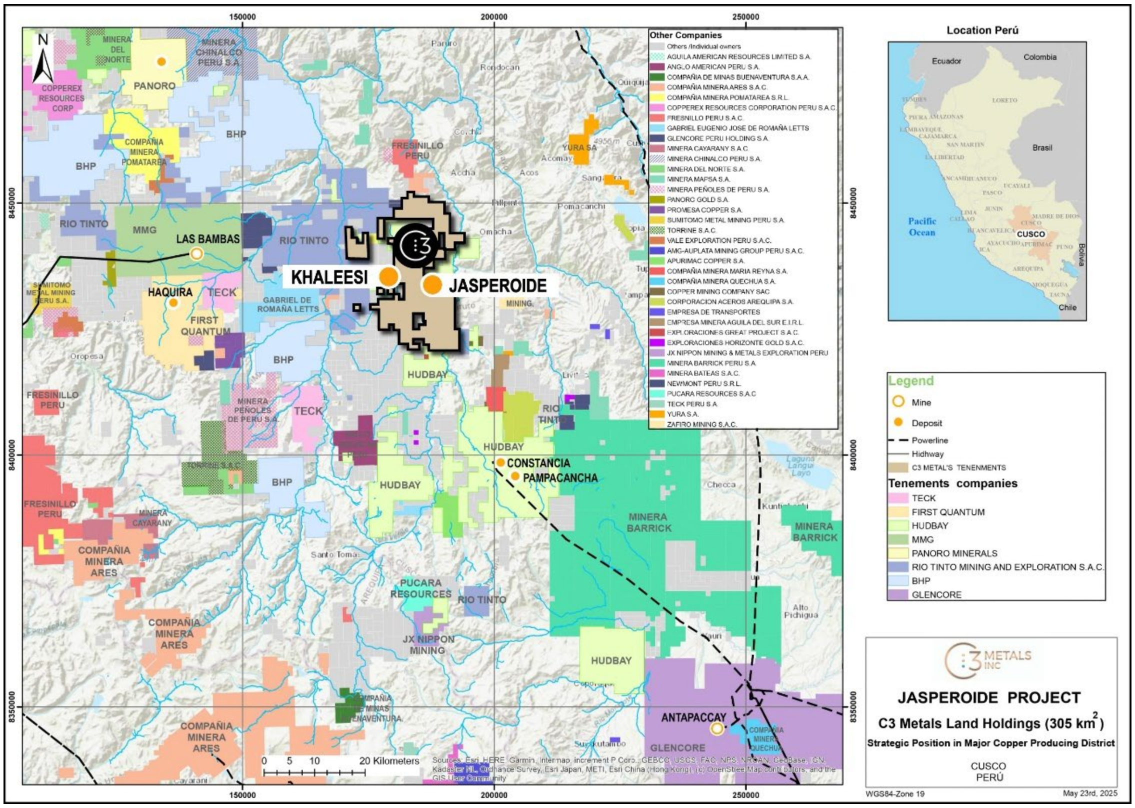


Figure 1 – Regional map showing the Company's mineral concession package in relation to other large-scale operations, development projects and exploration projects.

La Bruja Option Agreement

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$1,280,000 had been provided, including US$50,000 paid during December 2024 and US$250,000 paid during August 2025. The remaining cash option payments, totalling US$770,000, are due on or before the following dates: US$350,000 by August 31, 2026; and, US$420,000 by August 31, 2027. The minimum cumulative exploration expenditure requirement of US$2,000,000 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.

Jasperoide project royalty agreements

Three concessions were subject to an option agreement with Compania Minera Ares S.A.C. (“Ares”), a subsidiary of Hochschild Mining PLC ("Hochschild"), where the Company had the right to earn an initial 51% interest in these concessions. During Fiscal 2022, the Company concluded a binding Heads of Agreement and acquired 100% of Hochschild's interest in these 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. In addition, the 2% NSR royalty applies to a five kilometre area of interest from the borders of the three concessions.

During fiscal 2022, the Company acquired three concessions that are subject to a 0.5% NSR royalty up to a maximum amount of US$300,000. The Company has a right to repurchase the NSR royalty at any time for US$300,000.

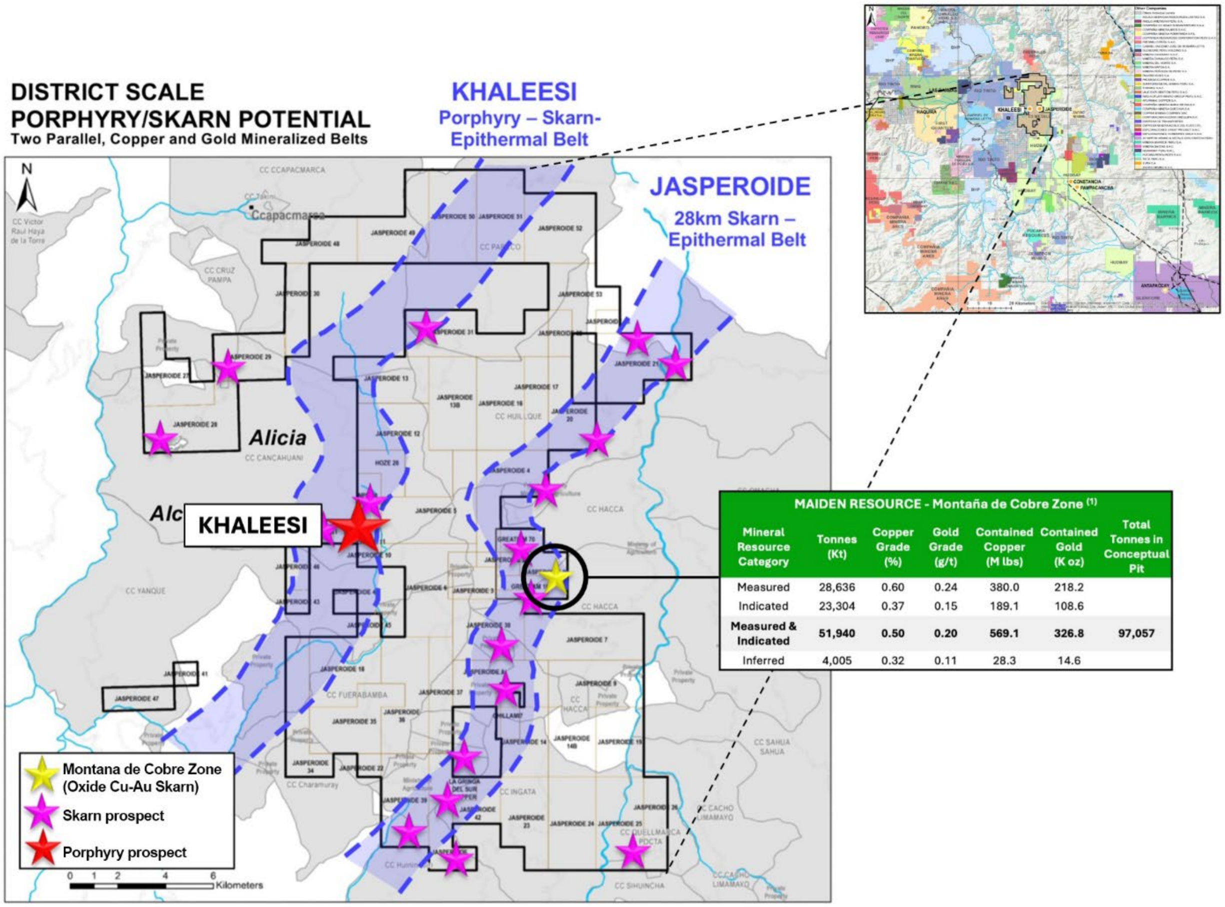
Montana de Cobre

On the eastern side of the Jasperoide property area, the Company identified 13 skarn prospects. Montana de Cobre ("MCZ") is the only one of these skarns the Company has systematically drill tested. MCZ has a near surface Measured and Indicated Mineral Resource of 51.9 million tonnes at 0.50% total copper and 0.20 g/t gold for 569.1 million pounds of copper and 326,800 ounces of gold based on assumptions and parameters outlined in the NI 43-101 Technical Report titled *Jasperoide Copper-Gold Project Cusco Region, Peru*, dated July 5, 2023 which is available on the Company's Sedar+ profile.

Please refer to the cautionary note regarding historical results and historical mineral resource estimates provided in this MD&A.

Khaleesi project

The Khaleesi project is an outcropping, mineralized, undrilled copper-gold skarn and porphyry prospect 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). Khaleesi sits on a parallel porphyry and 28km magnetite skarn belt approximately 8km to the west of Montana de Cobre where 13 skarn prospects have been identified.



Mineral Resource Category	Tonnes (Kt)	Copper Grade (%)	Gold Grade (g/t)	Contained Copper (M lbs)	Contained Gold (K oz)	Total Tonnes in Conceptual Pit
Measured	28,636	0.60	0.24	380.0	218.2	
Indicated	23,304	0.37	0.15	189.1	108.6	
Measured & Indicated	**51,940**	**0.50**	**0.20**	**569.1**	**326.8**	**97,057**
Inferred	4,005	0.32	0.11	28.3	14.6	

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 Montana de Cobre mineral resource and the Khaleesi project.

On August 27, 2025, the Company announced that it has engaged AK Drilling to commence a 14-hole, 6,300 m diamond core drilling program and on September 30, 2025, the Company announced that drilling at Khaleesi has formally commenced. This maiden drill program has been designed to evaluate copper-gold-molybdenum skarn and porphyry prospects identified through geologic mapping, strong soil geochemistry and coincident Mag and IP chargeability highs (Figure 3).

KHALEESI IP ANOMALIES AT 300m SLICE

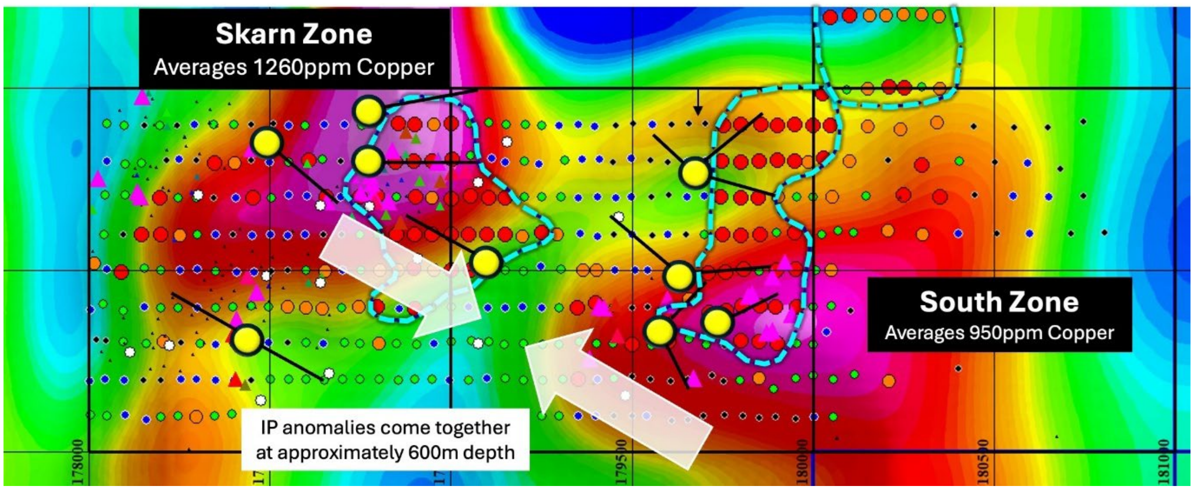


Figure 3 – Plan view map of IP chargeability anomalies at 300m depth showing drill collar and hole locations for the initial Khaleesi 14-hole, 6,300m drill program. Note the locations of the strong copper in soil geochemical anomalies over the IP chargeability anomalies. The two IP chargeability anomalies come together at approximately 600m depth.

On December 15, 2025, the Company announced the results of the first hole of the maiden drilling program. Initial results demonstrate the potential for a large, well-mineralized magnetite and garnet skarn body interfingered with multiple intrusive bodies. The mineralized skarn-intrusive contact zone appears well defined by coincident strong chargeability and magnetic anomalies. Importantly, drilling confirms that copper mineralization continues under an extensive area of shallow glacial till cover. Highlights of the first ever hole drilled at the Khaleesi project includes:

- Drill hole KHZ5800-001 was drilled to a depth of 626.1 m and ended in copper mineralization.
- A broad zone of near-surface, skarn- and porphyry-style copper-molybdenum mineralization reported a downhole intersection of 269.0 m at 0.30% copper, including 60.4 m at 0.41% copper. Mineralization remains open in all directions and at depth.
- High-grade garnet exoskarn copper-gold-silver mineralization was intersected at the top of hole, reporting 4.0 m at 2.03% Cu, 0.17g/t Au and 12.14g/t Ag.
- KHZ5800-001 was collared to test below a small area of outcropping magnetite skarn coincident with large magnetic and chargeability anomalies. Importantly, the hole confirmed copper mineralization extends at least 100m beneath an area of thin glacial till cover.
- Follow-up drill holes are planned to extend and test this mineralization along strike, near surface and at depth, including under the thin glacial till cover.
- High anomalous molybdenum (20 samples > 100 ppm), cobalt (47 samples > 200 ppm), silver (11 samples > 2 g/t Ag) and gold (9 samples > 0.1 g/t Au) were also reported in this first hole.
- An epithermal vein, similar to those occurring at surface in the area, cross cut the magnetite skarn in drill core and assayed 2.3 m at 0.77% Cu, 0.495 g/t Au, 92.10 g/t Ag, 0.18% Zn and > 1% Pb.

Hole ID	From (m)	To (m)	Length (m)	Cu (%)	Mo (ppm)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
KHZ5800-001	15.70	19.70	4.00	2.03	28	0.171	12.14	NSA	0.07
Including	*15.70*	*17.70*	*2.00*	*3.77*	*56*	*0.326*	*22.05*	*NSA*	*0.10*
	252.20	272.20	20.00	0.32	17	0.037	1.08	NSA	NSA
	284.70	322.00	37.30	0.19	15	0.025	0.80	NSA	NSA
	346.00	615.00	269.00	0.30	65	0.037	1.50	NSA	NSA
Including	393.80	396.10	2.30	0.77	48	0.495	92.10	>1%	0.18
	444.00	497.35	53.35	0.36	20	0.046	0.80	NSA	NSA
	544.80	605.20	60.40	0.41	191	0.025	0.72	NSA	NSA

Table 1 – Significant assays in first Khaleesi drill hole KHZ5800-001

Note: NSA = No Significant Assays. Composite intervals are calculated using length weighted averages based on a combination of lithological breaks and copper assay values according to a 0.15% Cu cutoff and include a maximum of 12 metres of internal dilution. All intervals reported are down hole core lengths, and true thicknesses have yet to be determined. Mineral resource modeling is required before true thicknesses can be estimated.

Exploration and Evaluation Expenditures

During the three month period ended November 30, 2025, a total of $2,441,346 was capitalized to the Jasperoide project related to exploration and evaluation costs. Components of total costs capitalized comprised: $957,713 relating to geology and general field costs; $20,850 related to geochemical costs; $969,439 of drilling related and permitting costs; $38,295 related to environmental costs; $149,477 related to community and social development; $19,771 related to health and safety costs; and, $285,801 related to Peruvian IVA tax on these expenditures. As at November 30, 2025, the carrying value of the Jasperoide Project was $43,669,840 (August 31, 2025 - $39,459,209).

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. (“Oz Minerals”), now a subsidiary of BHP Group Limited, 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 with a partial buyback right. The Hungry Gully SEPL is wholly-owned and the SEPLs making up the Super Block project are owned 50% by the Company.

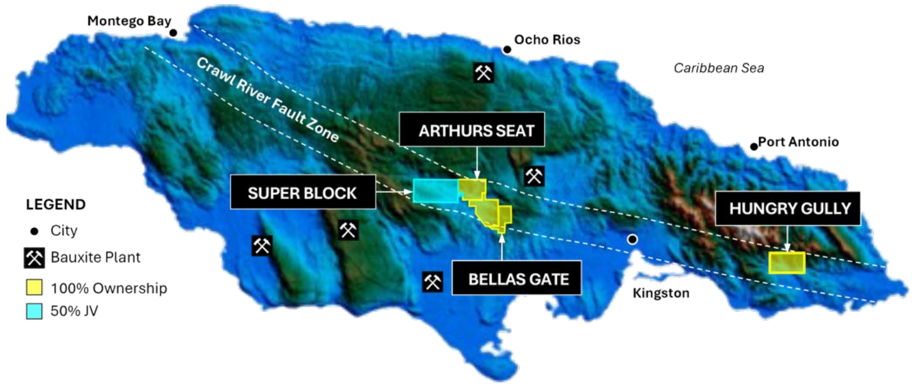


Figure 4 – C3 Metals' mineral properties in Jamaica

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 November 30, 2025, Freeport has maintained their exploration commitments under the EIA.

Bellas Gate and Browns Hall royalty agreements

During September 2016, the Company finalized a Heads of Agreement ("HoA") with OZ Minerals to acquire the remaining 70% interest in the Bellas Gate and Browns Hall SEPLs.

Under the terms of the HoA for the acquisition of the 70% interest in the Bellas Gate and Browns Hall SEPLs, the Company is obligated to: (i) pay OZ Minerals $8.5 million within one year of commencement of commercial production at Bellas Gate and Browns Hall; (ii) pay OZ Minerals an additional $4 million within two years of commencement of commercial production; and, (iii) grant OZ Minerals a 2% NSR with a buyback right of two-thirds of the NSR for $1.3 million with any NSR payments capped at a maximum amount of $20 million.

The Bellas Gate and Browns Hall SEPLs are further subject to a 2% NSR in favour of Clarendon Consolidated Minerals Ltd. ("CCM"). 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.

Arthurs Seat royalty agreement

The Company acquired a 100% interest in the Arthurs Seats SEPLs from OZ Minerals. Under the terms of the original purchase agreement, the Company was obligated to provide OZ Minerals a single payment of $1.5 million within one year of commencement of commercial production on the Arthurs Seat SEPL and a 2% NSR with a buyback of one-half of the NSR for $500,000. During May 2019, the Company completed amendments to the agreement with OZ Minerals to: (i) waive the $1.5 million payment within one year of commencement of commercial production if the mineral product is less than 10,000 tonnes per annum; and, (ii) reduce the 2% NSR to a 1% NSR with a buyback of one-half for $250,000.

Exploration and evaluation activities

On October 6, 2025, the Company announced that it had commenced a district-scale 3DIP Survey. The purpose of the 3DIP Survey is twofold: 1) extend the area covered from 16 sq. km to approximately 70 sq. km; and, 2) identify drill targets to beyond 700 m depth — well beyond the 300 m depth limitation of previous surveys at Bellas Gate. Dias Geophysical has been contracted to undertake the 3DIP Survey. 3DIP chargeability and resistivity results, together with existing magnetic geophysical data and geochemical data, will be used to design the 2026 drill program. Highlights of the program include:

- Historical IP data shows strong correlation of IP Chargeability anomalies coincident with copper-in soil and airborne magnetic anomalies within three major porphyry belts.
- The 3DIP Survey will cover an area measuring approximately 16 km by up to 6 km wide (Figure 5).
- The 3DIP Survey aims to penetrate deeper into known porphyry systems with reliability down to 700 m and potentially to 1,000 m.
- The Company plans to evaluate the geophysical data in real time to generate near surface and deep drill targets for the 2026 drilling campaigns.

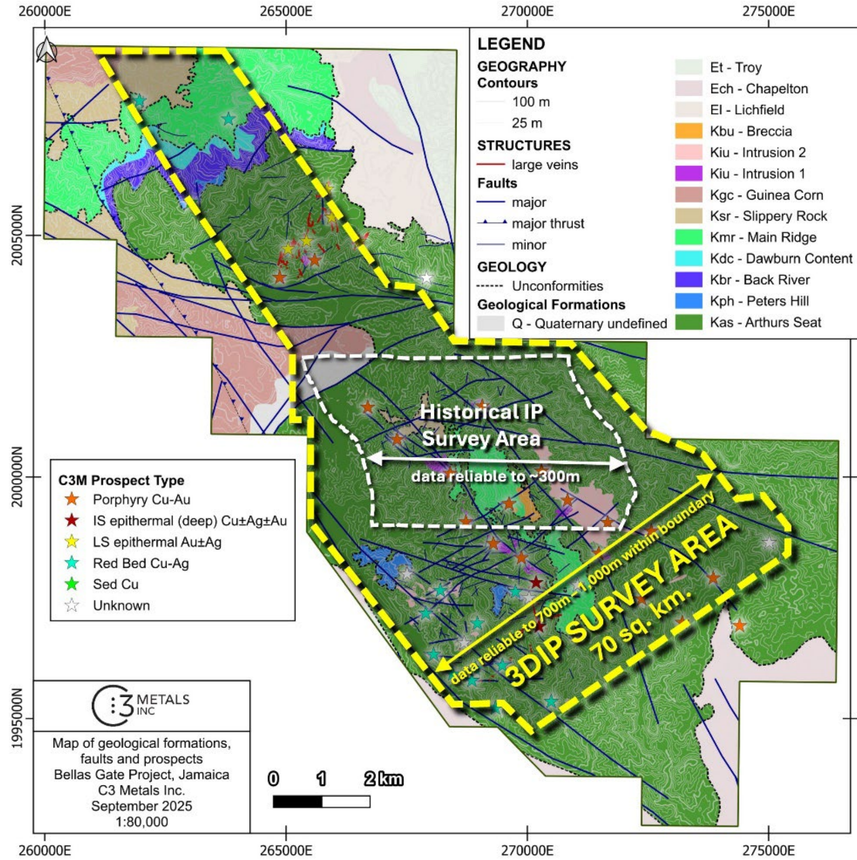


Figure 5 – The Bellas Gate project area and the current 3DIP Survey area vs. the historical 2DIP survey area.

Exploration and Evaluation Expenditures

During the three month period ended November 30, 2025, a total of $1,495,010 was capitalized to the Bellas Gate project related to exploration and evaluation costs. Components of total costs capitalized comprised: $105 related to licence renewal fees; $243,656 related to geology and general field costs; $528,596 related to geophysical costs; $529,397 of drilling and related costs; $37,741 related to environmental costs; $129,067 related to community and social development; and, $26,448 related to health and safety costs. Additionally, an amount of $1,438,465 funded by Freeport under the EIA was offset against the Bellas Gate project costs. As at November 30, 2025, the carrying value of the Bellas Gate project was $21,281,560 (August 31, 2025 - $21,087,838).

Super Block

Overview

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.

2025 Exploration results at Super Block

On June 3, 2025, the commenced an initial 14 diamond drill hole, 2,500 m program on its Super Block Project and on September 29, 2025, the Company announced the results from the first four scout holes this program. Highlights include:

- Drilling has initially targeted the Pennants East Zone ("PEZ"), where gold is highly anomalous in soils and coincides with a 1.5 km east-west trending radiometric (potassium) anomaly.
- Four holes were completed at the eastern end of PEZ, and all holes intercepted gold mineralization hosted by epithermal style veins, stockworks and fault zones.
- Drilling at PEZ confirms the presence of multiple zones of epithermal veinlets within a broader mineralized envelope. Mineralization remains open at depth and along strike.
- The Company plans to continue to test high priority targets at Super Block with a further 10 scout holes along the 5 km gold trend.
- Select assay results from the first four scout diamond drill holes are presented in Table 2 below:

Hole ID	From (m)	To (m)	Length (m)	Au (g/t)
SUP4025-001	52.85	76.65	23.80	0.51
SUP4025-001	81.00	83.00	2.00	0.40
SUP4025-001	96.40	100.90	4.50	0.37
SUP4025-001	112.70	123.00	10.30	1.23
SUP4025-002	125.55	128.00	2.45	0.38
SUP4025-002	133.00	133.50	0.50	1.82
SUP4025-002	157.50	165.00	7.50	0.52
SUP4025-002	169.75	180.00	10.25	0.31
SUP4025-002	183.00	187.00	4.00	0.32
SUP4025-002	193.00	197.50	4.50	0.30
SUP4025-002	201.00	217.00	16.00	0.44
SUP4025-003	62.00	67.00	5.00	1.17
SUP4025-003	70.00	81.50	11.50	0.58
SUP4025-003	94.50	95.50	1.00	2.48
SUP4025-003	114.40	120.00	5.60	0.94
SUP4025-004	118.80	121.80	3.00	0.71
SUP4025-004	124.80	127.00	2.20	0.60
SUP4025-004	131.50	141.00	9.50	0.38
SUP4025-004	151.00	152.50	1.50	1.77

Table 2 - Select Assay Results from the First Four Scout Holes at the Super Block Project. A nominal cut-off of 0.2g/t gold is used for the reporting of potentially significant intercepts. Maximum contiguous dilution within each intercept is 2.5m. Samples have been composited to one and maximum two metre lengths. Whole core sampled in drill intervals with less than 30% recovery, to maximize sample. All intervals are reported as core lengths, as true widths of the mineralized intervals are unknown at this time.

Exploration and Evaluation Expenditures

During the three month period ended November 30, 2025, a total of $163,852 was capitalized to the Super Block project related to exploration and evaluation costs. Components of total costs capitalized comprised: $38,538 related to geology and general field costs; $111,297 related to drilling and related costs; $8,199 related to environmental costs; $4,737 related to community and social development; and,

$1,081 related to health and safety costs. As at November 30, 2025, the carrying value of the Super Block project was $2,286,975 (August 31, 2025 - $2,109,014).

Hungry Gully

Exploration and Evaluation Expenditures

The Hungry Gully project was previously part of the Rodinia and Other property licenses, which consisted of the 100% owned SEPLs in Jamaica known as Arthurs Seat, Main Ridge and Hungry Gully. During February 2024, the Company contributed its Main Ridge SEPL and a portion of its Arthurs Seat SEPL to the Super Block project. During February 2025, the Company contributed the remaining portion of its Arthur Seat SEPL to the Bellas Gate project subject to the Freeport EIA. As at November 30, 2025, the project consisted of only the Hungry Gully SEPL. There are no royalties payable on the Hungry Gully project.

During the three month period ended November 30, 2025, a total of $1,648 was capitalized to the Hungry Gully project related to exploration and evaluation costs. Components of total costs capitalized comprised: $147 related to licence renewal fees; and, $1,501 relating to geology and general field costs. As at November 30, 2025, the carrying value of the Hungry Gully project was $556,829 (August 31, 2025 - $557,442).

SELECTED INTERIM INFORMATION

The following table contains selected interim financial information for the three month periods ended November 30, 2025 and 2024.

	Three month period ended November 30, 2025 $	**Three month period ended November 30, 2024 $**
Revenue	Nil	Nil
Total expenses	(815,995)	(487,695)
Total other income (expenses)	151,249	13,733
Net loss for the period	(664,746)	(473,962)
Basic and diluted loss per common share	(0.01)	(0.01)
Cash dividend per common share	Nil	Nil

	As at November 30, 2025 $	**As at August 31, 2025 $**
Statement of Financial Position		
Total assets	77,015,656	75,527,286
Total liabilities	1,105,098	1,224,669
Total shareholders’ equity	75,910,558	74,302,617

The Company expects to record losses until such time as an economic mineral resource is developed and exploited on one or more of the Company's exploration properties. The Company's future net losses could be significantly affected by any impairment or reversal of impairment.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Total Expenses

For the three month period ended November 30, 2025, total expenses were $815,995 and were comprised of: $214,154 related to promotion and investor relations; $13,904 related to regulatory authority and transfer agent fees; $37,257 with respect to professional fees for legal, accounting, audit and financial advisory services; $370,980 with respect to office, general and administrative costs; and, $179,700 with respect to non-cash share based compensation expense related to stock options.

Total expenses, before other income and expenses, were $328,300 higher during the first quarter of fiscal 2026 when compared to the first quarter of fiscal 2025. Promotion and investor relations costs were higher by $97,825 due to higher costs incurred related to promotional campaigns to increase investor awareness and attendances at investor conferences and roadshows. Regulatory and transfer agent fees remained consistent and were lower by only $168. Legal, accounting, audit and financial advisory costs were higher by $2,816 primarily related to higher legal fees paid by the Company's Peruvian subsidiaries. Office, general and administrative costs were higher by $48,127 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 $179,700 and relate to a non-cash charge for stock options granted during fiscal 2025.

Other expenses and income

For the three month period ended November 30, 2025, other expenses and income totaled a net income of $151,249. The Company received a management fee of $130,923 as the operator of the Bellas Gate project under the Freeport EIA. Interest income earned on cash balances for the three month period ended November 30, 2025 was $63,685. A loss on the fair value of Cascade Copper Corp. marketable securities of $3,125 was recorded. A foreign exchange loss of $40,234 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 November 30, 2025, net loss was $664,746 (Q1 fiscal 2025 – $473,962). Basic and diluted loss per common share was $0.01 (Q1 fiscal 2025 – $0.01). 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 and Peruvian subsidiaries 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 November 30, 2025, a foreign currency translation gain of $1,971,740 (Q1 fiscal 2025 – $1,146,990) was recorded in other comprehensive income / loss.

LIQUIDITY AND CAPITAL RESOURCES

The Company's liquidity depends on existing cash reserves, supplemented as necessary by equity financings. From inception to date, the Company has incurred losses from operations and has had negative cash flows from operating activities. As at November 30, 2025, the Company held cash and cash equivalents of $8,427,348 (August 31, 2025 – $11,851,439) and had a working capital surplus of $7,986,561 (August 31, 2025 – $10,986,228). The Company has financed its operations primarily with equity financing.

Given the Company's plans for significant exploration expenditures on its projects during fiscal 2026, the Company will require additional funding to be able to acquire, 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 whether through equity or debt financing; through joint ventures; the generation of profits from operations; or, the sale of property assets in the future.

Contractual Obligations

Except for the contractual obligation noted below, 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.

Community Agreement

On August 7, 2025, the Company's wholly owned subsidiary, Molino Azul S.A.C, executed a full surface access and drilling rights agreement with the Cancahuani community at its Khaleesi project ("Community Agreement"). Under the terms of the Community Agreement, the Company will pay total compensation related to specific social programs benefiting the community of approximately $308,000 (PEN 800,000) payable in three tranches as follows: $123,200 (PEN 320,000) payable on the date of the Community Agreement (paid); $92,400 (PEN 240,000) payable during the third week of November 2025 (paid); and, $92,400 (PEN 240,000) payable during the last week of March 2026.

OUTSTANDING SHARE DATA

Information with respect to outstanding common shares, stock options, restricted share units and deferred share units as at January 20, 2026, November 30, 2025 and August 31, 2025 is as follows:

	January 20, 2026	November 30, 2025	August 31, 2025
Common shares	99,884,801	99,884,801	99,884,801
Stock options	6,237,674	6,360,750	6,360,750
Restricted share units (RSUs)	-	156,643	156,643
Deferred share units (DSUs)	15,117	15,117	15,117
Fully diluted shares outstanding	106,137,592	106,417,311	106,417,311

On January 5, 2026, a total of 123,076 stock options with an exercise price of $1.43 expired. On December 31, 2025, a total of 156,643 RSUs expired.

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. The Company examines these various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk and market risks. Where material, these risks are reviewed and monitored.

Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents and restricted deposits. The Company's cash and restricted deposits are held at a major Canadian financial institution in both Canada and Jamaica and a major financial institution in Peru. The maximum exposure to credit risk is equivalent to the carrying amount. As at November 30, 2025, the Company does not consider any of its financial assets to be impaired.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through monitoring cash outflows due in its day-to-day business and by regular cash flow forecasting of cash requirements to fund exploration projects and operating costs. As at November 30, 2025, the Company's liabilities included accounts payable and accrued liabilities of $1,105,098 all of which are due within normal trade terms of generally 30 days.

Currency risk

The Company's cash is held in Canadian dollar, Jamaican dollar, US dollar and Peruvian Soles accounts. The Company is exposed to financial risk arising from fluctuations in foreign exchange rates with respect to the US dollar. As at August 31, 2025, the Company held cash in United States dollars of US$1,383,097 equivalent to $1,932,020 (August 31, 2025 - US$1,010,911, equivalent to $1,389,234). The Company has not utilized derivative instruments to reduce its exposure to foreign currency risk.

Market Risk

The prices of copper, gold, silver and other metals fluctuate. The future direction of the price of any metal or mineral will depend on numerous factors beyond the Company's control, including international, economic and political trends, the current wars in Ukraine, the ongoing unrest in the Middle East, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of commodities, and therefore on the economic viability of the Company's properties, cannot accurately be predicted. As the Company is only at the exploration stage, it is not yet possible for it to adopt specific strategies for controlling the impact of fluctuations in the price of the commodities for which it explores.

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 8 to the condensed consolidated interim financial statements for the three month periods ended November 30, 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, 2025 and 2024.

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, 2025. They are not applicable or do not have a material impact on the condensed consolidated interim financial statements of the Company and have been excluded from the summary below.

Amendments to IFRS 9 Financial Instruments and IFRS 7, Financial Instruments: Disclosures

In May 2024, amendments to IFRS 9 Financial Instruments and IFRS 7, Financial Instruments: Disclosures were issued to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets), and; update the disclosures for equity instruments designated at fair value through other comprehensive income. The Company does not expect these amendments to have a material impact on its operations or consolidated financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, IFRS 18, Presentation and Disclosure in Financial Statements, was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, Presentation of Financial Statements, impacts the presentation of primary financial statements and notes, including the statement of losses where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The new standard will not impact the recognition or measurement of items in the consolidated financial statements but its impacts on presentation and disclosure are expected to be pervasive. The Company is currently assessing the impact of the new standard.

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 11, 2025 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, LLM – 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