COTEC HOLDINGS CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED – SEPTEMBER 30, 2025

INTRODUCTION

This Management Discussion and Analysis ("MD&A") of CoTec Holdings Corp (the "Company" or "CoTec") has been prepared by management as of November 18, 2025. Information herein is provided as of November 18, 2025, unless otherwise noted. The following discussion of performance, financial condition and outlook should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2024 ("Financial Statements") and the notes thereto, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2025 and 2024 ("Interim Financial Statements") and notes thereto prepared in accordance with IFRS Accounting Standards applicable to interim financial reporting. These statements are filed with the relevant regulatory authorities in Canada. All amounts herein are expressed in thousands of Canadian dollars, unless otherwise indicated.

The information contained herein is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is a "Venture Issuer" as defined in NI 51-102. For more information on the Company, investors should review the Company's continuous disclosure filings that are available under the Company's profile at www.sedarplus.com.

Readers are cautioned that this MD&A contains forward-looking statements. All information, other than historical facts included herein, including, without limitation potential value of investments, availability of funding, results and future plans and objectives of CoTec is forward-looking information that involves various risks and uncertainties, such as global uncertainty, the impact of trade wars and tariffs, and other geopolitical pressures, as well as general fluctuation in the markets. There can be no assurance that such information will prove to be accurate and future events and actual results could differ materially from those anticipated in the forward-looking information.

BUSINESS OVERVIEW

CoTec is a publicly traded investment issuer listed on the Toronto Venture Stock Exchange ("TSX-V") and the OTCQB and trades under the symbol CTH and CTHCF respectively. CoTec Holdings Corp. is a forward-thinking resource extraction company committed to revolutionizing the global metals and minerals industry through innovative, environmentally sustainable technologies and strategic asset acquisitions. With a mission to drive the sector toward a low-carbon future, CoTec employs a dual approach: investing in disruptive mineral extraction technologies that enhance efficiency and sustainability while applying these technologies to undervalued mining assets to unlock their full potential. By focusing on recycling, waste mining, and scalable solutions, the Company accelerates the production of critical minerals, shortens development timelines, and reduces environmental impact. CoTec's strategic model delivers low capital

requirements, rapid revenue generation, and high barriers to entry, positioning it as a leading mid-tier disruptor in the commodities sector.

HIGHLIGHTS, RECENT DEVELOPMENTS AND OUTLOOK

Highlights for the Quarter

Operational

- Net loss for the three and nine months ended September 30, 2025 of $2,878, and $8,092. Cash based expenses comprise mainly general & administrative expenses of $902, and $2,359, whilst the remainder of the losses were non-cash foreign exchange and accounting related adjustments to equity investments of $426, and $2,470 for the three and nine months ended September 30, 2025, respectively, and share-based compensation of $908, and $1,612 for the three and nine months ended September 30, 2025
- On July 23, 2025, HyProMag USA entered a pre-processing site sharing and feedstock supply agreement with Intelligent Lifecycle Solutions Inc. ("ILS")
- August 2025, ILS commenced stockpiling of electronic waste material for HyProMag USA
- September 4, 2025, HyProMag USA announced commissioning of concept study to evaluate additional hubs in South Carolina and Nevada and commissioned Worley to complete a concept study on "Long Loop" recycling
- September 15, 2025, HyProMag USA provided project update with Detailed Design and Engineering ("DDE") 25% complete, increased throughput at Pilot Plant and shortlisting of Dallas-Fort Worth hub sites
- September 30, 2025, HyProMag USA purchased three Inserma pre-processing and printed circuit board ("PCB") separation units for Texas, Nevada and South Carolina sites, expected delivery before year-end
- August 4, 2025, 403 Drilling Limited commenced infill and expansion drilling at Lac Jeannine Project
- August 27, 2025, infill and expansion drilling completed at Lac Jeannine Project
- Invested an aggregate US$330,179 into MagIron LLC ("MagIron") during the quarter to maintain an undiluted equity interest

Corporate

- July 21, 2025, completed the Listed Issuer Financing Exemption Offering ("LIFE Offering") and concurrent Private Placement ("Private Placement") (together the "Offering") of up to an aggregate of $10 million announced on May 20, 2025. Raised an aggregate $13.5 million under the Offering
- August 11, 2025, secured a $6.6 million convertible loan facility from Kings Chapel International Limited ("Kings Chapel") and Epic Capital Management Inc. ("Epic Capital").
- August 2025, converted an aggregate $6,851 of convertible loans from Kings Chapel into common shares of the Company at a price of $0.75, of which $2,000 was converted voluntarily followed by an automatic conversion of the remaining $4,851 as a result of the volume weighted average trading price of the Company's Common Shares on the TSX Venture Exchange (the "TSXV") over the immediately preceding 15 trading days being greater than $1.00.

Recent Developments and Outlook

The Company reported a net loss of $2,878 for the quarter. The cash component of the loss was mostly comprised of general & administrative expenses of $902. The remainder of the loss was non-cash based foreign exchange ("FX") and accounting related adjustments to equity investments $586 as well as share-based compensation of $908. Cash used by operations to operate the Company was $3,666 for the nine months ending September 30, 2025, of which $706 related to paying down Trade and other payables and accrued liabilities. The Company also launched LIFE Offering and concurrent Private Placement to raise up to an aggregate of $10 million. The financing was 35% oversubscribed and closed on July 22, 2025.

Operationally, CoTec's key focus is the continued roll-out of HyProMag USA where the DDE is now more than 25% complete and remains on track and within budget. Other areas such as securing the facility for the first hub in Texas, supply agreements and commissioning expansion studies to increase the business to three hubs are also underway. At Lac Jeannine CoTec completed the 2025 infill and expansion drilling campaign, which started on August 4, 2025.

MagIron continues to make steady progress towards the completion of a NI43-101 report which is expected to be completed by year-end.

Maginito (20.6%) and HyProMag USA Joint Venture (60.3% flowthrough ownership) Investments

Maginito and HyProMag USA Joint Venture ("HyProMag USA" or the "Project") represent the Company's investment in the rare earth elements ("REE") sector. HyProMag USA joint venture was formally incorporated at the start of 2024 and is owned on a 50:50 basis between CoTec and Maginito, providing CoTec with a 50% direct equity interest and a further 10.3% indirect interest through its 20.6% equity interest in Maginito.

HyProMag USA plans to roll out HyProMag's revolutionary patented Hydrogen Processing of Magnet Scrap technology ("HPMS") in the USA which recovers REE from permanent magnets and will use the recovered REE in the production of new permanent magnets. Key advantages of the HPMS include very low carbon footprint, reduced recycling time, avoidance of extensive chemical use and a very competitive cost profile.

The HyProMag USA independent Feasibility Study ("Feasibility Study") was completed by BBA, PegasusTSI and Weston during November 2024 on time and within budget. The study is based on three pre-processing plants - Nevada, South Carolina and Texas - and one end-to-end recycling and magnet production facility in Texas. The Texas hub referenced in the Feasibility Study includes two HPMS vessels and a target production of 750 metric tons per annum of recycled sintered neodymium iron boron ("NdFeB") magnets and 291 metric tons per annum of associated NdFeB co-products (total payable capacity – 1,041 metric tons NdFeB) over a 40-year operating life.

The Feasibility Study reported an NPV7% of US$262 million and 23% real IRR based on prevailing market average prices at the time of US$55 per KG and all-in sustaining cost of US$19.6 per KG of NdFeB. $503 million post-tax NPV7% and 31% real IRR based on forecasted market prices. Final site selection for Texas

has been completed, and lease negotiations are underway. Baseline permitting for the selected site is expected to be completed by the end of 2025.

During the quarter, DDE remained ongoing and is now more than 25% complete on time and within budget and the scope of the Texas hub was extended to include three HPMS vessels in the recycling plant compared to two included in the Feasibility Study. The third HPMS vessel will increase production of associated NdFeB co-products from 291 metric tons per annum to approximately 750 metric tons. The Company is evaluating the further expansion of the project through the placement of two additional HPMS recycling and magnet manufacturing facilities in South Carolina and Nevada respectively to triple the capacity of the Project. HyProMag USA also commenced investigating the addition of a long loop chemical processing plant which will be complementary to the short loop process.

The Company has delayed the notice to proceed from this quarter to Q1, 2026 to accommodate certain design changes, which include optimizing manufacturing equipment for the design of the Texas hub and any future hubs. HyProMag USA believes the optimization of this processing equipment could provide a significant competitive advantage pertaining to long-term security of production. However, the delay is not expected to have a material impact and commissioning of the Texas hub is still expected by mid-2027.

During the quarter, HyProMag USA entered a feedstock supply and pre-processing site share agreement with global electronics recycling company, ILS. In terms of the agreement, the Project's pre-processing facilities will be based on the ILS sites in South Carolina and Nevada and ILS will provide feedstock to HyProMag USA. Stockpiling of end-of-life electronic scrap has commenced and to date, ILS has engaged with several suppliers to establish consistent feed of electronic scrap.

HyProMag USA has also purchased three Inserma and PCB machines for each of the Texas, South Carolina and Nevada sites for pre-processing of the end-of-life electronic scrap material. Delivery of these machines is expected prior to year-end and is subsequently expected to accelerate the stockpiling by ILS.

The Project has received a Make More in America (MMIA) domestic finance letter of interest ("LOI") from the U.S. Export-Import ("EXIM") Bank for its first integrated rare earth recycling and magnet-making facility in Dallas-Fort Worth, Texas. In terms of the letter, EXIM may be able to consider potential financing of up to $92 million of the project's costs with a repayment tenor of 10 years.

In addition to the EXIM LOI, discussions with two commercial banks in relation to potential project finance for the Project are progressing well and entering the due diligence phase, whilst discussions with several US federal and state government bodies to support funding and other incentive opportunities remain ongoing.

Maginito continues to progress commissioning and construction of the HyProMag plants in the UK and Germany, respectively. Post quarter-end, Maginito announced first production runs of recycled rare earth alloy from the commercial-scale HPMS vessel at Tyseley Energy Park in Birmingham, UK. It is expected that HyProMag USA will benefit from the operational experience and production ramp-up in the UK and Germany.

Lac Jeannine Property (100% Option to Acquire)

The Lac Jeannine, BSL investment, together with MagIron below, represent the Company's investment in the steel industry.

Lac Jeannine is a reclamation project which can significantly reduce the environmental impact of primary iron ore production, whilst BSL's cold agglomeration technology could decrease carbon output from pellet production by up to 97%.

During 2023, the Company signed an option agreement to acquire 31 mining claims forming the Lac Jeannine property located in the Côte-Nord region of Quebec, Canada. The property contains historical tailings of the previous Lac Jeannine iron ore mine operated by the Québec Cartier Mining Company between 1959 and 1985.

The preliminary economic assessment for Lac Jeannine ("PEA") was completed during Q2 2024 by an interdisciplinary team of consultants, engineers and scientists co-led by Addison Mining Services Ltd. and Soutex Inc. The PEA incorporated the 2023 drill-program and metallurgy testing results from Corem, providing an initial Inferred Mineral Resource of approximately 73 million tonnes (Mt) at 6.7% total Fe for 4.9 Mt of contained total Fe. Based on open-pit extraction methods and the production of a gravity concentrate via conventional processing techniques and at a discount rate of 7.0% (based solely on an initial 10-year life of mine), the PEA indicated a pre-tax NPV of US$93.6 million, an IRR of 38%, and an after-tax NPV of US$59.5 million.

Though the PEA is based on an initial 10-year life of mine, estimates indicate this period could be extended by as much as a further 10 years with continued drilling and resource definition and the completion of a feasibility study. The 2023 drilling program which formed the basis for the PEA targeted only a portion of the total available tailings, whereas the 2025 infill and expansion drill-program and follow-on feasibility study will be based on all available tailings. The drilling of the remaining tailings could double the life of mine without the need for additional capex, potentially resulting in a significant increase in the expected financial returns.

During the prior quarter CoTec engaged a drilling contractor and obtained all the necessary permits to perform the 2025 drill-program which commenced on August 4, 2025 and was successfully completed by 403 Drilling Limited on August 27, 2025. Core samples were sent for analysis to Corem, and assays are expected by early Q1, 2026. Post quarter-end the Company engaged BBA to conduct the feasibility study for the Lac Jeannine project.

During the prior quarter, CoTec entered an exclusivity and collaboration agreement with Salter Cyclones Limited ("Salter") for use of its multi gravity technology for the recovery of ultra fine iron and manganese ("Salter Technology"). The Salter Technology will be tested on the Lac Jeannine material following the completion of the 2025 drill-program. The successful recovery of ultra fine material from Lac Jeannine could add further significant value to the Lac Jeannine project. Post quarter end, the Company announced the purchase of its first commercial scale multi gravity separation machine ("MGS") from Salter. The MGS

will be based at Corem's testing laboratory in Quebec, Canada, where it will be used to support the Lac Jeannine Feasibility Study as well as testing on future CoTec projects.

Engagement with the numerous potential stakeholders of the Lac Jeannine property - including the Government of Québec, local stakeholders and First Nation communities - to facilitate the eventual development of the project is ongoing and progressing well.

The PEA is preliminary in nature and is based on Inferred Mineral Resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. As such, there may be no certainty that the PEA will be realized.

Binding Solutions Limited ("BSL")(3%)

Following the successful completion of its Blast Furnace trial with British Steel in Q2, BSL focused on commercializing and refining its product offering as it looks to progress to larger-scale trials.

BSL has made significant improvements in its DR pellet offering with pellet specifications equivalent to seaborne indurated pellets. BSL ran successful basket trials in the Middle East and plans to run further basket trials over the next 6 months, as well as larger scale trials with Salzgitter on its uDral plant.

Following its presentation at the Fastmarkets conference in Barcelona, BSL has seen significant interest in its technology from miners and steel mills around the world. Following its Climate Innovator award from Bloomberg earlier in the year, BSL has been shortlisted by Mining Magazine for awards in Net Zero and Mineral Processing. BSL was also awarded three ISO certificates (ISO 9001, 14001, and 45001) recognizing the quality of the work the BSL team is delivering at its Technology Centre.

BSL remains committed to running larger scale trials at its demonstration plant. BSL signed an MOU with a trading company for the development of Cold Agglomerated Pellets and a pathway to potential funding of a plant. BSL is engaged with several miners and steel mills for supply and offtake agreements, which it plans to sign in the coming months. Discussions also began in Q3 regarding its latest investment round which it expects to complete in Q4 to support development as BSL looks to achieve scale-up milestones ahead of a final investment decision on its First-of-a-Kind Demonstration plant.

Subsequent to quarter-end, BSL agreed terms for a $5 million equity financing round with existing shareholders to fund the construction of its first-of-a-kind demonstration plant. The financing supports ongoing development milestones and does not represent a material change to CoTec's investment position.

MagIron (16.5%)

MagIron is the third of CoTec's steel investments. MagIron is a U.S.-based private company which acquired an iron ore project, including the Plant 4 concentrator, which it intends to refurbish and bring back into production. A significant part of the project's feedstock will come from existing surface iron-bearing stockpiles, materially reducing the project's mining footprint. CoTec owns a 16.5% undiluted equity interest in MagIron.

During the quarter, CoTec participated in a series of cash calls for an aggregate amount of USD330,179, or $454, to maintain its equity interest.

MagIron cash calls are at US$5.21 per MagIron share, representing an increase in the Company's initial investment valuation price. Management also considered the uncertainties around the project milestones and has applied an overall liquidity discount of 50% to this valuation, to reflect management's view on financing and operational risk. This resulted in a downward adjustment of $764 in equity investments for the nine months ended September 30, 2025. Additionally, a foreign exchange loss of $665 related to the strengthening of the Canadian dollar versus the US dollar was recorded for an aggregate loss through the statement of loss as FVTPL in the amount of ($1,429).

The increase in the share issue price compared to the value at initial investment was driven by the enterprise valuation determined by MagIron's Board of Directors based on several factors. Operationally MagIron continued to make progress on permitting and expansion of its lease holdings to increase its potential feedstock holdings as it advances on its strategy to restart Plant 4. Plant 4 is fully permitted for the restart of mining and processing activities, subject to posting $3.7 million financial assurance required under the Permit to Mine. MagIron is also in the process of completing a NI 43-101 feasibility study technical report for the restart of its facilities and completion is expected in Q4, 2025. MagIron's pilot facility, constructed during the first quarter of 2025, continues to perform well and results to date have been encouraging and is used to support the feasibility study.

Iron-bearing stockpiles already owned by MagIron combined with iron-bearing materials secured through long-term mineral leases could be sufficient to support Plant 4 for more than 20 years of operation, targeting annual production of 2.5 million dry tonnes per annum of Direct Reduction ("DR") grade iron concentrate.

MagIron also continues to evaluate alternative value accretive strategies such as a potential acquisition of a pelletizing facility which may be of strategic interest to unlock the value of Plant 4. To this end MagIron has acquired the land on which the Reynolds Pellet Plant in Indiana is located and discussions for the acquisition of the pelletizer are in an advanced stage.

MagIron will commence its financing activities for the re-start of its facilities during H1, 2026, on completion of the NI 43-101 and conclusion of its discussions on the potential acquisition of the pelletizer.

Ceibo Inc. Investment ("Ceibo")

Ceibo represents the Company's investment in the copper sector. It is targeting the scaling of its technology through continued small- and large-scale column testing and the building of a demonstration plant. If successful, Ceibo's technology will represent a leading, low-carbon, high recovery primary and waste copper sulphide heap leaching process. Ceibo have made considerable progress in their technology development and in Q4, 2024 it announced that it had partnered with Glencore's Lomas Bayas Mining Company to deploy the technology at the Lomas Bayas mine.

During the prior quarter Ceibo achieved another major milestone when it produced its first copper cathode at a demonstration plant in partnership with Chilean copper producer Compañía Minera San Gerónimo ("CMSG").

In line with the Company's business model, CoTec provides ongoing support to Ceibo through its representation on the Ceibo Technical Advisory Board and is working on the identification of potential operational application opportunities for the Ceibo technology. Opportunities identified by CoTec, if pursued, will be done in cooperation with CoTec as joint partner/investor or on a technology license basis.

International Zeolite Loan Note

The Company's $300 loan note to International Zeolite Corp ("IZ") remains outstanding as at quarter-end. The loan note is fully secured through a first ranking charge in favor of CoTec over all of IZ's assets ("IZ Loan"). The note attracts interest at 7% per annum and was repayable at the earlier of November 1, 2024, or a change of control at IZ. As of September 30, 2025, the loan was in default. The Company continues to work with IZ management on required restructuring steps to enable IZ to settle the loan.

Convertible Loan from Related Party - Kings Chapel

The Company and Kings Chapel entered into a convertible loan agreement on November 19, 2024 which was subsequently amended by the parties on February 28, 2025 ("Convertible Loan Agreement"). In terms of the agreement, Kings Chapel agreed to advance to CoTec a total principal amount of $4.3 million on an unsecured basis which was increased by a further $2.8 million through the February 28, 2025, amendment. The outstanding principal amount was subject to an annual interest rate of 10% and was repayable, together with accrued and outstanding interest, on December 31, 2027. Furthermore, the outstanding principal amount under the Convertible Loan Agreement was convertible into common shares of the Company ("Common Shares") (i) at any time at Kings Chapel's election, at a price of CAD0.75 per Common Share, and (ii) automatically at a price of CAD0.75 per Common Share, on the first day on which the volume weighted average trading price of the Common Shares on the TSX-V over the immediately preceding 15 trading days were equal to or greater than CAD1.00.

On August 4, 2025, Kings Chapel converted $2,000 of the outstanding principal under the Convertible Loan Agreement into 2,666,667 CoTec Common Shares. On August 11, 2025, the weighted average price of the CoTec Common Shares on the preceding 15 trading days on the TSX-V reached $1 and the Company settled the full outstanding principal balance under the Kings Chapel Convertible Loan Agreement through the automatic conversion of $4,851, inclusive of an additional drawdown of $500 on the same date, into 6,468,515 common shares at a conversion price of $0.75 per share. In addition, the Company also repaid $500 of accrued interest.

On the same date, the Company entered into new convertible loan facilities with Kings Chapel and Epic Capital Management Inc. ("Epic Capital"), providing principal amounts of up to $5,000 and $1,600, respectively. The new loans bear interest at 10% per annum, are repayable on December 31, 2028, and include a 2.5% standby fee on undrawn amounts.

The loans are convertible into common shares at $1.15 per share, subject to certain conversion conditions and regulatory approvals.

No amounts have been drawn under the new facilities as of the date these financial statements were authorized for issue. As of September 30, 2025, the company has recorded $24 of standby fee interest. The accrued and unpaid interest of the Convertible Loan Agreement was $260 as of September 30, 2025.

Equity

During the nine-months ending September 30, 2025 the Company received $28 from the exercise of 51,161 warrants at $0.55 per share.

Corporate

On May 20, 2025 the Company announced the LIFE Offering to raise up the $5 million through an offering of up to 6,410,256 units (each, a "Unit") at a price of $0.78 per Unit. Each Unit consisted of one Common Share and one Common Share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder to purchase one Common Share at an exercise price of $1.20 for a period of 18 months following the issuance of the Units. The Warrants are subject to an accelerated expiry provision such that if, for any 15 consecutive trading days (the "Premium Trading Days") during the unexpired term of the Warrants, the closing price of the Common Shares exceeds $1.35, the expiry date may, at the discretion of the Company, be accelerated to 30 calendar days (the "Acceleration Clause").

Concurrently with the LIFE Offering, the Company also announced the Private Placement to raise up to $5 million through an offering of up to 6,410,257 Units to be priced at $0.78 per Unit.

The Offering was closed on July 22, 2025, and was 35% oversubscribed with an aggregate 17,339,339 Units being issued for total gross proceeds of $13,524.

Business Development

The Company continues to assess and evaluate operational opportunities for the application of its technology investment portfolio. Attractive opportunities which meet the Company's investment criteria are progressed to the Investment Committee. The Investment Committee meets monthly to review all proposals on investments and capital decisions, and recommend matters for approval to the Board, where appropriate.

Looking ahead, the Company will focus on the completion of the DDE for HyProMag USA, including the optimization of manufacturing equipment, and in parallel, progress discussion to secure both supply and off-take agreements for this project, finalize the lease for a building to house the Texas hub and complete the financing arrangements.

At Lac Jeannine, assay results should become available in Q1, 2026, whilst the feasibility study is underway and should be completed during H2 2026. Discussions with all relevant stakeholders in Lac Jeannine are ongoing.

MagIron is expected to complete its NI 43-101 prior to year-end and will commence financing for the restart of its facilities during H1, 2026.

Furthermore, the Company continues to assess asset opportunities for its technology investments, with the focus being on copper and iron.

RESULTS OF OPERATIONS

	For the three months ended		For the nine months ended	
	Sep. 30, 2025	**Sep. 30, 2024**	**Sep. 30, 2025**	**Sep. 30, 2024**
INCOME/EXPENSES FROM INVESTMENTS				
Gain (loss) on equity investment (Note 5)	(426)	(501)	(2,470)	2,987
Share of (loss) associate and joint venture accounted for using the equity method (Note 6)	(160)	(77)	(356)	(277)
EXPENSES				
Professional consulting fees	(231)	(51)	(608)	(381)
General & administrative expenses	(902)	(355)	(2,359)	(1,676)
Share-based compensation (Note 4)	(908)	(1,192)	(1,612)	(1,246)
Operating (loss)	**(2,627)**	**(2,175)**	**(7,405)**	**(593)**
Finance expense (Note 11)	(247)	(48)	(676)	(162)
Finance income	7	6	19	19
Foreign exchange (loss) gain	(10)	24	(31)	(40)
Net finance expense	(251)	(18)	(687)	(183)
Income tax expense	-	-	-	-
Net (loss)	**$ (2,878)**	**$ (2,193)**	**$ (8,092)**	**$ (775)**
OTHER COMPREHENSIVE INCOME				
Foreign currency translation (Note 6)	-	-	422	-
Comprehensive (loss)	**$ (2,878)**	**$ (2,193)**	**$ (7,670)**	**$ (775)**

Three Months Ended September 30, 2025

The loss on equity investment of $426 is mostly driven by the reduction in the valuation of the Company's BSL Investment slightly mitigated by foreign exchange gains on the MagIron and Ceibo investments due to a devaluation in the Canadian dollar versus the US dollar from 1.362 to 1.392. This compares to the $501 loss in 2024 which was primarily driven by a $265 foreign exchange adjustment to the MagIron investment due to a strengthening of the Canadian dollar during the comparative quarter from 1.374 to 1.352 against the US dollar.

Share-based compensation expense comprises expenses relating to stock options, equity incentive units ("EIUs"), deferred share units ("DSUs") and reserved share units ("RSUs"). During the quarter, share-based compensation decreased from $1,192 in the comparative period to $908 in the current period. The expense in the respective periods is driven by changes in the Company's share price and its impact on the Monte Carlo simulation valuation of these equity-based incentives, as well as the number of shares vested. During the current period, expense related to stock options was slightly higher at $219 compared to $192 as additional stock options were awarded during the current period. RSUs saw an increase from $5 to $82 due to additional RSUs being awarded during the current period. EIUs saw a decrease in expense from $857 to $287 mainly due to a $822 charge relating to the vesting of the September 20, 2024, EIUs. DSUs saw an increase in expense from $137 to $320 in the current period due to additional DSUs awarded in the period as well an increase in the Company's stock price from $0.84 as of June 30, 2025 to $1.10 as of September 30, 2025.

Finance expense increased to $247 in the current period vs. $48 in the comparative period due to an increase in the Company's outstanding loan facilities as well as standby fees on the new convertible loans.

General & Administrative expenses increased from $355 in the comparative period to $902 in the current period primarily due to increased payroll costs as CoTec continues to expand both its engineering and finance teams, in addition to increased marketing and public relations expenses.

Nine Months Ended September 30, 2025

The loss on equity investment of $2,470 during the current period was mainly driven by foreign exchange losses on the Company's foreign currency denominated investments due the strengthening of the Canadian dollar versus the US dollar, from 1.439 December 31, 2024, to 1.392 September 30, 2025, as well as a decrease of $764 in equity value for its equity contributions in MagIron, and $691 decrease from the recent BSL equity raise. The gain on equity investments during the comparative period ending September 2024 was mainly driven by a revaluation of the MagIron investment and positive foreign exchange movements.

Share-based compensation expense in the current period was $1,612 vs. $1,246 in the comparative period. The increase in the charge was mainly driven by an increase in the Company's share price between December 31, 2024, from $0.63/share to $1.10 as of September 30, 2025, as well as additional stock options, RSUs, and DSUs awards in the current period.

Finance expense increased to $676 in the current period vs. $162 in the comparative period due to an increase in the principal outstanding under the Company's loan facilities as well as standby fees for the new convertible loans.

General & Administrative expenses increased from $1,676 in the comparative period to $2,359 in the current period primarily due to increased payroll costs as CoTec continues to expand both its engineering and finance teams, in addition to an increase in marketing and public relations expenses.

No cash dividends have been declared or paid since the date of incorporation and the Company has no present intention of paying dividends on its common shares.

Revision of Previously Issued Financial Statements

During Q3 2025, management identified a misclassification in the accounting for the Company's convertible notes issued on November 1, 2024. The instruments had been treated as a debt host and derivative liability measured at fair value through profit or loss. Upon further review, management has determined that the notes meet the definition of compound financial instruments under IAS 32 as the notes are convertible into a fixed number of shares at a fixed conversion price. Accordingly, the conversion feature has been reclassified as a component of equity and the fair value changes have been reversed. There was also a prior-period error in the presentation of the cumulative translation adjustment, which had previously been recorded through retained earnings instead of being recorded in the carrying value of the related equity accounted associated with an additional mathematical error overstating comprehensive loss. Comparative information for the year ended December 31, 2024 has been revised, and opening balances at January 1, 2025, have been adjusted accordingly. Earnings per share was impacted in two periods.

A summary of the requisite adjustments on the financial statements for the 12-month period ending December 31, 2024, is set forth in the table below:

Summary:

	Twelve months ended Dec. 31, 2024 (As Previously Reported)	**Cumulative translation adjustment**	**Convertible loan adjustment**	**Twelve months ended Dec. 31, 2024 (As Revised)**
	$	**$**	**$**	**$**
Net (loss)	(243)	-	178	(65)
Loss on embedded derivative	(178)	-	178	-
Finance expense	(806)	-	-	(806)
Net loss per common share	($0.00)	-	($0.00)	($0.00)
Comprehensive (loss) income	(978)	1,425	178	625

Summary:

	As at Dec. 31, 2024 (As Previously Reported)	**Cumulative translation adjustment**	**Convertible loan adjustment**	**As at Dec. 31, 2024 (As Revised)**
	$	**$**	**$**	**$**
Investments in associate and joint venture	10,572	690	-	11,262
Convertible loan	3,966	-	(477)	3,489
Equity component of convertible loan	-	-	299	299
Cumulative translation adjustment	735	(45)	-	690
Deficit	(91,008)	735	178	(90,095)

A summary of the requisite adjustments on the financial statements for the 3-month period ending March 31, 2025, is set forth in the table below:

Summary:

	Three months ended Mar. 31, 2025 (As Previously Reported)	**Cumulative translation adjustment**	**Convertible loan adjustment**	**Three months ended Mar. 31, 2025 (As Revised)**
	$	**$**	**$**	**$**
Net (loss)	(1,712)	-	41	(1,671)
Loss on embedded derivative	(42)	-	42	-
Finance expense	(190)	-	(1)	(191)
Net loss per common share	($0.02)	-	($0.00)	($0.02)
Comprehensive (loss) income	(1,376)	-	41	(1,335)

Summary:

	As at Mar. 31, 2025 (As Previously Reported)	**Cumulative translation adjustment**	**Convertible loan adjustment**	**As at Mar. 31, 2025 (As Revised)**
	$	**$**	**$**	**$**
Investments in associate and joint venture	10,827	690	-	11,517
Embedded derivative	1,237		(1,237)	-
Convertible loan	4,895	-	618	5,513
Equity component of convertible loan	-	-	400	400
Cumulative translation adjustment	1,071	(45)	-	1,026
Deficit	(92,720)	735	219	(91,766)

A summary of the requisite adjustments on the financial statements for the 6- and 3-months period ending June 30, 2025, is set forth in the table below:

Summary:

	Six months ended Jun. 30, 2025 (As Previously Reported)	Cumulative translation adjustment	Convertible loan adjustment	Six months ended Jun. 30, 2025 (As Revised)
	$	$	$	$
Net (loss)	(5,730)	-	500	(5,230)
Loss on embedded derivative	(516)	-	516	-
Finance Expense	(428)	-	(16)	(444)
Net loss per common share	($0.08)	-	$0.01	($0.07)
Comprehensive (loss) income	(5,309)	-	500	(4,809)

Summary:

	Three months ended Jun. 30, 2025 (As Previously Reported)	Cumulative translation adjustment	Convertible loan adjustment	Three months ended Jun. 30, 2025 (As Revised)
	$	$	$	$
Net (loss)	(4,019)	-	460	(3,559)
Loss on embedded derivative	(474)	-	474	-
Finance expense	(238)	-	(14)	(252)
Net loss per common share	($0.06)	-	$0.01	($0.05)
Comprehensive (loss) income	(3,933)	-	460	(3,473)

Summary:

	As at Jun. 30, 2025 (As Previously Reported)	Cumulative translation adjustment	Convertible loan adjustment	As at Jun. 30, 2025 (As Revised)
	$	$	$	$
Investments in associate and joint venture	11,247	690	-	11,937
Embedded derivative	2,009	-	(2,009)	-
Convertible loan	5,758	-	884	6,642
Equity component of convertible loan	-	-	447	447
Cumulative translation adjustment	1,156	(45)	-	1,112
Deficit	(96,738)	735	678	(95,325)

SUMMARY OF QUARTERLY RESULTS

Selected financial information for each of the eight most recently completed quarters are as follows:

$000's except per share	2025				2024			2023
	Q3	**Q2 Revised Note 2f**	**Q1 Revised Note 2f**	**Q4 Revised Note 2f**	**Q3**	**Q2**	**Q1**	**Q4**
Net income (loss) for the period	(2,878)	(3,559)	(1,671)	713	(2,193)	1,454	(39)	(3,340)
Comprehensive income (loss) for the period	(2,878)	(3,473)	(1,335)	1,403	(2,193)	1,454	(39)	(3,340)
Net income (loss) per common share								
Basic	($0.03)	($0.05)	($0.02)	$0.01	($0.03)	$0.02	($0.00)	($0.06)
Diluted	($0.03)	($0.05)	($0.02)	$0.01	($0.03)	$0.02	($0.00)	($0.06)

The Company is not yet producing any revenue and holds several investments denominated in foreign currencies. The main drivers in the company's net income per quarter are; 1) cash expenses per quarter relating to salaries, marketing and investor relations, accounting and auditing fees and legal expenses relating to investment activities; 2) changes in the valuation of the Company's investments due to revaluation and the impact of movements in the exchange rate between the CAD and the currency in which a particular investment is held; and 3) stock based compensation and the impact of movements in the Company's share price on these instruments.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

The Company has experienced recurring operating losses and has an accumulated deficit of $98,187 as of September 30, 2025 (December 31, 2024: ($90,095) – Revised Note 2f). For the nine months ending September 30, 2025, the Company used cash in operating activities totaling $3,666 (September 30, 2024: $1,837). The Company had cash and cash equivalents of $5,849 (December 31, 2024 $755) and working capital of $3,651 as at September 30, 2025 (December 31, 2024: $719 deficit). Working capital is defined as current assets less current liabilities and provides a measure of the Company's ability to settle liabilities that are due within one year, with assets that are also expected to be converted into cash within one year.

During the nine months ending September 30, 2025, the Company raised approximately $13.5 million through equity financing (see Note 4 Share Capital) and secured $6.6 million in convertible loan facilities (see Note 11 Convertible Loan).

The Company's continued operation is dependent upon its ability to raise additional funding and/or generate cash through other business activities. Although the directors believe that the Company should be able to secure future funding as required, there are no assurances that the Company will be successful in achieving

this goal. As a result, there are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes the Company will realize on its assets and discharge its liabilities for at least twelve months from September 30, 2025, and do not include adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

As of September 30, 2025 the Company had equity investments with a total book value of $29,026, current assets of $6,314, offset by current liabilities of $2,663 and non-current liabilities of $1,689. Current liabilities and non-current liabilities include obligations to related parties totaling $2,132.

TRANSACTION WITH RELATED PARTIES

Compensation of Key Management

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. The Company has identified the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Board Chairman as its key management personnel. The remuneration of key management is determined by the compensation committee of the Board of Directors. The consulting fees and other compensation of key management personnel were as follows for the three and nine months ended September 30, 2025, and September 30, 2024:

	For the three months ended		For the nine months ended	
	Sept. 30, 2025	**Sept. 30, 2024**	**Sept. 30, 2025**	**Sept 30, 2024**
Short-term salaries and benefits	(436)	(367)	(1,166)	(1,100)
Share-based compensation expense	(751)	(1,075)	(1,407)	(1,095)
Total	**(1,187)**	**(1,442)**	**(2,573)**	**(2,195)**

There is $387 of accrued salaries in accrued liabilities for the CEO, CFO and Board Chairman.

Other Related Party Transactions

The Company has entered into a series of loans with Kings Chapel International Limited ("Kings Chapel") to facilitate timely investments and provide general working capital. Kings Chapel is owned by an irrevocable discretionary trust associated with Julian Treger, the Company's Chief Executive Officer and a director of the Company.

Pursuant to the compensation agreement with the CEO, the Company has awarded and will continue to award to the CEO additional equity incentive units ("EIUs") equal to 7% of the common shares issued or issuable pursuant to financing transactions on each closing date of such transactions from November 27, 2023 until December 31, 2025 ("December 2025 Compensation Agreement") excluding certain common

shares issued on which broker fees are payable. Each EIU is equivalent in value to one common share of the Company, and will vest on the earlier of i) December 31, 2026, provided that the 30-day volume weighted average trading price ("VWAP") of the common shares as on the principal stock exchange on which they are then traded is at least $1.10 per share (adjusted as required to give effect to any stock splits, consolidations or other reorganizations of the common shares after the date hereof), and ii) the date on which the Company completes a change of control (the "Vesting Date"), provided in either case that the Director is engaged with the Company as Executive Chair or CEO and remain so engaged as of the respective Vesting Dates. If the EIUs vest in accordance with the aforementioned conditions, then no later than 10 days after the respective Vesting Dates, the Company will deliver in respect of every Unit, at its discretion, either i) one common share or ii) a cash payment equal to the VWAP of the common shares on the primary stock exchange for the five trading days immediately preceding the Vesting Date.

In connection with the December 2025 Compensation Agreement, the Company has also awarded and will continue to award to the CEO additional stock options equal to 5% of the common shares issued pursuant to financing transactions on each closing date of such transactions until December 31, 2025, excluding certain common shares issued on which broker fees are payable. Each award under this agreement will have an exercise price equal to the most recent closing price of the common shares as of the date of the grant, a term of 10 years and will be subject to vesting over three years, with 1/3 of each option grant vesting each year.

As of September 30, 2025, 2,409,173 vested EIUs remain unpaid resulting in a liability of $1,219 to the CEO and Board Chairman.

As of September 30, 2025, the fair value of the unvested EIUs were calculated using Monte Carlo simulation using an expected annual volatility of approximately 63% based on historical annual volatility to estimate the expected value by averaging the ending stock prices as at the vesting dates over 10,000 simulations.

Should the common shares trade at $1.10 per share as of the Vesting Date for the December 2025 Compensation Agreement, the estimate liability for these EIUs would be $1,729. At $1.15 per share, the estimated liability would be $1,807; at $1.20 per share, the estimated liability would be $1,886, and at $1.25 per share the estimated liability would be $1,964. As of September 30, 2025, the closing share price for the Company on the TSX-V, was $1.12 per share, which if traded at these levels and up to $1.15 per share as of the Vesting Date, would result in a liability of between $1,729 and $1,807.

EIU's granted to the CEO pursuant to the above-noted arrangement as of September 30, 2025 are presented below:

9					
	EIUs Granted during nine months ended September 30 2025				
Date of Grant	**Vesting Date**	**Owner**	**Number Awarded #**	**Grant Value $**	**Value as at Sept. 30, 2025 $**
June 18, 2025	December 31, 2026	CEO	167,032	75	121
July 22, 2025	December 31, 2026	CEO	176,451	128	128

	343,483	**$203**	**$249**

Balance of Unvested EIUs as of September. 30, 2025			
Owner	**Number Awarded #**	**Grant Value $**	**Value as at Sept. 30, 2025 $**
CEO	1,571,640	434	1,142
	1,571,640	**434**	**1,142**

Stock Options granted to the CEO pursuant to the above-noted arrangement as of September 30, 2025, are presented below:

Stock Option's Granted during nine months ended September 30 2025						
Date of Grant	**Expiry Date**	**Owner**	**Number Awarded #**	**Grant Value $**	**Exercise Price $**	**Term Years**
August 13, 2025	August 13, 2035	CEO	702,104	0.69	0.91	10
			702,104			

Balance of Stock Options as of September 30, 2025	
Owner	**Number Awarded #**
CEO	4,420,730
Board Chairman	430,611
	4,741,341

Convertible Loan from Kings Chapel – Revised Note 2f

On November 19, 2024, the Company entered into a convertible loan facility with Kings Chapel ("Convertible Loan Agreement"). All outstanding notes payable to Kings Chapel were converted into the convertible loan. On initial recognition, the liability component was measured at the present value of future cash flows discounted using the market rate for comparable non-convertible debt instruments, resulting in a liability of $2,485. The residual amount of $245 was recognized in equity as the conversion option.

Each subsequent drawdown was similarly allocated between liability and equity components. During 2024, an additional $1,000 was drawn, of which $946 was allocated to liability and $54 to equity. Between

January and May 2025, further drawdowns of $3,000 were made, with $2,852 allocated to liability and $148 to equity.

On August 4, 2025, Kings Chapel elected to convert $2,000 of the Convertible Loan into 2,666,667 common shares of the Company at the fixed conversion price of $0.75 per share. On August 11, 2025, the Company's common shares traded above $1.00 per share for 15 consecutive trading days, triggering the forced-conversion provision. In connection with the conversion, an additional $500 was drawn on August 11, 2025 to settle accrued interest, resulting in $4,851 of principal being converted on this date by delivering 6,468,515 shares. As at September 30, 2025, the remaining unpaid interest was $236. Following these conversions, the Convertible Loan was fully settled, with no principal outstanding at September 30, 2025.

On the same date, the Company entered into a new convertible loan facility with Kings Chapel and Epic Capital Management Inc. ("Epic Capital"), providing for principal amounts of up to $5,000 and $1,600, respectively. The new loans bear interest at 10% per annum, are repayable on December 31, 2028, and include a 2.5% standby fee on undrawn amounts. No amounts have been drawn under the new facilities as of the date the financial statements were authorized for issue. As at September 30, 2025, the company has recorded $24 of standby fee interest.

The loans are convertible into common shares at $1.15 per share, subject to certain conversion conditions and regulatory approvals.

The accrued and unpaid interest of the convertible loan was $236 as of September 30, 2025.

SUBSEQUENT EVENTS

Warrant Exercises

Subsequent to September 30 2025, holders exercised a total of 556,157 warrants, generating gross proceeds of $666,947 for the Company.

These warrants were originally issued as part of the equity financing completed early in the third quarter of 2025.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these financial statements in conformity with IFRS Accounting Standards requires judgements and estimates that affect the amounts reported. Those judgements and estimates concerning the future may differ from actual results. The following are the areas of accounting policy judgement and accounting estimates applied by management that most significantly affect the Company's financial statements, including those areas of estimation uncertainty that could result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Equity Investments in Private Companies

The determination of fair value of the Company's investments at other than initial cost is subject to certain limitations. Financial information for private companies in which the Company has investments may not

be available and, even if available, that information may be limited and/or unreliable.

Management exercises significant judgement when determining the fair value of the equity investment in private companies at the end of each reporting period.

Management applies the price of recent investment valuation technique where it uses the initial cost of the investment, or, where there has been subsequent investment, the price at which a reasonable amount of new investment into the investee was made, to estimate the enterprise value, but only if deemed to represent fair value and only for a limited period following the date of the relevant transaction.

Investee-specific information is also considered when determining whether the fair value of an equity investment should be adjusted upward or downward at the end of each reporting period. In this context, management considers the business' key performance indicators at the measurement date compared to previous measurement dates. In addition to investee-specific information, the Company also takes into account trends in general market conditions and the commercial viability of the businesses when fair valuing equity investments.

The fair value of long-term investments may be adjusted if:

a) a significant change in the performance of the investee compared with budgets, plans or milestones.
b) changes in expectation that the investee's technical product milestones will be achieved.
c) a significant change in the market for the investee's equity or its products or potential products.
d) a significant change in the global economy or the economic environment in which the investee operates.
e) a significant change in the performance of comparable entities, or in the valuations implied by the overall market.
f) internal matters of the investee such as fraud, commercial disputes, litigation, changes in management or strategy.
g) evidence from external transactions in the investee's equity, either by the investee (such as a fresh issue of equity), or by transfers of equity instruments between third parties.

Adjustments to the fair value of a long-term investment will be based upon management's judgement and any value estimated may not be realized or realizable.

The valuation of the equity investment in MagIron LLC required significant judgment in that the most recent fundraise was supported by existing shareholders based on a valuation determined by MagIron's management using an Income Approach. Management considered the uncertainties around the project milestones and applied a discount factor to reflect management's expectation of the project being successful as well as the likelihood of a liquidity event.

The valuation of the equity investment in BSL required significant judgment as there is no active market for the company's shares and the most recent financing round was completed primarily by existing shareholders. Management considered the terms of that insider financing, the prior third-party financing round, and observable movements in comparable market indices to determine fair value. Given the differing nature of these rounds, management applied a weighted-average approach to estimate fair value, assigning greater weight to the last third-party valuation. The resulting fair value reflects management's best estimate

of exit value at the reporting date, which is inherently subject to estimation uncertainty due to limited market evidence and evolving sector conditions.

Capitalization of Exploration and Evaluation Expenditures

The application of the Company's accounting policy for capitalization of exploration and evaluation expenditures requires judgement in determining whether the future economic benefit is likely, either through future exploitation or sale, where properties have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain judgements about future events or circumstances, in particular whether an economically viable mine can be established. Judgement is applied in the determination of whether any impairment indicators exist at each reporting date giving consideration to factors including mining title expiration dates, budgeted expenditures, discontinuation of activities in any area, and evaluation of any data which would indicate that the carrying amount of exploration and evaluation assets is not recoverable. If new information becomes available suggesting that the recovery of the carrying amount of exploration and evaluation assets is unlikely, the amount capitalized is written off in the Consolidated Statement of Income/(Loss) in the period when the new information becomes available.

Determination of Control or Significant Influence Over Investees

The assessment of whether the Company has a significant influence or control over an investee requires the application of judgement when assessing factors that could give rise to a significant influence or control. Factors evaluated when making a judgement of control or significant influence over an investee include, but are not limited to, ownership percentage, representation on the board of directors, participation in the policy-making process, material transactions and contractual arrangements between the Company and the investee, interchange of managerial personnel, provision of essential technical information and potential voting rights. In evaluating these factors, the Company determines the level of influence over the investee the Company has. Changes in the Company's assessment of the factors used in determining if control or significant influence exists over an investee would impact the accounting treatment of the investment in the investee.

BALANCE SHEET ARRANGEMENTS

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

CONFLICTS OF INTEREST

Kings Chapel is owned by an irrevocable discretionary trust associated with Julian Treger, the Company's Chief Executive Officer and a director of the Company, is a shareholder in both BSL and MagIron. As a result, Mr. Treger has recused himself from the decisions made in relation to the Company's investments in BSL and MagIron and the Convertible Loan Agreement.

To the best of the Company's knowledge, there are no known existing or potential material conflicts of interest among the Company and its Directors, Officers or other members of management as a result of

their outside business interests except as disclosed above and that certain of the Company's directors and officers serve as directors, officers or advisors of other companies, and therefore it is possible that a conflict may arise between their duties to CoTec and their duties as a director, officer or advisor of such other companies.

OUTSTANDING SHARE DATA AS AT NOVEMBER 18, 2025

a) Authorized and issued Share Capital:

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	98,073,213

b) Summary of Options Outstanding:

Date of Issue	Expiry Date	Exercise Price	Number of Options
September 24, 2021	September 24, 2031	$0.30	1,152,916
October 8, 2021	October 8, 2031	$0.45	288,229
April 19, 2022	April 19, 2032	$0.55	711,912
September 7, 2022	September 7, 2032	$0.46	202,020
April 24, 2023	April 24, 2033	$0.50	1,631,906
January 25, 2024	January 26, 2034	$0.75	279,954
February 15, 2024	February 16, 2034	$0.75	65,000
February 20, 2024	February 20, 2034	$0.75	730,000
April 25, 2024	April 25, 2034	$0.50	207,051
May 15, 2024	May 15, 2034	$0.50	50,250
July 11, 2024	July 11, 2034	$0.50	425,000
July 11, 2024	July 11, 2034	$0.75	200,000
July 15, 2024	July 15, 2034	$0.50	150,000
August 13, 2025	August 13, 2035	$0.91	1,487,104
August 17, 2025	August 17, 2035	$0.95	420,000
August 25, 2025	August 25, 2035	$0.97	426,000
September 8, 2025	September 8, 2035	$1.04	100,000

INTERNAL CONTROL AND DISCLOSURE CONTROLS OVER FINANCIAL REPORTING

Controls and Procedures

The Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual consolidated financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate for non-venture issuers under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Disclosure Controls and Procedures

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

TSX-V listed companies are not required to provide representations in the interim and annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a TSX-V issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

OTHER INFORMATION

Additional information with respect to the Company is also available on the Company's website at www.cotec.ca and also on SEDAR+ at www.sedarplus.com.

Please refer to the Annual Information Form for further details regarding various risks and uncertainties facing the Company.