No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This offering may not be suitable for you, and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

The Units, the Shares and the Warrants comprising the Units, and the Warrant Shares issuable upon the exercise of the Warrants, have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person or any person in the United States, absent an exemption from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. person unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available at the time of exercise. Securities issued to, or for the account or benefit of, a U.S. person or a person in the United States pursuant to exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act subject to certain restrictions on transfer set forth therein, and may be represented by definitive certificates or other instruments bearing a legend regarding such restrictions.

Second Amended and Restated Offering Document Amending and Restating the Offering Document dated May 20, 2025 and the Amended and Restated Offering Document dated June 2, 2025 under the Listed Issuer Financing Exemption

Dated: July 8, 2025

COTEC HOLDINGS CORP.
(the "**Company**" or "**CoTec**")

SUMMARY OF OFFERING

What are we offering?

Offering:	Units ("**Units**") of the Company, with each Unit being comprised of one common share of the Company (a "**Share**") and one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will be exercisable to acquire an additional Share (a "**Warrant Share**") at an exercise price of $1.20 per Warrant Share for a period of 18 months following the Closing Date (as defined herein). The Warrants will be 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 Shares exceeds $1.35, the expiry date will be accelerated to 30 calendar days (the "**Acceleration Clause**"). The activation of the Acceleration Clause will be announced by press release and the 30-day period will commence 7 days after the last Premium Trading Day.
Offering Amount:	A maximum of 11,538,461 Units for gross proceeds of up to $9,000,000 (the **"Offering"**).
Offering Price	$0.78 per Unit.

Concurrent Offering:	In addition to the Units being offered under the Offering, the Company will be offering for sale up to 6,410,256 Units to be priced at $0.78 per Unit under applicable prospectus exemptions in accordance with NI 45-106 for additional gross proceeds of up to $5,000,000 (the "**Concurrent Offering**", and together with the Offering, the "**Offerings**"). The Units issued pursuant to the Concurrent Offering will be subject to a four-month and one day hold period.
Closing Date:	An initial closing of the Offerings (the "**Initial Closing**") was completed on June 18, 2025 for aggregate gross proceeds of $2,131,203.91 under the Offering (2,732,312 Units) and aggregate gross proceeds of $3,078,763.82 under the Concurrent Offering (3,947,131 Units). A second closing of the Offerings (the "**Second Closing**") was completed on July 3, 2025 for aggregate gross proceeds of $1,799,270.36 under the Offering (2,306,753 Units) and aggregate gross proceeds of $842,964.90 under the Concurrent Offering (1,080,723 Units). A final closing of the Offerings is expected to occur on or about July 11, 2025 or such other date as the Company may determine.
Minimum Proceeds:	Completion of the Offering is conditional upon the concurrent completion of the Concurrent Offering resulting in the issuance under the Offerings collectively of at least 6,410,257 Units for aggregate gross proceeds to the Issuer of at least $5,000.000. The minimum proceeds condition was satisfied at the Initial Closing.
Exchange:	The Shares are listed on (i) the TSX Venture Exchange (the "**TSXV**") under the symbol "CTH", and (ii) the OTCQB market in the United States under the symbol "CTHCF". The Warrants are not listed on any exchange.
Last Closing Price:	The last closing price of the Shares on the TSXV on July 7, 2025 was $0.95.

General Information

CoTec is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions*. In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**

- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**

- **The Company is relying on the exemptions in Coordinated Blanket Order 45-935 Exemptions from Certain Conditions of the Listed Issuer Financing Exemption (the "Order") and is qualified to distribute securities in reliance on the exemptions included in the Order.**

- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption and under the Order in the 12 months immediately preceding the date of the news release announcing this Offering will not exceed $25,000,000.**

- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**

- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

Forward Looking Statements

Certain statements included in this Offering Document may contain forward-looking statements that relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. These statements include, but are not limited to: statements concerning the Offering and Concurrent Offering (as defined below) generally; the terms thereof; the use of available funds; the intended use of the net proceeds from the Offering and Concurrent Offering; the jurisdictions in which the Offering and Concurrent Offering will be conducted; the filing of the offering materials and the satisfaction of the conditions of closing of the Offering and Concurrent Offering, including the receipt, in a timely manner, of required approvals, including the approval of the TSXV; the date of completion of the Offering and Concurrent Offering; the Company's future plans, objectives, strategies and goals relating to its business; future financial and operating performance of the Company and its current and proposed mineral projects; the future prospects and viability of the Company's Lac Jeannine property; financial estimates including the expected costs of the Offering and Concurrent Offering; and the Company's belief that its current available funds and proceeds from the Offering and Concurrent Offering will be sufficient to meet its corporate and working capital requirements for the foreseeable future.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "proposes", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to: general economic, political and market factors in North America and internationally, interest and foreign exchange rates, changes in costs of goods and services, global equity and capital markets, business competition, technological change, changes in government relations, industry conditions, unexpected judicial or regulatory proceedings and catastrophic events. The Company's investments are being made in mineral extraction related assets and technologies which are subject to their own inherent risks and the success of such Investments may be adversely impacted by, among other things: environmental risks and costs; labor costs and shortages; uncertain supply and price fluctuations in materials; increases in energy costs; labor disputes and work stoppages; leasing costs and the availability of equipment; heavy equipment demand and availability; contractor and subcontractor performance issues; worksite safety issues; project delays and cost overruns; extreme weather conditions; and social disruptions. As the investments are being made in mineral extraction technology, such investments will also be subject to risks of successful application, scaling and deployment of technology, acceptability of technology within the industry, availability of assets where technology could be applied, protection of intellectual property in relation to such technology, successful promotion of technology and success of competitor technology. Any material adverse change in the Company's financial position or a failure by the Company to successfully make investments in the manner currently contemplated, could have a corresponding material adverse change on the investments and, by extension, the Company.

In connection with the forward-looking information contained in this Offering Document, the Company has made numerous assumptions regarding, among other things: the TSXV will approve the Offering and Concurrent Offering; the amount to be raised; the use of the net proceeds of the Offering and Concurrent Offering as announced or at all; the satisfaction or waiver of the conditions of closing of the Offering and Concurrent Offering; the completion of the Offering and Concurrent Offering on the expected terms; the Company's ability to capitalize on growth opportunities and implement its growth strategy; the Company's ability to retain key personnel; the Company's ability to raise sufficient capital to fund planned exploration and related activities and maintain corporate capacity; stability in financial and capital markets; the absence of material adverse changes in its business, the Company's industry or the global economy; and that the risks and uncertainties enumerated above will not materialize. While the Company considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained herein. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, investors should not place undue reliance on forward-looking statements. In evaluating our forward-looking statements, investors should specifically consider various factors, including the risks outlined herein and those described from time to time in our reports and filings available under the Company's SEDAR+ profile at www.sedarplus.ca.

Forward-looking statements contained herein are made as of the date of this Offering Document and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

Source of Scientific and Technical Information and Responsibility For this Offering Document

Technical information provided herein for the Lac Jeannine Property (as defined herein) is based upon information contained in the technical report in respect of the Lac Jeannine Property, prepared pursuant to National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**") (the "**Lac Jeannine Technical Report**").

The Lac Jeannine Technical Report, entitled "Mineral Resource Estimate, Preliminary Economic Assessment and NI 43-101 technical report for CoTec's Lac Jeannine Fe Tailings Project, Québec, Canada" dated August 5, 2024 and having an effective date of March 19, 2024 prepared by Addison Mining Services Ltd., JPL GeoServices Inc., Soutex Inc., AMerston Consulting Ltd. and Axe Valley Mining Consultants Ltd. The Lac Jeannine Technical Report was authored by John Langton, P.Geo, Christian Beaulieu, P.Geo, Daniel Roy, P. Eng, Marin Errington, C.Eng, and Matthew Randall, C.Eng. Mssrs Langton, Beaulieu, Roy Errington and Randall each fulfills the requirements to be a "Qualified Person" for the purposes of NI 43-101 and are the Qualified Persons under NI 43-101 for the Lac Jeannine Technical Report.

The technical information contained in this Offering Document m with respect to the Lac Jeannine Property has been summarized from the Lac Jeannine Technical Report. All summaries and references to the Lac Jeannine Technical Report are qualified in their entirety by reference to the complete text of the Lac Jeannine Technical Report, which can be found under the Company's profile on SEDAR+ at www.sedarplus.ca and the Company's website.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

The Company was incorporated on December 15, 1986 under the laws of the Province of British Columbia as "Lysander Gold Corporation". On July 22, 1999, the Company changed its name to "Lysander Minerals Corporation". On January 31, 2011, the Company changed its name to "EastCoal Inc." On April 16, 2008, the Company completed a plan of arrangement under the Business Corporations Act (British Columbia) (the "**BCBCA**") as part of the spin-out of a mineral property owned by the Company and Eastfield Resources Ltd. to the shareholders of the Company and Eastfield. On August 27, 2022, the Company changed its name to "CoTec Holdings Corp."

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.

CoTec has a current investment portfolio of six technologies and two businesses which provide it with exposure to rare earths, iron ore, and copper and potentially manganese. Management is focused on acquiring assets where these technologies can be deployed. Value creation is a function of scaling up and spinning-off these initiatives as standalone businesses.

The registered head office of the Company is located at Suite 428, 755 Burrard Street, Vancouver, BC, V6Z 1X6.

Recent Developments

On August 8, 2023, the Company signed an option agreement to acquire 31 mining claims forming the Lac Jeannine property (the "**Lac Jeannine Property**") located in the Côte-Nord region of Québec, Canada. The Lac Jeannine Property contains historical tailings of the previous Lac Jeannine iron ore mine operated by the Québec Cartier Mining Company between 1959 and 1985.

On September 14, 2023, the Company announced that it had entered into a binding letter agreement (the "**Letter Agreement**") with Maginito Limited ("**Maginito**"), pursuant to which they agreed to a 50:50 joint venture (the "**Joint Venture**") in relation to the United States roll-out of HyProMag Limited's ("**HyProMag**") rare earth magnet recycling technology. Pursuant to the Letter Agreement, the Company would fund the initial operations of the Joint Venture, including the costs of a feasibility study. If the Joint Venture proceeds with the construction of a United States project, the Company would also be responsible for funding all of the development costs, with an expected total required funding of £30 million to £50 million. As of December 31, 2024, the Company had made payments totalling US$2,409,807 on behalf of HyProMag US to cover specific expenses.

On October 3, 2023, the Company announced that it had completed its 2023 sonic drilling and bulk sampling testing programme at the Lac Jeannine Property and had engaged Corem to complete the metallurgical testing.

On October 11, 2023, the Company announced that HyProMag's rare earth magnet recycling technology has been selected by the Minerals Security Partnership ("**MSP**") for support as one of its key projects. The technology was selected by the MSP because the MSP determined its strong potential to contribute towards the development of responsible critical mineral supply chains.

On January 3, 2024, the Company announced the commencement of the Joint Venture and the incorporation of HyProMag USA LLC ("**HyProMag USA**") to be owned 50:50 by the Company and Maginito. HyProMag provided a sublicense for its technology and technical assistance to HyProMag USA.

On May 14, 2024, the Company announced that MagIron LLC ("**MagIron**"), one of the Company's investments, had signed long-term mineral leases that provide further operational and economic support for the restart of MagIron's Plant 4 iron ore concentrator. When combined with the iron-bearing stockpiles already owned by MagIron, the aggregate iron-bearing materials secured 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 grade iron concentrate.

On June 27, 2024, the Company announced the completion of an initial Mineral Resource Estimate ("**MRE**") and positive Preliminary Economic Assessment ("**PEA**") for the Lac Jeannine Property Project. The PEA was prepared by independent experts Addison Mining Services Ltd., Soutex Inc, JPL GeoServices and other independent experts.

The highlights of the MRE and PEA are as follows:

- initial Inferred Mineral Resource of 73 million metric tonnes (Mt) at 6.7% total Fe for 4.9 Mt of contained total Fe;
- identified tailings material surrounding the Inferred Mineral Resource, if confirmed by drilling and analysis, could potentially add 50 to 70 Mt to the project;
- total Fe grade in the Project schedule reduces from approximately 8.4% total Fe to 7.0% total Fe in the first 3.5 years of production to approximately 6.0% total Fe by year 8 and subsequently 5.6% total Fe in the final year;
- 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% (and based solely on the MRE), the pre-tax NPV is US$93.6M, and its IRR is 38%, and the after tax NPV is US$59.5M, and its IRR is 30%;
- product is a high purity iron concentrate at 66.8% total Fe, low contaminant SiO2, Al2O3 and phosphorus with an average production of circa 380k tonnes per annum for just over 10 years;
- up-front capital cost of the project is US$64.6M (inclusive of a 15% contingency margin and estimated further study and engineering costs), with payback achieved in 2.5 years and a profitability index (PI) of 0.921;
- C1 cash costs of US$53/t (excl. transport to port and royalty payments);
- all-in sustaining cost (ASIC) of US$61/t (incl. transport to port and royalty payments); and
- the project significantly reduces the environmental liability of the Lac Jeannine site. The current tailings pile is considered an orphan site and the provincial government carries the environmental liability.

The Company intends to proceed with the completion of a feasibility study for the Project to:

- complete the next phase of drilling to upgrade the resource to indicated (and ultimately to a reserve category) and to extend the project to include most of the adjacent tailings;
- complete detailed processing design targeting 67.5% total Fe concentrate to qualify for Provincial and Federal critical mineral incentives;
- investigate future low carbon pelletizing options to produce pellets in Québec using innovative, low carbon green technology, including the BSL cold bonding technology, which will further enhance the economics of the project;
- investigate potential application of Salter technology to access the ultra-fine material in the project, which, if successful, would add further value to the project;
- explore potential economic support from Federal and Provincial governments, funding opportunities and other economic incentives including carbon price premiums that could improve economics, including those aiming to encourage the development of critical minerals and to promote a circular economy; and
- derisk the Project in the key study areas of permitting, social acceptability, power supply and secure rail access for the transportation of the concentrate.

On November 25, 2024, the Company announced the results of an independent feasibility study (the "**HyProMag Feasibility Study**") for HyProMag USA on the development of a rare earth magnet recycling and manufacturing operation in the United States. The HyProMag Feasibility Study was prepared by independent Qualified Persons and Professional Engineers employed by BBA, Pegasus TSI and Weston Solutions who are responsible for Engineering Design, Processing, Infrastructure, Transportation, Services, Capital Costs, Operating Costs, Project Timeline, Permitting and Economic Analysis and Sensitivity. The HyProMag Feasibility Study was based on the development of a state-of-the-art 40 year magnet manufacturing facility in Dallas Fort Worth, Texas, capable of producing up to 750 metric tons of sintered NdFeB magnets and 291 metric tons of associated NdFeB co-products annually, with initial revenue targeted in Q1 2027 with a "notice to proceed" expected in H2 2025 following completion of the detailed engineering design phase.

Highlights of the study, which was premised on two HPMS vessels, included:

- US$262 million post-tax Net Present Value ("**NPV**") and 23% real internal rate of return ("**IRR**") based on current market prices;
- US$503 million post-tax NPV and 31% real IRR based on forecast market prices;
- low all-in sustaining cost ("**AISC**") of US$19.6 per kg of NdFeB product which compares to current weighted average market prices of US$55 per kg of NdFeB products, the latter reflects underlying prevailing low rare earth prices with significant scope for price recovery;
- expansion potential with the inclusion of a third HPMS vessel within three years following commissioning for an additional capital cost of approximately US$7 million;
- production of 750 metric tons per annum of recycled sintered 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;
- upfront capital cost of US$125 million (inclusive of a 10% contingency margin and Class 3 AACE estimated detailed design study and engineering costs) over a 1.7 year construction phase;
- payback achieved at current market prices in 3.9 years at a profitability index ("**PI**") of 2.1, at forecast market prices payback is achieved in 3.1 years at a PI of 4.0;
- first revenue targeted in Q1 2027 with a Notice to Proceed ("**NTP**") expected in mid-2025 following completion of detailed engineering design and value engineering;
- project is expected to help secure the re-vitalization of NdFeB magnet production in the United States with the creation of approximately 90 permanent jobs across Texas, South Carolina and Nevada; and
- HyProMag USA is targeting 10% of U.S domestic demand for NdFeB magnets within five years of commissioning – design is modular, can be replicated and accelerated to facilities in eastern and western United States.

Following completion of the feasibility study, HyProMag USA initiated a "request for proposal" process to select an engineering, procurement and construction management provider and announced that the design phase of the project would be expanded to contemplate three HPMS vessels and that it would begin conceptual studies to triple the capacity of the project relative to what was originally contemplated by the feasibility study. With the inclusion of the third HPMS vessel for an incremental capital cost of circa US$7 million, the feasibility study indicated a NPV7% of US$279 million based on current market prices and US$593 million based on forecast prices.

The detailed engineering design phase of the project will include the completion of sufficient engineering design works to support development of the AACE1 Class 1 capital cost estimate to update that of the feasibility study. This will also support the final site selection efforts which are expected to be completed in the first half of 2025 and allow the commencement of site permitting in line with the initial project schedule.

On February 24, 2025, the Company announced that it had entered into a joint collaboration and investigation agreement with McGill University to investigate extended applications of microwave technologies with the aim of improving low-carbon, economic recovery of valuable metals from a range of mineral targets, with a starting focus on copper recoveries particularly in advanced sulphide leaching applications. This collaboration builds upon, and extends, domain knowledge with new learnings and, in combination with other technologies, offers the potential for the low-carbon, low cost, production of "new" copper metal.

On February 27, 2025, the Company announced a binding long-term exclusivity and collaboration agreement with Salter Cyclones Limited for the application of its Multi-Gravity Separators technology for the recovery of iron ore and manganese from both primary mining and tailings material.

On March 5, 2025, the Company announced the completion of an independent, product carbon footprint ("**PCF**") analysis conducted for HyProMag USA in accordance with ISO 14067:2018 by Minviro Limited, which confirmed a

PCF of 2.35kg of carbon dioxide equivalent per kg of NdFeB cut sintered block product under the HyProMag Feasibility Study base case scenario of 750 metric tons payable of sintered NdFeB magnets and 291 metric tons of associated NdFeB co-products annually.

On March 11, 2025, the Company announced that HyProMag USA will expand the upcoming detailed design phase of its U.S. permanent magnet recycling and manufacturing project to include three HPMS vessels and that it will begin conceptual studies to evaluate further expansion to triple the capacity of the project, versus that envisaged in the Feasibility Study, across the project footprint of Fort Worth, Texas, South Carolina and Nevada as well as integrated USA development of long loop chemical processing, which is complementary to the HPMS short-loop process.

On April 21, 2025 the Company announced that it had entered into an engineering, procurement and construction management contract with BBA USA Inc. and PegasusTSI Inc. for the detailed design and engineering and construction of the proposed HyProMag USA facility in Fort Worth, Texas. First revenue is targeted in H1 2027 following a Notice to Proceed ("**NTP**") expected in H2 2025 following completion of the detailed engineering design and value engineering phase. HyProMag USA is initially targeting to supply 10% of U.S. domestic demand for NdFeB magnets within five years of commissioning the first DFW Hub.

On April 24, 2025 the Company announced that it had appointed "403 Drilling Limited" to complete its 2025 drilling program to support the expansion of the previously announced MRE at the Lac Jeannine Property. The program will consist of 12 to 13 holes, totalling approximately 680 meters of sonic core samples. Four of the holes will be allocated to infill drilling in relation to the 2023 program with the remaining holes being step-out drilling to cover the adjacent tailings not included in the 2023 program. As part of the program, the Company will also secure bulk material for further testing of the potential incorporation of the Multi-Gravity Separators Salter technology ("**MGS**") into the Lac Jeannine project's recovery circuit. Sample material from the drilling program, together with material collected in the 2023 sampling program, will further validate the Company's MGS results, which the Company believes could lead to the technology being incorporated into the current recovery circuit for additional recovery of iron from ultra fines.

On June 12, 2025, the Company announced that HyProMag USA had 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. Under the LOI, EXIM has indicated that it may be able to consider potential financing of up to $92 million of the project's costs with a repayment tenor of 10 years.

On June 18, the Company completed the Initial Closing and on July 3, 2025 the Company completed the Second Closing.

Material Facts

Other than as disclosed below, there are no material facts about the securities being distributed hereunder that have not been disclosed either in this Offering Document or in another document filed by the Company over the 12 months preceding the date of this Offering Document on the Company's profile at www.sedarplus.ca. You should read these documents prior to investing.

In addition to the Units being offered under the Offering, the Company will be offering for sale up to 6,410,257 Units to be priced at $0.78 per Unit under applicable prospectus exemptions in accordance with NI 45-106 for additional gross proceeds of up to $5,000,000 (the "**Concurrent Offering**", and together with the Offering, the "**Offerings**"). The Units issued pursuant to the Concurrent Offering will be subject to a four-month and one day hold period.

What are the business objectives that we expect to accomplish using the available funds?

The Company intends to use the net proceeds from the Offering and Concurrent Offering to:

- Fund the detailed design and engineering phase of the EPCM process for HyProMag USA's advanced stage rare earth magnet recycling and manufacturing project located in Dallas-Fort Worth, Texas. The entire project is expected to be executed over a 24-month period with the work being undertaken by PegasusTSI Inc. and BBA USA Inc.

- Complete the Company's previously announced infill and expansion drilling program at the Lac Jeannine Property and commence a bankable feasibility study.

- Fund anticipated investment commitments with respect to the Company's ownership positions in Maginito and MagIron.

The costs and timelines associated with the Company's business objectives are set out below:

Business Objectives and Milestones	**Anticipated timeline**	**Assuming $5M Minimum Amount under Offering + Concurrent Offering**	**Assuming $14M Maximum Amount under Offering + Concurrent Offering**
Detailed design and engineering at HyProMag USA	December 2025	$4,900,000	$4,900,000
Lac Jeannine drilling program and commence bankable feasibility study	December 2025	$331,000	$915,000(1)
Other investment obligations	December 2025	$1,110,000	$2,400,000(2)
Total		$**6,341,000**	$**8,215,000**

Notes:

(1) Includes $584,000 for estimated cost of bankable feasibility study, which is a discretionary expense.

(2) CoTec has committed to fund the initial development of the UK and German plants for Maginito's operations at a cost of $1,110,000. The balance of the $2.4M represents (i) additional funding that CoTec anticipates providing to Maginito and MagIron in response to capital calls by those entities (CoTec is not required to provide this funding but intends to do so in order to avoid dilution of its ownership position in these entities) and (ii) discretionary investments in Salter equipment and other areas of testing.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the offering?

		Assuming $5M Minimum Amount under Offering + Concurrent Offering	**Assuming $14M Maximum Amount under Offering + Concurrent Offering**
A	Amount to be raised by the Offerings	$5,000,000	$14,000,000
B	Selling commissions and fees(1)	$300,000	$840,000
C	Estimated offering costs (e.g., legal, accounting, audit)	$150,000	$150,000
D	Net proceeds of Offering: D = A – (B+C)	$4,550,000	$13,010,000

		Assuming \$5M Minimum Amount under Offering + Concurrent Offering	Assuming \$14M Maximum Amount under Offering + Concurrent Offering
E	Working capital as at the date of this Offering Document (deficiency)	\$(900,000)	\$(900,000)
F	Additional sources of funding(2)	\$5,250,000	-
G	**Total available funds: G = D+E+F**	**\$8,900,000**	**\$12,110,000**

Notes:

(1) CoTec has agreed to pay to the Brokers the Cash Commission (each as defined below) as described below under "*Fees and Commissions*". This number represents the maximum estimated Cash Commission payable under the Offering and Concurrent Offering and does not contemplate potential reduced commissions in respect of sales to President's List Subscribers (as defined below).

(2) The Company anticipates receiving up to \$5,250,000 in shareholder loans from Kings Chapel International Limited in the next 12 months, depending on the needs of the Company.

How will we use the available funds?

The Company intends to use the net proceeds from this Offering, together with other available funds as detailed above, to complete the detailed design and engineering at HyProMag USA LLC, fund the Company's drilling program at Lac Jeannine and commence a bankable feasibility study, fund further sundry investment commitments and to fund ongoing operations as described above under "What are the business objectives that we expect to accomplish using the available funds?" and as summarized below.

Intended Use of Available Funds Listed in Order of Priority	Assuming \$5M Minimum Amount under Offering + Concurrent Offering	Assuming \$14M Maximum Amount under Offering + Concurrent Offering
Detailed design and engineering at HyProMag USA	\$4,900,000	\$4,900,000
Lac Jeannine drilling program and commencement of bankable feasibility study	\$331,000	\$915,000(1)
Other investment obligations(2)	\$1,110,000	\$2,400,000
SG&A	\$2,122,000	\$3,122,000
Working Capital	\$437,000	\$773,000
Total	**\$8,900,000**	**\$12,110,000**

Notes:

(1) Includes \$584,000 for estimated cost of bankable feasibility study, which is a discretionary expense.

(2) CoTec has committed to fund the initial development of the UK and German plants for Maginito's operations at a cost of \$1,110,000. The balance of the \$2.4M represents (i) additional funding that CoTec anticipates providing to Maginito and MagIron in response to capital calls by those entities (CoTec is not required to provide this funding but intends to do so in order to avoid dilution of its ownership position in these entities) and (ii) discretionary investments in Salter equipment and other areas of testing.

The above noted allocation and anticipated timing represents the Company's current intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. Although the Company intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan and sustain its operations for not less than 12 months from the Closing Date of the Offering. The Company has generated negative cash flows from operating activities since inception and anticipates that it will continue to have negative operating cash flow beyond the 12 months after the Closing Date of the Offering. As a result, certain of the net proceeds from this Offering will be used to fund such negative cash flow from operating activities in future periods.

The most recent audited annual financial statements of the Company included a going-concern note. The Company has not yet generated positive cash flows from its operating activities, which may cast doubt on the Company's ability to continue as a going concern. The Offering is intended to permit the Company to continue to develop its projects, and is not expected to affect the decision to include a going concern note in the next annual financial statements of the Company.

How have we used the other funds we have raised in the past 12 months?

Previous Financing	Intended Use of Funds	Use of Funds to May 20, 2025
$2,750,000 July 2024 Private Placement(1)	To fund potential investment opportunities, for working capital purposes and repay a portion of the loans previously advanced to the Company by Kings Chapel International Limited ("**Kings Chapel**").	Funds were used for the stated purpose.
$6,851,387 Kings Chapel Convertible Loan(2)	To fund the Company's investments and general working capital.	Funds were used for the stated purpose.

Note:

(1) Non-brokered private placement of 5,500,000 Common Shares to Kings Chapel for gross proceeds of $2,750,000 announced in the Company's press release dated July 11, 2024.

(2) From 2023 to 2024, the Company obtained a series of loans from Kings Chapel in the principal amount of $2,351,387 (the "**Kings Chapel Loans**"). On November 19, 2024, the Company entered into a convertible loan agreement with Kings Chapel (the "**Kings Chapel Convertible Loan**"). The Kings Chapel Convertible Loan amends and restates, effective as of November 1, 2024, the terms of the Kings Chapel Loans. In addition, pursuant to the terms of the Kings Chapel Convertible Loan, Kings Chapel committed to advance an additional $2,000,000 principal amount to the Company. On February 27, 2025, the Company entered into an amendment to the Kings Chapel Convertible Loan, pursuant to which the principal amount available to the Company under the Kings Chapel Convertible Loan was increased by an additional $2.5 million. The additional amounts available under the Kings Chapel Convertible Loan were advanced on November 7, 2024 ($500,000), December 9, 2024 ($500,000), January 6, 2025 ($500,000), February 6, 2025 ($500,000), March 5, 2025 ($500,000), March 19, 2024 ($500,000), April 16, 2025 ($250,000), April 28, 2025 ($250,000), and May 15, 2025 ($500,000). As of the date hereof, there is $500,000 of additional principal available under the Kings Chapel Convertible Loan.

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

The Offerings are being made pursuant to the terms and conditions of engagement agreements dated May 19, 2025 between the Company and each of ECM Capital Advisors Ltd. ("**ECM**") and Odeon Capital Group LLC ("**Odeon**") and finder's fee agreements between the Company and each of Integrity Capital Group Inc. ("**ICG**"), INTE Securities LLC ("**INTE**"), Canaccord Genuity Corp. ("**Canaccord**"), Leede Financial Inc. ("**Leede**") and Research Capital Corporation ("**RCC**", and together with ECM, Odeon, INTE, Canaccord, Leede and RCC, the "**Agents**" and such agreements, the "**Engagement Agreements**"). The Offerings will be non-brokered in Canada and the Company has retained ECM as international placement agent and Odeon as U.S. placement agent. The Company anticipates paying a commission to ECM and Odeon in connection with the Offerings as well as a finder's fee to ICG and INTE in connection with purchasers that may be introduced by ICG or INTE, respectively, to the Offerings comprised of (i) a cash fee in an amount equal to 6% of the aggregate gross proceeds raised in the Offerings from subscribers introduced to the Offerings by such Agents, (ii) in the case of ECM, a cash fee in an amount equal to 3.5% of the aggregate gross proceeds raised in the Offerings from purchasers sourced by the Company on its president's list (the "**President's List Subscribers**"), and (iii) the issuance of compensation warrants equivalent to 6% (or 3.5% in the case of President's List Subscribers) of the number of Units issued to such subscribers. Each compensation warrant will be exercisable for one Share at an exercise price of $0.78 per Share for a period of 36 months from the issuance thereof.

The Company also anticipates paying a finder's fee to Canaccord, Leede and RCC in connection with purchasers that may be introduced by Canaccord, Leede or RCC, respectively, to the Offerings comprised of (i) a cash fee in an amount equal to 2% of the aggregate gross proceeds raised in the Offerings from subscribers introduced to the Offerings by such Agents and (iii) the issuance of compensation warrants equivalent to 2% of the number of Units issued to such subscribers. Each compensation warrant will be exercisable for one Share at an exercise price of $0.78 per Share for a period of 36 months from the issuance thereof. The cash fee and compensation warrants paid or issued to Canaccord, Leede and RCC will be deducted from the cash fee and compensation warrants otherwise payable or issuable to ECM in respect of the applicable investors.

Do the Agents have a conflict of interest?

To the knowledge of the Company, it is not a "related issuer" or "connected issuer" of or to any of the Agents, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Document, you have a right

(a) to rescind your purchase of these securities with CoTec, or

(b) to damages against CoTec and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION ABOUT COTEC

Where can you find more information about us?

CoTec's complete record of legally mandated public filings, including CoTec's continuous disclosure documents, can be found on the Company's SEDAR+ profile at www.sedarplus.ca. CoTec's website is located at www.cotec.ca. Information regarding CoTec located on its website is not incorporated into this Offering Document

DATE AND CERTIFICATE

This Offering Document, together with any document filed under Canadian securities legislation on or after July 8, 2024, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

July 8, 2025

By:	"*Julian Treger*"	By:	"*Abraham Jonker*"
	Name: Julian Treger		**Name: Abraham Jonker**
	Title: Chief Executive Officer		**Title: Chief Financial Officer**