

## Overview

This Management's Discussion and Analysis ("MD&A") of financial results and related data of Eastport Ventures Inc. ("Eastport", "EVI" or the "Company") is reported in Canadian dollars and has been prepared in accordance with IFRS® Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board. To the extent which may be appropriate, this MD&A should be read in conjunction with the annual audited consolidated financial statements for the years ended October 31, 2025 and October 31, 2024.

This commentary is as of February 27, 2026. The reader should be aware that historical results are not necessarily indicative of future performance.

## Forward-Looking Statements

This MD&A contains forward-looking information which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, future plans and objectives, competitive positioning, requirements for additional capital, government regulation of operations, environmental risks and the timing and possible outcome of litigation and regulatory matters. All statements other than statements of historical fact, included in this MD&A that address activities, events or developments that the Company expects or anticipates may occur in the future are forward-looking statements. Often, but not always, forward-looking statements can be identified by use of forward-looking words such as "may", "could", "would", "might", "will", "expect", "intend", "plan", "budget", "scheduled", "estimate", "anticipate", "believe", "forecast", "future" or "continue" or the negative thereof or similar variations. Forward-looking statements are based on certain assumptions and analyses made by the Company, in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and known and unknown risks, many of which are outside the control of the Company, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, general business, economic, competitive, political and social uncertainties, the actual results of current operations, industry conditions, research and development activities, intellectual property and other proprietary rights, production risks, liabilities inherent in the mining industry, accidents, labour disputes, delays in obtaining regulatory approvals or financing and general market factors, including interest rates, currency exchange rates, equity markets, business competition, changes in government regulations. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause results to differ from those anticipated.

Forward-looking statements contained in this MD&A are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events, results or otherwise, except as required by applicable securities laws.

## Business Background

Eastport was incorporated under the Ontario Business Corporations Act on June 14, 2017. The Company is currently engaged in the acquisition, exploration and development of mineral properties in Botswana. The head office and principal address of the Company is Suite 2250, 1055 W. Hastings St., Vancouver, British Columbia, V6E 2E9.

The Company was formed by seasoned explorers, engineers, metals traders, corporate financiers and public-market executives that have many decades of experience in the mineral and capital markets industry. The core objective for Eastport is to develop its mineral projects through the development and value curve, with the commercial objective of materialising value for its shareholders to be realised through the sale of the Company's mineral interest(s), joint-venture transactions and, where appropriate, mining operations.

### **Business Highlights**

On March 14, 2025, Eastport Critical Metals Corp. (formerly Penbar Capital Ltd.) ("ECMC") and 1001160772 Ontario Inc. ("SubCo") entered into a three-cornered amalgamation agreement (the "Amalgamation Agreement"). The ECMC is expected to acquire all of the issued and outstanding common shares of EVI pursuant to the Amalgamation Agreement. The Amalgamation to be completed under the Business Corporations Act (Ontario) by ECMC, EVI and SubCo., a wholly owned subsidiary of ECMC, incorporated for the purpose of completing the Amalgamation.

ECMC is a company listed on the TSX-V, as a capital pool company. ECMC has identified Eastport as a target company with which to complete its qualifying transaction (the "Transaction") and wishes to acquire all of the issued and outstanding common shares of Eastport in exchange for ECMC's Shares by way of an amalgamation between Eastport and SubCo, upon the terms and conditions herein set forth such that upon completion of the Amalgamation, the amalgamated corporation shall be a wholly-owned subsidiary of ECMC.

On November 10, 2025 (the "Closing Date"), the Company completed Qualifying Transaction with ECMC and SubCo.

On the Closing Date, and in connection with the Transaction, Penbar consolidated its outstanding common shares (the "Consolidation") on the basis of seven pre-consolidation common shares for every one post consolidation ECMC Share (the "ECMC QT Shares").

ECMC agrees to issue ECMC QT Shares to Eastport shareholders in exchange for the delivery to ECMC of all of the issued and outstanding Eastport shares. The aggregate number of Penbar QT Shares to be issued in exchange for the issued and outstanding Eastport shares, shall be determined by multiplying the number of Eastport Shares issued and outstanding by the Share Exchange Ratio 0.2941. No fractional ECMC Shares will be issuable to Eastport shareholders pursuant to the Amalgamation, and no cash payment or other form of consideration will be payable in lieu thereof. In the event that the former holder of Eastport shares is entitled to receive a fractional ECMC Share, any such fractional ECMC Share interest to which an Eastport shareholder would otherwise be entitled pursuant to the Amalgamation will be rounded down to the nearest whole ECMC share.

Upon completion of the Transaction, Eastport and ECMC completed concurrent financing in multiple tranches effectively the same terms. In aggregate, the concurrent financing resulted in total gross proceeds of approximately \$5,927,076. As at October 31, 2025, Eastport had received gross proceeds of \$4,272,568. Of the total gross proceeds from the concurrent financing, Eastport received \$4,328,568 and ECMC received \$1,598,507.

On the Closing Date, the subscription receipts (the "Eastport Subscription Receipts") issued by Eastport on October 30, 2025 pursuant to its portion of the Concurrent Financing (the "Eastport Private Placement"), were automatically converted into units of Eastport. One unit consisting of one Eastport share and one-half of one "A" warrant and one-half of one "B" warrant, subject to adjustment in certain events, immediately before the completion of the Transaction upon the satisfaction or waiver of the escrow release conditions (as defined in the subscription receipt agreement). Each whole "A" warrant entitles the holder thereof to acquire one Eastport share at a price of \$0.85 per share Expiring on November 10, 2026. Each whole "B" warrant entitles the holder thereof to acquire one ECMC share at a price of \$1.70 per share expiring on November 10, 2027.

On February 23, 2026, ECMC closed a non-brokered private placement. ECMC raised \$2,000,000 consisting of 2,500,000 units (each, a "Unit") at a price of \$0.80 per Unit. Each Unit consists of one common share in the capital of ECMC (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable into one Common Share at a price of \$1.00 per Warrant for a period of three years from the date of issuance.

## Projects

The Company's flagship project is the advanced-stage Matsitama Copper Project, an asset that has been continuously developed and explored for over 50 years by various owners and operators. Spanning six Prospecting Licenses across approximately 1,800 km<sup>2</sup>, the project has benefited from more than 50,000 meters of drilling, alongside intensive geophysical and geochemical programs that have demonstrated material opportunity with the license area. Matsitama is unique in providing exposure to rich historical dataset, for which Eastport has continued to leverage as a key beneficiary, combined with the exciting blend of post-discovery and pre-discovery opportunities. This duality materially improves our opportunity at Matsitama, allowing the Company to progress a principal asset that generates exposure to resource development whilst also developing high-impact exploration targets that can provide the opportunity to generate new discoveries.

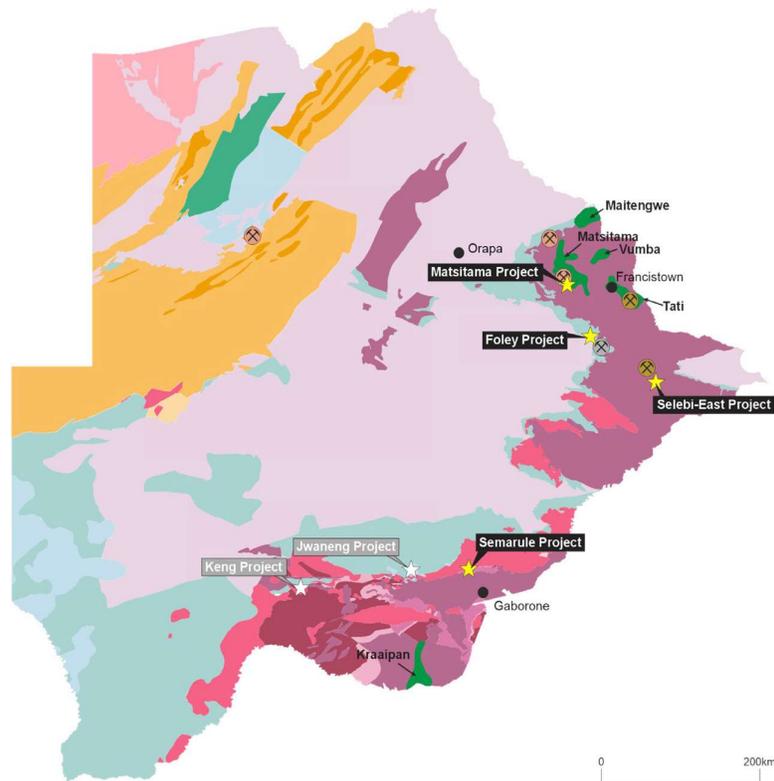
During Eastport's building phase as a private company of over 6-years, the Company and its Technical Team remain engaged in the evaluation of compelling and complimentary critical metal exploration opportunities in Botswana.

Over the preceding 6-years, the Company expanded its mineral interests to include the following project interests; Foley (Uranium), Semarule (Rare Earth Elements), Selebi-East (Ni-Cu-PGM), Keng (Ni) & Jwaneng (Diamonds).

During the period the company has announced:

- Commencement of Phase 1 Drilling program(s) at the Company's Qualifying Property, Matsitama Copper project
- Commencement of Phase 1 Drilling program at Semarule Rare Earth Elements (REE) project
- Commencement of Phase 1 Drilling program at Foley Uranium Project

*Below is a project map to illustrate the location of, all of Eastport's critical metals interests:*



The Company operates, on a “Develop & Distribute” strategy. The Development opportunity at Matsitama, is represented by a clear strategy that rests upon the established nature of the project. The ‘Distribution’ opportunity is represented by the exploration exposure we maintain across our five exploration projects.

### **Matsitama: Develop**

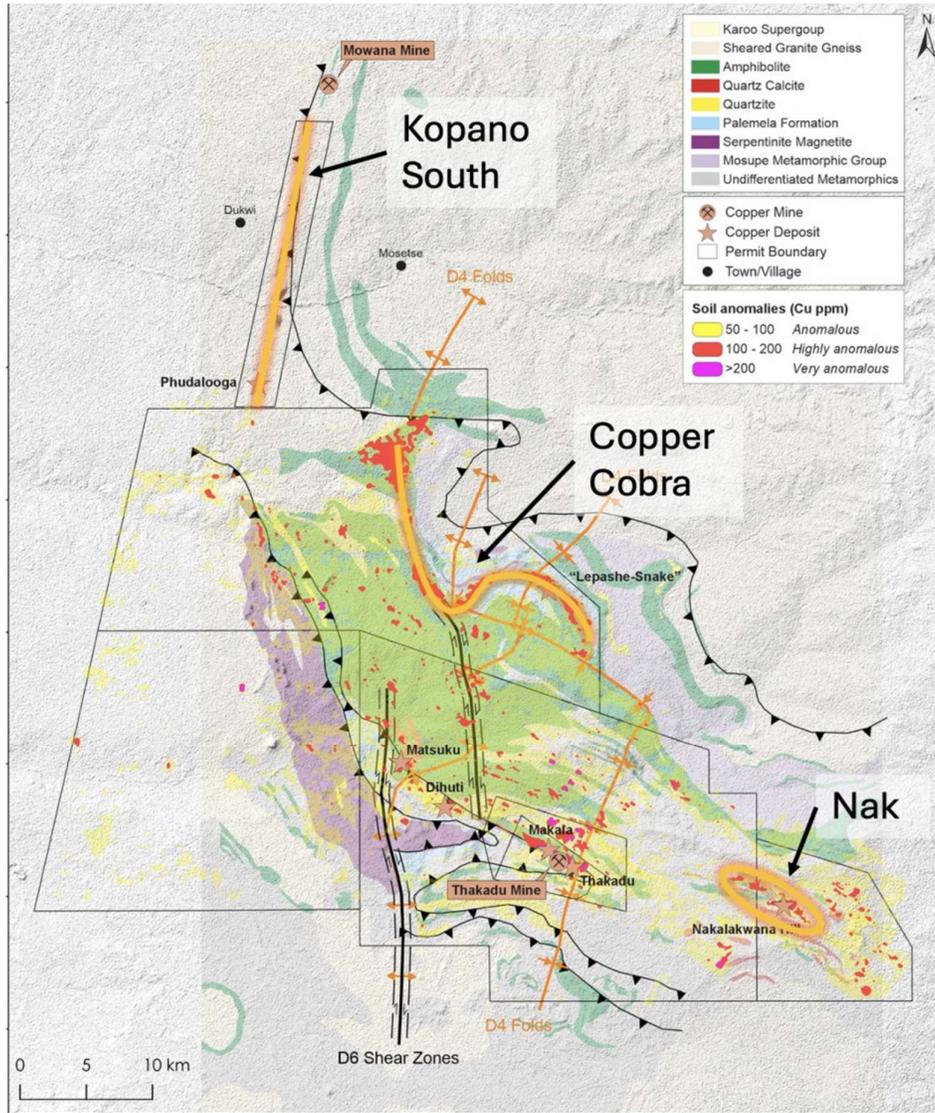
The Matsitama Project is an advanced-stage copper exploration project in Botswana's Tutume Sub District of the Central District. It covers approximately 1,845 km<sup>2</sup> across six contiguous PLs. It is situated near Matsitama, approximately 85 km west of Francistown and 410 km northeast of Gaborone. The Property uses the Cape datum and Universal Transverse Mercator (UTM) 35S projection.

The Matsitama area is located within the Neoproterozoic Matsitama Greenstone Belt of the Zimbabwe Craton and has a significant history of copper mining that dates back over a millennium. The geological framework, particularly the Matsitama Metasedimentary Group, the Thakadu Shear Zone, and the Bushman Shear Zone, has facilitated copper mineralization, attracting historical and modern mining activities.

Modern exploration commenced in the early 20th century, with the Bechuanaland Exploration Company (BEC) securing concessions in 1902. Water Surveys Botswana compiled a detailed account of historical activities prior to 1995, while more recent summaries by Bottrill (1998) and Jones (2006) provide insights into exploration across the Matsitama Greenstone Belt. Most exploration and drilling activity across the Property was completed by Bamangwato Concession Limited (BCL) from 1960 to 1976 and African Copper Plc (ACE) from 2004 to 2018. Additional

significant contributors include Ambase, Mortbury Limited and Anglo American Prospecting Services. Historical soil and drilling data accounts for over 105,000 multi-element soil geochemistry samples and nearly 68 km of diamond (DDH), RC, and Halco drilling across the Property.

Geochemical analysis has revealed highly anomalous copper concentrations (>100 ppm Cu) in soil samples, with extensive trends correlating to known mineralization areas. Historical data from geophysical surveys (QUESTEM and SPECTREM) highlight structural patterns and potential targets that align with the copper-in-soil anomalies.



Map of the Matsitama Prospecting Licenses ("PL's") & Eastport's three priority Targets

Eastport have identified and are actively progressing three key targets at Matsitama (*as highlighted in the map above*). Each target represents a unique opportunity at a different point within its development cycle.

1. **NAK**: Advanced project with extensive drilling over 1.3km strike and historical resource with over 100-million lbs of contained copper\*.
2. **COPPER-COBRA**: The Copper-Cobra Target (Reconnaissance Drilling Commenced): An estimated 25km copper-in-soil anomaly, potential IOCG target with outcropping gossan and historic RC drilling including results of up to 2.5% Cu.
3. **KOPANO SOUTH**: Testing the southern extension of the Kopano Mine (72Mt @ 0.94% Cu) along the Bushman Fault\*\*.

Further to the completion of the NI 43-101 in 2025, Eastport are currently progressing the recommended exploration program designed by the Qualified Person. Focus has remained on the Nakalakwa Hill deposit where the Company is

- Conducting in-field verification of historical drilling, including DGPS surveying of historical collars and resampling historical cores, to validate reproducibility and enhance confidence in historical data.
- Executing an infill and extension drilling program to test the lateral strike extensions (east and west) and down-dip/plunge continuity of mineralization.
- Focusing drilling efforts on upgrading the confidence of the SRK 2013 MRE while expanding the Inferred resource along strike, down-dip, and down-plunge.
- maximizing the data generation potential from the drill core, incorporate key 'modifying factors' testwork into the drilling program design, including: Archimedes bulk density measurements across varying lithologies and regolith profiles. .
- Conducting initial geotechnical assessment using hand penetrometer tests and, if feasible, point load tests.
- Verifying geometallurgical testwork, referencing the Mintek 2012 results.

Following the completion of the drill program, the Company will assess the results and consider declaring an MRE. If an MRE is completed, a Preliminary Economic Assessment (PEA) will be considered to provide an initial assessment of the Project's economic potential. A PEA will enhance project value and guide future strategic decisions.

As at date of this report, Eastport are making excellent progress in completing the recommended exploration and development works, and anticipate to complete the recommendations in the near term.

In parallel the Company has commenced surface exploration and reconnaissance drilling at:

- *The Copper-Cobra Target (Reconnaissance Drilling Commenced): An estimated 25km copper-in-soil anomaly, potential IOCG target with outcropping gossan and historic RC drilling including results of up to 2.5% Cu.*
- *The Kopano South Target (Reconnaissance Drilling Commenced): Testing the southern extension of the Kopano Mine (72Mt @ 0.94% Cu) along the Bushman Fault*

Information gathered from this initial work programme will inform further exploration work in the 2026 programme including but not limited to additional field mapping, geophysical surveys and drilling.

Deposits exhibit common characteristics such as sulphide mineralization, iron oxide alteration, and a spatial relationship with folds and mafic intrusions, suggesting affinities with Iron Oxide Copper-Gold (IOCG) deposit models. IOCG deposits, first defined by the discovery of the Olympic Dam Cu-U-Au

deposit in South Australia, are characterized by their association with iron oxides and their formation through hydrothermal processes in structurally controlled environments.

IOCG deposits exhibit various styles in age, host rocks, mineralogy, geochemical signatures, and geological settings. Despite this diversity, they are distinguished by key features, including iron oxides (hematite and/or magnetite) alongside copper and gold mineralization and potential enrichments in silver, uranium, barium, fluorine, and light rare earth elements.

Common characteristics of IOCG deposits include a strong spatial and temporal relationship with regional I-type to A-type granitic suites, believed to provide the heat necessary for fluid circulation. These deposits are often found near crustal-scale faults or shear zones, which serve as conduits for mineralizing fluids. Extensive alteration, brecciation, and fluid-rock interaction are also prevalent.

### **Eastport: Distribution Strategy**

Supporting and complementing the Matsitama project are 5 well established exploration projects in Botswana; Foley (Uranium), Semarule (REE), Selebi-East (Ni-Cu-PGM), Keng (Ni-Cu) & Jwaneng (Diamonds).

If successful these exploration projects allow for the creation of asset-level optionality and the opportunity to create meaningful shareholder value through crystallisation events that have the potential to create distribution scenarios through creative commercial structures such as; spinning out assets in exchange for equity, outright sales of the mineral interests (cash/equity or both),

In November 2025 Eastport commenced Phase 1 Drilling starting with 7 Diamond Drill holes testing targets at Semarule Hill, Semarule South and Semarule East. Semarule Hill is a 3km x 5km intrusion outcropping at surface, testing a multi-phase syenite with carbonatite dykes hosting REE. Drilling follows a targeted rock chip sampling campaign in 2023 at Semarule Hill, returning encouraging TREO + Y<sub>2</sub>O<sub>3</sub> results.

Drilling will also test Semarule South, a covered intrusions identified in geophysics with an aerial extent 2-3x bigger than the target at Semarule Hill

In December 2025 the Company commenced drilling on the Foley Uranium Project, which borders the Lotus Resources 114 Mlb Letlhakane Deposit – one of the world's largest undeveloped uranium resources (365 Mt @ 307 ppm U<sub>3</sub>O<sub>8</sub>). The 5,000m RC programme is the First Drilling of the Northern Extension of Letlhakane, testing a continuous 15km+ radiometric anomaly trending directly into Foley.

Foley is a Langer Heinrich-Style paleo-channel uranium deposit, targeting shallow (40-80 m), redox controlled mineralisation in heap-leach amenable sandstones.

### **Results of Operations**

During the year October 31, 2025 and 2024, the Company has focused on progressing its portfolio of mineral interests in line with its financial and technical obligations.

### **Selected Annual Disclosure**

Eastport Ventures Inc.  
MANAGEMENT'S DISCUSSION & ANALYSIS  
October 31, 2025

The following table provides a brief summary of the Company's financial operations for the three most recently completed financial years:

	2025	2024	2023
	\$	\$	\$
Total Revenues	-	-	-
Net Loss	2,325,873	3,743,557	2,660,378
Loss Per Share – basic and diluted	(0.04)	(0.07)	(0.05)
Total Assets	4,506,649	1,081,610	3,981,576
Total Long-term Financial Liabilities	-	-	-

The overall decrease in net loss is primarily reflects lower fair value losses on investments and the recognition of a gain on debt extinguishment, both of which contributed to improving the net loss position. Increase in total assets is mainly attributable to the cash proceeds received from the Company's financing activities.

## RESULTS OF OPERATIONS

### Annual

Eastport had a net loss of \$2,325,873 for the year ended October 31, 2025 (October 31, 2024: \$3,743,557).

Operational expenses that mainly contributed to the net loss as follows:

- Exploration activities accounted for \$370,778 (October 31, 2024: \$941,635), which consisted of mainly labour cost, which includes wages and site security, and geophysical and geological costs.
- Professional fees of \$659,480 (October 31, 2024: \$688,389), which was related to fiscal year 2025 audit, 2025 interim review and proforma and filing statement review engagement, and legal fees.
- Marketing and investor relations of \$45,151 (October 31, 2024: \$181,264) was related to general marketing in preparation for listing on the TSXV.
- Travel of \$64,271 (October 31, 2024: \$57,753) was related to corporate travel for management and directors.
- Share based payments of \$640,899 (October 31, 2024: \$121,733), which was related to 6m performance warrants granted to directors and a consultant in March 2025.
- Other expenses of \$545,294 (October 31, 2024: \$1,752,783), which include non-cash items such as, loss on disposal of investments, unrealized fair value adjustment on investments, fair value adjustments on conversion liabilities, and gain from debt extinguishment.

During the years ended October 31, 2025 and October 31, 2024 the Company incurred exploration and evaluation expenditures.

Details of the general exploration expenses by properties as at October 31, 2025 as follows:

	<b>Matsitama</b>	<b>Jwaneng</b>	<b>Semarule</b>	<b>Foley</b>	<b>Keng</b>	<b>Selebi</b>	<b>Total</b>
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Eastport Ventures Inc.  
MANAGEMENT'S DISCUSSION & ANALYSIS  
October 31, 2025

Labour costs	117,214	4,809	26,398	-	-	-	148,421
Site and vehicle costs	32,134	5,707	5,116	173	801	199	44,130
Drilling	61,689	94	17,370	-	-	-	79,153
Geophysical and geological costs	59,131	3	7,216	10,866	6,935	14,923	99,074
	<u>270,168</u>	<u>10,613</u>	<u>56,100</u>	<u>11,039</u>	<u>7,736</u>	<u>15,122</u>	<u>370,778</u>

Details of the general exploration expenses by properties as at October 31, 2024 as follows:

	<u>Matsitama</u>	<u>Jwaneng</u>	<u>Semarule</u>	<u>Foley</u>	<u>Keng</u>	<u>Selebi</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$
Acquired exploration and evaluation	302,143	-	-	-	-	-	302,143
Labour costs	148,774	2,232	5,879	-	-	3,378	160,263
Site and vehicle costs	41,319	5,599	4,569	218	633	5,430	57,768
Drilling	255,887	-	6,177	-	-	-	262,064
Geophysical and geological costs	92,315	-	781	2,240	14,387	49,674	159,397
	<u>840,438</u>	<u>7,831</u>	<u>17,406</u>	<u>2,458</u>	<u>15,020</u>	<u>58,482</u>	<u>941,635</u>

For the year ending October 31, 2025 and 2024, the Company had six exploration sites, which consisted of 16 exploration licenses.

The Company maintain in total, 6 projects located in the south-east and north-east of Botswana and the projects are prospective for: Copper, Nickel, Uranium, Rare Earth Elements and Diamonds. The Company's will continue to maintain these mineral interests to the extent the on-going exploration yield successful results. The objective of the Company is to make material mineral discoveries that can be developed into economic deposits, which will then lead to the sale of the mineral interest(s) or a Joint-Venture Participation and Mining Operation.

### Three Months Ended October 31, 2025

Eastport had a net loss of \$678,770 for the three months ended October 31, 2025 (October 31, 2024: \$1,157,844).

Operational expenses that mainly contributed to the net loss as follows:

- Exploration activities accounted for \$119,733 (October 31, 2024: \$123,408), which consisted of mainly labour cost, which includes wages and site security, and geophysical and geological costs.
- Professional fees of \$289,038 (October 31, 2024: \$247,041), which was related to remainder balance for the fiscal year 2025 audit, 2025 interim review and legal fees.
- Share based payments of \$278,968 (October 31, 2024: \$13,380), which was related to 6m performance warrants granted to directors and a consultant in March 2025.
- Other income of \$114,607 (October 31, 2024: other expenses of \$751,852), which include non-cash items such as, loss on disposal of investments, unrealized fair value adjustment on investments, fair value adjustments on conversion liabilities.

### Liquidity

Eastport Ventures Inc.  
MANAGEMENT'S DISCUSSION & ANALYSIS  
October 31, 2025

Eastport has financed its operations to date by the issuance of common shares and convertible debt instruments. Eastport had working capital of \$1,119,510 ( October 31, 2024 working capital deficiency of \$1,816,991) and bank and cash balances of \$4,369,436 as at October 31, 2025 (2024: \$135,808). Further financing will be required for working capital and exploration expenditures, and whilst the Board & Management are motivated and focused to continue to raise capital, for the Company to meet its continuing financial and project-related obligations there can be no certainty that capital will be raised in line with meeting the Company's ongoing financial obligations.

### Capital Resources

Eastport has no sources of revenue. The availability of equity capital, and the price at which additional equity could be issued, will be dependent upon the success of Eastport's exploration activities, and upon the state of the capital markets generally.

### Off-Balance Sheet Arrangements

Eastport does not have any off-balance sheet arrangements.

### Transactions with Related Parties

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the Company's operations, directly or indirectly. The key management personnel of the Company are the members of the executive management team and the Board of Directors.

(a) Compensation provided to key management during the period was as follows:

	October 31, 2025		October 31, 2024	
Professional fees – Former CFO	\$	-	\$	100,200
Salaries and wages – Managing Director		61,720		85,862
	\$	61,720	\$	186,062

These transactions are in the normal course of operations and are measured at exchange amount, which the amount of consideration established and agreed by the related parties.

(b) As at October 31, 2025 and 2024, the Company has the following balance owing to related parties:

<b>Balances:</b>		October 31, 2025		October 31, 2024	
Amounts owing to director	i	\$	97,759	\$	92,125
Amount owing to Former CFO	ii		-		70,512
Amounts owing to Managing director	iii		44		-
Amounts owing to CEO/director and his controlled company	iv		92,317		25,857
		\$	190,120	\$	188,494

(i) As at October 31, 2025, \$97,759 (October 31, 2024: \$92,125) was due to a director of the Company, which is non-interest bearing, unsecured, and due on demand.

- (ii) 2835889 Ontario Inc. is deemed to be a related party to the Company because it is owned by the former CFO of the Company. As at October 31, 2025 \$nil (October 31, 2024: \$70,512) is owed to 2835889 Ontario Inc. in accounts payable.
  - (iii) Dr. Gomotsang Thoso is deemed to be a related party to the Company because she is the Managing Director of Eastport's subsidiaries. During the year ended October 31, 2025, as at October 31, 2025, \$44 (October 31, 2024: \$nil) is owed to her.
  - (i) As at October 31, 2025, \$92,317 (October 31, 2024: \$25,857) was due to the CEO and a company controlled by the CEO of the Company, which is non-interest bearing, unsecured, and due on demand. During the year ended October 31, 2025, the Company incurred rent expenses of \$25,900 (2024: \$25,857) to a company controlled by the CEO.
- (c) As at October 31, 2025 and 2024, the Company has the following balance due from related parties:
- (i) Hill 79 is deemed to be a related party to the Company because one of their Board of Directors also hold Board of Director seat for the Company. During the year the Company loaned \$7,500 (October, 31, 2024: 246,750) to Hill 79. The loan is non-interest bearing and there were no set terms of repayment. As at October 31, 2025 and 2024, the Company concluded that until Hill 79 is able to support repayment, the balance is effectively impaired and a full expected credit loss has been recorded.
  - (ii) On December 1, 2024, Burns Singh Tennent-Bhohi, CEO, the director of the Company, entered into a loan facility agreement ("Loan Facility") with the Company whereby Burns Singh Tennent-Bhohi will provide a loan facility of up to \$360,000 (US\$250,000) to the Company. Interest shall accrue immediately upon drawdown at a fixed rate of 15% per annum and the repayment date is December 31, 2030. As of October 31, 2025, the Company had drawn \$272,252 under the Loan Facility, with accrued interest totaling \$24,837.
  - (iii) In February 2025, Simon Bate, a Director of Eastport's subsidiaries, was indebted \$15,000 to the Company. The loan bears an interest rate of 5%. As at October 31, 2025, the Company recorded \$522 interest income (October 31, 2024: \$nil).

### **Proposed Transactions**

On March 14, 2025, Eastport Critical Metals Corp. (formerly Penbar Capital Ltd.) ("ECMC") and 1001160772 Ontario Inc. ("SubCo") entered into a three-cornered amalgamation agreement (the "Amalgamation Agreement"). The ECMC is expected to acquire all of the issued and outstanding common shares of EVI pursuant to the Amalgamation Agreement. The Amalgamation to be completed under the Business Corporations Act (Ontario) by ECMC, EVI and SubCo., a wholly owned subsidiary of ECMC, incorporated for the purpose of completing the Amalgamation.

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### **Contingency**

Environmental contingencies:

The Company's exploration activities are subject to various federal and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. In the future, the Company may make expenditures to comply with such laws and regulations.

### **Critical Accounting Judgements:**

- (a) going concern

Consolidated financial statements are prepared on a going concern basis unless management either intends to liquidate the Company or has no realistic alternative to do so. Assessment of the Company's ability to continue as a going concern requires the consideration of all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This information includes estimates of future cash flows and other factors, the outcome of which is uncertain. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern those uncertainties are disclosed.

### **Critical Accounting Estimates**

- (a) Valuation of share-based compensation and warrants

The Company estimates the fair value of warrants and options using the Black-Scholes Option Pricing Model which requires significant estimation around assumptions and inputs such as share price, expected term to maturity, expected volatility and expected forfeiture rates. The fair value of the underlining common shares was based on implied share price based on the most recent financings, the volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. Note 11 of the consolidated financial statements contains further details of significant assumptions applied to these areas of estimation.

(b) Convertible Debentures

Convertible debentures are financial instruments which are accounted for separately dependent on the nature of their components: a financial liability and an equity instrument. The identification of such components embedded within a convertible debenture requires significant judgments including; discount rates and future cash flows. When the conversion option has a fixed conversion rate thus the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual balance, or conversion feature is accounted for as equity at issuance. Transaction costs are apportioned to the debt liability and equity component in proportion to the allocation of proceeds.

When the conversion option does not have a fixed conversion rate, the convertible debenture are convertible into a variable number of common shares such that there were liability and derivative liability components. On issuance the financial instrument is bifurcated by evaluating the fair value of the derivative liability component and the residual was assigned to the host financial liability. The fair value of the derivative liability is determined by using the Black Scholes Option Model on issuance and revalued at each reporting date. Significant judgment is required to estimate the fair value of the common share and the probability of a going public transaction.

(c) Deferred tax

Tax benefits from uncertain tax positions may be recognized when it is probable that the Company will be able to use deductible temporary differences against taxable profit: (i) whether a tax position, based solely on its technical merits, is probable to be sustained upon examination, and (ii) measuring the tax benefit as the expected value or most likely amount taking into consideration which method better predicts the realized amounts upon ultimate settlement.

Furthermore, the Corporation uses the asset and liability method in accounting for deferred taxes and mining duties. Under this method, deferred taxes are recognized for future income tax. In preparing these estimates, management is required to interpret substantially enacted legislation as well as economic and business conditions along with management's tax and corporate structure plans which may impact taxable income in future periods.

**Recent Accounting Pronouncements and Future Changes in Accounting Policies**

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after November 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded.

The following have been adopted by the Company:

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of

a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024. The accounting pronouncement does not have a significant impact on the Company's consolidated financial statements.

The following have not been adopted and are being evaluated to determine their impact on the Company:

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which is intended to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. IFRS 18 introduces new sets of requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies through

- Improved comparability in the statement of profit or loss or income statement;
- Enhanced transparency of management-defined performance measures; and
- More useful grouping of information in the financial statements.

IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged.

In May 2024, the IASB issued amendments to the classification and measurement requirements in IFRS 9. The amendments will address diversity in accounting practice by making the requirements more understandable and consistent. These include:

- Clarifying the classification and assessment of contractual cash flows of financial assets with environmental, social and corporate governance ("ESG").
- Settlement of liabilities through electronic payment systems - the amendments clarify the date on which a financial asset or financial liability is derecognized. The IASB also decided to develop an accounting policy option to allow a company to derecognize a financial liability before it delivers cash on the settlement date if specified criteria are met.

With these amendments, the IASB has also introduced additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets. The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

### **Financial Instruments**

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, market risk and currency risk. The carrying value of bank and cash balances, amounts due to related, trade payables and accrued liabilities, loan payable and convertible loans approximate their fair value due to their short-term nature. Such fair value estimates are not necessarily indicative of the amounts the Company might pay or receive in actual market transactions. Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table shows the levels with the hierarchy if financial assets and liabilities measure at fair value on recurring basis:

October 31, 2025				
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	\$	\$	\$	\$
Bank and cash balances	240,330	-	-	240,330
Restricted cash	4,129,106	-	-	4,129,106
Investments	6,705	-	10,000	16,705
<b>Total financial assets</b>	<b>4,376,141</b>	<b>-</b>	<b>10,000</b>	<b>4,386,141</b>
October 31, 2024				
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	\$	\$	\$	\$
Bank and cash balances	135,808	-	-	135,808
Investments	723,756	-	14,305	738,061
<b>Total financial assets</b>	<b>859,564</b>	<b>-</b>	<b>14,305</b>	<b>873,869</b>
<b>Financial liabilities</b>				
Conversion liabilities	-	375,298	-	375,298
<b>Total financial liabilities</b>	<b>-</b>	<b>375,298</b>	<b>-</b>	<b>375,298</b>

### Risk Factors Relating to Eastport

Eastport is a mineral exploration and development company operating in the Country of Botswana. The core objective of the Company is to make economic discoveries and develop its mineral portfolio through the development and value curve to a point at which the Company can realise value through either; a sale of asset(s), joint-venture transaction(s) and or mining operations.

As at now, Eastport does not generate any revenue from its activities, and will, for the foreseeable future, be reliant on capital investment by way of equity or debt finance.

It is the opinion of the Board & Management that the following risk factors apply to Eastport Ventures Inc.

(a) Nature of Mineral Exploration

Resource exploration and development is a speculative business and involves a high degree of risk, which even a combination of experience, knowledge, and careful evaluation may not be able to overcome. The properties in which Eastport holds an interest are without a known mineral resource. Each of the Company's proposed programs on its properties is an exploratory search for resources. There can be no assurance that commercial quantities of resources will be discovered. There can also be no assurance that even if commercial quantities of resources are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors, not least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the aforementioned factors are beyond the control of Eastport.

(b) Requirement for Further Financing

Eastport has relied on equity financing to date to fund its operations. Eastport does not have sufficient financial resources to undertake all of its currently planned exploration programs. There can be no assurance that Eastport will be able to raise the financing required or that such financing can be obtained without dilution or credit risk to its shareholders. Failure to obtain additional financing on a timely basis could cause Eastport to reduce or terminate its operations or lose its interest in its properties.

(c) Volatile Metals Markets

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resource are discovered, a profitable market will exist for the sale of same, or those mineral prices will be such that Eastport's properties can be mined at a profit. Factors beyond the control of Eastport may affect the ability of Eastport to attract investors and receive further funds for exploration. Minerals prices have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the control of Eastport, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the Botswana Pula relative to other currencies), interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. In particular, the supply of and demand for metals are affected by, among other factors, political events, economic conditions and production costs in major mining regions and governmental policies.

(d) Dependence on Key Management Employees

Eastport's development to date has depended, and in the future will continue to depend, on the efforts of key management employees. The loss of any key management employees could have a material adverse effect on Eastport. Furthermore, at present, Eastport does not have key man insurance in place.

**Share Capital**

As at date of this MD&A, there are 33,490,774 common shares, 14,947,403 share purchase warrants, 395,360 stock options, and 1,764,600 performance warrants outstanding.