

Alset

ALSET AI VENTURES INC

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTH PERIOD ENDED DECEMBER 31, 2025 AND 2024

MARCH 2, 2026

Introduction

This Management’s Discussion and Analysis (“**MD&A**”) of Alset AI Ventures Inc. (the “**Company**”) is the responsibility of management and covers the three months ended December 31, 2025 and is dated March 2, 2026. The MD&A takes into account information available up to and including March 2 2026 and should be read in conjunction with the condensed interim financial statements for the three months ended December 31, 2025 and the audited financial statements for the year ended September 30, 2025 (the “**Financial Statements**”), which are available on the SEDAR+ website at www.sedarplus.ca

Throughout this document the terms *we, us, our, and the Company* refer to Alset AI Ventures Inc. All financial information in this document is derived from the Financial Statements, which have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) and is presented in Canadian dollars unless otherwise indicated.

The Company’s certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statements of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company’s certifying officers certify that the Financial Statements together with the other financial information included in the Financial Statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company as the date of and for the periods presented in the Financial Statements.

The Company’s audit committee (the “**Audit Committee**”) and board of directors (the “**Board**”) provide an oversight role with respect to all public financial disclosures by the Company. The Board approves the Financial Statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Additional information related to the Company is available for view on SEDAR+ at www.sedarplus.ca

This document contains forward-looking statements. Please refer to “Note Regarding Forward-Looking Statements.” Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond our ability to control, that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Please refer to “Risk Factors” below.

Description of Business

Alset AI Ventures Inc. was incorporated under the laws of the State of Nevada on October 29, 1999. On January 27, 2009, the Company was continued from the State of Nevada to the Province of British Columbia under the *Business Corporations Act* (British Columbia). The Company’s record office is #701 West Georgia Street, Suite 1420, Vancouver, BC, V7Y 1E4. The Company’s common shares (the “**Common Shares**”) trade on the TSX Venture Exchange (“**TSX-V**”) under the symbol “GPUS”, OTC Pink Market (“**OTC Pink**”) under the symbol “GPUSF”, and Frankfurt Stock Exchange (“**FSE**”) under the symbol “1R60”.

The Company is an investment issuer primarily focused on investments in the technology industry, including but not limited to artificial intelligence (“**AI**”). The Company’s investment portfolio is currently comprised of:

Investee name	Percentage holding
Cedarcross International Technologies Inc. dba Lyken AI (“Cedarcross” or “Lyken”)	100%
Vertex AI Ventures Inc. (“Vertex”)	49%
Blueprint AI Technologies Inc. (“Blueprint”)	<20%
Henon Financial Technologies Inc. (“Henon”)	<20%
Inverite Insights Inc. (“Inverite”)	<20%

Outlook

For the upcoming year, the Company anticipates continuing to make strategic seed investments in early-stage AI companies that require capital and strategic consulting services relating to their platform commercialization. The Company continues to identify and research investment opportunities that are in the AI sector, in both platform/software and hardware/infrastructure verticals. Additionally, the Company anticipates working closely with its flagship investee business Cedarcross, to provide both investment capital and strategic guidance to assist the business in launching its new commercialization program, and providing the necessary working capital to support its revenue generating initiatives in H1 of its fiscal year. The Company will additionally assist in raising capital on behalf of Cedarcross, should Cedarcross scale rapidly. Lastly, as the Company achieves key financial and performance related milestones through its value creation and investment strategies, the Company anticipates hiring key full-time roles in Finance, Pipeline, and Business Development functions within the fiscal year.

Select Recent Developments

- On August 5, 2025, the Company acquired the remaining 25% stake in Cedarcross. In consideration for the acquisition, the Company issued 7,000,000 Common Shares at a fair value of \$0.10 for total consideration of \$700,000.
- On August 15, 2025, the Company announced it had entered into a second amending agreement to its digital marketing services agreement with Machai Capital Inc. to extend the term of the agreement for an additional two months for additional consideration of \$400,000.
- On August 20, 2025, the Company announced the launch of a new corporate website for Lyken.
- On August 20, 2025, Lyken entered into a master service agreement with Align Wellness, a managed services platform, which supports 60 physical therapy and injury clinics across North America.
- On August 25, 2025, the Company announced it had made an application to the TSX-V to approve an early warrant incentive exercise program intended to encourage the early exercise of up to 19,999,993 warrants to purchase Common Share (“**Warrants**”). Each Warrant is currently exercisable into one Common Share at 0.15 per Common Share, and if exercised prior to 30 days from August 27, 2025, the holder of the Warrants will receive one-half of one additional Warrant exercisable at \$0.25 for a period of one year from the date of issuance. The program was formally commenced on August 27, 2025.
- On August 25, 2025, the Company entered into a partnership through a memorandum of understanding with CHIP Data Centres Inc. (“**CHIP**”) to support the commercial development of AI infrastructure. As part of the alliance, the Company made a strategic investment in CHIP’s Waterloo-based datacentre.
- On August 26, 2025, Lisa Baird and Vijay Mony joined the Board as independent directors following their election by the Company’s shareholders at an annual and special meeting of shareholders held on that date. On August 26, 2025, Ms. Baird was also appointed as Chair of the Board, and to the Audit Committee, Compensation Committee (Chair) and Governance and Nominating Committee, Mr. Mony was appointed to the Compensation Committee and Governance and Nominating Committee (Chair) and Mr. Adam Ingraio was appointed to the Compensation Committee and Governance and Nominating Committee.
- On August 26, 2025, the Company appointed Chase Chamberlin, CEO of Commonwealth Sports Canada, a sports investment platform, as a strategic advisor of the Company.
- On September 15, 2025, Kurtis Krack was appointed President of Cedarcross.
- On September 17, 2025, the Company announced that shareholders beneficially owning or controlling, directly or indirectly, an aggregate of 13,010,068 Common Shares, representing approximately 8.39% of the issued and outstanding Common Shares, voluntarily agreed to a four-month lock-up on their Common Shares.

- On September 18, 2025, the Company entered into an amending agreement with Silver Birch Growth Inc. (“**SBG**”) to amend its prior revenue agreement (the “**Original Agreement**”) with SBG to amend the terms of certain royalty compensation to be provided to the Company regarding certain customers. No other terms of the Original Agreement were amended.
- On September 25, 2025, the Company entered into a referral agreement with a leading, publicly-listed global infrastructure company. The agreement formally establishes the Company as a referral partner.
- On September 26, 2025, the Company’s previously-announced warrant exercise incentive program expired. The program was intended to encourage the early exercise of up to 19,999,993 Warrants. No Warrants were exercised as part of the program.
- On September 26, 2025, Mr. Randy Gilling became an insider of the Company by virtue of holding greater than 10% of the Common Shares.
- On October 2, 2025, the Company announced that Cedarcross was accepted into the Dell Technologies Canada Partner Program as a Cloud Services Provider.
- On October 17, 2025, the Company announced it had entered into an unsecured non-revolving term loan agreement with Mr. Randy Gilling, an insider of the Company, for an aggregate principal amount of up to \$3,000,000. Subsequent to period-end, on February 19, 2026, the Company provided an update with respect to a restructuring of the transaction due to certain tax-related considerations of the lender. Furthermore, on February 24, 2025, the Company the Company closed the first tranche (the “**First Tranche**”) of the loan transaction (the “**Loan Transaction**”) in the principal amount of up to \$3,000,000. The lender advanced \$500,000 pursuant to the First Tranche. For further information, refer to “*Subsequent Events*”.
- On December 8, 2025, the Company settled a \$100,000 loan (plus accrued and unpaid interest) with Inverite for 400,000 common shares and 200,000 share purchase warrants of Inverite. The warrants are exercisable for two years from the date of issuance and have an exercise price of \$0.35.
- On December 23, 2025, the Company completed a non-brokered private placement offering of 12,727,272 units of the Company (“**Units**”) at a price of \$0.06, for aggregate gross proceeds of approximately \$700,000 (the “**LIFE Offering**”). Each Unit consists of one Common Share and one-half of one Warrant, with each whole Warrant entitling the holder thereof to acquire one Common Share at an exercise price of \$0.10 per Common Share until December 23, 2027. The Units were issued pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 *Prospectus Exemptions*.

Certain statements contained in this MD&A and the press releases of the Company constitute forward-looking information (within the meaning of Canadian securities legislation). All statements other than statements of historical fact contained in this MD&A, including, without limitation, statements regarding the Company’s future investments and businesses of its investee companies; the expected timing and projected cost of the Company’s business objectives and initiatives including its expansion plans and the business strategies of the Company; repayment of loans owing to the Company; the anticipated use of the proceeds from the Company’s financings; the intentions, plans and future actions of the Company; market position, ability to compete and future financial or operating performance of the Company; expectations regarding revenues, expenses and anticipated cash needs, general business and economic conditions of the AI Cloud Computing Infrastructure industry; and the growth of the global cloud AI market. The list above is not exhaustive of the factors that may affect any of the Company’s forward-looking statements. For a detailed description of risk factors associated with the Company, refer to the “Risks and Uncertainties” section of this MD&A. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties, and other factors, which may cause the actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the statements. Forward-looking statements speak only as of the date those statements are made. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ

materially from those in forward-looking statements include regulatory actions, market prices, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable law, the Company assumes no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions, or changes in other factors affecting the forward-looking statements. If the Company updates any forward-looking statement(s), no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements.

Summary of Quarterly Results

The following table summarizes the last 8 quarters of the Company.

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Total assets	\$ 5,355,101	\$ 5,166,462	\$ 5,243,001	\$ 9,343,309
Shareholders' equity	4,682,621	4,386,328	4,725,412	8,998,701
Total revenue	-	-	-	-
Comprehensive loss	(784,644)	(931,917)	(4,288,289)	(1,510,378)
Basic and diluted loss per share	(0.01)	(0.01)	(0.04)	(0.01)

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Total assets	\$ 8,083,465	\$ 8,053,122	\$ 10,435,458	\$ 9,841,202
Shareholders' equity	7,585,591	7,261,709	9,642,284	9,259,015
Total revenue	-	-	-	-
Comprehensive loss	(295,032)	(4,205,549)	(1,553,889)	(494,594)
Basic and diluted loss per share	(0.00)	(0.07)	(0.02)	(0.01)

The Company has not paid dividends on its Common Shares and does not anticipate declaring any dividends in the future.

Significant Investments

Cedarcross International Technologies Inc. dba Lyken AI

Cedarcross provides sovereign access to high-performance AI computing, AI consulting services, and agentic AI development solutions, to small-to-mid sized enterprises. Cedarcross provides end-to-end support, combining advisory services, application development, and sovereign infrastructure capabilities, to small-to-mid sized enterprises that utilize AI solutions and/or require access to high-performance AI computing. This full-service platform-based approach positions the Company to align with customer demand for practical, outcome-oriented AI solutions, in particular with Canadian small-to-midsized enterprises, such as customer Align Health announced in August 2025 which required an AI solution for its customer service department.

In 2024, Cedarcross entered into the Earthmade Supply Agreement which enabled Cedarcross to distribute Nvidia GPU High-Performance Computing (HPC) servers, and to receive assistance from Earthmade in obtaining hardware allocation from Super Micro for the distribution of Nvidia GPU servers. Super Micro delivers a broad selection of Nvidia-certified systems providing performance and efficiency from small enterprises to large, unified AI training clusters with the new Nvidia H100 and H200 Tensor Core GPUs. The Earthmade Supply Agreement additionally allows Cedarcross to distribute Nvidia GPU high-Performance Computing servers. The distribution of Nvidia-certified systems enhances Cedarcross's service offerings. The alliance ensures access to supply of high-performance computing hardware, critical for maintaining competitive advantage.

During the year ended September 30, 2024, Cedarcross entered into a HPC server purchase agreement with Big Energy Investments Inc., DBA Ceti AI (“Ceti AI”). The Agreement involved the sale of eight (8) Nvidia H100 HGX 8GPU servers that were sourced by Cedarcross.

The Company evaluated the fair value of the investment in Cedarcross as at December 31 and September 30, 2025 to be \$2,800,000 and recorded an unrealized loss in investment of \$2,241,368 during the year ended September 30, 2025. This valuation was based on an observable price change in the underlying common share.

In August 2025, Cedarcross completed the sale of its remaining inventory of high-performance computing servers for total consideration of approximately \$490,000. The proceeds from the sale were used to support ongoing operations and strategic initiatives.

During this period, Cedarcross undertook a commercial rebranding initiative and began operating under the name Lyken.AI for market-facing and business development purposes. This rebranding reflects an evolution in the Company's commercial positioning toward advisory-led and platform-based AI solutions, in addition to infrastructure and high-performance computing leasing. The rebranding does not impact the legal structure of Cedarcross or its existing contractual obligations.

In addition, Kurtis Krack was appointed President of Lyken.AI. In September 2025. Mr. Krack is responsible for overseeing operational execution, platform development, and strategic partnerships. Management believes this appointment strengthens the Company's leadership team and supports the execution of its evolving business strategy, which more now broadly incorporates AI consulting and software development services under the new Lyken.AI business model.

The Company also has formalized strategic partnerships with global participants in the infrastructure and hardware ecosystem. In September 2025, Lyken.AI was designated as a Cloud Service Provider with Dell Technologies, enabling access to enterprise-grade infrastructure solutions. In addition, also in September 2025, Lyken.AI entered into a reseller agreement with Nebius, expanding access to advanced AI compute and infrastructure resources.

Management believes these partnerships enhance the Company's ability to deliver integrated AI infrastructure solutions and support diversification beyond compute leasing and hardware distribution activities. Management will continue to invest in headcount and hardware assets as the business scales in 2026, relative to the size and scope of new customer contracts that are activated.

The Company has advanced its plans to commercialize Lyken.AI in the first calendar quarter of 2026 as an integrated platform providing AI consulting, sovereign infrastructure, and application development services. This strategy reflects management's assessment that many AI initiatives encounter execution challenges due to fragmented service delivery models and the absence of a single accountable provider. On January 21, 2026 the Company announced the full commercial launch of Lyken AI.

Vertex AI Ventures Inc. (“Vertex”)

The Company invested in Vertex on March 15, 2024. Vertex was focused on identifying and acquiring intellectual property (“IP”) and providing data management services. Vertex has yet to generate revenue from its IP or data management services.

The Company has determined that it is improbable for Vertex to generate future cash flows. As such, the Company has evaluated the fair value of the investment in Vertex as at December 31 and September 30, 2025 to be \$1 and recorded an unrealized loss in investment of \$599,999 during the year ended September 30, 2025.

The Company does not have further plans for Vertex.

VERSES AI Inc. (“Verses”)

On September 26, 2024, the Company acquired 312,500 units of Verses for \$250,000. Each unit of Verses consisted of one common share and one warrant exercisable at a price of \$1.20 per share for a period of three years from the date of issuance. The Company recorded an initial value of \$250,000 towards the Verses shares and warrants. As at December 31, 2025, the Company did not hold any common shares of Verses (September 30, 2025 – nil) and holds 312,500 (September 30, 2025 – 312,500) share purchase warrants of Verses.

During the three months ended December 31, 2025, the Company did not sell (2024 - sold 100,000 common shares) of Verses for gross proceeds of \$nil (2024 - \$138,689) and recorded a realized gain of \$nil (2024 - \$78,098) as a result of the sale. All shares were sold during the year ended September 30, 2025. As at December 31, 2025, the warrants had a fair value of \$1,024 (September 30, 2025 - \$15,402). During the three months ended December 31, 2024, Company recorded an unrealized gain on investment of \$nil (2024 - \$184,090) and an unrealized fair value gain on derivative financial instrument of \$14,378 (2024 - \$111,905). The warrants were valued using the Black-Scholes option pricing model with the following inputs: expected life of 1.74 years, volatility of 107%, risk-free rate of 2.55%, and 0% for dividends and forfeitures.

The Company does not have further plans for Verses.

Blueprint AI Technologies Inc.

Blueprint AI is building intelligent design and permitting tools for the built environment. Its platform leverages AI to automate zoning checks, building code analysis, and design coordination-reducing friction, risk and costs from concept to permit.

On December 18, 2024, the Company acquired 1,111,111 common shares of Blueprint AI, representing an 11.56% equity interest in Blueprint AI. The acquisition was completed at a price of \$0.135 per share for a total cash payment of \$150,000. The agreement between the Company and Blueprint AI included a commitment to invest an additional \$200,000 in Blueprint AI's next equity financing round, contingent upon Blueprint achieving aggregate gross proceeds of at least \$400,000 in that financing round. Further, the Company is eligible to receive up to 555,532 additional common shares of Blueprint upon the achievement by Blueprint AI of specific milestones.

Blueprint MVP was completed and officially launched in June 2025 focusing on reviews of key areas such as fire separation protection, door schedules, exiting and egress analysis, travel distance, accessible path checks, and the introduction of a building code chatbot. These features address the most time-sensitive tasks of the code review process. Blueprint has onboarded five clients since the MVP launch including one architectural firm and four code engineering firms across Canada in paying and trial capacities. Blueprint is currently revenue generating but is in the process of fundraising to commercialize given product market fit has been validated. As Blueprint moves into full commercialization in 2026, the Company will continue to provide strategic guidance and support to the Blueprint team, and additional funding may be provided to Blueprint in order for Blueprint to add new commercial and development roles for scaling.

As at December 31 and September 30, 2025, the Company evaluated the fair value of Blueprint AI as \$150,000.

Henon Financial Technologies Inc.

Henon is an AI-native platform purpose-built for private equity and credit firms. It integrates data warehousing, monitoring, reporting, modeling, and valuation capabilities into a single secure system of action, dramatically reducing friction from data to decision. Henon serves a global client base from offices in Toronto, Chicago, and London. For more information, visit www.henon.ai.

On March 31, 2025, the Company acquired 147,058 common shares of Henon. The acquisition was priced at \$1.70 per share for total cash payment of \$249,999. As at December 31 and September 30, 2025, the Company evaluated the fair value of Henon as \$367,645 and recorded an unrealized gain on investment of \$117,646 during the year ended September 30, 2025. This valuation was based on an observable price change in the underlying common share.

Chip Data Centres Inc.

Subsequent to the year three months ended December 31, 2025, on January 5, 2026, the Company acquired 125,000 common shares of CHIP. The acquisition was priced at \$0.40 per share for total cash payment by the Company of \$50,000. Refer to “Subsequent Events” for additional information.

CHIP builds and operates purpose-built facilities optimized for artificial intelligence workloads, offering high-density compute infrastructure, advanced cooling, high-speed networking, and enterprise-grade security designed and operated by long tenured, industry veterans. In addition to space, they provide full onsite deployment, configuration, and support to help technology companies scale from single racks to multi-megawatt installations with reliability and compliance for sensitive data. CHIP is building their first AI focused data center located in Waterloo, Ontario slated to provide 4MW of power.

Digital Currencies

As at December 31, 2025, the Company held Solana (SOL) and IO.net tokens (IO) as digital currencies. Digital currencies are revalued by taking the closing prices of each reporting date listed on “Coinmarketcap.com”. The following is a continuity of digital currencies:

	SOL		IO		Total
	Units	\$	Units	Units	\$
Balance, December 30 and September 30, 2024					
Digital currencies purchased	185.25	50,000	12,868.44	185.25	50,000
Digital currencies sold	(157.05)	(54,221)	-	(157.05)	(54,221)
Unrealized loss	-	(70)	-	-	(70)
Realized gain	-	12,486	-	-	12,486
Balance, September 30, 2025	28.20	8,195	12,868.44	9,405	17,600
Unrealized loss	-	(3,383)	-	(6,784)	(10,167)
Balance, December 31, 2025	28.20	4,811	12,868.44	2,621	7,432

Results of operations for the three months ended December 31, 2025 and 2024

During the three months ended December 31, 2025, the Company incurred a comprehensive loss of \$784,644 as compared to a comprehensive loss of \$295,032 for comparative period in the prior year.

Significant income statement items are as follows:

- Net investment of \$63,955 (2024 – 374,093). The change in investment loss is primarily due to unrealized gains on investments of \$82,633 (\$2024 – 184,090).
- Consulting and management fees of \$239,773 (2024 - \$326,308) increased as the Company due to increased corporate activity. Of the expense, \$49,612 (2024 - \$15,750) was paid to a company that is associated to the CFO and \$82,688 (2024 - \$38,750) to a company owned by the CEO. This difference is primarily due to the timing of the hires of the CEO and CFO of the Company.
- Marketing and investor relations of \$46,216 (2024 - \$41,225) consists primarily of promotional activities in the period and investor marketing activities.
- Office and miscellaneous of \$13,272 (2024 - \$68,396) decreased, primarily due to decreases in rent costs and one-time website design costs incurred during the comparative period in the prior year.
- Share based payments of 314,137 (2024 - \$272,189) primarily due to a difference in the value of the Options and RSUs which have vested.
- Professional fees of \$234,145 (2024 - \$70,490) the increase is primarily due to increases in legal fees.

Liquidity

As at December 31, 2025, the Company had a cash balance of \$680,335 (September 30, 2025 - \$738,200) and a working capital of \$1,125,451 (September 30, 2025 –\$1,003,280), which consisted of current assets of \$1,797,931 (September 30, 2025 –\$1,783,414) and current liabilities of \$672,480 (September 30, 2025 – \$780,134). The increase in working capital is primarily due to the closing of the LIFE Offering.

Operating Activities: During the three months ended December 31, 2025, the Company had an outflow of \$642,285 in operating activities compared to outflow of \$527,026 for the three months ended December 31, 2025. The difference in operating activities is primarily due to proceeds from the sale of investments of nil during the three months ended December 31, 2025 compared to \$138,689 during the comparable period in the prior year.

Investing Activities: During the three months ended December 31, 2025, the Company had an outflow of \$182,380 in investing activities compared to an inflow of \$1,558,245 for the three months ended December 31, 2025. The Company provided \$191,750 to Cedarcross and (2024 - \$100,000) for loans and \$9,370 of the Inverite loan outstanding was repaid (2024 - \$1,658,245). The difference investing activities was primarily due to the repayment of loans by Cedarcross of \$1,658,245 during the comparable period in the prior year.

Financing Activities: During the three months ended December 31, 2025, the Company had an inflow of \$766,800 in financing activities compared to \$120,459 for the three months ended December 31, 2025. The increase of inflow was primarily a result of the completion of the LIFE Offering.

Use of Financing Proceeds:

In the three months ended December 31, 2025, the Company completed the Life Offering. Please see below for a comparison of the Company’s use of proceeds against prior disclosures:

Principal Use of Available Funds	Previous Disclosure Regarding Estimated Use of Proceeds ⁽¹⁾ (\$)	Revised Estimated Use of Proceeds at December 31, 2025 (\$)	Actual Use of Proceeds as at December, 2025 (\$)	Remaining Use of Proceeds as at December 31, 2025 (\$)	Target Timeframe for Completion
Commercialization of Cloud Compute Business	\$200,000	\$200,000	\$36,750	\$163,250	December 2025 through Q2 2026
Technical support for commercial activities	\$200,000	\$150,000	nil	\$150,000	By Q2 2026
Working capital and general corporate purposes	\$300,000	\$350,000	\$218,137	\$131,863	N/A
Total	\$700,000	\$700,000	\$254,887	\$445,113	N/A

Notes:

⁽¹⁾As disclosed in the Company’s offering document dated December 17, 2025 with respect to the LIFE Offering.

Management intends to meet its liabilities by actively pursuing investors.

Capital Resources

Sources of financing arranged but not yet used

The Company used all funds from the financings noted above.

The Company’s objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns and/or benefits for shareholders.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the administration of its corporate affairs and to provide funds for the development of its business. The Board does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company’s management and consultants to sustain future development of the business.

The Company has no revenue generating operations and as such is dependent upon external financings to fund activities. In order to develop its business and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as required. This includes managing liquidity to satisfy the conditional \$200,000 investment commitment to Blueprint AI Technologies Inc. should the financing milestones be met. The Company retains the flexibility to raise additional equity and debt financing if required to fund this or other future opportunities.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the size of the Company.

There were no changes in the Company’s approach to capital management during the three month period ended December 31, 2025, the Company is not subject to externally imposed capital requirements.

Related Party Transactions

Related parties to the Company are considered to be key management personnel including persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined its key management personnel to be the Officers and the Board.

During the three months ended December 31, 2025, the Company paid or accrued management fees of \$49,613 (2024 - \$15,750) to a company that is associated with the CFO of the Company

During the three months ended December 31, 2025, the Company paid or accrued consulting fees of \$82,688 (2024 - \$38,750) to a company owned by the CEO of the Company.

During the three months ended December 31, 2025, the Company paid or accrued consulting fees of \$31,500 (2024 - \$30,000) to companies owned by a director of the Company.

During the three months ended December 31, 2025, the Company issued no (2024 – 1,020,000) stock options to certain directors and officers of the Company and recognised a share-based payment expense of \$90,438 (2024 - \$40,661).

During the three months ended December 31, 2025 the Company recorded share-based payments expense of \$84,135 (2024 - \$101,800) for RSUs issued to key management personnel.

As at December 31, 2025, \$76,043 (September 30, 2025 - \$91,605) is due to related parties included in accounts payable and accrued liabilities.

Outstanding Share Data

The Company's authorized capital consists of an unlimited number of Common Shares, of which 172,901,555 Common Shares are issued and outstanding as of the date of this MD&A. The Company had 36,467,107 Warrants, 15,675,000 Options and 11,761,516 RSUs outstanding as of the date of this MD&A.

On March 27, 2024, the Company authorized the adoption of its omnibus incentive plan (the "**Plan**"), which authorizes the issuance of Options, RSUs and other equity instruments. The Plan enables the Company to authorize to grant Options to executive officers, directors, employees and consultants enabling them to acquire 10% of the issued and outstanding Common Shares, on a rolling basis, for a period of a maximum of 10 years as decided by the Board of Directors of the Company. Under the Plan, the exercise price of each Option is determined at the discretion of the Board of Directors of the Company, and shall not be less than the price of the Common Shares, less applicable discount, as calculated on the date of grant. On July 21, 2025, the Company amended the Plan to increase the aggregate maximum number of Common Shares reserved for issuance pursuant to the award of RSUs from 9,423,033 to 14,780,743.

Off-Balance Sheet Arrangements

At December 31, 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.

Financial Instruments

Due to the short-term nature of cash, accounts receivable, loans receivable, convertible debentures, trade and other payables, and short-term loans payable, the Company determined that the carrying amounts of these financial instruments approximate their fair value.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Currency risk

Currency risk is the risk that the Company will be subject to foreign currency fluctuation. The Company is exposed to foreign currency risk on fluctuations related to cash that is denominated in US Dollars. As at December 31, 2025, the Company has US\$216,114 (CA\$296,206). A 10% change in CAD-USD would affect comprehensive loss by approximately \$29,621 (September 30, 2025 - \$66,752).

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to try and have sufficient liquidity to meet liabilities when due. As at December 31 2025, the Company had a cash balance of \$680,335 (September 30, 2025 - \$738,200) to settle current liabilities of \$672,480 (September 30, 2025 - \$780,134). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

In addition to these current liabilities, the Company manages liquidity for strategic capital commitments. As noted in the investment overview for Blueprint AI Technologies Inc., the Company has committed to invest an additional \$200,000, contingent upon Blueprint successfully raising aggregate gross proceeds of \$400,000 in a net equity financing round. As of September 30, 2025, this condition had not been met, but the Company monitors Blueprint's fundraising progress to ensure sufficient working capital is available should this obligation become due.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at December 31, 2025, the Company did not have any investments in investment-grade short-term deposit certificates.

Debt instruments carrying interest charges are at fixed rates and not subject to variable adjustment, unless in certain circumstances of default.

b) Price risk

The Company is exposed to price risk with respect to equity prices. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make estimates about, and apply assumptions or judgment to, future events and other matters that affect the reported amounts of the Company's assets, liabilities, revenues, expenses and related disclosures. Assumptions, estimates and judgments are based on historical experience, expectations, current trends and other factors that management believes to be relevant at the time at which the Company's financial statements are prepared. The Company's significant accounting

judgements, estimates and assumptions are disclosed in Note 2 of the audited financial statements for the year ended September 30, 2025.

Risks and Uncertainties

The following are major risk factors management has identified which relate to the Company's business activities. Such risk factors could materially affect the Company's future financial results and could cause events to differ materially from those described in forward-looking statements relating to the Company. Though the following are major risk factors identified by management, they do not comprise a definitive list of all risk factors related to the Company's business and operations. Other specific risk factors are discussed elsewhere in this MD&A.

Capitalization and Commercial Viability

The Company will require additional funds to continue operations. The Company has limited financial resources, and there is no assurance that additional funding will be available to the Company to carry out the completion of all proposed activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the curtailment of operations, liquidation of assets, seeking of additional capital on less favourable terms and/or other remedial measures.

History of Operating Losses

The Company has an accumulated deficit since its incorporation through December 31, 2025 of \$39,884,168. The deficit may increase in the near term as the Company continues its product development and establishes sales channels for its new products.

General Economic Conditions

The Company currently operates in Canada, like all global businesses, it has been subject to the impact of the current global credit and financial crisis on consumers in its areas of operations and the discretionary spending available to them. General economic conditions have resulted in reduced consumer and government spending and have impacted the Company's profitability. Should these conditions continue to prevail, there will be further pressure on the Company's profitability.

Future Financings

The Company's continued operation will be dependent in part upon its ability procure additional financing. To date, the Company has done so through a combination of: (i) equity financing; and (ii) cash payments received as property option payments from third parties. The current state of global equity markets has had a direct effect on the ability of exploration companies, including the Company, to finance project acquisition and development through the equity markets. There can be no assurance that forms of financing can be obtained at a future date. Failure to obtain additional financing on a timely basis may cause the Company to postpone development plans, forfeit rights in some or all of the properties or joint ventures, or reduce or terminate some or all of the operations.

Price Volatility of Publicly Traded Securities

During recent months, global securities markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

Legislative, Insurance, Compliance Costs, Regulatory Action and Environment

To comply with various increasing and complex regulatory reporting and standards involves significant cost. Changes to securities regulatory standards, account policy, and compliance reporting could place an additional expense burden on the Company. Insurers may increase premiums as the Company's business

continue to grow so future premiums for the Company's insurance policies, including Directors' and Officers' insurance policies, could be subject to increase.

Risk Factors relating to Cedarcross

Risks related to Global Economic and Geopolitical Factors

Global economic and geopolitical factors could impact hardware supply availability, as well as international customer viability, due to potential changes to import tariffs and/or government sanctions based on end-user geography.

Dependence on Third-Party Infrastructure Providers

The Company relies on external infrastructure as a service (“**IaaS**”) partners for compute, storage, and network capacity. Any service interruption, capacity constraint, pricing change, or contract dispute could materially impact platform availability and margins. Concentration risk arises if a single cloud partner provides a majority of infrastructure resources.

Data Security, Privacy, and Compliance Risks

AI platforms process sensitive customer data, increasing exposure to cybersecurity breaches, unauthorized access and data leakage. Evolving regulatory frameworks (e.g. privacy laws, AI governance rules) may require costly compliance investments.

Platform Reliability and Service-Level Performance

Customers expect high uptime and low latency for AI workloads. Outages – whether from internal software defects or partner infrastructure failures – may trigger service level agreement (“**SLA**”) penalties. Rapid scaling of AI workloads may strain system architecture if capacity planning is inadequate.

Cost Structure and Margin Pressure

Outsourced IaaS introduces variable cost volatility, especially for GPU-intensive AI workloads. Increases in partner pricing or unfavorable contract renegotiations may compress gross margins. Inefficient model training or inference operations can lead to unexpected cost overruns.

Technology Obsolescence and Innovation Risk

AI technology evolves rapidly; failure to innovate or adopt new architectures (e.g. edge AI, multimodal models) may reduce competitiveness. Competitors with proprietary infrastructure may achieve cost or performance advantages that the Company cannot match due to reliance on third party IaaS.

Vendor and Partner Concentration Risk

Dependence on a small number of IaaS or model-training increases exposure to contractual, operational, and geopolitical risks. Partner instability, financial distress, or strategic shifts could disrupt service continuity.

Regulatory and Ethical AI Risks

Governments are introducing new AI regulations (e.g. transparency, explainability, model risk management). Non-compliance could result in operational restrictions, fines or mandatory model redesigns.

Information regarding forward looking statements

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains certain forward-looking statements. Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate” and “believe”, are intended to identify forward-looking statements. Such

statements reflect the Company's "forecast", "estimate", "expectation" and similar expressions as they relate to the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions.

The forward-looking statements contained in this MD&A are made as of the date hereof and represent the Company's views as of the date of this document. While the Company believes that the expectations reflected in the forward-looking statements and information contained herein are reasonable, no assurance can be given that these expectations, or the assumptions underlying these expectations, will prove to be correct. The Company acknowledges that subsequent events and developments may cause the views expressed herein to change, however, the Company has no intention and undertakes no obligation to update, revise or correct such forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Therefore, there can be no assurance that forward-looking statements contained herein will prove to be accurate as actual results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Certain forward-looking statements in this MD&A include, but are not limited to, the following:

- the expected timing and projected cost of the Company's business objectives and initiatives including its expansion plans; and the business strategies of the Company.
- Cedarcross' repayment of the loans from the Company;
- the anticipated use of the proceeds from the Company's financings;
- the intentions, plans and future actions of the Company;
- market position, ability to compete and future financial or operating performance of the Company;
- expectations regarding revenues, expenses and anticipated cash needs,
- general business and economic conditions of the AI Cloud Computing Infrastructure industry;

These statements are only predictions based upon our current expectations and projections about future events. There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by the forward-looking statements. These include, without limitation, the Company's current and planned operations and the expected results of new operations. These risks and uncertainties include, but are not restricted to:

- credit risks in the event that a contractual counterparty to a financial instrument fails to meet its contractual obligations;
- risks associated with the liquidity of the Company's securities;
- market risks such as interest rate and price risks;
- risks associated with the Company's capitalization and commercial viability risks;
- the Company's history of operating losses;
- risks associated with future financings;
- risks associated with price volatility for publicly traded companies; and legislative, insurance, compliance costs, regulatory action, and environmental risks.

This MD&A also contains future-oriented financial information and financial outlook information (collectively, "FOFI") about the Computing Lease Agreement, and the Earthmade Supply Agreement which is subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. The FOFI involves known and unknown risks and uncertainties and while the Company believes there is reasonable basis for the FOFI, actual results may vary and differ materially. FOFI contained in this MD&A was made by management as of the date of this MD&A and was provided for the purpose of providing further information about the Company's anticipated future business operations and revenues. The Company and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represents, to the best of management's knowledge and opinion, the Company's expected course of action with respect to the future of the Company. However, because this information is highly subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results, profitability or other measures of financial performance. The Company disclaims any intention or obligation to update or revise any FOFI contained in this MD&A, whether as a result of new information, future events or otherwise, unless required pursuant to applicable

law. Readers are cautioned not to place undue reliance on the FOFI and to note that the FOFI contained in this MD&A should not be used for purposes other than for which it is disclosed herein. Risks and uncertainties are more fully discussed under the heading “Risks and Uncertainties” in this MD&A and other disclosure documents available on SEDAR+ at www.sedarplus.ca can have a significant impact on the FOFI included herein. The Company’s actual results may differ than as disclosed in this press release.

Additional Information

Additional information relating to the Company can be found on the Company’s SEDAR+ profile at www.sedarplus.ca.

Subsequent Events

On January 4, 2026, the Company issued an aggregate of 5,000,000 Options to certain directors, officers, and consultants of the Company. The Options are exercisable at \$0.055 per Common Share for a period of two years from the date of grant and will vest quarterly in equal parts over the first year from the date of grant.

On January 4, 2026, the Company issued 5,550,000 RSUs to certain directors, officers, and consultants of the Company. The RSUs will vest on the first anniversary from the date of award.

On July 22, 2025, the Company entered into an agreement to acquire 125,000 common shares of CHIP at a price of \$0.40 per share for aggregate cash consideration of \$50,000. On January 5, 2026, the Company received the 125,000 common shares of CHIP.

On January 7, 2026, the Company entered into a marketing services agreement with Outside the Box Capital Inc. (“**OTB Capital**”) Pursuant to the terms of Agreement, OTB Capital will provide digital marketing and investor awareness services (the “**Services**”). The initial term of the Agreement commenced on January 9, 2026, and will continue for a term of two (2) months. In consideration for the Services, the Company agreed to pay OTB Capital a cash fee of \$150,000 (plus applicable taxes), and 1,000,000 Options, with each Options exercisable into one Common Share at a price of \$0.055 per Common Share for a period of two years from the date of grant. The Options vest quarterly in equal tranches over a 12-month period from the date of grant.

On January 21 2026, the Company announced the full commercial launch of Lyken.AI.

On January 27, 2026, the Company announced that Lyken.AI was formally approved as a qualified vendor and received its official vendor code from a leading multinational technology and telecommunications company.

On January 28, 2026, the Company entered into a non-binding memorandum of understanding with Clairvoyant Holdings Inc. (“**CHI**”) in respect of a proposed commercial collaboration under which CHI would procure a range of AI-enabled services from Lyken.AI for aggregate consideration of approximately \$1.5M.

On February 2, 2026, Lyken.AI secured a cloud compute services purchase order from a leading multinational technology and telecommunications company. The initial three-month order is valued at approximately \$250,000. On February 6, 2026, a formal contract was entered into between the parties, and Lyken.AI commenced delivery of services under the agreement.

On February 24, 2026 (the “**Effective Date**”), the Company closed the First Tranche of the Loan Transaction. with Mr. Randy Gilling in the principal amount of \$3,000,000. Mr. Gilling, an insider of the Company holding greater than 10% of the issued and outstanding Common Shares, advanced \$500,000 under the First Tranche. Pursuant to the closing of the First Tranche, the Company issued 500 non-convertible Debentures at a price of \$1,000 per Debenture, in the aggregate principal amount of \$500,000. The Debentures bear interest at a rate of 6.0% per annum from the Effective Date, and will mature on the date that is three years following the Effective Date. In connection with the closing of the First Tranche, the Company also issued to Mr. Gilling 3,333,333 non-transferrable Warrants. Each Warrant is exercisable into one Common Share at a price of \$0.15 until three years from the date of issuance.