



Management Discussion & Analysis for the three months ended January 31, 2026

The following discussion and analysis of the financial position and results of operations and comprehensive loss for Mont Royal Resources Limited. (the “Company” or “Mont Royal”) should be read in conjunction with the condensed interim financial statements for the three months ended January 31, 2026, which are prepared using accounting policies consistent with IFRS Accounting Standards (“IFRS”) and International Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and Interpretations (collectively, “IFRS Accounting Standards”). All financial figures presented herein are expressed in Australian dollars (AUD\$) unless otherwise specified.

CHANGE IN PRESENTATION CURRENCY

Commerce Resources Corp. has had a CAD functional currency and previously reported in CAD. During the previous financial year ended 31 October 2025, following the transaction with Mont Royal Resources Limited, the Group voluntarily changed its presentation currency from Canadian Dollars (CAD) to Australian Dollars (AUD) in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. All comparative financial information for the 31 January 2026 consolidated interim report, previously reported in Canadian dollars has been amended into AUD using the procedures outlined below:

- The consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows have been translated to AUD using average exchange rates for the year, being CAD/AUD exchange rate of 0.9036 for the comparative three months ended 31 January 2025;
- The equity section of the consolidated statement of financial position has been translated into AUD using historical exchange rates; and
- All disclosures, including loss per share disclosures, have also been amended to AUD.

The effective date of this report is March 16, 2026.

NATURE OF BUSINESS

Mont Royal is a mineral exploration and development company, dual-listed on the Australian Securities Exchange (“ASX”) and the TSX Venture Exchange (“TSXV”), trading under the symbol “MRZ”. The Company’s primary focus is on rare earth elements (“REE”), and its principal assets are the Ashram Rare Earth & Fluorspar Project, the Eldor Niobium Project, and the Northern Lights Project in Quebec. The technical information included in this Management Discussion & Analysis (“MD&A”), unless otherwise stated, has been reviewed by Marie-Pier Boivin, M.Sc., P. Geo., Ms. Boivin is a Qualified Person under National Instrument 43-101 (“NI 43-101”).

The total issued and outstanding shares of the Company total 192,493,084 as at January 31, 2026 (October 31, 2025: 192,493,084) and 192,493,084 as of the date of this report.

CORPORATE UPDATES

On October 22, 2025, Mont Royal announced the successful completion of the merger with Commerce Resources by way of a Canadian statutory plan of arrangement, with Mont Royal acquiring 100% of the issued and outstanding common shares of Commerce. The merger establishes Mont Royal as a leading player in the critical minerals company with a core focus on the 100%-owned Ashram Rare Earth and Fluorspar Deposit in Québec, Canada – one of the largest monazite-mineralized carbonatite-hosted REE deposits in North America.

Concurrently, Mont Royal has completed a strongly supported A\$10 million capital raising, ensuring the merged entity is well funded to progress development activities and strategic engagement to advance the Ashram Project. Mont Royal has also completed a share consolidation on a 0.2195-for-1 basis, with all options adjusted as per Listing Rule 7.22.

On November 5, 2025, Mont Royal re-commenced trading on the ASX and TSXV under the ticker symbol “MRZ” on following completion of the merger with Commerce, ensuring strong market access for investors in both Australia and North America.

EXPLORATION AND DEVELOPMENT ACTIVITIES

At the heart of our portfolio is the Ashram Rare Earth & Fluorspar Project, one of the largest monazite-mineralised, carbonatite-hosted rare earth deposits in North America, located in the Nunavik region of Québec. The portfolio also includes the Eldor Niobium Project, located immediately adjacent to Ashram, and the Northern Lights Lithium Project, located in the world-class James Bay region of Québec, creating a diversified platform aligned the global clean energy transition.



Figure 1: Ashram REE & Fluorspar Project location and location of Northern Lights Project.

ELDOR PROPERTY

The Eldor Property is situated in northern Quebec approximately 130 km south of the town of Kuujuaq. The Property is 100%-owned by the Company and is composed of 244 claims comprising approximately 11,475 hectares, including the Ashram Rare Earth and Fluorspar Deposit (“Ashram Deposit”).

Exploration expenditures during the three months ended January 31, 2026 totalled \$157,930.

The Ashram Deposit remains open to the north, south, and at depth. The deposit’s mineralized footprint is approximately 700 m along strike, over 350 m across, and 600 m deep.

ASHRAM RARE EARTH DEPOSIT

PEA STUDY

Since October 31, 2025, the Company announced the restart of the PEA study with the appointment of Altris Engineering as the leader, on the Ashram REE and Fluorspar Project. They will first focus on the Gap analysis to identify key areas required to close out the previous PEA.

FLOTATION TEST WORK OPTIMISATION PROGRAM

Mont Royal also recommenced metallurgical flotation test work on the Ashram Project. Auralia Metallurgy, in Australia, received bulk samples of mineralised material in December 2025. This work is to build on the previous results achieved by SGS Lakefield campaign which provided high-grade rare earth mineral concentrate of 36% REO. The program will further evaluate the potential to produce a commercial fluorspar (CaF₂) concentrate and incorporate this potential high-value by-product opportunity into the Stage 1 flowsheet. It will also produce additional concentrate both for further Hydromet test work optimisation and to undertake test work utilising new and alternative processing technology groups.

On November 14, 2024, the Company announced it produced High-Grade Rare Earth Mineral Concentrate (36% REO) at Strong Recovery in Flotation Locked-Cycle Testing. The locked-cycle test (“LCT”) program was completed on the Ashram Deposit’s simplified flotation-only beneficiation flowsheet (see news release dated March 4, 2024) and has demonstrated improved grade and recovery compared to the prior bench-scale test program. Monazite-dominant rare earth mineral concentrates grading 35.8 to 36.8% REO at 65 to 68% overall recovery were achieved through the LCT test work on the flotation-only beneficiation flowsheet. The locked-cycle test was carried out by SGS Canada at their Lakefield, ON, facility and utilized bulk sample material (~2.1% REO head grade) collected from an outcrop of the Ashram Deposit.

On March 4, 2024, the Company announced a significant simplification and optimization of the Ashram Deposit’s front-end mineral processing flowsheet, whereby 30 to 35+% REO monazite mineral concentrates at strong recovery (between 60-70%) are produced using only flotation. This test work has been completed at bench scale, is demonstrated repeatable, and has been scaled up successfully from ~1 kg to 10 kg floats using conventional mechanical flotation cells. In addition to the mineral processing developments, a streamlined hydrometallurgical flowsheet has also been developed and demonstrated at bench scale for the downstream processing of the monazite flotation concentrates.

MINERAL RESOURCE ESTIMATE

On May 22, 2024, the Company announced an updated mineral resource estimate (“MRE”) for the Ashram Rare Earth and Fluorspar Deposit. The updated MRE firmly establishes Ashram as a globally significant

rare earth element deposit, and one of the largest monazite-mineralized carbonatite REE deposits in the world: 73.2 Mt at 1.89% TREO and 6.6% CaF₂ (indicated), and 131.1 Mt at 1.91% TREO and 4.0% CaF₂ (inferred), at a cut-off of \$287 Net Metal Return (NMR) per tonne with an Effective Date of April 4, 2024. Mineral resources are not mineral reserves as they do not have demonstrated economic viability. The Ashram MRE demonstrates very high NdPr distributions (i.e., percent of neodymium plus praseodymium oxide of the TREO) for a carbonatite hosted deposit at 21.2% NdPr (indicated) and 21.4% NdPr (inferred), exceeding that of several active global producers.

ELDOR NIOBIUM PROJECT

On December 16, 2024, the Company announced the final set of drill results from the 2024 campaign that confirms the significance of the niobium discovery at Mallard with new results, including 24 m of 0.91% Nb₂O₅ within a wider interval of 45.5 m at 0.65% Nb₂O₅ (EC24-232). EC24-225 tested the most southeastern part of the magnetic high anomaly that defines the core of the Mallard Prospect and intercepted several well mineralized horizons (16.8 m at 0.60% Nb₂O₅, 11.0 m at 0.67% Nb₂O₅, 16.0 m at 0.62% Nb₂O₅), with mineralization open in multiple directions. Drill holes completed during the program targeting the Mallard, Spoke, Northwest, Moira, Knox, and Loon prospects. Each target except Loon intercepted significant niobium mineralization.

On October 29, 2024, the Company announced the discovery of the Knox niobium Prospect by drilling 69.4 m of 0.61% Nb₂O₅ and extends mineralization at the Miranna Prospect, Eldor Property, Quebec. Inaugural drilling at the previously untested geophysical anomaly referred to as the “Knox Prospect” or “Knox”, has identified substantial high-grade intercepts of niobium, including 69.4 m at 0.61% Nb₂O₅ within a wider interval of 96.5 m at 0.51% Nb₂O₅ (EC24-220). Further to the new discovery made at the Knox Prospect, follow-up drill testing at the Miranna Prospect delivered the best niobium-mineralized intercepts to-date for this prospect, factoring both grade and length of drill hole intercepts – 65.7 m at 0.53% Nb₂O₅, including 35.7 m at 0.67% Nb₂O₅ (EC24-215).

On October 10, 2024, the Company announced results of the first set of drill holes of the 2024 program with the most significant intercept being 122.5 m at 0.62% Nb₂O₅ (EC24-208) at the Mallard Prospect, Eldor Property, Quebec. The drill hole successfully demonstrated the down-dip continuity of niobium-enrichment within carbonatite intersected at Mallard. Two (2) holes drilled at the Spoke Target (EC24-212 and EC24-213) returned promising results with niobium-mineralized intercepts, including an interval of 27.5 m at 0.60% Nb₂O₅ (EC24-212) and two intervals in EC24-213 of 17.9 m at 0.66% Nb₂O₅ in addition to a wider interval of 21.3 m at 0.60% Nb₂O₅.

On May 29, 2024, the Company announced that planning was underway for a diamond drill program at the Eldor Property, targeting further delineation of niobium (± tantalum and phosphate) mineralization at the Mallard Prospect, and continued exploration at the Miranna Prospect. A total of twenty (20) to thirty (30) NQ-size drill holes, for a minimum of 7,500 m, are planned for the program.

On November 1, 2023, the Company announced it had produced an additional 0.6 kg of mixed rare earth carbonate with an NdPr distribution of 20.5% and TbDy distribution of 0.89%. The sample met typical market specifications and 0.5 kg of the sample was shipped to a well-established downstream processor located outside of China.

SELECTED ANNUAL INFORMATION

The following is a summary of the financial data of the Company for the last completed fiscal year ends and are derived from the audited annual financial statements of the Company:

	FISCAL YEAR ENDED OCTOBER 31	
	2025	2024
	\$	\$
Total Revenues	Nil	Nil
Net loss after income tax	(6,556,423)	(31,836,582)
Total comprehensive loss	(6,632,516)	(34,710,705)
Net loss (per share, basic and diluted)	(5.96)	(34.36)
Total assets	73,811,172	59,930,597
Total long-term financial liabilities	17,647	62,058
Cash dividend declared per share	Nil	Nil

The Company has recorded losses in each of its three most recently completed fiscal years and expects to continue to record losses until such time as an economic resource is identified, developed, and brought into profitable commercial operation on one or more of the Company's properties or otherwise disposed of at a profit.

The loss for the year ended October 31, 2025, was lower than the year ended October 31, 2024, because of the loss on sale of Blue River Property of \$31,636,648 (\$Nil in 2025).

DESCRIPTION	AS AT	AS AT
	JAN 31, 2026	OCTOBER 31, 2025
	\$	\$
Cash and cash equivalents (a)	6,117,866	10,165,403
Total assets (a)	67,657,947	73,811,172
Total liabilities (b)	1,171,599	4,683,814

- (a) The variations in total assets and cash and cash equivalents are mostly related to normal activities of the Company during the period that are mainly expensed as related to the merger with Commerce, and the payment of accounts payable.
- (b) The decrease in the liabilities is mostly due to the payment of accounts payable following the October 2025 financing.

THREE MONTHS ENDED JANUARY 31, 2026 AND 2025

DESCRIPTION	THREE MONTHS ENDED	THREE MONTHS ENDED
	JAN 31, 2026	JAN 31, 2025 ¹
	\$	\$
Net loss after income tax	1,314,242	1,089,842
Total comprehensive loss	3,399,673	350,611
Basic and diluted loss per share	0.39	1.01

¹ Refer to Change in presentation currency note on p1 for further details.

During the three months ended January 31, 2026, and 2025, the significant variations included in Net loss

were the following:

	THREE MONTHS ENDED JAN 31, 2026	THREE MONTHS ENDED JAN 31, 2025
	\$	\$
Employee benefits expense (i)	170,799	619,290
Share-based payment expense (ii)	758,663	-

- (i) The employee benefits expense was higher for the period ended January 31, 2025 as it includes a severance payment.
- (ii) The share-based payment expense is related to the vesting of PSU's and performance rights as there were no PSU's and performance rights in 2025.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the results from the eight previously completed financial quarters:

	January 31, 2026 ¹	October 31, 2025 ¹	July 31, 2025 ²	April 30, 2025 ²
Revenues	Nil	Nil	Nil	Nil
Net income (loss)	(1,314,242)	(2,931,371)	(1,164,219)	(1,166,016)
Basic and diluted net income (loss) (per share)	(0.68)	(2.54)	0.01	0.00
	January 31, 2025 ²	October 31, 2024 ²	July 31, 2024 ²	April 30, 2024 ²
Revenues	Nil	Nil	Nil	Nil
Net income (loss)	(984,784)	220,567	(28,302,079)	(344,654)
Basic and diluted net income (loss) (per share)	0.00	0.00	(0.16)	(0.00)

¹ Refer to Change in presentation currency note on p1 for further details. These figures are presented in Australian dollars given the change in presentation currency in the previous financial year.

² These quarters are as previously reported, in Canadian dollars.

Over the course of the Company's previously completed eight quarters, the Company's net loss has remained at a consistent level, with the exception of the share-based payments expense recorded during the quarters ended January 31, 2026, April 30, 2025 and July 31, 2025, the impairment of the Blue River Property during the quarter ended July 31, 2024, and the flow-through premium recovery during the quarter ended October 31, 2024.

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2026, the Company has total assets of \$67,657,947 (October 31, 2025: \$73,811,172). The primary assets of the Company are exploration and evaluation assets of \$57,560,941 (October 31, 2025: \$59,378,995), prepaid expenses of \$525,761 (October 31, 2025: \$510,714) and cash of \$6,117,866 (October 31, 2025: \$10,165,403). The Company has a working capital of \$8,806,255 (October 31, 2025: \$9,626,153) as at January 31, 2026.

The Company's property is in the exploration stage only. Development of the property will only follow upon obtaining satisfactory results. Exploration and development of natural resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties.

There is no assurance that the Company's exploration and development activities will result in any discoveries of mineral deposits amenable to commercial development. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Proceeds are raised for the specific purpose of advancing the Company's exploration properties and for general working capital purposes. The Company believes it will be able to raise the capital required to continue to develop these properties. The Company does not have any specific work commitments or property payments, all work on the property is determined by how to best spend the funds raised, taking into consideration the Company's working capital requirements. The Company has maintained reasonable general and administrative expenditures, with advertising and promotion of the property dependent on the capital available to cover such expenditures.

CASH FLOWS PROVIDED BY (USED IN)	THREE MONTHS ENDED JAN 31, 2026	THREE MONTHS ENDED JAN 31, 2025
	\$	\$
Operating activities	(3,385,282)	(781,644)
Investment activities	(121,134)	(1,398,073)
Financing activities	(538,626)	(11,952)
Change in cash and cash equivalents	(4,045,042)	(2,191,669)

Cash Used in Operating Activities: Cash was mostly spent on general operating expenses, outstanding payables, and prepaid expenses related to advances for the Company's field work program and adjusted for items not involving cash.

Cash Used in Investing Activities: Total cash used in investing activities during the period relates to the exploration and development of its mineral properties, which was lower in 2026 due to the closing of the transaction with Commerce closed in October.

Cash From Financing Activities: Total cash from financing activities during the period was higher in 2026 due to the share issuance costs relating to the financing and the merger transaction.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include key management personnel (KMP) and entities over which they have control or significant influence as described below.

KMP COMPENSATION

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Three months ended 31 Jan 2026	Three months ended 31 Jan 2025
Short-term employee benefits	174,360	163,868
Post-employment benefits	20,923	-
Share-based payments	663,542	-
	<u>858,825</u>	<u>163,868</u>

TRANSACTIONS WITH RELATED PARTIES

The following transactions occurred with related parties:

	Three months ended 31 Jan 2026	Three months ended 31 Jan 2025
	\$	\$
PAYMENT FOR GOODS AND SERVICES:		
Payment for geological services to Dahrouge Geological Consulting, a related party of Jody Dahrouge (former director of Commerce Resources Corp.)	-	78,043
Payment for advisory fees and office rental charges to Churchill Strategic Investments, a related party of Jeremy Robinson and Cameron Henry	55,068	-

RECEIVABLE FROM AND PAYABLE TO RELATED PARTIES

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	31 Jan 2026	31 Oct 2025
	\$	\$
Current receivables:		
Funds owed in relation to exercise of options on 30 October 2025 from Churchill Strategic Investments, a related party of Jeremy Robinson and Cameron Henry	434,901	434,901
Current payables:		
Payment for finders fees, advisory fees and office rental charges to Churchill Strategic Investments, a related party of Jeremy Robinson and Cameron Henry	-	52,260

LOANS TO/FROM RELATED PARTIES

There were no loans to or from related parties at the current and previous reporting date.

TERMS AND CONDITIONS

All transactions were made on normal commercial terms and conditions and at market rates.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

OTHER MD&A REQUIREMENTS

DISCLOSURE OF OUTSTANDING SHARE CAPITAL

The total issued and outstanding shares of the Company total 192,493,084 as January 31, 2026 (October 31, 2025: 192,493,084) and 192,493,084 as of the date of this report.

The following is a breakdown of the share capital of the Company:

	<u>March 16, 2026</u>	<u>January 31, 2026</u>	<u>October 31, 2025</u>
Common Shares	192,493,084	192,493,084	192,493,084
Stock Options	77,321,050	77,321,050	77,321,050
Performance rights	7,662,114	7,662,114	7,662,114
PSU	4,597,268	4,597,268	4,597,268
Fully Diluted Shares	282,073,516	282,073,516	282,073,516

ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

The Company is required to comply with National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings. The certification of interim filings requires us to disclose in the MD&A any changes in our internal controls over financial reporting that have materially affected or are reasonably likely to materially affect our internal control over financial reporting. We confirm that no such changes were made to the internal controls over financial reporting during the three-month period ended January 31, 2026. The Chief Executive Officer and Chief Financial Officer have signed form 52-109F2, Certification of Interim Filings, which can be found on SEDAR+ at www.sedarplus.ca

INDUSTRY AND ECONOMIC FACTORS AFFECTING PERFORMANCE

As a mineral exploration and development company, Commerce's performance is affected by a number of industry and economic factors and exposure to certain environmental risks and regulatory requirements. These include metal prices, competition amongst exploration firms for attractive mineral properties, the interest of investors in providing high-risk equity capital to exploration companies, and the availability of qualified staff and equipment such as drilling rigs to conduct exploration.

RISK FACTORS

Mineral exploration and development involve a high degree of risk such that few properties, which are explored, are ultimately developed into producing mines. With respect to the Company's properties, where mineral resources exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. Should any mineral resource be defined on such properties there can be no assurance that the mineral resources on such properties can be commercially mined or that the metallurgical processing will produce economically viable saleable products. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies,

and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) market prices for the minerals to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control.

Environmental Risks and Other Regulatory Requirements

Any future operations of the Company, including development activities and commencement of production on its properties, will require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. In addition, agreements may be required with local native people and / or groups that could have a material effect on the Company's operations. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for the construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which the Company might undertake. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Management

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the Company.

FORWARD LOOKING STATEMENTS

This Management Discussion & Analysis may contain forward-looking information and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements.

Readers can identify many of these statements by looking for words such as "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof.

Forward-looking information is based on the opinions and estimates of management and its consultants at the date the information is given. It is subject to a variety of risks and uncertainties and other factors

that could cause actual events or results to differ materially from those projected in the forward-looking information. The information is based on reasonable assumptions which include but are not limited to those regarding actual costs for mining and processing and their impact on the cut-off grade established, actual capital costs, forecasts of mine production rates, the timing and content of upcoming work programs, geological interpretations, potential process methods and mineral recoveries, the availability of markets for the products produced, market pricing for the products produced, etc.

Factors that could cause actual results to differ materially from those in forward-looking statements include increases to operating expenses and capital expenditures, market prices for metals, the conclusions of detailed feasibility and technical analyses, lower than expected grades and quantities of resources, mining rates and recovery rates and the lack of availability of necessary capital, which may not be available to the Company on terms acceptable to it or at all.

Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. There can be no assurance that the plan, intentions or expectations upon which these forward-looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and assumptions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Readers are cautioned not to put undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

APPROVAL

The Board of Directors of Mont Royal Resources Limited has approved the disclosure contained in this MD&A.

ADDITIONAL INFORMATION

Additional information related to the Company can be found on the Company's website at montroyalres.com or on SEDAR at www.sedarplus.ca.