



EMPRESS
ROYALTY

EMPRESS ROYALTY CORP.

Management's Discussion and Analysis
For the Year Ended December 31, 2025

Management's discussion and analysis ("MD&A") for Empress Royalty Corp. ("Empress" or the "Company") are intended to provide the reader with a review of the factors that affected our performance during the periods presented, including matters that have affected reported operations, and matters that are reasonably likely based on management's assessment to have a material impact on future operations and results.

The information contained in this MD&A for the year ended December 31, 2025 and up to the date of this MD&A should be read in conjunction with our audited consolidated financial statements for the year ended December 31, 2025 and 2024, and the notes thereto, and the accompanying MD&A for the prior fiscal year. The information contained within this MD&A is as of February 27, 2026.

All financial information in this MD&A is derived from the Company's Financial Report prepared in accordance with IFRS Accounting Standards and all dollar amounts are expressed in United States ("US") dollars unless otherwise indicated.

BUSINESS OVERVIEW

Empress Royalty Corp. ("Empress" or the "Company") was incorporated on March 2, 2020, under the laws of the Province of British Columbia, Canada. The Company commenced trading on the TSX Venture Exchange ("TSX-V") on December 29, 2020, under the symbol EMPR. On February 19, 2021, the Company commenced trading on the OTCQB Venture Market in the United States under the symbol EMPYF. On January 11, 2023, the Company graduated to the OTCQX Venture Market in the United States under the same symbol EMPYF. The Company's registered and records office is located at Suite 1700, 666 Burrard Street, Vancouver, BC, Canada, V6C 2X8, and the corporate head office is located at Suite 3123, 595 Burrard Street, Vancouver, BC, Canada, V7X 1J1.

BUSINESS STRATEGY

Empress is an investment company focused on creating gold and silver metal purchase agreements ("**Streams**"), net smelter return ("**NSR**") royalties, gross value return royalties, net profit interests, gross proceeds royalties, and acquiring non-operating interests in mining projects that provide the right to the holder of a percentage of the gross revenue from metals produced from the project or a percentage of the gross revenue from metals produced from the project after deducting specified costs, respectively.

Empress focuses the majority of its resources on investing in the creation of precious metals royalty or streaming opportunities with small to mid-tier producing or development stage mining companies, where immediate or near-term revenue can be generated. In very limited cases, Empress may invest in new grass roots royalties.

In summary, the Company holds investments in certain phases of mining projects, including:

1. **Producing mines:** Producing mines are already in operation and historic data is available to provide a high level of confidence on the forward-looking projections for the mine. The Company's Sierra Antapite, Galaxy, Tahuehueto, and Manica investments (as defined below) fit into this category.

2. Development or near-term production projects: In near-term production projects, the geologic risk has been reduced, and studies have been completed confirming the viability of the project to be a profitable producing mine within the next 24 months. The risk for near-term production projects is substantially reduced compared to grassroots projects, however, risks with respect to near-term production projects include uncertainty of funding to meet forecasted production levels. The Company's Pinos investment (as defined below) fits into this category.

The Company's focus is near-term and producing mines and target investments ranging in size from \$500,000 to \$25,000,000. Empress' strategy is to continue expanding the portfolio with globally diversified assets and is evaluating projects with aligned investment criteria including appropriate target sizes for risk mitigation, jurisdiction, and company stage. The Empress management team and strategic advisors have a global reach and have identified multiple investment opportunities. To finance the execution of such royalty and streaming investments, Empress has undertaken and may undertake future financings through debt financing, equity financing or other means. As the Company grows its portfolio and revenue stream, it expects to increasingly fund future investments from cash flow and may consider returning capital to shareholders over time, subject to market conditions.

HIGHLIGHTS

During the year ended December 31, 2025, the Company earned a total stream and royalty revenue of \$17,159,984 (2024 - \$8,015,168) and recorded cost of sales of \$3,062,880 (2024 - \$1,175,658), excluding depletion. The following provides further breakdown by investment:

- During the year ended December 31, 2025, the Company earned stream revenue of \$11,742,582 (2024 - \$3,823,510) and recorded cost of sales of \$2,348,516 (2024 - \$764,702) from the silver stream agreement on the Tahuehueto mine in Mexico.
- During the year ended December 31, 2025, the Company earned stream revenue of \$2,340,561 (2024 - \$1,603,005) and recorded cost of sales of \$468,112 (2024 - \$320,601) from the gold stream agreement on the Sierra Antapite mine in Peru.
- During the year ended December 31, 2025, the Company earned royalty revenue of \$1,845,587 (2024 - \$2,136,880) from the royalty agreement on gold from the Manica gold project in Mozambique.
- During the year ended December 31, 2025, the Company earned stream revenue of \$1,231,254 (2024 - \$451,773) and recorded cost of sales of \$246,252 (2024 - \$90,355) from the gold stream agreement on the Galaxy mine in South Africa.

Corporate Matters:

- On February 14, 2025, the Company granted 700,000 stock options to an investor relations advisor and a consultant exercisable at a price of C\$0.36 until February 14, 2030. The stock options were valued at a fair value of \$97,606. The options granted vest one-third on date of grant, one-third 12 months from grant date, and one-third 24 months from grant date.
- During the year ended December 31, 2025, 625,000 shares were issued on settlement of vested restricted share units.

- During the year ended December 31, 2025, the Company issued 8,104,153 shares at a price of C\$0.31 for gross proceeds of \$1,821,626 on the exercise of 8,104,153 warrants.
- During the year ended December 31, 2025, the Company issued 933,333 shares at an average price of C\$0.43 for gross proceeds of \$300,281 on the exercise of 933,333 stock options.
- During the year ended December 31, 2025, Mr. Jeremy Bond and Mr. Wes Roberts resigned as directors of the company.
- During the year ended December 31, 2025, the Company appointed Mr. Daniel Burns as a director of the Company.

ROYALTY AND STREAM INTERESTS

Tahuehueto Stream, Mexico

In April 2021, the Company structured and entered into a stream agreement with Luca Mining Corporation, a publicly traded company (TSX-V: Luca) in respect of its Tahuehueto silver project located in Durango, Mexico. The Company agreed to purchase an amount of silver equal to 100% of the payable silver production in return for upfront cash consideration of \$5,000,000 plus an additional amount for each ounce delivered equal to 20% of the prevailing market price until 1,250,000 ounces have been delivered. Thereafter, the amount of payable silver will drop, to 20% of payable production on the same terms for a maximum of 10 years from the date of initial production. The cash consideration was paid in two tranches of \$2,000,000 and \$3,000,000 respectively in April 2021 and July 2021.

On May 1, 2023, as part of Luca's restructuring process, Empress entered into an amending agreement with Luca with respect to the silver stream on the Tahuehueto project to defer deliveries of silver for the period from October 1, 2022, to June 30, 2023. Pursuant to the agreement, the Company received the sum of \$150,000 as compensation for the amendment. The life of the stream agreement, which was originally 10 years from initial production, was extended by nine months.

On August 13, 2024, the Company reached an agreement with Luca and certain of their affiliates to amend the April 14, 2021 agreement and the first amended agreement from May 1, 2023. The second amendment introduced a revised payment schedule which brought Luca fully up-to-date with its payment obligations under the agreement. Regular silver ounces deliveries as provided for under the agreement are deemed to have recommenced effectively July 1, 2024.

The following are the key terms under the agreement:

- The delivery by Luca to Empress of refined silver valued at \$150,000 by August 16, 2024, (received) plus an additional \$300,000 worth of refined silver no later than August 31, 2024 (received);
- Within fourteen business days from the earlier of August 31, 2024 or the date on which Luca completes its next equity financing, the issuance to Empress of the equivalent of \$150,000 in common shares of Luca or payment in cash (payment was received in cash); and

- Commencing October 31, 2024, and continuing monthly in 12 equal instalments, the delivery by Luca to Empress of the number of ounces of refined silver equal to 45,085 ounces of refined silver.

As at December 31, 2025, the Company received all of the deferred ounces of refined silver which completes the delivery of all the catch-up ounces Luca owed the Company.

As of December 31, 2025, 412,753 silver ounces have been delivered to Empress leaving an uncredited balance of 837,247 ounces before stepdown from 100% to 20% of silver production.

Sierra Antapite Stream, Peru

Empress structured and entered into a stream agreement with Sierra Sun Group ("Sierra Sun"), a private corporation, in respect of its Sierra Antapite producing gold mine located in Peru in July 2021. The Company purchased an amount of gold equal to 2.25% of the payable gold production in return for upfront cash consideration of \$5,000,000 plus an additional amount for each ounce delivered equal to 20% of the prevailing market price. Subsequently, in both October 2021 and December 2021, the Company agreed to purchase an additional 1.125% of the payable gold production in exchange for upfront cash of \$2,500,000 each time. As such, the Company receives a total of 4.5% of payable gold production until 11,000 ounces have been delivered, thereafter dropping to 1% for the life of mine.

The Sierra Antapite mine is located in Huaytara province, department Huancavelica, Peru. It is classified as a vein-hosted low sulphidization epithermal deposit and has been operated by Peruvian management and shareholders since December 2016 when the mine was purchased from Buenaventura. Based on Sierra Antapite management's internal assessment and long-term planning, the mine has more than a five-year mine life at a rate of 1,000 tonnes per day.

As of December 31, 2025, a cumulative 2,971 gold ounces have been streamed to the Company at a referential value of \$5,638,616 leaving an uncredited balance of 8,028 ounces of gold.

Manica Royalty, Mozambique

Empress structured and entered into a royalty agreement with Endor (Mauritius) Limited ("Endor") and Mutapa Mining & Processing LDA ("MMP"), a private corporation, in respect of its Manica hard rock gold project located in Mozambique in April 2021. The Company paid \$2,000,000 for a 2.25% royalty interest. In January 2022, the Company paid an additional \$1,000,000 to increase the royalty interest to 3.375% on the first 95,000 ounces of gold and a 1.125% royalty interest thereafter for the life of the mine.

On July 6, 2023, the Company amended the Manica Royalty Agreement to reflect that the Manica royalty payor Endor was replaced by MMP who successfully obtained its own gold export licence.

Manica is located in the Odzi-Mutare-Manica Greenstone Belt of Mozambique and comprises several deposits on Xtract Resources Plc's ("Xtract") mining concession licence 3990C which includes four main deposits being Fair Bride, Guy Fawkes, Boa Esperanza, and Dots Luck. MMP and Xtract have entered into a collaboration and profit-share arrangement whereby MMP will build, finance, and operate a carbon-in-leach plant to process ore mined from Xtract's concession. As of December 31, 2025, 75,745 gold ounces have been produced representing total royalty payments to Empress of \$6,039,506, leaving 19,255 ounces before the royalty steps down from 3.375% to 1.125%.

On October 1, 2025, Mozambique's government suspended all mining activities in the central province of Manica in response to severe pollution levels affecting local waterways. MMP remains compliant with all environmental standards. The government has conducted several inspections and verified that MMP does not use the substances that are causing the pollution in the waterways. As a result, MMP's management received verbal confirmation that they will be allowed to restart operations and is waiting to receive official confirmation.

Galaxy Stream, South Africa

In November 2023, Empress completed the execution of a gold stream agreement on the Galaxy gold mine ("Galaxy") in South Africa owned and operated by Golconda Gold Ltd (TSXV:GG) ("Golconda"). The Company purchased an amount of gold equal to 3.5% of the payable gold production from the Galaxy mine for an initial 8,000 payable ounces; thereafter, the percentage will reduce to 2.0% of the payable gold production until the earlier of: (i) 20,000 ounces having been paid to Empress; or (ii) 20 years after the first payment was made. The initial upfront cash consideration paid by Empress was \$5,000,000 and the ongoing purchase price for the payable gold delivered pursuant to the agreement is 20% of the gold spot price.

The stream is registered and secured against the mine. The stream was closed and funded on February 26, 2024. The mine will use Empress' investment to purchase underground equipment and carry out development to maximise mill throughput and drive production ounces higher with an expected commensurate reduction in AISC.

Golconda acquired the Galaxy mine in November 2015. Galaxy is situated 8 kilometres west of the town of Barberton and 45 kilometres west of the provincial capital of Nelspruit in the Mpumalanga Province of South Africa. The property covers 58.6 square kilometres and is part of the prolific Barberton Greenstone Belt. Galaxy consists of 22 orebodies of which two main orebodies, the Galaxy and Princeton are being mined using a mechanised cut and fill mining method.

As of December 31, 2025, 506.95 gold ounces were streamed to Empress leaving an Uncredited Balance of 19,493 ounces with 7,493 ounces due before stepdown from 3.5% to 2.0%.

Pinos Royalty, Mexico

Empress structured and entered into a 1% NSR agreement with Candelaria Mining Corp., a publicly traded company (TSX.V: CAND), in respect of its Pinos project located in Mexico for cash consideration of \$1,500,000 in November 2020. The transaction was a combination of a newly created 0.5% NSR royalty on the Pinos project for consideration of \$750,000 and the purchase of an existing 0.5% NSR royalty for consideration of \$750,000.

The Pinos project is located in the high-grade historical gold and silver district of the Zacatecas mining belt in north-central Mexico, just 67 kilometres northwest of San Luis Potosi, Zacatecas state, the second largest gold producing district in the country after Sonora. Zacatecas state is a stable, mining-friendly state that includes Newmont Mining's Peñasquito mine and Capstone Mining's Cozamin mine. Pinos has excellent infrastructure with paved roads to the mine and electricity supplied from the Mexican power grid.

On July 3, 2025, Candelaria announced it had transferred all of the outstanding shares of Minera Apolo S.A. de C.V., ("Apolo") a wholly owned subsidiary of Candelaria that held the Los Pinos Project, to Goldgroup Mining Corp a publicly traded company (TSX-V: GGA) ("Goldgroup"). On December 31, 2025, Goldgroup announced that it has entered into an agreement to sell its Mexican subsidiary, Minera Apolo, S.A. de C.V., which holds the Pinos project, to a private, arm's-length British Columbia company.

Further information can be found on these royalty and streaming interests in the technical reports filed on sedarplus.ca.

Investment Pipeline

In addition to the above investments, Empress is aggressively looking to expand the portfolio and currently has an active pipeline in potential producing and near-term producing precious metals investment opportunities currently evaluating over \$50,000,000 of potential investment opportunities.

QUALIFIED PERSON

Richard Mazur, P.Geol, a Qualified Person as defined by 43-101, has read and approved all technical and scientific information.

CORPORATE MATTERS

Public Listings

On January 11, 2023, Empress' common shares graduated from the OTCQB Venture Market to the OTCQX Venture Market in the United States. This up listing is a continuation of the Company's investor relations strategy to increase Empress' public profile, expand global awareness and improve share liquidity by trading on a platform that is more accessible to a broader range of investors.

GENERAL OVERVIEW OF MARKET CONDITIONS

The political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated.

Many mining projects, including some of the properties in which the Company holds a royalty or stream interest, could be impacted by these events resulting in the slowdown of operations and other mitigation measures that impact production. If the operation or development of one or more of the properties in which the Company holds a royalty from which it receives or expects to receive significant revenue is slowed down or suspended as a result of these events, future pandemics or political upheavals, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's common shares on the TSX-V.

TRENDS

The level of the Company's investments in royalties and streams is largely determined by the strength of resource capital and commodity markets and its ability to obtain investor support for its investments.

Many companies are engaged in the search for and the acquisition of mineral interests, including royalties and other interests, and there is a limited supply of desirable mineral interests. The mineral exploration and mining businesses are competitive in all phases. Many companies are engaged in the acquisition of mineral interests, including large, established companies with substantial financial resources, operational capabilities, and long earnings records. Empress may be at a competitive disadvantage in acquiring those interests, and as such is focussed on identifying and creating royalties or streams on small to mid-sized companies, where it can use its global network to its advantage in sourcing potential opportunities. There can be no assurance that Empress may be able to source royalties or other interests at acceptable valuations which may result in a material adverse effect on Empress' profitability, results of operations and financial condition and trading price of its securities.

SELECTED ANNUAL INFORMATION

	Year ended December 31, 2025		Year ended December 31, 2024		Year ended December 31, 2023	
Royalty and stream interests	\$	18,448,504	\$	20,487,486	\$	17,102,456
Total assets	\$	35,387,330	\$	23,687,723	\$	19,114,330
Total non-current liabilities	\$	3,971,520	\$	2,549,222	\$	1,713,339
Revenues	\$	17,159,984	\$	8,015,168	\$	3,522,262
Income (loss) for the year	\$	7,436,674	\$	1,012,871	\$	(2,934,562)
Comprehensive income (loss) for the year	\$	7,182,941	\$	991,258	\$	(2,919,983)
Basic earnings (loss) per share	\$	0.06	\$	0.01	\$	(0.03)
Diluted earnings (loss) per share	\$	0.06	\$	0.01	\$	(0.03)

RESULTS OF OPERATIONS

The income for the year ended December 31, 2025, was \$7,436,674 (2024 – \$1,012,871).

Revenue for the year ended December 31, 2025, totaled \$17,159,984 (2024 - \$8,015,168). Revenue comprised of \$11,742,582 (2024 - \$3,823,510) related to the Tahuehueto silver stream \$2,340,561 (2024 - \$1,603,005) relating to the Sierra Antapite gold stream, \$1,845,587 (2024 - \$2,136,880) relating to Manica gold royalty, and \$1,231,254 (2024 - \$451,773) relating to the Galaxy Stream.

Pursuant to the agreements with Tahuehueto, Sierra Antapite and Galaxy, the Company's cost of purchasing streaming gold is 20% of the prevailing gold spot price for Sierra Antapite and Galaxy, and the cost of purchasing streaming silver is 20% of the prevailing silver spot price for Tahuehueto. During the year ended December 31, 2025, the Company recorded cost of sales (excluding depletion) of \$3,062,880 (2024 - \$1,175,658) and depletion of \$2,038,982 (2024 - \$1,614,970).

General and administrative expenses for the year ended December 31, 2025, totaled \$2,771,385 compared to \$2,088,992 in the year ended December 31, 2024. General and administrative expenses are summarized as follows:

- Consulting fees and salaries for the year ended December 31, 2025, totaled \$854,501 compared to \$798,667 in the comparative period. The increase is as a result of changes to the executive team, to support the growth of the Company.
- Director fees for the year ended December 31, 2025, totaled \$386,097 compared to \$288,376 in the comparative period. The increase was due mainly to compensation directors in relation to their involvement in the review and oversight of growth plans and potential strategic transactions.
- Investor communication and shareholder information for the year ended December 31, 2025, totaled \$681,399 compared to \$445,281 in the comparative period. The increase is as a result of the Company incurring certain expenditures related to the Company increasing its market profile.

Office expenses for the year ended December 31, 2025, totaled \$159,980 compared to \$100,197 in the comparative period. The increase was mainly due to the Company growth which includes renting office space, increasing information technology products and other general office expenses.

- Professional fees for the year ended December 31, 2025, totaled \$482,685 compared to \$296,676 in the comparative period. The increase was mainly due to legal and tax fees incurred to review certain streaming and royalty transaction matters.
- Regulatory fees for the year ended December 31, 2025, totaled \$110,211 compared to \$67,514 in the comparative period. The increase was mostly due to the exchange approvals and regulatory filings related to the Nebari Facility and filing of a shelf base prospectus.
- Travel for the year ended December 31, 2025, of \$96,512, remained relatively consistent when compared to \$92,280 in the comparative period.

Project evaluation expenses for the year ended December 31, 2025, totaled \$320,794 compared to \$117,156 in the comparative period. Included in project evaluation expenses are consulting fees, legal and accounting fees, and travel expenditures all related to evaluating future royalty and streaming opportunities in the Company's pipeline as well as monitoring existing projects. The increase was due mostly to fees reimbursed during the comparative period were higher than in the current period.

Share-based compensation for the year ended December 31, 2025, totaled \$1,055,997 compared to \$421,445 in the comparative period.

Gain on change in value of metals and derivative receivable assets of \$3,716,800 (2024: \$146,033) relates primarily to the unrealized fair value remeasurement of metals on hand and derivative receivables at period end and will fluctuate with commodity prices and timing of sales/deliveries..

Finance costs for the year ended December 31, 2025 totaled \$1,136,852 (2024: \$1,412,494), comprising interest and accretion of transaction costs related to the Company's loan facility.

The income for the three months ended December 31, 2025, was \$4,478,917 (2024 – \$775,709).

Revenue for the three months ended December 31, 2025, totaled \$6,378,844 (2024 - \$2,554,669). Revenue comprised of \$5,317,286 (2024 - \$1,483,740) related to the Tahuehueto silver stream, \$644,802 (2024 - \$331,922) relating to the Sierra Antapite gold stream, \$11,942 (2024 - \$562,711) relating to Manica gold royalty, and \$404,954 (2024 - \$176,588) relating to the Galaxy Stream.

Pursuant to the agreements with Sierra Antapite, Galaxy and Tahuehueto, the Company's cost of purchasing streaming gold is 20% of the prevailing gold spot price, and the price of streaming silver is 20% of the prevailing silver spot price, respectively. During the three months ended December 31, 2025, the Company recorded cost of sales (excluding depletion) of \$1,273,380 (2024 - \$398,392) and depletion of \$495,001 (2024 - \$440,925).

General and administrative expenses for the three months ended December 31, 2025 totaled \$722,485 compared to \$793,958 in the three months ended December 31, 2024. General and administrative expenses are summarized as follows:

- Consulting fees and salaries for the three months ended December 31, 2025 of \$215,621 remained relatively consistent when compared to \$200,959 in the comparative period.
- Director fees for the three months ended December 31, 2025 totaled \$150,150 compared to \$70,461 in the comparative period. The increase was due mainly to compensation directors in relation to their involvement in the review and oversight of growth plans and potential transactions.
- Investor communication and shareholder information for the three months ended December 31, 2025, totaled \$185,047 compared to \$105,919 in the comparative period. The increase is as a result of the Company incurring certain expenditures related to the Company increasing its market profile.
- Office expenses for the year ended December 31, 2025 totaled \$46,477 compared to \$25,878 in the comparative period. The increase was mainly due to the Company growth which includes renting office space, increase information technology products and other general office expenses.

- Professional fees for the three months ended December 31, 2024, totaled \$103,953 compared to \$81,227 in the comparative period. The increase was mainly due to legal and tax fees incurred to review certain streaming and royalty transaction matters.
- Regulatory fees for the three months ended December 31, 2025, totaled \$9,400 remained relatively consistent when compared to \$6,106 in the comparative period.
- Travel expenses for the three months ended December 31, 2025, totaled \$11,837 (2024 - \$ 19,715) decreased slightly but remained low when compared to the prior period.

Project evaluation expenses for the three months ended December 31, 2025, totaled \$98,695 compared to a recovery of \$33,062 in the comparative period. Included in project evaluation expenses are consulting fees, legal and accounting fees, and travel expenditures all related to evaluating future royalty and streaming opportunities. In the current period, the Company received \$70,384 (2024 - \$125,000) related to reimbursement of due diligence cost.

During the year ended December 31, 2025 and 2024, the Company granted certain stock options and granted RSUs and DSUs, of which the company recorded a recovery of \$356,141 (2024 – recovery of \$35,053) of share-based compensation during the three months ended December 31, 2025.

Gain on change in value of metals and derivative receivable assets of \$2,738,390 (2024 – \$146,033) relate to the change in value of silver receivable related to the Tahuehueto settlement agreement.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes selected information from the Company's unaudited consolidated financial statements, prepared in accordance with IFRS, for the last eight quarters.

Quarter ended	Revenue \$	Income (loss) from operations \$	Total income (loss) \$	Basic earnings (loss) per common share \$
Q4/25 December 31, 2025	6,378,844	2,706,137	4,478,917	0.04
Q3/25 September 30, 2025	4,232,679	1,885,152	1,374,088	0.01
Q2/25 June 30, 2025	3,810,746	1,721,711	1,140,381	0.01
Q1/25 March 31, 2025	2,737,715	869,941	443,288	0.00
Q4/24 December 31, 2024	2,554,669	775,709	455,709	0.00
Q3/24 September 30, 2024	3,453,256	1,934,722	1,549,233	0.01
Q2/24 June 30, 2024	1,051,188	(58,995)	(465,944)	(0.00)
Q1/24 March 31, 2024	956,055	(265,514)	(526,126)	(0.00)

Analysis of Quarterly Results

The Company's financial performance over the past eight quarters shows a consistent growth trajectory, with revenue increasing from \$0.9 million in Q1/24 to \$6.3 million in Q4/25. This revenue growth provides a transition from a net loss of \$0.2 million in Q1/24 to net income of \$2.7 million in Q4/25.

The quarterly variations in revenue and net income were primarily due to the following factors:

- **Production and commodity pricing:** The steady revenue increase throughout 2025 was driven by higher production volumes from the Luca stream and favorable gold and silver prices. While the Company saw overall growth, Q4/25 revenue was partially offset by a minor reduction in revenue from Manica of approximately \$0.6 million due to the government-mandated shutdown. The Company has since received verbal confirmation that they will be allowed to restart operations and is waiting to receive official confirmation.
- **New stream:** The Galaxy stream began contributing to revenue in Q2/24. Additionally, the significant increase in Q3/24 (\$3.4 million) was due to the fact that the Company recognized revenue from Luca silver stream that was owed to the Company from the period October 2023 to June 2024 but had not previously recognized it as it was in negotiations on an updated payment schedule.
- **Quarterly adjustments:** The revenue decrease in Q4/24 (\$2.6 million) compared to Q3/24 (\$3.4 million) was due to a normalization of silver deliveries following Q3/24 recognition of the catch-up ounces from Luca, as well as the impact of deferred tax recognitions.

LIQUIDITY AND CAPITAL RESOURCES

The Company began the fiscal year with \$953,631 in cash and cash equivalents. During the year ended December 31, 2025, the Company generated \$3,743,914 (2024: \$3,542,889) from operating activities (net of working capital changes), used \$nil (2024: \$5,000,000) in investing activities, and used \$1,428,967 (2024: provided \$1,230,397) in financing activities, including payments to Nebari of \$3,550,874 and proceeds of \$2,121,907 from the exercise of options and warrants. Foreign exchange had a negative impact on cash of \$45,625 (2024: gain of \$8,658), resulting in an ending cash balance of \$3,222,953 at December 31, 2025.

As at December 31, 2025, the Company had net working capital of \$13,414,376 (2024: working capital deficit of \$407,749). The increase is primarily due to higher cash and metal deposits at period end resulting from increased revenue compared to the prior year. The Company's continued operations and the ability of the Company to meet commitments are dependent upon royalty and stream interests delivering cash or cash equivalents according to forecasts, which are outside the control of management, and the ability of the Company to continue to raise additional equity or debt financing. While the Company has been successful in obtaining financing to date, there can be no assurances that future equity financing, debt or debt refinancing alternatives will be available on acceptable terms to the Company or at all. Management believes that the Company will have sufficient financial resources to meet its obligations and fund its operations for at least the next twelve months from the date this MD&A.

RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management includes members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid, or payable, to key management personnel during the year ended December 31, 2025 and 2024 are as follows:

		Year ended December 31, 2025	Year ended December 31, 2024
Consulting fees and management salaries	\$	483,335 ⁽¹⁾	\$ 340,552
Financing fees included in transaction cost	\$	-	\$ 100,000 ⁽²⁾
Director fees and consulting fees paid to directors related to project evaluation	\$	386,296 ⁽³⁾	\$ 288,376
Share-based compensation	\$	544,752	\$ 397,133
Total	\$	1,414,383	\$ 1,126,061

⁽¹⁾ Includes \$327,100 (2024 - \$249,440) paid to the Chief Executive Officer, and \$156,235 (2024 - \$68,331) to a company for which the the to the Chief Financial Officer works.

⁽²⁾ Includes \$nil (2024 - \$100,000) paid to Endeavour Financial Ltd. (Cayman) with which the company has directors in common related to success fee related to the Nebari financing facility.

⁽³⁾ Includes \$146,649 (2024 - \$149,664) paid to Endeavour Financial Ltd. (Cayman) with which the company has directors in common, \$118,035 (2024 - \$43,804) paid to Natascha Kiernan (director), \$59,017 (2024 - \$65,706) paid to Jeremy Bond (former director), \$48,287 accrued to Daniel Burns (director) and \$14,307 (2024 - \$29,203) paid to Wes Roberts (former director).

Amounts due to related parties

As at December 31, 2025, the Company had trade and other payables of \$60,193 (December 31, 2024 - \$73,656) owing to related parties, being, \$nil (December 31, 2024 - \$50,430) owing to Endeavour Financial Limited (Cayman) ("Endeavour") a Company that has a director in common, \$nil (December 31, 2024 - \$7,589) owing to a Company for which the CFO works and \$10,944 (December 31, 2024 - \$15,637) to Jeremy Bond, a former director and \$49,249 (2024 - \$nil) to Daniel Burns (director). All amounts owed are unsecured and non-interest bearing.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company's authorized share structure consists of an unlimited number of common shares without par value.

	Number Outstanding as of	
	February 27, 2026	December 31, 2025
Common shares issued and outstanding	128,352,874	128,242,904
Options	8,616,666	8,616,666
Warrants	8,556,696	8,666,666
Deferred Share Units	2,400,000	2,400,000
Restricted Share Units	2,100,000	1,850,000
Fully diluted common shares	150,026,236	149,776,236

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Other than previously disclosed, the Company has no proposed transactions.

CONTRACTUAL OBLIGATIONS

In July 2021, the Company agreed to pay Endeavour a 2% success fee for sourcing, reviewing and negotiating mergers and acquisitions as well as debt opportunities for the Company.

MATERIAL ACCOUNTING POLICIES

The Company's condensed consolidated financial statements have been prepared using accounting policies, judgments and estimates consistent with those used in the consolidated financial statements for the years ended December 31, 2025 and 2024. Refer to the audited consolidated financial statements for the years ended December 31, 2025 and 2024 for additional information.

New Accounting Standards Adopted and Effective

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the

financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027. Retrospective application is required, and early application is permitted. Management is currently assessing the effect of this new standard on our financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVTOCI"), or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

		December 31, 2025	December 31, 2024
Cash and cash equivalents	Amortized cost	\$ 3,222,953	\$ 953,631
Metal deposits	Fair value through profit and loss	8,502,872	-
Receivables	Amortized cost	459,264	401,053
Derivative receivables	Fair value through profit and loss	4,561,731	1,726,717
Trade and other payables	Amortized cost	(1,114,176)	(527,408)
Derivative liabilities	Fair value through profit and loss	-	(140,984)
Loan	Amortized cost	\$ (2,754,794)	\$ (5,168,816)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The carrying value of cash and cash equivalents, receivables, trade and other payables and the loan approximates their fair value due to its short-term nature.

Derivative receivables are carried at fair value and are classified within Level 2 of the fair value hierarchy.

Commodity price exposure (metals and derivative receivables)

At December 31, 2025, the Company held significant metal deposits and recorded derivative receivables that are measured at fair value. As a result, the Company is exposed to changes in gold and silver prices, and reported results may fluctuate from period to period as unrealized fair value gains or losses are recognized in earnings until the metals are sold or the receivables are settled. Management monitors this exposure on an ongoing basis, including the level of metals held, expected near-term deliveries, and prevailing commodity prices, and incorporates these factors into liquidity planning and decisions regarding the timing of metal sales to fund corporate expenditures, debt service and other obligations. The Company does not generally enter into commodity hedging arrangements; accordingly, the primary means of managing exposure is through disciplined liquidity management, periodic monetization of metal holdings when appropriate, and continued portfolio diversification across assets and counterparties.

Risk management

The Company's risk management objectives and policies are consistent with those disclosed by the Company in the Annual AIF.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws (collectively, "forward-looking statements"). All statements in this MD&A, other than statements of historical fact, are forward-looking statements. Forward-looking statements are often identified by words such as "anticipate", "believe", "expect", "intend", "plan", "estimate", "may", "will", "project", "potential", "target" and similar expressions, including negative variations thereof.

Forward-looking statements in this MD&A include, without limitation, statements regarding the Company's anticipated future growth, financial performance and results of operations; expected revenues and cash flows; capital requirements; the Company's ability to identify, evaluate and complete additional royalty, stream or similar transactions; expectations regarding the development, construction, expansion or operation of projects underlying the Company's interests; estimates of mineral resources and mineral reserves, production levels and mine life relating to such projects; future demand for and prices of gold, silver and other commodities; and the Company's business strategy, objectives and opportunities.

Forward-looking statements are based on management's current expectations and assumptions as of the date of this MD&A. Such assumptions include, among others, that the properties underlying the Company's interests will continue to be operated in a manner consistent with past practice and available information; that operators will continue to advance such properties in accordance with their publicly stated or internally communicated plans; that commodity prices and foreign exchange rates will not materially deteriorate; that the Company will be able to obtain financing on reasonable terms, if required; and that applicable laws, tax regimes and regulatory requirements will not materially change.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed or implied by such statements. These risks include, without limitation, fluctuations in commodity prices and foreign exchange rates; risks related to the operators of the properties underlying the Company's interests, including operational performance,

financial condition, changes in ownership or control, technical challenges, permitting delays or project abandonment; risks inherent in the exploration, development and operation of mining projects; uncertainty in mineral resource and mineral reserve estimates and related production estimates; political, regulatory and economic risks in the jurisdictions in which underlying properties are located; risks associated with acquisitions and the integration of acquired interests; and the other risks described in the Company's Annual Information Form and other documents filed under the Company's profile on SEDAR+.

Disclosure regarding properties in which the Company holds royalty, stream or other interests is based on information provided by the applicable operators or obtained from publicly available sources, including technical reports prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects, where available. Certain operators of the properties underlying the Company's interests are privately held and are not subject to continuous public disclosure obligations. The Company generally has limited access to the underlying properties and limited ability to independently verify information provided by operators. While the Company is not aware of any material inaccuracies in such information, there can be no assurance that it is complete or accurate. Technical reports and other disclosure may relate to a larger property area than the portion subject to the Company's interest.

Although the Company believes the assumptions underlying the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated. Readers are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements contained herein are made as of the date of this MD&A and the Company does not undertake any obligation to update or revise them except as required by applicable Canadian securities laws.

ADDITIONAL INFORMATION

Additional information relating to the Company is available for viewing on SEDAR at www.sedarplus.ca and at the Company's website www.empressroyalty.com.