

BLACK IRON INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

Date: November 4, 2025

This Management Discussion and Analysis (“MD&A”) relates to the financial condition and results of operations of Black Iron Inc. together with its subsidiaries (collectively, “Black Iron” or the “Company”) as at and for the three and nine months ended September 30, 2025. This MD&A should be read in conjunction with the Company’s condensed consolidated interim financial statements and related notes as at and for the three and nine months ended September 30, 2025, and the consolidated financial statements as at and for the year ended December 31, 2024. The consolidated financial statements and related notes of Black Iron have been prepared in accordance with International Financial Reporting Standards (“IFRS”). Unless otherwise noted, all references to currency in this MD&A are in U.S. dollars.

Certain information contained in the MD&A is forward-looking, which involves risks and uncertainties. The forward-looking information is not based on historical facts, but is rather based on the current plans, objectives, goals, strategies, estimates, assumptions and projections about the Company’s industry, business and future financial results. Actual results could differ materially from the results contemplated by this forward-looking information due to a number of factors, including those set forth in this MD&A including under the “Cautionary Statement Regarding Forward Looking Information” and “Risk Factors” sections.

The MD&A was prepared in accordance with the requirements set out in National Instrument 51-102 — *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

Matt Simpson, the Company’s Chief Executive Officer, is a “qualified person” as defined under National Instrument 43-101- *Standards of Disclosure for Mineral Projects* (“NI 43-101”) guidelines and has reviewed the scientific and technical information contained in this MD&A.

The audit committee of the board of directors of the Company has reviewed this MD&A and the condensed consolidated interim financial statements for the three and nine months ended September 30, 2025, and Black Iron’s board of directors approved these documents prior to their release.

Overview

Black Iron was incorporated on June 29, 2010, pursuant to the provisions of the *Business Corporations Act* (Ontario). On October 25, 2010, Black Iron completed the acquisition of Geo-Alliance Ore East Ltd. (since renamed Black Iron (Cyprus) Ltd. (“BKI Cyprus”), which serves as an investment holding company for a Ukrainian subsidiary, Shymanivske Steel LLC (“Shymanivske”). Shymanivske holds an iron ore mining extraction permit (the “Permit”) over 2.56 square kilometers of land, which had an expiry date of November 1, 2024 (the “Shymanivske Project” or the “Project”), but its expiration has been extended by the period of Marshal law in Ukraine that came into force in February 2022. The Shymanivske Project is located near the city of Kryvyi Rih, in the Dnepropetrovsk Region of Ukraine near two large producing iron ore mines.

On December 14, 2017, Black Iron released its re-scoped Preliminary Economic Assessment (“PEA”), completed on the Project, and subsequently amended it with a filing date of March 2, 2020. The re-scoped PEA is based on a two-phased build out of the mine and production plant with the first phase operation producing 4 million tonnes per annum (“MTpa”) of ultra high-grade 68% iron concentrate, expanding to 8 MTpa starting in the fifth year of production. By phasing the build, the up-front construction costs of the Project are significantly reduced thus increasing the projected returns from the Project and making it easier to secure the financing required for construction. The Project exhibits compelling projected economics, as set forth in the PEA, due to its proximity to major infrastructure, including railway, electrical power and a deep-sea port, coupled with a local highly skilled work force. The PEA is preliminary in nature, and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. The PEA is based on many assumptions that may not be achieved.

A long-term iron ore benchmark price of US\$61.88/t for products containing 62% iron was used in the re-scoped PEA and adjusted using the three-month average trailing spot iron premium of \$7.21 per 1% Fe above 62%. Since publishing the PEA, iron ore prices have substantially increased as spending on major infrastructure projects, which entail a large consumption of steel and therefore iron ore, continues to occur. There has also been a prominent shift in the iron ore market towards higher iron grade and forms of iron ore that recognizes the “value in use” of iron ore products. This shift has been driven primarily by Chinese steelmakers in a concerted effort to increase productivity, reduce costs and more importantly, reduce greenhouse gas emissions. As demand for higher quality feedstocks increases, premiums are expected to follow suit. It is generally agreed by industry experts that this trend will be sustainable in the longer term. Furthermore, a comparison of the published Platts 65% CFR North China composition for impurities and the Project’s expected concentrate was made. This comparison found that the Project’s expected concentrate is well within the Min-Max impurity range covered by the Platts benchmark suggesting that the Project’s expected concentrate is of a superior quality. Based on this pricing for a low impurity, premium 68% iron content product, the Project forecasts a pre-tax unlevered internal rate of return (“IRR”) of 40.5% and a net present value (“NPV”) of \$1,852 million, using a 10% discount rate. The after-tax unlevered IRR using this price and premium is 34.4% and NPV is \$1,442 million. Additional details on the re-scoped PEA can be found on the Company’s website (www.blackiron.com) and SEDAR+ (www.sedarplus.ca).

Highlights

Chairman of the Board of Directors

In July 2025, the Company announced the appointment of Mr. David Porter as Chairman of the Board of Directors. Mr. Porter has served as a director of the Company since 2010 and is a seasoned executive having worked in a senior leadership capacity in operations, safety, health, sustainable development, communications and community relations at the Iron Ore Company of Canada and Atlas Speciality Steel.

Royalty Agreement with Anglo American

In November 2024, the Company announced it had entered into a royalty agreement and offtake agreement with Anglo American Marketing Limited (“Anglo American”) for a \$4,000,000 royalty investment, offtake rights and future potential construction prepayments. Under the terms of the royalty agreement, Anglo American will invest \$4,000,000 in two tranches for a gross revenue royalty of 1% should the prevailing 65% iron CFR China iron ore price be less than \$120 per tonne and 1.5% should the price be equal to or higher than \$120 per tonne for the first 60,000,000 tonnes of production at the Shymanivske project (the “Royalty”). Subject to the Company renewing its permit and commencing production, the term of the royalty agreement will be the longer of ten years from the commencement of extraction of iron ore concentrate and the period required for the Company to produce 60 million tonnes of iron ore concentrate.

The first tranche of the royalty agreement consisting of \$2,600,000 was received in November 2024. The second tranche of the royalty agreement consisting of \$1,400,000 will be paid contingent upon the renewal of the Shymanivske Project permit by the Company. The Royalty will become effective after Black Iron receives the second tranche. The Company has pledged its shares in its Shymanivske Steel LLC subsidiary as security for the royalty agreement.

The Company reserves the right to buy back the Royalty at any time during the term at a price that provides a pre-agreed internal rate of return of 25% to Anglo American.

Anglo American’s investment in the Royalty secures its offtake rights to the higher of (a) 60% or (b) 2,400,000 tonnes per year during the Phase 1 of production for life of mine, with Phase 1 defined as the period when the Company is producing 4,000,000 tonnes per year. The offtake agreement also provides for a right of first offer for Anglo American to further invest at least 15% of the Phase 1 construction cost as part of a consortium after the conflict in Ukraine ends. Such an investment would increase Anglo American’s offtake to 100% of the Phase 1 production. Additionally, Anglo American has first refusal rights to fund a further 15% of expansion construction costs for Phase 2 of the Shymanivske project. Such funding of Phase 2 would secure Anglo American 100% of the life of mine offtake rights for Phase 2 of the Shymanivske project.

Kryvyi Rih Land Lease Agreement

In November 2024, the Company entered a multi-year land lease with the city of Kryvyi Rih, which owns the surface rights upon which the Shymanivske iron ore body is located. The land lease covers 248 hectares of land critical for the completed Ukraine based environmental and engineering studies required as part of the Company's permit renewal. The land lease covers a large portion of the future mining pit, and it extends west beyond the pit limits to Ukraine's central government-owned land currently being used by the Ministry of Defense as a firing range for training. Black Iron aspires to lease a portion of this central government land for location of its future processing plant, tailings, and waste rock stockpiles.

Additional Kryvyi Rih city owned land will be required to be leased to cover the balance of the envisaged future open pit and discussions to transfer and lease this land are ongoing.

Outlook

On February 24, 2022, Russia invaded Ukraine and, as of the date hereof, this war is ongoing. The war has greatly increased the risk associated with investments in Ukraine and may have a material adverse effect on the Company's ability to develop the Project.

Black Iron's project is located near Kryvyi Rih, Ukraine. Kryvyi Rih is a city with a population of roughly 630,000 people located in the center of Ukraine, on the western side of the Dnieper River, and is where the majority of Ukraine's iron ore mines are located and generally continue to operate. Fortunately, there has not been any active fighting on the ground in this city, but there have been instances of missile attacks. Residents have good access to groceries, gasoline, and banks in the city are functioning normally.

Black Iron's management is primarily focused on securing land essential for the construction of the Project, renewing our permits, and positioning the Company in front of investors interested to participate in the rebuilding of Ukraine. The Company has completed the engineering, environmental and public hearings required and has received approval to commence surface mining of 1% of its ore body, expected to commence during 2025, as required for its mining license renewal. The Company received a positive Environmental Impact Assessment conclusion dated April 25, 2025, with respect to the proposed mining of 1% of its ore body.

While management believes it is taking appropriate measures to support the sustainability of the Company's business in the current circumstances, a continuation of the current business environment could negatively affect the Company's results and financial position. It is unlikely that the Project will be viable absent the cessation of hostilities and the establishment of reliable rule of law in Ukraine.

Management remains cautiously optimistic that recent developments such as the United States - Ukraine Minerals Agreement, will aid in bringing an end to the war and spur significant international investment in Ukraine. Black Iron has and continues to meet with various investors interested to participate in the rebuilding of Ukraine upon peace.

Selected Quarterly Financial Information

Three months ended	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Loss for the period	\$ 429,511	\$ 308,761	\$ 309,125	\$ 973,996
Total comprehensive loss	374,739	418,762	311,395	877,192
Loss per share	-	-	-	-

Three months ended	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Loss for the period	\$ 526,532	\$ 330,427	\$ 300,023	\$ 355,015
Total comprehensive loss	541,519	326,468	297,533	357,955
Loss per share	-	-	-	-

Black Iron is an exploration and evaluation stage company and does not have any revenues. It is expected to incur losses in the development of its business due to its accounting policy to expense exploration & evaluation costs as well as for associated management and general administration.

Selected Annual Information

	2024	2023	2022
	\$	\$	\$
Net loss	2,130,978	1,580,905	3,440,197
Comprehensive loss	2,042,712	1,578,135	3,612,664
Loss per share, basic and diluted	(0.01)	(0.01)	(0.01)
Total assets	2,370,437	1,166,899	2,331,829

Results of Operations for the Company for the Three and Nine Months Ended September 30, 2025

Selected Financial Information

	Three months ended 2025	Three months ended 2024	Nine months ended 2025	Nine months ended 2024
Loss for the period	\$ 429,511	\$ 526,532	\$ 1,047,397	\$ 1,156,982
Comprehensive loss for the period	374,739	541,519	1,104,896	1,165,520
Loss per share	-	-	-	-
General and administrative:				
Consulting and management fees	\$ 100,399	\$ 100,591	\$ 314,352	\$ 317,007
Professional fees	36,483	73,233	66,984	217,234
General office expenses	24,148	44,377	79,577	139,031
Travel expenses	2,103	-	(6,806)	42
Shareholder communications and filing fees	6,670	25,951	57,071	70,547
	\$ 169,803	\$ 244,152	\$ 511,178	\$ 743,861
Exploration and evaluation expenditures:				
Consulting and technical	\$ 105,188	\$ 62,497	\$ 315,203	\$ 196,214
Surface rights and consulting	4,289	10,141	(9,536)	25,613
Drilling	4,915	-	11,220	-
Field office support & administration	41,486	6,909	120,040	24,042
Permitting	4	-	4,070	-
Environmental	33,239	-	61,463	-
	\$ 189,121	\$ 79,547	\$ 502,460	\$ 245,869
Non-cash:				
Stock-based compensation	\$ 30,085	\$ 206,487	\$ 60,453	\$ 217,298
	\$ 30,085	\$ 206,487	\$ 60,453	\$ 217,298

Expenses for the three months ended September 30, 2025

Professional Fees

The Company recorded professional fees of \$36,483 during the three months ended September 30, 2025, compared to \$73,233 during the three months ended September 30, 2024. The lower costs in 2025 were due to the engagement of financial advisors in 2024.

Exploration and Evaluation Expenditures

The Company recorded exploration and evaluation expenses of \$189,121 during the three months ended September 30, 2025, compared to \$79,547 in the prior year. This increase was primarily due to a new land lease concluded in late 2024, as well as increased consulting fees, field office costs, environmental, and drilling work in support of the Company's permit renewal in the current year.

General Office and Shareholder Communications

These expenses are generally lower due to the ongoing war in the Ukraine and the Company's efforts to limit overheads as far as possible.

Non-Cash Items

No stock options were granted during the three months ended September 30, 2025, while 4,725,000 options were granted during the three months ended September 30, 2024. Options vesting during the period resulted in \$20,214 (three months ended September 30, 2024 - \$128,246) recorded as an expense. The Company granted 115,984 deferred share units ("DSUs") valued at \$9,263 during the three months ended September 30, 2025. The Company granted 2,361,980 DSUs valued at \$80,039 during the three months ended September 30, 2024.

Cash flows for the three months ended September 30, 2025

During the three months ended September 30, 2025, operating activities before working capital changes used cash of \$380,419 compared with a use of cash of \$238,964 during the three months ended September 30, 2024. Expenditures in the three months ended September 30, 2025 related to consulting and management fees, technical work on the Shymanivske Project, general office expenses and shareholder communications, compared to expenditures during the three months ended September 30, 2024, which were also primarily related to consulting and management fees, technical work on the Shymanivske Project, general office expenses and shareholder communications. Cash used in financing activities during the three months ended September 30, 2025 of \$35,461 was primarily due to land lease payments, compared to \$nil in the three months ended September 30, 2024. Cash was provided by investing activities during the three months ended September 30, 2025 of \$9,560, from interest earned, compared to cash provided by investing activities during the three months ended September 30, 2024 of \$2,827, also from interest earned.

Expenses for the nine months ended September 30, 2025

Consulting and Management Fees

Consulting and management fees recorded in the nine months ended September 30, 2025, of \$314,352 were in line with the \$317,007 recorded in the nine months ended September 30, 2024 and relate to the management of the public entity and its reporting obligations.

Professional Fees

The Company recorded professional fees of \$66,984 during the nine months ended September 30, 2025, compared to \$217,234 during the nine months ended September 30, 2024. The higher costs in 2024 were due to the engagement of financial advisors in 2024.

General Office Expenses

The Company recorded general office expenses of \$79,577 during the nine months ended September 30, 2025, compared to \$139,031 during the nine months ended September 30, 2024. This decrease was primarily due to lower marketing expenses and lower office rent in the current year.

Exploration and Evaluation Expenditures

The Company recorded exploration and evaluation expenses of \$502,460 during the nine months ended September 30, 2025, compared to \$245,869 in the prior year. This increase was primarily due to a new land lease, as well as increased consulting fees, field office, environmental, and drilling expenses in support of the Company's permit renewal in the current year.

Non-Cash Items

500,000 stock options were granted during the nine months ended September 30, 2025, while 4,725,000 options were granted during the nine months ended September 30, 2024, resulting in \$29,571 (nine months ended September 30, 2024 - \$128,246) recorded as an expense on the vesting of stock options. The Company granted 367,769 deferred share units ("DSUs") valued at \$30,245 during the nine months ended September 30, 2025. The Company granted 2,655,730 DSUs during the nine months ended September 30, 2024, valued at \$90,786.

Cash flows for the nine months ended September 30, 2025

During the nine months ended September 30, 2025, operating activities before working capital changes used cash of \$930,737, compared with a use of cash of \$983,826 during the nine months ended September 30, 2024. Expenditures in the nine months ended September 30, 2025 related to consulting and management fees, technical work on the Shymanivske Project, general office expenses and shareholder communications, compared to expenditures during the nine months ended September 30, 2024 that were also primarily related to consulting and management fees, technical work on the Shymanivske Project, general office expenses and shareholder communications. Cash provided by financing activities during the nine months ended September 30, 2025 was \$5,275, primarily from the exercise of stock options and partially offset by payment of the Company's land lease, compared to \$nil in the nine months ended September 30, 2024. Cash used in investing activities during the nine months ended September 30, 2025 was \$1,559, from interest earned that was partially offset by equipment purchased, compared to cash provided by investing activities during the nine months ended September 30, 2024 of \$44,867 for interest earned.

Liquidity and Capital Resources

The recovery of the amounts expended for resource properties is dependent on the ability of the Company to obtain the necessary financing to complete the development of the Shymanivske Project or other potential projects and attain future profitable production. The Company's financial success will depend on its ability to raise financing to construct potential projects. At present, the Company has no established sources of income and the success of its exploration and development programs will be contingent upon the Company's ability to raise sufficient equity and/or debt financing on terms favourable to the Company. The Company does not expect to generate any internal cash flows to help finance the development costs of the Shymanivske Project.

As at September 30, 2025, the Company had a working capital deficiency of \$3,001,437 including cash and cash equivalents of \$913,067 (December 31, 2024 - \$1,776,030), compared with working capital deficiency of \$2,060,342 as at December 31, 2024. The Company's primary cash flow needs are for the development of its mining and exploration permits, administrative expenses and working capital. The Company will maintain its excess working capital in a combination of Canadian and U.S. dollars, which will only be converted to Ukrainian Hryvnia as required. The Company maintains most of its cash reserves, including those of the Cyprus subsidiary, at a large reputable Canadian commercial bank in high-quality short-term deposits, cash equivalents or cash.

Operating Segments

The Company has concluded that it has only one material operating segment (the development of its Ukrainian mining and exploration permits) for financial reporting purposes.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements, with the exception of operating leases noted below.

Financial Commitments, Contingencies and Litigation

Leases

The Company has two leases in Ukraine: 1) office space in Kryvyi Rih, Ukraine for an annual rent of approximately \$10,000 and 2) lease of a secure warehouse to store drill cores totaling 1,254 square meters for an annual rent including security fees of approximately \$6,600. Both leases may be terminated on 30 days' notice. As the leases are cancellable on 30 days' notice, they did not meet the requirements of IFRS 16 to be capitalized.

In November 2024, the Company entered into a lease agreement for land in Kryvyi Rih. The monthly rent payable under the terms of the lease was \$11,820. The lease is for a fixed term of five years commencing in December 2024. The Company capitalized the lease under IFRS 16, using a discount rate of 11.5% in determining the present value of the lease payments.

Management contracts

The Company is party to certain management contracts. These contracts require payments of approximately \$1.2 million to the officers of the Company upon the occurrence of a change in control of the Company, as such term is defined by each officer's respective consulting agreement. The Company is also committed to payments upon termination of approximately \$384,000 pursuant to the terms of these contracts.

Contract commitment

The Company has a contract with financial advisors that contains a success fee that is payable on consummation of a transaction. As a transaction has not taken place, the contingent payment has not been reflected in these consolidated financial statements.

Related Party Transactions

Key management personnel compensation

In addition to their contracted fees, executive officers participate in the Company's stock option program. The Company also has a DSU plan, which provides non-executive directors with the ability to redeem annual director compensation through the issuance of common shares of the Company. Certain executive officers are subject to mutual termination notices ranging from three to twelve months. Key management personnel compensation paid comprised:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Short term employee benefits	\$ 324,808	\$ 254,750
Share-based payments	59,816	198,111
	\$ 384,624	\$ 452,861

Officers and directors had 125,000 options vest during the nine months ended September 30, 2025 (4,000,000 options vested for the nine months ended September 30, 2024).

As at September 30, 2025, the Company had \$4,636 (December 31, 2024 - \$nil) owing to its management personnel. Such amounts are unsecured, non-interest bearing, with no fixed terms of payment and are due on demand.

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

Critical Judgements and Estimation Uncertainties:

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires the Company's management to make judgements, estimates and assumptions about future events that affect the amounts reported in the condensed consolidated interim financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

(a) Significant judgements in applying accounting policies

The areas which require management to make significant judgements in applying the Company's accounting policies in determining carrying values include, but are not limited to:

(i) Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes judgements related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that could materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

(ii) Functional currency

Functional currency is the currency of the primary economic environment in which the Company and each of its subsidiaries operate. If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of underlying transactions, events and conditions.

(iii) Contingencies and estimates

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgement and estimates of the outcome of future events.

Certain contingencies also exist in the Company's assessment of its ability to continue as a going concern and require the exercise of significant judgement by management to assess the ability of the Company to continue as a going concern.

(b) Significant accounting estimates and assumptions

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

(i) Mineral resource estimates

The figures for mineral resources are determined in accordance with NI 43-101, issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral reserve or mineral resource estimate is a function of the quantity and quality of available data and of the assumptions and judgements made in engineering and geological interpretation. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, could have a material effect in the future on the Company's financial position and results of operation.

(ii) Share-based payments and warrants

Management determines costs for share-based payments and the fair value of options and warrants issued using market-based valuation techniques. The fair value of the market-based and performance-based share awards or options and warrants issued are determined at the date of grant or each reporting date using generally accepted valuation techniques. Assumptions and judgements are made in applying valuation techniques. These assumptions and judgements include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors, and corporate performance. Changes in these assumptions affect the fair value estimates.

(iii) Leases under IFRS 16

Critical judgements are required in the application of IFRS 16, including identifying whether a contract (or part of a contract) includes a lease, and determining whether it is reasonably certain that an extension or termination option will be exercised. Sources of estimate uncertainty include estimation of the lease term, determination of an appropriate discount rate, and assessment of whether a right-of-use asset is impaired. Such judgements, estimates, and assumptions are inherently uncertain, and changes in these assumptions affect the fair value estimates.

Material Accounting Policies

The condensed consolidated interim financial statements were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended December 31, 2024.

Disclosure Controls and Procedures

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures. Management has designed such disclosure controls and procedures, or caused them to be designed under its supervision, to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to the Chief Executive Officer and the Chief Financial Officer by others within those entities.

Black Iron's CEO and CFO have certified that they have designed disclosure controls and procedures (or caused them to be designed under their supervision) and they are operating effectively to provide reasonable assurance that material information relating to the issuer and its consolidated subsidiaries is made known to them by others within those entities as of September 30, 2025.

Internal Control over Financial Reporting

Black Iron's management, including the CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR"). Under their supervision, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions, acquisitions and dispositions of the assets of the Company; and

- Provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual or interim financial statements.

The CEO and CFO have certified that internal controls over financial reporting have been designed and are operating effectively to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as at September 30, 2025. Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control 2013 ("COSO 2013") Framework to design the Company's internal control over financial reporting.

There were no changes in the Company's ICFR that have occurred during the period beginning on January 1, 2025 and ended on September 30, 2025 that have materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that disclosure controls and procedures and internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the controls. The design of any control system is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Risk Factors

Investing in the Company involves risks that should be carefully considered. The business of the Company is speculative due to the high-risk nature of iron ore mining and exploration in Ukraine. Investors should be aware that there are various risks that could have a material adverse effect on, among other things, title to the projects, permitting, the operating results, earnings, business and condition (financial or otherwise) of the Company. For a listing of risk factors, investors should refer to the Company's Annual Information Form filed on SEDAR+.

Additional Information and Continuous Disclosure

Additional information, including the Company's press releases, have been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca.

Outstanding Share Data

As at the date of this MD&A, the Company has:

- a) 306,226,688 common shares outstanding.
- b) 7,225,000 stock options outstanding with expiry dates ranging from May 18, 2026 to April 1, 2030 with exercise prices ranging from CAD\$0.045 to CAD\$0.475. If exercised, 7,225,000 shares would be issued for proceeds of CAD\$744,625.
- c) 9,024,042 DSUs outstanding with no fixed expiry.

Cautionary Statement Regarding Forward-Looking Information

Except for statements of historical fact relating to Black Iron, certain information contained herein constitutes forward-looking information. Forward-looking information is based on what management believes to be reasonable assumptions, opinions and estimates as of the date such statements are made based on information available to them at that time, including those factors discussed in the section entitled “Risk Factors” in the Company’s most recent annual information form or as may be identified in the Company’s public disclosure from time to time, as filed under the Company’s profile on SEDAR+ at www.sedarplus.ca. Forward-looking information may include, but is not limited to, statements with respect to the Shymanivske Project, management’s outlook on the Ukraine-Russian war, expected economic forecasts and the economic viability of the PEA, the Company’s ability to obtain the requisite land rights for the Shymanivske Project, meetings and negotiations with the Ukrainian government, prices of commodities, the outlook on demand for iron ore in China, performance of the Company’s securities, the war in Ukraine, the geopolitical situation in Ukraine and Russia, the Company’s ability to obtain adequate funding, and future plans for the Company’s development. Generally, forward looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, geopolitical and social uncertainties; environmental and emission concerns; the actual results of current exploration activities; other risks of the mining industry; and the risks described in the annual information form of the Company. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.