

ANORTECH

ANORTECH INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(FORM 51-102F1)
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2025

Management's Discussion and Analysis – For the Six months ended September 30, 2025

This management's discussion and analysis ("MD&A") focuses on significant factors that affected AnorTech Inc. (formerly "Hudson Resources Inc.") ("AnorTech" or the "Company") during the six months ended September 30, 2025 and to the date of this report. The MD&A supplements, but does not form part of, the unaudited condensed interim financial statements of the Company and the notes thereto for the six months ended September 30, 2025. Consequently, the following discussion of performance and financial condition should be read in conjunction with the condensed interim financial statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.

Additional information related to AnorTech is available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.anortechinc.com.

This MD&A contains information up to and including November 21, 2025. The Company's Board of Directors has approved the disclosure contained in this MD&A.

FORWARD-LOOKING INFORMATION

Statements in this MD&A that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. For more information on forward-looking information, please refer to page 14 of this MD&A.

Fluctuations in currencies and volatile financial markets pose significant challenges in planning, budgeting and carrying out meaningful exploration programs. Further uncertainties arise from the inability of the Company to gauge world events. The invasion of the Ukraine by Russia has introduced supply chain issues and energy challenges in Europe and globally. Recent global events have put a focus on supply chains and in particular critical metals, which may be beneficial to the commodities that the Company has in its portfolio.

THE COMPANY

As at September 30, 2025, the Company is engaged in the acquisition, exploration and development of mineral properties in Greenland. AnorTech is listed on the TSX Venture Exchange and has two primary mineral assets and interests in Greenland; 1) The 100% owned Gronne Bjerg anorthosite exploration license which was granted in 2021 which hosts a high quality anorthosite (calcium aluminum silicate) deposit, and 2) a 5% carried interest in the ST1 rare earth element ("REE") project which includes the high-grade Nukittoq niobium - tantalum ("Nb-Ta") ("Nukittoq Nb-Ta") project, both of which are located on the Sarfartoq exploration license ("Sarfartoq") held by Neo North Star Resources Inc.

AnorTech is focused on advancing innovative technologies to produce more environmentally sustainable materials from anorthosite (aluminum calcium silicate rock). The Company's work is focused on two global markets: 1) the production of waste-free, sustainable alumina products, and 2) the development of CO₂ free refractory cement. Together, these technologies aim to provide industries with lower-carbon, and lower environmental impact alternatives to traditional materials.

AnorTech brings over 13 years of specialized experience in anorthosite research, development and marketing. The Company holds a 100% interest in the Gronne Bjerg Anorthosite project, strategically located on open tide water near Nuuk, the capital of Greenland. Geological mapping and sampling programs conducted to date have confirmed that the Gronne Bjerg anorthosite body is of consistently high quality over several square kilometers, providing a potential long-term supply of high purity anorthosite to support AnorTech's technologies in the alumina, cement and other industries.

In April 2023, the Company completed the sale of its Sarfartoq exploration license, which hosts the ST1 REE project and the Nukittoq niobium-tantalum project, to Neo Performance Materials ("Neo") to sell the

Company's for US\$3.5 million and a 5% future interest. The license is held through Neo North Star Resources Inc. ("NNSR"), which has been advancing exploration work. The transaction provided cash and upside in the future value of the Sarfartoq projects. The Company also previously held a 31.1% interest in Lumina Sustainable Materials A/S (formerly Hudson Greenland A/S), owner of the White Mountain anorthosite mine in Greenland. This interest was written down to \$nil in 2022 due to cumulative losses and relinquished in 2023, allowing AnorTech to focus on its 100% owned Gronne Bjerg anorthosite project.

AnorTech has 20 years of experience in Greenland, including the development and operation of the White Mountain mine. AnorTech is focussed on advancing sustainable anorthosite products for use in waste free alumina and CO₂ free refractory cement. The Company has built strong relationships with local communities and the Government of Greenland, including the implementation of the Impact Benefit Agreement ("IBA") for the White Mountain mine.

HIGHLIGHTS

- August 2025, the Company completed the second season of environmental baseline sampling at Gronne Bjerg that included the undertaking of a geological sampling and mapping program to increase the size of the Gronne Bjerg anorthosite body. The Company announced exceptional results of the field program which significantly expanded the mapped size of the project and further confirmed its potential as one of the world's most promising long-term sources of high purity, aluminum-bearing rock. The Company also conducted initial bathymetric surveys and identified a suitable deep water port location adjacent to where mining operations could commence.
- Ongoing R&D programs continue to advance both alumina and cement applications. The alumina test work is being conducted at SGS in Lakefield, Canada and the cement test work is being carried out at the Danish Technological Institute in Copenhagen, Denmark.
- A total of 4,250,000 options with exercise price ranging from \$0.15 to \$0.40 expired without exercise.
- June 4, 2025 – Cement R&D Milestone, the Company announced the successful further development of two breakthrough cement products: a very low CO₂ refractory cement and a 3D printable mortar based on anorthosite. Both products are part of the Company's innovative cement R&D program. Cement R&D programs are ongoing.
- February 11, 2025, Patent Filing for Sustainable Alumina Process - the Company filed a provisional patent with the United States Patent and Trademark Office for its proprietary, zero waste process to produce sustainable smelter-grade alumina (SGA) and high purity alumina (HPA) from anorthosite (calcium aluminum silicate).
- December 16, 2024 – Uplisting to OTCQB - The Company's common shares began trading on the OTCQB Venture Market ("OTCQB") under the symbol "ANORF" to enhance trading access for U.S. shareholders. AnorTech's shares continue to trade on the TSX Venture Exchange under the symbol "ANOR".
- 2024 Field Program at Gronne Bjerg – AnorTech completed environmental baseline studies and collected 20 tonnes of blasted anorthosite from its Gronne Bjerg project in Greenland. The environmental program, conducted by WSP Denmark, included marine and terrestrial sampling along with wildlife and ecological surveys. Data will support the upcoming Environmental Impact Assessment (EIA). The bulk sample will feed the R&D and pilot scale testing for the Company's commercializing its waste-free alumina process, pending a development partner.
- March 21, 2024, Corporate Name Change - the Company changed its name to AnorTech Inc. to reflect its strategic focus on sustainable and innovative technologies derived from anorthosite.
- June 2023 – Testwork on Sustainable Alumina and Cement - the Company commenced testwork on bulk samples from Gronne Bjerg to develop a sustainable, waste free smelter grade alumina product as a

potential bauxite alternative. Testing is ongoing at SGS Lakefield (Canada). Parallel testwork to develop a CO₂ free refractory cement from anorthosite also began in Q1 2024, led by the Danish Technological Institute (DTI), a European leader in cement R&D.

- April 2023 – Sale of Sarfartoq Project to Neo Performance Materials - the Company completed the sale of the Sarfartoq exploration licence, including the ST1 rare earth deposit and the Nukittoq niobium-tantalum project to Neo Performance Materials Inc. for US\$3.5 million. AnorTech retains a 5% equity interest in the special purpose entity (“SPE”) managing Sarfartoq. It is also entitled to 5% of the proceeds if the licence is transferred or if the SPE is acquired or goes public within 5 years. A significant exploration and program was completed by Neo North Star Resources Inc. (“NNSR”), with additional work completed in summer 2024. AnorTech provides consulting services to NNSR.
- Gronne Bjerg Project – Exploration and Sampling – AnorTech was awarded the Gronne Bjerg exploration license (MEL 2021-56) in September 2021. Surface sampling in 2022 confirmed high purity anorthosite with 32% aluminum content, low impurities, and excellent continuity over the area sampled (see NR2023-02). A bulk sampling campaign in 2023 collected over four tonnes of anorthosite material, which was followed by an additional 20 tonnes in 2024, which were shipped to Canada to support alumina process development.

PRIMARY MARKETS FOR ANORTHOSITE

AnorTech has identified a number of markets for sustainable anorthosite products with the primary focus being on waste-free smelter grade alumina and CO₂ free refractory cement.

Sustainable Waste-Free Alumina

Through research and development, the Company has conducted a significant amount of laboratory test work on the production of sustainable waste-free alumina products including smelter grade alumina (SGA) and high purity alumina (HPA). The process developed by AnorTech is a more sustainable alternative to the current production of alumina using bauxite that generates over 150Mt of red mud tailings annually, adding to the 4B tonnes stored worldwide. AnorTech’s alumina products do not only have zero waste, but produce valuable by-products of amorphous silica and calcium silicate. The Company commenced alumina production test work from anorthosite over a decade ago and is continuing to advance its patent pending process with anorthosite from the Gronne Bjerg project at SGS Lakefield in Canada. The alumina products, including SGA and HPA will be used for evaluation purposes by potential end users. Following the successful completion of lab scale work in 2025 to produce high-quality alumina products the Company plans to initiate pilot scale testwork to advance the technology to commercialization.

Very Low to Zero CO₂ Refractory Cement

Through initial R&D at the University of British Columbia’s Ceramics and Refractories Research and Testing Laboratory, and ongoing work at the Danish Technological Institute (DTI) the Company has successfully demonstrated that a zero to very low carbon dioxide (CO₂) refractory cement can be manufactured from anorthosite which has good heat resistant and strength characteristics. This product has significant environmental benefits to manufactures and developers. Work on a refractory cement product is ongoing at the DTI which has approximately four tonnes of Gronne Bjerg anorthosite for ongoing test work. The Company continues to conduct R&D on a number of cement applications aside from refractory cement.

EXPLORATION AND DEVELOPMENT PROPERTIES

Gronne Bjerg Mineral Claim (License number 2021/56), Greenland

AnorTech has a 100% interest in the Gronne Bjerg exploration license located in southwest Greenland near the capital city of Nuuk. The license was awarded to the Company in September 2021. In Q3 of 2022 the Company conducted initial exploration and evaluation work, with excellent results. The Company carried out geological

mapping and sampling programs in 2023, 2024 and 2025 collecting over 24 tonnes of anorthosite over an area of 3.2km by 1.2km. Results continue to demonstrate the high purity and consistency of the Gronne Bjerg anorthosite body. Bulk sample material is being utilized in ongoing R&D programs for CO₂ free cement and waste-free alumina.

Exploration and evaluation costs for the current period comprised of the following:

Assays and analysis	\$ 105,794
Consulting	58,855
Supplies	332
Helicopter	-
Shipping	12,199
Travel	13,854
Other	<u>9,311</u>
Total exploration and evaluation costs	<u>\$ 200,345</u>

Sarfartoq Mineral Claim (License number 2010/40 and 2020/32), Greenland

Following the sale of the Sarfartoq license to Neo Performance Materials in 2023, AnorTech retained a 5% interest in the Sarfartoq REE Project in southwest Greenland.

The Sarfartoq exploration license host the Sarfartoq Carbonatite Complex (“SCC”) which is one of the larger carbonatite complexes in the world with approximate dimensions of 13 km by 8 km. It is located near tidewater, adjacent to very good potential hydroelectric power sites, and is approximately 60 km from the White Mountain mine.

The Sarfartoq Rare Earth Element Project

The Company has outlined a 14.1Mt at 1.5% TREO 43-101 compliant inferred resource containing 35 million kilograms of neodymium and praseodymium oxide in the ST1 Zone of the Sarfartoq REE Project. This represents one of the industry’s highest ratios of neodymium and praseodymium to TREO in a light rare earth deposit of this type, totaling 25%, based on the inferred resource. In the past year there has been a significant increase in the interest of this asset due to global REE supply chain issues and concerns around Arctic sovereignty.

AnorTech drilled over 30,000 meters on the Sarfartoq Carbonatite Complex and conducted extensive metallurgical testwork at Hazen Research and SGS in Canada. The Preliminary Economic Assessment in 2011 outlined a 2,000 tonne per day underground operation producing 6,500 tonnes per annum of rare earth carbonatite concentrate of 42-45% REO. The high-grade rare earth oxides at Sarfartoq are associated with thorium with low to non-existent uranium levels.

The ST1 Zone contains significant amounts of neodymium and praseodymium oxide, which are the two main components in permanent magnets and the fastest growth sector of the rare earths industry.

The Sarfartoq REE project has excellent exploration potential to increase the high-grade tonnage with past drill holes including the following high-grade intercepts at the ST1 Zone:

- 24 meters of 3.5% TREO (SAR10-36)
- 14 meters of 4.8% TREO (SAR11-45)
- 6 meters of 6.05% TREO (SAR12-03)
- 6 meters of 4.91% TREO (SAR12-01)
- 8 meters of 6.5% TREO (SAR12-15)

Along the 32 km strike length of the carbonatite the Company drilled numerous high-grade holes on other targets including:

ST19 Target

- 60 meters of 2.6% TREO, including 12m of 4.0% (SAR10-22)
- 60 meters of 2.2% TREO, including 14m of 4.9% (SAR10-23)

ST40 Target

- 10.22 m of 1.36 % TREO (SAR09-03) which contained 54% neodymium oxide and praseodymium oxide - one of the industry's highest ratios of Nd and Pr

RESULTS FROM OPERATIONS

Selected Information

	For the six months ended		
	September 30, 2025	September 30, 2024	September 30, 2023
Interest income	\$ 32,396	\$ 82,644	\$ 64,633
Net income (loss)	(471,070)	(534,330)	4,363,970
Basic and diluted income (loss) per share	\$ (0.00)	\$ (0.00)	\$ 0.02

As at:	September 30, 2025	September 30, 2024	September 30, 2023
Balance Sheet Data			
Cash and cash equivalents	\$ 2,095,776	\$ 2,940,615	\$ 3,262,907
Equipment and right of use assets	2,441	4,503	6,857
Resource properties	7,376	6,380	6,380
Total assets	\$ 2,159,338	\$ 2,981,673	\$ 3,326,240

Six months ended September 30, 2025 ("Q2 YTD 2026") compared with six months ended September 30, 2024 ("Q2 YTD 2025")

The Company recorded comprehensive loss of \$471,070 for Q2 YTD 2026 compared with a comprehensive loss of \$534,330 for Q2 YTD 2025.

Depreciation expense was \$1,031 for both Q2 YTD 2026 and Q2 YTD 2025.

Exploration and evaluation costs were of \$200,345 for Q2 YTD 2026 compared to \$328,971 for Q2 YTD 2025.

Total foreign exchange gain of \$979 was recorded in Q2 YTD 2026 compared to \$2,547 in Q2 YTD 2025.

Interest and bank charges of \$826 were recorded in Q2 YTD 2026 compared to \$985 in Q2 YTD 2025.

Total office expenses totalled \$15,273 for Q2 YTD 2026, compared to \$17,096 in Q2 YTD 2025 as the Company continued to keep overhead costs down.

Personnel costs recorded was \$92,198 compared to \$145,452 in Q2 YTD 2025. The Company entered into a consulting agreement with the SPE from the completion of the sale of Sarfartoq to provide technical and consulting services by its President through the Company with the agreement dating back to September 2022. The higher personnel costs in the prior period directly related to compensation for the additional time spent by the Company's President on this arrangement.

Professional fees of \$61,302 was recorded in Q2 YTD 2026 and was not materially different to \$63,419 incurred in Q2 YTD 2025.

Rent expense was \$1,128 for Q2 YTD 2026 and \$1,110 for Q2 YTD 2025.

Share-based payment expenses were \$97,507 for Q2 YTD 2026 compared to \$61,183 for Q2 YTD 2025. The higher expenses were the result of new options granted in September 2024. Such expenses are measured based on calculations using the Black-Scholes model and relate to the vesting of stock options over time.

Shareholder and community engagement costs were \$3,345 in Q2 YTD 2026, compared to \$2,232 in Q2 YTD 2025.

Transfer agent and filing fees were \$16,539 for Q2 YTD 2026, comparable to \$11,651 recorded for Q2 YTD 2025, and were higher due to the Company commencing listing its shares for trading on the OTCQB in December 2024.

Travel and accommodation expenses of \$14,951 was recorded in Q2 YTD 2026 compared to \$39,150 in Q2 YTD 2025.

The Company recorded \$Nil in other income in Q2 YTD 2026 and \$52,759 in Q2 YTD 2025 which related to consulting services provided to the SPE from the completion of the sale of Sarfartoq to Neo.

Interest income of \$32,396 (\$82,644 in prior period) was earned by the Company from its cash balance held at the bank in the current period.

Three months ended September 30, 2025 ("Q2 2026") compared with three months ended September 30, 2024 ("Q2 2025")

The Company recorded comprehensive loss of \$254,190 for Q2 2026 compared with a comprehensive income of \$448,475 for Q2 2025.

Depreciation expense was \$515 for Q2 2026 compared to \$616 for Q2 2025 relating to office equipment.

Exploration and evaluation costs were \$75,849 for Q2 2026 compared to \$291,677 for Q2 2025.

Total foreign exchange loss of \$91 was recorded in Q2 2026 compared to a gain of \$3,112 in Q2 YTD 2025.

Interest and bank charges of \$372 were recorded in Q2 2026 compared to \$589 in Q2 2025.

Total office expenses totalled \$6,455 for Q2 2026, compared to \$8,702 in Q2 2025 as the Company continued to keep overhead costs down.

Personnel costs recorded was \$44,898 compared to \$61,366 in Q2 2025. The Company entered into a consulting agreement with the SPE from the completion of the sale of Sarfartoq to provide technical and consulting services by its President through the Company with the agreement dating back to September 2022. The higher personnel costs in the prior quarter directly related to compensation for the additional time spent by the Company's President on this arrangement.

Professional fees of \$35,606 was recorded in Q2 2026 and was comparable to \$39,203 incurred in Q2 2025.

Rent expense was \$564 for Q2 2026 and \$546 for Q2 2025.

Share-based payment expenses were \$78,772 for Q2 2026 compared to \$58,230 for Q2 2025. The higher expenses were the result of new options granted in September 2024. Such expenses are measured based on calculations using the Black-Scholes model and relate to the vesting of stock options over time.

Shareholder and community engagement costs were \$1,895 in Q2 2026, compared to \$1,030 in Q2 2025.

Transfer agent and filing fees were \$9,556 for Q2 2026, comparable to \$8,782 recorded for Q2 2025.

Travel and accommodation expenses of \$14,785 was recorded in Q2 2026 compared to \$39,150 in Q2 2025.

The Company recorded \$Nil in other income in Q2 2026 and \$19,704 in Q2 2025 which related to consulting services provided to the SPE from the completion of the sale of Sarfartoq to Neo.

Interest income of \$15,168 was earned by the Company from its cash balance held at the bank in Q2 2026 compared to \$38,600 earned in Q2 2025.

SUMMARY OF QUARTERLY RESULTS

	Three months ended			
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Interest income	\$ 15,168	\$ 17,228	\$ 21,170	\$ 28,904
Net income (loss)	(254,190)	(216,880)	(287,700)	(203,236)
Basic earnings (loss) per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)

	Three months ended			
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Interest income	\$ 38,600	\$ 44,044	\$ 44,030	\$ 41,822
Net income (loss)	(448,475)	(85,855)	(145,119)	240,032
Basic earnings (loss) per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ 0.00

The net income of \$240,032 in the December 31, 2023 quarter can be largely attributed to the insurance settlement related to a contaminated shipment back in 2019. Losses in the current and previous most recent quarters were directly related to level of activities including exploration and share based payments.

LIQUIDITY AND CAPITAL RESOURCES

The Company has a working capital position of approximately \$2.1 million as at September 30, 2025. The Company has no material income from operations and any improvement in working capital results will primarily be from the issuance of share capital or sale of its assets. Management believes it has the cash to fund its operations over the next 12 months.

The Company is dependent on raising funds by the issuance of shares or disposing of interests in its mineral properties (by options, joint ventures or outright sales) or by obtaining debt financing, in order to bring the project into commercial production, finance further acquisitions, undertake exploration and development of mineral properties and meet general and administrative expenses in the immediate and long term. There can be no assurance that the Company will be successful in raising the required financing.

The Company's future financial performance is dependent on many external factors. Both prices and markets for metals and minerals are cyclical, difficult to predict, volatile, subject to government price fixing and controls and affected by changes in domestic and international, political, social and economic environments. In addition, the availability and cost of funds for exploration, development and production costs are difficult to predict. These changes in events could materially affect the financial performance of the Company.

The Company invests its cash balances in interest bearing accounts with Canadian banks.

SUBSEQUENT EVENTS

On November 10, 2025, 900,000 options with an exercise price of \$0.40 expired without exercise.

OUTSTANDING SHARE DATA

As at September 30, 2025 and as at the date of this MD&A, the Company had 181,642,538 common shares issued and outstanding.

- There were no share purchase warrants outstanding as at September 30, 2025 and as at the date of this MD&A respectively.
- There were 8,850,000 and 7,950,000 stock options outstanding as at September 30, 2025 and as of the date of this MD&A respectively. The current outstanding stock options are exercisable at a price of \$0.05 per common share.

RELATED PARTY TRANSACTIONS

For the Six months ended September 30, 2025 and 2024 respectively, the Company incurred the following expenses for directors and officers of the Company:

	For the six months ended	
	September 30, 2025	September 30, 2024
Short-term benefits - personnel costs	\$ 75,000	\$ 141,062
Short-term benefits - professional fees	37,500	37,500
Share-based payments	97,507	60,625
	\$ 210,008	\$ 239,187

The total balance due to related parties included in accounts payable and accrued liabilities was \$Nil as at September 30, 2025 (March 31, 2025 – \$Nil).

COMMITMENTS

The Gronne Bjerg license has certain minimum work commitment expenditures amounting to approximately DKK 460,000 (approximately \$92,000) per calendar year for 2025 and 2026 under its exploration license.

FINANCIAL INSTRUMENTS

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon management's assessment of the risk and available alternatives for mitigating risk. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support the Company's operations. These financial risks and the Company's exposure to these risks are provided in note 12 of the Company's financial statements for the six months ended September 30, 2025. For a discussion on the significant assumptions made in determining the fair value of financial instruments, refer also to note 12 of the financial statements for the six months ended September 30, 2025.

OFF-BALANCE SHEET ARRANGEMENTS

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

PROPOSED TRANSACTIONS

As at September 30, 2025 and the date of this report, the Company had no disclosable proposed transaction except as disclosed. It is the Company's policy not to disclose transactions until they are fully executed.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risk factors due to the nature of its business and the present stage of development. The following risk factors should be considered:

General

The Company is listed on the TSX Venture Exchange and on the OTCQB Venture Market and is engaged in the acquisition, exploration, development and mining of mineral properties in Greenland. The recoverability of the amounts shown for resource assets is dependent upon the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties. The Company's ability to continue its operations is dependent on its ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. In order to continue developing its mineral properties, management may pursue such additional sources of financing; however, in the event this does not occur, there is doubt about the ability of the Company to continue as a going concern. The financial statements and discussion and analysis of the financial condition, changes in financial condition and results of operations of the Company for the six months ended September 30, 2025 do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

The amount of the Company's administrative expenditures is related to the level of financing and pre-development activities that are being conducted, which in turn may depend on the Company's recent experience and prospects, as well as the general market conditions relating to the availability of funding for exploration-stage resource companies. Consequently, the Company does not acquire properties or conduct work programs on them on a pre-determined basis and as a result there may not be predictable or observable trends in the Company's business activities and comparisons of financial operating results with prior years may not be meaningful.

Trends

The Company's financial success is dependent upon the successful discovery of properties which could be economically viable to develop and execute sales of its mining products. Such development could take years to complete and the resulting income, if any, is difficult to determine. The sales value of any mineralization discovered by the Company is largely dependent upon factors beyond the Company's control, such as the market value of the products produced. Other than as disclosed herein, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Company's sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

Competitive Conditions

The resource industry is intensively competitive in all of its phases. The Company competes with other mining companies for the acquisition of mineral claims and other mining interests as well as for the recruitment and retention of qualified employees and contractors and for mining equipment. There is significant and increasing competition for a limited number of rare earth and other resource acquisition opportunities and as a result, the Company may be unable to acquire suitable producing properties or prospects for exploration in the future on terms it considers acceptable. The Company competes with many other companies, the majority of which have substantially greater financial resources than the Company.

Environmental Factors and Protection Requirements

The Company currently conducts exploration activities in Greenland. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-

compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. There are no assurances that regulatory and environmental approvals will be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or to preclude entirely the economic development of a property. Environmental hazards caused by previous or existing owners or operators of the properties may exist on the properties which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties. The Company is currently engaged in exploration with limited environmental impact.

Mineral Exploration and Development

As at September 30, 2025, the Company has a 100% interest in the Gronne Bjerg anorthosite exploration project. Development of the Company's exploration property will only proceed upon obtaining satisfactory exploration results and the subsequent analysis of the technical and financial feasibility of developing such properties. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that mineral exploration and development activities will result in the discovery of a body of commercial rare earths, niobium or industrial minerals on any of the Company's properties. Several years may pass between the discovery of a deposit and its exploitation. Most exploration projects do not result in the discovery of commercially mineralized deposits.

Operating Hazards and Risks

Mineral exploration and development involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the operation of mines and the conduct of exploration programs. Although the Company will, when appropriate, secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Economics of Developing Mineral Properties

Substantial expenditures are required to establish reserves through drilling, to develop processes to commercially extract the respective ores/ commodities contained therein and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Commodity Prices

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of industrial minerals or interests related thereto. The price of comparative commodities has fluctuated in recent years and is affected by numerous factors beyond the Company's control including international economic and political

conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods. The effect of these factors on the price of these commodities, and therefore the economic viability of the Company's operations cannot accurately be predicted and, in almost all cases, are factors which the Company cannot change or influence.

Title

Although the Company believes that it has taken all reasonable legal and other actions to ensure that it has good title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects.

Governmental Regulation

Operations, development and exploration on the Company's properties are affected to varying degrees by:

- i. government regulations relating to such matters as environmental protection, health, safety and labour;
- ii. mining law reform;
- iii. restrictions on production, price controls, and tax increases;
- iv. maintenance of claims;
- v. tenure; and
- vi. expropriation of property.

There is no assurance that future changes in such regulations, if any, will not adversely affect the Company's operations. Changes in such regulations could result in additional expenses and capital expenditures, availability of capital, competition, reserve uncertainty, potential conflicts of interest, title risks, dilution, and restrictions and delays in operations, the extent of which cannot be predicted. If any of the Company's projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labour standards, environmental protection, mine safety and other matters. In addition, new laws or regulations governing operations and activities of mining companies could have a material adverse impact on any project in the mine development stage that the Company may possess. The Bureau of Mines and Petroleum in Greenland currently restricts the mining of radioactive elements and there is no assurance that the ban will be lifted if the production of REE contains radioactive elements as by products to the primary metals.

Management and Directors

The Company is dependent on a relatively small number of directors and management: Kevin Crawford, Donna Phillips, Antony Harwood, David Frattaroli, James Cambon, and Samuel Yik. The loss of any of one of those persons could have an adverse effect on the Company. The Company does not maintain key person insurance on any of its management.

Conflicts of Interest

Certain officers, directors and advisors of the Company are officers and/or directors of, or are associated with, other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view to the best interests of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

Limited Operating History: Losses

The Company has incurred losses in many years of its operations. There can be no assurance that the Company will operate profitably in the future, if at all. As at September 30, 2025, the Company's deficit was \$89.9 million.

Price Fluctuations: Share Price Volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many mineral exploration companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, during the past 12 months, the Company's share price fluctuated from a high of \$0.07 to a low of \$0.02. There can be no assurance that continual fluctuations in share price will not recur.

Additional Capital

Mining, processing, development and exploration may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on satisfactory terms.

Currency Fluctuations

The Company presently maintains its corporate bank accounts in Canadian dollars. The Company's operations in Greenland and its continued exploration and development expenditures in Greenland are denominated in DKK, US dollars and Canadian dollars, making it subject to foreign currency fluctuations. Such fluctuations are out of the Company's control and may materially adversely affect the Company's financial position and results.

CRITICAL JUDGEMENTS AND ESTIMATES

JUDGEMENTS

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustments to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below.

Deferred tax assets

Management is required to make estimations regarding the tax basis of assets and liabilities and related deferred income tax assets and liabilities, the measurement of income tax expense, and indirect taxes. A number of these estimates require management to make estimates of future taxable profit and, if actual results are significantly different than estimates, the ability to realize the deferred tax assets recorded on the statement of financial position could be impacted. The Company is subject to assessments by tax authorities who may interpret tax law differently. These factors may affect the final amount or the timing of tax payments.

Determination of functional currency

In accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", management determined that the functional currency of AnorTech is the Canadian dollar as this is the currency of the primary economic environments in which the entities operate.

Going concern determination

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on

past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances.

ESTIMATES

Since a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. Significant estimates made by management affecting our financial statements include, but are not limited to, the following:

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock options, volatility and dividend yield and making assumptions about them.

CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING DEVELOPMENTS

New accounting standards not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after April 1, 2025. The Company does not anticipate such updates will be applicable or have significant impacts on the Company's results of operations or financial position.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property expenditures is provided in the Company's unaudited condensed interim financial statements. For the six months ended September 30, 2025 which are available on the Company's website at www.anortechinc.com or on SEDAR+ at www.sedarplus.ca.

FORWARD-LOOKING INFORMATION

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, and capital expenditures; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words 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 state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the

integration of acquisitions; risks related to operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements 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 statements.

The forward-looking statements in this MD&A speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. Forward-looking statements and other information contained herein concerning the mining industry and general expectations concerning the mining industry are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.