



VVC EXPLORATION CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

for the Nine Months Ended

October 31, 2025

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Form 51-102F1

VVC EXPLORATION CORPORATION ("VVC")

2369 Kingston Road, P.O. Box 28059 Terry Town, Scarborough, Ontario M1N 4E7
Tel: (416) 619-5309 <http://www.vvcresources.com>

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED OCTOBER 31, 2025**

This Management's Discussion and Analysis ("MD&A") of VVC for the nine months ended October 31, 2025 (the "Period") was prepared on December 19, 2025 and should be read in conjunction with the Company's October 31, 2025 unaudited condensed consolidated financial statements and related notes, prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial information disclosed in this report was prepared in accordance with IFRS unless otherwise disclosed.

All amounts herein are expressed in Canadian dollars unless otherwise indicated. The technical information regarding the mineral properties in the MD&A has been approved by Peter Dimmell, P.Geo. (NL, ON), a mineral exploration consultant and director of VVC, who is a qualified person (QP) under National Instrument (NI) 43-101.

FORWARD LOOKING INFORMATION

This MD&A includes forward-looking statements that are subject to risks and uncertainties and other factors that may affect the actual results, performance or achievements expressed or implied by such forward-looking statements. Such factors include general economic and business conditions, which affect the price of metals, the foreign exchange rate, the ability of the Company to implement its business strategy, and changes in, or the failure to comply with government laws, regulations and guidelines. Unless otherwise required by applicable securities laws, VVC disclaims any intention or obligation to update or revise any forward-looking statements, whether a result of new information, future events or otherwise, except as required pursuant to securities laws. Additional information relating to VVC can be obtained from its News Releases and other public documents at the SEDAR website <www.sedarplus.ca>.

BUSINESS OVERVIEW

The Company is a venture issuer reporting in Ontario, British Columbia, Alberta and Quebec. The Company's common shares trade on the TSX Venture Exchange under the symbol "VVC". In 2022, VVC rebranded to reflect its current operations in a diversified natural resources business by creating a new logo, trade name or DBA "VVC Resources" and website <www.vvcresources.com>.

VVC is in the business of acquisition and exploration of resource properties in the petroleum and mineral sectors. Its principal business activity is in the petroleum sector (oil, natural gas and helium) in the USA, and the exploration and development of gold and base metal mineral properties in Mexico. The Company, through its wholly owned subsidiary, Plateau Helium Corporation ("PHC"), is exploring for, and producing, helium (He), oil and natural gas in Kansas and Colorado, USA. Throughout this document the term the "Company" refers to VVC and its wholly-owned subsidiaries, PHC, Camex Mining Development Group Inc ("Camex"), VVC Exploración de Mexico, S. de R.L. de C.V. ("VVC Mexico"), and Samalayuca Cobre S.A. de C.V

(A) Plateau Helium Corporation ("PHC")

PHC holds several Helium and Petroleum & Natural Gas ("PNG") projects in Kansas and Colorado States, USA.

Central Kansas Uplift (CKU) Projects

a) General

Earlier this year, PHC acquired lease positions in Rush and Pawnee Counties, Kansas (the "CKU Projects") targeting helium-rich natural gas in multiple stacked reservoirs and identifying multiple well development locations. The CKU area is a mature exploration area with thousands of wells drilled overlying the Central Kansas Uplift, an area with historical helium concentrations ranging from 1.5%–6%. Geologically, areas in the CKU consist of up to eight stacked, helium-rich, reservoir zones with typical well depths of 2,500–5,000 feet. The CKU area also provides midstream infrastructure evidenced by multiple gas pipelines, processing facilities and a helium liquefier all located in PHC's area of interest (AOI). The historic wells provide a tremendous volume of geologic, engineering, and production data used to guide and de-risk PHC's development plans.

The CKU projects contain high-BTU, helium-rich (1.5 to 6%) natural gas in a 22,500-acre core development block comprised of four (4) Projects (1–4), all located in the CKU area in Kansas where 20 plus potential well sites have been identified. Approximately 10,900 acres have already been leased by the Company covering multiple proven

zones with about 11,600 acres remaining to be leased. The area already leased has 72 potential drilling locations and the AOI has 140 potential well sites.

In the CKU area, the Company is aligning subsurface opportunities with midstream transportation and processing access. The combination of stacked zones, helium in historic gas and oil wells, and existing pipelines provides a practical pathway to add wells methodically while managing capital intensity. Development is planned in phases to prioritize additional wells and processing access, while evaluating lease expansions within the CKU fairway.

b) Project 4 - Ithaca

In April, PHC initiated the acquisition of the Ithaca Project at a cost of US\$450,000 taking possession in July 2025. It comprises one (1) producing well (Ithaca 1-17) in a 160-acre lease, with 5 miles of pipeline connecting to the IACX main pipeline. PHC has a 50% operating interest in the producing well and began receiving revenues in September 2025. The acquisition of the gas gathering system lowers initial development cost while expediting the production and sales of gas/helium thereby providing immediate cashflow. Building on a producing asset while securing midstream capacity is a practical way to de-risk our development programs in the CKU as in the Ithaca 1-17 well and associated pipeline.

Ardery Oil Well Project

The Ardery 11-1 well was drilled by Ring Energy, Inc. (Ring) in April 2014. The well encountered significant oil and gas shows in the Morrow Sandstone and the "B" and "C" porous zones in the St. Louis Limestone. Initially, the well was completed in the St. Louis Limestone producing a highly emulsified (with water) oil. Since Ring was unable to effectively treat the St. Louis oil, a cast iron bridge plug (CIBP) was set and perforation of the Morrow Sandstone was carried out. The oil from the Morrow Sandstone was higher quality than from the St. Louis, however the production rate was low. Eventually, Ring drilled out the CIBP and combined Morrow and St. Louis production however after producing >6,000 barrels of oil, operations were halted and the well was shut in.

PHC is earning a 100% working interest ownership (80% NRI) in the well, and the surrounding 640 acre of oil and gas leases, by re-working the well and returning it to production. After a thorough analysis it was determined that the Ardery 11-1 represents 149,698 barrels of recoverable oil based on a volumetric estimate.

PHC began re-working the well in March 2024 by isolating and testing the St. Louis C zone; the St. Louis B zone; and the Morrow Sandstone. The St. Louis C and B zones produced moderate to high volumes of total fluid, 20% to 30% oil, with the oil emulsified requiring modification of the production facility to produce economically. The Morrow Sandstone produced nearly 100% oil with a low production rate and efforts to increase the production rate were ineffective. PHC production on the Ardery 11-1 well commenced in June 2024, from the Morrow Sandstone, while studies continue to increase daily oil production by de-emulsifying oil from the St. Louis Formation. There are 2 key issues: first is de-emulsifying the oil and second is disposal of the water produced during the de-emulsifying process. PHC is trying to acquire a nearby water disposal well. Net revenue to date is US\$38,904.67 from 733.80 barrels of oil.

Otis Albert Oil Field Project

The Otis-Albert Oil Project covers leases in Rush and Barton Counties in the Central Kansas Uplift, targeting the Reagan Sandstone at ~3,500 feet. Discovered in the 1930s, the field has produced ~15.8 million barrels of oil and 180+ Bcf of gas, representing only ~5% of the ~300 million barrels of oil originally in place. PHC is evaluating redevelopment through horizontal drilling, waterflood, and CO₂ flood, supported by existing infrastructure and proximity to the BLM helium pipeline. The project offers significant recovery potential but remains under evaluation.

Syracuse Helium Project

a) General

PHC owns a 100% (88% net interest after landowner royalty) in its initial project, the Syracuse Helium Project (the "Syracuse Project"), in the State of Kansas, comprising 69 leases covering over 16,000 acres. The Syracuse Project, in Hamilton County, hosts 75 plus potential well sites in the Chase zone. The acreage was explored by 5 wells, all of which either produced, or tested positively, for natural gas containing helium in the Chase zone. One Chase zone well (Levens 2-31) was connected to the Tumbleweed pipeline in November 2023 after minor repairs and connection to a salt water disposal well on the property. It has produced approx. 27 million cubic feet of raw gas since our redevelopment, and the well has produced historically almost a billion cubic feet of helium rich natural gas over 27 years while another well in the area, the Amaco-Rectorl, was plugged after producing almost two billion cubic feet of gas.

Geologically, the Syracuse Project lies to the south of the Bradshaw and Byerly fields, to the west of the Hugoton and Panoma Fields, and to the north of the Greenwood Gas Area which collectively have produced in excess of 27 trillion cubic feet of helium rich natural gas.

To assist with the exploration costs (drilling) on the Syracuse Project and in acquiring more leases, PHC raised the following financing:

2020 - PHC raised US\$1.4 million through Plateau Helium Syracuse LLP1 ("LLP1"), a limited liability partnership in the state of Wyoming, which purchased royalty interests in the first 10 wells of the Syracuse Project. Through LLP1, the limited partners are entitled to a royalty of 28% of the net revenue from the first 10 wells after the payment of a 17% Overriding Royalty related to the leasing of property and deduction of the costs of production (the "LP Interest").

2021 - the Company raised US\$3.4 million through Plateau Helium Syracuse LLP2 ("LLP2"), a limited liability partnership in the state of Wyoming, which purchased royalty interests in the next 20 wells of the Syracuse Project. Through LLP2, the limited partners are entitled to a royalty of 34% after the payment of a 17% Overriding Royalty related to the leasing of property and deduction of the costs of production.

As PHC acquired more leases than originally planned, leasing costs were higher than budgeted and drilling and completion costs were also higher than budgeted due to unanticipated developments including weather delays and other factors.

The Syracuse Project, and all helium projects acquired by PHC, are subject to a 15% royalty held by a company controlled by the previous shareholders of PHC (the "15% Royalty") as well as a 1% royalty held by a third-party (the "1% Royalty"). The 15% Royalty and the 1% Royalty are payable on the net proceeds received by PHC after deducting costs of production and payment of all pre-existing royalties. One VVC insider holds 9.5% of the LP Interest as a result of investing US\$100,000 in the limited partnership financing. Another insider of VVC holds a 16.67% interest in the 15% Royalty.

b) Activity on the Syracuse Project

In 2021, PHC reworked the pre-existing Levens 2-31 well that indicated good casing pressure. As a first step to proving reserves and generating cashflow, the Company connected the well to the Tumbleweed Pipeline which transports the helium rich gas to the Ladder Creek Helium plant. Historically (in 2008), based on a Shamrock Gas Analysis, the well produced gas with 1.273% helium concentration, at marginally profitable rates, expected after more than 27 years of production. In 2023, the well was shut in, but was re-activated, as new wells were connected to the Tumbleweed Pipeline. PHC initially planned to rework/re-enter 5 other wells and return them to production, however this was unsuccessful and was abandoned after substantial time and expense, with new wells drilled instead.

In May 2022, a major infrastructure enhancement was completed on the Syracuse Project with the installation of the 14-mile Syracuse Gas Gathering System and a 14-mile salt water disposal system costing approximately US \$1 million. The Gas Gathering System was connected to the Tumbleweed Midstream Ladder Creek Pipeline. The gas and salt water gathering systems, with a capacity of 100 wells, were necessary to produce the gas and dispose of the water from the newly drilled wells.

Eight (8) new wells were drilled, one (1) of which (Durler 2-21) was drilled to the deeper Wabonsee zone (X & Y), where there was no gas show, with helium rich natural gas shows only in the shallower Chase zone. The other seven (7) wells were drilled to the Chase zone with all giving helium rich natural gas shows. Five (5) of these are producing with net production to-date (in MCF) of 567 Helium, 27,112 Hydrocarbon (NGL), and 7,649 Methane, with US\$137,489 in revenue.

Syracuse Extension Kansas Area

The Syracuse Extension Kansas Area (the "SEK Area") project has over 13,000 acres leased in three areas, over 24 wells that flowed gas testing helium in excess of 2%, and then plugged, as there was no available market for the gas (ie. no pipeline at that time). Two projects were recently developed in the SEK Area: (a) Stockholm Kansas Project and (b) Moore-Johnson Kansas Project as described below.

a) Stockholm Kansas Project

The Company's Stockholm Project is testing the Morrow Zone, known for its sandstone stratigraphy and potential as a hydrocarbon reservoir. The Stockholm Field Re-Development Project consists of 2,560 acres of oil and gas leases in the abandoned Stockholm Field, Wallace County, Kansas, developed by a previous operator with the drilling of six (6) wells, 5 of which tested gas, with one dry hole. Natural gas was tested from the Morrow Sandstone at an average rate of 2,282 MCFG/D with Helium content of 1.8%. Although commercial production rates and helium concentrations were exhibited, little to no gas was produced since they were drilled prior to any

gas infrastructure resulting in them being plugged and abandoned. Today, a six-inch (6") Tumbleweed Midstream Pipeline runs through the field enabling PHC to monetize produced gas.

The Josephine Mack 18-1 was the first SEK well drilled on the Stockholm Project. Initially, it was producing helium, natural gas and oil with production increasing as water was pumped off however extensive testing resulted in the well being non-commercial. The Company will plug the well and reclaim the surrounding land.

b) Moore-Johnson Kansas Project

The Moore-Johnson Field Re-Development Project consists of 3,840 acres of oil and gas leases in the Moore-Johnson Field, Greeley County, Kansas. The field is approximately seven (7) miles long and one and one-half (1.5) miles wide with production of oil, and helium rich natural gas, from the Morrow Sandstone. Historically, wells drilled in the Moore-Johnson Field that tested gas were plugged and abandoned due to low gas prices, no monetary compensation for the helium, and lack of infrastructure.

PHC has considered drilling wells in four (4) Moore-Johnson Field locations near historic wells that previously tested high flow rates of helium rich gas which were later plugged and abandoned. This project remains on hold.

Monarch Project

In March 2021, PHC purchased a helium/methane property, known as the Monarch Lease Property, from Monarch Petroleum ("MP"), at a nominal cost, with MP retaining a 3% royalty in the shallow well rights, from surface to 3,100 feet (the "Shallow Rights"), and a 50% non-operating working interest in the deep oil and gas rights below 3,100 feet (the "Deep Rights"). In addition to the 3% royalty, standard industry royalties of 12.5% are payable to land owners from the proceeds of production and a 15% Royalty is payable on the net proceeds received by PHC after deduction of all costs of production and payment of all pre-existing royalties. After operating the wells in 2022, PHC concluded that without an efficient water disposal system these wells were not economic and they were all shut in. This project is permanently on hold.

Syracuse Extension Colorado Area

A 320-acre gas property located in Cheyenne County, Colorado, was purchased by PHC in April 2021. An additional 13,000 acres have been leased, covering 26 wells that flowed gas, tested helium >2% and then were plugged as there was no available market for the gas (i.e. no pipeline).

Standard industry royalties of 12.5% are payable to arm's length land owners from the proceeds of any production with a 15% Royalty payable on the net proceeds after deduction of all costs of production and payment of all pre-existing royalties. PHC has a 100% operating working interest in the leases, subject to the royalties.

The initial acreage includes 2 gas wells, drilled in 1989/90, which were never put into production. It is adjacent to the Tumbleweed Midstream pipeline which is linked to the Ladder Creek Helium plant. Both wells are reported to contain methane and helium. At the time of drilling, one well tested over 2,000 mcf per day and the other, over 3,000 mcf per day, of helium rich gas. ***These historical results have not been verified by PHC, or any other independent party, and should not be relied upon.***

No work has begun in Colorado since the State of Colorado issued new regulations for permitting natural gas wells in 2022 with no permits issued until recently under the new regulations. State permitting issues were resolved in early 2024 with the first permits issued to other operators however the process is onerous, time consuming and expensive. One of the first permits issued was for a well drilled adjacent to a VVC lease which has reported initial production of approximately 1,000 mcfs total gas per day, with 3% helium. PHC is considering farming out its leases in Colorado.

Reserves Evaluation

VVC is required, pursuant to National Instrument 51-101 (NI 51-101), to report, on an annual basis, Reserves Data and other Oil and Gas Information prepared by an independent Qualified Reserves Evaluator (QRE).

In 2022, VVC engaged Sproule Associates Limited ("Sproule") of Calgary, Alberta to prepare the various reports required pursuant to National Instrument (NI) 51-101. Sproule is a global energy consulting firm, with natural gas and helium expertise, that provides technical and commercial evaluation and knowledge. Sproule worked closely with Foreland Operating, who were managing our gas operations in Kansas, to prepare an independent evaluation of the helium (He) and natural gas resources as at January 31, 2022, as required under NI 51-101. The reports were filed on SEDAR at the same time as the Year End Financial Statements.

The Reserve Committee of the Board of Directors determined that nothing substantially has changed as at January 31, 2025 to affect the content of the Reports filed in May 2022. There was limited production of PNG during the year, which was not sufficient to cover the operating costs, so no reserve evaluation was carried out.

Sproule or another company, will need to be re-engaged to prepare updated reports as of January 31, 2026 with their report to be filed on SEDAR by May 2026. Any reserves/resources evaluations by a QRE will be conducted according to the guidelines contained in NI 51-101, which are different from evaluations conducted under guidelines in the USA.

(B) Plateau Helium, South Africa

The Company holds a 60% stake in Plateau Helium, South Africa ("PHC SA"). PHC SA holds a 44% interest in a gas field in Free State South Africa, subject to pending approvals from the South African Government. PHC SA has not verified the helium potential of the property. No costs have been incurred on the property to date.

(C) Mineral Properties in Mexico

The Company had two mineral projects in Mexico:

- Cumeral (Au) in Sonora State, owned by subsidiary, VVC Mexico;
- Gloria (Cu) in the Samalayuca area of Chihuahua State, owned by subsidiary, Samalayuca Cobre.

Cumeral is owned by our Mexican subsidiary, VVC Mexico. No field exploration has been carried out since 2018/19. Gloria Copper owned by Samalayuca Cobre S.A. de C.V. ("SCSA"), a wholly a subsidiary of Camex Mining Group, which is a subsidiary of VVC.

Since 2020, the business climate for foreign companies in Mexico has changed with more stringent conditions related to mining and exploration. The business climate for mining depends on many factors, including taxation rules, government support for the industry, environmental policies, etc. In addition, the worldwide appetite for financing mining projects has also changed.

The Company undertook a Strategic Review of its mining properties and operations to determine the course of action for our Mexican assets. This project review encompassed multiple considerations, including ongoing maintenance costs, permitting authorizations, political climate, safety, upside potential and financeability of each project and probability of achieving the projects potential. After this review, the Company decided to (i) exit the Gloria Copper Project and (ii) focus all mining exploration activity on the Cumeral Gold Project. The properties are summarized following.

1 – Cumeral Gold Project

The Company has made the decision to focus all mining exploration activity in Mexico on this highly prospective gold project in north central Sonora State, Mexico. This project, while not as advanced as the Gloria Copper Project, is believed to have an excellent upside potential and it is in an area with strong local support and a higher likelihood of permitting and implementation success.

General – VVC Mexico acquired a 100% interest in the 685-hectare property consisting of 3 mining concessions, located in Sonora State, MX. The property was optioned from two (2) Mexican individuals and is subject to a 2% NSR with all option payments completed. VVC Mexico later acquired two additional 100% owned concessions from the Ministry of Mines covering 1,000 ha, for a combined property size of 1,685 ha, with the additional concessions not subject to any royalty. The five (5) concessions form the Cumeral Property located approximately 140 km south of Tucson, Arizona / Nogales, MX and 200 kilometres north of Hermosillo, MX. A network of gravel roads and paved highways provide excellent year-round access. The Cumeral Property is situated in the under-explored Sierra Madre Occidental along the well mineralized "Sierra La Jojoba" trend, approximately 15 km northeast of the Mina Lluvia de Oro and Mina La Jojoba deposits which host >26 million tonnes of measured, indicated and inferred resources grading 0.525 to 0.741 g/T gold (>500,000 ounces of gold). This area of Sonora is host to numerous other gold deposits and mines, including Fresnillo PLC's Herradura Gold Mine which opened in 1997 and in 2023 produced over 355,000 ounces of gold, at 0.76 g/t and 611 Kg of silver 1.57 g/t, with a mine life of 10.2 years remaining (2023). Other deposits in the area include San Francisco and La Colorada.

Exploration – Exploration has included geological mapping, prospecting / rock chip sampling over a 120-hectare area in the vicinity of the old pits and shallow shafts (Tularcito area) in the south and soil geochemistry to the north. Grab sampling has given values as high as 12.65 g/T in selected samples, and with the geochemistry, has defined five areas of gold/silver mineralization (Areas A to E) with strong alteration (sericite and quartz veining) with associated pyrite and hematite, and gold in soils, trending in a northwest-southeast direction in heavily oxidized quartz sericite to biotite/muscovite schists. Area A (80 by 300 m), in the northern part of the Property, consists of quartz veins/veinlets carrying minor malachite and azurite. A grab sample of a copper vein on the contact of a mafic dyke, gave 2.2 g/T gold, 493 g/T silver and 3.73 % copper.

Air track drill holes were drilled in 2012 - 28 (572 m) in Areas B (15) and C (13). Area B, the main area of artisanal (gambusino) workings, covers an area of 155 by 180 metres. Air track drilling returned values as high as 1.45 g/T gold and 6.74 g/T silver over 14 metres including 4.19 g/T gold over four (4) metres. Eight (8) of the holes

returned values of 0.1 to 0.4 g/T gold and 1 to 4 g/T silver over widths varying from 4 to 22 metres. Air track drilling on Area C which covered an area of 115 by 200 metres, also gave significant values including 0.44 g/T gold and 0.48 g/T silver over 10 metres, and 0.21 g/T gold and 0.53 g/T silver over widths varying from 6 to 26 metres. In 2013 - 14 air track holes totaling 1,020 m were drilled in Areas A (1), B (3), C (4), E (4), F (2) testing for extensions to the east, down dip, of the mineralized structures. Results were not encouraging for a mineralized system dipping to the east.

National Instrument 43-101 Report ([Link](#)) – Prepared in 2011/12, by independent geological consultant Michel Boily, PhD, P.Geo. was filed on SEDAR on August 27, 2012 describing results from the 2010-2012 mapping/rock sampling programs which show high gold values (i.e 0.5 to >10 g/t) in hematized and pyritized quartz veins/veinlets associated with mylonitized, gently eastward-dipping, low angle (20° to 40°) faults. Geological mapping in the southern segment of the Property defines at least ten gold-mineralized structures generally confined to areas tested by the air track drilling program of 2010. The combined 2010 to 2012 rock assay grab sample results for 407 samples taken over an area of 3 km along strike by 1 km wide, gives 8 values from 10 to 40 g/t Au (2 %), 42 from 1 to 10 g/t (10 %), 31 from 0.5 to 1.0 g/t Au (8 %) and 64 from 0.1-0.5 g/t Au (16 %). Using these results, 36 % give gold values varying from a low of 0.1 to a high of 40 g/t with a little less than half in the lowest range. The samples include mineralized quartz veins, altered / mineralized units and altered units. Approximately 25 samples, mainly quartz-hematite-goethite±tourmaline veins, give Ba values > 0.1 %.

2 - Samalayuca Cobre S.A. de C.V. Gloria Copper Project)

The Gloria Copper Project, which covers stratiform, sediment hosted, copper mineralization over a 5 km long trend, in Permian age, chloritized sandstones, along the Samalayuca Sierra, on a mining concession of 1623 ha in Chihuahua State, approximately 40 km southwest of Juarez MX / El Paso, Texas. The Samalayuca Sierra has been explored for copper since the early 1950's with small scale, artisanal mining from open pits carried out for a few years in the 1960's over a strike length of at least 4 km.

VVC carried out exploration on the Gloria Copper Project from 2013 to 2020. A National Instrument (N.I.) 43-101 report by Michel Boily, PhD, P.Geo, dated April 21, 2019, filed on SEDAR on May 7, 2019, provided details of the Indicated and Inferred Resources on eight zones. In June 2019, VVC carried out metallurgical bench testing of copper mineralized samples from the Gloria Zones to determine the optimum requirements for the recovery of copper using heap leaching. All the necessary permits for mining were already in place.

Recently, the Company made the decision to exit this long-standing project because it was expensive to maintain and was in an area that has become more politically and environmentally volatile, with uncertain safety. The geological potential of the project was never in question, but our ability to monetize this project by bringing it into production was becoming more and more uncertain.

The Company's decision reflects consideration of cost discipline, safety and risk management. The exit from the Gloria Copper Project will reduce future cash outlays for care, maintenance, and permitting at amid uncertainty over permit viability and broader political conditions in Chihuahua State. Capital and management resources will be reallocated to the Cumeral Gold Project exploration, and to development of the Company's helium/natural gas project in the Central Kansas Uplift (CKU) Project where existing infrastructure and near-term activities offer a clearer path to execution. It will also allow the Company to concentrate resources on projects with an obvious direct and timely route to advancing development while maintaining discipline on risk and spending.

3 - Analytical Techniques

The analytical Techniques used during exploration on our mineral properties in Mexico are as follows:

Rock, drill core and soil samples were sent to the ALS Chemex laboratories in Chihuahua, Zacatecas or Hermosillo, Mexico. All Au analyses were by Fire Assay with a gravimetric finish. All other assays were performed by ICP-AES or AAS methods. Samples with ore grade values, >100 ppm Ag, >10,000 ppm Cu, were re-analyzed by ICP-AES or AAS. Gold values in soil samples (at least 25g samples) were determined by ICP-MS following digestion in Aqua Regia. Standard QA/QC techniques, such as duplicates and blanks were used as required.

(D) Segmented Expenditures per Property

As of October 31, 2025, the Company has spent the following on its active mineral and natural gas properties:

	Samalayuca	Helium Properties	Other Properties	Total
Opening Balance	\$ 12,561,716	\$ 14,198,178	\$ 3,977,640	\$ 30,737,531
Current Exploration	89,017	787,980	81,025	958,022
Balance	\$ 12,650,733	\$ 14,986,155	\$ 4,058,665	\$ 31,695,553

(E) Investments

In 2022, the Company acquired a 19% interest in Proton Green LLC ("Proton Green"), a limited liability Company in the State of Wyoming for \$23,480. The Company does not have control or significant influence over Proton Green. Proton Green's primary purpose is the collection and storage of carbon emissions in an effort to aid in the reduction of US carbon emissions, helium sales and sales of food grade CO₂. The Company intends to hold the majority of its investment in Proton Green for the long-term. The investment is measured at fair-value and will be remeasured at each reporting date with gains or losses reflected in other comprehensive income.

On July 17, 2023, the Company sold one seventh (1/7) of its interest in Proton Green for \$6,593,500 (USD\$5,000,000). Prior to the sale, the Company's position was diluted to 13.91%. After the sale, the Company held an 11.91% in Proton Green. The Company recognized a gain through OCI of \$5,716,933 net of income taxes.

On July 28, 2023, Proton Green signed a definitive share exchange agreement with Cyber App Solutions (Ticker: CRYB). Upon closing the transaction, Proton Green became publicly traded by a reverse take over of Cyber App Solutions. The Company received 8,097,660 shares of Cyber App Solutions in exchange for its interest in Proton Green. Between July 28, 2023 and January 31, 2025, the Company sold 232,917 shares of Cyber App Solutions for \$1,434,002 (US\$1,020,002) and recognized a gain of \$1,243,495 net of income taxes.

During the period ended July 31, 2025, the Company sold 81,000 shares of Cyber App Solutions for \$347,346 (US\$251,700) and recognized a gain of \$347,145.

The Company's 7,783,743 shares of Cyber App Solutions are carried at \$34,647,614 (2025 - \$34,994,960) on the consolidated statements of financial position. The value of the shares was determined based on the most recent sale of the shares to arms length parties for \$4.45 (USD\$3.09) per share. Due to the sale of shares by the Company and other dilution, the Company currently holds less than a 10% interest in Cyber App Solutions. The shares are remeasured through FVOCI.

SELECTED ANNUAL INFORMATION

Set forth below is a summary of the financial data derived from the Company's consolidated financial statements for the past 3 years:

	2025	2024	2023
Net loss for the year	\$ (4,002,209)	\$ (1,947,827)	\$ (5,521,035)
Total assets	36,683,876	18,599,114	1,836,987
Mineral and natural gas properties expense	3,846,222	2,164,177	3,031,278
Stock-based compensation	482,020	419,703	616,413

SUMMARY OF QUARTERLY RESULTS

Set forth below is a summary of the financial data derived from the Company's consolidated financial statements of the 8 most recently completed quarters:

	Oct 31/25 Q3 2026	Jul 31/25 Q2 2026	Apr 30/25 Q1 2026	Jan 31/25 Q4 2025	Oct 31/24 Q3 2025	Jul 31/24 Q2 2025	Apr 30/24 Q1 2025	Jan 31/24 Q4 2024
Sales	\$ 31,960	\$ 31,694	\$ 35,244	\$ 13,810	\$ 47,091	\$ 35,661	\$ 3,758	\$ 28,290
Operating costs less mineral and natural gas property expenses	(419,969)	(465,199)	(557,505)	(738,604)	(483,364)	(558,075)	(601,626)	(1,005,952)
Foreign exchange	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	(178,190)
Mineral and natural gas properties expenses	(138,775)	(258,976)	(560,271)	(1,045,173)	(834,084)	(1,622,636)	(344,329)	(1,165,015)
Net loss before taxes	(526,784)	(692,491)	(1,082,532)	(1,769,967)	(1,270,357)	(2,145,050)	(942,197)	(2,320,867)
Net income (loss) after taxes	(526,784)	(692,491)	(1,082,532)	355,395	(1,270,357)	(2,145,050)	(942,197)	279,133

RESULTS OF OPERATIONS – THREE MONTHS

The Company generated \$31,960 of net revenue in Q3 2026 compared to \$47,091 in Q3 2025. Gross revenue was \$35,305 in Q3 2026 and \$58,863 in Q3 2025. The Company paid royalty of \$3,345 to various property owners in Q3 2025 and \$11,772 in Q3 2025.

The Company had operating costs less mineral and natural gas properties expense ("Operation Costs") of \$419,969 for Q3 2026 as compared to \$483,364 in Q3 2025.

The following discusses the reasons for the \$63,395 decrease from Q3 2025 to Q3 2026:

Non-cash stock-based compensation decreased by \$33,840 from \$97,766 in Q3 2025 to \$63,926 in Q3 2026. The change in stock-based compensation from period to period is affected by the price of the stock on the open market, volatility of the stock and the prevailing interest rate and the time of the grant.

Management and consulting fees decreased by \$21,240 from \$226,257 in Q3 2025 to \$205,017 in Q3 2026. During Q3 2026, one member of the management team resigned from the Company. His resignation resulted in the lower management and consulting fees in Q3 2026 compared to Q3 2025.

Professional fees increased by \$26,943 in Q3 2026 from \$16,002 in Q3 2025. During Q3 2026, the Company paid for professional fees related to tax services received. Similar tax services were provided at a earlier period in 2025.

Travel and promotion decreased by \$23,262 in Q3 2026 from \$29,026 in Q3 2025. The Company has acquired most of the properties that it believes it needs to monetize its helium operations. The operations team does not need to travel as much as it did in Q3 2025 to review properties or to manage the drilling operations. A lack of capital also contributed to the reduced cost.

While the Operation Costs in Q3 2026 was \$419,969, the Company had a net loss after taxes of \$526,784 as compared to net loss after taxes of \$1,270,357 in Q3 2025. Mineral and natural gas properties expense in Q3 2026 was \$138,775 compared to \$834,084 in Q3 2025. Due to limited financial resources, the Company had limited drilling and exploration expenses in Q3 2026.

RESULTS OF OPERATIONS – NINE MONTHS

The Company generated \$98,898 of net revenue for the nine months ended October 31, 2025 ("in 2026") compared to \$86,510 for the nine months ended October 31, 2024 ("in 2025"). Gross revenue was \$110,340 in 2026. The Company paid royalty of \$11,442 to various property owners. The royalty paid in 2025 included the "truing" up of unaccounted royalty from prior periods. Gross revenue and royalty were \$108,937 and \$22,427 respectively in 2025.

The Company had operating costs less mineral and natural gas properties expense ("Operation Costs") of \$1,442,673 in 2026 as compared to \$1,643,065 in 2025.

The following discusses the reasons for the decrease of \$200,392 in 2026 from 2025:

Non-cash stock-based compensation decreased by \$96,422 from \$430,730 in 2025 to \$334,308 in 2026. The change in stock-based compensation from period to period is affected by the price of the stock on the open market, volatility of the stock and the prevailing interest rate and the time of the grant.

Professional fees decreased by \$35,654 from \$141,011 in 2025 to \$105,357 in 2026. In 2025, the Company engaged with professionals to assist with drafting partnership agreements and the preparation of tax forms for limited partners who participated in financing certain helium projects. There were no significant activities in 2026 that required substantial professional fees.

Travel and promotion decreased by \$38,772 from \$62,538 in 2025 to \$23,766 in 2026. The Company has acquired most of the properties that it believes it needs to monetize its helium operations. The operations team does not need to travel as much as it did in Q3 2025 to review properties or to manage the drilling operations. A lack of capital also contributed to the reduced cost.

While the Operation Costs in 2026 was \$1,442,673 compared to \$1,643,065 in 2025, the Company had a net loss before taxes of \$2,301,797 as compared to net loss before taxes of \$4,357,604 in 2025. Mineral and natural gas properties expense in 2026 was \$958,022 compared to \$2,801,049 in 2025. Mineral property expenses decreased in 2026 because the Company did not have sufficient capital resources to rapidly expand its mineral property development related to its natural gas properties.

MATERIAL EVENTS OVER THE EIGHT MOST RECENT QUARTERS

Material differences between Q2 2026 and Q3 2026 were in the following areas:

Non-cash stock-based compensation decreased by \$31,252 from \$95,178 in Q2 2026 to \$63,926 in Q3 2026. The change in stock-based compensation from period to period is affected by the price of the stock on the open market, volatility of the stock and the prevailing interest rate and the time of the grant.

Mineral and natural gas properties expense in Q3 2026 was \$138,775 compared to \$258,976 in Q2 2026. The reduced mineral property expense in Q3 2026 was due to a lack of financial resources during the period.

Material differences between Q1 2026 and Q2 2026 were in the following areas:

The Company generated \$31,694 of net revenue in Q2 2026 compared to \$35,244 in Q1 2026. Gross revenue was \$36,378 in Q2 2026. The Company paid royalty of \$4,684 to various property owners in Q2 2026. Gross revenue was \$38,657 in Q1 2026 while paying royalty of \$3,413 to various property owners.

Non-cash stock-based compensation decreased by \$80,026 from \$175,204 in Q1 2026 to \$95,178 in Q2 2026. The change in stock-based compensation from period to period is affected by the price of the stock on the open market, volatility of the stock and the prevailing interest rate and the time of the grant.

Mineral and natural gas properties expense in Q2 2026 was \$258,976 compared to \$560,271 in Q1 2026. The reduced mineral property expense in Q2 2026 was due to a lack of financial resources during the period.

Material differences between Q4 2025 and Q1 2026 were in the following areas:

The Company generated \$35,244 of net revenue in Q1 2026 compared to \$13,810 in Q4 2025. Gross revenue was \$38,657 in Q1 2026. The Company paid royalty of \$3,413 to various property owners.

Professional fees decreased by \$192,866 from \$225,761 in Q4 2025 to \$32,895 in Q1 2026. Professional fees in Q4 2025 includes the accrual of audit fees.

Office and sundry decreased by \$150,817 from \$179,002 in Q4 2025 to \$28,185 in Q1 2026. The high office and sundry fees in Q4 2025 included the exchange impact of foreign currency denominated liabilities.

Non-cash stock-based compensation increased by \$123,914 from \$51,290 in Q4 2025 to \$175,204 in Q1 2026. The change in stock-based compensation from period to period is affected by the price of the stock on the open market, volatility of the stock and the prevailing interest rate and the time of the grant.

Mineral and natural gas properties expense in Q1 2026 was \$560,271 compared to \$1,045,173 in Q4 2025. The higher mineral property expense in Q4 2025 was due to the Company's focus on the new CKU project including acquiring the rights to this project.

Material differences between Q3 2025 and Q4 2025 were in the following areas:

Professional fees increased by \$209,759 from \$16,002 in Q3 2025 to \$225,761 in Q4 2025. Professional fees in Q4 2025 includes the accrual of audit fees.

Office and sundry increased by \$146,485 from \$32,517 in Q3 2025 to \$179,002 in Q4 2025. The increase included the exchange impact of foreign currency denominated liabilities.

Non-cash stock-based compensation decreased by \$46,476 from \$97,776 in Q3 2025 to \$51,290 in Q4 2025. The change in stock-based compensation from period to period is affected by the price of the stock on the open market, volatility of the stock and the prevailing interest rate and the time of the grant.

Mineral and natural gas properties expense in Q3 2025 was \$834,084 compared to \$1,045,173 in Q4 2025. Mineral property expenses increased in Q4 2025 due to the Company's focus on the new CKU project including acquiring the rights to this project. The Company also record deferred income tax recovery of \$2,125,362 in Q4 2025. The recovery was a result of unrealized gains in the increase in the Company's investment in Cyber App Solutions.

Material differences between Q2 2025 and Q3 2025 were in the following areas:

Professional fees decreased by \$61,572 from \$77,574 in Q2 2025 to \$16,002 in Q3 2025. In Q2 2025, the Company engaged with professionals to assist with drafting partnership agreements and the preparation of tax forms for limited partners who participated in financing certain helium projects. The Company did not engage with professionals for similar services in Q3 2025.

Mineral and natural gas properties expense in Q3 2025 was \$834,084 compared to \$1,622,636 in Q2 2025. Mineral property expenses decreased in Q3 2025 due to reduced capital resources compared to Q2 2025. The Company also leased less acreage in Q3 2025 and performed less well preparation activities than it did in Q2 2025.

Material differences between Q1 2025 and Q2 2025 were in the following areas:

Non-cash stock-based compensation decreased by \$88,780 from \$210,872 in Q1 2025 to \$122,092 in Q2 2025. The change in stock-based compensation from period to period is affected by the price of the stock on the open market, volatility of the stock and the prevailing interest rate and the time of the grant.

Professional fees increased by \$30,139 from \$47,435 in Q1 2025 to \$77,574 in Q2 2025. The Company engaged with professionals to assist with drafting partnership agreements and the preparation of tax forms for limited partners who participated in financing certain helium projects.

While the Operation Costs in Q2 2025 was \$558,075, the Company had a net loss before taxes of \$2,145,050 as compared to net loss before taxes of \$946,236 in Q1 2025. Mineral and natural gas properties expense in Q2 2025 was \$1,622,636 compared to \$344,329 in Q1 2025. Mineral property expenses increased in Q2 2025 as the Company explored more drilling and well completion opportunities for its natural gas projects.

Material differences between Q4 2024 and Q1 2025 were in the following areas:

Management and consulting fees increased by \$48,546 from \$178,349 in Q4 2024 to \$226,805 in Q1 2025. During Q4 2024, the Company reclassified certain expenses from management and consulting fees to investor relations. The one-time reclassification during Q4 2024 resulted in an artificially low periodic expense. Conversely, investor relations decreased from Q4 2024 to Q1 2025 due to the artificially high periodic expense in Q4 2024 relating to the one-time reclassification.

Non-cash stock-based compensation decreased by \$193,191 from \$404,063 in Q4 2024 to \$210,872 in Q1 2025. The change in stock-based compensation from period to period is affected by the price of the stock on the open market, volatility of the stock and the prevailing interest rate and the time of the grant.

Interest and accretion decreased by \$14,426 from \$55,392 in Q4 2024 to \$40,966 in Q1 2025. The decrease was a result of the Company settling certain debt obligations it had through the issuance of warrants to the creditors in late Q4 2024. There was no accretion expense related to that obligation in Q1 2025.

Professional fees decreased by \$90,124 from \$137,559 in Q4 2024 to \$47,435 in Q1 2025. Professional fees in Q4 2024 includes the accrual of audit fees.

While the Operation Costs in Q1 2025 was \$601,626, the Company had a net loss before taxes of \$946,236 as compared to net loss before taxes of \$2,320,867 in Q4 2024. Mineral and natural gas properties expense in Q1 2025 was \$344,329 compared to \$1,165,015 in Q4 2024. Mineral property expenses increased in Q4 2024 because the Company obtained financial resources that has allowed it to expedite its mineral property development related to its natural gas properties. The Company had less drilling and well completion expenses in Q1 2025.

The Company had net income of \$279,133 in Q4 2024. The net income was a result of non-cash income tax recovery of \$2,600,000. The non-cash income tax recovery resulted from the sale and associated increase in the fair value of the Company's investment in Proton Green LLC. (Renamed to Cyber App Solutions).

LIQUIDITY AND CAPITAL RESOURCES

As at October 31, 2025, the Company had a working capital deficit of \$11,062,899 compared to working capital deficit of \$10,000,816 at January 31, 2025. The working capital deficit includes non-cash obligations of \$5,024,606 (2025 - \$5,224,872) related to the Company's commitment to drill 30 wells. As the Company drills these wells, the related obligation will be used to off-set drilling costs. In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. The working capital is not considered sufficient to settle the Companies current liabilities and pay for its operating activities over the next 12 months.

At October 31, 2025, the Company had current assets of \$101,340 (January 31, 2025 - \$30,623) compared to current liabilities of \$11,164,239 (January 31, 2025 - \$10,031,439).

The Company does, however, have access to equity investments carried at \$34,647,614 (2025 - \$34,994,960). The Company may sell some of this equity interest to raise capital in order to fund its operations.

To manage its operating needs, the Company raised US\$1,500,000 (CA\$2,085,000) through a short-term loan facility provided by the Chairman of the Company's Board of Directors. The loan was due on November 30, 2022 and bears interest at an annual rate based on the Secured Overnight Financing Rate plus 2.75%. The loan is secured by a 1% interest in the Company's interest in Proton Green. The loan has matured and the amount is currently due on demand. The loan was assumed by the CEO and by the President on the same terms.

During 2023, the Company received a short-term demand loan of US\$50,000 (CA\$66,985) from the Chairman of the Company's Board of Directors. This short-term loan is due on demand. There are no other repayment terms. The loan was assumed by the CEO and by the President on the same terms.

During the period ended October 31, 2025, the Company negotiated access to a short-term loan from the Chairman of the Board of up to US\$700,000, of which the Company has used US\$435,150 (CA\$610,394). This short-term loan is non-interest bearing and is due on demand.

Since July 2023, the Company has received \$8,374,848 in cash from the sale of a small percentage of its shares in Cyber App Solutions. The Company has been slowly and strategically, monetizing its investment in Cyber App Solutions. The remaining 7,783,743 shares are carried at \$34,647,614 on the consolidated statements of financial position on October 31, 2025.

OFF-STATEMENTS OF FINANCIAL POSITION ARRANGEMENTS

There are no off-statement of financial position arrangements.

RELATED PARTY TRANSACTIONS

Compensation to key management personnel were as follows:

October 31,	2025	2024
Compensation	\$ 438,220	\$ 395,280
Share-based payments	240,683	312,895
Total	\$ 678,903	\$ 708,175

During the period, the Company paid or accrued \$13,500 (2024 - \$74,400) in fees to a director and a firm controlled by a director for certain services provided.

Included in accounts payable and accrued liabilities is \$944,320 (January 31, 2025 - \$651,248) payable to key management personnel for services rendered and interest payable.

In 2022, the Company raised US\$1,500,000 (CA\$2,085,000) through a short-term loan facility provided by the Chairman of the Company's Board of Directors. The loan was due on November 30, 2022 and bears interest at an annual rate based on the Secured Overnight Financing Rate plus 2.75%. The loan is secured by a 1% interest in the Company's interest in Proton Green. The loan has matured and is currently due on demand. The loan was assumed by the CEO and by the President on the same terms.

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During the period ended October 31, 2025, the Company negotiated access to a short-term loan from the Chairman of the Board of up to US\$700,000, of which the Company has used US\$435,150 (CA\$610,394). This short-term loan is non-interest bearing and is due on demand.

Directors are also focused on ensuring that sufficient cash is available to manage the projects. They are not paid for their services.

OUTSTANDING SHARE DATA

a) Outstanding Common Shares

	Number of shares
Balance, October 31, 2025	572,681,815
Balance, December 19, 2025	572,681,815

b) Warrants and Stock Options

There were 42,500,000 warrants outstanding and exercisable at \$0.06 at October 31, 2025 and 10,000,000 at \$0.06 at December 19, 2025.

There were 97,400,000 stock options outstanding at a weighted average price of \$0.07 as at October 31, 2025 and 93,400,000 as at December 19, 2025.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are as follows:

	October 31, 2025	January 31, 2025	Fair value Hierarchy
Fair value through profit or loss (FVTPL):			
Loans and receivable, measured at amortized cost:			
Investment	\$34,647,614	\$34,994,960	(1)
Cash	\$ 80,207	\$ 7,393	
Other liabilities, measured at amortized cost:			
Accounts payable and accrued liabilities	\$ 3,297,239	\$ 2,574,567	
Loan payable	\$ 2,842,394	\$ 2,232,000	

(1) Financial instruments recorded at fair value on the balance sheet are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 - valuation techniques based on inputs for the asset or liability that are not based on observable market data.

The Company uses Level 2 fair value hierarchy to determine the value of its investment due to observable transaction prices during the year.

Interest rate and credit risk

It is management's opinion that the Company is not exposed to significant interest rate or credit risks arising from its financial instruments given their short-term nature.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company is exposed to the variability of copper prices.

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Liquidity Risk

The Company has no income and relies on equity financing or the sale of its investments to support its exploration programs. Management prepares budgets and ensures funds are available prior to commencement of any such program. As at October 31, 2025, the Company has sufficient capital to fund its operations over the next twelve months. The Company had a cash balance of \$80,207 (January 31, 2025 - \$7,393) and investments of \$34,647,614 (January 31, 2025 - \$34,994,960) to settle current liabilities of \$11,164,239 (January 31, 2025 - \$10,031,439) of which \$5,024,606 is non-cash (January 31, 2025 - \$5,224,872).

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

Currency Risk

The Company engages in significant transactions and activities in currencies other than its reported currency. The Company's exploration activities are primarily in Mexico and the United States of America; accordingly, the resulting assets and liabilities are exposed to foreign exchange fluctuations.

The Company is exposed to foreign currency risk on fluctuations of financial instruments related to cash, deposits and other receivables and accounts payable and accrued liabilities that are denominated in US Dollars and Mexican Pesos. Sensitivity of closing balances to a plus or minus 10% change in foreign exchange rates, with all other variables held constant, would affect net loss by approximately \$280,000 (January 31, 2025 - \$224,440).

BUSINESS RISKS

The Company's business of exploring for mineral and natural gas resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry, and the same applies to the oil and industry for the drilling of gas wells. For mining sector, these factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors. For the gas sector, these factors include inherent risks involved in reopening old wells, drilling new wells and putting them into production. In addition, to those risks there also risks related to the supply chain, subcontractor availability, the geological environment, gas price fluctuation risks, and sale contracts, etc. Because of the existence of previously drilled wells on both Syracuse Extension Projects, the exploration risk is much less than the normal risk for gas projects in areas not-previously drilled. Also, because helium sale prices can be contracted for up to 10 years, helium price fluctuations risks can be mitigated substantially.

The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative.

The recoverability of financial amounts shown as mining interests and equipment or as oil and gas interests, are dependent upon a number of factors including environmental risks, legal and political risks, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying assets, the ability of the Company to obtain necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

There can be no assurance that any funding required by the Company will become available to it, and if so, that it will be offered on reasonable terms, or that the Company will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or natural gas properties or projects, or that they can be secured on competitive terms.

INVESTMENT IN SAMALAYUCA COBRE S.A. DE C.V. (SCSA)

Prior to 2021, the Company had invested the majority of its cash inflows in SCSA and much of its focus had been directed to the Gloria project. Since this investment has not to-date produced any returns, our ability to generate cash flows and recover our investment was becoming more uncertain, and the area was becoming more politically and environmentally volatile, with uncertain safety, VVC decided to exit the Gloria Project and divest itself of SCSA.

OUTLOOK

For four (4) years following the acquisition of PHC in January 2021, VVC concentrated its efforts mainly on the Syracuse Project in Kansas State by attempting to rework existing wells, acquiring leases drilling and completing eight (8) new wells, installing a 14-mile gas gathering system connected to the Tumbleweed Pipeline and a 14-mile salt water disposal system. VVC also acquired gas leases in the surrounding area in both Kansas and Colorado States, and subsequently drilled a well on the Stockholm Project and re-worked an oil well on the Ardery Project.

Recently The Company changed its focus in Kansas State to four (4) projects on the Central Kansas Uplift (CKU) area. VVC is now concentrating its efforts on leasing and potentially drilling some additional wells in an area around the Ithaca Project which comprises one (1) producing well over a 160-acre lease and five (5) miles of pipeline that connects to IACX main pipeline. Our President, Bill Kerrigan, believes that the CKU Projects are the most promising helium/natural gas prospect available in the US today and the purchase of the Ithaca helium well and pipeline was a significant tangible addition to the overall CKU projects.

From 2014 to 2020, the Company's primary focus was on the Gloria Copper Project located in Chihuahua State, Mexico, in anticipation of commencing Pilot Mining and Processing. As explained in the Business Section on page 5, the Company decided to exit the Gloria Project and to concentrate its exploration activities on the Cumeral Project in Sonora in Sinaloa / Sonora MX. Cumeral Project property is in good standing, and is located in an area where there is active exploration and where good projects are limited. No plans have yet been formulated for the Cumeral Project.

For more information about these projects, refer to the Business Overview section from page 1 to 7.



VVC Exploration Corporation
2369 Kingston Road, P.O. Box 28059 Terry Town
Scarborough, Ontario M1N 4E7
Tel: 416-619-5304
<http://www.vvcresources.com>