RESOURCE CORPORATION

TSX.V:CBI

# COLIBRI RESOURCE CORPORATION

***Management Discussion & Analysis***

***For the Year Ended December 31, 2025 and 2024***

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## Overview

The following Management Discussion and Analysis ("MD&A") for Colibri Resource Corporation ("Colibri") or ("the Company") prepared as of April 29, 2026, should be read together with the audited consolidated financial statements for the year ended December 31, 2025 and related notes attached thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars unless otherwise noted.

This MD&A contains forward-looking information. Please see "Forward-Looking Information" and "Risk and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

### Forward-Looking Information

Forward-looking information is included in this MD&A, which involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Such information may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions.

Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this MD&A. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, but not limited to, the following factors: financial health of the Company's subsidiary and the related cash flows, competitive and economic environment, seasonality and fluctuations in results, expansion, interest rates, foreign exchange, cash distributions are not guaranteed and will fluctuate with the performance of its subsidiary, and federal income tax changes in Mexico and Canada.

Although the forward-looking information contained in this MD&A is based upon what the Company's management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such information. Forward-looking information reflects management's current beliefs and is based on information currently available to the Company. Such information reflects current assumptions regarding future events and operating performance including, without limitation, a strong economy in Canada, stable interest rates and continued strength in the mining exploration industry in which the Company operates and speaks only as of the date of this discussion. The forward-looking information is made as of the date of this MD&A and the Company assumes no obligation to update or revise such information to reflect new events or circumstances.

### Description of the Business

The Company was incorporated on February 20, 2004 in the province of British Columbia. On August 5, 2005, the Company's common shares and purchase warrants began trading on the TSX Venture Exchange under the symbols CBI and CBI.WT respectively.

Through its subsidiary companies, Minera Bestep S.A. de C.V. (Minera), Yaque Minerales S.A. de C.V. (Yaque) and Coboro Minerales S.A. de C.V. (Coboro), the Company is engaged in the acquisition, exploration, and if warranted, development of gold, silver, copper, molybdenum and other metal deposits in Mexico. Minera, Yaque and Coboro have acquired a majority interest in three mineral properties and a minority interest in two mineral properties located in Sonora, Mexico. Sonora is the northernmost state in Mexico and borders the United States of America. All of the Company's property interests are located within or adjacent to, a free trade zone within the State, a fact that facilitates cross-border access and general business. The properties are characterized by ease of accessibility, well developed infrastructure, access to a ready and skilled labour pool and a large degree of common logistics due to their relative proximity to each other.

Additional information related to the Company is available for view on the Company's website at www.colibriresource.com and on SEDAR at http://www.sedar.com.

## Overview

Colibri Resource Corporation ("Colibri" or the "Company") is a Canadian-based mineral exploration company focused on the acquisition, exploration, and advancement of gold and silver projects in Sonora, Mexico, a region recognized for hosting numerous significant precious metal deposits and mining operations.

The Company's current strategy is centered on advancing its 100%-owned Evelyn-Plomo ("EP") Gold Project, which is considered its flagship exploration asset. Recent exploration activities, including drilling completed in late 2025 and early 2026, have confirmed the presence of widespread, near-surface gold mineralization across multiple target areas and support the interpretation of a large-scale, structurally controlled gold system. Ongoing work is focused on evaluating the continuity and scale of mineralization across the project.

In addition to EP, the Company holds a 49% interest in the Pilar Gold & Silver Project ("Pilar"), where exploration and development activities are being advanced by its partner, Tocvan Ventures Corp. ("Tocvan"). The Pilar project has demonstrated the presence of near-surface gold and silver mineralization with characteristics amenable to heap leach processing and continues to be evaluated with a view toward potential development scenarios.

The Company also holds a 60% interest in the Diamante Gold & Silver Project ("Diamante"), a district-scale exploration asset hosting gold, silver, and base metal mineralization. During 2025, the Company focused on strengthening its ownership position in the project while deferring additional exploration in order to prioritize capital allocation.

In line with its strategy to focus on core assets, the Company entered into an agreement in 2025 to divest its interest in the Jackie Gold & Silver Project ("Jackie"), retaining a net smelter return royalty.

Colibri's exploration portfolio is located within a well-established mining jurisdiction characterized by favourable infrastructure, access to skilled labour, and proximity to producing mines and advanced development projects. The Company continues to evaluate opportunities to advance its existing assets while maintaining financial discipline and flexibility.

## Exploration Projects

### Evelyn-Plomo ("EP") Gold Project – Sonora, Mexico

**Ownership:** 100%
**Stage:** Active exploration
**Summary:** Flagship gold project within the Caborca Gold Belt hosting multiple near-surface gold targets and emerging evidence of a district-scale mineralized system.

## 2025 Exploration Activities

During 2025, the Company advanced the EP Gold Project through a systematic exploration program focused on target generation and initial drill testing across the Plomo claim block.

Key activities included:

- Completion of financing to support exploration programs
- Mobilization of a reverse circulation (RC) drill program in December 2025
- Completion of an initial phase of drilling at the San Perfecto and Banco de Oro targets totaling 11 drill holes (~906 metres)
- Ongoing geological mapping, surface sampling, and target refinement across multiple prospective zones

The 2025 program represented a first-pass evaluation of multiple targets within a largely underexplored land package contiguous with the Evelyn property.

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## Geological Interpretation and Targeting

Exploration completed to date supports the interpretation that the EP Gold Project hosts a structurally controlled gold system associated with regional northwest-trending corridors typical of deposits within the Caborca Gold Belt.

Multiple priority targets have been identified across the project area, with early drilling confirming the presence of gold mineralization and supporting the potential for scale.

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## Subsequent Developments (2026)

Subsequent to year-end, the Company continued and expanded drilling activities and reported initial assay results from its maiden drill program at the Plomo claims.

Highlights include:

- Completion of a Phase 1 reconnaissance RC drill program totaling 22 holes across the San Perfecto and Banco de Oro targets
- Gold mineralization intersected in 18 of 22 drill holes
- Identification of an interpreted ~1.2 kilometre mineralized structural corridor
- Significant shallow intercepts including:
    - 7.5 metres grading 2.92 g/t gold (including higher-grade intervals)
    - 30.0 metres grading 0.73 g/t gold from near surface

Drilling resumed in January 2026 to test additional targets and extensions along identified structural trends.

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### Interpretation and Next Steps

Results to date confirm the presence of widespread, near-surface gold mineralization across multiple targets and support the interpretation of a large-scale, structurally controlled gold system.

The Company plans to continue systematic drilling to evaluate the continuity, geometry, and scale of mineralization across the EP project.

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## Pilar Gold & Silver Project – Sonora, Mexico

**Ownership:** 49% (Tocvan Ventures Corp. – 51% operator)
**Stage:** Advanced exploration / development
**Summary:** Near-surface gold-silver project with demonstrated heap leach potential and advancing toward potential development scenarios.

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### 2025 Activities

During 2025, exploration and development activities at Pilar were carried out by the operator, Tocvan Ventures Corp., with the Company maintaining its 49% interest in the project.

Key developments included:

- Completion of a diamond drilling program totaling approximately 1,167.5 metres
- Continued evaluation of mineralization within and adjacent to the Main Zone
- Ongoing advancement of geological and metallurgical understanding of the deposit

The program was designed to further define mineralization and support advancement toward potential development scenarios.

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### Project Context and Advancement

The Pilar project has demonstrated the presence of near-surface gold and silver mineralization amenable to heap leach processing, supported by previous bulk sample testing and metallurgical work.

Following completion of the earn-in by Tocvan Ventures Corp., the parties continue to evaluate the appropriate structure to advance the project, including joint venture arrangements.

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### Outlook

The Company continues to work with its partner to advance the Pilar project in a manner that maximizes value, including evaluating development pathways and strategic alternatives.

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## Diamante Gold & Silver Project – Sonora, Mexico

**Ownership:** 60% (via Yaque Minerales S.A. de C.V.)
**Stage:** Early to intermediate exploration
**Summary:** District-scale project hosting gold, silver, and base metal mineralization across multiple target areas, indicative of a potentially complex and evolving mineralizing system.

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### 2025 Activities

During 2025, the Company did not undertake material exploration programs at the Diamante project and instead focused on advancing its ownership position and consolidating its interest in the asset.

In May 2025, the Company increased its effective ownership of the Diamante project to 60% through an agreed dilution of its partner's interest, reflecting prior funding of exploration activities.

The Company also entered into an agreement to acquire its partner's interest in Yaque Minerales, which would result in full ownership of the entity holding the Diamante interest. This transaction remains subject to completion of final legal requirements.

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### Project Context and Geological Interpretation

Previous exploration programs, including drilling and surface sampling, have confirmed the presence of gold, silver, and base metal mineralization (including zinc, copper, and lead) across multiple zones on the property.

Mineralization identified to date is associated with structurally controlled zones and occurs in multiple styles including vein, breccia, and disseminated mineralization, consistent with an epithermal system with potential porphyry affinity at depth.

The coexistence of precious and base metals, along with varying alteration styles, suggests a multi-phase hydrothermal system developed across multiple mineralized corridors.

The project remains underexplored, with multiple mineralized showings identified across a large land package and several untested targets that warrant further systematic evaluation.

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## Jackie Gold & Silver Project – Sonora, Mexico

**Ownership:** Previously 50% (subject to sale)
**Stage:** Non-core asset
**Summary:** Early-stage exploration project subject to divestment.

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In May 2025, the Company entered into an agreement to dispose of its 50% interest in the Jackie Project in exchange for equity consideration and a retained 1% net smelter return royalty.

The transaction is consistent with the Company's strategy of focusing its resources on core projects.

Scientific and technical information regarding the mineral exploration properties presented in this section of the MD&A has been reviewed and approved by Jamie Lavigne, PGeo. and a Qualified Person as defined in NI 43-101

## Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the Consolidated Financial Statements.

| | For The Year Ended December 31, 2025 | For The Year Ended December 31, 2024 | For The Year Ended December 31, 2023 |
|---|---|---|---|
| Total Revenue | $ - | $ - | $ - |
| Net (loss) income | (1,226,378) | (1,218,339) | (784,749) |
| Comprehensive (loss) income | (824,058) | (1,767,857) | (222,617) |
| Basic and diluted earnings (loss) per share | (0.05) | (0.06) | (0.05) |
| Total assets | 5,387,687 | 4,359,309 | 6,501,852 |
| Total long-term liabilities | 77,043 | 290,249 | 1,533,716 |
| Cash dividends | - | - | - |

The Company has no intention of paying dividends on its common shares as it anticipates that all available funds will be invested to finance the growth of its business.

## Results of Operations

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may be different from those estimates. Additional significant accounting policies are detailed in Note 3 of the consolidated financial statements.

**<u>For The Year Ended December 31, 2025</u>**

Operations during year ended December 31, 2025 were focussed on exploration activities related to the Evelyn property and to managing exploration activities on behalf of optionees of the El Pilar and Diamante properties.

Net loss for the year ended December 31, 2025 was $1,226,378 which was a loss of $0.05 per share on both a basic and a fully diluted basis. Net loss for the year ended December 31, 2024 was $1,218,339. Fiscal 2025 loss was attributed to general and administrative expenses of $1,261,992, expenses recovered of $(81,279), gain on sale of fixed assets of $(3,479), loss on sale of investment $60,000, fair value adjustment on investments of $(4,000) and fair value adjustment of derivative liability of $(14,856).

The negative variance of $8,039 between the years ended December 31, 2025, and December 2024 is mainly due to fair value adjustment of derivative liability, the legal expense, consulting fees, advertising and promotion and office and miscellaneous. These were offset by positive variances in interest and accretion expense, foreign exchange (gain) loss, and share based compensation.

The fair value adjustment for the derivative liability dropped by $135,233 in 2025 versus 2024. The Company recognized a $184,102 derivative liability upon issuing convertible debentures in 2023. By December 31, 2024, revaluation resulted in a $150,089 gain. When the debentures matured in Q3 2025, the remaining balance of $14,856 was written off, resulting in a gain of $14,856.

Legal expenses increased by $112,451 from $26,200 in fiscal 2024 to $138,651 in fiscal 2025 due to the private placements completed in 2025, a new convertible debenture agreement, work on the debt-for-share agreement, property transactions involving Jackie and Diamante, and a possible joint venture agreement with Tocvan.

Consulting fees rose from $80,048 in 2024 to $187,858 in 2025, an increase of $107,810. This was due to hiring a consultant for strategic and project advisory services to advance Colibri's mineral exploration and corporate development.

The increase of $76,708 in advertising and promotion from $120,881 in 2024 to $197,589 for the current year is due to an increase investor relation in 2025.

The negative difference of $58,017 in office and miscellaneous expenses is due to a VAT recapture in Mexico of $65,658 in 2024 compared to a VAT allowance of $3,956 in 2025. The recapture resulted from the sale of fixed assets in Mexico. Additionally, there was a decrease in activity during the 2024 year.

For the year ended December 31, 2025, interest and accretion expenses dropped by $189,320 compared to the prior year. This reduction was primarily due to the repayment of the Ontop Capital Limited convertible debenture in 2024 and the maturity of other convertible debentures in the third quarter of 2025.

The company experienced a gain on foreign exchange amounting to $53,092 during the year ended December 31, 2025 compared to a loss of $93,624 in the previous year, resulting in a positive variance of $147,716. This fluctuation was largely due to the strengthening of the $CAD over the $USD and the fact that the convertible debentures are denominated in $USD.

In 2024, the company granted stock options and registered share-based payments totaling $86,863, whereas in 2025, this amount was only $1,579.

During fiscal 2025, the Company spent $214,068 on exploration and evaluation at Evelyn, and $218,912 at Pilar, prior to foreign exchange adjustments (see Note 9 to the 2025 consolidated financial statements).

**For The Year December 31, 2024**

Operations during the year ended December 31, 2024 were focussed on exploration activities related to the Evelyn property and to managing exploration activities on behalf of optionees of the El Pilar, Diamante and Jackie properties.

The net loss for the year ended December 31, 2024 was $1,218,339, which was loss of $0.6 per share on both a basic and a fully diluted basis. Fiscal 2024 loss was attributed to general and administrative expenses of $1,365,932 offset by, realized and unrealized gains (losses) on investment of $(28,623) and $11,875 respectively, expenses recovered of $33,939, loss on sale of fixed asset of $(10,776), loss on termination of lease of $(8,911) and gain on fair value adjustment of derivative liability of $150,089.

## Summary of Quarterly Results

The following table sets forth selected unaudited quarterly financial information for each of the last eight most recently completed quarters:

**Three Months Ended**

| | **December 31, 2025** | **September 30, 2025** | **June 30, 2025** | **March 31, 2025** | December 31, 2024 | September 30, 2024 | June 30, 2024 | March 31, 2024 |
|---|---|---|---|---|---|---|---|---|
| | | **$** | **$** | **$** | $ | $ | $ | $ |
| Total assets | **5,387,687** | **4,675,433** | **4,442,084** | **4,519,115** | 4,359,309 | 4,479,175 | 4,965,434 | 6,530,730 |
| Mineral property costs | **4,550,858** | **4,372,293** | **4,131,962** | **4,017,016** | 3,720,902 | 3,732,534 | 3,957,988 | 5,296,100 |
| Working capital (deficiency) | **(1,316,518)** | **(1,843,094)** | **(1,532,122)** | **(1,324,915)** | (1,219,014) | (1,063,020) | (476,270) | (358,317) |
| Shareholders' equity | **3,374,912** | **2,377,996** | **2,465,487** | **2,605,836** | 2,492,293 | 2,613,090 | 2,908,216 | 3,978,269 |
| Revenues | **-** | **-** | **-** | **-** | - | - | - | - |
| Net loss | **(441,011)** | **(282,640)** | **(252,098)** | **(250,629)** | (165,633) | (202,487) | (369,060) | (481,159) |
| Loss per share | **0.01** | **0.01** | **0.01** | **0.02** | 0.01 | 0.01 | **0.02** | **0.02** |

Variation in operating results over the previous eight quarters resulted primarily from cash received from private placements.

## Liquidity

The Company has no history of profitable operations and its mineral projects are at an early stage. Therefore, it is subject to many risks common to comparable junior venture resource companies, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources as well as a lack of revenues.

The Company's ability to continue as a going concern in the short term is dependent upon its ability to obtain financing. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable.

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| | $ | $ |
| Working capital (deficiency) | (1,316,518) | (1,219,014) |
| Deficit | (18,066,415) | (16,840,037) |

Net cash used in operating activities during the year ended December 31, 2025, was $855,627 compared to $685,591 during the same period of 2024. The net cash used in operating activities primarily consists of the operating loss and changes in non-cash working capital.

Cash flow provided by financing activities was $1,306,763 during fiscal 2025 compared to $197,716 during the same period of fiscal 2024. Cash was provided by the proceeds from the issuance of shares. Cash was used for the repayment of the related party loan payable, repayment of the related party payable, repayment of lease obligations, repayment of convertible debenture and interest paid on debentures.,

Net cash used in investing activities was $180,444 during the year ended December 31, 2025, compared to cash provided by investing activities of $170,275 during the same period of fiscal 2024. Cash was expended on the exploration work conducted on the Evelyn/Plomo property in Mexico. Cash was provided from the proceeds from the sale of investments.

Management believes the Company might not have sufficient working capital to fund its operations and exploration activities during the next fiscal year. The Company believes that external financing, likely in the form of equity offerings or cash from option payments, will be required in order to maintain its current operations.

**Capital Resources**

The Company's sources of funds have been derived primarily from private placement financings, from proceeds from the optioning of some of its mineral properties, and from the proceeds from sale of investments.

Additional disclosure concerning the Company's general and administrative expenses and resource property obligations and commitments are provided in the Company's consolidated statements of comprehensive loss and notes therein. The Company does not have any commitments for specific capital expenditures, as the agreements under which it may earn the interests in the mineral exploration properties are option agreements.

**Off-Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

**Transactions with Related Parties**

Related parties include the Board of Directors and officers, close family members and enterprises that are controlled by these individuals.

Accounts payable and accrued liabilities to related parties as at December 31, 2025 of $112,499 (December 31, 2024 – $167,326) is comprised of management fees, accounting fees, consulting fees and interest expense due to directors or companies controlled by officers and directors of the Company. Amounts payable to related parties are non-interest bearing, are due on demand, and are unsecured.

Loan payable to a related party of $nil (December 31, 2024 – $207,842) was due to an officer and director of the Company.

The Company entered into the following transactions with related parties during the year ended December 31, 2025:

a) Paid or accrued $144,000 (2024 – $144,000) in management fees to directors or companies controlled by directors and officers of the Company.

b) Paid or accrued $36,538 (2024 – $37,755) in accounting fees to an officer and a director of the Company.

c) Paid or accrued $5,250 (2024 – $52,500) in consulting fees to directors of the Company.

d) Paid or accrued $24,846 (2024 – $15,006) in interest expense to a director an officer or a company controlled by an officer and director of the Company.

e) Paid or accreted $nil (2024 – $89,258) in interest to a company which a director of the Company is also a director.

f) Incurred a loss of $30,000 (2024 – $nil) on the sale of 200,000 Canadian Gold Resources Ltd. shares to two directors of the Company.

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

**Risk and Uncertainties**

The Company holds certain mineral property interests in Mexico, and as such is exposed to numerous risks and uncertainties common to other junior exploration companies.

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, metal price volatility, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

The Company and its mineral exploration programs are at an early stage. The Company is not profitable and has no sources of revenue. The Company is reliant on raising equity and while this has been successful in the past, there is no assurance that it will be able to do so in the future.

The mineral claim that the Company has an interest in are in the exploration stage only. There is no assurance that the exploration activities of the Company will result in the discovery of a commercially viable mineral deposit.

Mineral exploration activities could result in injury and damage to life and property, possible adverse environmental impacts and possible legal liability.

The acquisition of title to mineral projects is a very detailed and time-consuming process. Although the Company has taken precautions to ensure that legal title to its property interests is properly recorded in the name of the Company where possible, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interest of the Company in any of its properties may not be challenged or impugned.

The Company's financial results are denominated and reported in Canadian dollars. The Mexican operations involve payments in US dollars and Mexican pesos. Significant fluctuations of these currencies against the Canadian dollar could have a material effect on the Company's financial performance.

**Critical Accounting Estimates**

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The assumption of going concern basis of accounting;
- The carrying value and recoverable amount of exploration and evaluation assets;
- The determination of the Company's functional currency;
- The inputs used in accounting for share-based compensation expense in the statements of operations and comprehensive loss;
- The inputs used in the valuation of the convertible debentures, the conversion feature and the attached warrants;
- The inputs used in the valuation of the warrants granted in a private placement of units;
- The valuation of shares issued in non-cash transactions;
- The valuation allowance applied against deferred income tax assets;
- Management's assumption of no material provisions or obligations, based on the facts and circumstances that existed during the period; and
- The determination that the foreign exchange differences on loans to the Mexican subsidiaries are recorded to other comprehensive income because the loans are part of the net investment in a foreign operation and repayment is not expected in the foreseeable future.

Carrying value and recoverable amount of exploration and evaluation assets

Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Valuation of share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserve.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

**Accounting Standards Issued But Not Yet Applied:**

In May 2024, the IASB issued narrow scope amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments have not yet been incorporated into Part I of the CPA Canada Handbook - Accounting.
The amendments:
•Provide clarification that a financial liability is derecognized on the 'settlement date', i.e., the date on which the liability is extinguished as the obligation specified in the contract is discharged or cancelled or expired;
•Provide an accounting policy option to derecognize a financial liability that is settled in cash using an electronic payment system before the settlement date if specified criteria are met. An entity that elects to apply this derecognition option shall apply it to all settlements made through the same electronic payment system;
•Clarify how to assess the contractual cash flow characteristics of financial assets with contingent features, including environmental, social and corporate governance (ESG) linked features;
•Clarify that, for a financial asset to have 'non-recourse' features, the entity's ultimate right to receive cash flows must be contractually limited to the cash flows generated by specified assets. The amendments also include factors that an entity should consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test);
•Clarify the characteristics of the contractually linked instruments that distinguish them from other transactions; and
•Add new disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income and financial instruments that have certain contingent features.
The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. The amendments are to be applied retrospectively. In applying the amendments, an entity is not required to restate comparative periods. The Company is currently assessing the impact of the new standard on its financial statements.

In April 2024, the IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements which sets out the overall requirements for presentation and disclosures in the consolidated financial statements. The new standard replaces IAS 1 and although much of the substance of IAS 1 will carry over into the new standard, the new standard will require presentation of separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The new standard will also require disclosure and explanation of management-defined performance measures in a separate note within the consolidated financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim consolidated financial statements, and requires retrospective application. The Company is currently assessing the impact of the new standard.

**Financial Instruments and Other Instruments**

The Company has designated its financial instruments as follows: cash and investment are classified as held-for-trading which is measured at fair value. Cash and investment are measured at fair value on a recurring basis. Receivables are recorded at amortized cost. Accounts payable and accrued liabilities, related party payable, loan payable, convertible debenture and lease liabilities are classified as other liabilities. They are initially measured at fair value. Subsequent valuations are recorded at amortized cost using the effective rate method.

IFRS 7, Financial Instruments – Disclosure; increases the disclosures currently required to enable users to evaluate the significance of financial instruments for an entity's financial position and performance. This standard establishes a three-tier hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company's investments. The hierarchy of inputs and description of inputs is described as follows:

Level 1 – fair values are based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – fair values are based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or
Level 3 – fair values are based on inputs for the asset or liability that are not based on observable market data, which are unobservable inputs.

At December 31, 2025, the Company's only financial instruments measured at fair value on a recurring basis is cash, which is classified as Level 2 in the fair value hierarchy. All other financial instruments are measured at amortized cost. Their carrying amounts approximate fair value due to their short-term nature or the application of the effective interest method. The fair values of these instruments are classified within Level 2 as they are determined using observable inputs such as market interest rates and contractual cash flows.

**Financial Risk Factors**

The Company, through its financial assets and liabilities is exposed to various risks. The following analysis provides a measurement of risks as at the balance sheet date, December 31, 2025.

**(a) Fair Value**

Financial instruments included in the consolidated statements of financial position are measured either at fair value or amortized cost. Estimated fair values for financial instruments are designed to approximate amounts for which the instruments could be exchanged in an arm's-length transaction between knowledgeable and willing parties.

The carrying values of cash, receivable, related party payable, and accounts payable and accrued liabilities approximate their fair values due to the short terms to maturity of the instruments. Marketable securities in the form of common shares of listed companies are valued based on quoted market prices for identical assets in an active market.

Debt instruments are valued at the approximate carrying value as discount rate on these instruments approximate the Company's credit risk.

**(b) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash balances primarily in large Canadian chartered banks, and both it's convertible debentures and loans payable have fixed rates of interest. The Company's current policy is to invest cash in Canadian bank savings accounts with interest that varies at prime.

**(c) Credit Risk**

The Company's credit risk is primarily attributable to cash and accounts receivable. Cash is held with reputable financial institutions, primarily in Canada, and is kept in highly liquid accounts that are closely monitored by management. Credit risk with respect to its accounts receivable is minimal due to the insignificant balances that are primarily due from government agencies.

The Company's maximum exposure to credit risk is as follows:

| **December 31, 2025** | **Canada** | **Mexico** | **Total** |
|---|---|---|---|
| | **$** | **$** | **$** |
| **Cash** | **273,440** | **21,621** | **295,061** |
| **Receivables** | **165,113** | **2,894** | **168,007** |
| | **438,553** | **24,515** | **463,068** |

| December 31, 2024 | Canada | Mexico | Total |
|---|---|---|---|
| Cash | 14,683 | 1,663 | 16,346 |
| Receivables | 53,358 | 230,726 | 284,084 |
| | 68,041 | 232,389 | 300,430 |

**(d) Derivatives – Mineral Properties**

The Company retains and/or has obligations related to certain carried interest rights and net smelter royalties ("NSR"), the value of which is derived from future events and commodity prices. These rights are derivative instruments. However, the mineral property interests to which they relate are not sufficiently developed to reasonably determine value.

**(e) Foreign Exchange Risk**

The Company's functional and reporting currency is the Canadian dollar. The Company, through its subsidiaries, has operations in Mexico and therefore is exposed to foreign currency gains and losses due to fluctuations in the exchange rate between the Mexican peso and the Canadian dollar. To reduce the risk, the Company maintains pesos denominated bank accounts in Mexico, and when possible, negotiates its Mexican operations in US dollars. Foreign currency gains and losses on loans from the Company to the Mexican subsidiaries are recorded in other comprehensive income because the loans are part of a net investment in a foreign operation and repayment of the loans is not expected in the foreseeable future.

The significant balances in foreign currencies at December 31, 2025 are as follows:

| | US Dollars | Mexican Pesos |
|---|---|---|
| Cash | 2,413 | 277,722 |
| Accounts receivable | - | 38,038 |
| Accounts payable and accrued liabilities | (120,408) | (2,297,793) |
| Loan Payable | (185,205) | - |
| Convertible debentures | (569,000) | - |
| | (872,200) | (1,982,033) |
| Canadian dollar equivalent | (1,195,437) | (151,071) |

Based on the aforementioned net exposure as at December 31, 2025, and assuming that all other variables remain constant, a 10% rise or fall in the Canadian dollar against the other foreign currencies would have resulted in approximately the following increase (decrease) in the income (loss) before taxes or the other comprehensive income (loss) for the year:

| | Canadian Dollar | |
|---|---|---|
| | Appreciates 10% | Depreciates 10% |
| | $ | $ |
| Against US Dollar | 119,544 | (119,544) |
| Against Mexican Pesos | 15,107 | (15,107) |

**(f) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined below. At December 31, 2025, the Company had a cash balance of $295,061 to settle its current liabilities of $1,935,732. Of the Company's current liabilities, $473,831 have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company has working capital deficiency of $1,316,518 at December 31, 2025. The Company is continuing to review expenditures in order to ensure adequate liquidity and flexibility to support its exploration and development strategies. The Company believes that external financing, likely in the form of equity offerings or optioning one or more of its claims, will be required in order to maintain its current operations.

**Outstanding Share Data**

**The Company has the following post consolidated shares issued and outstanding:**

| | As of MDA | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| Authorized | | | |
| Common shares without par value | Unlimited | Unlimited | Unlimited |
| Issued and Outstanding | **36,876,500** | **33,028,200** | **20,788,317** |

On June 13, 2025, the Company implemented a share consolidation of all its outstanding common shares on the basis of one post-consolidated share for every five pre-consolidated shares ("the Consolidation"). All share, warrant, option and per share amounts presented in these financial statements, including comparative figures, have been retrospectively restated to reflect the Consolidation, in accordance with IAS 33 Earnings per share and IAS 1 Presentation of Financial statements.

The effect of the consolidation will provide the Corporation with increased flexibility to seek additional financing opportunities and to pursue strategic transactions and will improve the market's perception of the Corporation. The Consolidation is also expected to aid in the reduction of the spread between bid and offer prices quoted by market makers in the Common Shares. Such a reduction in turn should allow shareholders to realize improved prices when buying or selling the Common Shares.

**Stock options**

The Company has in place a rolling stock option plan whereby the Company may grant stock options to eligible persons to acquire a total of up to 10% of the then existing number of shares outstanding. Awarded stock options generally vest at the discretion of the directors and are exercisable over a period not exceeding ten years at exercise prices determined by the directors. The exercise price of each option is subject to a minimum price of $0.10 and cannot be less than the discounted market price of the Company's stock as calculated pursuant to the policies of the TSX Venture Exchange.

The number of post consolidated stock options outstanding at December 31, 2025 and as of date of the MDA is summarized as follows:

| | Number of options | Weighted average exercise price |
|---|---|---|
| | | $ |
| Balance December 31, 2023 | 725,000 | 0.45 |
| Issued during the year | 570,000 | 0.30 |
| Balance December 31, 2024 | 1,295,000 | 0.38 |
| | | |
| Expired during the year | **(180,000)** | **0.25** |
| Balance December 31, 2025 | **1,115,000** | **0.40** |
| | | |
| Expired during the period | **(315,000)** | **0.50** |
| Balance MDA | **800,000** | **0.36** |

At December 31, 2025, the following post consolidated stock options were outstanding:

| Number of Options | Exercise Price | Expiry Date | Weighted average remaining contractual life of outstanding options (years) | Exercisable |
|---|---|---|---|---|
| 180,000 | $0.50 | 16-Apr-28 | 2.29 | 180,000 |
| 315,000 | $0.50 | 21-Apr-26 | 0.30 | 315,000 |
| 50,000 | $0.50 | 28-Jul-26 | 0.57 | 50,000 |
| 570,000 | $0.30 | 08-Feb-27 | 1.10 | 560,000 |
| 1,115,000 | | | | 1,105,000 |

The weighted average grant date fair value of options granted during year was $nil (2024- $0.158).

The amount of stock-based compensation expense of $1,579 (2024- $86,863) was charged to the statement of comprehensive loss statement and credited to the equity reserve in the statement of financial position.

The fair value of the options granted was estimated at the grant date based on the Black-Scholes option pricing model using the following assumptions:

| | 2024 |
|---|---|
| Risk-free interest rate | **4.16%** |
| Expected life | **3 years** |
| Expected volatility | **126%** |
| Expected dividend yield | $**nil** |
| Expected forfeiture rate | **nil** |

**Warrants**

The following common share purchase warrants entitle the holders thereof the right to purchase one post consolidated common share for each common share purchase warrant. Warrant transactions are summarized as follows:

| | Number of warrants | Weighted average exercise price |
|---|---|---|
| | | $ |
| Balance - December 31, 2023 | 744,158 | 0.60 |
| Issued during the year | 1,222,000 | 0.375 |
| Balance - December 31, 2024 | **1,966,158** | **0.45** |
| Issued during the year | **12,239,883** | **0.25** |
| Broker warrant | **492,693** | **0.25** |
| Expired during the year | **(744,158)** | **0.60** |
| Balance - December 31, 2025 | **13,954,576** | **0.26** |
| Issued subsequent to the year end | **4,446,300** | **0.25** |
| Balance MDA | **18,400,876** | **0.26** |

The following warrants are outstanding at December 31, 2025:

| Warrants | Exercise Price | Grant date fair value of warrants - net of issue costs | Expiry date |
|---|---|---|---|
| # | $ | $ | |
| 1,222,000 | 0.38 | 123,655 | September 6, 2026 |
| 1,135,200 | 0.25 | 56,286 | February 11, 2027 |
| 1,176,000 | 0.25 | 58,644 | March 25, 2027 |
| 9,481,509 | 0.25 | 551,479 | October 31, 2027 |
| 939,867 | 0.25 | 56,952 | November 30, 2027 |
| 13,954,576 | | 847,016 | |

**Segmented Information**

The Company primarily operates in one reportable business segment, being the acquisition and exploration of mineral properties located in Mexico. The net income and assets identifiable with these geographic areas are as follows:

| **December 31, 2025** | **Canada** | **Mexico** | **Total** |
|---|---|---|---|
| | **$** | **$** | **$** |
| Net loss for the year | **1,087,653** | **138,725** | **1,226,378** |
| Current assets | **592,241** | **26,973** | **619,214** |
| Mineral properties | **-** | **4,550,858** | **4,550,858** |
| Capital assets | **753** | **114,412** | **115,165** |
| Right-of-use assets | **75,469** | **26,981** | **102,450** |
| Total assets | **668,463** | **4,719,224** | **5,387,687** |
| Total liabilities | **1,808,270** | **204,505** | **2,012,775** |

| December 31, 2024 | Canada | Mexico | Total |
|---|---|---|---|
| Net loss for the year | 1,049,139 | 169,200 | 1,218,339 |
| Current assets | 123,130 | 234,623 | 357,753 |
| Mineral properties | - | 3,720,902 | 3,720,902 |
| Capital assets | 1,000 | 121,634 | 122,634 |
| Investment | 78,000 | - | 78,000 |
| Right-of-use-asset | 80,020 | - | 80,020 |
| Total assets | 282,150 | 4,077,159 | 4,359,309 |
| Total liabilities | 1,804,745 | 62,271 | 1,867,016 |

**Subsequent Events**

(a) Subsequent to the year end, on January 29, 2026, the Company converted $600,995 of debts into 3,848,300 units comprised of common shares and common share purchase warrants.

(b) Subsequent to the year end, on February 9, 2026, the Company issued 115 convertible debenture units maturing in two years, raising USD $115,000 in gross proceeds; however since former debenture holders acquired these units, no cash was received.

(c) Subsequent to the year end, on April 21, 2026, 315,000 stock options expired.

(d) Participation in the Semi-Annual Reporting Pilot Program:
After the end of the fiscal year, on April 24, 2026, the Company filed a notice of intention to rely on CSA Coordinated Blanket Order 51-933, which permits eligible venture issuers to adopt a semi-annual financial reporting framework under the Canadian Securities Administrators' Semi-Annual Reporting ("SAR") Pilot Program.

Beginning in fiscal 2026, the Company will be exempt from filing interim financial statements and MD&A for its first and third fiscal quarters. The Company will continue to file semi-annual financial statements and MD&A for the first six months of each fiscal year, annual audited financial statements and annual MD&A, CEO/CFO certifications, and all required timely disclosure documents. This change does not impact the Company's reporting obligations for the year ended December 31, 2025, for which quarterly reporting remained in effect.

**Additional Disclosure for Venture Issuers Without Significant Revenue**

A breakdown of material G&A expenses is set out in the Consolidated Statements of Comprehensive Loss for the year ended December 31, 2025.

**Capitalized or Expensed Exploration and Development Costs**

Note 9 to the Consolidated Financial Statements for the year ended December 31, 2025 set out amounts with respect to capitalized exploration and evaluation expenditures by property.

**Management's Responsibility for Financial Information**

The Company's financial statements and other information included in this management report are the responsibility of the Company's management and have been examined and approved by the Board of Directors. The financial statements were prepared by management in accordance with generally accepted Canadian accounting principles and include certain amounts based on management's best estimates using carful judgment. The selection of accounting principles and methods is management's responsibility.

The Company maintains internal control systems designed to ensure that financial information is relevant and reliable and that assets are safeguarded.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities.

**Evaluation of Disclosure Controls and Procedures**

Management has evaluated the effectiveness of its disclosure controls and procedures and has concluded that they are sufficiently effective to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

**Approval**

The Board of Directors of Colibri Resource Corporation has approved the disclosure contained in this Management Discussion & Analysis. A copy of this Management Discussion & Analysis will be provided to anyone who requests it.

**Additional Information**

Additional information relating to our Company is available for viewing on the SEDAR website at http://www.sedar.com.