



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with CVW Sustainable Royalties Inc.'s ("CVW Royalties", "we", "us", "our" or the "Company") Condensed Interim Financial Statements and notes thereto for the three and six months ended June 30, 2026. This MD&A has been prepared as of August 26, 2026. CVW Royalties is a growth stage company whose common shares are listed on the TSX Venture Exchange ("TSXV") under the symbol "CVW". The Company's shares are also quoted on the OTCQX under the symbol "CVWFF", and on the Frankfurt Stock Exchange under the symbol "TMD". This MD&A and the Condensed Interim Financial Statements and comparative information have been prepared and approved by the Board of Directors of the Company in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Unless otherwise noted, all financial measures presented in this MD&A are expressed in Canadian dollars.

Additional information and the above-referenced material is available on CVW Royalties' website at www.CVWsustainableroyalties.com and on SEDAR+ at www.sedarplus.ca.

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Nature of Business

CVW Royalties' vision is to accelerate clean technologies that recover valuable commodities in a sustainable manner, helping drive the world's transition to net zero. The Company is a diversified royalty platform, providing its shareholders with positive returns by investing in the sustainable production of commodity and commodity-like products to support a more resilient economy. Royalties on assets and technologies that enable the sustainable production of critical resources present an opportunity to accelerate cash flow generation and create shareholder value. The Company's current portfolio includes its proprietary Creating Value from Waste™ (CVW™) technology which is designed to recover bitumen, solvents, critical minerals, and water from oil sands froth treatment tailings ("FTT") with significant environmental benefits; an interest in two future Northstar Clean Technologies Inc. ("Northstar") facilities which reprocess waste shingles to produce liquid asphalt, aggregate, fiber and limestone; and a royalty interest in multiple Relocalize micro-factories which produce packaged ice and cold packs in a more sustainable manner.

Sustainable Royalty Platform

CVW Royalties' management team and Board of Directors have identified a significant market opportunity to partner with operators and provide strategic financing via royalty structures to create a leading royalty platform focused on enabling the sustainable production of commodities and commodity-like products as these critical materials benefit from strong macroeconomic tailwinds. To capitalize on this opportunity, the Company has developed a royalty strategy and originated a pipeline of opportunities to build out its portfolio of royalties.

Commodities continue to form the key inputs into production processes including for the reindustrialization taking place through capital investments for industries like artificial intelligence and data centres as well as the longer-term energy transition. The Company intends to broaden its exposure to technologies and assets that can provide investors with long-duration returns linked to commodities or commodity-like products which drive sustainability through the value chain. The Company has identified three sectors to specifically target:

- Hydrocarbons: this includes technologies and assets which can lower the emissions of oil and gas production, decarbonize the production of transportation fuels, and deliver the fuels of the future;
- Metals and materials: this includes sustainable technologies and assets enabling the production of minerals critical to the energy transition and decarbonization, the secondary extraction of metals

from mining waste and tailings, innovative and sustainable methods of minerals extraction, and the recycling of spent materials, and

- Agriculture: this includes the conversion of agricultural waste into commodities, sustainable food production, and decarbonization within the agriculture value chain.

These are sectors in which CVW Royalties' management and Board of Directors have extensive financial and technical experience, strong industry networks, and a proven track record in structuring transactions, placing the Company in a strong position to evaluate commercially ready technologies for potential royalty investments.

To evaluate potential investments, the Company utilizes an in-depth diligence process to understand the viability of the technology, process and assets, the market opportunity, and other commercial considerations. A key consideration for the Company is the availability of feedstock and/or offtake agreements, the existence of which provides the Company with greater comfort over the availability of supply and saleability of the output. The Company is focused on advanced stage technologies with a Technology Readiness Level of eight (TRL-8) or above. This includes technologies which are commercially ready-to-deploy, and technologies already in commercial production yet require capital for growth or other purposes. The Company's investment focus is on opportunities within developed market jurisdictions which will aid in managing potential investment risk.

The Company is building a portfolio with exposure to top line revenue rather than margin or profit-indexed returns, insulating shareholders from operating cost inflation, capital expenditure decisions, and cyclical margin compression that can erode returns through structures with exposure below the revenue line. By diversifying across royalty interests that are further screened for demonstrable sustainability advantages relative to incumbent production methods, the Company positions investors to benefit from durable, predictable cash flows while gaining exposure to assets that are structurally advantaged as regulation and end-user preferences continue to favour more sustainable operations.

CVW Royalties believes that investing in technologies, processes, and assets meeting these key criteria offers the Company's shareholders attractive risk-adjusted returns. At scale, CVW Royalties' shareholders can benefit from the Company's expertise in selecting appropriate royalty counterparties to gain a diversified exposure to the revenue generation by assets enabling the production of commodities and commodity-like products with strong sustainability fundamentals.

Royalty Portfolio

Northstar Clean Technologies Inc.

Northstar is a waste-to-value company focused on the sustainable recovery and reprocessing of asphalt shingles. Northstar has developed and owns a proprietary process for taking discarded asphalt shingles, otherwise destined for already overcrowded landfills, and extracting the liquid asphalt as a substitute for virgin liquid asphalt for use in well established applications while also extracting aggregate, fiber, and limestone.

The Company provided Northstar with \$14.0 million in exchange for a royalty debenture. The royalty debenture has a 10.0% coupon rate, payable semi-annually, and is convertible into a revenue royalty on Northstar's next two commercial facilities beyond the Calgary facility. Northstar may, at its sole discretion, capitalize the coupon payable on the royalty debenture for the first three years of its term. Pursuant to the achievement of certain production and financial milestones leading to the conversion of the royalty debenture, the Company is entitled to receive recurring royalty payments based on revenues at Northstar's second and third commercial facilities. In the event that certain production and financial milestones are not met, the Company may elect to convert the debenture into a royalty interest on Northstar's Calgary facility or be repaid the full value of the royalty debenture at maturity.

50.0% of the principal balance will automatically convert into a revenue royalty on Northstar's second commercial facility and the remaining balance will automatically convert into a revenue royalty on Northstar's third commercial facility (upon each facility reaching certain production related thresholds). The principal balance (including any accrued and unpaid interest) will convert into a revenue royalty at a conversion ratio of 1.7143% royalty interest for each \$1,000,000 of principal converted. As at the date of this MD&A, the principal balance of the royalty debenture is approximately \$16.2 million and the royalty rate is approximately 13.9% per facility.

Relocalize Inc.

In February 2026, the Company entered into a gross revenue royalty agreement ("Relocalize Royalty Agreement") with Relocalize Inc. ("Relocalize"), a company with an innovative micro-factory technology to sustainably produce packaged ice and cold packs. Pursuant to the Relocalize Royalty Agreement, CVW Royalties has agreed to provide Relocalize with \$4.0 million of upfront capital, to be invested in two tranches, for a 25.0% royalty on the gross revenues from its first two commercial facilities which is expected to step down to 15.0% once certain commercial milestones are met. The Company will also receive a 2.0%

royalty on the gross revenues from Relocalize's next eight commercial facilities and has the option, at its sole discretion, to invest up to \$22.5 million in 13 additional facilities, subject to certain conditions.

Creating Value From Waste™ Technology

The Company's 100% owned CVW™ technology has been developed to recover bitumen, solvents, critical minerals, and water from FTT on oil sands mining sites to provide incremental revenue and cost savings, increasing oil sands mining profitability and supporting reclamation and compliance efforts. Critical minerals, specifically titanium, zircon, and potentially rare earth elements can provide a new source of revenue for the region. These minerals have been highlighted by the Governments of Canada and Alberta as critical to the development of a more resilient economy, and CVW™ could position Canada as a global leader in the supply of critical minerals^{1,2}. CVW Royalties is pursuing commercialization of this technology with the goal of creating a long-term cash flow stream for the Company.

The recovery of valuable products from waste streams would result in important and timely environmental and economic benefits for the oil sands mining industry. Environmental benefits include a reduction in greenhouse gas ("GHG") emissions at the host oil sands mining site. When residual amounts of hydrocarbons are deposited into a tailings pond, they biodegrade leading to the release of GHG emissions (primarily methane) in addition to volatile organic compounds ("VOCs"). Methane is known to have a global warming potential 28-36 times as potent as carbon dioxide when considering its impact over 100 years³. By recovering bitumen and solvents that would otherwise be lost in tailings ponds, methane emissions from oil sands mining can be reduced by up to 90.0%. Canada's oil sands industry through the Oil Sands Alliance (formerly the Pathways Alliance) remains committed to reducing emissions. This initiative targets 16.0 million tonnes per annum of oil sands emissions reductions, comprised of 6.0 million tonnes through carbon capture, utilization, and storage ("CCUS") and an additional 10.0 million tonnes through other technologies, alongside a methane equivalency agreement-in-principle between Canada and Alberta targeting a 75.0% reduction in oil and gas methane emissions from 2014 levels by 2035. The CVW™ technology can help industry achieve these objectives.

Remediation of oil sands mining tailings is a priority for all stakeholders, including industry, community members, Indigenous groups, government, regulators, and investors. CVW™ can significantly improve water quality and recycling, contributing to a reduction of total organic carbon by over 95.0% and a reduction in fresh water use intensity of over 30.0%. CVW Royalties' technology enhances tailings management by reducing annual deposition volumes by up to 11.0%, and provides regulatory compliant ready-to-reclaim tailings allowing industry to move away from the use of tailings ponds for FTT. When

implemented at a representative oil sands mining site that produces 250,000 barrels of synthetic crude oil equivalents per day, the CVW™ technology could provide the following economic and environmental benefits⁴:

- Recover 2.2 million barrels per annum of hydrocarbons (1.9 million barrels per annum of bitumen and 0.3 million barrels per annum of solvent) at a carbon-negative profile;
- Produce 243,000 tonnes per year of critical minerals in titanium and zircon concentrates with the potential to recover rare earth elements currently being progressed;
- Abate between 380,000 and 850,000 tonnes of CO₂e, primarily methane, annually;
- Eliminate up to 5,000 tonnes of VOCs annually, which are considered toxic substances by Environment and Climate Change Canada;
- Recover and reuse up to 14.0 million m³ of water and 1.9 million GJ of heat annually;
- Reduce land-use impacts by over 19.0 hectares per annum, and
- Enable the oil sands mining industry to potentially eliminate the use of tailings ponds for FTT consistent with the Alberta Energy Regulator's ("AER") Directive 085.

According to an independent economic impact assessment⁵, implementation of the CVW™ technology at a single site could:

- Create up to 16,500 person-years of employment in Alberta and 24,000 person-years of employment Canada-wide over a 24-year period;
- Provide the Government of Alberta and the Government of Canada with up to \$1.4 and \$1.5 billion of revenue respectively in total over a 24-year period, and
- Generate up to \$6.9 billion in additional GDP within Alberta, and up to \$7.9 billion for Canada as a whole.

Select Quarterly Information

The following table presents a summary of condensed interim financial information in accordance with IFRS Accounting Standards:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	\$	\$	\$	\$
Total revenue	405	368	795	721
Net loss	(169)	(1,235)	(703)	(2,067)
Net loss per share (basic and diluted)	0.00	0.01	0.00	0.01

All figures in thousands, except per share amounts.

	June 30, 2026	December 31, 2025
	\$	\$
Cash and cash equivalents	101,393	4,045
Total assets	120,721	20,101

All figures in thousands, except per share amounts.

During the three months ended June 30, 2026, the Company earned \$405,000 of revenue through a change in the fair value of its royalty debenture (three months ended June 30, 2025 - \$368,000). During the six months ended June 30, 2026, the Company earned \$795,000 of revenue through a change in the fair value of its royalty debenture (six months ended June 30, 2025 - \$721,000). This amount has been capitalized as part of the royalty debenture on the Condensed Interim Statements of Financial Position. The Company's royalty debenture is discussed further in the Revenue section within this MD&A.

Cash used in operating activities totalled \$489,000 for the three months ended June 30, 2026 (three months ended June 30, 2025 - \$847,000). Cash provided by financing activities was \$49,898,000 for the three months ended June 30, 2026 (cash used in financing activities was minimal for the three months ended June 30, 2025).

Cash used in operating activities totalled \$909,000 for the six months ended June 30, 2026 (six months ended June 30, 2025 - \$1,591,000). Cash used in investing activities totalled \$2,511,000 for the six months ended June 30, 2026 (six months ended June 30, 2025 - \$3,000). Cash generated by financing activities was \$100,448,000 for the six months ended June 30, 2026 (six months ended June 30, 2025 - \$149,000).

Select Quarterly and Year-to-date Highlights

The Company has been very active in identifying potential royalty counterparties. To this effect, in 2026 the Company has attended the Cleantech Forum, the Roth Capital conference, the JP Morgan Clean Tech Conference, the International Biogas and Biofuels Congress, the Stifel Waste Leadership Summit and the Battery, Universal Waste and Organics Recycling conference, with a number of events planned for the remainder of 2026. These events are frequented by companies who would be ideal candidates for our

royalty financing structure, and would fit well within our investment sectors. By attending these events and through other origination efforts, the Company has grown its royalty pipeline to over \$1.0 billion in potential transaction value with another 100 opportunities actively under evaluation. Investments in these royalty opportunities would generate revenue based on assets enabling the sustainable production of commodity or commodity-like products and are within the hydrocarbons, metals and materials, and agriculture sectors consistent with the Company's royalty strategy.

In January 2026, Northstar announced that it had entered into a non-binding agreement to secure a lease in Baltimore, Maryland as the location for its first US commercial facility. In April 2026, Northstar announced it had closed a non-brokered private placement for US\$10.0 million in convertible debentures to support the ongoing ramp-up of the Calgary facility and business development spending for future facilities. Northstar recently announced that it is selling liquid asphalt to its offtake partner McAsphalt Industries. Northstar continues to debottleneck and optimize its operations in Calgary as it progresses toward stable, long-term production.

In February 2026, the Company entered into a gross revenue royalty agreement and strategic partnership with Relocalize. As of the date of this MD&A the Company has funded \$2.5 million of the \$4.0 million initial commitment to Relocalize, who is actively advancing their Montreal facility and the Company expects to fund this in Q3 2026. Relocalize's first commercial facility in Plant City, Florida, is currently operating and generating revenue, and is scaling-up to full commercial production which is expected in 2027. CVW Royalties expects to receive the first royalty payment in Q3 2026 from the facility in operation in Plant City, Florida.

On February 4, 2026, the Company announced a brokered private placement for gross proceeds of up to \$25.0 million (the "February 2026 Offering"). The February 2026 Offering was structured as a unit offering at a price of \$0.78 per unit, with each unit consisting of one common share and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share at a price of \$0.95 per share for a period of two years from the date of issuance. At any time following the six-month anniversary of issuance, if the volume-weighted average trading price of the Company's common shares exceeds \$1.20 for 30 consecutive trading days, the Company may, within 20 days of such occurrence, accelerate the expiry date of the warrants to a date that is 30 calendar days following the date of notice.

On February 10, 2026, the Company upsized the February 2026 Offering to aggregate gross proceeds of up to \$100.0 million (the "February 2026 Upsized Offering"), including a \$50.0 million strategic investment from Fairfax Financial Holdings Limited ("Fairfax"), with the balance to be raised through a combination of

brokered and non-brokered components. All other terms of the February 2026 Offering, including the price per unit and warrant terms, remained unchanged.

On March 2, 2026, the Company completed the brokered portion of the February 2026 Upsized Offering and issued 64,102,565 units at a price of \$0.78 per unit for gross proceeds of \$50.0 million.

On March 4, 2026, Northstar confirmed its decision to capitalize the coupon on the royalty debenture for the period from September 13, 2025 to March 12, 2026. As a result, the accrued coupon was added to the principal balance of the royalty debenture. Following the capitalization, the principal balance of the royalty debenture increased to approximately \$16.2 million, and the Company's royalty rate was updated to approximately 13.9% on each of Northstar's next two commercial facilities.

On April 14, 2026, the Company's shareholders approved a resolution authorizing the Company to amend its articles to create a new class of non-voting common shares in connection with the previously announced \$50.0 million strategic investment by Fairfax.

On April 16, 2026, the Company completed the previously announced strategic investment with Fairfax, pursuant to which the Company issued 64,102,564 units for aggregate gross proceeds of approximately \$50.0 million. The unit issue was structured as follows:

- Tranche 1 – 54,600,712 Fairfax voting units purchased by Fairfax at a price of \$0.78 per Fairfax Voting Unit for gross proceeds of approximately \$42,588,555. Each Fairfax Voting Unit consists of one common share of the Company and one warrant exercisable to purchase a non-voting common share at a price of \$0.95 per non-voting common share expiring on March 2, 2028.
- Tranche 2 – 9,501,852 Fairfax non-voting units purchased by Fairfax at a price of \$0.78 per Fairfax non-voting unit for gross proceeds of approximately \$7,411,445. Each Fairfax non-voting unit consists of one non-voting common share and one non-voting common share warrant.

In seeking to create value for our shareholders and provide line of sight to cash flow generation, CVW Royalties is in the process of evaluating multiple opportunities for potential royalty investments. Alongside the significant value that can be created through the commercialization of our proprietary CVW™ technology, the Company believes that these royalty opportunities can deliver positive returns to its shareholders by creating the first diversified, sustainability-focused royalty platform in a sector with strong macroeconomic tailwinds.

A key priority and continuing focus for the business is to ensure that commercial scale deployment of the CVW™ technology moves ahead to deliver value to shareholders. During the six months ended June 30, 2026, we engaged with stakeholders to highlight our technology's alignment with their objectives.

The Company has participated in productive and valuable discussions with the Governments of Canada and Alberta. At the federal level, management has engaged with cabinet members, members of parliament, and other government representatives who can be influential in supporting the commercialization of the CVW™ technology. The Company has also engaged with Environment and Climate Change Canada's Crown-Indigenous Working Group ("CIWG") regarding oil sands tailings water management. In particular, CVW Royalties has participated in the CIWG Oil Sands Mine Effluent Regulation discussions and CVW™ has been recognized as one of their 'top performing' technologies as an alternative to mine water release. We had the opportunity to engage with Alberta government representatives including the Oil Sands Mine Water Steering Committee ("OSMWSC"), and senior leadership from the Ministry of Environment and Protected Areas and the Ministry of Energy and Minerals including the Minister responsible for each department. CVW Royalties remains engaged with the Ministry of Environment and Protected Areas as it progresses discussions with key stakeholders to implement the recommendations provided by the OSMWSC. Further, CVW Royalties has held preliminary discussions with the US Embassy regarding critical minerals supply potential from oil sands.

The Company continues to monitor opportunities for government grants and similar funding opportunities that promote development of our commercial applications. The Company welcomes the changes to the Government of Alberta's Technology Innovation and Emissions Reduction ("TIER") program which allow major industrial emitters to invest TIER payments directly into on-site technology projects instead of contributing into the program or purchasing offsets. This has created a new pathway for capital to flow toward technologies like CVW™ that deliver measurable emissions reductions. Should the Company obtain a commercial agreement with an oil sands mining operator, we also anticipate consideration under Finance Canada's Clean Technology Manufacturing ("CTM") Investment Tax Credit ("ITC") program, and expect to apply for government funding with the Strategic Innovation Fund, Emissions Reduction Alberta, and the Canada Growth Fund. We have been actively engaged in discussions with the Government of Canada about how the ITCs could apply to future CVW™ projects. Our existing funding and relationships with many of these agencies are expected to help streamline future application processes. These agencies are expected to play a role in helping to provide further sources of low cost and/or non-repayable capital as we advance the CVW™ technology to full scale commercial operations. These government programs could be a material source of capital as we look to develop our first project.

The Company continues to support its joint research project with the University of Alberta to advance the recovery of rare earth elements from oil sands tailings. The partnership is focused on mineral separation processing technology to capitalize on this abundant source of critical minerals which is currently being lost to tailings ponds. The project is funded by the Natural Sciences and Engineering Research Council of Canada ("NSERC") and carried out in partnership with InnoTech Alberta. The project will take place over three years with results on the current focus of rare earth elements recovery expected in 2026.

Select Quarterly Financial Highlights

The following table summarizes the Company's financial results for the most recently completed quarterly periods:

	Q2 June 30, 2026	Q1 March 31, 2026	Q4 December 31, 2025	Q3 September 30, 2025
Net loss (income)	\$169	\$534	(\$1,939)	\$1,027
Net loss (income) per share	\$0.00	\$0.00	(\$0.02)	\$0.01

	Q2 June 30, 2025	Q1 March 31, 2025	Q4 December 31, 2024	Q3 September 30, 2024
Net loss (income)	\$1,235	\$831	\$1,088	\$584
Net loss (income) per share	\$0.01	\$0.01	\$0.01	\$0.01

All figures in thousands, except per share amounts. Per share amounts will not total to annual value due to rounding.

The Company reported a net loss of \$169,000 for the three months ended June 30, 2026. This included operating expenses of \$1,450,000 offset against \$405,000 of revenue from the royalty debenture and net interest and other income of \$877,000. This compares to a net loss of \$1,235,000 for the quarter ended June 30, 2025. The increase in interest income is the primary driver for the reduction of net loss for the three months ended June 30, 2026 compared to the same period in 2025.

The net loss for the six months ended June 30, 2026 amounted to \$703,000 consisting of revenue from the royalty debenture of \$795,000, operating expenses of \$2,542,000 and net interest and other income of \$1,045,000. This compares to a net loss of \$2,067,000 for the six months ended June 30, 2025. The decrease in loss for the six months ended June 30, 2026 as compared to the same period in 2025 is primarily a result of the increase in interest income.

Revenue

Three months ended June 30, 2026 and 2025

Revenue	June 30, 2026 \$	June 30, 2025 \$	Increase \$
Change in fair value of royalty debenture	405	368	37

All figures in thousands.

During the three months ended June 30, 2026, the Company earned \$405,000 of revenue through a change in the fair value of its royalty debenture (three months ended June 30, 2025 - \$368,000). This amount has been capitalized as part of the royalty debenture on the Condensed Interim Statements of Financial Position.

Six months ended June 30, 2026 and 2025

Revenue	June 30, 2026 \$	June 30, 2025 \$	Increase \$
Change in fair value of royalty debenture	795	721	74

All figures in thousands.

During the six months ended June 30, 2026, the Company earned \$795,000 of revenue through a change in the fair value of its royalty debenture (six months ended June 30, 2025 - \$721,000). This amount has been capitalized as part of the royalty debenture on the Condensed Interim Statements of Financial Position.

In March 2026, Northstar provided notice of its decision to capitalize the coupon on the royalty debenture for the period of September 13, 2025 to March 12, 2026. As a result, the accrued coupon amounting to \$772,000 was added to the principal balance of the royalty debenture for a total principal balance of \$16,207,000 as at March 12, 2026.

Operating Expenditures

Three months ended June 30, 2026 and 2025

Operating Expenses	June 30, 2026 \$	June 30, 2025 \$	Increase (decrease) \$
Compensation and benefits	841	370	471
Professional fees	116	161	(45)
Transfer agent and regulatory fees	100	79	21

Operating Expenses	June 30, 2026	June 30, 2025	Increase (decrease)
	\$	\$	\$
Office and administration	81	55	26
Director fees	38	65	(27)
Consulting fees	37	69	(32)
Investor communications and marketing	30	102	(72)
Engineering and analysis	25	7	18
Stock-based compensation	181	722	(541)
Amortization	1	2	(1)
Total operating expenses	1,450	1,632	(182)

All figures in thousands.

The largest components of operating expenses for the three months ended June 30, 2026 were compensation and benefits expense of \$841,000, stock-based compensation expense of \$181,000, and professional fees of \$116,000. The largest components of operating expenses for the three months ended June 30, 2025 were stock-based compensation expense of \$722,000, compensation and benefits expense of \$370,000, and professional fees of \$161,000.

Compensation and benefits expenses for the three months ended June 30, 2026 increased by \$471,000 compared to the same period in 2025, due to the Company's accrued performance bonus and the Company having a more complete staffing complement.

Professional fees for the three months ended June 30, 2026 decreased by \$45,000 compared to the three months ended June 30, 2025. In Q2 2026, the Company incurred lower taxation and legal costs compared to Q2 2025.

Transfer agent and regulatory fees for the three months ended June 30, 2026 increased by \$21,000 compared to the three months ended June 30, 2025. The increase was primarily a result of regulatory and other cost associated with the private placement which closed in Q2 2026. Similar costs were not incurred in Q2 2025.

Director fees decreased by \$27,000 compared to the three months ended June 30, 2025, reflecting additional non-Board activity fees paid to certain directors in Q2 2025 that were not incurred in Q2 2026.

Consulting fees for the three months ended June 30, 2026 decreased by \$32,000 compared to the three months ended June 30, 2025. The decrease was primarily a result of reduction in government relation expenses incurred by the Company in Q2 2026 as compared to Q2 2025.

Investor communication and marketing expenses decreased by \$72,000 as compared to the three months ended June 30, 2025. In Q2 2025, the Company retained a firm to update its corporate marketing materials and provide other investor relations services. The Company has since ceased to use these services which has decreased expenses by \$30,000. The remainder of the decrease resulted primarily from timing of investor events.

The decrease of stock-based compensation expense in Q2 2026 compared to Q2 2025 reflects a revision in the life-to-date expense as a result of updating the expected time to achieve certain non-market performance vesting conditions within specific stock options. This revision resulted in a lengthening of the vesting period, along with the expectation that specific stock options may expire prior to the achievement of certain milestones. No such adjustments were made during Q2 2025.

Six months ended June 30, 2026 and 2025

Operating Expenses	June 30, 2026	June 30, 2025	Increase (decrease)
	\$	\$	\$
Compensation and benefits	1,224	742	482
Professional fees	275	239	36
Transfer agent and regulatory fees	164	117	47
Office and administration	96	106	(10)
Director fees	109	130	(21)
Consulting fees	92	166	(74)
Investor communications and marketing	65	190	(125)
Engineering and analysis	25	33	(8)
Stock-based compensation	489	1,192	(703)
Amortization	3	4	(1)
Total operating expenses	2,542	2,919	(377)

All figures in thousands.

The largest components of operating expenses for the six months ended June 30, 2026 were compensation and benefits expense of \$1,224,000, stock-based compensation expense of \$489,000, and professional fees of \$275,000. The largest components of operating expenses for the six months ended June 30, 2025 were stock-based compensation expense of \$1,192,000, compensation and benefits expense of \$742,000, and professional fees of \$239,000.

Compensation and benefits expenses for the six months ended June 30, 2026 increased by \$482,000 compared to the same period in 2025, primarily due to Company's accrued performance bonus and the Company having a more complete staffing complement for the six months ended June 30, 2026.

Professional fees for the six months ended June 30, 2026 increased by \$36,000 compared to the six months ended June 30, 2025. The increase relates to the legal costs incurred by the Company in relation to the execution of the Relocalize Royalty Agreement partly offset by lower professional fees for corporate tax matters incurred during the six months ended June 30, 2026.

Transfer agent and regulatory fees for the six months ended June 30, 2026 increased by \$47,000 compared to the six months ended June 30, 2025. The increase was primarily a result of regulatory and other costs incurred for the private placement completed by the Company in 2026 and the special meeting which was required to facilitate the strategic investment by Fairfax. No similar costs were incurred during the six months ended June 30, 2025.

Director fees decreased by \$21,000 compared to the six months ended June 30, 2025, reflecting less fees paid for non-Board activities during the six months ended June 30, 2026.

Consulting fees for the six months ended June 30, 2026 decreased by \$74,000 compared to the six months ended June 30, 2025. The decrease mainly relates to a reduction of \$43,000 in government relations expenses incurred during the six months ended June 30, 2026 compared to the same period in 2025. Additionally, the consulting contract with the Company's former CEO was completed in February 2025 which resulted in a reduction of \$19,000 compared to the six months ended June 30, 2025.

Investor communication and marketing expenses decreased by \$125,000 as compared to the six months ended June 30, 2025. The Company ceased using the services of an investor relations firm which reduced expenses by \$76,000. The remainder of the decrease resulted primarily from timing of investor events.

The decrease of stock-based compensation expense in the six months ended June 30, 2026 compared to the six months ended June 30, 2025 reflects a revision in the life-to-date expense as a result of updating the expected time to achieve certain non-market performance vesting conditions within specific stock options. This revision resulted in a lengthening of the vesting period, along with the expectation that specific stock options may expire prior to the achievement of certain milestones. No such adjustments were made during the six months ended June 30, 2025.

Liquidity and Capital Resources

As at June 30, 2026, the Company had cash and cash equivalents of \$101,393,000, including approximately \$66,687,000 invested in a short-term treasury bill issued by the Government of Canada (December 31, 2025 – \$4,045,000 in cash and cash equivalents). Balances held with banks are available on demand, whereas the treasury bill is expected to mature and be converted into cash within approximately 30 days. Together, these funds are available to support the Company's short-term liquidity requirements. The Company's cash balances are held with major Canadian financial institutions with credit ratings of Aa or higher, while the treasury bill represents a direct obligation of the Government of Canada, which carries one of the highest sovereign credit ratings in the world.

During the six months ended June 30, 2026, \$909,000 in cash was used for operating activities (six months ended June 30, 2025 - \$1,591,000). Interest income of \$622,000 was earned during the six months ended June 30, 2026 (six months ended June 30, 2025 - \$67,000). During the six months ended June 30, 2026, the Company also recognized \$105,000 in reimbursements of transaction structuring and diligence costs (June 30, 2025 – nil).

In 2026, the Company successfully closed \$100.0 million of additional financing which has significantly increased the resources available to execute on its royalty strategy. Based on internal forecasting and considering day-to-day operating needs, the Company's liquidity position is sufficient for the forthcoming year. Amounts in excess of day-to-day operating needs will be preserved for capital and growth-related expenditures. The cash-on-hand can fund future royalty opportunities and help provide a ready source of early-stage capital where upfront spending may be required at the outset of a commercial endeavor with an oil sands mining operator.

Additional sources of capital would be required to fund the commercial deployment of the Company's CVW™ technology and to fund future royalty financing transactions which may exceed the available cash balance. Capital to fund these is anticipated to come from a variety of sources, including, but not limited to, government grants, government debt, commercial debt, strategic partnerships, and equity placements.

Market Outlook

Target Royalty Market

The clean technology market is significant and growing, with the global clean technology market funding flows projected to have exceeded US\$3.5 trillion in 2025⁶. Over 135 countries and 1,240 companies have

committed to be net zero by 2050⁷. These substantial funding flows have created significant momentum in the creation and deployment of novel technologies with the ability to meet global environmental commitments. There has been an increase in the number of environmental patent applications globally from 217,000 patent applications in 2017 to 474,000 in 2025⁸. Annually, more technologies are being advanced which have the ability to increase efficiencies, displace legacy processes, and contribute towards a more sustainable economy. To support this move towards a more sustainable economy, the Company intends to invest in royalties and similar structures on commercial deployments of technologies and assets within the metals and materials, hydrocarbons, and agriculture industries.

The security of global supply chains has become an increasingly important consideration for governments and industry, creating a significant opportunity to invest in sustainable and domestically or western-aligned sources of supply for these commodities, including lower-carbon intensity forms of energy and metals recycling. Geopolitical events, including the conflicts in Ukraine and Iran, have underscored the risks associated with concentrated or adversarial-controlled supply chains for critical commodities such as metals, minerals, and energy. In response, governments have increasingly favoured domestic and western-aligned production through policy measures which have created incentives for the onshore production of these commodities.

Metals and materials are critical to ensuring a sustainable economy. These commodities are expected to require significant additional supply in both the medium and long term. Additionally, the primary production of many critical materials and metals is often located in volatile jurisdictions. More recently, technologies have been developed with the ability to produce urgently required commodities through the reuse of waste and other spent material. These technologies do not necessarily need to be located exactly where traditional mining resources are found – rather, these can be strategically placed near large metropolitan areas within developed jurisdictions. In addition, new technologies are being advanced to increase the recovery of metals relative to traditional processes, and other technologies are being developed to increase the sustainability of traditional processes.

OPEC predicts that by 2050 global energy demand will rise by 23.0%, with oil expected to increase to 29.0% of the energy mix for industrial uses⁹. As evidenced by the world's continued use of coal, despite a focus on developing lower carbon-intensity energy sources, the world will continue to require many forms of energy including hydrocarbons to support a growing population and the transition to cleaner energy. Reduction in the carbon intensity of hydrocarbons is essential to achieve a more sustainable economy. Importantly, the development of sustainable fuels such as sustainable aviation fuels, biodiesel, and

renewable natural gas has the potential to displace a portion of traditional hydrocarbons in the world's energy supply chain. Currently less than 10.0% of plastics are recycled¹⁰. Technologies are currently being developed to address the surging demand from consumer goods companies for recycled content, replacing traditional fossil fuel feedstocks in petrochemical plants.

By 2050 the global population is estimated to reach 10.0 billion, which would require a 56.0% increase to the current level of food production¹¹. Ensuring food security for a growing population is arguably the most critical human challenge. The need to increase food production has created significant commercial opportunities. Agricultural innovations make growing practices more efficient, safe, and less environmentally damaging. The reuse of waste biomass, generated by the increase in food production, has created opportunities for value-added products that can sustainably generate heat and power or be utilized as fuel feedstocks.

Creating Value From Waste™ Technology

The Company believes that economic, political, social, and regulatory forces favouring the adoption of our technology are intensifying as industry and various levels of government position the country to focus on energy security, increasing economic growth through increased resource production, and affordably transitioning to a lower carbon economy. The current global environment has created bipartisan interest in Canada to create a domestic critical minerals supply chain. This is in addition to strong political interest in Canada's vast amount of critical minerals from its closest trading partners. CVW™ can produce zircon, titanium, and potentially rare earth elements in globally significant quantities. Such production would create a new critical minerals industry, place Canada amongst the global supply leaders, enhance the minerals security for Canada and its allies, and provide the opportunity for the development of downstream value-add industries.

In the 2025 Federal Budget, the Government of Canada committed to finalizing enhanced methane regulations for the oil and gas sector. In November 2025, the Governments of Canada and Alberta signed a memorandum of understanding ("MOU") that established a broad framework for cooperation on energy and climate policy — committing both parties to negotiate an agreement to reduce oil and gas methane emissions by 75.0% relative to 2014 levels by 2035, while also enabling growth of the oil sands industry, expanding market access through new export pipeline infrastructure, advancing the Oil Sands Alliance CCUS project, and reinforcing a more pragmatic, investment-friendly approach to industrial carbon pricing. In March 2026, Canada and Alberta reached an agreement-in-principle on methane equivalency, under which the Government of Alberta will enact measures delivering a 75.0% reduction in oil and gas methane

emissions from 2014 levels by 2035, with a draft agreement targeted for public comment in 2026, a final agreement targeted by year-end, and provincial measures to take effect no later than January 1, 2027 for an initial 10-year term. In May 2026, the two governments announced an Implementation Agreement that delivered on these commitments, including:

- An effective industrial carbon price reaching \$130/tonne alongside a headline carbon price of \$140/tonne by 2040 (reduced from the previously legislated \$170/tonne by 2030) with a TIER credit price floor beginning at \$60/tonne in 2030 and escalating to \$110/tonne by 2040, and
- A defined pathway to advance an Indigenous co-owned west coast bitumen pipeline to transport more than one million barrels per day, with construction targeted to begin as early as September 2027. Regulatory support of this pipeline is dependent on commitments to carbon reductions by the oil and gas industry including the Oil Sands Alliance CCUS Project.

On July 2, 2026, the Governments of Canada and Alberta, together with the five members of the Oil Sands Alliance signed a memorandum of understanding to advance the Pathways CCUS Project. The project would gather carbon dioxide captured across oil sands facilities in northern Alberta and transport it to an underground storage hub near Cold Lake, Alberta, with the capacity to abate approximately six million tonnes of CO₂ per year by the mid-2030s. The Pathways CCUS Project is staged, with infrastructure targeted to be in service by January 1, 2032 and the project completed by January 1, 2035.

The MOU, Implementation Agreement, and advancement of the Pathways CCUS Project bring the Governments of Canada and Alberta into alignment on issues that have previously challenged energy development in the space including for innovative technologies like CVW™, providing a clearer, more durable pro-investment environment focused on the production of lower-emission oil. The sustained emphasis on decarbonization and methane abatement across successive agreements, together with the shared goal of abating an additional 5.0 million tonnes per annum by 2040 and a further 5.0 million tonnes per annum by 2045 by potentially using other technologies, makes clear that achieving a lower-carbon oil sands industry will require more than a single solution. CVW™ is uniquely positioned to support these objectives, with its technology capable of meaningfully contributing to the recovery of additional bitumen and reducing methane emissions, abating between 380,000 and 850,000 tonnes of CO₂e per oil sands mining site annually from tailings ponds which are not amenable to CCUS.

In May 2024, the Government of Alberta created the OSMWSC to look at options to speed up oil sands mine water management and tailings ponds reclamation. The Company believes that its CVW™ technology can assist the government and industry in meeting the above stated objectives. The OSMWSC released

their initial set of five recommendations in June 2025, and an additional four recommendations in September 2025. The Company is encouraged that the CVW™ technology can support many of the OSMWSC's recommendations including treating FTT which the OSMWSC notes may be prohibited from deposition into end-pit lakes, economically treating oil sands mine water, and supporting enhanced water re-use efficiencies. Engagement continues with the government who is now tasked with implementing those recommendations. Further, CVW Royalties has participated in the CIWG which is investigating mine water treatment options and alternatives, and CVW™ has been recognized as one of their 'top performing' technologies as an alternative to mine water release¹² and is engaged in subsequent CIWG studies to provide further definition on alternatives to water release. CVW™ can treat oil sands mine water recovered from FTT for re-use, enabling operators to significantly reduce and potentially eliminate fresh water draw from the Athabasca River and reduce liabilities related to water storage.

The Company also believes that its CVW™ technology can support operators meeting certain regulatory requirements of the AER's Directive 085. This regulation requires oil sands mining operators to minimize fluid tailings accumulation through ongoing treatment and progressive reclamation. The CVW™ technology can eliminate the need for tailings ponds for FTT and meet the "ready-to-reclaim" criteria outlined in Directive 085. In particular, the Company's technology has the potential to address several aspects of the AER's Directive 085 sub-objective two which focuses on circumstances where oil sands operators may propose strategies to manage risks associated with deposit characteristics such as treated froth fluid fine tailings, acidification, specific additives, or gas formation. The CVW™ technology can substantially mitigate these risks through the treatment of froth fluid fine tailings, helping move the industry away from the use of tailings ponds.

The Canadian Critical Minerals Strategy ("CCMS") aims to position Canada as a global supplier for strategic and critical minerals. The CTM ITC may be favorable to the commercialization of our technology. The CTM ITC is a refundable tax credit aimed at encouraging the investment of capital for clean technology manufacturing and processing, and critical mineral extraction and processing in Canada. The Province of Alberta has introduced Bill 82 which is a strategy and action plan that aligns the province's mineral development policies with the CCMS. These critical minerals, which include titanium, zircon, and rare earth elements, are seen as vital to transition to a more sustainable economy.

Key economic drivers that support the adoption of CVW Royalties' proprietary technology include: the commodity value of recovered bitumen and solvents currently lost to tailings ponds; the value of recovered critical minerals including titanium and zircon concentrates, and potentially rare earth elements; the value

of emissions abatement under current and future regulatory regimes; energy cost reductions on site due to hot mine water recapture and reuse; potential cost reductions related to enhanced tailings remediation; and potential cost savings related to acid rock drainage mitigation. In addition, studies have demonstrated that tailings that have been processed through the CVW™ technology should dewater more effectively in subsequent tailings management operations, reducing tailings rehandling and supporting the Government of Alberta regulations requiring reductions in tailings volume.

There is widespread acceptance that innovation and new technologies will be the principal source of solutions for reducing both environmental impacts and operating costs in Canada's oil sands industry. Through a disciplined collaborative approach, with the cooperation of industry and governments, the Company has successfully developed a unique, practical technology for oil sands FTT that offers significant improvements to technologies currently used, and addresses environmental, operational, and economic challenges. There is optimism that CVW Royalties, other clean technology companies, industry partners, and government can collaborate to meaningfully address climate change.

Financial Instruments and Financial Risk Factors

The Company has, for accounting purposes, designated its cash and cash equivalents, trade and other receivables, and subscriptions receivable as financial assets at amortized cost. The Company's royalty debenture and royalty asset are designated as a financial instrument carried at fair value through profit or loss. Accounts payable and accrued liabilities have been designated as other financial liabilities for accounting purposes.

The Company characterizes its fair value measurements into a three-level hierarchy depending on the degree to which the inputs are observable:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2026 and December 31, 2025, the Company estimates that both the carrying and fair value amounts of the Company's financial instruments designated as financial assets at amortized cost or other

financial liabilities are approximately equivalent because of the short-term nature of the assets and liabilities.

The value of the royalty debenture and the royalty asset are considered level 3 measurements. The Company has established a valuation approach for determining the fair value of its level 3 asset using publicly available information, internal information, valuation assumptions, and other data points to calculate the value of the royalty debenture and the royalty asset and record changes in the fair value at each reporting period. Additional details on the valuation of the Company's royalty debenture and royalty asset can be found within its June 30, 2026 Condensed Interim Financial Statements.

Financial risk

The Company's activities expose it to a variety of financial, credit, liquidity, and market risks, including interest rate and foreign exchange rate risks. Financial risk management is carried out by the Company's management team with guidance from the Audit Committee and the Board of Directors. The Board of Directors also provides guidance for enterprise risk management.

a. Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents, recovery of project and diligence costs, other receivables, coupon payments on its royalty debenture, and royalty payments on its royalty asset. As at June 30, 2026, the Company's maximum credit exposure totaled approximately \$120.7 million, comprising cash and cash equivalents of \$101.4 million, trade and other receivables of \$0.1 million, the royalty debenture carried at fair value of \$16.7 million, and the royalty asset carried at fair value of \$2.5 million. Cash and cash equivalents are held with Canadian financial institutions with credit ratings of Aa or higher, or via treasury bills which represent a direct obligation of the Government of Canada and carry one of the highest sovereign credit ratings in the world. Management believes that the credit risk concentration with respect to cash is minimal.

The Company's royalty exposure is concentrated in two counterparties: Northstar, a Canadian-domiciled company whose first commercial facility is located in Calgary, Alberta; and Relocalize, a Canadian-domiciled company whose first commercial facility is located in Plant City, Florida. The Company mitigates the credit risk associated with the recovery of diligence costs by requiring upfront retainers, performing comprehensive commercial assessments of counterparties prior to incurring third-party costs, and, where appropriate, structuring reimbursement terms contractually with defined payment milestones and rights of recovery. The Company limits credit risk with respect to its royalty investments by performing detailed

due diligence on royalty counterparties and, where possible, securing the Company's rights against present and after-acquired property of the royalty counterparty.

b. Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company ensures that it will have sufficient liquidity to meet liabilities when due by monitoring actual and projected cash flows. The Board of Directors reviews and approves the operating plan as well as material transactions outside the ordinary course of business. This oversight process is also supplemented by a continuous and detailed cash forecasting process.

Historically, the Company has relied on government grants to fund its technology development, and equity financings to fund its operations and royalty investments. With the closing of the brokered private placement in March 2026 and the Fairfax strategic investment in April 2026, the Company has substantially enhanced its liquidity position. As at June 30, 2026, the Company had an aggregate cash balance of \$101,393,000 to settle current liabilities of \$1,023,000 (December 31, 2025 - Cash \$4,045,000; current liabilities \$602,000). Most of the Company's financial liabilities have contractual terms of 30 days or less. Based on management's current operating plan, the Company's cash and cash equivalents are sufficient to fund operations, current royalty investment commitments, and other capital requirements. The potential commercialization of the CVW™ technology or the funding of future royalty investment opportunities may, however, require additional capital, which the Company expects to source from a combination of cash and cash equivalents on-hand, equity placements, debt facilities, government grants, and strategic partnerships.

c. Market risk

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

1. Interest rate risk

The Company's current policy is to invest excess cash in interest bearing cash accounts issued by Canadian banks with credit ratings of Aa or higher, or treasury bills issued by the Government of Canada. The Company periodically monitors its investments and the creditworthiness of the banks it holds investments in. As at June 30, 2026, the Company held cash and cash equivalents of \$101,393,000, substantially all of which earns interest at variable short-term rates.

II. Foreign currency risk

The Company's reporting and functional currency is the Canadian dollar, and most purchases are transacted in Canadian dollars. The Company does hold cash in foreign currencies which may cause exposure to foreign exchange risk. The Company's current revenue is payable in Canadian dollars. Any impact from fluctuations in foreign exchange rates would be minimal and therefore the Company does not hedge its foreign exchange risk.

d. Capital management

The Company considers its equity as its capital. As at June 30, 2026, the Company had total equity of \$119,698,000 (December 31, 2025 – \$19,499,000). The Company does not have any bank debt or externally imposed capital requirements. The Company's capital management objectives are to manage its cash and cash equivalents prudently in accordance with the Company's short-term investment policy; to deploy capital into accretive royalty investments aligned with the Company's strategy; to continue to advance the commercialization of the CVW™ technology; and to maintain sufficient liquidity for ongoing operations. The Company reviews its approach on an ongoing basis and believes that its approach is appropriate.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of CVW Royalties as a whole. Compensation to directors, officers, and other insiders of the Company is summarized below.

Three months ended June 30, 2026 and 2025

Corporate Officers	June 30, 2026 \$	June 30, 2025 \$	Increase (decrease) \$
Compensation and benefits	841	371	470
Stock-based compensation	154	722	(568)
Total	995	1,093	(98)

All figures in thousands.

Board of Directors	June 30, 2026 \$	June 30, 2025 \$	Increase (decrease) \$
Director fees	38	65	(27)
Stock-based compensation	27	-	27
Total	65	65	-

All figures in thousands.

Six months ended June 30, 2026 and 2025

Corporate Officers	June 30, 2026 \$	June 30, 2025 \$	Increase (decrease) \$
Compensation and benefits	1,224	742	482
Consulting fees	-	28	(28)
Stock-based compensation	435	1,192	(757)
Total	1,659	1,962	(303)

All figures in thousands.

Board of Directors	June 30, 2026 \$	June 30, 2025 \$	Increase (decrease) \$
Director fees	109	130	(21)
Stock-based compensation	54	-	54
Total	163	130	33

All figures in thousands.

Accounts payable and accrued liabilities as at June 30, 2026 included \$455,000 payable to corporate insiders and directors (December 31, 2025 - \$32,000) in respect of the transactions identified above.

One member of the Board of Directors is a partner in a law firm which provides legal services to the Company. Legal fees charged by this law firm during the six months ended June 30, 2026 were nil (six months ended June 30, 2025 - \$800).

Off Balance Sheet Arrangements

As at the date of this MD&A, the Company does not have any off-balance sheet arrangements.

Additional Disclosure for Venture Issuers Without Significant Revenue

During the six months ended June 30, 2026 and 2025, CVW Royalties has not capitalized any research and development costs. All amounts expensed as operating expenses are disclosed in the Company's audited financial statements and in this MD&A. The Company has not established any deferred development costs and has not incurred any costs related to exploration activities.

Discussion of Risks

Current and prospective shareholders should specifically consider various risk factors and uncertainties, including but not limited to the risks outlined in the Annual Information Form published on August 7, 2023. In regards to the transaction with Northstar, current and prospective shareholders should specifically consider the Company's news releases dated August 7, 2024, September 6, 2024, and September 16, 2024. In regards to the transaction with Relocalize, current and prospective shareholders should specifically consider the Company's news release dated February 3, 2026.

Should one or more of those risks or uncertainties, including the risks listed within this MD&A, or a risk that is not currently known to us materialize, or should assumptions underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein.

The Company is subject to additional risks and uncertainties with the royalty strategy. Such risks will include, but not be limited to, the following.

Success of the Royalty Strategy

While management of the Company believes that the acquisition of royalties on technologies, processes and assets enabling the sustainable production of commodities will create significant shareholder value, there can be no assurance that the Company's royalties will be profitable, or that it will be able to acquire additional profitable royalties. If the Company cannot acquire profitable royalties, it may result in a material adverse effect on the Company's profitability.

Dependence on Third Party Property Owners and Operators

Cash flows derived from royalties are based on operations by third parties. These third parties will be responsible for the timing of, and determining the manner in which, the operations subject to the royalties are exploited. The Company aims to structure royalty transactions to align interests between the Company and the operator. However, the interests of the Company and the operator may not always be aligned. The inability of the Company to control the operations where it has a royalty interest may have a material adverse effect on the Company's profitability.

Royalties May Not be Honoured by Operators

Royalties are largely contractual. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. To the extent grantors of royalties do not abide by their contractual obligations, the Company may be forced to take action to enforce its contractual

rights. Such actions may be time consuming and costly, and no guarantee of success can be made. Should any such decision be determined adversely to the Company, it may have a material adverse effect on the Company's profitability.

Due Diligence May Not Reveal All Relevant Facts in Connection with a Royalty Transaction

The due diligence process undertaken by the Company may not reveal all relevant facts in connection with the purchase of a royalty. Before purchasing a royalty, the Company will conduct due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence investigations, the Company may be required to evaluate important commercial, financial, tax, environmental, legal and other issues. Third-party legal advisors, technical advisors, and others may be involved in the due diligence process to varying degrees. Nevertheless, when conducting due diligence and making an assessment regarding the purchase of a royalty, the Company will rely on resources available, including information provided by the operator and, in some circumstances, third parties. The due diligence carried out with respect to any royalty opportunity may not reveal all relevant facts that may be necessary in evaluating the opportunity.

Dependence on Payment from Operators

The Company is dependent upon the financial viability and operational effectiveness of operators of the technologies underlying its royalty portfolio. Payments to the Company may be delayed by restrictions imposed by the operators' lenders, delays in the sale of products, or an adverse financial condition of the operator. The Company's rights to payment under the royalties must, in most cases, be enforced by contract and may or may not include the protection of a security interest over property that the Company could access. This may inhibit the Company's ability to collect outstanding payments owed on its royalties upon a default. In the event of a bankruptcy, insolvency or other arrangement of a royalty counterparty, the Company may have a limited prospect for recovery of royalty revenue. The Company mitigates this risk by having formal legal agreements with counterparties that include security and/or royalty survivability rights where possible, which may allow the Company to exert legal rights if required.

The Company Depends on Project Owners for the Calculation of Royalty Amounts

Each project operator's calculation of royalties payable is subject to, and dependent upon, the accuracy of its production and accounting functions, and errors may occur in their calculations. As a result, the Company's ability to detect errors in royalty amounts may be limited. Royalty agreements may provide the

right to audit the operator's calculations; however, such audits may not occur in a timely manner and/or may not identify discrepancies where they exist.

Dependency on Property Owners or Operators for Facility Development

Where royalties are placed on technologies to be deployed at facilities which are under construction, the deployment of such technologies is influenced by the operator's ability to complete development, carry out construction, and place the facility into commercial operations. The Company does not have control over the development, construction, or operations of these facilities. Actual timelines may differ from the Company's expectations. While the Company aims to mitigate exposure to these risks, significant delays or other issues could materially impact the Company's profitability.

Material Accounting Policies and Changes in Accounting Policies

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions concerning the future. It also requires management to exercise judgment in applying the Company's accounting policies and the reported amounts of assets and liabilities, revenue and expenses, and related disclosures. Estimates and judgments are continually evaluated and are based on current facts, historical experience, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are described in the December 31, 2025 annual audited financial statements.

Outstanding Share Data

The Company's share capital consists of an unlimited amount of voting and non-voting shares.

Outstanding Share Data – Voting Shares	
Common Shares	279,652,384
Common share awards:	
Stock options	10,590,081
DSUs	32,961
RSUs	1,768,930
Warrants convertible into Common Shares:	65,252,563

Outstanding Share Data – Non-Voting Common Shares	
Non-Voting Common Shares	9,501,852
Warrants convertible into Non-Voting Common Shares	64,102,564

In 2026, the Company amended its articles to create a non-voting class of shares. The Non-Voting Common Shares are convertible into Common Shares by Fairfax, subject to a beneficial ownership restriction if such conversion would result in Fairfax and its affiliates owning greater than 19.99% of the Company's Common Shares on a non-diluted basis. For additional details, see the Company's information circular dated March 10, 2026.

Internal Controls Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Company has controls and procedures in place to ensure that information required to be disclosed by the Company under securities legislation is recorded, processed, summarized, and reported within the appropriate time periods and that required information is accumulated and communicated to the Company's management so that decisions can be made about the timely disclosure of that information.

Forward-Looking Information or Statements and Cautionary Factors That May Affect Future Results

Certain statements contained in the foregoing MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions, or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements contained herein may include statements regarding the anticipated benefits of the adoption and commercialization of CVW™ technologies, the chemical, material, financial, economic, operational, environmental and any other anticipated results of the adoption thereof, potential diversification strategies and the implementation

and results thereof, expectations regarding future development, funding (including necessity, sources, and expected structure of the same) and contracted work, expectation as to the timeline on which certain performance criteria will be met and any acceleration of the same as a result of any prior criteria being met, expectations regarding the key economic and policy drivers supporting the adoption of CVW Royalties' technology, CVW Royalties' research and development and commercialization plans, the advantages of the Company's technology, the Company's ongoing engagement with stakeholders, including business development activities, the development of networks with strategic partners, and the development of the Company's relationships with Indigenous communities and any potential benefits for the same, potential financing opportunities, including grant and financing opportunities from applicable government programs and non-governmental organizations, entering into funding agreements related thereto, and any expected timeline for the same, any expected next steps for the Company, timelines, strategic plans, the scope of any activities that will be undertaken, the Company's future liquidity situation and the market prices of commodities or other statements that are not statements of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties, and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in interest rates, commodity prices and currency exchange rates; changes in the availability, and cost, of technical labour required for the success of the Company's products and services; price escalation and/or inflationary pressures affecting the cost of equipment and material required to commercialize the same; the uncertainty of estimates of capital and operating costs; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; the impact on the Company of increasing inflation; any change in government policy, programs, and funding opportunities, whether provincial, national, or international which could negatively affect the Company, and any failure of the same to continue to evolve in accordance with Company's expectations; and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

All forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. In addition to other assumptions as set out in this MD&A, the Company has made the following assumptions in relation to the forward-looking statements in this MD&A: the expected environmental and economic benefits to be achieved from CVW™

technologies; the ability of the Company to successfully access various government funding programs; the details of government funding programs and that such programs will be implemented (and not change) as expected; that the Company will continue to be able to protect its intellectual property; that counterparties will continue to satisfy their contractual obligations to the Company; assumptions as to commodity prices and exchange rates and the impacts on the Company; assumptions as to various market and commercial opportunities for the Company and its technologies; and the ability of the Company to continue to develop and commercialize its technologies.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to the early-stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws. The forward-looking statements contained herein are as at the date of this MD&A and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

¹ Government of Canada - Critical Mineral Strategy.
<https://www.canada.ca/en/campaign/critical-minerals-in-canada/canadian-critical-minerals-strategy.html>

² Government of Alberta - Minerals Strategy and Action Plan.
<https://www.alberta.ca/minerals-strategy-and-action-plan.aspx>

³ International Panel on Climate Change, as quoted by the International Energy Agency.
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