



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three and Six Months Ended June 30, 2026 and 2025
(In Canadian dollars)

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis ("**MD&A**") constitutes the information and factors that management believe are relevant to understanding the consolidated financial condition and operating performance of Culico Metals Inc. and its subsidiary ("**Culico**" or the "**Company**") for the three and six months ended June 30, 2026. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and related notes for the year ended December 31, 2025, which are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**") ("**IFRS Accounting Standards**"). This MD&A contains certain forward-looking statements and reference should be made to the 'Cautionary Statement Regarding Forward-Looking Information' found at the end of this MD&A.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers information to be material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors.

Certain non-IFRS Accounting Standards measures are included in this MD&A. The Company believes that these measures provide investors an improved ability to evaluate the underlying performance of the Company. The non-IFRS Accounting Standards measure should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards. The non-IFRS Accounting Standards measures do not have any standardized meaning prescribed under IFRS Accounting Standards, and therefore may not be comparable to other issuers.

Results are reported in Canadian dollars, unless otherwise noted. Information contained herein is presented as at August 21, 2026.

OVERVIEW

Culico Metals Inc. ("**Culico**" or "**Company**") is a company domiciled in Canada incorporated on April 5, 2024, under the Canada Business Corporations Act. The Company's registered office is located at 100 King Street West, Suite 3400, 1 First Canadian Place, Toronto, Ontario, M5X 1A4, Canada.

Culico is a company focused on creating value in the mineral exploration, development and production sector. Culico's current assets include: 1) 2.4 million, or 0.71%, of the common shares of Americas Gold and Silver Corporation ("**AGS**") after taking into consideration the impact of a 1 for 2.5 reverse AGS share split on August 26, 2025. AGS is listed on the Toronto Stock exchange under the stock symbol 'USA'. The fair value of the AGS shares owned by the Company was \$16.1 million on June 30, 2026; 2) 34 million common shares, or approximately 8.5% of Kharrouba Copper Company Inc. ("**KCC**") a private Canadian company with copper mining and processing operations near Marrakesh in the Kingdom of Morocco; 3) a 1% lithium royalty on certain mining interests held by Kali Metals Limited ("**Kali**", ASX:KM1); and 4) the right to receive up to US\$30 million in trailing asset sale proceeds from the Dumont asset upon the purchaser achieving a three-times return on invested capital.

The Company is a reporting issuer under applicable securities legislation in all provinces of Canada, and its common shares are listed on the TSX Venture Exchange ("**TSXV**") under the trading symbol "**CLCO**".

Further information regarding the TSXV Sandbox initiative is available on the TSX website at: (<https://www.tsx.com/en/listings/tsx-and-tsxv-issuer-resources/tsx-venture-exchange-issuer-resources/tsxv-sandbox>).

FINANCIAL POSITION

As at	June 30, 2026	December 31, 2025
Cash	\$649,622	\$2,331,619
Working capital	\$206,494	\$1,979,313
Total assets	\$10,124,876	\$10,583,004
Total liabilities	\$926,481	\$924,142
Shareholders' equity	\$9,198,395	\$9,658,862

Working capital is a non-IFRS measure which assists management in assessing liquidity and enabling informed decision making. It is calculated as follows:

As at	June 30, 2026	December 31, 2025
Current assets	\$666,564	\$2,384,253
Current liabilities	460,070	404,940
Working capital	\$206,494	\$1,979,313

DUMONT TAIL PAYMENT RIGHT

As at June 30, 2026, the Company was party to a tail payment agreement under which it was entitled to receive 15% of the net proceeds from a sale of, or other monetization event involving, the Dumont Nickel Project (net of certain agreed costs and deductions) up to a maximum of an additional US\$30 million. After a sale of the Dumont Nickel Project that would have resulted in \$nil proceeds to the Company, the purchaser of these assets agreed to enter into a new tail payment under which the Corporation is entitled to receive a payment of US\$30 million less certain tax deductions upon the purchaser receiving a return of three times its invested capital on a sale of, or other monetization event involving, the Dumont Nickel Project. Such agreement is dated April 29, 2026. No carrying value has been assigned to the Dumont nickel right as the Company determined there was insufficient certainty of receiving proceeds from this agreement to record a financial asset.

LITHIUM ROYALTY RIGHTS

As a part of the Lithium Royalty Rights divestment, the Company holds a 1% net smelter royalty ("NSR") on any future lithium mined by Kali from the Higginsville Gold Operations tenement package. No carrying value has been attributed to NSR on the basis that Kali has not established a Lithium Mineral Resource estimate.

AMERICAS GOLD AND SILVER

The Company held 2.4 million common shares of AGS as at June 30, 2026, representing approximately 0.71% of AGS's issued and outstanding common shares. The ownership percentage reflects dilution resulting from additional shares issued by AGS during the second quarter of 2026. The Company is considered to have significant influence over AGS due to board representation and shared senior management and, accordingly, continues to account for the investment using the equity method in accordance with IFRS Accounting Standards.

KHARROUBA COPPER

During the year ended December 31, 2025, the Company acquired 30 million shares of KCC for US\$3 million (CAD\$4,143,600), or US\$0.10 per share (CAD\$0.138), representing approximately 8% of the outstanding shares of KCC. KCC is a private Canadian company with copper mining and processing operations near Marrakesh in the Kingdom of Morocco. The Company has the right to appoint one member to the board of directors of KCC for so long as the Company owns 5% or more of the KCC shares; no director appointed to date. KCC is accounted for using the fair value method of accounting as the Company does not have significant influence. Changes in fair value will be charged to profit or loss through the statement of earnings and KCC has been identified as a level 3 asset in accordance with the Company's fair value hierarchy. For the three and six months ended June 30, 2026, management concluded that the original transaction price was the best estimate of fair value due to the lack of new reserve reports, no new raises of equity nor significant changes in operations since the Company acquired KCC. The Company will continue to closely monitor the activities of KCC and will record a fair value adjustment at such time as there is reliable information to make such an adjustment.

On May 12, 2026, the Company acquired an additional 4 million common shares of KCC for US\$500,000 (C\$685,500), or US\$0.125 per share (CAD\$0.171). Following the additional investment, the Company holds a total of 34 million common shares of KCC at a carrying value of US\$3.5 million (CAD\$4.8 million), or US\$0.103 per share (CAD\$0.142), representing an ownership interest of approximately 8.5%.

FINANCIAL RESULTS

For the periods ended June 30,	Three months ended,		Six months ended,	
	2026	2025	2026	2025
Gain on dilution of investment	\$569,984	\$294,444	\$588,751	\$294,444
Gain on sale of investment	-	1,946,343	-	1,946,343
Rental income	43,834	35,062	87,269	47,181
Interest income	-	13,947	-	55,352
Share of loss (earnings) of associated company	35,947	259,198	(28,609)	773,338
General and administrative expenses	1,377,517	1,228,542	3,740,002	2,091,314
Depreciation	33,704	33,699	66,735	68,259
Accretion	13,725	15,945	28,009	32,677
Foreign exchange loss (gain)	(86,849)	67,033	(165,028)	62,960
Net income tax recovery (expense)	(35,692)	187,178	(35,692)	369,077
Net earnings (loss)	(795,918)	872,557	(3,000,781)	(316,151)

GAIN ON DILUTION OF INVESTMENT

For the three months ended June 30, 2026, the Company recognized a gain on dilution of \$0.6 million, compared to \$0.3 million in the prior-year period, as a result of AGS issuing additional common shares, which reduced the Company's ownership to approximately 0.71% and resulted in the deemed disposition of a portion of its investment under the equity method of accounting. For the six months ended June 30, 2026, the Company recognized a gain on dilution of \$0.6 million, compared to \$0.3 million in the same period in 2025.

GAIN ON SALE OF INVESTMENT

For the three and six months ended June 30, 2026, the Company recognized no gain on the sale of investments, compared to a gain of \$1.9 million for both periods in 2025, which related to the disposal of 1.6 million AGS shares.

INTEREST INCOME

For the three and six months ended June 30, 2026, the Company earned no interest income, compared to \$13,947 and \$55,352, respectively, for the same periods in 2025. The decrease was primarily attributable to lower cash balances.

SHARE OF LOSS/ EARNINGS OF ASSOCIATED COMPANY

In accordance with the equity method of accounting, the Company recognizes its proportionate share of AGS's net earnings or losses. For the three months ended June 30, 2026, the Company recognized a share of loss of \$0.04 million, compared to \$0.3 million in the same period in 2025, while for the six months ended June 30, 2026, the share of earnings was \$0.03 million, compared to a loss of \$0.8 million in the same period in 2025.

The fair value of the Company's investment in AGS as at June 30, 2026 was \$16.1 million, representing an unrealized gain of approximately \$13.7 million.

GENERAL AND ADMINISTRATIVE

General and administrative expenses totaled \$1.4 million for the three months ended June 30, 2026, compared to \$1.2 million for the same period in 2025, and \$3.7 million for the six months ended June 30, 2026, compared to \$2.1 million in 2025. These expenses primarily comprised share incentive plan expense of \$0.8 million and \$0.6 million for the three months, and \$2.7 million and \$1.0 million for the six months, in 2026 and 2025, respectively, as well as employee-related costs and consulting fees supporting the Company's ongoing operations and strategic initiatives. The increase in share incentive plan expense was primarily due to the issuance of restricted share units under the Company's incentive plan in 2026.

Share incentive plan expense primarily relates to restricted share units and director share units which, as described in Note 9 of the unaudited condensed interim consolidated financial statements for the three months ended June 30, 2026, have not been issued to the unit holders.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS

For the periods ended June 30,	Three months ended,		Six months ended,	
	2026	2025	2026	2025
Cash used in operating activities:				
Before working capital changes	(\$549,405)	(\$540,975)	(\$982,681)	(\$971,810)
Working capital changes	145,006	(46,768)	71,435	(574,856)
Income taxes paid	-	(41,523)	-	(41,523)
Net cash used in operating activities	(404,399)	(629,266)	(911,246)	(1,588,189)
Net cash used in investing activities	(689,900)	(827,100)	(689,900)	(827,100)
Net cash used in financing activities	(44,439)	(99,030)	(88,877)	(147,772)
Net change in cash flows	(\$1,138,738)	(\$1,555,396)	(\$1,690,023)	(\$2,563,061)
Effect of exchange rate changes on cash	4,186	(6,125)	8,026	(5,693)
Opening cash	1,784,174	4,950,981	2,331,619	5,958,214
Closing cash	\$649,622	\$3,389,460	\$649,622	\$3,389,460

OPERATING ACTIVITIES

Cash used in operating activities before changes in non-cash working capital was \$0.5 million for the three months ended June 30, 2026, unchanged from the same period in 2025. For the six months ended June 30, 2026, cash used was \$1.0 million, compared to \$1.0 million in 2025. The cash outflows primarily reflected general and administrative expenses and remained relatively consistent year over year.

INVESTING ACTIVITIES

For the three and six months ended June 30, 2026, the Company invested \$0.7 million in KCC, resulting in net cash used in investing activities of \$0.7 million. In the same periods in 2025, the Company invested \$4.1 million (US\$3.0 million) in KCC and received \$3.3 million in proceeds from the sale of 4 million AGS shares, resulting in net cash used in investing activities of \$0.8 million.

FINANCING ACTIVITIES

Cash used in financing activities was \$0.04 million for the three months ended June 30, 2026, compared to \$0.1 million in the same period in 2025, and \$0.1 million for the six months ended June 30, 2026, compared to \$0.15 million in 2025. The cash outflows in both periods primarily related to lease payments and were lower in 2026 compared to the prior year.

GOING CONCERN

The financial statements have been prepared on a historical cost basis in accordance with IFRS Accounting Standards applicable to a going concern, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business as they come due.

In assessing whether the going concern assumption remains appropriate, management evaluates all available information about the future, covering a period of at least, but not limited to, twelve months from the end of the reporting period. As a newly listed entity with a primary focus on making strategic investments in the mining industry an inherently high-risk and capital-intensive sector the Company is subject to a number of operational and financial uncertainties. These factors, combined with the early stage of its investment activities and limited operating history, may cast significant doubt on the Company's ability to continue as a going concern.

The Company's ability to sustain operations and meet its ongoing obligations is dependent upon management's ability to secure additional financing through equity offerings, debt arrangements, or the monetization of existing assets. While management is actively pursuing these options, there is no assurance that such financing or asset sales will be available or completed on terms favorable to the Company, or at all.

Should the Company be unable to continue as a going concern, adjustments would be required to the carrying value of its assets and liabilities, the reported amounts of revenues and expenses, and the classification of

balance sheet items. These financial statements do not reflect any such adjustments that could arise from this uncertainty.

OUTLOOK

Culico is focused on building a diversified portfolio of investments and acquisitions in the mining sector, with an emphasis on past-producing, development-stage, and currently producing assets. The Company's strategic priority is to target base and battery metals projects, particularly those with exposure to copper and other critical minerals essential to the global energy transition.

To date, Culico has made a \$4 million investment in AGS and US\$3.5 million investment in KCC. These investments reflect Culico's commitment to identifying high-potential opportunities aligned with its mandate.

In parallel, the Company continues to evaluate additional investment opportunities within the base and battery metals space, with a particular focus on producing or past-producing copper operations located in mining-friendly jurisdictions. Management believes this disciplined and focused approach positions Culico to capitalize on long-term trends in global demand for critical minerals, while managing risk through jurisdictional selectivity and operational due diligence.

OUTSTANDING SHARE DATA

As at August 21, 2026, the Company had 80,733,519 common shares issued and 8,025,000 outstanding options, which are exercisable for common shares.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company has no off-balance sheet arrangements.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures ("DCP") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. Venture issuer companies are not required to provide representations in the annual or interim filings relating to the establishment and maintenance of DCP and ICFR, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual or interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. The CEO and CFO being the Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer (as defined in NI 52-109) to design and implement on a cost-effective basis DCP and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of annual filings and other reports provided under securities legislation.

CONTROLS AND PROCEDURES

In connection with NI 52-109 the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim consolidated financial statements and respective accompanying MD&A as at June 30, 2026 (together the "Interim Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR+ at www.sedarplus.ca.

MATERIAL ACCOUNTING POLICIES, CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES

The Company's material accounting policies are outlined in note 3 of the audited consolidated financial statements for the year ended December 31, 2025.

The preparation of the consolidated financial statements requires management to exercise judgement, make estimates and assumptions that affect the reported amounts of assets, liabilities, and expenses. These estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience. Actual outcomes could differ from these estimates and assumptions. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

ADDITIONAL INFORMATION

Additional information regarding Culico, including the Company's annual information form, material change reports, press releases, and other regulatory filings, is available on SEDAR+ at www.sedarplus.ca. Further details about the Company, its operations, and corporate updates can also be found on Culico's website at www.culicometals.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain "forward-looking statements" under applicable Canadian securities laws concerning the business, operations and financial performance and condition of Culico. Except for statements of historical fact relating to Culico, all statements included herein are forward-looking statements. The words "believe", "expect", "strategy", "target", "plan", "scheduled", "commitment", "opportunities", "guidance", "project", "continue", "on track", "estimate", "growth", "forecast", "potential", "future", "extend", "planned", "will", "could", "would", "should", "may" and similar expressions typically identify forward-looking statements.

Forward-looking statements are necessarily based on the opinions and estimates of management at the date the statements are made and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Many of these assumptions are based on factors and events that are not within the control of Culico and there is no assurance they will prove to be correct.

These factors are discussed in greater detail in Culico's TSXV Form 2B – Listing Application, filed under the Company's issuer profile on SEDAR+, which also provides additional general assumptions in connection with these statements. Culico cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail.

Although Culico has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Culico undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements. Comparative market information is as of a date prior to the date of this document. Further, the forward-looking statements included herein speak only as of the date of this news release.