



---

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

---

## INTRODUCTION

This management's discussion and analysis ("**MD&A**") is management's assessment of the significant activities of Carbon Streaming Corporation ("**Carbon Streaming**" or the "**Company**") and analyzes the financial results for the year ended December 31, 2025. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2025 and the related notes thereto (the "**Financial Statements**"), which are available on [www.sedarplus.ca](http://www.sedarplus.ca). This MD&A has been prepared as of March 30, 2026.

Financial information in this document is expressed in United States dollars ("**\$**" or "**US\$**"), unless otherwise indicated, and is prepared in accordance with the IFRS<sup>®</sup> Accounting Standards as issued by the International Accounting Standards Board. Tabular amounts are expressed in thousands of US\$, unless otherwise indicated.

The Company's common shares ("**Common Shares**") are listed on Cboe Canada (formerly the Neo Exchange) under the symbol "NETZ", and the common share purchase warrants exercisable at \$7.50 until September 19, 2026 are listed on Cboe Canada under the symbol "NETZ.WT.B". The Common Shares are also listed on the Frankfurt Stock Exchange under the symbol "M2Q" and trade on the OTC Markets under the symbol "OFSTF".

Management is responsible for the preparation and integrity of the Company's Financial Statements, including the maintenance of appropriate information systems, procedures, and internal controls. Management is also responsible for ensuring that information disclosed externally, including that within the Company's Financial Statements and MD&A, is complete and reliable.

This MD&A contains forward-looking statements that involve risks and uncertainties. Although such information is considered to be accurate, actual results may differ materially from those anticipated in the statements made. See the "*Advisories*" section of this MD&A for further information. Additional information on the Company is available for viewing on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

INDEX

INTRODUCTION .....	2
INDEX.....	3
DESCRIPTION OF BUSINESS.....	4
COMPANY HIGHLIGHTS .....	5
CARBON CREDIT STREAMING AND ROYALTY AGREEMENTS .....	7
ACQUISITION OF BLUE DOT .....	12
PREFERRED SHARES.....	13
LEGAL PROCEEDINGS.....	13
CONTRACT SETTLEMENT.....	16
CARBON MARKETS AND PRICING .....	17
STRATEGY AND OUTLOOK.....	17
SUMMARY OF FINANCIAL RESULTS .....	19
FINANCIAL POSITION, LIQUIDITY AND CASH FLOW.....	24
KEY MANAGEMENT PERSONNEL .....	26
SHARE CAPITAL .....	27
COMMITMENTS.....	27
OFF-BALANCE SHEET ARRANGEMENTS .....	28
FINANCIAL INSTRUMENT FAIR VALUE AND RISK FACTORS .....	28
KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGMENTS .....	30
RISKS AND UNCERTAINTIES .....	30
DISCLOSURE OF INTERNAL CONTROLS.....	32
ADVISORIES.....	32
ADDITIONAL INFORMATION .....	33

## DESCRIPTION OF BUSINESS

Carbon Streaming is a carbon credit streaming and royalty company focused on providing capital to carbon projects globally, primarily by entering into or acquiring streaming, royalty or other similar arrangements to purchase carbon credits from the underlying project and then generating cash flow from the sale of carbon credits.

Historically, the Company's strategy has been to: (i) enter into or acquire streaming, royalty or royalty-like arrangements with project developers/operators, non-governmental organizations, non-profit organizations, companies, individuals or governments (generally referred to as a project partner) to purchase carbon credits generated by their project(s) or asset(s); (ii) acquire or invest, in the form of equity, debt or other forms of investment, in carbon credits or entities, assets or properties involved in the origination, generation, monitoring, or management of carbon credits or related businesses; and (iii) market and sell carbon credits to maximize value for all of our stakeholders and deliver long-term cash flow to project partners, the projects and local communities.

The Company is focused on maximizing value for its shareholders and aims to achieve this by optimizing its portfolio of carbon credit investments and its cash resources. This includes improving cash flows through cost reductions, monetizing existing assets and carbon credit inventories, and where appropriate, pursuing strategic opportunities to achieve that goal.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

## COMPANY HIGHLIGHTS

	Three months ended December 31, 2025	Three months ended December 31, 2024	Year ended December 31, 2025	Year ended December 31, 2024	Year ended December 31, 2023
<i>Carbon credit streaming and royalty agreements</i>					
Revaluation of carbon credit streaming and royalty agreements	\$ (606)	\$ (13,190)	\$ (1,034)	\$ (58,155)	\$ (32,897)
Settlements from carbon credit streaming and royalty agreements <sup>1</sup>	344	513	1,154	1,550	55
<i>Other financial highlights</i>					
Other operating expenses	575	1,760	3,655	10,340	12,035
Operating loss	(1,180)	(14,923)	(4,666)	(68,335)	(45,002)
Net loss	(1,022)	(16,932)	(2,481)	(67,369)	(35,501)
Loss per share (Basic and Diluted) (\$/share)	(0.02)	(0.32)	(0.05)	(1.34)	(0.75)
<i>Statement of financial position</i>					
Cash <sup>2</sup>	39,146	37,350	39,146	37,350	51,416
Carbon credit streaming and royalty agreements <sup>2</sup>	7,057	9,081	7,057	9,081	60,122
Total assets <sup>2</sup>	46,515	48,683	46,515	48,683	117,111
Non-current liabilities <sup>2</sup>	66	112	66	112	1,083

(1) Relates to the net cash proceeds generated from the Company's carbon credit streaming and royalty agreements.

(2) Cash, carbon credit streaming and royalty agreements, total assets and non-current liabilities are presented as at the relevant tabular reporting date.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

### Three months and year ended December 31, 2025

- Ended the year with \$39.1 million in cash and no corporate debt. The Company continues to earn interest income on its cash.
- Achieved positive operating cash flow for the three months ended December 31, 2025, primarily driven by settlements from carbon credit streaming and royalty agreements and ongoing cost reduction initiatives. The Company also recorded a net increase in cash of \$1.8 million for the year.
- In the first quarter of 2026, entered into an agreement to sell the Community Carbon Stream and all related carbon credit inventory for a total consideration of \$6.0 million, with \$5.0 million payable by mid-2026 and the remaining balance payable through 2026 and 2027.
- Amended and restated the Azuero Reforestation Stream, eliminating all of the Company's remaining funding obligations under the stream, while retaining the option to participate in future funding.
- The Company is not required to advance further funds under its existing stream contracts and continues to review its portfolio and evaluate strategic options aimed at maximizing shareholder value.
- During the year, the Company completed multiple contract settlements, including the IE Settlement Agreements and the Mutual Release and Settlement Agreement with Mast (each as defined herein), resulting in total cash proceeds of \$1.3 million and the cancellation of 4,539,180 Common Shares. See the "*Contract Settlement*" section of this MD&A.
- The Company significantly reduced ongoing operating expenses in 2025 by reducing employee headcount and renegotiating and amending vendor agreements, including reducing the number of individuals receiving full-time salaries to three as at December 31, 2025 (down from 24 at the start of 2024). The Chief Executive Officer does not receive a salary, the Chief Financial Officer receives a part-time salary, and the Board continues to forgo cash-settled director's fees.
- Recognized a net loss on revaluation of carbon credit streaming and royalty agreements of \$0.6 million and \$1.0 million for the three months and year ended December 31, 2025, respectively (loss of \$13.2 million and \$58.2 million for the three months and year ended December 31, 2024, respectively). See the "*Summary of Financial Results*" section of this MD&A.
- Generated \$344 thousand and \$1.2 million in cash settlements from carbon credit streaming and royalty agreements for the three months and year ended December 31, 2025, respectively (three months and year ended December 31, 2024 – \$0.5 million and \$1.6 million, respectively).
- Recognized a net loss of \$1.0 million and \$2.5 million for the three months and year ended December 31, 2025, respectively (three months and year ended December 31, 2024 – net loss of \$16.9 million and \$67.4 million, respectively).
- In April 2025, the Company filed a lawsuit in the Ontario Superior Court of Justice against several former executives, directors, consultants, and associated entities. In September and October 2025, certain defendants filed counterclaims against the Company. Please refer to the "*Legal Proceedings*" section of this MD&A.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

## CARBON CREDIT STREAMING AND ROYALTY AGREEMENTS

### Key Terms of Carbon Credit Streaming and Royalty Agreements

A summary of the key terms of the Company's streams and royalties as at December 31, 2025 is set forth below. For a full summary of the various projects associated with the Company and its carbon credit sales, investors are urged to review the section of the Company's most recently filed Annual Information Form ("AIF") entitled "Overview of the Company's Carbon Credit Projects", a copy of which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Stream / Royalty Partner	Project Information					Stream/ Royalty Information			
	Location	Activity Type	Registry / Credit Type	Expected Credit Issuance Over Project Life <sup>(1)</sup>	Project Start Year <sup>(2)</sup>	Total Upfront Deposit Funded <sup>(3)</sup>	Expected Initial Crediting Period <sup>(4)</sup>	Year of First Credit Delivery to the Company <sup>(5)</sup>	Stream/ Royalty Status <sup>(6)</sup>
<b>Stream</b>									
<b>Azuero Reforestation Stream</b> <sup>(7)</sup> Azuero Reforestación Colectiva, S.A.	Azuero Peninsula, Panama	Removal/ Sequestration Reforestation	Verra (VCU)	2.32 million	2025	\$1.2 million	26 years	–	Development
<b>Cerrado Biome Stream</b> ERA Cerrado Assessoria e Projectos Ambientais Ltd. Stream	Cerrado, Brazil	Avoidance/ Reduction REDD+ (AFOLU / ACoGS)	Verra (VCU)	1.5 million	2017	\$0.5 million	30 years	2023	Delivering
<b>Community Carbon (5 Projects)</b> <sup>(8)</sup> Community Carbon and UpEnergy Group	–	–	–	–	–	–	–	–	–
<b>Enfield Biochar Stream</b> <sup>(9)</sup> Standard Biocarbon	Maine, United States	Removal/ Sequestration Biochar	Puro.earth (CORC)	0.9 million	2023	\$1.0 million	30 years	–	Development
<b>Nalgonda Rice Farming Stream</b> Core CarbonX Pte. Ltd. and Core CarbonX Solutions Private Limited	Telangana State, India	Avoidance/ Reduction Agriculture Land Management (AFOLU)	Verra (VCU)	2.4 million	2022	\$1.95 million	7 years	–	Development
<b>Waverly Biochar Stream</b> Waverly RB SPE LLC <sup>(9)</sup>	Virginia, United States	Removal/ Sequestration Biochar	Puro.earth (CORC)	0.263 million	2023	\$2.95 million	25 years	–	Development
<b>Royalty</b>									
<b>Amazon Portfolio (4 Projects)</b> <sup>(10)</sup> Future Carbon International LLC	–	–	–	–	–	–	–	–	–
<b>Bonobo Peace Forest Royalty (2 Projects)</b> Bonobo Conservation Initiative	The Democratic Republic of Congo	Avoidance/ Reduction REDD+ (AFOLU)	Verra (VCU)	N/A	N/A	\$2.5 million	30 years	N/A	Suspended

**Notes:**

(1) Expected Credit Issuance Over Project Life refers to the number of expected carbon credits to be issued from projects in the "Development" or "Delivering" category as specified in the project documents submitted to the relevant standard body (the "Project Documents") or as updated based on updated issuance information provided by the project partner. The share of carbon credits from each project to be delivered to the Company under each stream/royalty agreement varies based on the specific contractual terms. The Company receives royalty payments and not carbon credits under its royalty agreements.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

- (2) Project Start Year refers to the year in which project activities that generate emission reductions or removals begin or are expected to begin. In most cases, the Project Start Year occurs before the year in which credits are first delivered to the Company.
- (3) Total Upfront Deposit Funded represents the amount that the Company has advanced. The Company is not required to advance any further funds in relation to its existing stream contracts.
- (4) The term of a streaming/royalty agreement commences on the effective date of the agreement. The initial crediting period of the stream/royalty typically commences upon delivery of first credits to the Company and can be extended should the project(s) continue to issue carbon credits beyond the current or expected crediting period of the project.
- (5) The Year of First Credit Delivery to the Company refers to the Year in which the Company received First Credit Delivery under the terms of each carbon credit streaming agreement. Given the significant uncertainties under the Company's carbon credit streaming agreements, the Company no longer has sufficient support to provide expected year of first credit delivery.
- (6) The Company classifies its streams and royalties in five categories with reference to the stage of each project ranging from development of projects to delivery of carbon credits to the Company. See the "Project Streaming Agreement Classification Criteria" section of this MD&A.
- (7) The Azuero Reforestation Stream was amended and restated on December 15, 2025, resulting in a decrease of the forecasted carbon credits for the project and the total amount to be funded by the Company. Pursuant to the amendment and restatement, the Company no longer has an ongoing funding obligation but maintains an option to participate in future funding moving forward. If the Company does not exercise its option, the Project is expected to restore a minimum of 7,500 hectares (previously 10,000 hectares).
- (8) On March 12, 2026, the Company entered into the Community Carbon Buyout Agreement, as defined herein. See the "Portfolio Updates" section of this MD&A for further information.
- (9) The Company will also receive a revenue royalty based on the value of biochar sold by the project partner.
- (10) In 2025, the Company entered into repayment agreements with counterparties to the Amazon Portfolio Royalty. See the "Portfolio Updates" section of this MD&A for further information.

## Portfolio Updates

Key developments in the projects under the Company's carbon credit streaming and royalty agreements are described below.

***Community Carbon Stream:*** Subsequent to December 31, 2025, on March 12, 2026 the Company announced that it had entered into a buyout agreement (the "**Community Carbon Buyout Agreement**") with Community Carbon and UpEnergy Group (collectively, the "**UPE Parties**") in connection with the Community Carbon Stream pursuant to which the UPE Parties acquired all rights to the Community Carbon Stream and the full inventory of carbon credits in Carbon Streaming's inventory for total consideration of \$6.0 million. The consideration of the Community Carbon Buyout Agreement consists of a non-refundable deposit of \$0.1 million which was paid on March 23, 2026, a closing payment of \$4.9 million payable on or before May 30, 2026, and \$1.0 million for the purchase of carbon credits held in inventory, payable in four installments on or before July 1, 2026, October 1, 2026, January 1, 2027 and April 1, 2027. The UPE Parties may elect to accelerate the purchase of the carbon credit inventory. Upon the Company receiving \$5.0 million from the UPE Parties representing the non-refundable deposit and the closing payment, the Community Carbon Stream and all ancillary agreements shall be deemed terminated.

***Azuero Reforestation Stream:*** On December 15, 2025, the Company amended and restated the terms of the Azuero Reforestation Stream. The amendments and restatements revise and refine the project plan. Under the amended and restated terms, the Company has no further funding obligations for the project but maintains an option to participate in future funding. This option, exercisable by Carbon Streaming on or before June 30, 2026 (the "**First Election Period**") or on or before June 30, 2027 (the "**Second Election Period**"), would require Carbon Streaming to fund an additional US\$4.6 million and US\$3.8 million, respectively. Initial carbon credit issuance from the Project is expected in 2029 and is expected to continue through to 2052.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

If the Company does not exercise its options, the Company would expect to receive approximately 54,000 Carbon Credits (approximately 2.3% of the total credits) through 2052 (previously approximately 438,000 carbon credits (approximately 13.5% of total credits)). If the Company exercises its funding option at the First Election Period, the Company would expect to receive approximately 357,000 Carbon Credits (12.1% of the total credits) through 2052. If the Company exercises its funding option at the Second Election Period, the Company would expect to receive approximately 295,000 Carbon Credits (10.6% of the total credits) through 2052.

The offtake between Microsoft and the Company to purchase 100% of carbon credits that Carbon Streaming receives from the Project through 2040 will remain in place.

*Nalgonda Rice Farming Stream:* The Nalgonda Rice Farming project was registered with Verra on February 10, 2025 under the VCS program using the UNFCCC Clean Development Mechanism methodology AMS-III.AU: Methane emission reduction by adjusted water management practice in rice cultivation (“**AMS-III.AU**”). Verra temporarily inactivated AMS-III.AU as part of a broader review of validation and verification quality and began developing a revised rice-specific methodology. Following this review, certain projects, including the Nalgonda project, were approved for registration under AMS-III.AU. During the review, Verra began developing a revised rice-specific methodology, releasing VCS Methodology VM0051: Improved Management in Rice Production Systems v1.0 on February 27, 2025 (“**VM0051**”).

During 2025, the project completed and submitted its first monitoring report to Verra for an initial project area of approximately 22,000 hectares. The project is expected to transition to Verra’s updated rice methodology, VM0051. While the project has incorporated the updated methodological requirements, the timing and potential impact of a formal transition to VM0051 on future credit generation remain uncertain.

During the year, the Company also reassessed the economics of the Nalgonda Stream based on updated project information, including revised project cost estimates and current voluntary carbon market conditions. As a result of this reassessment, the Company determined the fair value of the Nalgonda Rice Farming Stream to be \$nil as at December 31, 2025. The Company continues to monitor the progress of the first monitoring report verification process and any developments that may impact the future economics of the project.

*Amazon Portfolio Royalty:* As of June 30, 2025, the counterparties under the Amazon Portfolio Royalty were in arrears on the minimum royalty payments owed. In August 2025, the Company issued a Notice of Dispute, Claim or Controversy to Future Carbon International LLC (“**Future Carbon**”), one of the counterparties to the Amazon Portfolio Royalty.

In the third quarter of 2025, the Company entered into a repayment agreement (the “**Ecologica Repayment Agreement**”) with Ecological Assessoria Ltda. and its affiliates (collectively, “**Ecologica**”), one of the counterparties to the Amazon Portfolio Royalty, followed by a second repayment agreement (the “**Future Carbon Repayment Agreement**”) with Future Carbon in the fourth quarter of 2025.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

Under the terms of the repayment agreements, the Company expects to collect approximately \$1.1 million by the second quarter of 2026. During the terms of the repayment agreements, the obligations of each counterparty under the Amazon Portfolio Royalty will be suspended. Upon full receipt of the repayment, the Amazon Portfolio Royalty will be deemed satisfied and terminated, and the parties will have no further rights or obligations related thereto. If either counterparty breaches its respective repayment agreement, that counterparty will remain obligated to fulfill its obligations under the original terms of the Amazon Portfolio Royalty.

During the year ended December 31, 2025, the Company collected \$0.5 million under the repayment agreements, and as of the date of this MD&A, has collected \$0.9 million in aggregate. The Ecologica Repayment Agreement has been fully satisfied as of the date of this MD&A, and the remaining balance under the Future Carbon Repayment Agreement is expected to be fully repaid by the second quarter of 2026.

***Enfield Biochar Stream:*** In April 2025, Standard Biocarbon Corporation ("**Standard Biocarbon**") successfully completed an equity financing resulting in a change of control. In connection with the financing, a new CEO was appointed to lead Standard Biocarbon through project commissioning. The facility commenced initial biochar production in April 2024 and has produced approximately 320 metric tonnes of biochar cumulatively as at December 31, 2025. During 2025, the project made progress in optimizing its production systems, including improvements to throughput and production volumes, although the facility has not yet reached stable, full operating capacity. Standard Biocarbon continues to engage with the Puro.earth carbon credit standard in respect of facility registration and CORC issuance, with timing dependent on achieving sustained production levels and completion of the required audit process. Standard Biocarbon continues to pursue additional financing to fund remaining capital expenditures and address outstanding payables, with the company targeting a capital raise in 2026.

***Sheep Creek Reforestation Stream and Feather River Reforestation Stream:*** In January 2025, the Company received a Notice of Adverse Impact from Mast Reforestation SPV I, LLC (since renamed to Legacy Reforestation SPV I, LLC) and its parent company, Droneseed Co. d/b/a Mast Reforestation (collectively, "**Mast**") under the Sheep Creek Reforestation Stream. Pursuant to the Notice of Adverse Impact, among other things, Mast advised the Company that the Sheep Creek project has experienced significantly higher than expected mortality rates and that the surviving seedlings had exhibited slower than expected growth rates, and thus no longer considers the existing Sheep Creek project plan and budget to be viable. The Company formally responded to the Notice of Adverse Impact and requested that Mast respond to the Company's significant concerns regarding, among other things, the timing of the delivery of the Notice of Adverse Impact, and the characterization of the cause of the adverse impact. Separately, in July 2025, Mast informed the Company that it no longer expects to complete the Feather River Reforestation project.

In the fourth quarter of 2025, the Company entered into a Mutual Release and Settlement Agreement with Mast in connection with the Sheep Creek Reforestation Stream and Feather River Reforestation Stream. The key terms of the settlement agreement include: the Company received \$0.5 million from Mast and all legal relationships between Mast and the Company are terminated. In addition, the Company returned the preferred shares of Droneseed Co. that were issued to the Company upon conversion of the convertible note

it purchased in May 2023 and the parties agreed to a mutual release. Please see the “*Contract Settlement*” section of this MD&A for further information.

*Baccala Ranch Reforestation Stream*: In March 2025, Mast delivered the Company a notice of termination of the Baccala Ranch Reforestation Stream and the Baccala Ranch project, confirming it will forego any plantings. The Company had not advanced any funds for the Baccala project and the closing of the Baccala Ranch Reforestation Stream remained subject to customary closing conditions.

### Project Streaming Agreement Classification Criteria

Management has developed five distinct categories corresponding to the status of each of its stream/royalty agreements for additional context to better evaluate the Company’s portfolio. In classifying each of its streams/royalties, management considers, among other things, the following criteria: (i) whether the project is actively delivering carbon credits to the Company under the stream; (ii) the significance of any outstanding milestones, regulatory or otherwise, that need to be met prior to carbon credits being delivered to the Company under the stream; (iii) the status of the underlying project under its applicable standard body (for example, for the projects under Verra (Verified Carbon Standard (“**VCS**”)), whether the project is under development or fully registered); and (iv) management’s internal projections and judgement regarding project viability, proximity to completion, and overall risk profile of delivery. The classification for each stream/royalty within these categories is a matter of professional judgment, and each classification for each stream/royalty is revisited at the end of each reporting period.

#### *Delivering*

For a stream/royalty to be categorized as “Delivering”, the Company must have received carbon credits under the stream (or royalty payments under the royalty) and expects to continue actively receiving such credits/payments through the customary cycle of the agreement. This classification also means that the underlying project(s) has been fully registered with the applicable standard and has produced carbon credits and delivered them to the Company under the terms of the agreement. As a result, a stream/royalty categorized as “Delivering” is expected to generate revenue and operating cash flow to the Company in the near-term.

#### *Pre-Delivery*

For a stream/royalty to be categorized as “Pre-Delivery”, the stream/royalty has not yet delivered carbon credits (or royalty payments) to the Company, but all development activities for the underlying project are substantially complete and the third-party audit has been scheduled or the third-party audit is in progress or is complete. In most cases, management views the delivery of carbon credits for streams (or royalty payments for royalties) categorized as “Pre-Delivery” to be probable given the progress of the underlying project and is only further subject to standard body timelines to realize carbon credit issuance. Management views first delivery of carbon credits to be probable within the next 12 months as of the reporting date.

#### *Development*

For a stream/royalty to be categorized as “Development”, the stream/royalty has not yet delivered carbon credits (or royalty payments) to the Company and is at an earlier stage of project development than the

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

projects in the "Pre-Delivery" category and has not yet completed the milestones for a third-party audit. The ability for these streams/royalties to ultimately deliver carbon credits or royalty payments is contingent on project execution, regulatory approval and the successful completion of the initial third-party audit in accordance with the standard body. Given these uncertainties, projects in this category are considered higher risk assets.

#### *Suspended*

For a stream/ royalty to be categorized as "Suspended", the stream/royalty was previously in other categories but is currently not delivering, and/or is not expected to deliver, carbon credits (or royalty payments) to the Company due to issues affecting the underlying project. These issues may include project deregistration, loss of validation, significant operational, regulatory, or financial challenges, or other material uncertainties that must be resolved before carbon credit delivery or royalty payments can resume. A stream/royalty classified as "Suspended" may deliver carbon credits or royalty payments in the future if the underlying issues are successfully addressed; however, both the timing and outcome remain uncertain.

#### *Expired*

For a stream/royalty to be categorized as "Expired", the stream/royalty must have previously been in the "Pre-Delivery", "Delivering" or "Development" category, but the term of the stream or royalty has expired, the agreement has been terminated, or the Company believes that no further credits will be delivered under the stream or payments made under the royalty or at all. The fair value of streams/royalties in this category is \$nil.

As at December 31, 2025, the Company's portfolio contained carbon credit streaming and royalty arrangements in the Delivering, Development, and Suspended phases. See the "Overview of Carbon Credit Streaming and Royalty Agreements" section of this MD&A for further information.

### Marketing and Sales

Sales of carbon credits are generated through multiple distribution channels in the voluntary market using a combination of spot and forward contracts, including to end-users (such as corporate purchasers who would retire (or use) the credits) or intermediaries, such as voluntary carbon market specialist organizations which transact on behalf of end-user organizations or trade carbon credits. The Company may also have credits listed on various exchanges and other sales channels where the Company retires carbon credits on behalf of purchasers following receipt of payment. Carbon credit prices fluctuate continually and are affected by many factors. The Company works closely with the project partners when making decisions about the allocation of sales channels and contract structure.

For a full summary of risks, assumptions and uncertainties associated with the Company and its carbon credit sales, investors are urged to review the section of the Company's AIF entitled "Risk Factors", a copy of which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### ACQUISITION OF BLUE DOT

On July 3, 2024, the Company completed its previously announced acquisition of Blue Dot Carbon Corp.

("Blue Dot"), a private company with an equity investment in a carbon project developer and certain option rights to invest in future carbon projects of Blue Dot's partners. On closing, the Company issued to the shareholders of Blue Dot an aggregate of 4,559,333 Common Shares of the Company.

## PREFERRED SHARES

In July 2024, the Company acquired 0.2 million preferred shares in Imperative Global Group Inc. ("Imperative") through the acquisition of Blue Dot described in Note 5 of the Financial Statements. Holders of preferred shares of Imperative vote as a single class together with other equity holders of Imperative. In the event of any voluntary or involuntary liquidation, dissolution or winding up of Imperative or a deemed liquidation event, the holders of preferred shares of Imperative then outstanding shall be entitled to be paid out the assets of Imperative available for distribution prior to the other equity holders.

As there are no observable quoted prices for the preferred shares of Imperative, management evaluated both investee-specific and market-based factors to determine whether a significant change in the fair value of the preferred shares of Imperative may have occurred. Factors that were considered include changes in the performance of the investee, changes in the market price for carbon credits, changes in interest rates, changes in the valuation of comparable publicly-traded entities, and evidence from other transactions in the investee's equity. During the fourth quarter of 2025, the Company also evaluated strategic alternatives with respect to the preferred shares of Imperative, including the potential sale of the investment at a significant discount, and considered available market information and other valuation indicators. Based on this assessment, together with the absence of recent priced equity transactions and broader market conditions, the Company determined the fair value of the preferred shares of Imperative to be \$nil as at December 31, 2025.

In May 2023, the Company invested \$2 million into Droneseed Co. through a convertible note. In October 2023, the convertible note converted into preferred shares of Droneseed Co. upon the execution of a qualifying financing event, resulting in 1.3 million preferred shares being issued to the Company. As at December 31, 2024, due to challenges experienced by the Sheep Creek Reforestation Stream, the Company determined that the fair value of these preferred shares would be \$nil.

In the fourth quarter of 2025, the Company entered into a Mutual Release and Settlement Agreement with Mast in connection with the Sheep Creek Reforestation Stream and the Feather River Reforestation Stream. The key terms of the settlement agreement include: the Company received \$0.5 million from Mast and all legal relationships between Mast and the Company are terminated. In addition, the Company returned the preferred shares in Droneseed Co. and the parties have agreed to a mutual release. Please refer to the "Contract Settlement" section of this MD&A for further information.

## LEGAL PROCEEDINGS

From time to time, the Company may be involved in litigation arising out of the Company's operations. Damages claimed under such litigation may be material or may be indeterminate, and the outcome of such litigation may materially impact the Company's financial condition or results of operations. While the

Company assesses the merits of each lawsuit and asserts its interests or defends itself accordingly, the Company may be required to incur significant expenses or devote significant resources to pursue or defend itself against such litigation. Except as disclosed herein or elsewhere in this MD&A, there are no legal proceedings or regulatory actions pending or known by the Company to which it is a party or in respect of which any of the properties of the Company are subject that are anticipated to be material to the Company and its subsidiaries taken as a whole. In the summary provided below, the Company has provided the estimates with respect to each claim where such an estimate is available; however, the estimates provided are not indicative of the probability of the final outcome.

### Lawsuit against former Officers, Directors and Corporate Defendants

In April 2025, the Company sued several former executives, directors, consultants and associated entities the Ontario Superior Court of Justice. As outlined in the claim, Carbon Streaming is trying to hold the defendants to account for what it says are breaches of fiduciary duty, fraudulent misrepresentation, and unjust enrichment that have caused financial harm to the Company. Please refer to the Company's news release titled "*Carbon Streaming Announces Filing of Claim Against Former Executives and Consultants*" dated April 14, 2025 for further information.

During the third and fourth quarters of 2025, certain defendants in the claim delivered counterclaims against the Company and certain acting directors and officers, Mr. Katusa, Mr. Garret, Mr. de Groot, and Ms. Schroeder. During the first quarter of 2026, the Company delivered its replies to defences and defences to the counterclaim, as did the directors and officers. The Company has reviewed the counterclaims against it, and considers that the counterclaims are without merit, that it has defences against the allegations raised in the counterclaims and that the Company's exposure on any additional liability is remote. The Company intends to vigorously defend its position. The Company also considers that the counterclaims against the current directors and officers are without merit, that they have defences against the allegations raised in the counterclaims and the current directors and officers' exposure on liability is remote.

### Sustainable Community Stream Arbitration

In the second quarter of 2025, the Company initiated arbitration proceedings against Will Solutions Inc. ("**Will Solutions**") before the ADR Chambers International in connection with the termination of the purchase and sale agreement dated June 20, 2022, between Will Solutions and the Company (the "**Sustainable Community Stream**"). The termination, which was exercised by the Company in the third quarter of 2024, was a result of, among other things, the failure of Will Solutions to meet its milestone related to the registration of its Ontario project and its failure to develop and implement the project in accordance with the project plan (including continued delays in project development activities and lower-than-expected project enrollments). The arbitration proceeding is ongoing. Will Solutions delivered a short answer and counterclaim in the third quarter of 2025 and the Company has responded. The Company believes the counterclaim is without merit and, based on its assessment of the facts and current legal advice, considers the probability of an economic outflow to be remote. As at December 31, 2025, \$4.0 million of the upfront deposit had been paid, which was advanced upon closing of the transaction in June 2022.

The Company intends to strictly enforce its legal and contractual rights under the Sustainable Community Stream and seeks to recover its initial investment through these arbitration proceedings.

### Rimba Raya Stream Settlement with InfiniteEARTH and shareholders of InfiniteEARTH

On July 24, 2025, the Company announced that it had entered into settlement agreements (the “**IE Settlement Agreements**”) with InfiniteEARTH Limited, its Indonesian subsidiary PT InfiniteEARTH Nusantara, and certain shareholders and principals of InfiniteEARTH (collectively, “**InfiniteEARTH**”) to resolve the arbitration and legal proceedings initiated by the Company against InfiniteEARTH relating to alleged breaches of the purchase and sale agreement dated July 30, 2021, as amended on February 28, 2023 between the Company and InfiniteEARTH (the “**Rimba Raya Stream**”).

Pursuant to the original terms of the transaction, the Company paid an upfront deposit of \$22.3 million for the Rimba Raya Stream and entered into the Strategic Alliance Agreement (the “**SAA**”) with certain shareholders and principals of InfiniteEARTH for total consideration comprised of \$4.0 million in cash and the issuance of 4,539,180 Common Shares on a post-consolidation basis.

The key terms of the settlement agreement, which were completed in the third quarter of 2025, included: the Company received \$0.7 million in cash from InfiniteEARTH; certain principals of InfiniteEARTH surrendered for cancellation, 4,539,180 Common Shares issued in connection with the SAA; all existing contracts and legal relationships between Carbon Streaming and InfiniteEARTH were terminated; and the arbitration proceedings and the civil claim in the Ontario Superior Court of Justice were dismissed.

Please refer to the Company’s news releases: “*Carbon Streaming Announces Receipt of Settlement Funds and Share Cancellation Pursuant to Settlement Agreement Related to Rimba Raya Project*” dated September 29, 2025, “*Carbon Streaming Announces Settlement Agreements Related to Rimba Raya and Marvivo Projects*” dated July 24, 2025 and “*Carbon Streaming Initiates Claims in Connection With the Rimba Raya Project*” dated October 17, 2024 for further information.

### Magdalena Bay Blue Carbon Stream Settlement

On July 24, 2025, the Company announced that it had entered into settlement agreements with Fundación MarVivo México, A.C. and MarVivo Corporation (together, the “**MarVivo Parties**”) in connection with the purchase and sale agreement between the Company and the MarVivo Parties dated May 13, 2021, as amended and restated on July 24, 2023 (the “**Magdalena Bay Blue Carbon Stream**”) to support the development of the Magdalena Bay Blue Carbon project (“**MarVivo Project**”). The dispute arose out of the notice of intent to abandon the project (the “**Notice of Abandonment**”) that the MarVivo Parties delivered to the Company on September 20, 2024. The Company had advanced \$3 million to the MarVivo Parties under the Magdalena Bay Blue Carbon Stream.

Pursuant to the settlement agreement, Carbon Streaming accepts the MarVivo Parties’ abandonment of the MarVivo Project, effective September 20, 2024, Carbon Streaming agrees that MarVivo Corporation may be wound up or dissolved; and Carbon Streaming maintains seven-year rights in the MarVivo Project if a MarVivo-affiliated party re-acquires rights to the MarVivo Project. The parties have agreed to a mutual release. Please

refer to the Company's news release titled "*Carbon Streaming Announces Settlement Agreements Related to Rimba Raya and Marvivo Projects*" dated July 24, 2025 for further information.

### Citadelle Maple Syrup Producers' Cooperative Settlement

On December 23, 2024, the Company filed a lawsuit against Citadelle Maple Syrup Producers' Cooperative ("**Citadelle**") in Ontario for the return of the upfront funding provided by the Company to Citadelle in connection with a planned grouped sugar maple afforestation, reforestation, revegetation and ecosystem restoration project in Quebec, Canada. Pursuant to the term sheet entered into with Citadelle on July 12, 2022, if a carbon streaming purchase and sale agreement relating to the project was not executed by December 31, 2022, then the defendant is required to repay the full amount of the upfront funding (approximately \$0.3 million) plus a 12% annualized return, compounded. The initial funding from Carbon Streaming enabled Citadelle to achieve initial planting in the Fall 2022 and was intended to support additional plantings.

In June 2025, the Company reached a settlement with Citadelle to resolve a lawsuit filed in December 2024. Under the terms of the settlement, the Company received \$0.2 million in cash for full and final resolution of the lawsuit. This amount was recognized as a gain from contract settlement in the second quarter of 2025 and was collected by the Company from Citadelle in July 2025. Please see the "*Contract Settlement*" section of this MD&A for further information.

## CONTRACT SETTLEMENT

During 2025, the Company completed a series of contract settlements, generating \$1.3 million in cash proceeds, cancelling previously issued Common Shares, and resolving certain contractual relationships. Please see the "*Legal Proceedings*" section of this MD&A for further information.

In the second quarter of 2025, the Company reached a settlement with Citadelle pursuant to which it received \$0.2 million in full and final resolution of the initial funding provided. The settlement amount was recognized as a gain from contract settlement and was collected in July 2025.

In the third quarter of 2025, the Company completed the implementation of the IE Settlement Agreements with InfiniteEARTH in connection with the Rimba Raya Stream. As part of the settlement, the Company received \$0.7 million in cash and 4,539,180 Common Shares previously issued in connection with the Strategic Alliance Agreement were surrendered and cancelled. The cancellation of these shares resulted in a \$2.2 million reduction in share capital, with a corresponding adjustment recorded in deficit, and the cash proceeds were recognized as a gain from contract settlement for the year ended December 31, 2025.

Also in the third quarter of 2025, the Company reached a settlement with MarVivo in connection with the Magdalena Bay Blue Carbon Stream, pursuant to which the Company accepted the abandonment of the project, retained certain future rights, and the parties agreed to a mutual release.

In the fourth quarter of 2025, the Company entered into a Mutual Release and Settlement Agreement with Mast in connection with the Sheep Creek Reforestation Stream and the Feather River Reforestation Stream. Under the terms of the agreement, the Company received \$0.5 million and all legal relationships between the

parties were terminated and the Company returned the preferred shares in Droneseed Co. As these assets had previously been written down to \$nil, the settlement resulted in a gain on contract settlement of \$0.5 million for the year ended December 31, 2025.

## CARBON MARKETS AND PRICING

Carbon credits are traded in both the compliance (regulated) market and the voluntary market. The prices of carbon credits are primarily driven by the levels of supply and demand in the markets. Several factors that can also influence the price paid for a particular voluntary carbon credit include project activity (such as forestry, renewable energy, waste disposal, carbon capture, etc.), location, vintage, the standards body and associated co-benefits (such as job creation, water conservation or preservation of biodiversity).

## STRATEGY AND OUTLOOK

Carbon Streaming is focused on maximizing value for its shareholders from its existing portfolio and cash resources while evaluating all strategic options. The Company's carbon credit streaming agreements retain a portion of the cash flows from carbon credit sales, with stream-specific retention varying. Cash flows are subject to fluctuations based on realized carbon credit prices and agreement terms.

### Outlook

Carbon Streaming continues to reposition itself for success and for maximizing shareholder value amid ongoing challenges, remaining focused on cash flow optimization. By the first half of 2025, the Company had significantly reduced employee headcount and renegotiated and amended vendor agreements to lower operating expenses. As the Company's broader strategy continues to evolve, these steps have resulted in significant reductions to annualized ongoing operating expenses when compared to 2024, and the Company continues to operate with a materially reduced cost structure.

While the Company aims to generate cash flow through the sale of carbon credits, there remains ongoing uncertainty regarding the evolving nature of carbon markets, including potential registry delays, project-specific issues, and methodology-related risks, in addition to impacts the industry may face as a result of general economic, political and regulatory conditions. During 2025 and into early 2026, the Company advanced a number of strategic initiatives to enhance liquidity and reduce risk, including the execution of the Community Carbon Buyout Agreement, which is expected to generate approximately \$6.0 million in proceeds, with the majority of cash to be received by mid-2026. The Company also amended the Azuero Reforestation Stream, which eliminated all further funding obligations, while providing the Company with the option to participate in future funding during specified election periods. In addition, the Company reached settlements related to the Rimba Raya Stream and the Magdalena Bay Blue Carbon Stream, resulting in cash proceeds, the cancellation of previously issued shares of the Company, and the retention of certain future rights, bringing resolution to these two assets. The Company also signed repayment agreements related to the Amazon Portfolio Royalty, a settlement agreement with Citadelle, and a settlement agreement with Mast related to the Sheep Creek Reforestation Stream and the Feather River Reforestation Stream which resulted in cash proceeds. The Company continues to pursue its ongoing litigation matters and will use all available legal remedies to protect its rights. The Company will continue to evaluate all strategic options, including

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

acquisitions, divestments, corporate transactions, financings, other strategic partnership opportunities or continuing to operate as a public company.

For a comprehensive discussion of the risks, assumptions and uncertainties that could impact the Company's strategy and outlook, including without limitation, changes in demand for carbon credits and Indonesian developments described herein, investors are urged to review the section of the Company's AIF entitled "Risk Factors" a copy of which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

## SUMMARY OF FINANCIAL RESULTS

	Three months ended December 31, 2025	Three months ended December 31, 2024	Year ended December 31, 2025	Year ended December 31, 2024
Revaluation of carbon credit streaming and royalty agreements	\$ (606)	\$ (13,190)	\$ (1,034)	\$ (58,155)
Revenue from sale of purchased carbon credits	1	45	30	640
Cost of purchased carbon credits sold	-	(18)	(7)	(480)
<b>Other operating expenses</b>				
Salaries and fees	(226)	(532)	(818)	(3,132)
Share-based compensation	(34)	(15)	(436)	(839)
Marketing	(5)	(97)	(46)	(435)
Professional & regulatory fees	(50)	68	(384)	(654)
Consulting fees	-	(69)	(31)	(434)
Insurance	(101)	(113)	(402)	(604)
Office and general	(363)	(220)	(447)	(761)
Foreign exchange gain (loss)	430	(75)	786	(305)
Corporate restructuring	-	2	(320)	(1,552)
Legal and litigation	(226)	(709)	(1,557)	(1,624)
<b>Other operating expenses</b>	<b>(575)</b>	<b>(1,760)</b>	<b>(3,655)</b>	<b>(10,340)</b>
<b>Operating loss</b>	<b>(1,180)</b>	<b>(14,923)</b>	<b>(4,666)</b>	<b>(68,335)</b>
<b>Other items</b>				
Loss from investment in associate	-	-	-	(25)
Gain on dissolution of associate	-	-	-	104
Impairment of early deposit interest receivable	-	-	-	(307)
Gain on contract settlement	500	-	1,333	-
Revaluation of derivative liabilities	-	-	-	680
Revaluation of warrant liabilities	(16)	43	56	642
Revaluation of preferred shares	(625)	(2,558)	(625)	(2,558)
Finance income	299	506	1,421	2,430
<b>Net loss and comprehensive loss</b>	<b>(1,022)</b>	<b>(16,932)</b>	<b>(2,481)</b>	<b>(67,369)</b>
Settlements from carbon credit streaming and royalty agreements	344	513	1,154	1,550

### *Revaluation of carbon credit streaming and royalty agreements*

For the three months and year ended December 31, 2025, the net loss on revaluation was primarily related to revisions in expectations of the timing of the delivery and sale of carbon credits, changes to the carbon

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

credit production and sales profile, and the decrease in the fair value of the Nalgonda Rice Farming Stream to nil, partially offset by the increase in the fair value of the Community Carbon Stream, resulting from a lower risk-adjusted discount rate, and accretion due to the passage of time. Refer to the “*Portfolio Updates*” section of this MD&A for further information and see Note 8 of the Financial Statements for further information on the observable and non-observable inputs used to measure the fair value of the Company’s carbon credit streaming and royalty agreements.

*Revenue from sale of purchased carbon credits and cost of purchased carbon credits sold*

Revenue from sale of purchased carbon credits relates to sales of the Company’s carbon credit inventory. The Company holds an inventory of carbon credits, which were acquired separately and apart from carbon credits delivered under the Company’s carbon credit streaming agreements. For the three months and year ended December 31, 2025, revenue from sale of purchased carbon credits decreased as the Company had largely depleted its purchased carbon credit inventory by the end of 2024.

*Salaries and fees*

For the three months and year ended December 31, 2025, the decrease in salaries and fees was primarily driven by the Company’s lower headcount when compared to the prior year. The Company currently has three employees receiving a full-time salary, the Company’s Chief Executive Officer does not collect a salary, the Company’s Chief Financial Officer receives a part-time salary, and the Company has eliminated cash-settled director’s fees to its Board.

*Share-based compensation*

For the three months ended December 31, 2025, the increase in share-based compensation expense when compared to the prior-year period was primarily due to a higher spot share price and an appreciation of the Canadian dollar when compared to the U.S. dollar during the current period. For the year ended December 31, 2025, the decrease in share-based compensation expense when compared to the prior-year period was primarily due to fewer employees participating in the Company’s long-term incentive plan and the absence of new grants in the current period. There were also no share-based compensation awards to directors or other employees for services in 2025.

*Marketing*

For the three months and year ended December 31, 2025, the decrease in marketing costs was due to the Company’s ongoing cost-cutting initiatives.

*Professional & regulatory fees*

For the year ended December 31, 2025, the decrease in professional & regulatory fees was due to the Company’s ongoing cost-cutting initiatives. See the “*Portfolio Updates*” and “*Legal Proceedings*” sections of this MD&A for further information.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

*Consulting fees*

For the three months and year ended December 31, 2025, the decrease in consulting fees was primarily driven by lower spending on technical consultants due to reduced volume of new investments and the Company's ongoing cost-cutting initiatives.

*Insurance costs*

For the year ended December 31, 2025, the decrease in insurance costs was due to the Company's ongoing cost-cutting initiatives. For the three months ended December 31, 2025, insurance costs were consistent with the prior-year period.

*Office and general*

For the three months and year ended December 31, 2025, the decrease in office and general costs was due to the Company's ongoing cost-cutting initiatives. Office and general costs represent the Company's general administrative expenses.

*Foreign exchange gain (loss)*

Movements in foreign exchange are primarily due to the revaluation of monetary assets and liabilities as at the balance sheet date and the appreciation or depreciation of the Canadian dollar when compared to the U.S. dollar in the current period. See the "Currency Risk" section of Note 17 of the Financial Statements for further information.

*Corporate restructuring*

For the three months and years ended December 31, 2025 and 2024, corporate restructuring costs primarily related to severance and other termination benefits and other professional fees.

*Legal and litigation*

In 2024, the Company formed an independent special committee of the Board of Directors to conduct a review of certain of the Company's executives. In April 2025, the Company announced that it had filed a lawsuit in the Ontario Superior Court of Justice against several former executives, directors, consultants, and associated entities. Additionally, the Company has incurred costs related to legal proceedings and disputes related to the Company's carbon credit streaming and royalty agreements.

For the three months and year ended December 31, 2025, the Company recognized legal and litigation expenses primarily related to professional fees and other costs associated with the matters described above. For the three months ended December 31, 2025, the decrease in the legal and litigation costs was primarily due to the conclusion of certain legal proceedings and disputes related to the Company's carbon credit streaming and royalty agreements. For the year ended December 31, 2025, the legal and litigation costs were largely consistent with the prior-year period.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

*Operating loss*

For the three months and year ended December 31, 2025, the decrease in operating loss was primarily related to a higher loss on revaluation of carbon credit streaming and royalty agreements and other expenses incurred in the prior-year period.

*Loss from investment in associate*

The loss from investment in associate relates to Carbon Streaming's investment in Carbon Fund Advisors, Inc.

*Gain on dissolution of associate*

The gain on dissolution of associate in the prior year relates to the dissolution of Carbon Fund Advisors, Inc., in the second quarter of 2024.

*Impairment of early deposit interest receivable*

The impairment loss recognised in the second quarter of 2024 related to the amount advanced to Citadelle and resulted from indicators of impairment associated with sustained uncertainty regarding the timing and collectability of the early deposit interest receivable. See Note 10 of the Financial Statements for further information.

*Gain on contract settlement*

The gain on contract settlement related to the amounts received from Citadelle pursuant to a settlement in resolution of the initial funding provided by the Company, from InfiniteEARTH pursuant to the IE Settlement Agreements, and from Mast pursuant to the Mutual Release and Settlement Agreement. Please see the "Contract Settlement" section of this MD&A for additional information.

*Revaluation of warrant liabilities*

For the three months ended December 31, 2025, the loss on the revaluation of warrant liabilities was primarily driven by an increase in the share price assumption applied to the Black-Scholes Option Pricing Model. For the year ended December 31, 2025, the gain on the revaluation of warrant liabilities was primarily driven by a lower spot share-price on the Company's publicly traded warrants and an overall decrease in the share price assumption applied to the Black-Scholes Option Pricing Model. In the prior-year periods, the Company experienced a gain on the revaluation of the warrant liabilities relating to a more significant decrease in the share price assumption applied to the Black-Scholes Option Pricing Model and a lower spot price on the Company's publicly traded warrants.

*Revaluation of preferred shares*

For the three months and year ended December 31, 2025, the loss on revaluation of preferred shares was due to the decrease in the fair value of the preferred shares of Imperative to \$nil. In the prior-year periods, the loss on revaluation of preferred shares was due to the decrease in the fair value of the preferred shares of Droneseed Co. to \$nil. See the "Preferred Shares" section of this MD&A for further information.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

*Finance income*

For the three months and year ended December 31, 2025, the decrease in finance income was primarily driven by lower interest rates. Finance income primarily relates to interest earned on the Company's cash.

*Net loss*

For the three months and year ended December 31, 2025, the decrease in net loss was primarily related to a lower loss on revaluation of carbon credit streaming and royalty agreements and other expenses incurred in the prior-year period.

Summary of Quarterly Results:

The following is a summary of certain financial information for each of the eight most recently completed quarters:

	<b>Dec 31, 2025</b>	<b>Sep 30, 2025</b>	<b>June 30, 2025</b>	<b>Mar 31, 2025</b>
Revenue from sale of carbon credits	\$ 1	\$ 3	\$ 25	\$ 1
Net (loss) income	(1,022)	645	(1,282)	(822)
Basic (loss) earnings per share (\$/share)	(0.02)	0.01	(0.02)	(0.02)
Diluted (loss) earnings per share (\$/share)	(0.02)	0.01	(0.02)	(0.02)
Total assets	46,515	46,932	46,110	47,098

	<b>Dec 31, 2024</b>	<b>Sep 30, 2024</b>	<b>June 30, 2024</b>	<b>Mar 31, 2024</b>
Revenue from sale of carbon credits	\$ 45	\$ 53	\$ 54	\$ 488
Net loss	(16,932)	(11,894)	(2,772)	(35,771)
Basic loss per share (\$/share)	(0.32)	(0.23)	(0.06)	(0.75)
Diluted loss per share (\$/share)	(0.32)	(0.23)	(0.06)	(0.75)
Total assets	48,683	67,171	78,823	81,596

Over the past eight quarters, net loss has been primarily impacted by the revaluation of carbon credit streaming and royalty agreements, other operating expenses and the revaluation of warrant liabilities. The revaluation of carbon credit streaming and royalty agreements has been primarily impacted by the decrease in the fair value of the Rimba Raya Stream to \$nil and changes to the relevant observable and non-observable inputs, including the carbon credit production and sales profiles, the carbon credit pricing assumptions and the risk-adjusted discount rate (See Note 8 of the Financial Statements for further information). The revaluation of warrant liabilities has been primarily impacted by the movements in the Company's share price, changes to the volatility assumption and the passage of time. Changes in total assets have been primarily impacted by changes in the carrying values of the Company's carbon credit streaming and royalty agreements.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

## FINANCIAL POSITION, LIQUIDITY AND CASH FLOW

### Financial Position

	As at December 31, 2025	As at December 31, 2024	As at December 31, 2023
Cash	\$ 39,146	\$ 37,350	\$ 51,416
Other current assets	279	1,429	2,316
Non-current assets	7,090	9,904	63,379
<b>Total assets</b>	<b>\$ 46,515</b>	<b>\$ 48,683</b>	<b>\$ 117,111</b>
Current liabilities	1,927	2,155	3,325
Non-current liabilities	66	112	1,083
<b>Total liabilities</b>	<b>1,993</b>	<b>2,267</b>	<b>4,408</b>
<b>Total shareholders' equity</b>	<b>44,522</b>	<b>46,416</b>	<b>112,703</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 46,515</b>	<b>\$ 48,683</b>	<b>\$ 117,111</b>

#### *Cash*

Cash increased compared to December 31, 2024. This increase in cash was primarily driven by contract settlements, settlements from carbon credit streaming and royalty agreements and finance income, partially offset by other operating expenses.

#### *Other current assets*

Other current assets decreased compared to December 31, 2024 as a result of collections of other receivables and the amortization of prepaid expenses in 2025. Other current assets consist of other receivables, prepaid expenses and carbon credit inventory.

#### *Non-current assets*

Non-current assets decreased compared to December 31, 2024 primarily due to the loss on revaluation of carbon credit streaming and royalty agreements in 2025 and the revaluation of the preferred shares to \$Nil. Other non-current assets consist of carbon credit streaming and royalty agreements and finance lease receivable.

#### *Current liabilities*

Current liabilities decreased compared to December 31, 2024 due to the settlement of accounts payable and accrued liabilities, a lower valuation of warrant liabilities, and a reduction in the current portion of share unit liabilities. Current liabilities consist of accounts payable and accrued liabilities, warrant liabilities, the current portion of share unit liabilities and the current portion of lease liability.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

*Non-current liabilities*

Non-current liabilities decreased compared to December 31, 2024 due to the movement of such liabilities from non-current to current. Other non-current liabilities consist of the non-current portion of share unit liabilities.

**Liquidity**

As at December 31, 2025, the Company had working capital of \$37.5 million, which includes cash of \$39.1 million (as at December 31, 2024 – working capital \$36.6 million, which includes cash of \$37.4 million). The largest short-term liability relates to accounts payable and other accrued liabilities.

The Company's ability to meet its obligations and execute its business strategy depends on its ability to generate cash flow from the delivery and sale of carbon credits, as well as through the issuance of its securities, the exercise of stock options and warrants and short-term or long-term borrowings. Based on current cash balances, the Company believes it has access to sufficient resources to satisfy its commitments.

The capital structure of the Company consists of shareholders' equity of \$44.5 million as at December 31, 2025 (as at December 31, 2024 - \$46.4 million). The decrease in shareholders' equity in the current period was primarily driven by net loss, as described in the "Summary of Quarterly Results" section of this MD&A.

There is risk associated with the voluntary carbon credit market, as it faces ongoing regulatory developments, carbon price volatility, and fluctuating demand, which could impact the Company's ability to generate expected revenues from carbon credit sales.

For the three months and year ended December 31, 2025, cash increased by \$1.1 million and \$1.0 million, respectively, excluding the impact of foreign exchange on cash. This increase was primarily driven by the collection of settlements from carbon credit streaming and royalty agreements and proceeds from contract settlements, partially offset by cash used for other operating expenses.

**Cash Flows**

*Operating Activities*

In operating activities, the Company generated \$284 thousand and used \$453 thousand for the three months and year ended December 31, 2025, respectively (three months and year ended December 31, 2024 – cash used of \$2.3 million and \$5.6 million, respectively). For the three months ended December 31, 2025, cash generated from operating activities primarily related to settlements from carbon credit streaming and royalty agreements and finance income earned, partially offset by other operating expenses incurred during the normal course of business. For the year ended December 31, 2025, cash used in operating activities primarily relates to other operating expenses incurred during the normal course of business, partially offset by settlements from carbon credit streaming and royalty agreements and finance income earned in the period.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

For the three months and year ended December 31, 2025, the increase in cash generated from operating activities was primarily driven by lower operating expenses.

*Investing Activities*

From investing activities, the Company generated \$0.5 million and \$1.4 million for the three months and year ended December 31, 2025, respectively (three months and year ended December 31, 2024 – cash used of \$2.1 million and \$8.0 million, respectively). For the three months and year ended December 31, 2025, cash generated from investing activities related primarily to the proceeds from contract settlements and the sub-lease income received during the period. For the three months and year ended December 31, 2025, the increase in cash generated from investing activities was primarily due to a lower amount of upfront deposits paid for carbon credit streaming and royalty agreements during the period and proceeds from contract settlement.

*Financing Activities*

Cash generated from financing activities was \$281 thousand and \$143 thousand for the three months and year ended December 31, 2025, respectively (three months and year ended December 31, 2024 – cash used of \$46 thousand and \$186 thousand, respectively). For the three months and year ended December 31, 2025, cash generated from financing activities was primarily related to the cash received on warrant exercises, partially offset by lease payments made during the period.

## KEY MANAGEMENT PERSONNEL

Key management personnel are those people who have authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Board.

Remuneration of key management personnel of the Company was as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Salaries and fees <sup>1</sup>	\$ 374	\$ 1,536
Consulting fees <sup>2</sup>	-	55
Share-based compensation	159	872
Restructuring <sup>3</sup>	310	1,333
<b>Total</b>	<b>\$ 843</b>	<b>\$ 3,796</b>

1. Salaries and fees paid to the executive officers and directors for their services.
2. Consulting fees relate to amounts paid to a director of the Company for consulting services.
3. Restructuring relates to severance and other termination benefits. Please refer to Note 6 of the Financial Statements.

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

## SHARE CAPITAL

As at March 30, 2026, the Company has the following items of share capital outstanding:

	<u>Share Capital</u>
Common Shares issued and outstanding	49,059,053
Warrants	20,919,750
Stock options <sup>1</sup>	132,000
RSUs and PSUs <sup>2</sup>	546,668

(1) Options are issued pursuant to and governed by the Company's Long Term Incentive Plan (the "LTIP").

(2) Restricted share units ("RSUs") and Performance share units ("PSUs") are issued pursuant to and governed by the LTIP and represent a right to receive Common Shares (or the cash equivalent) at a future date, as determined by the established vesting conditions. RSU and PSU settlements are determined at the sole discretion of the Board, and can be settled in Common Shares, cash or a combination thereof.

## COMMITMENTS

In connection with the acquisition of carbon credit streaming and royalty agreements, the Company pays an upfront deposit to the project partner for the stream or investment. In certain instances, the payment of the upfront deposit is paid in installments, subject to certain milestones and conditions being met. While the timing of such payments is event-driven, the Company has made assumptions on the timing and likelihood of such payments, based on the information currently available. As at December 31, 2025, such conditions had not been met.

During the year ended December 31, 2025, the Company reassessed the likelihood of certain milestone-based payments under its carbon credit streaming and royalty agreements based on updated project information, contractual terms and its expected course of action. In the fourth quarter of 2025, the Company amended and restated the Azuero Reforestation Stream, which resulted in no further funding being required from the Company under the agreement. The Company also reassessed the Community Carbon Stream based on updated information regarding the underlying project plan and the Company's contractual rights in respect of milestone funding. Based on this reassessment, certain amounts previously disclosed as commitments do not represent present obligations of the Company and are not expected to result in an outflow of resources. Accordingly, these amounts have been excluded from the Company's commitments, as the possibility of such payments is considered remote.

Under its carbon credit streaming agreements, the Company is typically required to make an ongoing delivery payment to the project partner for each carbon credit that is delivered to the Company and sold under the stream. The timing and amount of such payments are dependent on the timing of delivery and sale of carbon credits, the net realized price obtained on the sale of the carbon credits and the terms of the applicable carbon credit streaming agreement.

From time to time, the Company may enter into sales contracts with customers for the future sale of carbon credits. Under these agreements, payment and delivery of the credits may occur at a future date, once credits are delivered to the Company.

OR Royalties Inc. (formerly known as Osisko Gold Royalties Ltd) (“**OR Royalties**”) and the Company entered into an investor rights agreement dated February 18, 2021 which governed various aspects of the relationship between OR Royalties and the Company (the “**IRA**”). Under the IRA, OR Royalties had various rights, including to participate in certain stream, forward sale, prepay, royalty, off-take or similar transactions between the Company, as purchaser and/or creditor, and one or more third-party counterparties and to nominate a director to the Company’s board. OR Royalties previously participated in the Magdalena Bay Blue Carbon Stream, but did not exercise any of such other rights under the IRA. The IRA was automatically terminated in accordance with its terms in the third quarter of 2025.

In the second quarter of 2025, the Company initiated arbitration proceedings against Will Solutions in connection with the termination of the Sustainable Community Stream. The termination, which was exercised by the Company in the third quarter of 2024, was a result of, among other things, the failure of Will Solutions Inc. to meet its milestone related to the registration of its Ontario project and its failure to develop and implement the project in accordance with the project plan (including continued delays in project development activities and lower-than-expected project enrollments). The arbitration proceeding is ongoing. Will Solutions delivered a short answer and counterclaim in the third quarter of 2025 and the Company has responded. The Company believes the counterclaim is without merit and, based on its assessment of the facts and current legal advice, considers the probability of an economic outflow to be remote. Please refer to the “*Legal Proceedings*” section of this MD&A for further information.

In April 2025, the Company sued several former executives, directors, consultants and associated entities the Ontario Superior Court of Justice. During the third and fourth quarters of 2025, certain defendants in the claim delivered counterclaims against the Company and certain acting directors and officers. During the first quarter of 2026, the Company delivered its replies to defences and defences to the counterclaim, as did the directors and officers. The Company has reviewed the counterclaims against it, and considers that the counterclaims are without merit and that it has defences against the allegations raised in the counterclaims. As a result of this assessment, and because an outflow of economic resources is considered remote and a reliable estimate of any possible obligation cannot be made at this time, no provision has been recognised in the Financial Statements. Please refer to the “*Legal Proceedings*” section of this MD&A for further information.

## OFF-BALANCE SHEET ARRANGEMENTS

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

## FINANCIAL INSTRUMENT FAIR VALUE AND RISK FACTORS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments include cash, other receivables, carbon credit streaming and royalty agreements, Preferred Shares, accounts payable and accrued liabilities, warrant liabilities and derivative liabilities. The carrying value of cash, other receivables, and accounts payable and accrued liabilities approximates their fair value due to their short-term nature. Cash is measured at fair value based on Level 1 of the fair value hierarchy. Certain Canadian dollar ("C\$") denominated warrant liabilities with a quoted trading price are valued based on Level 1 of the fair value hierarchy. Certain C\$ denominated warrant liabilities (Level 2) where no quoted prices exist have been valued using a Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, the spot market price of the Common Shares, volatility of the expected market price of the Common Shares and the expected life of the warrants. The preferred shares (Level 3) are valued by taking into consideration various observable and unobservable inputs, including changes in the performance of the investee, changes in the market price for carbon credits, changes in interest rates, changes in the valuation of comparable public-traded entities and evidence from other transactions in the investee's equity. Carbon credit streaming and royalty agreements and the derivative liabilities (Level 3) are valued by taking into consideration various observable and unobservable inputs, including the carbon credit production and sales profiles, the carbon credit pricing assumptions, an applicable risk-adjusted discount rate and other contractual terms of the agreements (see Note 8 of the Financial Statements).

## Risk Factors

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

### *Carbon Market Risk*

Carbon market risk is the risk that the fair value of a financial instrument will fluctuate from changes in market forces including, but not limited to, interest rates, voluntary carbon credit prices, and timing and number of anticipated carbon credit deliveries and sales (See Note 8 of the Financial Statements for additional information).

### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's cash balance is held in credit worthy financial institutions. Credit risk has been assessed as low.

### *Currency Risk*

Foreign currency risk is the risk that the fair value of financial instruments will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risk as it incurs certain expenditures that are denominated in Canadian dollars while its functional

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

and presentation currency is the United States dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates. As at December 31, 2025, the Company held cash of C\$38.0 million and had accounts payable and other monetary liabilities of C\$1.6 million. Assuming all other variables remain constant, a 5% weakening or strengthening of the US dollar against the Canadian dollar would result in a change of approximately \$1.3 million to profit or loss.

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on the cash held in its bank accounts. The income earned on the bank account was subject to the movements in interest rates. The Company has no interest-bearing debt. Therefore, interest rate risk has been assessed as nominal.

#### *Liquidity Risk*

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash balances. Under current market conditions and available cash on hand, liquidity risk has been assessed as low.

## KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGMENTS

The preparation of the Company's Financial Statements in conformity with the IFRS Accounting Standards requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Estimates and assumptions are continually evaluated and are based on management's 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. The areas which require management to make significant judgments, estimates and assumptions in determining carrying values are described in Note 4 of the Company's Financial Statements.

The Company's material accounting policies and future changes in material accounting policies are presented in the Financial Statements and have been consistently applied.

## RISKS AND UNCERTAINTIES

The Company is exposed to a variety of known and unknown risks in the pursuit of its strategic objectives, including but not limited to commodity and currency risk, liquidity/financial risk and general business risk. The impact of any risk may adversely affect, among other things, the Company's business, financial condition and operating results, which may affect the market price of its securities. The Company monitors its risks on an ongoing basis and seeks to mitigate these risks as and when possible.

For a comprehensive discussion of the risks and uncertainties that could have an effect on the business and operations of the Company, investors are urged to review the section of the AIF entitled "Risk Factors" and the Financial Statements, copies of which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Significant Risk Factors

### *Pending or future litigation, arbitration or other proceedings*

The Company may from time to time be involved in various claims, legal proceedings and disputes arising in the ordinary course of business. If such disputes arise and the Company is unable to resolve these disputes favourably, it may have a material and adverse effect on the Company's profitability, results of operations and financial condition. Such litigation may be time consuming and costly, and as with all litigation, no guarantee of success can be made. Should any such court, tribunal or other decision be determined adversely to the Company, it may have a material adverse effect on the Company's profitability, results of operations and financial condition.

### *Carbon Credit and Currency Risk*

The Company's financial performance is heavily dependent on the price of carbon credits and liquidity of the carbon markets. The Company's ability to generate cash flow and profitability is directly impacted by its ability to sell carbon credits and at favourable pricing. The price and market for carbon credits are subject to volatile price movements, which are based on numerous factors outside of the Company's control. The Company seeks to mitigate these risks by acquiring streams, royalties, and credits representing a diversified group of projects (by geography, project type and crediting standard). In addition, the Company seeks out projects that have significant social and economic co-benefits in addition to their carbon reduction or removal potential, which can command premium pricing.

### *Liquidity/Financial Risks*

The Company is exposed to normal financial risks including liquidity risk, exchange rate risk, interest rate risk and credit risk. The Company's principal liquidity and capital resource requirements are the capital required to acquire streams and royalties and general operating expenses. The Company funds these requirements through current cash and working capital balances which are carefully managed to ensure that operational needs and other contractual and financial obligations are met. For further information on liquidity and capital risk mitigation, see the "Financial Instrument Fair Value and Risk Factors" section of this MD&A.

### *General Business Risks*

The nature of the Company's business is highly speculative. The success of the Company's activities will depend on management's ability to implement its strategy and on the availability of opportunities related to carbon credit streaming and royalty agreements and greenhouse gases ("GHG") emission avoidance, reduction, and removal/sequestration programs; government regulations; commitments to reduce or compensate for GHG emissions by corporations, organizations and individuals; actions by the Company's project partners or operators of a project; general domestic and international economic and political developments, including potential trade tariffs and general economic conditions and there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved and there is no certainty that the Company will successfully implement its current strategy.

The list above does not contain all the risks associated with an investment in the securities of the Company. For a more comprehensive discussion of the risks and uncertainties that could have an effect on the business and operations of the Company, see the Company's AIF and Financial Statements, which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## DISCLOSURE OF INTERNAL CONTROLS

In accordance with National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**") of the Canadian Securities Administrators, the Company issues a "Certification of Annual Filings". This Certification requires certifying officers to certify, among other things, that they are responsible for establishing and maintaining Disclosure Controls and Procedures ("**DC&P**") and Internal Controls over Financial Reporting ("**ICFR**") as those terms are defined in NI 52-109. The control framework used to design the Company's ICFR is based on the framework established in Internal Control - Integrated Framework (2013) by the Committee of Sponsoring Organizations of the Treadway Commission.

The Company's ICFR is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements for external purposes in accordance with the IFRS Accounting Standards. The Company's ICFR may not prevent or detect all misstatements because of inherent limitations.

Management has evaluated the effectiveness of the Company's ICFR as at December 31, 2025. Based on this assessment, the Company's Chief Executive Officer and its Chief Financial Officer concluded that the Company's ICFR were effective as at December 31, 2025.

There have been no changes in the Company's ICFR during the quarter ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, its ICFR.

The Company's DC&P is designed to provide reasonable assurance that material information relating to the Company is made known to the Company's certifying officers by others, particularly during the period in which the interim filings are being prepared, and that information required to be disclosed by the Company in its annual filings, interim filings and other reports filed or submitted by the Company under securities legislation is recorded, processed, summarized and reported within the time period specified in securities legislation.

## ADVISORIES

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget",

CARBON STREAMING CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025

(Tabular amounts expressed in thousands of United States dollars, unless otherwise indicated)

---

“scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated in such forward-looking statements.

The Company currently believes the expectations reflected in these forward-looking statements are reasonable but cannot assure that such expectations will prove to be correct, and thus, such statements should not be unduly relied upon. These forward-looking statements are made as of the date of this MD&A and the Company disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, unless required pursuant to applicable laws. Risk and assumptions that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the headings “Additional Information – Forward-Looking Information” and “Risk Factors” in the Company’s AIF and under the heading “Risks and Uncertainties” in this MD&A. Although the Company has attempted to take into account important factors that could cause actual costs or operating results to differ materially, there may be other unforeseen factors and therefore results may not be as anticipated, estimated or intended.

## ADDITIONAL INFORMATION

Additional information with respect to the Company, including the Financial Statements and the Company’s AIF, have been filed with Canadian securities regulatory authorities and is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company’s website at [www.carbonstreaming.com](http://www.carbonstreaming.com). Information contained in or otherwise accessible through the Company’s website does not form a part of this MD&A and is not incorporated by reference into this MD&A.