NAMIBIA CRITICAL METALS INC.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
WITH MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED MAY 31, 2025 AND 2024

(CANADIAN DOLLARS)

NAMIBIA CRITICAL METALS INC.

Management's Discussion and Analysis

Three and six months ended May 31, 2025

NAMIBIA CRITICAL METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis of the financial condition and results of operations ("MD&A") of Namibia Critical Metals Inc. (the "Company" or "NMI") is dated July 24, 2025, and provides an analysis of the Company's financial results and progress for the three and six months ended May 31, 2025. This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements as at and for the three and six months ended May 31, 2025 and related notes thereto, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). All amounts are expressed in Canadian dollars unless otherwise noted.

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address exploration drilling, exploitation activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration results, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The information contained herein is subject to change and the Company does not assume the obligation to revise or update these forward-looking statements, except as may be required under applicable securities laws.

The risk factors identified above are not intended to represent a complete list of the factors which could affect the Company. Additional factors are noted under Risks and Uncertainties below.

Any financial outlook or future-oriented financial information in this MD&A, as defined by applicable securities legislation, has been approved by management as of the date of this MD&A. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this MD&A.

Rainer Ellmies, PhD, MSc Geology, GeolFA, EurGeol, AusIMM, is the Company's Qualified Person and has reviewed and approved the technical information disclosed in this MD&A.

Overall Performance

The Company is engaged in the exploration for critical metals in Namibia through its 95% owned subsidiary, Namibia Rare Earths (Pty) Ltd., a Namibian company ("Namibia Pty") through the Company's Cayman subsidiary, Cayman Namibia Rare Earths Inc. Since incorporation in 2004, Namibia Pty has established a presence in Namibia and has been granted several exclusive prospecting licenses, and a mining licence for the Lofdal project.

Since 2020, the Company has focused on the development of the Lofdal Heavy Rare Earths Project through its joint venture with the Japan Organization for Metals and Energy Security Corporation ("JOGMEC"). The project is currently undergoing a Pre-Feasibility Study (PFS) for a large-scale heavy rare earths mining and processing project called "Lofdal 2B-4".

Location of the Lofdal Heavy Rare Earth Project

Lofdal is located approximately 450 kilometers northwest of the capital city of Windhoek and 25 kilometers northwest of the town of Khorixas in the Kunene Region of the Republic of Namibia (Figure 1). The project area is linked to the regional port of Walvis Bay via 390 kilometers of well-maintained main roads.

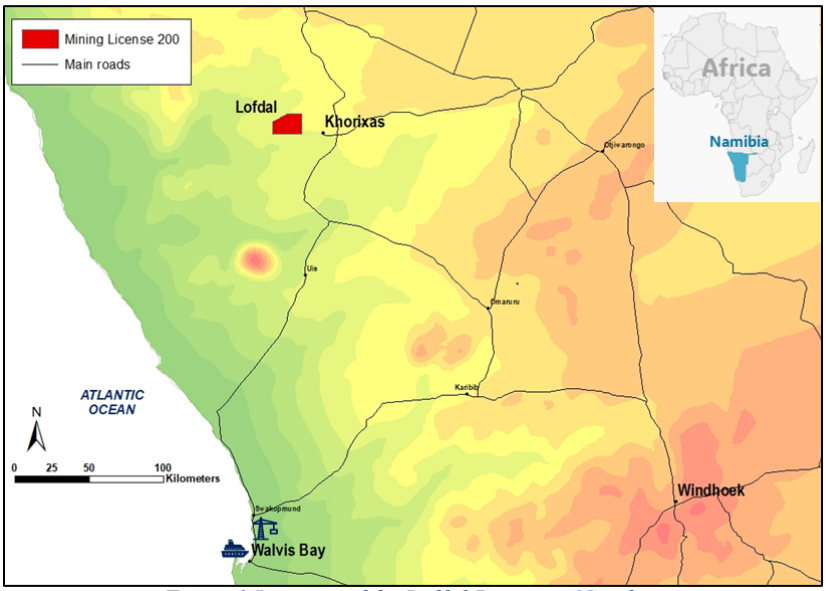


Figure 1 Location of the Lofdal Project in Namibia.

Mineral Rights

The Lofdal Project is licensed with a Mining License ("ML200") which was issued by the Ministry of Mines and Energy in May 2021 and is valid for 25 years to May 10, 2046. The Mining License was issued to the Company's 95% owned subsidiary, Namibia Rare Earths (Pty) Ltd., with the balance held by Philco One Hundred Ninety-Six (Pty) Ltd. ("Philco 196"), a company incorporated to fulfil the licence requirement of a 5% shareholding of Historically Disadvantaged Namibians.

Partnership with Japan Organization for Metals and Energy Security Corporation ("JOGMEC")

On January 27, 2020, the Company announced that it had signed an agreement with JOGMEC to jointly explore, develop, exploit, refine and/or distribute mineral products from Lofdal. JOGMEC is a Japanese government agency which seeks to secure stable commodity supply for Japan. Rare earths are of critical importance to Japanese industrial interests. Japan is responsible for 9% of global dysprosium consumption. JOGMEC has a strong reputation as a long term, strategic partner in mineral projects globally. JOGMEC facilitates opportunities with Japanese private companies to secure supply of natural resources for the benefit of the country's economic development.

The agreement provides JOGMEC with the right to earn a 50% interest in the project by funding $20,000,000 in exploration and development expenditures under the following terms:

Term 1 – JOGMEC will fund $3,000,000 in exploration expenditures up to March 31, 2021. The first term funding amount is non-refundable and JOGMEC earns no interest in the Lofdal project;

Term 2 – JOGMEC is entitled to elect to contribute an additional $7,000,000 in exploration expenditures from April 1, 2021 – March 31, 2024 to earn a 40% interest in the Lofdal project;

Term 3 – JOGMEC is entitled to elect to contribute an additional $10,000,000 in exploration and development expenditures from April 1, 2024 – March 31, 2028 to earn an additional 10% interest in the Lofdal project.

Once JOGMEC has completed and exercised its 50% earn-in and a feasibility study has been completed on the project, JOGMEC has the right to purchase an additional 1% interest in the project from the Company for $5,000,000 and thereafter to exclusively provide funding to develop the project subject to the Company's interest in the project not being diluted below 26%.

To date, JOGMEC has completed Term 2 and earned a 40% interest by reaching the $10,000,000 expenditure requirement. The Company intends to transfer the 40% interest to JOGMEC in 2025. Total approved project funding to date is $17,245,000 (of which $16,745,000 had been received at May 31, 2025) of the $20,000,000 contribution required to earn a 50% interest.

Rare Earth Mineralization at Lofdal

The Lofdal property is centered on the Neoproterozoic Lofdal intrusive complex, a regional geological feature associated with numerous occurrences of rare earth element (REE) mineralization. The REE mineralisation is bound to multiple zones of hydrothermal alteration, predominantly albitization and carbonatization, associated with narrow carbonatite dykes of variable thickness.

Exploration results have demonstrated the occurrence of heavy rare earth (HREE) mineralization on a district scale. The mineralized zones stretch in northeasterly directions over a prospective area of about 20 km by 10 km (Figure 2).

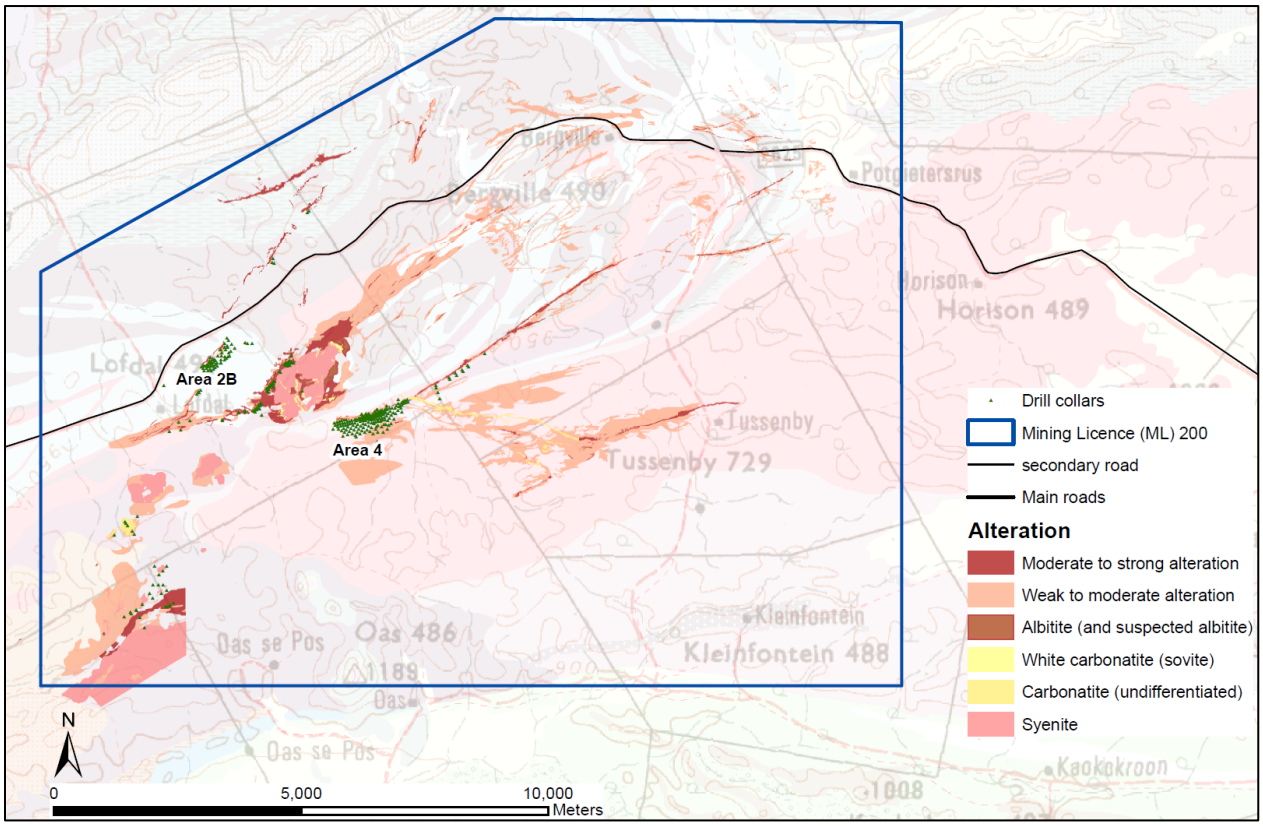


Figure 2: Regional-scale, structurally controlled alteration zones carry the HREE-mineralization at Lofdal. The mineralized system is covered by the Company's Mining License 200.

The two mineralized zones that have been evaluated by the recent resource drilling are "Area 4" and "Area 2B", (Figure 3). At Area 4, the zone of alteration has been traced for over 1,100 m at surface, where it is characterised by an intensely altered core of 15 m to 30 m thickness with a less altered halo of 50 m to 60 m that extends up to 100 m in thickness. The alteration zone at Area 2B has been traced along a strike length of 600 m and its thickness ranges

from 20 m to 35 m, thinning to less than 10 m in the central section of the deposit. Regional sampling and mapping suggest that the mineralisation for both deposits may extend for several kilometres along strike.

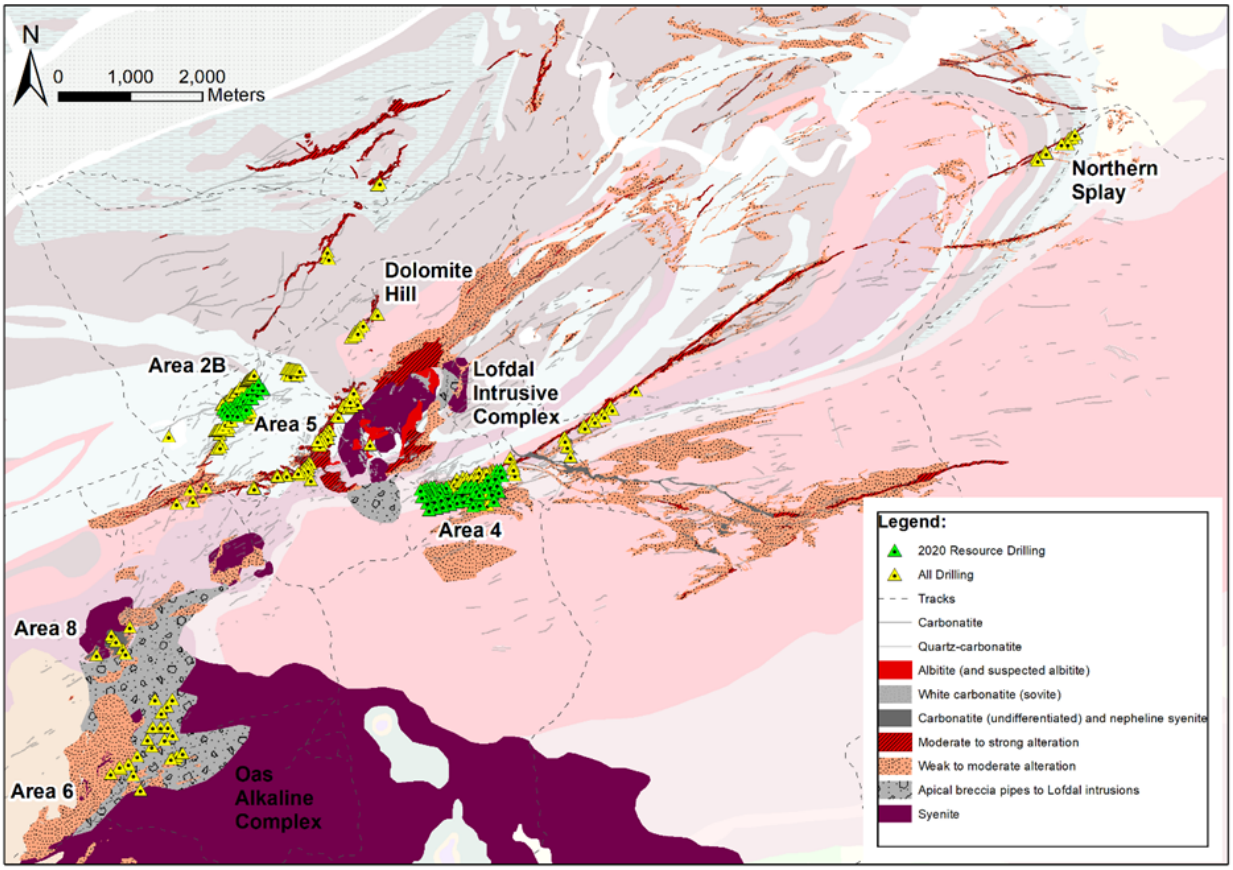


Figure 3 Simplified geology of the central Lofdal project area showing the location of the Area 4 and Area 2B deposits in relation to other structures with rare earth mineralization which underwent reconnaissance drilling.

Work Program with JOGMEC

Drilling Program (2020)

Drilling in 2020 focused on extending the mineral resource in Area 4 and confirming the resource potential in Area 2B. Reconnaissance drilling on the Northern Splay and Dolomite Hill targets did not return significant results for resource development. Drill target areas identified at Lofdal for resource development are shown in Figure 4.

Total drilling at the Lofdal project to date is 58,039 m (Table 1).

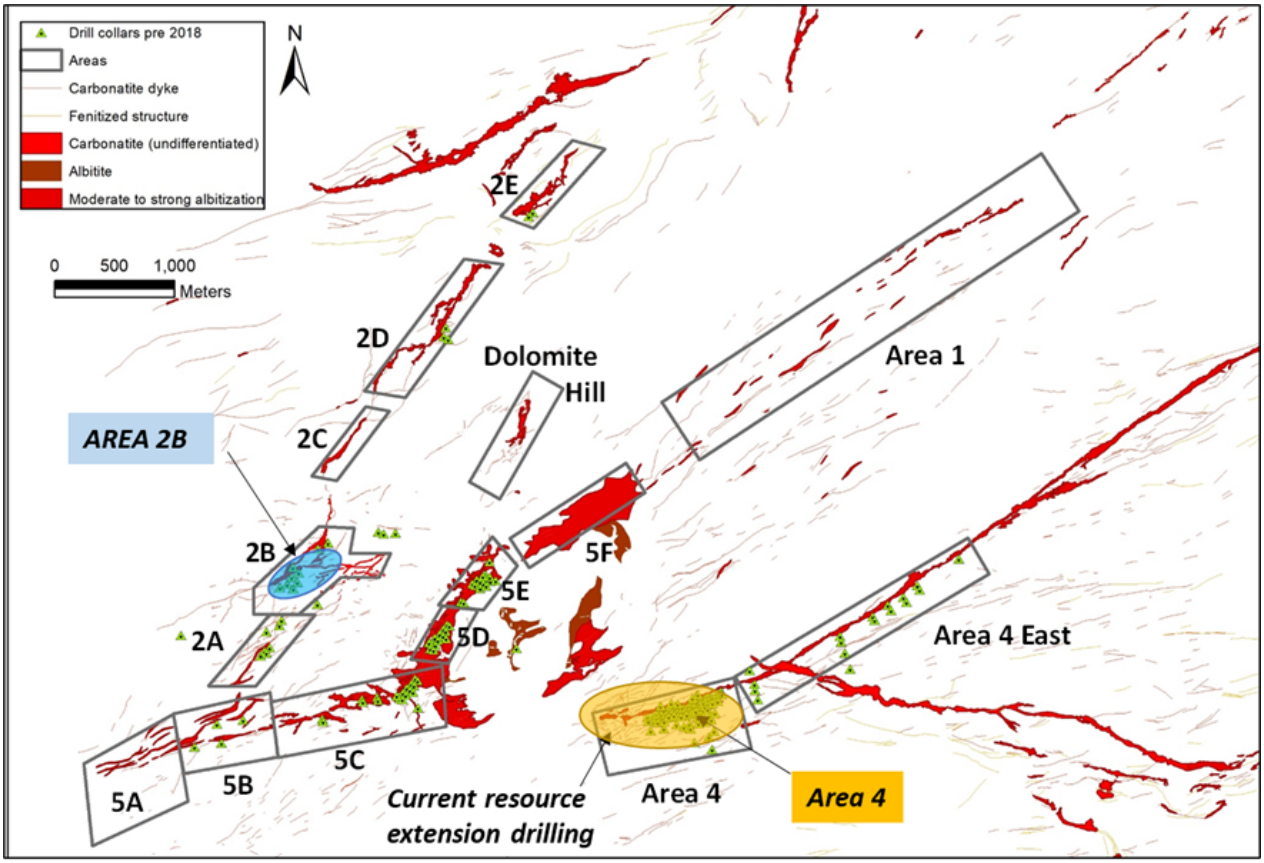


Figure 4 Target areas at Lofdal for resource development. In 2020-2023, focus was on Area 4. Area 2B is the first satellite deposit with resource drilling.

Table 1 Summary of drilling conducted at the Lofdal Project

Project Area	Drill Program	Type Drilling	2008-2016		JOGMEC 2020-2025		TOTAL PROJECT	
			Holes	Meters	Holes	Meters	Holes	Meters
2, 2A, 2C	Reconnaissance	Diamond	13	1,265			13	1,265
2B	Resource	Diamond	17	2,134	29	4,400	46	6,534
2B	Resource	RC			12	1,780	12	1,780
2B	Geotech	Diamond			6	563	6	563
4	Resource	Diamond	110	12,635	56	10,162	166	22,797
4	Resource	RC			44	9,043	44	9,043
4	Metallurgy	Diamond	8	1,022			8	1,022
4	Geotech	Diamond			13	2,032	13	2,032
5	Reconnaissance	Diamond	57	5,595			57	5,595
6	Reconnaissance	Diamond	24	4,495			24	4,495
7	Reconnaissance	Diamond	1	240			1	240
8	Reconnaissance	Diamond	7	1,021			7	1,021
Northern Splay	Reconnaissance	Diamond			10	1,276	10	1,276
Dolomite Hill	Reconnaissance	Diamond			4	377	4	377
	TOTAL		**237**	**28,407**	**174**	**29,633**	**411**	**58,039**

Infill drilling at Area 4 and Area 2B for PFS Lofdal "2B-4"

A resource infill and expansion drilling program was conducted at Area 4 and Area 2B between 2021 and 2023 which forms part of the Pre-Feasibility Study ("PFS") of the significantly expanded "Lofdal 2B-4" Project (Figure 5). The drill program was developed by the Company with the support of The MSA Group, to increase the level of resource categories as required for the PFS.

Resource infill drilling was completed in November 2023 which brought total drilling for Area 2B and Area 4 to 268 holes with a total of 40,153 m of both diamond core drilling (DC) and reverse circulation drilling (RC).

Sampling, Analysis and QAQC

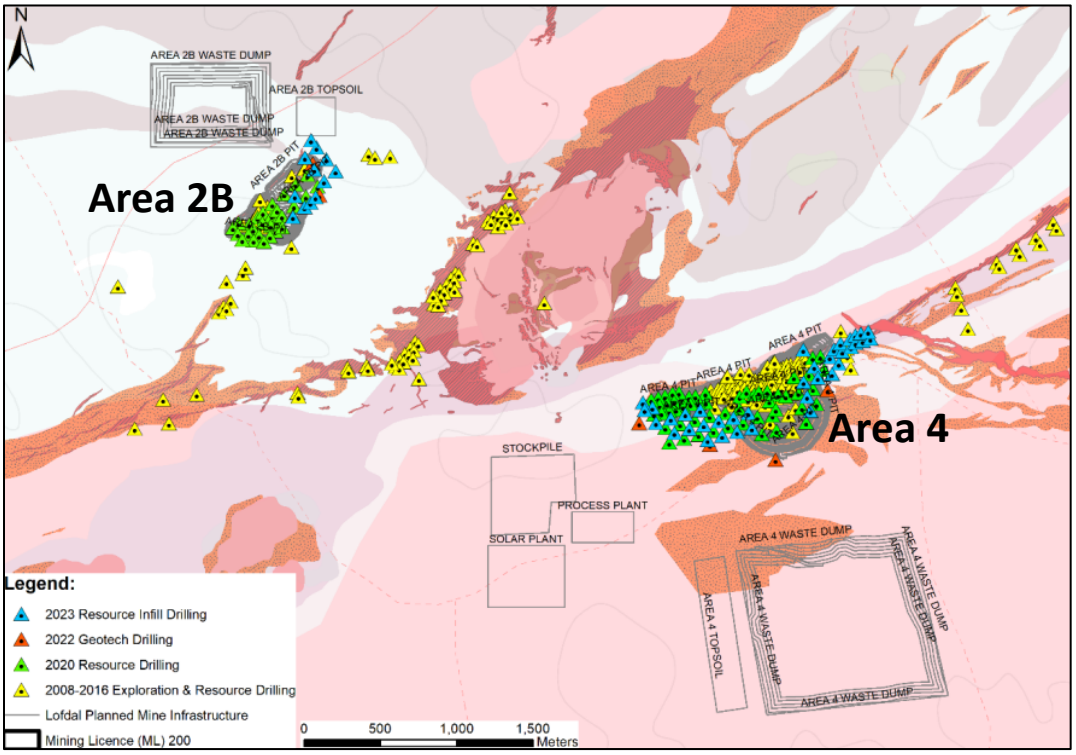


Figure 5 Drill collars in the central Lofdal project area. Blue triangles indicate the collar positions of 2023 RC infill drilling.

5,729 samples of average 1.8 kg per sample were collected at the drill rig's cyclone ("A-sample") and submitted to Actlabs preparatory laboratory in Windhoek, Namibia, in batches of 200 to 300 samples.

The samples were dried and crushed to 2 mm, split using a riffle splitter and pulverised to 105 µm. Pulverised sub-samples were homogenised in a stainless-steel riffle splitter and a 15 g sample and duplicate were drawn for analysis. The pulverised sample aliquots were shipped to the ISO/IEC 17025 accredited Actlabs analytical facility in Ancaster, Ontario, Canada. The samples were assayed using lithium metaborate-tetraborate fusion and Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Actlab's analytical code "8-REE" includes 45 trace elements, 10 major oxides, Loss on Ignition, and mass balance.

The samples were subjected to a quality assurance and quality control (QAQC) program consisting of the insertion of blank samples and certified reference materials at Lofdal and the preparation of a laboratory duplicate at the sample preparation facility in Windhoek. The primary laboratory assay values were confirmed by umpire sample analysis by ALS Global. A selection of 263 samples (every 20th sample of the original sample set), was sent to Actlabs

Okahandja, Namibia for further shipment to ALS Global, Johannesburg, South Africa. Samples were analysed using analytical code ME-MS81h (lithium meta-borate fusion and ICP-MS).

The Qualified Person is satisfied that the assay results are of sufficient accuracy and precision for use in the Mineral Resource Estimate.

Drill Results

Drill results in Area 4 have been consistent with expected grades and thickness as predicted from the resource model. Several intercepts in boreholes drilled in the periphery of the planned pit shell for Area 4 open pit, show wide mineralized zones which might form significant additional resources. An example for a mineralized zone is depicted in the section through the western periphery of planned Area 4 open pit with borehole L4D0207 returning 9 mineralized intervals using a cut-off of 0.1% TREO[2], including 14 m at 0.17% TREO from 295 m and 21 m at 0.11% TREO from 262 m (see NMI Press Release of 6 September 2023).

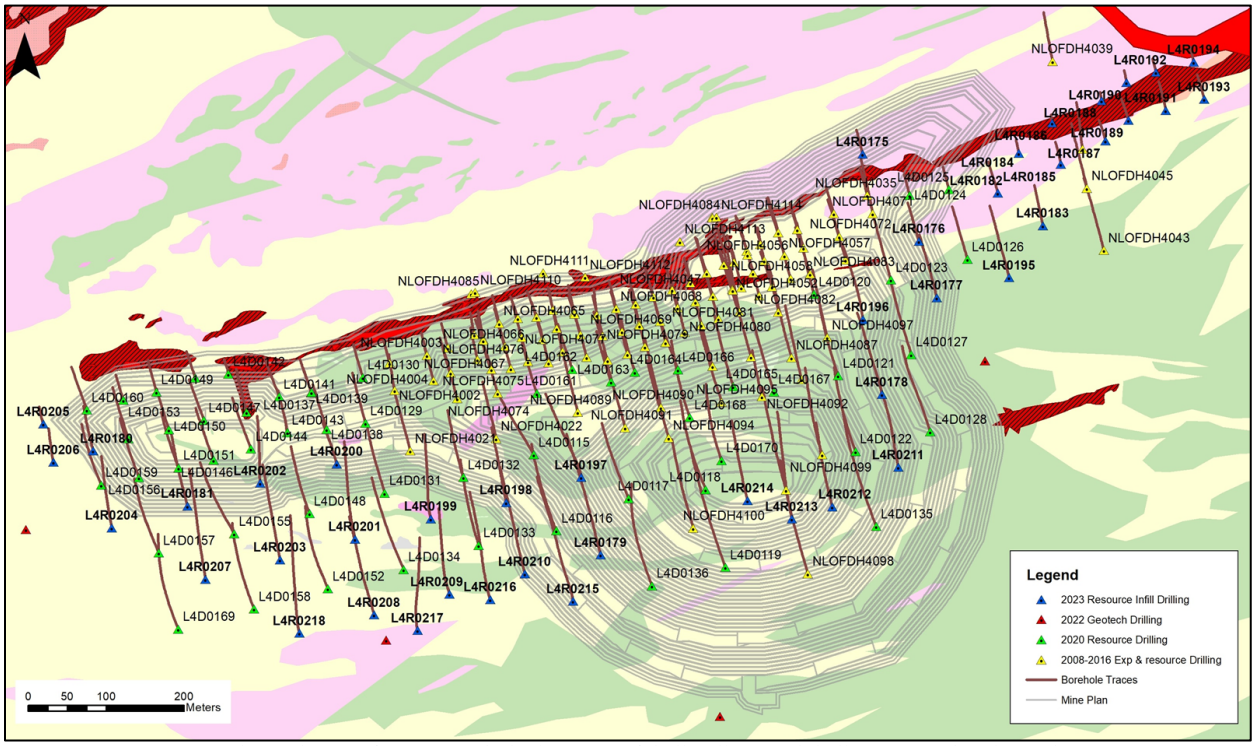


Figure 6 Geological map of Area 4 with the location of drill collars and drill traces at the planned Area 4 pit

Sampling was extended to the hanging wall of the "main mineralized zone". Assays show wide zones of up to 100 m of additional low to moderate grade HREO mineralization which currently undergo an assessment for upgrade and beneficiation by XRF and XRT sorting technologies and thus might potentially further increase mine life or throughput of the future Lofdal mine.

[2] "TREO" refers to total rare earth oxides plus yttrium oxide; "HREO" refers to heavy rare earth oxides plus yttrium oxide; "heavy rare earths" as used in all Company presentations comprise europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu) and yttrium (Y). Light rare earths comprise lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd) and samarium (Sm).

Intercepts were generally selected based on an assumed cut-off of 0.1% TREO as previously used in the PEA "Lofdal 2B-4" (see NMI Press Release of 14 November 2022). However, the intercepts partly include a significant number of samples with <0.1% TREO to reflect the width of the mineralized zone potentially forming consecutive ore blocks in a large-scale open pit operation. By including lower grade mineralization, the combined mineralized intervals may reach more than 100 m length in total, as in borehole L4R0208 with 63 m length from 275 m and 53 m length from 173 m (see Figure 7), and borehole L4R0210 with 51 m length from 285 m, 27 m length from 252 m and 29 m from 213 m (for details see NMI Press Release of 6 September 2023). The longest consecutive mineralized interval is 105 m length from 123 m in borehole L4R0199.

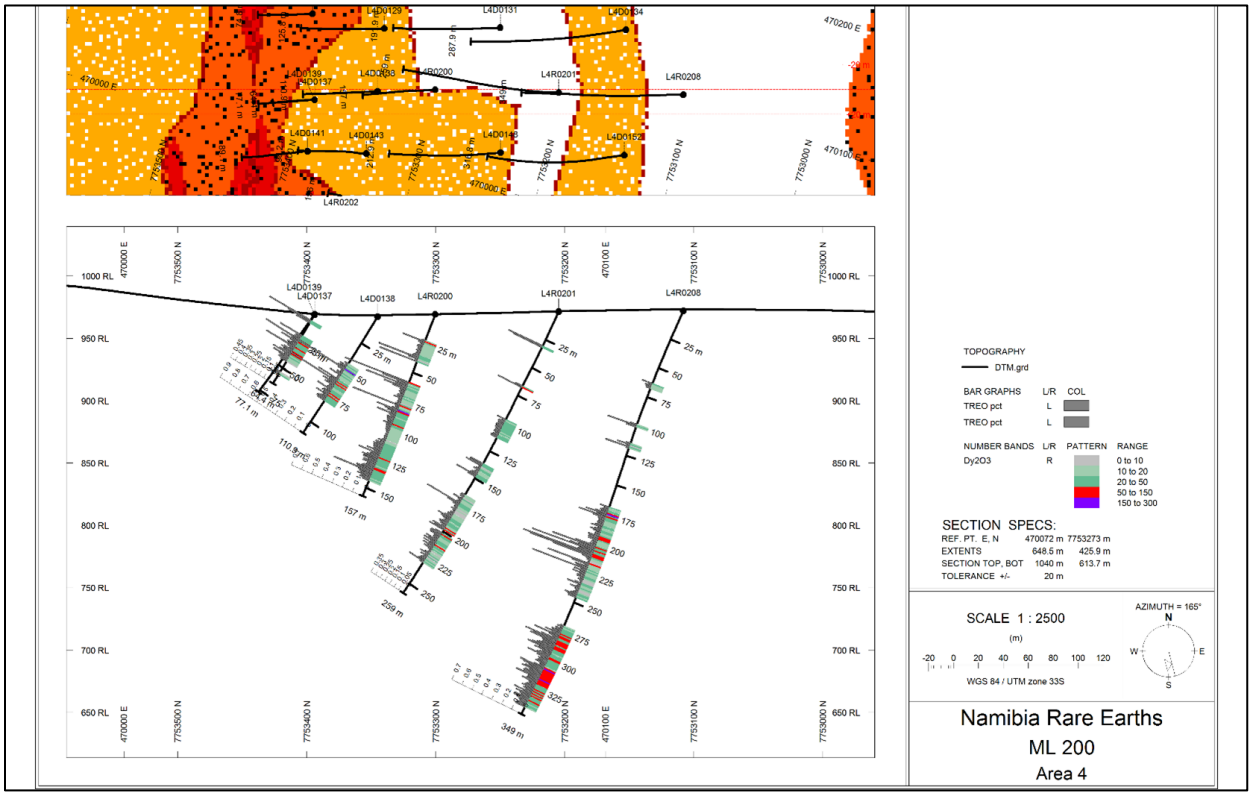


Figure 7 Drill section through the western part of Area 4. Color coding along the drill traces indicate TREO grade, and grey bars reflect Dy2O3 concentrations

In Area 2B, 12 RC holes were drilled for a total of 1,780 m (Figure 8). Drilling was expanded by 4 boreholes to cover the mineralized zone extending to the east of the currently planned pit shell (Figure 6). Infill drilling at Area 2B was completed for the update and increase of resource categories of the Mineral Resource Estimate as recommended by MSA for the PFS/DFS level for Lofdal's planned satellite open pit "Pit 2B".

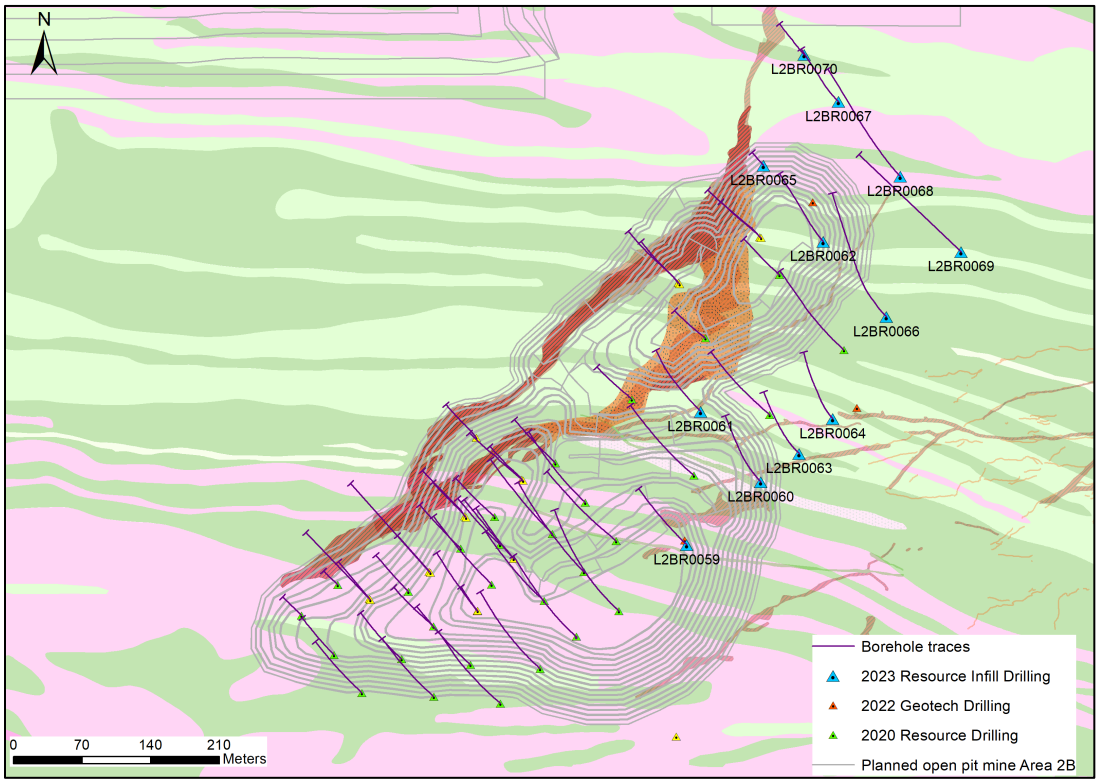


Figure 8 Geological map of Area 2B indicating all historical and the 2023 RC infill drill collars

Updated Mineral Resource Statement

The MSA Group (Pty) Ltd of South Africa ("MSA") was contracted to update the Mineral Resource Statement for Lofdal's Area 2B-4. The Mineral Resource was estimated using the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Best Practice Guidelines and is reported in accordance with the 2014 CIM Definition Standards, which have been incorporated by reference into National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").

MSA completed a site visit to review all technical aspects of the project including the Company's standard operating procedures and quality assurance quality control ("QAQC") programs. Considerable time was dedicated to vetting the geological model and continuity of the mineralization. Field operations follow strict company Standard Operating Procedures regarding drilling practices, sampling procedures, security of transport and analytical procedures as per recommendations in the Canadian Institute of Mining, Metallurgy and Petroleum CIM's Best Practices Guidelines (2018), which includes strict internal QAQC procedures for the insertion of blanks, standards and duplicates. QAQC samples account for 10% of samples submitted in each batch. The Mineral Resource Estimate ("MRE") was based on geochemical analyses and density measurements of core samples obtained by diamond drilling and samples obtained from RC drilling undertaken by Namibia Rare Earths from 2010 to 2012, in 2015, and by NMI (under the JOGMEC program) from 2020 to 2023.

Sample preparation and analytical work for the drilling program was provided by Activation Laboratories Ltd. ("Actlabs") in Windhoek, Namibia and Ancaster, Ontario. Actlabs is an ISO/IEC 17025 accredited laboratory. Half core samples of one-meter lengths intervals were taken for analysis. The bagged core samples were given a unique sample reference number and dispatched for preparation at Actlabs' sample preparation facility in Windhoek. The core samples were crushed to 2 mm, split using a riffle splitter and pulverised to 105 µm. Pulverised sub-samples were homogenised in a stainless-steel riffle splitter and a 15 g sample and duplicate were drawn for analysis. The pulverised sample aliquots were shipped to the ISO/IEC 17025 accredited Actlabs analytical facility in Ancaster,

Ontario, Canada. The REE's were assayed using lithium metaborate-tetraborate fusion and Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Samples from RC drilling were collected at the drill rig's cyclone ("A-sample") and submitted to Actlab's preparatory laboratory in Windhoek, Namibia, in batches of 200 to 300 samples. The samples were dried and crushed to 2 mm, split using a riffle splitter and pulverised to 105 µm. Pulverised sub-samples were homogenised in a stainless-steel riffle splitter and a 15 g sample and duplicate were drawn for analysis.

The samples were subjected to a quality assurance and control (QAQC) program consisting of the insertion of blank samples and certified reference materials at Lofdal and the preparation of a laboratory duplicate at the sample preparation facility in Windhoek. The primary laboratory assay values were confirmed by duplicate samples assayed by a second laboratory (ALS Global, Johannesburg, South Africa). MSA was satisfied that the assay results are of sufficient accuracy and precision for use in Mineral Resource estimation.

A three-dimensional geological model of the REE mineralisation and weathering surface was constructed using the drill hole and trench data. A mineralised envelope was defined. The grades of the individual light rare earth oxides (LREO) and individual heavy rare earth oxides (HREO) were estimated using ordinary kriging into a block model for each deposit. Density was estimated using inverse distance weighting. From the assumed parameters a 0.1% TREO cut-off grade was calculated (TREO refers to Total Rare Earth Oxides including Y_2O_3), which together with the Whittle optimised pit shell demonstrates reasonable prospects for eventual economic extraction (RPEEE) for the Mineral Resource. The Mineral Resource is classified into the Measured, Indicated and Inferred categories and is reported at a cut-off grade of 0.1% TREO.

Mineral Resource Statement of April 2024

The Mineral Resource is classified into the Measured, Indicated and Inferred categories and is reported at a cut-off grade of 0.1% total rare earth oxides (TREO). A summary of the Mineral Resource estimates is shown in Table 2 for Area 4 and Table 3 for Area 2B.

The Mineral Resource is presented at a variety of cut-off grades as shown in Table 4 (Measured and Indicated) and Table 5 (Inferred) for Area 4, and Table 6 (Indicated) and Table 7 (Inferred) for Area 2B.

The following notes apply to Tables 2 to 7:

1. *All tabulated data have been rounded and as a result minor computational errors may occur.*
2. *Mineral Resources, which are not Mineral Reserves, have no demonstrated economic viability.*
3. **TREO = Total Rare Earth Oxides and includes Y_2O_3*
4. ***HREO = Total Heavy Rare Earth Oxides and includes Y_2O_3*
5. ****LREO = Total Light Rare Earth Oxides*

Table 2 Area 4 Mineral Resource Estimate above 0.1% TREO cut-off grade*

Category	Tonnes (Mt)	TREO* %	HREO** %	LREO*** %	Dy_2O_3 ppm	TREO* (kt)
Measured	6.6	0.21	0.14	0.07	130	13.7
Indicated	49.2	0.15	0.07	0.08	69	75.7
Measured & Indicated	**55.8**	**0.16**	**0.08**	**0.08**	**76**	**89.4**
Inferred	10.5	0.14	0.06	0.08	58	15.0

Table 3 Area 2B Mineral Resource Estimate above 0.1% TREO cut-off grade*

Category	Tonnes (Mt)	TREO* %	HREO** %	LREO*** %	Dy_2O_3 ppm	TREO* (kt)
Indicated	2.7	0.16	0.09	0.07	97	4.4
Inferred	4.4	0.15	0.07	0.08	75	6.6

Table 4 Area 4, Measured and Indicated Resources Grade-Tonnages

Cut-off TREO %	Tonnes (Mt)	TREO* %	HREO** %	LREO** %	Dy_2O_3 ppm	TREO (kt)
0.10	55.8	0.16	0.08	0.08	76	89.4
0.15	20.4	0.23	0.13	0.10	120	46.5
0.20	8.4	0.31	0.20	0.11	186	26.0
0.25	4.2	0.40	0.29	0.11	262	16.8
0.30	2.6	0.48	0.38	0.10	333	12.4

Table 5 Area 4, Inferred Resources Grade-Tonnages

Cut-off TREO %	Tonnes (Mt)	TREO* %	HREO** %	LREO*** %	Dy_2O_3 ppm	TREO (kt)
0.10	10.5	0.14	0.06	0.08	58	15.0
0.15	3.4	0.18	0.08	0.11	76	6.3
0.20	0.7	0.24	0.12	0.12	118	1.7
0.25	0.2	0.30	0.20	0.09	193	0.6

Table 6 Area 2B, Indicated Resources Grade-Tonnages

Cut-off TREO %	Tonnes (Mt)	TREO* %	HREO** %	LREO*** %	Dy_2O_3 ppm	TREO (kt)
0.10	2.7	0.16	0.09	0.07	97	4.4
0.15	1.3	0.21	0.11	0.10	117	2.7
0.20	0.6	0.25	0.12	0.13	133	1.5
0.25	0.3	0.29	0.14	0.15	150	0.8

Table 7 Area 2B, Inferred Resources Grade-Tonnages

Cut-off TREO %	Tonnes (Mt)	TREO* %	HREO** %	LREO*** %	Dy_2O_3 ppm	TREO (kt)
0.10	4.4	0.15	0.07	0.08	75	6.6
0.15	1.6	0.20	0.09	0.11	96	3.3
0.20	0.6	0.25	0.10	0.15	111	1.6
0.25	0.2	0.31	0.10	0.20	115	0.8

The grade-tonnage curves (Figure 9) underline the large upside potential of the Lofdal project by potentially beneficiating lower grade resources, likely by sorting technologies, in future.

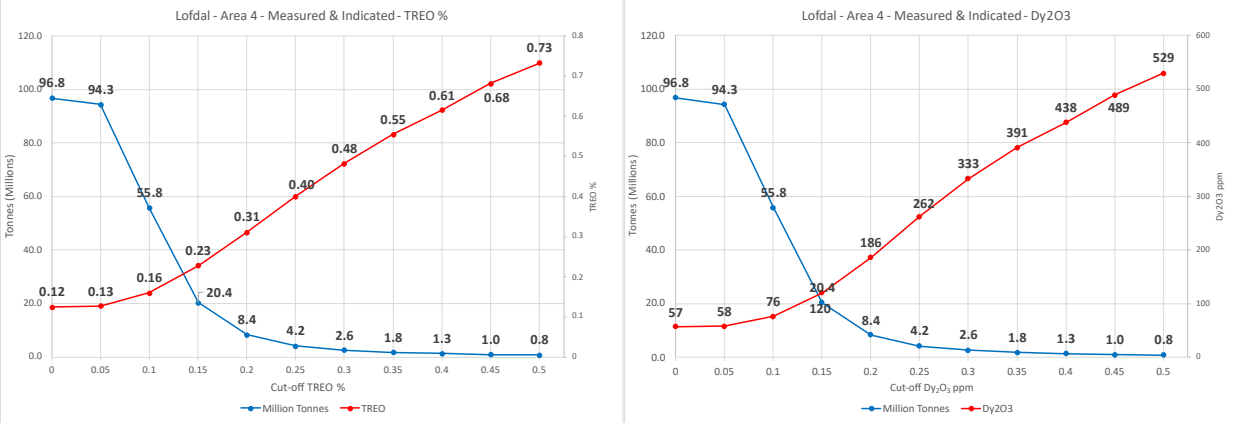


Figure 9 Area 4 Grade-Tonnage-Curves for Measured and Indicated Resources, Dy2O3 (in ppm)

The Mineral Resource is reported at a 0.1% TREO cut-off for each individual Rare Earth Oxide (REO) for Area 4 (Table 8) and for Area 2B (Table 9).

Table 8 Area 4 Mineral Resource Estimate above 0.1% TREO cut-off grade*

Class	Tonnes Mt	TREO* %	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm
Measured	6.57	0.21	173	313	34	124	42	18	81	19	130	28	83	12	76	11	935
Indicated	49.22	0.15	217	383	40	145	40	14	55	11	69	14	41	6	36	5	463
M&I	**55.79**	**0.16**	**211**	**374**	**39**	**142**	**40**	**15**	**58**	**12**	**76**	**16**	**46**	**7**	**41**	**6**	**519**
Inferred	10.52	0.14	217	389	42	150	40	13	49	9	58	12	34	5	30	4	369

Notes:

1. *All tabulated data have been rounded and as a result minor computational errors may occur.*
2. *Mineral Resources, which are not Mineral Reserves, have no demonstrated economic viability.*
3. **TREO = Total Rare Earth Oxides and includes Y_2O_3*

Table 9 Area 4 TREO and Individual REO Quantities above 0.1% TREO cut-off grade*

Class	Tonnes Mt	TREO* Tonnes	La_2O_3 Tonnes	Ce_2O_3 Tonnes	Pr_2O_3 Tonnes	Nd_2O_3 Tonnes	Sm_2O_3 Tonnes	Eu_2O_3 Tonnes	Gd_2O_3 Tonnes	Tb_2O_3 Tonnes	Dy_2O_3 Tonnes	Ho_2O_3 Tonnes	Er_2O_3 Tonnes	Tm_2O_3 Tonnes	Yb_2O_3 Tonnes	Lu_2O_3 Tonnes	Y_2O_3 Tonnes
Measured	6.57	13 650	1 137	2 055	220	815	276	120	531	124	855	186	545	82	496	72	6 136
Indicated	49.22	75 728	10 660	18 832	1 983	7 134	1 962	694	2 713	528	3 391	695	2 009	291	1 781	257	22 798
M&I	**55.79**	**89 378**	**11 797**	**20 888**	**2 203**	**7 950**	**2 238**	**814**	**3 243**	**653**	**4 246**	**881**	**2 554**	**373**	**2 277**	**329**	**28 934**
Inferred	10.52	14 955	2 279	4 089	437	1 580	426	137	520	97	611	124	356	51	317	46	3 886

Notes:

1. *All tabulated data have been rounded and as a result minor computational errors may occur.*
2. *Mineral Resources, which are not Mineral Reserves, have no demonstrated economic viability.*
3. **TREO = Total Rare Earth Oxides and includes Y_2O_3*

Quantities for each individual REO are reported in tonnes (t) at a 0.1% TREO cut-off for Area 4 (Table 10) and for Area 2B (Table 11)

Table 10 Area 2B Mineral Resource Estimate above 0.1% TREO cut-off grade*

Class	Tonnes Mt	TREO* %	La_2O_3 ppm	Ce_2O_3 ppm	Pr_2O_3 ppm	Nd_2O_3 ppm	Sm_2O_3 ppm	Eu_2O_3 ppm	Gd_2O_3 ppm	Tb_2O_3 ppm	Dy_2O_3 ppm	Ho_2O_3 ppm	Er_2O_3 ppm	Tm_2O_3 ppm	Yb_2O_3 ppm	Lu_2O_3 ppm	Y_2O_3 ppm
Indicated	2.65	0.16	187	303	32	126	51	20	73	15	97	19	55	8	51	7	596
Inferred	4.37	0.15	196	320	36	160	76	25	80	13	75	14	40	6	36	5	440

Notes:

1. *All tabulated data have been rounded and as a result minor computational errors may occur.*
2. *Mineral Resources, which are not Mineral Reserves, have no demonstrated economic viability.*
3. **TREO = Total Rare Earth Oxides and includes Y_2O_3*

Table 11 Area 2B TREO and Individual REO Quantities above 0.1% TREO cut-off grade*

Class	Tonnes Mt	TREO* Tonnes	La_2O_3 Tonnes	Ce_2O_3 Tonnes	Pr_2O_3 Tonnes	Nd_2O_3 Tonnes	Sm_2O_3 Tonnes	Eu_2O_3 Tonnes	Gd_2O_3 Tonnes	Tb_2O_3 Tonnes	Dy_2O_3 Tonnes	Ho_2O_3 Tonnes	Er_2O_3 Tonnes	Tm_2O_3 Tonnes	Yb_2O_3 Tonnes	Lu_2O_3 Tonnes	Y_2O_3 Tonnes
Indicated	2.65	4 353	496	805	85	334	136	52	193	40	257	51	147	22	135	19	1581
Inferred	4.37	6 647	856	1398	156	701	331	108	351	56	326	62	174	25	157	23	1922

Notes:

1. *All tabulated data have been rounded and as a result minor computational errors may occur.*
2. *Mineral Resources, which are not Mineral Reserves, have no demonstrated economic viability.*
3. **TREO = Total Rare Earth Oxides and includes Y_2O_3*

Tables 12 and 13 (see below) compare the MRE of April 2024 with the MRE of 2021, with the following key results:

- Contained tonnages of Dysprosium and Terbium - the most valuable heavy rare earth elements - amount to 4,503 tonnes Dysprosium oxide and 693 tonnes Terbium oxide in the combined Measured and Indicated Resource categories which represents an increase of 11% and 12%, respectively, compared to the previous Mineral Resource Statement (filed on SEDAR on 30 June 2021);
- 38% increase in contained Dysprosium oxide and 39% increase in contained Terbium oxide in the Inferred Resources for the combined Area 4 and Area 2B deposits;
- 31% increase in contained Total Rare Earth Oxide (TREO[1]) tonnage in the combined Measured and Indicated Resource categories from 72,680 tonnes to 93,731 tonnes;
- The combined Measured and Indicated Mineral Resources increased from 44.8 million tonnes at 0.17% TREO to 58.5 million tonnes at 0.16% TREO for the combined Area 4 and Area 2B deposits based on the same cut-off of 0.1 % TREO as in the previous Mineral Resource Statement (filed on SEDAR on 30 June 2021).

Table 12 Comparison of Lofdal Mineral Resource Estimates of 2021 and 2024 at a 0.1% TREO cut-off grade

Year of Mineral Resource Estimate	**2021**		**2024**	
	Million tonnes (Mt)	Grade %TREO	Million tonnes (Mt)	Grade %TREO
Measured Resource Area 4	5.93	0.21	6.6	0.21
Indicated Resource Area 4	36.63	0.16	49.2	0.15
Indicated Resource Area 2B	2.2	0.19	2.7	0.16
Total Measured & Indicated Resources	**44.76**	**0.17**	**58.5**	**0.16**
Inferred Resource Area 4	6.09	0.17	10.5	0.14
Inferred Resource Area 2B	2.58	0.19	4.4	0.15
Total Inferred Resources	**8.67**	**0.17**	**14.9**	**0.14**

Table 13 Comparison of contained TREO, Dysprosium oxide and Terbium oxide in Mineral Resource Estimates of 2021 and 2024 at a 0.1% TREO cut-off grade

	TREO		**Dy_2O_3**		**Tb_2O_3**	
Year of Mineral Resource Estimate	2021	**2024**	2021	**2024**	2021	**2024**
	tonnes	tonnes	tonnes	tonnes	tonnes	tonnes
Measured Resources	12,710	13,650	820	855	120	124
Indicated Resources	59,970	80,081	3,240	3,648	500	568
Total Measured & Indicated Resources	**72,680**	**93,731**	**4,060**	**4,503**	**620**	**692**
Total Inferred Resources	**10,120**	**21,602**	**680**	**937**	**110**	**153**

The Mineral Resource Estimate was reported from within a Whittle optimised pit shell using the following assumed parameters and a cut-off grade of 0.1% TREO+Y2O3.

- Basket price USD 91.64 per kg TREO[1],
- Mining Cost USD 2.65 per tonne,
- Processing Cost USD 32.00 per tonne of run-of-mine feed,
- General and Administration Cost (G&A) USD 1.41 per tonne run-of-mine feed,
- Offshore treatment cost and shipment priced in discounted basket price,
- Metallurgical recovery 65% of contained run-of-mine TREO,
- Transport cost of USD 36.31 per tonne of concentrate.

From the assumed parameters, a 0.1% TREO cut-off grade was calculated, which together with the Whittle optimised pit shell demonstrates reasonable prospects for eventual economic extraction ("RPEEE") for the Mineral Resource. The assessment to satisfy the criteria of RPEEE is a high-level estimate and is not an attempt to estimate Mineral Reserves.

The Qualified Person for the Mineral Resource Estimate is Mr. Jeremy C. Witley (BSc Hons, MSc (Eng.)), a geologist with more than 35 years' experience in base and precious metals exploration and mining and in Mineral Resource evaluation and reporting. He is a Principal Resource Consultant for The MSA Group (an independent consulting company), is registered with the South African Council for Natural Scientific Professions (SACNASP) and is a Fellow of the Geological Society of South Africa (GSSA). Mr. Witley has the appropriate relevant qualifications and experience to be considered a "Qualified Person" for the style and type of mineralization and activity being undertaken as defined in National Instrument 43-101 Standards of Disclosure of Mineral Projects. The information in this MD&A that relates to the Mineral Resource Estimate for the Lofdal Project is based upon, and fairly represents, information and supporting documentation compiled by Mr. Witley. Mr. Witley has reviewed and approved the information in this MD&A.

Environmental Impact Assessment

An Environmental Clearance Certificate ("ECC") for the originally planned, smaller mining operation at Lofdal Area 4 was issued by the Ministry of Environment, Forest and Tourism on 5 December 2017 for a period of 3 years. The ECC was again renewed in September 2024 and is valid until 1 September 2027.

In 2022, the Company made significant changes to the original mine plan and increased the Life of Mine from 7 years to 16 years. Therefore, SLR Environmental Consulting (Namibia) Pty Ltd. ("SLR") was contracted in 2023 to update the Environmental Impact Assessment ("EIA") and to produce an Environmental Management Plan ("EMP") for the expanded Lofdal project which now includes:

- Two open pits (Area 4 open pit and Area 2B open pit). The 2016 EIA comprised of one small open pit at A4;
- Flotation plant with an increased throughput from 0.9 Mt/a to 2.1 Mt/a;
- Increase of Life of Mine ("LoM") from 7 years to 16 years;
- Waste Rock Dump ("WRD") at Area 2B and a second WRD located south of the Area 4 open pit;
- Tailings Storage Facility ("TSF") will have the capacity to store about 30 million tons (Mt), over 137 ha, with a life of 16 years. The 2016 EIA considered a capacity to store 3.24 Mt over a footprint of 5.3 ha;
- Solar Photovoltaic ("Solar PV") Plant and associated infrastructure;
- A Return Water Dam ("RWD") and associated stormwater management pond;
- Support infrastructure within the ML area including the internal access and haul roads, a stormwater management pond (part of the RWD), powerlines, pumps, pipelines, and other associated infrastructure and services such as processing plant buildings and fuel storage facilities;
- On-site power supply and linear infrastructure for power and water supply to the mine.

Based on SLR's EIA and EMP, the Ministry of Environment, Forestry and Tourism (MEFT) granted the ECC for the project "Lofdal 2B-4" on 24 April 2025 for a period of 3 years. .

Development of a starter pit at Area 4 for bulk sample extraction

The Company developed a starter pit in the central part of the Area 4 deposit. A first box cut of 60 m x 20 m to 15 m depth was excavated in 2022 and 30,000 t of material removed. A blended ore sample of 550 t was produced with a TREO grade of 0.18% TREO and samples were sent to TOMRA (Hamburg, Germany) and Rados (Johannesburg, South Africa) for sorting tests. Additional samples were sent to Geolabs (South Africa) for geotechnical tests and to SGS Canada Inc. in Lakefield, Ontario ("SGS Lakefield"), for pilot-scale flotation and hydrometallurgical test work.

A significant extension and deepening of the starter pit took place in February 2025. After blasting by BME, a total of 15,000 t of material was excavated to a depth of 17 meters. A total of 500 t of bulk samples from 5 different ore zones were selected and crushed and screened. Three different bulk samples were prepared representing the hanging wall zone, main ore zone and footwall zone for bulk XRT and XRF sorting tests and subsequent flotation tests

Figure 10: Lofdal Area 4 pit as of March 2025

Metallurgical Test Work Program

Ore Sorting

Initial X-Ray Fluorescence ("XRF") sorting tests have been completed by Rados International at their test facility in Pretoria, South Africa. Mineralization at Lofdal is amenable to XRF sorting by analyzing for yttrium which is directly proportional to the concentration of the heavy rare earth mineral xenotime. Results indicate that XRF sorting technology can provide significant upgrades to the ROM. XRF sorting tests continued in September 2024 with further improved hardware and software. A current test program commenced in May 2025 testing the three new bulk samples.

Initial X-Ray Transmission ("XRT") sorting tests were completed by TOMRA Hamburg and IMS Engineering Johannesburg, South Africa. Mineralization at Lofdal is amenable to XRT sorting by detection of higher density minerals which host the xenotime. Results indicate that XRT sorting technology can provide significant upgrades to the ROM by rejecting waste in form of albitite, muscovite and chlorite schists. Improved XRT sorting test results produced with TOMRA's new AI based and deep learning application OBTAIN in December 2024 forms the basis for

a current massive bulk sample test program carried out by Gecko Namibia with the upgraded TOMRA sorter at the Ondoto Mine in northern Namibia.

Ore sorting tests are part of the company's value engineering during the final PFS process for the project "Lofdal 2B-4". The currently tested flowsheet aims at upgrading a low-grade stream by sorting, while high grade ore will directly enter flotation.

Gravity and Magnetic Separation

Systematic evaluations of gravity separation technologies had been undertaken by Light Deep Earth and SGS Lakefield. Test work has been completed to evaluate dense media separation on coarse size fractions between 1-10 mm, shaking table separation on size fractions between 0.05-1.0 mm and multi gravity separation on size fractions between <0.05–0.1 mm.

Previous metallurgical test work at Lofdal had demonstrated the amenability to magnetic separation using wet high intensity magnetic separation ("WHIMS").

Magnetic separation tests were successfully conducted by SGS Lakefield on the low-grade fines (which cannot be upgraded by sorting) in June 2025. The test results show that with three passes, 50% of the mass was rejected for a 90% yttrium recovery.

Flotation

Flotation test work was carried out at SGS Lakefield and other international laboratories with over 160 individual flotation tests using several types of collectors, depressants and considered thrifting of physical flotation conditions. SGS Lakefield has extensive experience in mineral processing of rare earth deposits.

Flotation is the key step in beneficiation of the xenotime-mineralised ore. The earlier test program compared upgrades and recoveries of XRF and XRT products through direct flotation followed by magnetic separation, and through magnetic separation followed by flotation. The test program was further amended to include flotation tests directly on the fresh, low-grade samples representing future run-of-mine grades.

The impact of high intensity conditioning ahead of flotation yielded improved flotation performance. Best flotation results regarding upgrade, recoveries and operating costs were achieved using moderate dosages of the collector Florrea 3900 and Calgon as depressant. Cleaner flotation concentrates from positive test runs produced at an overall mass pull of 2.7-3.9% with a product grade of 4-6% TREO and a recovery of up to 70% TREO. More importantly, the high value Heavy Rare Earth Elements, mainly hosted in xenotime, showed significantly better recoveries (58-75% HREO) than the Light Rare Earth Elements (49-58% LREO).

After defining the optimal flotation conditions, bulk flotation tests were conducted in quadruplicate to produce a flotation concentrate for downstream hydrometallurgical testing. Four bulk flotation tests demonstrated repeatable flotation performances on the low-grade feed material. The cleaner flotation produced a concentrate ranging from 4.7 – 6% TREO.

The objective of the 2023-2024 test program was to scale up tests, locked-cycle testing for a higher level of confidence in metallurgy, and confirmation of engineering design criteria for PFS capital and operating cost estimation. To further simplify the flowsheet and improve recoveries, future testing will focus on iron removal with optimal temperatures during acid bake.

The locked cycle tests were completed and confirm a steady circuit. No significant detrimental effect was observed due to the recirculation.

Variability tests on 9 samples from the peripheries of planned Area 2B and Area 4 pits were completed. With the low-grade nature and varying mineralogy of the first set of variability samples taken from RC boreholes in the periphery of Area 4 and at TREO grades near cut-off, it was decided to extend the variability test program by a further 7 samples. Changes were made to flotation recipe in second and third rounds of variability testing with changes to the dosage for depressant and collectors in attempt to increase mineral selectivity and enhance flotation response. These tests are still ongoing.

A 5 ton run of mine ore sample was shipped to SGS Lakefield laboratories for pilot plant testing in a continuous milling and flotation regime during October and November 2023 for recovery of a rare earth concentrate. The main objectives were to evaluate the flowsheet that had been developed at bench scale in a continuous pilot plant and to generate a large amount of flotation concentrate for downstream hydrometallurgical test work.

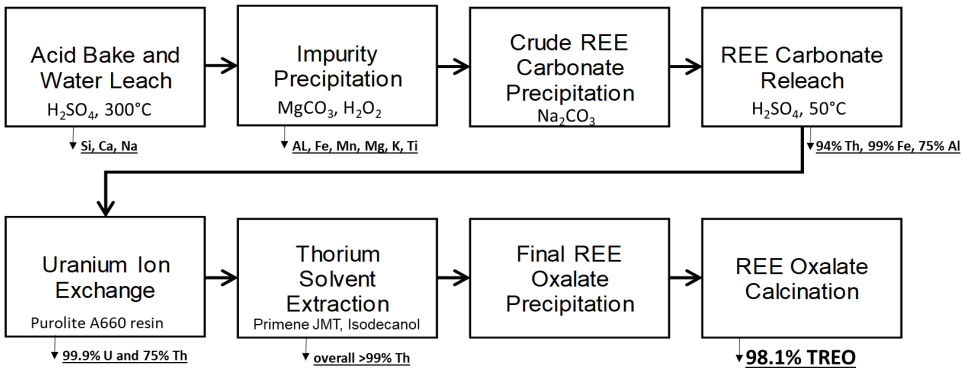
A flotation pilot plant was built at SGS Lakefield and flotation tests conducted on the ROM Bulk-1 sample, at an average throughput of 44 kg/h, for a total of about 105 hours of operation. The results of the flotation pilot plant closely matched the benchmark results and demonstrated the viability of the flowsheet in a scaled up and continuous operation. The total rare earth recovery in the second cleaner concentrate was 55.5% at a grade of 2.65% TREO (including yttrium) and an average mass pull of 3.8%. The average recoveries of terbium and dysprosium were 55.2% and 56.2%, respectively.

As part of the value engineering phase of the PFS "Lofdal 2B-4", newly available collectors are currently tested to increase flotation performance and decrease OPEX.

Final flotation tests will commence on the XRT and XRF sorting products of the new 2025 bulk samples in the next quarter. *Hydrometallurgical test work*

The previous hydrometallurgical test work at SGS Lakefield had demonstrated the acid bake route is preferred due to lower reagent costs and higher recovery of the heavy rare earths compared to the caustic crack route.

The Company completed initial hydrometallurgical test work to develop a flowsheet capable of producing a high-grade rare-earth oxide product from a xenotime flotation concentrate. The Company's lead metallurgical consultants at SGS Lakefield have simplified the final process stage with an acid bake to crack the mineral xenotime, to purify the pregnant leach solution and to precipitate a rare earth oxalate, which subsequently can be calcined to form a product containing >98% TREO.



The acid bake process and concurrent removal of impurities is highly efficient and resulted in a 95% recovery of Dysprosium and Terbium in the leaching operation of the processing flow sheet. The high-quality product is practically free of typical deleterious elements like thorium and uranium (<3 ppm combined U+Th).

A total of 12 acid bake and water leach tests were completed throughout the test program to investigate the dissolution of rare earth elements (REE) and the behaviour of gangue minerals through the addition of sulphuric acid at elevated temperatures. Optimum results were achieved with an acid bake process using 1250 kg/t H_2SO_4 at 300°C followed by a water leach with 20% solids by weight at 25°C. At this regime the tests showed very good REE recoveries with 97-98% for yttrium, 95% for dysprosium and 94-95% for terbium.

Impurity removal test work resulted in the preference of using magnesium carbonate for a maximum precipitation of iron and thorium from the slurry while minimizing REE co-precipitation. The final impurity removal test in this program included a stoichiometric addition of hydrogen peroxide to oxidize iron in solution for it to precipitate. Crude REE precipitation generated an intermediate product assaying at 43% total REE with 1.86% Al and less than 0.5% iron, thorium, and uranium when adjusting the liquor to pH 6.5. This mixed REE precipitate contained all of the yttrium and dysprosium along with 94.5% of the terbium.

The new work aimed to simplify this processing route, by implementing the following changes to the flowsheet:

- Replacing the partial purification with two stages (primary and secondary) of impurity removal to increase overall impurity removal including the complete removal of thorium
- Replacing crude REE precipitation, releaching and REE oxalate precipitation with two stages of REE carbonate precipitation.

Current test work entails high temperature acid bake tests between 580°C and 700°C to test iron removal in the form of insoluble hematite from the REE-rich liquor and to recycle acid from off-gas while the resulting liquid will require less neutralization by MgCO3. Suppressing iron dissolution was a goal of the higher temperature acid bakes at 700°C, 670°C and 640°C. The higher two temperatures showed practically no dissolution of iron, while the lower temperature (640°C) showed about 2% dissolution. It is expected that some iron dissolution will occur to ensure maximum REE dissolution continues, with any reduction seen as a benefit to downstream solution neutralization and impurity removal steps. Based on the observed results, lower acid bake temperatures were tested (620°C, 600°C and 580°C) to determine the optimum point between lower iron dissolution and higher rare earth dissolutions.

Further continuous pilot hydrometallurgical testing was completed on the circa 100 kg of flotation concentrate produced from the flotation pilot plant. This program was designed to facilitate effective scale up of the Acid Bake and Water Leach ("ABWL") process and generate sufficient leach liquor to conduct a thorough investigation into optimizing downstream REE recovery steps.

Two-stage kiln acid bake achieved a similar Dy extraction of 92-94% compared to the static acid bake. However, Fe extraction was significantly higher in the kiln run (90% and 72%) compared to static acid bake (61% and 32%), at 600°C and 650°C, respectively.

Under optimum operating conditions, continuous high temperature (600°C) sulphation in the SGS rotary kiln yielded high HREE dissolution (94% Tb and Dy). A composite water leach was produced containing around 1.6 g/L REE. The liquor was used in a mini pilot plant where REE-carbonate was recovered in two stages (primary and secondary) of precipitation using sodium carbonate. Overall recovery of REE over two stages was almost quantitative and around 0.56 kg of REE carbonate precipitate was produced containing 3.24% dysprosium, 0.44% terbium and 19.3% yttrium. Uranium levels were reduced to below detection limit (0.02 mg/L U) with negligible co-extraction of HREE. Thorium impurities of the product are <0.5 g/t Th.

Re-leach tests confirmed that the HREE in the residues from the neutralization and rare earth precipitation steps can be dissolved between 99.7% and 100%, and thus, are recoverable by recycling of residues into the process.

Current test work has shown that a simplified acid bake and liquor treatment flowsheet consisting of a high temperature acid bake, two stage (primary and secondary) impurity removal, followed by UIX and two stages

(primary and secondary) of HREE carbonate precipitation is able to produce a high grade HREE carbonate. The flowsheet developed in this program, presented in Figure 11, has eliminated several units from the original flowsheet. The removal of crude REE precipitation, releach and thorium solvent extraction forms a significant simplification and is contributing to an overall reduced reagent demand.

The following conclusions summarize key findings of the test work program:

- Under optimum operating periods, continuous high (600°C) temperature sulphation in a pilot rotary kiln yielded high HREE dissolution (94% Tb/Dy).
- Batch test work was used to show that two stages of impurity removal using magnesium carbonate was able to remove practically all (below analytical detection limits) thorium, scandium, iron, aluminium and some of the uranium at minimum losses of HREE (~2%).
- Uranium was removed by ion exchange using a conventional strong base anion resin (Puromet MTA4601PF). Uranium levels were reduced to below detection limit (0.02 mg/L U) with negligible co-extraction of HREE.
- The U IX barren liquor was used in a mini pilot plant where a HREE carbonate was produced. The circuit consisted of two stages (primary and secondary) of precipitation using sodium carbonate. Overall recovery of HREE over two stages was almost quantitative and around 0.5 kg of HREE carbonate precipitate was produced at 53% TREE (3.25% Dy, 0.45% Tb, 19.0% Y, 1.12%Pr, 3.83% Nd) and typical impurity levels of <0.5 g/t U, <0.5 g/t Th as well as 0.44% Mg, 0.13% Mn and 0.18 % Ca.

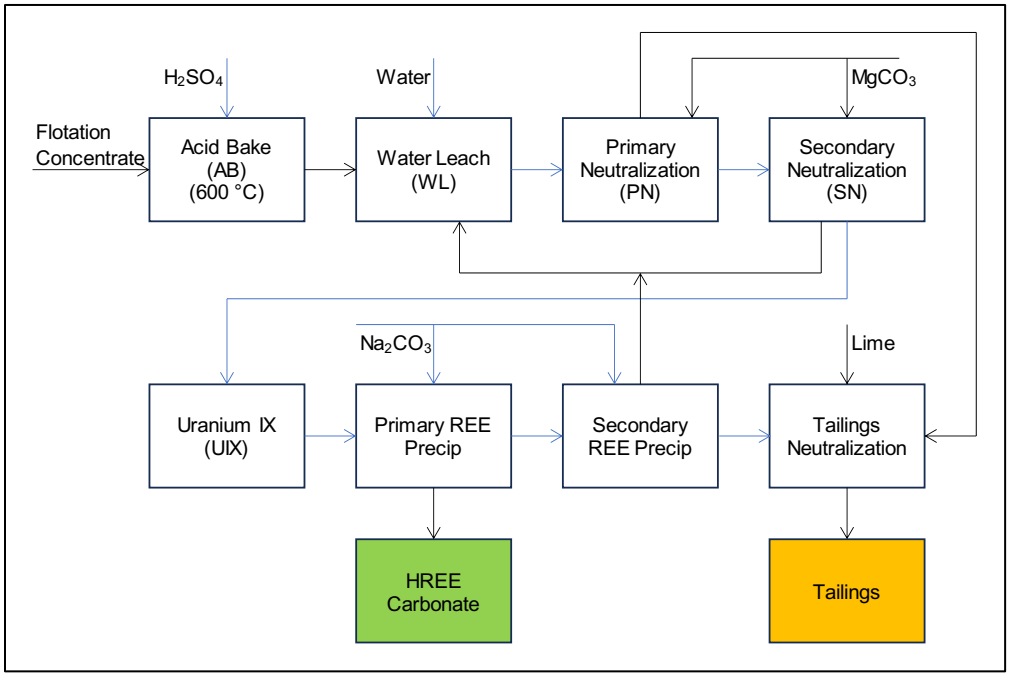


Figure 11: Simplified block flow diagram of the revised flowsheet

The addition of a hydrometallurgical plant at Lofdal would create additional jobs in the southern Kunene Region of Namibia and provide a marketable product for export. The rare earth oxalate or carbonate product with thorium and uranium levels below 3 ppm would be acceptable for import into Japan without restrictions or penalties. The Company also continues its assessment of feasible options for a REE metal separation plant in Namibia together with other advanced REE explorers.

Preliminary Economic Assessment (PEA) Lofdal "2B-4" in 2022

The company finalised the financial analysis of its Preliminary Economic Assessment[2] ("PEA") "2B-4" in 2022. This PEA aims at a significantly larger annual run-of-mine and plant throughput of 2 million tonnes per year and longer mine life than the historical PEA of 2014 by mining from two sub-deposits namely "Pit 2B" and "Pit 4". Further, the processing flow sheet was simplified to a direct flotation of the run-of-mine material and expanded to include a hydrometallurgical unit producing a >98% mixed rare earth oxide as final product (as described above) rather than a simple xenotime concentrate.

A price deck was developed for the Lofdal project based on an internal review of pricing as well as peer reports (Mkango Resources Ltd. DFS July, 2022, and Search Minerals PEA June, 2022) which were developed based on third party independent market forecast analysis. The projected REO distribution for Lofdal concentrates is shown in Table 8. The projected basket price is US$103.64 (US$91.64 after estimated refining charges of $12/kg TREO).

The economic analysis assumes that the project will be 100% equity financed and uses parameters relevant as of September 2022, under conditions likely to be applicable to project development and operation and analyzes the sensitivity of the project to changes in the key project parameters. All costs have been presented in United States Dollars (US$) and wherever applicable conversion from South African Rand (ZAR) has utilized an exchange ratio (ZAR/US$) of 16.07.

Mining and treatment data, capital cost estimates and operating cost estimates have been put into a base case financial model to calculate the IRR and NPV based on calculated project after tax cash flows. The scope of the financial model has been restricted to the project level and as such, the effects of interest charges and financing have been excluded.

Product Pricing (Note: Pricing used before refining charges of $12/kg TREO):

Pricing Forecast for REE	**Pricing used for analysis**	**Distribution**
La2O3	**$ 0**	**9.2%**
Ce2O3	**$ 0**	**16.0%**
Pr2O3	**$ 201.00**	**1.7%**
Nd2O3	**$ 212.00**	**6.3%**
Sm2O3	**$ 5.00**	**2.2%**
Eu2O3	**$ 36.00**	**1.1%**
Gd2O3	**$ 109.00**	**4.3%**
Tb2O3	**$ 2,493.00**	**0.9%**
Dy2O3	**$ 587.00**	**6.2%**
Ho2O3	**$ 290.00**	**1.3%**
Er2O3	**$ 64.00**	**3.8%**
Yb2O3	**$ 20.00**	**3.5%**
Lu2O3	**$ 947.00**	**0.5%**
Y2O3	**$ 17.00**	**42.4%**
Tm2O3	**$ 500.00**	**0.6%**
Average Basket Value	**$ 103.64**	

[2] *Cautionary Note: The preliminary economic assessment is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them to enable them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have a demonstrated economic viability.

SGS Bateman provided the capital costs for the expanded project Lofdal "2B-4" totalling to about US$207 million.

Total Capital Costs Summary (US$)

Direct Mining Costs[1]	-
Direct Mine Site Processing Costs	117,577,231
Direct Tailings Storage Facility Costs	13,628,361
SUB TOTAL INITIAL CAPITAL COSTS	**131,205,592**
Sustaining Capital Mining	-
Sustaining Capital Processing	6,010,090
Sustaining Capital Tailings Storage Facility	5,432,266
Mine Closure Costs	5,000,000
Indirect Costs	18,560,082
Contingency	40,873,816
TOTAL CAPITAL COSTS	**207,081,846**

[1]Mining will be conducted via contractor, all contractor capital recovery is reflected in the mining operating costs.

For the purposes of the PEA, the evaluation is based on 100% of the project cash flows before distribution of profits to the equity owners. Both pre-tax and after-tax cash flows have taken 5% royalty payments into account.

At a discount rate of 5% the project is anticipated to yield a pre-tax IRR of 34% with a NPV of US$632,739,693, and an after-tax IRR of 28% with a NPV of US$390,982,730. Cumulative cash flows are US$1,110,393,637 pre-tax and US$698,691,741 after tax over the sixteen-year Life of Mine.

The project is expected to pay back initial capital within the first 3.2 years.

Sensitivity Analysis

Pre Tax NPV at Range of Operating Costs

Discount	60%	70%	80%	90%	100%	110%	120%	130%	140%
5%	$1004.5M	$911.6M	$818.6M	$725.7M	**$632.7M**	$539.8M	$446.8M	$353.9M	$261.0M
7%	$822.6M	$744.0M	$665.4M	$586.8M	$508.3M	$429.7M	$351.1M	$272.5M	$193.9M
8%	$745.8M	$673.3M	$600.8M	$528.3M	$455.8M	$383.3M	$310.8M	$238.4M	$165.9M
9%	$676.9M	$609.9M	$542.9M	$475.9M	$408.9M	$341.9M	$274.9M	$207.9M	$140.9M
10%	$615.0M	$552.9M	$490.9M	$428.8M	$366.8M	$304.8M	$242.7M	$180.7M	$118.6M

Pre-Tax NPV at Range of Capital Costs

	$124.2	$145.0	$165.7	$186.4	$207.1M	$227.8	$248.5	$269.2	$289.9
Discount	**60%**	**70%**	**80%**	**90%**	**100%**	**110%**	**120%**	**130%**	**140%**
5%	$708.0M	$689.2M	$670.4M	$651.5M	**$632.7M**	$613.9M	$595.1M	$576.3M	$557.5M
7%	$580.9M	$562.8M	$544.6M	$526.4M	$508.3M	$490.1M	$471.9M	$453.7M	$435.6M
8%	$527.3M	$509.4M	$491.6M	$473.7M	$455.8M	$437.9M	$420.1M	$402.2M	$384.3M
9%	$479.2M	$461.6M	$444.1M	$426.5M	$408.9M	$391.3M	$373.7M	$356.1M	$338.5M
10%	$436.0M	$418.7M	$401.4M	$384.1M	$366.8M	$349.5M	$332.2M	$314.9M	$297.6M

Pre-Tax NPV at Basket Price Levels

Discount	$70	$75	$80	$85	$92	$95	$100	$105	$110
5%	$240.1M	$330.8M	$421.5M	$512.3M	**$632.7M**	$693.7M	$784.4M	$883.2M	$965.9M
7%	$177.2M	$253.7M	$330.2M	$406.7M	$508.3M	$559.7M	$636.2M	$719.4M	$789.2M
8%	$150.9M	$221.3M	$291.8M	$362.3M	$455.8M	$503.2M	$573.6M	$650.3M	$714.6M
9%	$127.4M	$192.5M	$257.5M	$322.5M	$408.9M	$452.6M	$517.6M	$588.4M	$647.7M
10%	$106.5M	$166.6M	$226.8M	$286.9M	$366.8M	$407.2M	$467.4M	$532.8M	$587.6M

Pre-Tax NPV at Varying Recovery Ranges

Discount	43%	48%	53%	57%	59%	61%	64%	69%	74%
5%	$178.0M	$320.1M	$462.2M	$575.9M	**$632.7M**	$689.6M	$774.9M	$917.0M	$1059.1M
7%	$124.8M	$244.6M	$364.5M	$460.3M	$508.3M	$556.2M	$628.1M	$747.9M	$867.7M
8%	$102.6M	$213.0M	$323.4M	$411.7M	$455.8M	$500.0M	$566.2M	$676.6M	$787.0M
9%	$82.9M	$184.8M	$286.6M	$368.1M	$408.9M	$449.6M	$510.8M	$612.6M	$714.5M
10%	$65.3M	$159.5M	$253.7M	$329.1M	$366.8M	$404.5M	$461.0M	$555.2M	$649.4M

PEA 2022 Recommendations

This PEA was based on the Mineral Resource Estimate produced by MSA in 2021. Significant upside potential exists down dip of Area 4 and Area 2B as well as along the several kilometer long strike extensions of the mineralization in Areas 2 and 5. Therefore the run-of-mine and/or life of the Lofdal mine could be significantly increased with further exploration.

Sorting of the run-of-mine material was excluded from this PEA. However, historical and recent test work at TOMRA and RADOS showed several approaches for an optimization of the Lofdal mine. Further studies will focus on three run-of-mine streams which will entail (1) higher grade material directly supplied to the flotation circuit while (2) lower grade material will run through a low filter XRT sorting with an upgrade factor expected in the range 2.0-2.5, and (3) very low grade (stockpile) material which will be XRT sorted with a high filter aiming at upgrades in the range 3.5-4 with relatively low recoveries around 50%. The latter will also source about 13 Mt of stockpile material which is not included in the current PEA.

Pre-Feasibility Study "Lofdal 2B-4"

The company has commenced a Pre-Feasibility Study ("PFS") on the expanded project "Lofdal 2B-4" based on the parameters and outcome of the PEA in 2022. SGS Bateman was contracted as lead consultant to oversee the study process and integrate all specialists' contributions. The key consultancies for the PFS are:

SLR, Namibia	Environmental Impact Assessment, Water Supply
The MSA Group, South Africa	Geological Model and Mineral Resource Estimate
SGS Lakefield, Canada	Process development (flotation and hydrometallurgy)
CREO, Namibia	Infrastructure, Water and Electricity Supply
SRK, South Africa	Geotechnical studies
Qubeka, Namibia	Mine model, mine plan, reserves
KnightPiesold, Namibia	Tailings facility, tailings management
SGS Bateman, South Africa	Engineering design, financial model, overall lead and integration

Due to delays in contributions from the relevant authorities for electricity and water supply as well as several value engineering studies, the completion of the PFS "Lofdal 2B-4" is now scheduled for the end of 2025.

Lofdal Expenditures

During the six months ended May 31, 2025, the Company received $2,304,000 (2024 - $2,066,000) from JOGMEC for exploration expenditures on the Lofdal property, for a cumulative total amount received of $16,745,000 (2024 - $13,541,000). As of May 31, 2025, $16,129,354 (2024 - $13,132,109) in exploration expenditures had been incurred. The Company has recorded the remaining $615,646 (2024 - $408,891) as an advance received for future exploration work.

The joint venture expenditures for the six months ended May 31, 2025 are summarized in the following table:

	November 30, 2024 $	Expenditures $	February 28, 2025 $
Project Management	559,716	60,170	**619,886**
Geology, Drilling, Sample Analysis	7,351,406	1,085,174	**8,436,580**
43-101 Resource and Mine Model Update	1,925,037	649,717	**2,574,754**
Metallurgy	2,900,176	328,371	**3,228,547**
Operator's Fee	745,558	118,604	**864,162**
Mine planning	166,537	-	**166,537**
Other	233,855	5,033	**238,888**
	13,882,285	2,247,069	**16,129,354**

Pursuant to the agreement with JOGMEC, the Company is entitled to an operator fee of 10% of the direct costs incurred, which is limited to 5% for any contracts requiring aggregate payments of more than $100,000. The Company first recognizes the operator fees against evaluation and exploration expenditures, as cost recoveries, and recognizes the excess, if any, as other income in the consolidated statement of loss and comprehensive loss. The portion of the operator fee recognized as income during the six months ended May 31, 2025 was $96,442 (2024 – $95,625).

Other Properties

On May 21, 2025, the Company sold its shares in Gecko Gold Holdings (Pty) Ltd. and Philco One Hundred and Ninety One (Pty) Ltd., which held the Company's remaining exploration licenses through their subsidiary companies, for $150,000 cash. Combined net assets in the companies were $214,345 (including $150,000 in mineral properties and $476 in cash) and selling costs were $13,153. The net loss on the sale of $77,498 was recorded through profit and loss.

Results of Operations

Three months ended May 31, 2025 and 2024

For the three months ended May 31, 2025, the Company's partner JOGMEC incurred exploration costs of $971,167 on the Lofdal project (2024 - $1,527,865). For the three months ended May 31, 2025, the Company capitalized exploration costs of $43,112 on the Lofdal project which were recovered through operator fees (2024 - $41,681).

For the three months ended May 31, 2025, the Company reported a net loss of $196,404 compared to a net loss of $119,704 for the same quarter in the prior year.

Operating expenses decreased to $163,268 compared to $194,422 in 2024, primarily due to lower shareholder communications costs.

Other expenses were $33,136 compared to income of $74,718 in 2024, primarily due to a loss on sale of subsidiaries of $77,498 in the current quarter.

Six months ended May 31, 2025 and 2024

For the six months ended May 31, 2025, the Company's partner JOGMEC incurred exploration costs of $2,247,069 on the Lofdal project (2024 - $2,543,312). For the six months ended May 31, 2025, the Company capitalized exploration costs of $86,211 on the Lofdal project which were recovered through operator fees (2024 - $74,815).

For the six months ended May 31, 2025, the Company reported a net loss of $284,365 compared to a net loss of $258,397 for the same period in the prior year.

Operating expenses decreased to $310,902 compared to $375,201 for the same period in 2024, primarily due to lower shareholder communications expenses and a foreign currency gain of $2,527 in 2025 compared to a foreign currency loss of $32,391 in 2024.

Other income decreased to $26,537 compared to $116,804 for the same period in 2024 primarily due to a loss on sale of subsidiaries of $77,498 in the current period.

Summary of Quarterly Results

The following table sets out selected financial information for the quarters indicated:

(expressed in thousands of Canadian dollars except per share amounts and total assets)	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	163	148	234	119	194	181	1,897	51
Other (income) loss	33	(60)	(20)	(9)	(75)	(42)	37	(7)
Net loss	196	88	214	110	119	139	1,934	44
Net loss attributable to shareholders	198	87	210	105	119	136	1,848	40
Net loss (income) attributable to non-controlling interest	(2)	1	4	5	-	3	86	4
Loss per share – basic and diluted	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00
Total assets (millions)	25.3	25.8	25.4	25.2	25.0	25.8	25.7	27.4

As the Company has capitalized all exploration expenditures to date in accordance with IFRS 6, the expenses are primarily related to administration and write-down of exploration evaluation assets. Higher expenses in Q4 2023 are primarily due to write-downs of exploration and evaluation assets.

Included in expenses are foreign exchange gains and losses arising mainly due to variations in the Canadian dollar and the Namibian dollar exchange rate during the periods, as certain of the Company's expenditures are paid in Namibian dollars, while the Company's functional and reporting currency is the Canadian dollar. The Company has interest revenue related to excess cash invested in an interest-bearing account with a major chartered bank.

Liquidity and Capital Resources

At May 31, 2025, the Company had working capital (a non-GAAP liquidity measure defined as the excess of current assets over current liabilities) of $412,757 compared to $470,711 at November 30, 2024 comprised of the following:

	May 31 2025 $	November 30 2024 $
Cash	**1,026,584**	1,252,327
Taxes and other receivables	**309,913**	81,059
Deposits and prepaid expenses	**37,974**	34,220
Accounts payable and accrued liabilities	**(346,068)**	(338,180)
Advance received for future exploration work	**(615,646)**	(558,715)
Working capital	**412,757**	470,711

Although the Company's principal assets are not in commercial production, the Company is earning operator fees under the JOGMEC agreement (see "Partnership with JOGMEC on Lofdal"). JOGMEC is also funding expenditures on the Lofdal property and has the right to earn a 50% interest in the Lofdal rare earths property by funding $20 million in exploration and development expenditures (of which $16,129,354 has been spent to May 31, 2025).

The Company's consolidated financial statements were prepared on a going concern basis. The Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements, and eventually to generate positive cash flows, either from operations or sale of its properties. During the prior fiscal year, the Company raised $950,000 in gross cash proceeds through private placements. JOGMEC continues to fund the Lofdal project and has moved to Term 3 under the agreement. In addition, management continues to evaluate alternatives to secure additional financing so that the Company can continue to operate as a going concern. Nevertheless, there can be no assurance that these initiatives will be successful or sufficient.

Contractual Obligations

There are no contractual obligations other than those under the JOGMEC Agreement which stipulate that advance funds received are to be spent on the Lofdal property as agreed.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Share Capital

The Company's authorized capital consists of an unlimited number of common shares without nominal or par value. As of the date of this MD&A, the Company has issued and outstanding 217,824,875 common shares.

Stock option plan

As of the date of this MD&A, there were 14,350,000 options outstanding (2024 – 14,350,000) with a weighted average exercise price of $0.17 (2024 -$0.17). There were no changes in stock options during the six months ended May 31, 2025.

The following table summarizes information about options outstanding as of the date of this MD&A:

Expiration Date	Exercise price $	Options outstanding and exercisable	Remaining contractual life (in years)
September 28, 2025	0.26	4,550,000	0.33
April 5, 2026	0.26	1,750,000	0.85
October 3, 2027	0.14	3,750,000	2.34
October 4, 2028	0.07	4,300,000	3.34
Total outstanding		**14,350,000**	

Warrants

There was no change in warrants for the six months ended May 31, 2025.

The following table summarizes information about warrants outstanding as of the date of this MD&A:

Exercise Price $	Warrants outstanding	Expiration Date
0.10	8,333,333	December 22, 2025
0.05	6,428,572	November 28, 2025

Related party transactions

Transactions with key management personnel for the years ended May 31, 2025 and 2024 are as follows:

	Three months ended May 31		Six months ended May 31	
	2025 $	2024 $	2025 $	2024 $
Consulting fees charged to net loss	37,500	35,000	75,000	65,000

Key management personnel include officers and directors and companies directly controlled by key management personnel, and payments are for salaries and consulting fees and are directly related to their position in the Company. The consulting agreements can be terminated by either party within notice periods ranging from three to six months (or payment in lieu if terminated by the Company) and the Company has the right to terminate any agreement immediately upon the consultant's failure to perform any material provision.

During the six months ended May 31, 2025, related party consulting fees of $179,115 (2024 – $172,760) were charged to JOGMEC in respect of the Lofdal project.

Included in accounts payable and accrued liabilities are amounts owing to related parties of $26,762 (2024 - $26,875). Included in deposits and prepaid expenses are amounts of $11,000 (2024 - $11,000) representing retainers on services contracts with officers of the Company.

Critical Accounting Estimates and Judgments

Critical accounting estimates used in the preparation of the Company's consolidated financial statements, which could be significantly affected by factors beyond the Company's control are as follows:

(i) Valuation of exploration and evaluation assets: The value of the Company's exploration and evaluation assets is dependent upon the success of the Company in discovering economic and

recoverable mineral resources, the ability of the Company to obtain financing to complete development of the properties, and future production or proceeds from disposition. The estimation of future revenue flows relating to these assets is uncertain and will also be affected by competition, relative exchange rates between the Canadian dollar and the Namibian dollar and potential new legislation and related environmental requirements.

Critical judgments or assessments made by management used in the preparation of the Company's consolidated financial statements, which could be significantly affected by factors beyond the Company's control are as follows:

(i) The determination of a cash-generating unit for assessing and testing impairment, which management has determined to be the mineral property;

(ii) The determination of functional currency;

(iii) The determination of when an exploration and evaluation asset moves from the exploration stage to the development stage;

(iv) The determination of when an exploration and evaluation asset has indicators of impairment;

(v) Whether exploration and evaluation costs are eligible for capitalization;

(vi) The determination of whether an acquisition of exploration and evaluation assets is considered to be an asset acquisition or a business combination; and

(vii) The assessment of the Company's ability to continue as a going concern.

Changes in Accounting Policies

During the current fiscal year, the Company adopted the Amendments to IAS 1 Classification of Liabilities as Current or Non-Current and Amendments to IAS 1 Presentation of Financial Statements re: Non-current Liabilities with Covenants. The amendments clarify the requirements on determining whether a liability is current or non-current and require new disclosures for non-current liabilities that are subject to future covenants. The adoption of the amendments did not have an impact on the financial statements.

Financial Instruments

Initial recognition and measurement

Financial assets within the scope of IFRS 9 are classified as financial assets at amortized cost; FVTPL; or fair value through other comprehensive income, as appropriate. The Company determines the classification of its financial assets at initial recognition. All of the Company's financial assets are recognized initially at fair value and are subsequently measured at amortized cost. The Company's financial assets include cash and short-term deposits and taxes and other receivables.

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at FVTPL, or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value. The Company's financial liabilities include accounts payable and accrued liabilities and advances received for future exploration work and are measured at amortized cost.

Impairment of financial assets at amortized cost

Impairment provisions on taxes and other receivables are based on credit risk characteristics, collateral and speculative and non-speculative historical default rates. All receivables are written off when there is no reasonable expectation of recovery.

Risk exposure

The Company may be affected by credit risk, liquidity risk, exchange rate risk, interest rate risk and commodity price risk. The Company's exposure to credit risk is primarily attributable to cash and the Company limits this risk by

maintaining these assets in a high-interest savings account with high-credit quality financial institution. Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The company manages this risk through regular monitoring and adjustment of its cash flow requirements to support ongoing operations and to ensure, to the extent possible, that there is sufficient cash on hand to meet its liabilities when due. Beyond obtaining the permits and necessary approvals to proceed with the development of the Lofdal property, the Company will require substantial additional capital resources and there can be no assurance that funding will be available to the Company in the future on acceptable terms. Exchange rate risk arises as the Company's functional currency is the Canadian dollar while certain of the Company's expenditures are denominated in Namibia dollars (which is pegged to the South African rand) and US dollars. The Company does not currently undertake any hedging activities to mitigate exchange rate risk. The Board continues to monitor the situation and will consider various options to mitigate this risk as it deems appropriate as the business develops. Interest rate risk arises as the Company invests cash at floating rates of interest. The impact of fluctuations in interest rates is not significant. The Company does not have any interest-bearing liabilities. The Company's financial instruments are not exposed to any direct commodity price risk, as the Company does not have any financial instruments associated with commodity prices and currently has no revenues derived from mining operations. Fluctuation in commodity prices do however impact the overall viability of the Company as is common in the mineral exploration and mining industries.

Risks and Uncertainties

In conducting its business, the principal risks and uncertainties faced by the Company relate primarily to exploration results and, to a lesser extent, metal and commodity prices. The Company's ability to continue as a going concern is dependent on a number of factors, including the ability of the Company to arrange financing. Global financial conditions are volatile from time to time. Global economic volatility may impact domestic markets and the ability of the Company to obtain equity or debt financing to continue its operations and, if obtained, on terms favourable to the Company. Market volatility and turmoil could adversely impact the Company's operations and the value and the trading price of the Company's common shares. Forward looking statements may prove to be inaccurate. Investors should not place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Exploration for minerals and development of mining operations involve many risks, many of which are outside the Company's control. Success in establishing an economically viable project is the result of a number of factors, including the quantity and quality of minerals discovered, proximity to infrastructure, metal and mineral prices, which are highly cyclical, costs and efficiencies of the recovery methods that can be employed, the quality of management, available technical expertise, taxes, royalties, environmental matters, government regulation (including land tenure, land use and import/export regulations) and other factors. Even in the event that mineralization is discovered on a given property, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change as a result of such factors. Factors beyond the control of the Company may affect the marketability and price of minerals discovered, if any. Commodity and metal prices have fluctuated widely in recent years and months and are affected by numerous factors beyond the control of the Company, including international, economic and political trends, market intervention by state actors, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors cannot be accurately predicted. Periods of depressed metal prices may negatively affect the ability of the Company to obtain required financing and have a material adverse effect on the Company.

In addition to the normal and usual risks of exploration and mining, the Company has the following risks specific to conducting its exploration activities in Namibia: there is no assurance that the supportive political and economic conditions that currently exist in Namibia will remain; the Company's ability to obtain, sustain, renew or vary the

necessary licences, permits and authorizations to carry on the activities that it is currently conducting on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable governmental bodies and there can be no assurance that the Company will be able to obtain, sustain, renew or vary any such licences, permits of authorizations on acceptable terms or at all; environmental legislation and permitting requirements are likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees, and any failure by the Company to comply with applicable environmental regulations or the stoppage of exploration or production activities could have a materially adverse effect on the Company's business, financial condition and results of operations; the per capita incidence of the HIV/AIDS virus in Namibia has been estimated as being in the mid to high range, according to public sources, and if the number of new HIV/AIDS infections in Namibia continues to increase and if the Government of Namibia imposes more stringent obligations on employers related to HIV/AIDS prevention and treatment, the Company's operations in Namibia and its profitability and financial condition could be adversely affected; as a result of a substantial portion of the Company's assets being located in Namibia, there may be difficulties in enforcing against the Company judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities legislation for misrepresentations contained in the Company's public disclosure documents and, in particular, it may be practically impossible to enforce foreign court judgments against the Company in Namibia; and Namibia is part of the South African Rand Common Monetary Area ("CMA") which has exchange controls that require that dividends, loans, repayment of loans and payment of all invoices to parties outside the CMA require prior approval of the Bank of Namibia and there can be no assurance that the Company will obtain the requisite approvals in the future to repay loans or pay invoices to parties outside the CMA, thereby potentially restricting the Company from repatriating funds and using those funds for other purposes.

Additional Information

The financial statements and additional information regarding the Company are available on SEDAR+ at www.sedarplus.ca.

Namibia Critical Metals Inc.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED MAY 31, 2025 AND 2024

(CANADIAN DOLLARS)

NOTICE TO READER

Under National Instrument 51-102 “Continuous Disclosure Obligations”, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice to this effect.

The accompanying unaudited condensed consolidated interim financial statements of Namibia Critical Metals Inc. have been prepared by management. Management have compiled the unaudited condensed consolidated interim statement of financial position of Namibia Critical Metals Inc. as at May 31, 2025 and November 30, 2024 (audited), the unaudited condensed consolidated interim statements of net and comprehensive loss for the three and six months ended May 31, 2025 and 2024, and the changes in equity and cash flows for the six months ended May 31, 2025 and 2024. The Company's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the May 31, 2025 and 2024 condensed consolidated interim financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

Namibia Critical Metals Inc.

Unaudited Condensed Consolidated Interim Statements of Financial Position

As at May 31, 2025 and November 30, 2024 (in Canadian dollars)

	May 31, 2025 $	November 30, 2024 $ (Audited)
Assets		
Current assets		
Cash	1,026,584	1,252,327
Taxes and other receivables	309,913	81,059
Deposits and prepaid expenses (note 6)	37,974	34,220
	1,374,471	1,367,606
Equipment	9,544	11,733
Exploration and evaluation assets (note 5)	23,910,965	24,060,965
	25,294,980	25,440,304
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	346,068	338,180
Advances received for future exploration work (note 5)	615,646	558,715
	961,714	896,895
Equity		
Equity attributable to the shareholders of the Company (note 7)	24,537,986	24,823,479
Non-controlling interest	(204,720)	(280,070)
	24,333,266	24,543,409
	25,294,980	25,440,304

Nature of operations and going concern (note 1)

See accompanying notes to the condensed consolidated interim financial statements.

On behalf of the Board of Directors:

/s/ "Steve Herlihy"
Director

/s/ "William L. Price"
Director

Namibia Critical Metals Inc.

Unaudited Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the three and six months ended May 31, 2025 and 2024 (in Canadian dollars except share and per share amounts)

	Three months ended May 31		Six months ended May 31	
	2025	2024	2025	2024
	$	$	$	$
Operating expenses				
Salaries and benefits	24,876	24,529	49,119	47,722
Office and administration	13,343	21,386	34,211	43,785
Consulting fees (note 6)	37,500	35,000	75,000	65,000
Professional fees	33,208	29,734	69,120	65,779
Travel	5,400	11,634	12,266	18,001
Listing and filing fees	29,928	31,097	40,979	40,862
Shareholder communications	17,925	41,975	29,637	55,882
Foreign currency exchange loss (gain)	1,088	(933)	(2,527)	32,391
Write-down of exploration and evaluation assets (note 5)	-	-	3,097	5,779
	(163,268)	(194,422)	(310,902)	(375,201)
Other income (expenses)				
Interest income	3,423	6,700	7,593	10,994
Operator fee (note 5)	40,939	57,833	96,442	95,625
Loss on sale of subsidiaries (note 5)	(77,498)	-	(77,498)	-
Other income	-	10,185	-	10,185
	(33,136)	74,718	26,537	116,804
Net loss and comprehensive loss for the period	(196,404)	(119,704)	(284,365)	(258,397)
Net loss attributable to:				
Shareholders of the Company	(198,010)	(119,040)	(285,493)	(254,842)
Non-controlling interest	1,606	(664)	1,128	(3,555)
	(196,404)	(119,704)	(284,365)	(258,397)
Loss per share – basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares outstanding – basic and diluted	217,824,875	204,967,732	217,824,875	203,965,911

See accompanying notes to the condensed consolidated interim financial statements.

Namibia Critical Metals Inc.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity

For the six months ended May 31, 2025 and 2024 (in Canadian dollars)

	Common Shares Without Par Value		Share-based Payments Reserve	Contributed Surplus	Deficit	Total Shareholders' Equity	Non-controlling Interest	Total Equity
	Shares	Amount						
	#	$	$	$	$	$	$	$
Balance, November 30, 2024	217,824,875	48,059,899	2,035,676	6,936,564	(32,208,660)	24,823,479	(280,070)	24,543,409
Sale of subsidiaries	-	-	-	-	-	-	74,222	74,222
Net loss and comprehensive loss	-	-	-	-	(285,493)	(285,493)	(1,128)	(284,365)
Balance, May 31, 2025	**217,824,875**	**48,059,899**	**2,035,676**	**6,936,564**	**(32,494,153)**	**24,537,986**	**(204,720)**	**24,333,266**
Balance, November 30, 2023	196,634,399	47,124,342	2,082,851	6,889,389	(31,637,891)	24,458,691	(268,526)	24,190,165
Private placement, net of costs	8,333,333	492,815	-	-	-	492,815	-	492,815
Options expired	-	-	(47,175)	47,175	-	-	-	-
Net loss and comprehensive loss	-	-	-	-	(254,842)	(254,842)	(3,555)	(258,397)
Balance, May 31, 2024	204,967,732	47,617,157	2,035,676	6,936,564	(31,892,733)	24,696,664	(272,081)	24,424,583

See accompanying notes to the condensed consolidated interim financial statements.

Namibia Critical Metals Inc.

Unaudited Condensed Consolidated Interim Statements of Cash Flows

For the six months ended May 31, 2025 and 2024 (in Canadian dollars)

	Six months ended May 31	
	2025	2024
	$	$
Cash provided by (used in)		
Operating activities		
Net loss for the period	(284,365)	(258,397)
Adjustments for:		
Unrealized foreign currency exchange (gain) loss	(2,527)	32,391
Interest income recognized in net loss	(7,593)	(10,994)
Other income	-	(10,185)
Loss on sale of subsidiaries	77,498	-
Write-down of resource property expenditures	3,097	-
	(213,890)	(247,185)
Net change in non-cash working capital balances related to operations		
(Increase) decrease in amounts receivable, deposits and prepaid expenses	(236,149)	40,399
Increase (decrease) in accounts payable and accrued liabilities (note 10)	12,395	(72,730)
Advances received for future exploration work, net of expenditures (notes 5 and 10)	58,969	(830,191)
	(378,675)	(1,109,707)
Investing activities		
Interest income received	7,593	10,994
Other income	-	10,185
Proceeds from sale of subsidiaries, net (note 5)	149,524	-
Expenditures on exploration and evaluation assets, net of recoveries (note 10)	(908)	-
	156,209	21,179
Financing activities		
Repayment of loan	-	(40,000)
Issuance of share capital, net of costs	-	492,815
	-	452,815
Effect of exchange rate changes on cash	(3,277)	(26,010)
Net change in cash during the period	(225,743)	(661,723)
Cash – Beginning of period	1,252,327	1,235,705
Cash – End of period	1,026,584	573,982

Supplemental cash flow information (note 10)

See accompanying notes to the condensed consolidated interim financial statements.

1. Nature of operations and going concern

Namibia Critical Metals Inc. (the "Company") was incorporated pursuant to the *Canada Business Corporations Act* on April 26, 2010. The Company is a public company listed on the TSX Venture Exchange (the "TSXV"), trading under the symbol "NMI". The address of the Company's corporate office and principal place of business is Suite 802, 1550 Bedford Highway, Halifax, Nova Scotia, Canada.

The Company is in the business of exploring and developing a diversified portfolio of critical metals properties in Namibia. The amount shown as exploration and evaluation assets, all of which are located in Namibia, represents costs net of recoveries to date, less amounts written off, and does not necessarily represent present or future values. The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the properties, and future profitable production or proceeds of disposition thereof.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as the liabilities come due.

The Company has reported losses to date and at May 31, 2025 has an accumulated deficit of $32,494,153 (2024 - $31,892,733) and working capital, as defined by the excess of current assets over current liabilities, of $412,757 (2024 - $249,709). The Company does not generate income or consistent cash flows from operations. In addition to its working capital requirements, the Company must secure sufficient funding to maintain legal title to its exploration and evaluation assets and to fund its exploration and development activities and its general and administration costs.

The Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements, and eventually to generate positive cash flows, either from operations or sale of its properties. The Company's partner in its Lofdal project, the Japan Organization for Metals and Energy Security Corporation ("JOGMEC"), continues to fund the Lofdal project and has moved to Term 3 under the agreement (note 5). JOGMEC has approved $2.7 million in funding for the project from December 1, 2024 to September 30, 2025.

In addition to the above, management continues to evaluate alternatives to secure additional favorable financing so that the Company can continue to operate as a going concern. Nevertheless, there can be no assurance that these initiatives will be successful or sufficient. These circumstances cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. Basis of preparation

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

These consolidated financial statements were authorized for issue by the Board of Directors on July 24, 2025.

b) Basis of consolidation

These consolidated financial statements include the accounts of the Company's subsidiaries as at May 31, 2025 listed below. All intercompany balances and transactions are eliminated upon consolidation. Subsidiaries are consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. Non-controlling interest represents the portion of a subsidiary's income and losses and net assets that is not held by the Company.

Subsidiary	Jurisdiction	Nature of business	Direct or Indirect ownership
Cayman Namibia Rare Earths Ltd.	Cayman Islands	Asset holding company	100%
Namibia Rare Earths (Pty) Ltd.	Namibia	Asset holding company	95%
Epembe Holdings (Pty) Ltd.	Namibia	Asset holding company	95%
Epembe Mining (Pty) Ltd.	Namibia	Asset holding company	95%
Solarwind Investments (Pty) Ltd.	Namibia	Asset holding company	100%
Philco One Hundred Seventy-Four (Pty) Ltd.	Namibia	Asset holding company	95%
Philco One Hundred Eighty (Pty) Ltd.	Namibia	Asset holding company	95%

c) Critical accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and notes. By their nature, these estimates, judgments and assumptions are subject to measurement uncertainty and the effect of changes in these estimates in future periods could be material. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates. Revisions to estimates are accounted for prospectively. The more significant areas requiring the use of management estimate and judgments are as follows:

Critical accounting estimates

At the end of each reporting period, management assesses whether there are any indicators of impairment related to exploration and evaluation assets. Management applies judgment in determining whether indicators of impairment exist, considering the factors outlined in note 3 c). No indicators of impairment were identified related to the Lofdal property as at May 31, 2025.

Where an indicator of impairment exists, an estimate of the recoverable amount is calculated by management, which is considered to be the higher of fair value less cost of disposal and value in use. The value in use of exploration and evaluation assets is generally determined as the present value of future cash flows arising from the continued use of the assets. The determination of discounted cash flows is dependent on a number of factors, including future metal prices, the amount of reserves, the cost of bringing the project into production, production schedules, production costs, sustaining capital expenditures, and site closure, restoration and environmental rehabilitation costs. These factors may change due to changing economic conditions or the accuracy of certain assumptions and, hence, affect the recoverable amount. The fair value of resource properties is estimated by management through the use of, where available, comparison to similar assets and industry benchmarks. Actual results may differ materially from these estimates.

Critical accounting judgments

The following accounting policies involve judgments or assessments made by management:

- determination of a cash-generating unit for assessing and testing impairment, which management has determined to be individual mineral properties;
- determination of the functional currency of the Company and of its subsidiaries;
- determination of when an exploration and evaluation asset has indicators of impairment;
- determination of whether exploration and evaluation costs are eligible for capitalization;
- determination of whether an acquisition of exploration and evaluation assets is considered to be an asset acquisition or a business combination; and
- assessment of the Company's ability to continue as a going concern.

3. Material accounting policies

These condensed consolidated interim financial statements should be read in conjunction with the Company's annual consolidated financial statements and accompanying notes for the year ended November 30, 2024. These condensed consolidated interim financial statements have been prepared using the same accounting policies and judgments and estimates as described in the Company's November 30, 2024 annual consolidated financial statements.

4. New or amendments to accounting standards

Adoption of new accounting standards

Amendments to IAS 1 Classification of Liabilities as Current or Non-Current and Amendments to IAS 1 Presentation of Financial Statements re: Non-current Liabilities with Covenants. The amendments clarify the requirements on determining whether a liability is current or non-current and require new disclosures for non-current liabilities that are subject to future covenants. The adoption of the amendments did not have an impact on the financial statements.

Future Accounting Standards

The following standards have not been applied in preparing these consolidated financial statements as their effective dates fall within periods beginning subsequent to the current reporting period. The Company is currently assessing the impact of these amendments.

IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 will replace IAS 1 Presentation of financial statements. IFRS 18 will retain many of the existing principles in IAS 1 and will focus on updates to the statement of profit or loss. Key new concepts relate to the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and enhanced principles on aggregation and disaggregation. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change the line items presented in the financial statements and what an entity reports as its 'operating profit or loss'. IFRS 18 is effective for reporting periods beginning on or after January 1, 2027. Earlier adoption is permitted.

5. Exploration and evaluation assets

	November 30, 2024 $	Expenditures $	Recoveries $	Write-downs $	Dispositions $	May 31, 2025 $
Lofdal Rare Earths property	23,910,965	86,211	(86,211)	-	-	23,910,965
Other properties	150,000	3,097	-	(3,097)	(150,000)	-
	24,060,965	**89,308**	**(86,211)**	**(3,097)**	**(150,000)**	**23,910,965**

Depreciation charged on exploration equipment and motor vehicles of $2,189 (2024 - $3,966) has been capitalized to exploration and evaluation assets.

Lofdal Rare Earths property

The Lofdal Rare Earths property comprises a Mining License ("ML200") located approximately 450 kilometres northwest of the capital city of Windhoek and 25 kilometres northwest of the town of Khorixas in the Kunene Region of north-western Namibia. ML200 was awarded in May 2021, subject to certain ownership and management requirements. The original exclusive prospecting licence over the Lofdal property ("EPL 3400") was granted in 2005 and provided for mineral rights to base and rare metals, and precious metals. EPL 3400 was relinquished in November 2023, as the entire Lofdal property is covered by ML200. The property is subject to a 2% net smelter revenue royalty.

Partnership with JOGMEC on Lofdal

On January 27, 2020, the Company announced that it had signed an agreement with JOGMEC to jointly explore, develop, exploit, refine and/or distribute mineral products from Lofdal. The agreement provides JOGMEC with the right to earn a 50% interest in the project by funding a total of $20,000,000 in exploration and development expenditures under the following terms:

Term 1 – JOGMEC will fund $3,000,000 in exploration expenditures up to March 31, 2021. The first term funding amount is non-refundable and JOGMEC earns no interest in the Lofdal project;

Term 2 – JOGMEC is entitled to elect to contribute an additional $7,000,000 in exploration expenditures from April 1, 2021 – March 31, 2024 to earn a 40% interest in the Lofdal project; and

Term 3 – JOGMEC is entitled to elect to contribute an additional $10,000,000 in exploration and development expenditures from April 1, 2024 – March 31, 2028 to earn an additional 10% interest in the Lofdal project.

Once JOGMEC has completed and exercised its 50% earn-in and a feasibility study has been completed on the project, JOGMEC has the right to purchase an additional 1% interest in the project from the Company for $5,000,000 and thereafter to exclusively provide funding to develop the project, subject to the Company's interest in the Project not being diluted below 26%.

As of May 31, 2025, JOGMEC had fulfilled its $10,000,000 commitment for Terms 1 and 2 and elected to move to Term 3. Accordingly, JOGMEC has earned its 40% interest in the Lofdal project and the Company intends to formally transfer the 40% interest to JOGMEC in 2025.

During the six months ended May 31, 2025, the Company received $2,304,000 (2024 - $2,066,000) from JOGMEC for exploration expenditures on the Lofdal property, for a cumulative total amount received of $16,745,000 (2024 - $13,541,000). As of May 31, 2025, $16,129,354 (2024 - $13,132,109) in exploration expenditures have been incurred. The Company has recorded the remaining $615,646 (2024 - $408,891) as a liability for advances received for future exploration work.

The expenditures incurred related to the JOGMEC agreement, and funded by JOGMEC, for the six months ended May 31, 2025 are as follows:

	November 30, 2024 $	Expenditures $	May 31, 2025 $
Project Management	559,716	60,170	**619,886**
Geology, Drilling, Sample Analysis	7,351,406	1,085,174	**8,436,580**
43-101 Resource and Mine Model Update	1,925,037	649,717	**2,574,754**
Metallurgy	2,900,176	328,371	**3,228,547**
Operator's Fee	745,558	118,604	**864,162**
Mine planning	166,537	-	**166,537**
Other	233,855	5,033	**238,888**
	13,882,285	2,247,069	**16,129,354**

Pursuant to the agreement with JOGMEC, the Company is entitled to an operator fee of 10% of the direct costs incurred, which is limited to 5% for any contracts requiring aggregate payments of more than $100,000. The Company first recognizes the operator fees against evaluation and exploration expenditures, as cost recoveries, and recognizes the excess as other income in the consolidated statement of loss and comprehensive loss. The portion of the operator fee recognized as income during the six months ended May 31, 2025 amounted to $96,442 (2024 - $95,625).

Other properties

On May 21, 2025, the Company sold its shares in Gecko Gold Holdings (Pty) Ltd. and Philco One Hundred and Ninety One (Pty) Ltd. for $150,000 cash. Combined net assets in the companies were $214,345 (including $150,000 in mineral properties and $476 in cash) and selling costs were $13,153. The net loss on the sale of $77,498 was recorded through profit and loss.

6. Related party transactions

Transactions with key management personnel for the three and six months ended May 31, 2025 and 2024 are as follows:

	Three months ended May 31		Six months ended May 31	
	2025 $	2024 $	2025 $	2024 $
Consulting fees charged to net loss	37,500	35,000	75,000	65,000

Key management personnel include officers and directors and companies directly controlled by key management personnel or shareholders, and payments are for consulting fees and share-based payments and are directly related to their position in the Company. The consulting agreements can be terminated by either party within notice periods ranging from three to six months (or payment in lieu if terminated by the Company) and the Company has the right to terminate any agreement immediately upon the consultant's failure to perform any material provision.

During the six months ended May 31, 2025 related party consulting fees of $179,115 (2024 – $172,760) were charged to JOGMEC in respect of the Lofdal project. Included in accounts payable and accrued liabilities are amounts owing to related parties of $26,762 (2024 - $26,875). Included in deposits and prepaid expenses is an amount of $11,000 (2024 - $11,000) representing retainers on services contracts with officers of the Company.

7. Capital stock

Authorized capital stock

An unlimited number of common shares without nominal or par value.

Issued and outstanding

There was no change in capital stock for the six months ended May 31, 2025.

Stock option plan

The Company has a stock option plan providing for the issuance of options equal to up to 10% of the outstanding shares. The Company may grant options to its directors, officers, employees, consultants and management company employees. The exercise price of each option cannot be lower than the market price of the shares at the date of grant of the option. The number of shares optioned to insiders may not exceed 10% of the issued and outstanding shares at the date of grant. The options are generally exercisable immediately for up to a five-year period from the date of grant.

There was no change in stock options for the six months ended May 31, 2025.

The following table summarizes information about options outstanding at May 31, 2025:

Exercise price $	Options outstanding and exercisable	Expiry date	Remaining contractual life (in years)
0.26	4,550,000	September 28, 2025	0.33
0.26	1,750,000	April 5, 2026	0.85
0.14	3,750,000	October 3, 2027	2.34
0.07	4,300,000	October 4, 2028	3.34
	14,350,000		

Warrants

There was no change in warrants for the six months ended May 31, 2025.

The following table summarizes information about warrants outstanding at May 31, 2025:

Exercise Price $	Warrants outstanding	Expiration Date	Remaining contractual life (in years)
0.10	8,333,333	December 22, 2025	0.56
0.05	6,428,572	November 28, 2025	0.49

8. Capital disclosures

The Company manages its capital to maintain adequate levels of funding to support the acquisition and exploration of mineral properties and to maintain the necessary corporate and administrative functions to facilitate these activities. The capital structure consists of working capital and equity. The Company raises capital, as necessary, to meet its needs and to take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. The Company invests all capital that is surplus to its immediate operational needs in highly liquid financial instruments such as high interest cash accounts. There were no changes to the Company's approach to capital management during the six months ended May 31, 2025.

Total managed capital was as follows:

	May 31, 2025 $	November 30, 2024 $
Working capital	412,757	470,711
Equity	24,537,986	24,823,479

There are no externally imposed capital requirements.

9. Financial instruments and risk management

The Company's financial instruments consist of cash, taxes and other receivables, accounts payable and accrued liabilities, and advances received for future exploration work. All of the Company's financial instruments are recognized at fair value and are subsequently measured at their amortized cost. The recorded values of all financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

Credit risk

The Company's credit risk is primarily attributable to cash. The Company's exposure to credit risk on its cash is limited by maintaining these assets in a high-interest savings account with a high-credit quality financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages this risk through regular monitoring and adjustment of its cash flow requirements to support ongoing operations and to ensure, to the extent possible, that there is sufficient cash on hand to meet its liabilities when due. In the event the Company obtains the permits and necessary approvals to proceed with the development of the Lofdal property, it will require substantial additional capital resources and there can be no assurance that funding will be available to the Company in the future on acceptable terms (note 1). Financial liabilities are due within one year.

Market risk

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

Foreign exchange risk

Certain of the Company's expenditures are denominated in Namibia dollars (which are pegged to the South African rand) and US dollars. The Company's cash, amounts receivable, deposits, and accounts payable and accrued liabilities include amounts denominated in foreign currencies. Accordingly, the results of the Company's operations are subject to currency transaction risk and currency translation risk.

As at May 31, 2025, the Company had the following amounts denominated in the above currencies and converted to Canadian dollars: $606,058 in cash, $4,772 in deposits and prepaids, $297,430 in taxes and other receivables, and $246,566 in accounts payable and accrued liabilities. A 10% change in the exchange rates would impact the Company's working capital as follows:

	$
Namibia dollars and South African rand	60,636
US dollars	174

The operating results and financial position of the Company are reported in Canadian dollars in the Company's consolidated financial statements. The fluctuation of the Canadian dollar, primarily in relation to the Namibian dollar, will consequently have an impact on the profitability of the Company and the value of the Company's assets and equity. The Company does not currently undertake any hedging activities to mitigate foreign exchange risk.

Interest rate risk

In respect of financial assets, the Company's policy is to invest cash at floating rates of interest. Cash reserves maintain liquidity while achieving a satisfactory return for shareholders. The impact of fluctuations in interest rates is not significant.

Commodity price risk

The Company's financial instruments are not exposed to any direct commodity price risk, as the Company does not have any financial instruments associated with commodity prices and currently has no revenues derived from mining operations. Fluctuation in commodity prices do however impact the overall viability of the Company as is common in the mineral exploration and mining industries.

10. Supplemental cash flow information

During the six months ended May 31, 2025, the Company incurred expenditures on exploration and evaluation assets of $4,838 which were recorded as an increase in accounts payable (2024 - $352,879 recorded as a decrease in accounts payable), $2,189 in amortization of equipment which was recorded to exploration and evaluation assets (2024 - $3,966), and reduced non-controlling interest by $74,222 related to the sale of subsidiaries. These items are non-cash transactions and have been excluded from the consolidated statement of cash flows.

11. Segmented reporting

The Company has one reportable operating segment, being that of acquisition, exploration and evaluation activities. All exploration and evaluation assets are located in Namibia.