

CENTAURUS ENERGY INC.

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026

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(Unless otherwise indicated, all dollar amounts are in United States dollars ("USD"))

This Management's Discussion and Analysis of financial condition and results of operations ("MD&A") is based on information available to November 6, 2026 and should be read in conjunction with Centaurus Energy Inc.'s ("Centaurus" or the "Company") unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2026 and the accompanying notes as well as the audited consolidated financial statements for the year ended December 31, 2025 and the accompanying notes. This MD&A contains forward-looking information about the Company's current expectations, estimates, projections and assumptions. See the Advisory for information on the risk factors that could cause actual results to differ materially and the assumptions underlying the Company's forward-looking information. Centaurus's Management prepared the MD&A, while the Audit Committee of the Centaurus Board of Directors (the "Board") reviewed and recommended its approval by the Board. Additional information relevant to the Company's activities contained in its continuous disclosure documents, including quarterly condensed interim consolidated financial statements, is available on SEDAR at ***www.sedar.com*** *and on the Company's website at* ***www.ctaurus.com****.*

Basis of Presentation

This MD&A and the unaudited condensed interim consolidated financial statements and comparative information have been prepared in United States dollars ("USD"), except where another currency has been indicated, and have been prepared in accordance with IFRS Accounting Standards ("IFRS" or "GAAP") as issued by the International Accounting Standards Board ("IASB").

Non-GAAP Measures
Certain financial measures in this document do not have a standardized meaning as prescribed by IFRS, such as funds flow from (used in) operations, working capital and netbacks and therefore are considered non-GAAP measures. These measures may not be comparable to similar measures presented by other issuers. These measures have been described and presented to provide shareholders and potential investors with additional measures for analyzing the Company's ability to generate funds to finance its operations and information regarding its liquidity. The additional information should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. The definition and/or reconciliation of each non-GAAP measure is presented in the Reconciliation of Cash Flow from (used in) Operating Activities and Funds Flow from (used in) Continuing Operations sections of this MD&A.

Funds flow from (used in) continuing operations per share is calculated using the same basic and diluted weighted average number of shares for the period, consistent with the calculations of loss per share.

Review of Operations

Introduction

Centaurus Energy Inc. ("Centaurus," the "Company," or the "Corporation") is an independent, Canadian company that was focused on Argentine upstream oil and gas with operations until January 2023. The Company is currently focused on managing the future proceeds from the PAE ORRI.

Centaurus trades on the TSX Venture Exchange ("TSXV") under the symbol CTA and on the OTC Pink market under the symbol CTARF. Unless specifically noted, all current and comparative reporting periods' operating and financial disclosures and discussion are in reference to the continuing Argentine operations and corporate segments.

2023 Highlights

PAE ORRI

The PAE ORRI, announced on April 28, 2021 and closed on March 23, 2022, is the payment to Centaurus, over time, of 1.25% to 2.5% Overriding Royalty Interest over the net proceeds corresponding to the 29% interest assigned by Centaurus to Pan American Energy, S.R.L., Argentine Branch ("PAE"), which is payable by PAE in semi-annual installments, and other considerations totaling $16.83 million (as of the effective date of January 1, 2021).

To date, PAE has made payments to Centaurus as planned. And Centaurus expects that PAE will continue to make the payments in the future from the output and revenue from Coiron Amargo Sur Este.

Initially, the payments to Centaurus equal an overriding royalty of 1.25%, with another 1.25% being credit to PAE for previous payment made to the Province of Neuquén on behalf of Centaurus. Upon complete satisfaction of the previous payments made to the Province of Neuquén by PAE on behalf of Centaurus, Centaurus will receive semi-annual overriding royalty payments of 2.5% corresponding to the 29% interest assigned by Centaurus to PAE.

The PAE ORRI agreement provides for an annual adjustment, for calculation and addition of interest and other expenses (income).

The most recent ORRI payment received by the company occurred in August 2026, totaling USD 383,210 and corresponding to the H1 2026 period. Following this payment, the remaining balance under the PAE ORRI is USD 14,779,115 (plus the applicable Adjustment Factor).

Nature of the PAE ORRI

The original PAE ORRI agreement contract (the "2021 PAE Agreement"), between PAE and MEA, was signed on April 28, 2021.

The 2021 PAE Agreement sets out that in exchange for the Transferred Interests (MEA's 29% ownership interest in CASE) PAE would pay MEA a Referenced Value of US$ 51,425,625.56 comprised of:

- $26,425,625.56 for the Outstanding Loan (under the Loan Agreement; i.e. PAE would cancel all the outstanding amounts owed by MEA to PAE under the Loan Agreement);
- $350,000 for a deposit amount; and
- $24,650,000 for the ORRI Payments (payable overtime in semi-annual installments, on the basis of a 2.5% net royalty on the Transferred Interests)

In addition, an Adjustment Factor rate (interest rate) of 1.5% is set for years 2023-2028, a 3% rate for years 2029-2033, and a 4.5% rate for years 2024 to 2040.

Finally, PAE's payment obligations are satisfied upon the earlier of:

- Payment in full of the ORRI Payments;
- December 31, 2040; and
- the termination of the CASE operating agreement by the Argentina Government

Prior to Closing, an Amendment to the PAE ORRI, between PAE and MEA, reducing the total amount of the ORRI to $16.8mm, was executed on March 21, 2022 (the "Amended PAE Agreement").

Due to multiple closing conditions, the agreement/transfer was closed on March 23, 2022.

Pursuant to the Amended PAE Agreement

- the Referenced Value was amended to $49,255,625.56 (reduced by $2,170,000);
- PAE would pay, on behalf of MEA, to the Province of Neuquén the amount of $6,000,000, relating to independent amounts owed by MEA to the Province of Neuquén;
- The ORRI Payments were reduced $16,830,000.

The Amended PAE Agreement also sets out that the quota payment (outlined in the original 2021 PAE Agreement) to be received from PAE for the ORRI Payments would be updated as follows:

- 1.25% of the Net Proceeds of the ORRI will be paid until MEA receives $8,000,000 of ORRI Payments; and
- After the $8m is completely paid, the quota payment shall revert to entire 2.5% payable to MEA until the ORRI Payments are fully paid.

MEA transferred the ORRI to Centaurus pursuant to the Assignment Agreement dated January 12, 2023.

PAE is required to pay the ORRI Payments semi-annually; Jan-June (H1) and July-Dec (H2).

The H1 payment amount is calculated, detailed and communicated by PAE in July of the corresponding year, and payment is made mid-August.

The H2 payment amount is calculated, detailed and communicated by PAE in January of the following year, and payment is made in mid-February.

2024 Highlights

Capital allocation strategy

On March 27, 2024, Centaurus announced a new capital allocation strategy, focused on the digital commodity Ether (ETH), the native asset of the Ethereum blockchain. Centaurus began purchasing Ether on March 26, 2024.

As at September 30, 2026, the company owned a total of 97.75866 Ether (ETH). That holding includes 0.4740 ETH earned during the quarter through staking activities. During the quarter ended September 30, 2026, the Company earned staking revenue of $1,105. The Company's average purchase cost per ETH is $2,873.91.

The Company's Change of Business submission with the TSXV relating to this investment focus has been withdrawn.

Loan agreement with David Tawil

On March 20, 2024, in connection with the company's capital allocation strategy, David Tawil entered into a loan agreement with Centaurus, providing up to $1.5 million of capital, at greater of: (i) 7% per annum or (ii) 65% of the profits (realized and unrealized; staking income and capital appreciation) on the corresponding Ether purchased by the Company.

2026 Highlights

Share-based Compensation

On March 30, 2026, David Tawil was granted options to purchase 54,403 shares at an exercise price of USD 1.25, with a March 30, 2031 expiry date. Tawil exercised the options and the TSXV Exchange approved the issuance of the 54,403 shares on April 15, 2026.

Foreign Exchange Fluctuations

The table below provides various exchange rates that illustrate the quarterly foreign exchange fluctuations between the USD, the Argentine Peso ("ARS"), and the Canadian dollar ("CAD"). The table illustrates the impact of both the ARS and CAD changes relative to the USD in the nine-months ended September 30, 2026 compared to the nine-month ended September 30, 2025. Foreign exchange changes in CAD and ARS impact the unrealized foreign exchange gains and losses recorded in the condensed interim consolidated statements of income (loss).

(1)

	Three months ended September 30		%	Nine months ended September 30		%
USD	2026	2025	Change[(1)]	2026	2025	Change[(1)]
Average CAD to USD	**0.715**	0.726	(0.01%)	**0.722**	0.715	0.98%
Period end CAD to USD	**0.705**	0.718	(0.01%)	**0.705**	0.718	(0.01%)

(1) Differences calculated from the numbers within the table are due to rounding.



Continuing Argentine Operations and Corporate Segments

General and Administration ("G&A") Expenses

USD 000s	Three months ended September 30		Nine months ended September 30	
	2026	**2025**	**2026**	**2025**
Argentina				
Gross G&A		-		-
Professional services	**1**	-	**5**	-
	1	-	**5**	-
Corporate				
Gross G&A				
Compensation costs	**83**	62	**334**	185
Audit	**-**	44	**29**	74
Professional services	**29**	25	**67**	70
Consulting fees	**(5)**	(8)	**72**	80
Director fees	**38**	-	**75**	-
Other	**11**	-	**30**	7
	156	123	**608**	416
Consolidated				
Net G&A total	**157**	123	**613**	416

The change in G&A Expenses is mainly due to compensation costs and Director fees. The charge in compensation costs in2026 is related to a renegotiation of David Tawil's contract that resulted in an adjustment with a retroactive effect. Regarding directors' fees, the reason for the variation is that no fees were paid up to and including 2025.

Finance (Income) and Expenses

USD 000s	Three months ended September 30		Nine months ended September 30	
	2026	**2025**	**2026**	**2025**
Argentina				
Bank charges	**-**		**1**	
Investment (gain) loss	**(1)**	-	**(2)**	-
	(1)	-	**(1)**	-
Corporate				
Bank charges	**1**	-	**1**	1
Foreign exchange loss – unrealized	**30**	(9)	**24**	20
Accrued interest	**17**	52	**116**	155
Investment (gain) loss	**-**	3	**42**	55
ORRI Accretion	**(201)**	(198)	**(596)**	(588)
	(153)	(152)	**(412)**	(357)
Consolidated				
Net Finance (Income) and Expenses total	**(154)**	(152)	**(413)**	(357)

The change in Finance Expenses is mainly due to the investment loss in 2026, related to the realized loss on the 42.9581 ETH sold.

Funds flow from (used in) Continuing Operations, Net Income (Loss) and Comprehensive Income (Loss) from Continuing Operations

	Three months ended September 30		Nine months ended September 30	
USD 000s	**2026**	**2025**	**2026**	**2025**
Funds flow from (used in) continuing operations	**(612)**	(444)	**(1,036)**	(665)
Per share – basic and diluted	**(0.55)**	(0.42)	**(0.94)**	(0.63)
Net gain (loss)	**108**	31	**2,748**	(52)
Per share – basic and diluted	**0.10**	0.03	**2.49**	(0.05)
Comprehensive gain (loss)	**108**	31	**2,748**	(52)

Transactions with Related Parties

Key management personnel are those persons that have authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. As at September 30, 2026, the Company's key management personnel consist of its directors and senior management. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were:

David Tawil (CEO) - Compensation: $333,600

David Tawil (CEO) – Director fee: $25,000

Jeffrey Borack (CFO): $5,000

William Schibin (Director): $25,000

Steven Balsam (Director): $25,000

As at September 30, 2026, the interest expense accrued on the two David Tawil loans was $49,635 (as at September 30, 2025 - $49,619).

As at September 30, 2026, the Company owes David Tawil the sum of $824,163 (as at December 31, 2025 - $913,563) for consulting fees. That debt is included within "Trade and other payables".

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk

USD 000s	September 30 2026	December 31 2025
Working capital (deficit) surplus		
Argentina	7	4
Canada	**(1,449)**	(4,760)
Shareholders' equity	**9,452**	6,635

On September 30, 2026, the working capital deficit of the Company was $1.4 million (December 31, 2025 -$4.8 million).

At September 30, 2026, cash and cash equivalents of $6 thousand was deposited with banks in Canada and United States of America.

Commitments and Contingencies

On March 27, 2020, the Company received a notice of default and reservation of rights from KD Energy and Hispania, alleging that the Corporation is in default of the terms of the Working Capital Loan Agreement and Amended and Restated Convertible Loan Agreement.

KD Energy International, Capital Limited, Jose David Penafiel, Alejandro Augusto Penafiel, and Totisa Holdings S.A. v Centaurus Energy Inc

In a Canadian court, KD Energy made a claim for repayment of funds advanced to Centaurus allegedly under the Capex Loan in the amount of $2,093,014.76, plus 7% interest from 7 April 2020 to date of trial, or alternatively claim by Totisa in unjust enrichment for funds advanced in the amount of $2,093,014.76 plus interest under the Judgment Interest Act, plus costs. In addition, in the same case, Jose Peñafiel claimed for wrongful dismissal damages of $315,000 plus aggravated and punitive damages of $300,000, and Alejandro Peñafiel claimed for wrongful dismissal damages of $180,000 plus aggravated and punitive damages of $150,000, plus interest.

In this case, Centaurus defeated a summary judgment application by Totisa.

KD Energy International Capital Limited and Hispania Petroleum S.A. v Centaurus Energy Inc.

In the same Canadian court, KD Energy and Hispania made claims for repayment of debt in the amount of $2,411,770.40 plus interest of 7% per annum accruing from 27 June 2022 to date of trial, for funds advanced to Centaurus under either a capex loan or a working capital loan facility, plus costs. This relief sought was duplicative of the relief sought previously.

Centaurus filed a Statement of Defence and Counterclaim, seeking to set off any amounts owing, seeking damages of at least $3,000,000 and punitive damages against the Plaintiffs, and seeking to consolidate the Actions.

The Plaintiffs filed a Statement of Defence to Counterclaim and Reply to Defence. Centaurus filed a Reply to Statement of Defence to Counterclaim.

On June 17, 2026, Applications Judge S. Latimer dismissed both actions, awarding costs to Centaurus of CAD $3,905 and CAD $2,160, respectively. As a result, all claims brought by KD Energy and its associated parties against Centaurus have been resolved in the Company's favour.

As at June 29, 2026, the appeal period for the dismissal orders lapsed without any notice of appeal.

PEÑAFIEL, JOSÉ S/INFRACCIÓN ARTS. 309 Y 311 DEL C.P.

Centaurus' prior management, specifically, Mr. José David Peñafiel and Mr. Alejandro Peñafiel, has been charged and are being investigated by federal prosecutors in Buenos Aires, Argentina for numerous criminal counts, including, fraudulent management, special fraud to shareholders, market manipulation, accounting fraud, and money laundering.

Repatriation of Funds to Canada

Despite the proceeds of the PAE ORRI being paid in Argentina, the Company no longer has any operations in Argentina. Funds are required to enable the Company to maintain compliance and manage the regulatory, reporting, audit, legal and tax requirements of a company listed on the TSXV.

Fair value of Financial Instruments

The Corporation's financial instruments include cash and cash equivalents, the ORRI and other receivables, certain items in other long-term assets and liabilities, current portion of long-term debt, trade and other payables, taxes payable, convertible loan, the carrying values of which approximate their fair values due to their short-term nature with the exception of certain long-term assets and liabilities whose calculated fair value approximates its carrying value.

QUARTERLY FINANCIAL RESULTS

Continuing Operations

USD 000s, unless otherwise noted	Q3 2026	Q2 2026	Q1 2026	Q4 2025
Revenues	**1**	1	2	3
Net income (loss)	**108**	2,821	(177)	150
Shares outstanding – millions	**1.1**	1.1	1.1	1.1
Net income (loss) per share – basic and diluted	**0.10**	2.55	(0.17)	0.17

USD 000s, unless otherwise noted	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Revenues	**2**	2	3	-
Net income (loss)	**31**	(52)	(32)	163
Shares outstanding – millions	**1.1**	1.1	1.1	1.1
Net income (loss) per share – basic and diluted	**0.03**	(0.05)	(0.03)	0.15

Operating Segments

The Company has concluded that it has only one operating segment, focused on managing the future proceeds from the Overriding Royalty Interest payable by PAE ORRI, which may include investment in new endeavors and or capital returns.



Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Critical Accounting Judgments, Estimates and Accounting Policies

For further details regarding the Corporation's critical accounting judgments, estimates and accounting policies, the following should be read in conjunction with the Corporation's consolidated financial statements for the year ended December 31, 2025.

Critical accounting estimates are those estimates that require management to make particularly subjective or complex judgments about matters that are inherently uncertain. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to accounting estimates are recognized in the period in which the estimates are revised. During the Quarter, there were no changes to the Corporation's key sources of estimation uncertainty. Further information on the Corporation's key sources of estimation uncertainty can be found in the notes to the consolidated financial statements for the year ended December 31, 2025.

Management is required to make judgments, estimates and assumptions in the application of accounting policies that could have a significant impact on the Corporation's financial results. Actual results may differ from those estimates and those differences may be material. The estimates and assumptions used are subject to updates based on experience and the application of new information. The Corporation's critical accounting policies and estimates are reviewed annually by the Audit Committee of the Board. Further details on the basis of presentation and significant accounting policies can be found in the Corporation's notes to the consolidated financial statements for the year ended December 31, 2025.

Further information on management's critical accounting judgments in applying accounting policies can be found in the notes to the consolidated financial statements for the year ended December 31, 2025.

Risk Management

For a full understanding of the risks that impact the Company, the following discussion should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2025.

The Company is exposed to a number of risks through the pursuit of its strategic objectives. Some of these risks impact the oil and gas industry as a whole and others are unique to its operations and its involvement in Argentina. Actively managing these risks improves the Company's ability to effectively execute its business strategy. The factors that impact the Company's exposure to liquidity risk, safety risk, capital project execution and operating risk, reserves replacement risk, environmental risk and regulatory risk has not changed substantially since December 31, 2023. For a further and more in-depth discussion of the Company's risk management see the Company's Consolidated Financial Statements for the year ended December 31, 2025.

A description of the risk factors and uncertainties affecting the Corporation can be found in the Advisory.

Outstanding Share Data

As of the date of this MD&A, the Company has 1,142,473 common shares outstanding, of which 37,300 are held in treasury.

Advisory

Forward Looking Statements

This MD&A may include forward-looking statements including opinions, assumptions, estimates and management's assessment of future plans and operations, expected depletion, depreciation and accretion expenses, expectations as to the taxability of the Company and planned capital expenditures and the timing and funding thereof. When used in this document, the words "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "plan", "should" and similar expressions are intended to be among the statements that identify forward-looking statements. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Company believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. Any number of important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to, currency fluctuations, the ability to implement corporate strategies, the ability to repatriate funds from Argentina, the state of domestic capital markets, the ability to obtain financing, incorrect assessment of the value of acquisitions, changes in general economic conditions, and other factors, all of which are more fully described from time to time in the reports and filings made by the Company with securities regulatory authorities.

The forward looking statements contained in this MD&A are expressly qualified by this cautionary statement. Readers are cautioned not to place undue reliance on forward-looking statements, as no assurances can be given as to future results, levels of activity or achievements. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.

Numerical Amounts

The reporting and the measurement currency is the USD.