TGX Energy & Resources Inc.

Management Discussion and Analysis

For The Three Months Ended March 31, 2026

Management's discussion and analysis ("MD&A") provides a review of the performance of TGX Energy & Resources Inc. (formerly True North Gems Inc.) ("TGX" or the "Company") operations and has been prepared on the basis of available information up to May 26, 2026 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three month period ended March 31, 2026 and the audited consolidated financial statements for the year ended December 31, 2025 and the related notes thereto. The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's reporting currency is Canadian dollars, and all dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except were indicated otherwise.

"TGX" common shares are listed on the TSX Venture Exchange (the "TSX-V") trading symbol – TGX

Some of the statements made in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

Caution on Forward-Looking Statements

The MD&A contains certain forward-looking statements concerning anticipated development in TGX Energy & resources Inc. (formerly True North Gems Inc.) operations in future periods. Forward-looking statements are frequently, but not always identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements are set forth principally under the heading "Outlook" in the MD&A and may include statements regarding exploration results and budgets, mineral resource estimates, work programs, capital expenditures, timelines, strategic plans, or other statements that are not statements of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of True North may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. True North's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and True North does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from True North's expectations include uncertainty as to the availability and terms of future financing and other risks and uncertainties disclosed in other information released by True North from time to time and filed with the appropriate regulatory agencies.

OVERVIEW AND OUTLOOK

TGXs principal business activities include the exploration and evaluation of natural resource properties in Canada.

During the three months ended March 31, 2026, and to the date of the report, the following events have occurred:

- On April 6, 2026, the Company issued 1,200,000 units in a non-brokered private placement at a price of $0.10 per unit for aggregate proceeds of $120,000. Each unit is comprised of one common share and one warrant exercisable at $0.13 per share until April 6, 2027.

- On May 21, 2026, the Company closed its previously announced debt settlement transaction. The Company settled an aggregate of $190,451 in outstanding debt by issuing 1,904,612 common shares of the Company at a deemed price of $0.10 per share and 952,256 warrants at an exercise price of $0.13 per share for a period of one year.

MANAGEMENT CHANGES

- On May 6, 2026, the Company announced the appointment of Sebastian Lowes to its board of directors as an additional member. He has also been appointed Chief Executive Officer succeeding M. Bilal Bhamji.

Exploration and Evaluation Assets

True Blue Project – Yukon, Canada
The property consists of 303 mining claims in the Watson Lake Mining District.

The Company undertook an exploration program on a group of these claims known as the True Blue Rare Earth Elements Property ("REE") during 2019. No work has been completed on the property in recent years. However, given the current trade war with China, this asset has become more attractive for the Company to advance. Consequently, the Company will be planning and coordinating further evaluation of an approach to revisiting this project to explore the REE potential during fiscal 2026.

FINANCIAL POSITION - CONTINUING AND DISCONTINUED OPERATIONS COMBINED

As at March 31, 2026, the Company had current assets of $77,066 current liabilities of $277,551 and long-term liabilities of $7,011,419 compared to current assets of $108,693, current liabilities of $316,672 and long-term liabilities of $6,934,878 as at December 31, 2025. At March 31, 2026, the Company had working capital deficit of $200,485 compared to working capital of $207,979 at December 31, 2025. As of March 31, 2026, the Company owes certain creditors $7,011,419 (December 31, 2025 - $6,934,878) and they have agreed to postpone the repayment of principal and accrued interest thereon until December 31, 2027.

At March 31, 2026, the Company had cash of $1,025. During the three month period ended March 31, 2026, the Company recorded cash used for operations of $61,330 compared to cash provided by operations of $15 for the comparative period ended March 31, 2025.

RESULTS OF OPERATIONS

Three months ended March 31, 2026, compared with three months ended March 31, 2025

Expressed in Canadian dollars

(Information extracted from the Company's consolidated financial statements)

	For the three months ended March 31, 2026	2025
Operating expenses		
Consulting fees	$ 34,400	$ 33,600
General and administrative	2,557	2,310
Professional fees	456	776
Shareholder relations	4,311	509
Transfer agent and filing fees	9,974	11,794
Loss before other expenses	(51,698)	(48,989)
Other income (expenses)		
Interest income	-	370
Interest expense	(32,154)	(16,945)
Total other income (expenses)	(32,154)	(16,575)
Net loss from continuing operations	(83,852)	(65,564)
Net loss from discontinued operations	(33,195)	(16,597)
Net loss for period	$ (117,047)	$ (82,161)

NET INCOME (LOSS)

The net loss from continuing and discontinued operations for the three months ended March 31, 2026 amounted to $117,047 compared to a net loss for the comparative year of $82,161.

Discontinued operations

		For the three months ended March 31, 2026		2025
"TGX's" operating expenses				
Other expenses				
Loan guarantee - accrued interest	$	(33,195)	$	(16,597)
Net loss and comprehensive loss for period from discontinued	$	(33,195)	$	(16,597)

During the three months ended March 31, 2026, the Company recognized interest expense of $33,195 (2025: $16,597) on a loan guarantee that bears interest at 10% per annum and is due on December 31, 2027.

Continuing operations

Net loss from continuing operations for the three months ended March 31, 2026 amounted to $83,852 compared to a net loss of $65,564 for the three months ended March 31, 2025. Current periods results include $32,154 of accrued interest on the demand and other loan amounts.

Operating expenses – continuing operations

For the three months ended March 31, 2026, total operating expenses were $51,698 compared to $48,989 recorded during the same period in 2025 representing an increase of $2,709.

Significant factors that contributed to the variances are discussed below:

Shareholder relations
Shareholder relations totalling $4,311 compared to $509 for the prior comparative period representing an increase of $3,802. The increase relates to the timing of the Company's Annual General Meeting, which was not held in the prior period.

SUMMARY OF QUARTERLY RESULTS

The following table details the Company's quarterly results:

Quarter Ended	Net revenues	Net income (loss)	Income (loss) per share - basic & fully diluted
	$'s	$'s	$'s
31-Mar-26	-	(117,047)	(0.01)
31-Dec-25	-	(99,267)	(0.01)
30-Sep-25	-	(71,760	(0.00)
30-Jun-25	-	(73,169)	(0.01)
31-Mar-25	-	(82,161)	(0.01)
31-Dec-24	-	(137,517)	(0.01)
30-Sep-24	-	(74,767)	(0.00)
30-Jun-24	-	(76,188)	(0.00)

As a result of the loss of control, TNGG's operations were reclassified as discontinued operations. Disclosure of continuing and discontinued operations quarterly results is set out below:

Quarter Ended	Net income (loss) - continuing operations	Net income (loss) - discontinued operations	Net income (loss)	Income (loss) per share from continuing operations- basic & fully diluted	Income (loss) per share from discontinued operations- basic & fully diluted
	$'s	$'s	$'s	$'s	$'s
31-Mar-26	(83,852)	(33,195)	(117,047)	(0.01)	(0.00)
31-Dec-25	(82,300)	(16,967)	(99,267)	(0.00)	(0.00)
30-Sep-25	(54,794)	(16,966)	(71,760)	(0.00)	(0.00)
30-Jun-25	(56,387)	(16,782)	(73,169)	(0.01)	(0.00)
31-Mar-25	(65,564)	(16,597)	(82,161)	(0.01)	(0.00)
31-Dec-24	(119,155)	(18,362)	(137,517)	(0.00)	(0.00)
30-Sep-24	(57,801)	(16,966)	(74,767)	(0.00)	(0.00)
30-Jun-24	(59,405)	(16,783)	(76,188)	(0.00)	(0.00)

There are no meaningful trends evident from analysis of the summary of quarterly financial information over the last eight quarters. Factors that can cause significant fluctuations in the Company's quarterly results are set out in the table below.

Quarter Ended	Exploration and evaluation expenditures (recoveries)	Impairment of exploration and evaluation assets	Discountinued operations income (loss)
	$'s	$'s	$'s
31-Mar-26	-	-	(33,195)
31-Dec-25	-	-	(16,967)
30-Sep-25	-	-	(16,966)
30-Jun-25	-	-	(16,782)
31-Mar-25	-	-	(16,597)
31-Dec-24	(15,716)	25,000	(18,362)
30-Sep-24	-	-	(16,966)
30-Jun-24	-	-	(16,783)

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2026, the Company had cash of $1,025 and working capital deficit of $200,485.

Based on the financial position at March 31, 2026, the Company's available funds through debt or equity issuances or other available means are not considered adequate to meet requirements for the next twelve months based on expenditures for operations and exploration. To meet expenditure requirements, the Company is dependent upon its ability to access financial resources. There can be no assurances that the Company will be successful in accessing these financial resources.

CAPITAL RESOURCES

To date, the Company has met its capital requirements through the completion of equity placements, debt financings and investment sales.

Trends that affect the market generally, and the perception of the Company within the marketplace, can affect the Company's ability to access capital in both a positive and negative way. Trends in this general market are defined by fluctuations in the global economy and the demand for metals and commodity prices. Trends in the perception of the Company in the resource marketplace will be affected by general trends in the resource equity markets, the Company's performance in creating shareholder value and in demonstrating the ability to manage the Company's affairs and achieve mandated objectives. The Company's indebtedness and related interest obligations are summarized as follows:

a) The demand loans are unsecured, bear interest at the rate of 10% per annum, and are due by December 31, 2027. During the three months ended March 31, 2026, interest expense of $1,627 (2024 - $814) was accrued on the demand loans.
b) As at March 31, 2026, the Company owed $199,902 (2025 - $193,523) to two creditors. The loans are unsecured, bear interest at the rate of 5% per annum, and are due on December 31, 2026. During the three months ended March 31, 2026, interest of $Nil (2025 - $2,088) was accrued on these loans.
c) As at March 31, 2026, the Company owed $1,455,560 (2025 - $1,290,897) to three creditors. The loans are unsecured, bear interest at the rate of 10% per annum and are due on December 31, 2027. During the three months ended March 31, 2026, interest of $30,218 (2025 - $13,735) was accrued on these loans, creditors agreed to postpone an additional $31,500 (2025 - $33,000) in debt, and the Company repaid $20,000 (2025 - $Nil) of loan principal to a creditor.
d) As at March 31, 2026, the Company owed $5,469,213 (2025 - $5,385,304) to a non-related party, which is unsecured, bears interest at 10% per annum, and is due by December 31, 2027. During the three months ended March 31, 2026, interest of $33,195 (2025 - $16,597) was accrued on the loan guarantee, which is recorded as discontinued operations.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management personnel include the Company's directors and members of the senior management group.

During the three months ended March 31, 2026, key management personnel charged $30,000 in fees for services rendered. These transactions were in the normal course of business recorded at their exchange amounts, which was established and agreed to by the related parties.

As at March 31, 2026, the Company has a loan agreement with current management personnel whereby they have agreed to postpone repayment of the principal and interest totaling $1,276,526 (2025- $1,086,812), which is unsecured and bears interest at 10% per annum and due on December 31, 2027. During the three months ended March 31, 2026, interest expense of $26,142 (2025 - $11,517) was accrued on the loan and the creditor agreed to postpone an additional $31,500 (2025 - $31,500) in debt.

PROPOSED TRANSACTIONS

As of May 26, 2026, the Company has no proposed material transactions.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant are disclosed in note 4 in the Company's audited annual consolidated financial statements for the year ended December 31, 2025.

ACCOUNTING POLICIES

The Company has applied IFRS, as disclosed in note 3 to the audited annual consolidated financial statements, which are applied on a consistent basis.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

Currently, the certification required by the Company's certifying officers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings (NI 52-109F), the Venture Issuer Basic Certificate, does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. This includes:

i. Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation; and,
ii. A process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make in the certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Refer to elsewhere in the MD&A or the Company's consolidated financial statements for capitalized or expensed exploration and development costs, general and administrative expenses, and other material costs. Additional information relating to the Company is on SEDAR www.sedar.com.

OUTSTANDING SHARE DATA

At March 31,2026, TGX had 11,192,450 common shares outstanding.

At the date of this report, TGX had 14,297,062 common shares and 952,256 warrants outstanding.

RISK FACTORS

Financial capability and additional financing
The Company will require additional financing through debt or equity issuances, collection of additional funds from bankruptcy proceedings, if any, or other available means in order to continue operations and for working capital purposes. While it has been successful in raising funds in the past, there is no guarantee that adequate funds will be available in the future and/or on terms acceptable by the Company. The Company has cash of $1,025 at March 31, 2026. Based on the financial position at March 31, 2026, available funds are not considered adequate to meet requirements for the next twelve months in order to continue operations. A discussion of risk factors particular to the financial instruments is presented in notes 1 and 12 of the condensed interim consolidated financial statements.