



## BULGOLD INC.

### INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024

The following interim Management's Discussion and Analysis – quarterly highlights ("**Interim MD&A**") of BULGOLD Inc., referred herein as "**BULGOLD**" or the "**Company**" or the "**Resulting Issuer**") for the three months ended September 30, 2024 provides material information about the Company's business activities during the interim period and updates disclosure previously provided in the Company's management's discussion and analysis for the financial year ended December 31, 2023 ("**Annual MD&A**").

This Interim MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2024 (the "**Interim Financial Statements**"), as well as the Company's audited consolidated financial statements for the year ended December 31, 2023 (the "**Annual Financial Statements**"), and the Company's Annual MD&A.

The effective date of this Interim MD&A is November 21, 2024.

All financial results presented in this Interim MD&A are expressed in Canadian dollars unless otherwise indicated.

#### ***Description of Business***

BULGOLD is a Canadian-based company focused on acquiring, exploring and developing mineral projects. The Company has a 100% interest in two Bulgarian gold exploration properties and one Slovakian gold exploration property.

BULGOLD's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol ZLTO. As of the date of this MD&A, the Company has 27,597,928 issued and outstanding common shares. As of September 30, 2024, the Company had \$563,630 in cash and cash equivalents.

#### ***Highlights***

- For the three months ending September 30, 2024, the Company incurred a net comprehensive loss of \$39,234 (\$0.00 per share) compared to \$425,669 (\$0.02 per share) for the same period in 2023.
- During the three-months ended September 30, 2024, the Company invested an amount of \$832,404 in exploration projects, consisting of \$17,485 for Kutel (Bulgaria), \$41,341 for Kostilkovo (Bulgaria) and \$773,218 for Lutilla (Slovakia).

## **Exploration activities**

### **Slovakia**

The Lutila Gold Project is located 140 kilometres northeast of the capital city of the Slovak Republic, Bratislava. The nearby town of Žiar nad Hronom within the Banská Bystrica Region is located immediately south of the exploration licence area. The villages of Lutila and Slaská bound the property to the west, while the villages of Kopernica and Lúčky lie to the north and the villages of Horná Ves, Dolná Ves, Bartošova Lehôtka and Stará Kremnička bound the property to the east.

The property is located near the northern margin of the Central Slovak Volcanic Field within an area dominated by north to north-northeast trending faults and post-andesite resurgent rhyolite flow domes and dykes. The faults are normal, extensional, and form a series of horsts and grabens that are extensions of the Banská Štiavnica caldera complex that lies several kilometres to the south.

Historic soil sampling has outlined a significant, +7km long, paleo-geothermal system as defined by arsenic and antimony geochemistry. Historic rock chip sampling, which is limited to the North East Block, has shown that surface gold grades increase in value towards lower elevations, which is in line with the Company's current geological model. Historic exploration drilling, which is also restricted to the North East Block, has shown that there are anomalous gold grades within the rhyolite flow dome complexes and their pyroclastic products on either flank of the Čertov vrch target area which is centred on the Čertov vrch peak (748mRL); see the Company's May 1, 2024, news release for additional information.

Highlights from the review of historic exploration data include:

- Historic soil sampling has outlined a +7km long, paleo-geothermal system as defined by arsenic and antimony geochemistry which remains open to the south and northwest.
- Historic rock chip sampling, which is limited to the North East Block, has shown that surface gold grades increase in value (up to 4.44g/t Au) towards lower elevations which is in line with the Company's current geological model.
- Historic exploration drilling, which is also restricted to the North East Block, has shown that there are anomalous gold grades within the rhyolite flow dome complexes and their pyroclastic products on either flank of the Čertov vrch target area; best intersection of 26.2m @ 0.91g/t Au (from 97m).
- Rhyolite flow dome complexes define a series of topographic highs (ridgelines) within the licence area which cumulatively extend for approximately 7km; these rhyolite ridges are in turn surrounded by a large (27km<sup>2</sup>) sinter field.
- The sinter field has not been drill tested for gold mineralisation; it has been extensively drill tested for bentonite (average hole depth 20m).

- The Property is located 5km south, along strike and within the same volcanic depression that hosts the historic quartz-adularia Kremnica gold mine (current JORC (2012) mineral resource estimate of 2.7Moz Au); this is not a mineral reserve or mineral resource that has been prepared in compliance with the requirements of National Instrument 43-101.
- Exploration target: underground high-grade gold (Au) ± silver (Ag) quartz veins.

At the nearby Kremnica gold mine, which is hosted in andesite volcanic rocks, rhyolite dykes are intimately associated with and are often well mineralised where they are cross-cut, or run parallel to quartz-adularia veins, thus indicating that extrusive rhyolite volcanism was likely a pre-(syn?) mineral event. The historic exploration drilling has indicated that andesite volcanic rocks are present below the exposed rhyolite flow dome complexes and their associated pyroclastic products within the area of the North East Block and it is likely that andesite volcanic rocks are present beneath the rhyolite stratigraphy currently exposed within the Sinter Field.

The Company believes that the Lutila Gold Project reflects a continuation of the same volcanic depression (that hosts the Kremnica gold mine), which has been downfaulted, creating a preserved graben of rhyolite flow domes complexes and their pyroclastic products together with a very large sinter field.

This review of the historic exploration data, from primarily within the North East Block, taken together with the extensive Sinter Field, which reflects the position of the Miocene paleosurface and is an indication of boiling at depth within an epithermal system which, if present, is preserved from erosion, would tend to strongly support the Company's conceptual exploration model.

#### **Next Steps**

- The Company's maiden exploration drill programme was completed during the quarter.
- Three exploration diamond drill holes were completed for a total of 1,615.8m.
- Continue to conduct meetings with local and national stakeholders.

#### **About the Slovak Republic**

- EU and NATO member since 2004.
- Eurozone member since 2009.
- Established mining industry, clearly defined mining legislation.
- No restrictions on foreign ownership.
- 21% corporate tax rate.
- 5% NSR for gold and silver.
- The use of cyanide for extractive purposes has been prohibited since 2014.

- Low-cost profiles, skilled local workforce.
- Exploration licences can be held for a 10-year period (4+4+2).

## **Bulgaria**

The Kostilkovo Gold Project is located 270 kilometres south-east of the capital city of Bulgaria, Sofia, close to the border with Greece, in the Municipality of Ivailovgrad within the Haskovo Region. The town of Ivailovgrad is the regional centre, located 13 kilometres north-east of the Kostilkovo Gold Project. The Kostilkovo Gold Project consists of a 10km<sup>2</sup> low-sulfidation epithermal system with additional exploration potential on the 66.18km<sup>2</sup> Chukata exploration licence area. Through a detailed analysis of historical data as well as via an extensive mapping and prospecting program, BULGOLD has established the presence of a large (10 km<sup>2</sup>) low-sulfidation epithermal system on the Project, with multiple upflow zones containing quartz-adularia-illite vein material identified. This project has not yet been fully explored and it is BULGOLD's opinion that additional potential for low-sulfidation epithermal systems exist on the project.

On August 7, 2023, the Company received the final approval from the Ministry of Environment and Waters for its submitted two-year work programme for its first exploration licence extension (i.e., Year 4 & 5). This date now becomes the 'Effective Date' for the Chukata exploration licence (of which the Kostilkovo Gold Project is part thereof) and allows the Company to commence exploration activity on the property for a further two-year period. The Company is currently permitting drill pads in support of its Phase III exploration drilling programme.

The Kutel Gold Project is located in the Eastern Rhodope, in the south-east of Bulgaria, approximately 150 km to the southeast of Sofia, the capital of Bulgaria, in the Municipalities of Chepelare, Smolyan Region and Laki, Plovdiv Region. The Kutel Gold Project consists of a 15km<sup>2</sup> low-sulfidation epithermal system with additional exploration potential on the 24.4km<sup>2</sup> Kutel exploration licence area. BULGOLD has identified a large (15km<sup>2</sup>) quartz-adularia-illite paleogeothermal system which has been largely preserved from erosion and is supported by a strong and extensive gold-silver-arsenic-antimony surface geochemical soil response. Multiple hydrothermal explosion breccias (also known as phreatic breccias) have been identified through geological mapping and prospecting which contain clasts of gold mineralised quartz-adularia-illite vein material which have been transported from depth to a higher elevation.

On October 17, 2023, the Company announced that it has now completed the maiden drilling programme on the Kutel Gold Project and all assay results have been returned, validated and incorporated into the Company's database. Three diamond drill holes were drilled across two of the three primary HEB targets for a total of 1,125.4m. No significant intersections were recorded. As such the Company has re-rated the property within its portfolio.

The Company executed an extension proposal on January 4, 2024. The additional agreement for license extension has been signed on January 4, 2024, which extends the license for 2 years from December 21, 2023. The Ministry of Energy

(MoE) and the Ministry of Environment and Waters (MoEW) are currently reviewing the submitted two-year work programme. After the MoEW approves the work programme, then this approval date will become the 'effective date' for the Kutel Exploration Licence. The company does not expect any issues with the approval process.

### **Historic Sampling and Drilling Data and Information**

The historical sampling and drilling data and information disclosed in this interim MD&A is related to historical exploration results. The reader is cautioned that the historical sampling and drilling data and information are based on prior data and reports previously prepared by third parties without the involvement of the Company. Information has been sourced from the Slovak Geological Survey in reports 83971 (December 1997) and 92416 (February 2013). BULGOLD has not undertaken any independent investigation of the historical sampling and drilling data and information, nor has it independently analysed the results of the historical sampling and drilling exploration work in order to verify the results. The reader is cautioned not to treat them, or any part of them, as current and that a qualified person has not done sufficient work to verify the results and that they may not form a reliable guide to future results. No independent quality assurance/quality control protocols are known for these historic samples and drill holes and therefore the analytical results, data and information may be unreliable. BULGOLD considers the historical sample and drill data and information to be relevant as BULGOLD is using this data and information, in conjunction with the sampling conducted by BULGOLD, as a guide to plan its exploration program for the Lutilla Gold Project. BULGOLD's current exploration work includes verification of the historical data and information through further exploration.

### **Quality Assurance/Quality Control**

With respect to sample information in this interim MD&A that was prepared by the Company and is not historic sampling and drilling information, rock samples are shipped to SGS Bor, Serbia, which is an independent laboratory. Quality control samples, comprising certified reference materials, blanks, and field duplicates, are inserted into each batch of samples and locations for crushed duplicates and pulp replicates are specified. At the SGS Bor laboratory, the submitted rock samples are dried at 105°C for a minimum of 12 hours, and then jaw crushed to about 80% passing 4mm. Sample preparation duplicates are created by riffle splitting crushed samples on a 1 in 20 basis. Larger samples are riffle split prior to pulverizing, whereas smaller samples are pulverized entirely. Pulverizing specifications are 90% passing 75 microns. Gold analyses are done using a conventional 50-gram fire assay and AAS finish.

### **Qualified Person**

Sean Hasson, the Company's President and CEO and a qualified person pursuant to National Instrument 43-101, has reviewed and approved the scientific and technical data contained in this MD&A.

## **Financial Review**

For the nine months ending September 30, 2024, the company had a net decrease of cash in the amount of \$1,452,086. Capital expenditures, primarily for investment in exploration projects, for the 9 months ending September 30, 2024, were \$1,171,294.

The major expenditures of a non-capital nature of \$280,792 for the nine months ending September 30, 2024, include:

- Accounting Services in Bulgaria of ~\$33,000
- Salaries and benefits in Bulgaria of ~\$10,000
- Materials and Consumables in Bulgaria of ~\$2,000
- Other expense in Bulgaria of ~\$10,000
- Legal and Accounting Services in the UK of ~\$5,000
- Legal fees in Canada of ~\$56,000
- Financial Advisory fees in Canada of \$3,000
- Tax Advisory fees in Canada of ~\$7,000
- Corporate Secretary, Filing and Press Release fees in Canada of ~\$12,000
- Salaries and benefits in Canada of ~\$45,000
- Board of Director Fees of ~\$33,000
- Stock exchange fees of ~\$24,000
- Travel in Canada of ~\$21,000
- Insurance in Canada of ~\$15,000
- Other Expenses of ~\$5,000

Due to the current limited financial resources available to the company, several cost saving initiatives were implemented as of October 1, 2024 including salary reductions for key personnel and, where possible, fees for contractors. The monthly savings from these changes are approximately \$25,000.

## **Operating Activities**

For the nine months ending September 30, 2024, operating activities consumed cash of \$318,034. The Company incurred a net loss of \$461,821 during the nine months ended September 30, 2024. This included non-cash items of share-based compensation of \$118,209 and Depreciation Expense of \$1,427. Other changes in working capital resulted in an increase in cash of \$49,077. This increase in cash was due to a decrease in sales tax receivable (VAT in Bulgaria and GST in Canada) of \$37,126, a decrease in general receivables of \$9,627, as well as a decrease in prepaid expense \$2,325. This increase in cash of \$49,077 was partially offset by a decrease in cash of \$24,925 resultant of a corresponding decrease in accounts payable. The net increase in cash from working capital changes was \$24,152.

### Investing Activities

For the nine months ending September 30, 2024, investing activities consumed cash of \$1,171,294 which was entirely related to capital expenditures. In accordance with its accounting policy on exploration expenditures, the Company capitalized investments in exploration properties in both Bulgaria and Slovakia. The total investment in exploration and evaluation assets for the nine months ending September 30, 2024, was \$1,178,842 which included capitalized depreciation of \$7,764 for a net cash investment of \$1,171,078. Other capital expenditures of \$216 account for the balance of investing activities for the 9 months ending September 30, 2024. For the same period in 2023 investing activities provided cash of \$1,221,676 which was primary related to the Qualifying Transaction, providing cash of \$1,781,069 which was partially offset by capital expenditures of \$559,393.

### Financing activities

For the nine months ending September 30, 2024, there were no changes in financing activity; whereas, in 2023, financing activities provided net cash of \$1,773,788. In 2023 this was related to an amount of \$2,046,654 in cash provided by the private placement less an amount of \$272,866 for repayment of shareholder loans.

### **Liquidity and Capital Resources**

As at September 30, 2024, the Company had working capital of \$10,794 compared to working capital of \$1,486,855 as at December 31, 2023. The decrease in working capital for the nine months ending September 30, 2024 was \$1,476,061. This was largely attributable to investments in exploration projects of \$1,178,842 including: the Kutel Gold Project (\$32,862), the Kostilkovo Gold Project (\$135,248) and the Lutila Project in Slovakia (\$1,010,732). The balance of the change in working capital of \$297,219 relates to expenditures in all locations of \$280,792 which were partially offset by changes in working capital. The net expenses in various locations include Canada (\$216,000), Bulgaria, (\$60,000) and the UK (\$5,000) with zero for Slovakia given virtually all expenditures were capitalized.

The Company funds its activities through equity financing. The Company will need to raise additional funds to pursue the exploration and development of its projects. There can be no assurance that management will be able to secure additional financing, or that such additional financing will be available to the company or that it will be available on terms which are acceptable to the Company.

### **Outstanding securities**

As of November 21, 2024, the company has 27,597,928 issued and outstanding common shares, 3,683,413 share purchase warrants exercisable at a price of \$0.40 until December 23, 2024, 281,759 finder's warrants exercisable at a price of \$0.40 until December 23, 2024, 666,666 compensation options (broker warrants) exercisable at a price of \$0.30 until April 2027, 228,000 stock options exercisable at \$0.30 until April 26, 2027, and 1,840,000 stock options

exercisable at \$0.30 until July 20, 2028. On May 27, 2024, the company issued a further 660,000 stock options, exercisable at \$0.30 until May 27, 2029, 1/3 of which had vested on the date granted. As of September 30, 2024, the as of September 30, 2024. Of the 660,000 Stock Options issued on May 27, 2024, of which 480,000 were issued to key personnel (CFO and members of the board of directors).

### ***Shares subject to escrow***

As of September 30, 2024, 5,079,360 shares were held in escrow which accounts for 18.4% of the 27,597,928 issued and outstanding shares. All CPC Seed shares have been released from escrow as of September 30, 2024. The 5,079,360 shares remaining in escrow as of September 30, 2024, relate to the Qualifying Transaction. Shares released from escrow in the 3-month period ending September 30, 2024, included the remaining 613,333 of CPC Seed shares and 1,269,840 shares related to the Qualifying Transaction.

Shares issued to the CPC shareholders (2,453,333 seed shares) were subject to escrow pursuant to the terms of Escrow Agreements dated February 11, 2022 (seed shares) between the Company, TSX Trust Company, and the holders of the seed shares. In accordance with the CPC Policy 2.4, 25% of these securities were released on the date of the final Qualifying Transaction Exchange bulletin and an additional 25% were released on each of the dates that are 6, 12 and 18 months thereafter. On September 30, 2024, zero shares were still in escrow.

Shares issued to the President and CEO of BULGOLD resulting from the completion of the Qualifying Transaction (3,174,600 common shares) are subject to escrow with 5% of these shares released on completion of the Transaction and the remainder to be released over a period of 36 months. As of September 30, 2024, 2,222,220 shares were still in escrow.

Shares issued to non-principal security holders resulting from the completion of the Transaction (6,349,200 common shares) are also being held in escrow with 10% of these shares released on completion of the Transaction and the remainder to be released over a period of 36 months. As of September 30, 2024, 2,857,140 shares were still in escrow.

### ***Financial Risk Factors***

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include liquidity risk and credit risk. Where material, these risks are reviewed and monitored by the board of directors.

### ***Other Risks Factors***

The Company has no history of earnings and expects to incur losses for the foreseeable future. There can be no assurance that the Company will be profitable in the future. Substantial expenditures are required to identify mineral deposits.

The Company's activities are highly speculative due to the nature of mineral exploration generally. The Company's projects are in the early exploration stage. Few properties that are explored are ultimately developed into producing mines. Resource exploration and development is characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate.

Risk factors relating to the Resulting Issuer and risks related to mining operations are fully described in the Company's filing statement, dated as of February 23, 2023, filed on SEDAR+.

### ***Subsequent Event***

On November 14, 2024, the company announced that it has received all outstanding assay data relating to the Lutila Gold Project (the "Property"). This information has now been validated and incorporated into the Company's database. The Lutila exploration license covers an area of 32.2km<sup>2</sup> and is prospective for quartz-adularia epithermal gold mineralization. For further information, the reader can refer to the related press release.

### ***Cautionary note regarding forward information***

This Interim MD&A contains "forward-looking information", within the meaning of applicable securities laws. Generally, forward-looking information or statements can be identified by the use of forward-looking terminology such as "plans", "expects", "budget", "scheduled", "estimates", "intends", "anticipates" or "believes", or variations of such words or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Such forward-looking statements in this Interim MD&A include, but are not limited to: the Company's exploration and financing plans; references to the potential of the Kutel Gold Project, the Kostilkovo Gold Project and the Lutila Gold Project ("the Projects"); the likelihood of discovering resources; any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements; the timing and amount of estimated exploration expenditures and capital raises for the Company; the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; the ability of the Company to fund the capital and operating expenses necessary to achieve the business objectives of the Company; the liquidity of the common shares in the capital of the Company; and any other events or conditions that may occur in the future.

Forward-looking information is not historical facts. Forward-looking information is based on the reasonable assumptions, estimates, analyses and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. Despite a careful process to prepare and review the forward-looking information, forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by the forward-looking information for various reasons discussed throughout this Interim MD&A and there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks, including the inherent uncertainty of mineral exploration; risks related to title to mineral properties; and credit, market, currency, operational, commodity, geopolitical, liquidity and funding risks generally, including changes in economic conditions, interest rates or tax rates and general market and economic conditions. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this Interim MD&A. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this Interim MD&A are made as of the date hereof and the Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by law. Accordingly, readers should not place undue reliance on forward-looking information and such statements and information contained in this Interim MD&A are expressly qualified by this cautionary statement.

***Additional Information and Continuous Disclosure***

Additional information on the Company is available through regular filings of press releases and financial statements on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and the Company's website: [www.BULGOLD.com](http://www.BULGOLD.com)