

PENBAR CAPITAL LTD.

to be renamed EASTPORT VENTURES INC.

FILING STATEMENT

QUALIFYING TRANSACTION OF

PENBAR CAPITAL LTD.

WITH

EASTPORT VENTURES INC.

Dated as of September 30, 2025

All information contained in this Filing Statement with respect to Eastport Ventures Inc. ("Eastport") was supplied by Eastport for inclusion herein.

Neither the TSX Venture Exchange Inc. (the "Exchange") nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this Filing Statement.

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GLOSSARY OF TERMS

The following is a glossary of certain definitions used in this Filing Statement. This is not an exhaustive list of defined terms used in this Filing Statement and additional terms are defined throughout. Terms and abbreviations used in the appendices to this Filing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated.

“A Warrant” means one whole warrant to purchase Eastport Shares at an exercise price of \$0.25 per whole A Warrant for a period of 12-months following the date of the Exchange Listing, issuable in connection with the Concurrent Financing;

“Affiliate” means a corporation that is affiliated with another corporation as follows:

- (a) a corporation is an “Affiliate” of another corporation if:
 - (i) one of them is the subsidiary of the other; or
 - (ii) each of them is controlled by the same Person;
- (b) a corporation is “controlled” by a Person if:
 - (i) voting securities of the corporation are held, other than by way of security only, by or for the benefit of that Person; and
 - (ii) the voting securities, if voted, entitle the Person to elect a majority of the directors of the corporation;
- (c) a Person beneficially owns securities that are beneficially owned by:
 - (i) a corporation controlled by that Person; or
 - (ii) an Affiliate of that Person or an Affiliate of any corporation controlled by that Person;

“Amalco” means the corporation formed upon the amalgamation of the Amalgamating Parties pursuant to the Amalgamation, which will continue under the name “Eastport Ventures”, or such other name as agreed to by the Parties;

“Amalco Shares” means the common shares in the capital of Amalco;

“Amalgamating Parties” means Penbar Subco and Eastport;

“Amalgamation” means the amalgamation of the Amalgamating Parties pursuant to Section 174 of the OBCA on the terms set forth in the Amalgamation Agreement, subject to any amendments or variations thereto made in accordance with the provisions of the Amalgamation Agreement;

“Amalgamation Agreement” means the business combination agreement dated March 14, 2025, as amended and restated on May 26, 2025, among Penbar, Penbar Subco and Eastport in respect of the Amalgamation;

“Articles of Amalgamation” means the articles of amalgamation to be completed and filed jointly by Penbar Subco and Eastport with the Director under the OBCA giving effect to the Amalgamation upon and subject to the terms of the Amalgamation Agreement;

“Arm’s Length Transaction” means a transaction which is not a Related Party Transaction;

“Associate”, when used to indicate a relationship with a person or company, means:

- (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) a partner, other than a limited partner, of the person or company,

- (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity,
- (d) in the case of a person, a relative of that person, including
 - (i) that person's spouse or child, or
 - (ii) any relative of the person or of his spouse who has the same residence as that person,

but:

- (e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company;

"B Warrant" means one whole warrant to purchase Eastport Shares at an exercise price of \$0.50 per whole A Warrant for a period of 24 months following the date of the Exchange Listing, issuable in connection with the Concurrent Financing;

"BCBCA" means the *Business Corporations Act* (British Columbia), as from time to time amended or re-enacted, including the regulations promulgated thereunder;

"Board Reconstitution" means the reconstitution of the board of directors of Penbar to consist of the Resulting Issuer Board;

"Business Day" means a day other than a Saturday, Sunday or day on which the chartered banks are closed in the City of Vancouver;

"CEO" means Chief Executive Officer;

"Certificate of Amalgamation" means the certificate of amalgamation issued by the Director under the OBCA pursuant to Section 178(4) of the OBCA following the filing of the Articles of Amalgamation;

"CFO" means Chief Financial Officer;

"CIM Council" means the council of the Canadian Institute of Mining, Metallurgy and Petroleum;

"CIM Definition Standards" means the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014, which are incorporated by reference in NI 43-101;

"Closing" means the completion of the transactions contemplated under the Amalgamation Agreement;

"Completion of the Transaction" means the date on which Penbar and Eastport complete the Transaction;

"Completion of the Qualifying Transaction" means the date the Final Exchange Bulletin is issued by the Exchange;

"Consolidation" means the consolidation of Penbar's outstanding share capital to be completed prior to the Effective Time on the basis of one (1) post-Consolidation Penbar Share for every seven (7) Penbar Shares, with any fractional share interest (on an aggregate basis for each shareholder) of 0.50 or higher arising from the Consolidation being rounded up to one whole common share, and any fractional share interest of less than 0.50 being cancelled;

"Control Person" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;

“CPC” means a corporation:

- (a) that has been incorporated or organized in a jurisdiction in Canada,
- (b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with Exchange Policy 2.4; and
- (c) in regard to which the Completion of the Qualifying Transaction has not yet occurred;

“Director” means the Director appointed under Section 278 of the OBCA;

“Discounted Market Price” has the meaning ascribed thereto in the Exchange Policies;

“Dissent Rights” means, as applicable, the dissent rights exercisable by the Dissenting Eastport Shareholders with respect to the Amalgamation;

“Dissenting Eastport Shareholder” means a registered Eastport Shareholder who, in connection with the special resolution of the Eastport Shareholders approving the Amalgamation, has exercised the right to dissent pursuant to Section 185(1) of the OBCA, in respect of the Amalgamation, in strict compliance with the provisions thereof and thereby becomes entitled to be paid the fair value of his, her or its Eastport Shares and who has not withdrawn the notice of the exercise of such right as permitted by the OBCA;

“Dissenting Eastport Shares” means the Eastport Shares held by Dissenting Eastport Shareholders;

“Eastport” means Eastport Ventures Inc., a company operating under the laws of Province of Ontario whose registered office is located at Suite 409 - 37 King Street East, Toronto, Ontario, M5E 0B2;

“Eastport Disclosure Letter” means the disclosure letter of Eastport dated the same date as the Amalgamation Agreement and as referenced in the Amalgamation Agreement;

“Eastport Employee Warrants” means performance warrants that were issued by Eastport on February 2, 2020;

“Eastport Financial Statements” means the audited consolidated financial statements of Eastport for the years ended October 31, 2023 and 2024 which are attached hereto at Appendix “C”;

“Eastport MD&A” means the Management Discussion and Analysis for the Eastport Financial Statements, which are attached hereto at Appendix “D”;

“Eastport Meeting” means the special meeting of Eastport Shareholders to be held in order to approve, among other things, the Amalgamation and any and all adjournments of such meeting;

“Eastport Options” means the 1,150,000 outstanding options to purchase Eastport Shares which are expected to be outstanding at the Closing, assuming the surrender of 14,800,000 options;

“Eastport Performance Warrants” means the 6,000,000 Performance Warrants issued by Eastport to certain directors and officers of Eastport based on the achievement of certain performance criteria set out in the form of Performance Warrant certificate, as disclosed in the Eastport Disclosure Letter;

“Eastport Shareholders” means the holders of Eastport Shares;

“Eastport Shares” means the common shares in the capital of Eastport;

“Eastport Subsidiaries” means Eastport Ventures Botswana Pty Ltd, Current Exploration Solutions Pty Ltd, Matsitama Minerals Pty Ltd, and Eastport Ventures Ltd (Republic of Seychelles);

“Eastport Sub Receipt Finder’s Warrants” means the non-transferable warrants to purchase Eastport Shares, exercisable at \$0.18 per warrant and expiring on the date that is 12 months following the date of the Exchange Listing, issuable in connection with the Subscription Receipt Offering;

“Eastport Units” means the units of Eastport to be issued pursuant to the conversion of the Subscription Receipts, each unit consisting of one Eastport Share, one-half of one A Warrant and one-half of one B Warrant;

“Eastport Warrants” means warrants of Eastport each entitling the holder to purchase an Eastport Share, as more particularly described in *“Part IV – Information Concerning Eastport – Description of Securities – Eastport Warrants”*;

“Effective Date” means the effective date of the Amalgamation as set forth in the Articles of Amalgamation issued pursuant to the Amalgamation;

“Effective Time” means the effective time of the Amalgamation indicated in the Articles of Amalgamation issued pursuant to the Amalgamation;

“Escrow Release Date” means the date the Escrowed Funds will be released to Eastport upon satisfaction or waiver of the Escrow Release Conditions;

“Escrow Release Conditions” has the meaning ascribed thereto in *“Part II – Information Concerning the Transaction – Subscription Receipt Offering”*;

“Escrowed Funds” has the meaning ascribed thereto in *“Part II – Information Concerning the Transaction – Subscription Receipt Offering”*;

“Escrowed Shareholder” means the holder of Escrowed Shares;

“Escrowed Shares” has the meaning ascribed thereto in *“Part V – Information Concerning the Resulting Issuer – Escrowed and Restricted Securities – Principal Escrow”* of this Filing Statement;

“Exchange” or **“TSXV”** means the TSX Venture Exchange Inc.;

“Exchange Listing” means the listing of the Resulting Issuer Shares on the Exchange;

“Exchange Policies” means the applicable rules, regulations, policies and forms of the Exchange;

“Exchange Policy 2.2” means Exchange Policy 2.2 – *Sponsorship and Sponsorship Requirements* of the TSXV;

“Exchange Policy 2.4” means Exchange Policy 2.4 – *“Capital Pool Companies”* of the TSXV;

“Exchange Policy 5.2” means Exchange Policy 5.2 – *“Change of Business and Reverse Takeovers”* of the TSXV;

“Exchange Policy 5.4” means Exchange Policy 5.4 – *“Escrow, Vendor Consideration and Resale Restrictions”* of the TSXV;

“Exchange Ratio” means the exchange of Eastport Shares for Resulting Issuer Shares on the basis of 0.2941 Resulting Issuer Share for each 1 Eastport Share;

“Exchange Requirements” means and includes the articles, by-laws, policies, circulars, rules, guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of the Exchange (including those of any committee of the Exchange as appointed from time to time), the *Securities Act* (Ontario) and rules and regulations thereunder as amended, and any policies, rules, orders, rulings, forms or regulations from time to time enacted by the Ontario Securities Commission and all applicable provisions of the securities laws of any other jurisdiction;

“Filing Statement” means this filing statement, completed pursuant to Exchange Form 3B2 – *Information Required in a Filing Statement for a Qualifying Transaction*, together with all schedules hereto and including the summary hereof;

“Final Exchange Bulletin” means the bulletin issued by the Exchange following the Completion of the Transaction and the submission of all documents prescribed as such in Exchange Policy 5.4, which evidences the final

Exchange acceptance of the Qualifying Transaction;

"Former Eastport Shareholders" means, following the Effective Time, the Eastport Shareholders immediately prior to the Effective Time;

"IFRS" means International Financial Reporting Standards, as issued by the International Accounting Standards Board;

"Insider", if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of the corporation that is an Insider or subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities;

"IPO" means the initial public offering of Penbar completed on January 27, 2022;

"Law" or **"Laws"** means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any governmental entity or self-regulatory authority (including the Exchange);

"Matsitama Property" means Eastport's 100% owned Matsitama copper project in northeastern Botswana;

"Member" means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange Requirements;

"Members' Agreement" means the members' agreement among the Exchange and each Person who, from time to time, is accepted as and becomes a member of the Exchange;

"Name Change" means the change of the name of Penbar to *"Eastport Ventures Inc."* or such other name as may be determined in the discretion of Eastport, subject to applicable Laws and Exchange Policies;

"NEOs" means "named executive officers" of a company, including any of its subsidiaries, which include (a) the Chief Executive Officer (or an individual acting in a similar capacity), (b) the Chief Financial Officer (or an individual acting in a similar capacity), (c) each of the three most highly compensated executive officers, whose total compensation exceeded, individually, more than \$150,000 and (d) each individual who would be named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of a company or its subsidiaries, and was not acting in a similar capacity, at the end of the financial year;

"NI 43-101" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;

"Non-Arm's Length Party" means in relation to a company, a Promoter, officer, director, other Insider or Control Person of that company (including an issuer) and any Associates or Affiliates of any of such Persons, or another entity or Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the company. In relation to an individual, means any Associate of the individual or any company of which the individual is a Promoter, officer, director, Insider or Control Person;

"Non-Arm's Length Qualifying Transaction" has the meaning ascribed thereto in Exchange Policy 2.4;

"OBCA" means the *Business Corporations Act* (Ontario), including the regulations promulgated thereunder, as amended from time to time;

"Olympia" means Olympia Trust Company, Penbar's registrar and transfer agent;

“Other Properties” means, collectively, the Foley, Semarule, Jwaneng, Keng, and Selebi Properties – See *“Narrative Description of the Business – The Properties”*;

“Party” means each of Penbar and Eastport, and **“Parties”** means all of them;

“Penbar” means Penbar Capital Ltd., a CPC listed on the TSXV;

“Penbar’s Annual MD&A” means the management discussion and analysis of Penbar for the year ended June 30, 2024;

“Penbar Audited Financial Statements” means the audited financial statements of Penbar for the years ended June 30, 2024 and June 30 2023, including the notes thereto and the report of Penbar’s auditors thereon, as filed on SEDAR on September 10, 2024;

“Penbar Board” means the board of directors of Penbar;

“Penbar Escrow Agreement” means the TSXV Form 2F - CPC Escrow Agreement dated October 29, 2021 among Penbar, Olympia (as escrow agent), and certain shareholders of Penbar;

“Penbar Escrow Shares” means the Penbar Shares held in escrow pursuant to the CPC Escrow Agreement;

“Penbar Financial Statements” the Penbar Audited Financial Statements and Penbar Interim Financial Statements, which are attached hereto as Appendix “A”;

“Penbar Interim Financial Statements” means the unaudited interim financial statements of Penbar as at and for the nine months ended March 31, 2025 including the notes thereto;

“Penbar Interim MD&A” means the management discussion and analysis for the nine months ended March 31, 2025;

“Penbar MD&A” means the management discussion and analysis for the Penbar Financial Statements, which are attached hereto as Appendix “B”;

“Penbar Option Plan” means the stock option plan of Penbar in effect as of the date of this Filing Statement;

“Penbar Options” means incentive stock options to purchase Penbar Shares;

“Penbar Shareholders” means holders of Penbar Shares;

“Penbar Shares” means the common shares of Penbar;

“Penbar Subco” means 1001160772 Ontario Ltd., a company incorporated under the laws of the Province of Ontario on March 5, 2025 as a wholly-owned subsidiary of Penbar;

“Penbar Subco Shares” means the common shares in the capital of Penbar Subco;

“Person” means any individual, firm, partnership, joint venture, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, governmental entity, syndicate or other entity, whether or not having legal status;

“Post-Consolidation Penbar Shares” means the Penbar Shares, on a post-Consolidation basis, issued in connection with the Transaction after reflecting the Exchange Ratio;

“Principal” has the meaning ascribed thereto in the Exchange Policies;

“Promoter” means:

(a) a person or company that, acting alone or in conjunction with one or more other persons, companies or a

combination of them, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer; or

- (b) a person or company that, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property or both services and property, 10% or more of the issued securities of a class of securities of the issuer or 10% or more of the proceeds from the sale of a class of securities of a particular issue, but a person or company who receives the securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be considered a Promoter within the meaning of this definition where that person or company does not otherwise take part in founding, organizing or substantially reorganizing the business;

“Properties” means, collectively, the Matsitama Property and the Other Properties;

“Qualifying Transaction” means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company by other means and, where appropriate, means the Transaction, including the Amalgamation, which constitutes the Qualifying Transaction of Penbar;

“Qualifying Transaction Date” means the date the Qualifying Transaction is completed, as evidenced by the issuance of the Certificate of Amalgamation giving effect to the Amalgamation;

“Related Party Transaction” has the meaning ascribed to that term Exchange Policy 2.4 and includes a related party transaction that is determined by the Exchange to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non-Arm’s Length Parties, or other circumstances exist which may compromise the independence of the issuer with respect to the Transaction;

“Resulting Issuer” means the issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin, and in this Filing Statement means Penbar following completion of the Transaction;

“Resulting Issuer Board” means the board of directors of the Resulting Issuer to be comprised of Burns Singh Tennent-Bhohi, David Minchin, Rickey Bonner, David Eaton, David Newman, and Herrick Lau;

“Resulting Issuer Officers” means the officers of the Resulting Issuer to be comprised of Burns Singh Tennent-Bhohi (Director, CEO); David Minchin (Chairman of the Board), Dr. Gomotsang Tshoso (Managing Director of Eastport Subsidiaries) and Denise Lok (CFO, Corporate Secretary);

“Resulting Issuer Options” means incentive stock options to purchase Resulting Issuer Shares;

“Resulting Issuer Shares” means the common shares in the capital of the Resulting Issuer following the date of issuance of the Final Exchange Bulletin;

“Resulting Issuer Sub Receipt Finder’s Warrants” means the warrants to purchase a Resulting Issuer Share, exercisable at \$0.18 and expiring on the date that is 12 months following the date of the Exchange Listing (and which, upon completion of the Amalgamation, will replace the Eastport Sub Receipt Finder’s Warrants);

“Resulting Issuer Warrants” means the warrants of the Resulting Issuer entitling the holder to purchase a Resulting Issuer Share;

“RRIF” means registered retirement income fund;

“RRSP” means a registered retirement savings plan;

“SEDAR+” means the System for Electronic Document Analysis and Retrieval;

“Seed Shares” has the meaning ascribed thereto in *“Part V – Information Concerning the Resulting Issuer – Escrowed and Restricted Securities – Seed Share Resale Restrictions”* of this Filing Statement;

“Significant Assets” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transaction would result in the CPC meeting the initial listing requirements of the Exchange;

“Sponsor” has the meaning ascribed thereto in Exchange Policy 2.2;

“Stock Symbol Change” means the anticipated change of Penbar’s stock symbol on the Exchange from “PEM.P” to “EVI”;

“Subscription Receipts” means a minimum of 18,055,556 subscription receipts and a maximum of 27,777,778 subscription receipts of Eastport anticipated to be issued for a purchase price of \$0.18 per Subscription Receipt, with each Subscription Receipt being automatically converted into one Eastport Unit upon satisfaction or waiver of the Escrow Release Conditions without any further action or payment of any additional consideration therefor immediately prior to the Effective Time;

“Subscription Receipt Offering” means the non-brokered private placement minimum offering of 18,055,556 Subscription Receipts up to a maximum offering of 27,777,778 Subscription Receipts for aggregate gross proceeds of a minimum of \$3,250,000 up to a maximum of \$5,000,000, to be completed prior to Closing;

“Target Company” means a company to be acquired by the CPC as its Significant Asset pursuant to a Qualifying Transaction, and in this Filing Statement means Eastport;

“Technical Report” means the report titled ““NI 43-101 Technical Report on the Matsitama Copper Project, Central District, Botswana” dated March 19, 2025, with an effective date of October 11, 2024. The Technical Report was prepared in accordance with NI 43-101;

“Transaction” or **“Transactions”** means collectively, the Amalgamation, Subscription Receipt Offering, Consolidation, Name Change, Stock Symbol Change, Board Reconstitution and appointments of the Resulting Issuer Officers; and

“TSXV Escrow Agreement” has the meaning ascribed thereto in *“Part V – Information Concerning the Resulting Issuer – Escrowed Securities – Principal Escrow”* of this Filing Statement.

FORWARD-LOOKING STATEMENTS

This Filing Statement contains forward-looking information and statements (“**forward-looking statements**”) which reflects the current expectations of the management of Penbar and Eastport, as applicable, regarding Penbar's, Eastport's and the Resulting Issuer's future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as “may”, “would”, “could”, “will”, “anticipate”, “believe”, “plan”, “expect”, “intend”, “estimate” and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant known and unknown risks, uncertainties and assumptions. Examples of such statements include: (A) the intention to complete the Transaction, including the Amalgamation, Subscription Receipt Offering, Name Change, Stock Symbol Change, Consolidation, Board Reconstitution and appointment of the Resulting Issuer Officers; (B) the description of the Resulting Issuer that assumes Completion of the Qualifying Transaction and the Amalgamation; (C) the intention to grow the business and operations of Eastport; and (D) in respect to the Resulting Issuer, statements pertaining to, without limitation, the future price of minerals, the prospect of obtaining estimations of mineral resources, expected capital expenditures and the use of available funds, the availability of future capital, cost and timing of future exploration of the Properties, success of exploration activities, the acquisition or partnerships regarding additional property interests, permitting requirements, requirements for additional capital, governmental regulation of mining operations, environmental risks and hazards, and title disputes or claims. Many factors could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in the “*Part VI – Risk Factors*” section of this Filing Statement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this Filing Statement. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this Filing Statement are based upon what management of Penbar and Eastport currently believe to be reasonable assumptions, the Resulting Issuer cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. The forward-looking statements contained in this Filing Statement have been based on expectations, factors and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond Penbar's and Eastport's control, including without limitation: risks related to global pandemics and the spread of other viruses or pathogens; the use of available funds; the limited operating history of Eastport; business opportunities that become available, or are pursued; the dependence on the Properties; the stage of development of the Properties; the completion of the Transaction and the approval of the Exchange; termination of the Amalgamation Agreement; the dilutive effect of the Transaction on the ownership interest of Penbar Shareholders; the Transaction diverting the attention of Eastport's management; tax consequences; Eastport not realizing the anticipated benefits of the Transaction; the market price fluctuation and volatility of the Resulting Issuer Shares; the issuance of additional equity securities by the Resulting Issuer after the completion of the Transaction; risks of operating in a foreign jurisdiction along with the exploration and development risks; the risks relating to changes in the market price of metals, including the volatility of gold prices; financing risks; dangers inherent in mining activities, including but not limited to, environmental hazards, industrial accidents, unusual or unexpected formations, safety stoppages (whether voluntary or regulatory), pressures, mine collapses, cave-ins or flooding and the risk of inadequate insurance or inability to obtain insurance to cover these risks; actual results of mining and current exploration activities; failing to acquire or incorporate any additional property interests; an inability to obtain future debt or equity financing; conflicts of interests; an inability to attract or retain key personnel; title defects; industry conditions, including commodity price fluctuations, interest and exchange rate fluctuations; litigation; reliance on third parties; governmental and environmental regulation; regulatory, political or economic developments; disruption from non-governmental organizations; increased costs due to climate change initiatives; the rights on indigenous peoples; inadequate infrastructure; and other factors, many of which are beyond the control of Penbar and Eastport. Penbar and Eastport assume no responsibility to update forward looking statements, other than as may be required by applicable securities Laws. The factors identified above are not intended to represent a complete list of the factors that could affect Penbar, Eastport, or the Resulting Issuer.

TECHNICAL INFORMATION

Except where otherwise stated, the disclosure in this Filing Statement relating to the Matsitama Property is based on the Technical Report prepared and published in accordance with NI 43-101.

The Matsitama Property is the only material property of Eastport for the purposes of NI 43-101. Eastport will continue to assess the materiality of its assets as new assets are acquired or are developed.

CIM Definition Standards

Any reference to Proven, Probable, Measured, Indicated and Inferred Resources regarding the Matsitama Property (including as used in the Technical Report) have been used in accordance with the CIM Definition Standards, which are incorporated by reference in NI 43-101. The following definitions are reproduced from the CIM Definition Standards:

“Feasibility Study” means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.

“Indicated Mineral Resource” means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors as described below in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

“Inferred Mineral Resource” means that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

“Measured Mineral Resource” means that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.

“Mineral Reserve” means the economically mineable part of a measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a Pre-Feasibility Study or Feasibility Study.

“Mineral Resource” means a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral

Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

“Pre-Feasibility Study” means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the Mineral Resource may be converted to a Mineral Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

“Probable Mineral Reserve” means the economically mineable part of an indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

“Proven Mineral Reserve” means the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

For the purposes of the CIM Definition Standards, **“Modifying Factors”** are considerations used to convert mineral resources to mineral reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

Qualified Person

Each of Liz de Klerk, Pri.Sci.Nat, FIMMM; Andre Beuidenhout, Pri.Sci.Nat, FGS, Ryan Langdon, Ph.D., MCSM, CGeol, FGS, and Dean MacEachern, P.Geo, of Micon International Co Ltd., is a qualified person under NI 43-101, and has reviewed and approved the scientific and technical disclosure contained in this Filing Statement.

MARKET AND INDUSTRY DATA

Market and industry data presented throughout this Filing Statement was obtained from third-party sources, industry reports and publications, websites and other publicly available information, as well as industry and other data prepared by us or on our behalf, on the basis of our knowledge of the markets in which we operate, including information provided by other industry participants. We believe that the market and industry data presented throughout this Filing Statement is accurate and, with respect to data prepared by us or on our behalf that our opinions, estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and industry data presented throughout this Filing Statement are not guaranteed and none of Penbar, Eastport or their shareholders makes any representation as to the accuracy of such data. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Although we believe it to be reliable, none of Penbar, Eastport or their shareholders has independently verified any of the data from third-party sources referred to in this Filing Statement, analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying market, economic and other assumptions relied upon by such sources. Market and industry data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

INFORMATION CONTAINED IN THIS FILING STATEMENT

The information contained in this Filing Statement is given as at September 30, 2025, except where otherwise noted.

No Person has been authorized to give any information or to make any representation in connection with the Transaction and other matters described herein other than those contained in this Filing Statement and, if given or made, any such information or representation should be considered not to have been authorized by Penbar or Eastport and should not be relied upon.

The information concerning each party contained in this Filing Statement has been provided by management of that party. Although the parties have no specific knowledge that would indicate that any of such information regarding the other party is untrue or incomplete, the parties assume no responsibility for the accuracy or completeness of information or the failure by the other party to disclose events which may have occurred or may affect the completeness or accuracy of such information which are unknown to that party.

This Filing Statement does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any Person in any jurisdiction.

Information contained in this Filing Statement should not be construed as legal, tax or financial advice and readers are urged to consult their own professional advisers in connection therewith.

All financial information in this Filing Statement has been prepared in accordance with IFRS. The financial year-end is June 30 for Penbar and October 31 for Eastport.

Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

PART I – SUMMARY OF FILING STATEMENT

The following is a summary of information relating to Penbar, Eastport and the Resulting Issuer (assuming Completion of the Qualifying Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement. Reference is made to the Glossary of Terms for the definitions of certain abbreviations and terms used in this Filing Statement and in this summary. All information provided in this summary and in the Filing Statement is current as of September 30, 2025.

This Filing Statement has been prepared in accordance with Exchange Policy 2.4 and Exchange Form 3B2 – “Information Required in a Filing Statement for a Qualifying Transaction.”

Parties Penbar is a CPC incorporated pursuant to the BCBCA and a reporting issuer in the provinces of British Columbia and Alberta and is listed on the TSXV under the symbol “PEM.P”. For additional information about Penbar, please see “*Part III – Information Concerning Penbar*”.

Eastport is a private company that carries on the business of the acquisition, exploration and development of resource properties. Eastport’s material property is the Matsitama Property. For additional information about Eastport, please see “*Part IV – Information Concerning Eastport*”.

Amalgamation Under the Amalgamation Agreement, the parties have agreed to complete the Amalgamation, pursuant to which Eastport will amalgamate with Penbar Subco and the shareholders of Eastport will receive 0.2941 common share in Penbar in exchange for each common share of Eastport on a post-Consolidation basis at a deemed issue price of \$0.61 per share, based on the Subscription Receipt Offering price of \$0.18, and after adjusting for the Exchange Ratio of 0.2941. As a result of the Amalgamation, Eastport will become a wholly owned subsidiary of Penbar and Penbar will continue the business of Eastport. It is intended that the Transaction will constitute Penbar’s “Qualifying Transaction”, in accordance with, and as defined under, Exchange Policy 2.4.

In addition to the Amalgamation, there are several transactions that are expected to occur concurrently or proximate to the Amalgamation, including the Consolidation, Name Change, Stock Symbol Change, Board Reconstitution, and appointments of the Resulting Issuer Officers.

It is anticipated that immediately following completion of the foregoing steps, and assuming the minimum Subscription Receipt Offering, an aggregate of approximately 26,523,798 Resulting Issuer Shares will be issued and outstanding on an undiluted basis, and: (a) former Penbar Shareholders will hold 571,429 Resulting Issuer Shares, representing approximately 2.15% of the outstanding Resulting Issuer Shares; (b) former Eastport Shareholders will hold 20,642,230 Resulting Issuer Shares, representing approximately 77.83% of the outstanding Resulting Issuer Shares; (c) former holders of Subscription Receipts will hold 5,310,139 Subscription Receipts that, upon the closing of the Transaction, will represent 20.02% of the outstanding Resulting Issuer Shares.

Assuming the maximum Subscription Receipt Offering, an aggregate of approximately 29,383,103 Resulting Issuer Shares will be issued and outstanding on an undiluted basis, and: (a) former Penbar Shareholders will hold 571,429 Resulting Issuer Shares, representing approximately 1.94% of the outstanding Resulting Issuer Shares; (b) former Eastport Shareholders will hold 20,642,230 Resulting Issuer Shares, representing approximately 70.25% of the outstanding Resulting Issuer Shares; (c) former holders of Subscription Receipts will hold 8,169,444 Subscription Receipts that, upon closing of the Transaction, will represent 27.8% of the outstanding Resulting Issuer Shares.

Proximate Transactions Prior to the Amalgamation, Penbar will complete the Consolidation and will consolidate its outstanding common shares on the basis of 1 new Penbar Share for each 7 old Penbar Shares, such that, immediately prior to closing of the Transaction, Penbar will have 571,429

Penbar Shares issued and outstanding.

In addition, Penbar is expected to change its name to “*Eastport Ventures Inc.*” or such other name as Eastport may request. Penbar is also expected to change its stock symbol, subject to applicable regulatory approval, from “PEM.P” to “EVI”.

Concurrent with the completion of the Transaction, three of the five members of the Penbar board of directors and all of the Penbar officers will be replaced with nominees as selected by Eastport, as further described below. See “*Part V – Information Concerning the Resulting Issuer – Directors, Officers and Promoters.*”

Subscription Receipt Offering In connection with the Transaction, before applying the Exchange Ratio, Eastport shall complete the Subscription Receipt Offering pursuant to which Eastport will, as a condition to closing the Transaction, issue a minimum of 18,055,556 Subscription Receipts and a maximum of 27,777,778 Subscription Receipts at a price of \$0.18 per Subscription Receipt for aggregate gross proceeds of a minimum of \$3,250,000 and a maximum of \$5,000,000. Upon satisfaction or waiver of the Escrow Release Conditions, and without any further action or additional consideration, each Subscription Receipt will convert into one (1) Eastport Unit. Each Eastport Unit will consist of one Eastport Share and one half of one A Warrant and one half of one B Warrant. Each whole A Warrant will entitle the holder thereof to acquire one additional Eastport Share at a price of \$0.25 for a period of 12 months following the date of the Exchange Listing. Each whole B Warrant will entitle the holder thereof to acquire one additional Eastport Share at a price of \$0.50 for a period of 24 months following the date of the Exchange Listing.

See “*Part IV – Information Concerning Eastport – Description of Securities – Subscription Receipt Offering.*”

Principal Assets Eastport’s only business is the identification of resource properties for exploration and development and its principal asset is its interest in the Matsitama Property and the Other Properties. See “*Part IV – Information Concerning Eastport – Narrative Description of the Business.*”

Conditions to Completion of the Qualifying Transaction The Completion of the Transaction is conditional upon, among other things, obtaining necessary shareholder approval or consents, where applicable, closing the Subscription Receipt Offering and meeting the terms and conditions set forth in the Amalgamation Agreement. It is expected that the Resulting Issuer will meet the public distribution requirements of a Tier 2 mining issuer as set out in the Initial Listing Requirements of the Exchange. See “*Part II – Information Concerning the Transaction.*”

Interests of Insiders Except as disclosed herein, no Insider, Promoter or Control Person of Penbar and Eastport and no Associate or Affiliate of the same, has any interest in the Transaction, other than those which arise from the holding of Penbar Shares, Penbar Options and Eastport Shares, Eastport Options, Eastport Performance Warrants, and Eastport Warrants.

Insiders of Penbar will be treated in the same manner as all other Penbar Shareholders in connection with the Transaction. The following table summarizes the shareholdings of the Insiders of Penbar before and after giving effect to the Transaction.

Name of Insider, Promoter or Control Person (including Associates and Affiliates) of Penbar	Number and Percentage of Penbar Shares and Options prior to the Transaction, Subscription Offering, and Consolidation (including Associates and Affiliates)⁽⁶⁾	Number and Percentage of Eastport Shares prior to the Transaction (including Associates and Affiliates)	Number and Percentage of Resulting Issuer Shares and Options following the completion of the Transaction, Assuming the minimum Subscription Receipt Offering and the Consolidation (including Associates and Affiliates)⁽⁷⁾	Number and Percentage of Resulting Issuer Shares and Options following the completion of the Transaction, Assuming the maximum Subscription Receipt Offering and the Consolidation (including Associates and Affiliates)⁽⁸⁾
David Eaton ⁽¹⁾ Vancouver, British Columbia	400,000 Penbar Shares and 80,000 Penbar Options (10.91%)	Nil	57,143 Resulting Issuer Shares and 11,429 Resulting Issuer Options (0.19%)	57,143 Resulting Issuer Shares and 11,429 Resulting Issuer Options (0.16%)
Herrick Lau ⁽²⁾ Vancouver, British Columbia	400,000 Penbar Shares and 80,000 Penbar Options (10.91%)	Nil	57,143 Resulting Issuer Shares and 11,429 Resulting Issuer Options (0.19%)	57,143 Resulting Issuer Shares and 11,429 Resulting Issuer Options (0.16%)
Denise Lok ⁽³⁾ Vancouver, British Columbia	400,000 Penbar Shares and 80,000 Penbar Options (10.91%)	Nil	57,143 Resulting Issuer Shares and 11,429 Resulting Issuer Options (0.19%)	57,143 Resulting Issuer Shares and 11,429 Resulting Issuer Options (0.16%)
Queenie Kuang ⁽⁴⁾ Vancouver, British Columbia	400,000 Penbar Shares and 80,000 Penbar Options (10.91%)	Nil	57,143 Resulting Issuer Shares and 11,428 Resulting Issuer Options (0.19%)	57,143 Resulting Issuer Shares and 11,429 Resulting Issuer Options (0.16%)
David Velisek ⁽⁵⁾ Vancouver, British Columbia	400,000 Penbar Shares and 80,000 Penbar Options (10.91%)	Nil	57,143 Resulting Issuer Shares and 11,428 Resulting Issuer Options (0.19%)	57,143 Resulting Issuer Shares and 11,429 Resulting Issuer Options (0.16%)

Notes:

- (1) David Eaton is the President and CEO of Penbar and will be appointed a director of the Resulting Issuer upon completion of the Transaction. See *"Part V: Information Concerning the Resulting Issuer – Directors, Officers and Promoters"*.
- (2) Herrick Lau is a director of Penbar and will be appointed a director of the Resulting Issuer upon completion of the Transaction. See *"Part V: Information Concerning the Resulting Issuer – Directors, Officers and Promoters"*.
- (3) Denise Lok is a director of Penbar and will be an officer only of the Resulting Issuer, as Chief Financial Officer and Corporate Secretary, upon completion of the Transaction. See *"Part V: Information Concerning the Resulting Issuer – Directors, Officers and Promoters"*.
- (4) Queenie Kuang is the CFO and Corporate Secretary of Penbar and will not be appointed a director or officer of the Resulting Issuer upon completion of the Transaction. See *"Part V: Information Concerning the Resulting Issuer – Directors, Officers and Promoters"*.
- (5) David Velisek is a director of Penbar and will not be appointed a director or officer of the Resulting Issuer upon completion of the Transaction. See *"Part V: Information Concerning the Resulting Issuer – Directors, Officers and Promoters"*.

Resulting Issuer – Directors, Officers and Promoters”.

- (6) Based on 4,000,000 Penbar Shares and 400,000 Penbar Options currently issued and outstanding, on a fully diluted basis, prior to taking into effect the Consolidation. The directors and officers hold an aggregate 400,000 Penbar Options, not including any Eastport Shares that may be acquired by each individual under the Subscription Receipt Offering.
- (7) Based on 36,936,759 Resulting Issuer Shares issued and outstanding on a fully diluted basis, of which 8,798,790 Resulting Issuer Shares will be subject to escrow, assuming the exercise of 2,006,760 Resulting Issuer Warrants and 176,460 Resulting Issuer Options (see *Other Discretionary Escrow* of this Filing Statement), and assuming the exercise of 57,143 Penbar Options held by Penbar’s directors and officers, and after taking into effect the Consolidation, the closing of the Transaction, and the closing of the minimum Subscription Receipt Offering.
- (8) Based on 42,826,928 Resulting Issuer Shares issued and outstanding on a fully diluted basis, of which 8,798,790 Resulting Issuer Shares will be subject to escrow, assuming the exercise of 2,006,760 Resulting Issuer Warrants and 176,460 Resulting Issuer Options (see *Other Discretionary Escrow* of this Filing Statement), and assuming the exercise of 57,143 Penbar Options held by Penbar’s directors and officers, and after taking into effect the Consolidation, the closing of the Transaction, and the closing of the maximum Subscription Receipt Offering.
- (9) The above figures include the existing Penbar Shares held by the directors and officers and the 57,143 Penbar Shares expected to be acquired by the Penbar directors and officers upon exercise of the outstanding Penbar Options, on a post-Consolidation basis.

The following table summarizes the Insiders of Eastport before and after giving effect to the Qualifying Transaction:

Name of Insider, Promoter or Control Person (including Associates and Affiliates) of Eastport	Number and Percentage of Eastport Shares prior to the Transaction (including Associates and Affiliates) ⁽⁶⁾	Number and Percentage of Resulting Issuer Shares, Eastport Warrants, Eastport Options, and Eastport Performance Warrants following the completion of the Transaction, Assuming the minimum Subscription Receipt Offering and the Consolidation (including Associates and Affiliates) ⁽⁷⁾	Number and Percentage of Resulting Issuer Shares, Eastport Warrants, Eastport Options, and Eastport Performance Warrants following the completion of the Transaction, Assuming the maximum Subscription Receipt Offering and the Consolidation (including Associates and Affiliates) ⁽⁸⁾
Rickey Bonner	6,180,810 (10.15%)	2,223,608 (8.38%)	2,223,608 (7.57%)
Glenpani Group Limited ⁽¹⁾	8,638,476 (14.18%)	3,744,468 (14.12%)	3,744,468 (12.74%)
Glenpani Capital Group Limited ⁽²⁾	3,000,000 (4.93%)	882,300 (3.33%)	882,300 (3.00%)
Burns Singh Tennent-Bhohi	200,000 (0.33%)	58,820 (0.22%)	58,820 (0.20%)
Paul Dennison ⁽³⁾	1,050,000 (1.72%)	308,805 (1.16%)	308,805 (1.05%)
Aurora Libertai International Pension	1,125,000 (1.85%)	330,863 (1.25%)	330,863 (1.13%)

**Directors,
Officers and
Promoters
of the
Resulting
Issuer**

Plan ⁽⁴⁾			
Buffalo Associates Limited ⁽⁵⁾	250,000 (0.41%)	88,230 (0.33%)	88,230 (0.30%)
Marc Bamber	1,800,000 (2.96%)	794,070 (2.99%)	794,070 (2.70%)
David Newman	1,250,000 (2.05%)	455,855 (1.72%)	455,855 (1.55%)
Dr. Gomotsang Tshoso	311,976(0.51%)	198,209 (0.75%)	198,209 (0.67%)
Simon Bate	750,000 (1.23%)	220,575 (0.83%)	220,575 (0.75%)
Simon Grant-Rennick	-	14,705 (0.06%)	14,705 (0.05%)
David Minchin	-	176,460 (0.67%)	176,460 (0.60%)

Notes:

- (1) Burns Singh Tennent-Bhohi is the ultimate beneficial owner of Glenpani Group Limited.
- (2) Burns Singh Tennent-Bhohi and David Minchin each own 50% of Glenpani Capital Group Limited.
- (3) Includes Eastport Shares held by Mr. Dennison's spouse and daughter.
- (4) Paul Dennison is the ultimate beneficial owner of Aurora Libertai International Pension Plan.
- (5) Buffalo Associates Limited is a company controlled or directed by Marc Bamber.
- (6) Based on 60,903,744 currently issued and outstanding Eastport Shares.
- (7) Based on 26,523,798 issued and outstanding Resulting Issuer Shares assuming the minimum Subscription Receipt Offering and adjusting for the Exchange Ratio.
- (8) Based on 29,383,103 issued and outstanding Resulting Issuer Shares assuming the maximum Subscription Receipt Offering and adjusting for the Exchange Ratio.

No insider, promoter or Control Person of Eastport own shares of Penbar.

Upon Completion of the Transaction, the Resulting Issuer Board and Resulting Issuer Officers shall be comprised of the individuals listed below. The Resulting Issuer will appoint a new Chairman, President and Chief Executive Officer, and Chief Financial Officer and Corporate Secretary, subject to Exchange approval. It is anticipated that the number and percentage of Resulting Issuer Shares over which such new directors and officers, and the Associates and Affiliates of such new directors and officers, exercise control, will be as set forth below:

Proposed Directors, Officers and Promoters	Number and Percentage of Resulting Issuer Shares upon Completion of the Transaction and % of Class Held or Controlled, Assuming the Minimum Subscription Receipt Offering ⁽¹⁾	Number and Percentage of Resulting Issuer Shares upon Completion of the Transaction and % of Class Held or Controlled⁽²⁾, Assuming the Maximum Subscription Receipt Offering
Burns Singh Tennent-Bhohi, CEO, Promoter	3,040,546/11.46% ⁽³⁾	3,040,546/10.35%
David Minchin, Chairman	441,150/1.66% ⁽³⁾	441,150/1.50%
Denise Lok, CFO and Corporate Secretary	57,143/0.22%	57,143/0.19%
Rickey G. Bonner, Director, Country Geologist	1,817,776/6.85%	1,817,776/6.19%
David Eaton, Director	57,143/0.22%	57,143/0.19%
David Newman, Director	367,625/1.39%	367,625/1.25%
	57,143/0.22%	

Herrick Lau, Director	57,143/0.19%
Dr. Gomotsang TSHOSO, Managing Director, Eastport Subsidiaries	91,752/0.35% 91,752/0.31%

Notes:

- (1) Based on 26,523,798 Resulting Issuer Shares issued and outstanding on an undiluted basis assuming the minimum Subscription Receipt Offering.
- (2) Based on 29,383,103 Resulting Issuer Shares issued and outstanding on an undiluted basis assuming the maximum Subscription Receipt Offering.
- (3) Includes 58,820 Resulting Issuer Shares held by Burns Singh-Tennent-Bhohi and 2,540,576 Resulting Issuer Shares owned by Glenpani Group Limited, a company solely owned by Burns Singh-Tennent-Bhohi, and 882,300 Resulting Issuer Shares owned by Glenpani Capital Group Limited, a company jointly owned by Burns Singh-Tennent-Bhohi and David Minchin, of which 441,150 Resulting Issuer Shares are attributed to Burns Singh Tennent-Bhohi.

See “Part V – Information Concerning the Resulting Issuer – Directors, Officers and Promoters”.

**Arm’s
Length
Transaction**

The Transaction is not a Non-Arm’s Length Qualifying Transaction pursuant to the Exchange Policies.

**Available
Funds**

The following table sets forth the funds anticipated to be available to the Resulting Issuer on a consolidated basis after giving effect to the Transaction:

Source of Funds	Amount of Funds (\$) Assuming the Minimum Subscription Receipt Offering	Amount of Funds (\$) Assuming the Maximum Subscription Receipt Offering
Estimated working capital of Eastport as at August 31, 2025	(199,513)	(199,513)
Estimated working capital of Penbar as at August 31, 2025	(85,359)	(85,359)
Gross proceeds from Subscription Receipt Offering net finder’s fees ⁽²⁾	3,055,000	4,700,000
Total Estimated Funds Available ⁽¹⁾	2,770,128	4,415,128

Notes:

- (1) Does not include expenses incurred in connection with the Transaction.
- (2) Eastport expects to pay a cash finder’s fee of 6% with respect to the Subscription Receipt Offering.

**Principal
Purposes of
Funds**

The following table summarizes the expenditures anticipated by the Resulting Issuer required to achieve its business objectives during the 12 months following Completion of the Transaction:

Uses of Funds	Amount of Funds (\$) Assuming the Minimum Subscription Receipt Financing	Amount of Funds (\$) Assuming the Maximum Subscription Receipt Financing
Exploration program expenditures on the Matsitama Property ⁽¹⁾	792,750	792,750

Exploration program expenditures on the Other Properties ⁽²⁾	35,792	35,792
Professional fees ⁽³⁾	342,319	342,319
General and administrative expenses for 12 months ⁽⁴⁾	1,018,614	1,018,614
ZCI cash payments ⁽⁵⁾	330,648	330,648
Unallocated working capital	250,006	1,895,006
Total Estimated Uses of Funds	2,770,128	4,415,128

Notes:

- (1) This figure is for a forecasted period of 12 months of the total recommended program budget \$817,465. See "Narrative Description of the Business"
- (2) This figure is for a forecasted period of 12 months of the total minimum required expenditure to maintain good standing for the licences.
- (3) This figure is for a forecasted period of 12 months of the total professional fees, which includes legal fees (\$160,070), third party accounting service providers (\$20,000), and audit and tax (\$162,249).
- (4) Includes all payments related to managing operations in Canada and Botswana such as salaries, benefits, management fees, office expenses, travel expenses, filing fees, regulatory fees, transfer agent fees, vehicle expenses, and marketing.
- (5) See "Part IV: Information Concerning Eastport – General Development of the Business – History" for more information about the cash payments to be made to ZCI Limited.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary or prudent. It is difficult, at this time, to definitively project the total funds necessary to effect the planned activities of the Resulting Issuer. For these reasons, management of Penbar and Eastport consider it to be in the best interests of the Resulting Issuer and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. For additional information, see "*Part V - Information Concerning the Resulting Issuer – Available Funds*", "*Part V – Information Concerning the Resulting Issuer – Principal Purposes*" and "*Part V - Information Concerning the Resulting Issuer – Narrative Description of the Business – Business Objectives and Milestones*". Further, the above uses of available funds should be considered estimates. See "*Forward-Looking Statements*".

Dividends

It is not expected that the Resulting Issuer will declare any dividends for the foreseeable future. There are no restrictions in the Resulting Issuer's articles or elsewhere which could prevent the Resulting Issuer from paying dividends subsequent to the Completion of the Transaction. The Resulting Issuer Board will determine if, and when, to declare and pay dividends in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time. Holders of Resulting Issuer Shares will be entitled to an equal share in any dividends declared and paid on the Resulting Issuer Shares on a per share basis. See "*Part V - Information Concerning the Resulting Issuer – Dividends*".

Pro Forma Consolidated Capitalization of the Resulting Issuer

	Number of and Percentage of Common Shares Assuming the Minimum Subscription Receipt Offering⁽¹⁾⁽³⁾	Number of and Percentage of Common Shares Assuming the Maximum Subscription Receipt Offering⁽¹⁾⁽³⁾
<u>Resulting Issuer Shares:</u>		
Held by former Eastport Shareholders (other than former holders of Subscription Receipts)	20,642,230 (77.83%)	20,642,230 (70.25%)

Held by former holders of Subscription Receipts	5,310,139 (20.02%)	8,169,444 (27.80%)
Held by former Penbar Shareholders	571,429 (2.15%)	571,429 (1.94%)
Total	26,523,798 (100%)	29,383,103 (100%)

Resulting Issuer Convertible Securities:

Resulting Issuer Options held by former Penbar Option holders	57,143 (0.15%)	57,143 (0.13%)
Resulting Issuer Options issued in exchange for Eastport Options	338,215 (0.92%)	338,215 (0.79%)
Resulting Issuer Warrants issued in exchange for Eastport Warrants	2,624,257 (6.13%)	2,624,257 (6.13%)
Resulting Issuer Warrants issued in exchange for Eastport Performance Warrants, as hereafter defined	1,764,600 (4.78%)	1,764,600 (4.12%)
Resulting Issuer Warrants issued to former holders of A Warrants After Conversion of Subscription Receipts	2,655,069 (7.19%)	4,084,722 (9.54%)
Resulting Issuer Warrants issued to former holders of B Warrants After Conversion of Subscription Receipts	2,655,069 (7.19%)	4,084,722 (9.54%)
Resulting Issuer Sub Receipt Finder's Warrants issued in connection with the Subscription Receipt Offering ⁽²⁾	318,608 (0.86%)	490,167 (1.14%)
Total	10,412,961 (28.19%)	13,443,826 (31.39%)
Fully Diluted Total	36,936,759 (100%)	42,826,929 (100%)

Notes:

- (1) Calculation assumes the Consolidation and the exchange of Eastport Shares after giving effect to the Exchange Ratio.
- (2) Each Resulting Issuer Sub Receipt Finder's Warrant is exercisable into one common share of the Resulting Issuer at a price of \$0.18 for 12 months from the date of the Exchange Listing.
- (3) The ZCI Note and the Gledhow Note (as defined elsewhere in this Filing Statement) are expected to be converted into Eastport Shares and subsequently exchanged for Resulting Issuer Shares at Closing. The Newman Note will be outstanding after Closing and is expected to be settled in cash or securities at the election of the holder. See *Part IV: Information Concerning Eastport – Description of Securities – Convertible Notes*.

Selected Pro Forma Financial Information of the Resulting Issuer

	As at July 31, 2025⁽¹⁾, Assuming the Minimum Offering	As at July 31, 2025⁽¹⁾, Assuming the Maximum Offering
Current assets	\$3,077,765	\$4,722,765
Total assets	\$3,129,383	\$4,774,383
Current liabilities	\$782,213	\$782,213
Total liabilities	\$1,098,523	\$1,098,523
Shareholder's equity	\$2,030,860	\$3,675,860
Total Liabilities and Shareholder's equity	\$3,129,383	\$4,774,383
Resulting Issuer Shares	\$7,871,267	\$9,207,654

Notes:

- (1) The pro forma financial information has been prepared as though it had occurred on July 31, 2025. In preparing this pro forma financial statement, historical information was derived from the unaudited condensed interim financial statements of Penbar as at March 31, 2025; and the unaudited condensed consolidated interim financial statements of Eastport as at July 31, 2025.
- (2) This calculation includes the 318,608 Eastport Sub Receipt Finder's Warrants to be issued to finders in connection with the Subscription Receipt Offering, assuming the minimum Subscription Receipt Offering, and the 490,167 Eastport Sub Receipt Finder's Warrants to be issued to finders in connection with the Subscription Receipt Offering, assuming the maximum Subscription Receipt Offering.

See Appendix "E" *"Unaudited Pro Forma Balance Sheet of the Resulting Issuer"*.

Listing and Trading Price The Penbar Shares are listed on the Exchange under the trading symbol "PEM.P". The closing price of the Penbar Shares on March 14, 2025, being the last day the Penbar Shares traded on the Exchange was \$0.04. The Eastport Shares are not traded publicly. See *"Part III - Information Concerning Penbar – Trading Price and Volume"*.

Shareholder Approval Penbar Shareholder approval is not required for the Qualifying Transaction under the policies of the Exchange as the Transaction is not a Non-Arm's Length Qualifying Transaction. However, Penbar held an annual general meeting of shareholders on August 12, 2025 to approve, among other things, the election of directors until the Completion of the Transaction, the election of directors after the Completion of the Transaction, the appointment of auditors until the Completion of the Transaction, the appointment of auditors after the Completion of the Transaction, and the approval of the Penbar Option Plan.

Eastport has called the Eastport Meeting, to be held on October 6, 2025, at 11:00 a.m. (EST), to consider and if thought advisable, to approve, with or without variation, a special resolution authorizing and approving the Amalgamation pursuant to the terms and conditions of the Amalgamation Agreement."

See *"Part II – Information Concerning the Transaction"*.

Sponsorship for the Transaction Pursuant to Exchange Policy 2.2, sponsorship is generally required in conjunction with a Qualifying Transaction. The Resulting Issuer has applied for and obtained a waiver of the sponsorship requirement in connection with the Transaction from the TSXV.

Conflicts of Interest The proposed directors and officers of the Resulting Issuer are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and the laws requiring disclosure by directors and officers of conflicts of interest. The Resulting Issuer will rely upon such laws in respect of any such conflict of interest or in respect of any breach of duty by any of the Resulting Issuer's directors or officers. Any such conflicts are required to be disclosed by such directors or officers in accordance with the BCBCA and the directors of the Resulting Issuer are required to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Certain proposed directors of the Resulting Issuer are, or may in the future be, directors, officers or shareholders of other companies that are, or may in future be, engaged in the business of, or enter into transactions with, the Resulting Issuer. Such associations and transactions may give rise to conflicts of interest from time to time.

See *"Part V - Information Concerning the Resulting Issuer – Conflicts of Interest"*.

Risk Factors There are inherent risks in the business of Eastport. Upon completion of the Qualifying Transaction and the Amalgamation, the current business of Eastport will become the business of the Resulting Issuer. As such, the future operations of the Resulting Issuer will be subject to risks incidental to the nature of the business, legal and economic climate in which Eastport operates and will operate in the future. An investment in the Resulting Issuer and more specifically, a mining exploration company involves a significant degree of risk, including

without limitation: Eastport's ability to complete the Subscription Receipt Offering; the use of available funds; the limited operating history of Eastport; business opportunities that become available, or are pursued; the dependence on the Matsitama Property and, to a lesser degree, the Other Properties; the stage of development of the Properties; the completion of the Transaction and the approval of the Exchange; termination of the Amalgamation Agreement; the dilutive effect of the Transaction on the ownership interest of Penbar Shareholders; the Transaction diverting the attention of Eastport's management; tax consequences; Eastport not realizing the anticipated benefits of the Transaction; the market price fluctuation and volatility of the Resulting Issuer Shares; the issuance of additional equity securities by the Resulting Issuer after the completion of the Transaction; risks of operating in a foreign jurisdiction along with the exploration and development risks; the risks relating to changes in the market price of metals, including the volatility of minerals; financing risks; dangers inherent in mining activities, including but not limited to, environmental hazards, industrial accidents, unusual or unexpected formations, safety stoppages (whether voluntary or regulatory), pressures, mine collapses, cave-ins or flooding and the risk of inadequate insurance or inability to obtain insurance to cover these risks; actual results of mining and current exploration activities; failing to acquire or incorporate any additional property interests; an inability to obtain future debt or equity financing; an inability to attract or retain key personnel; title defects; industry conditions, including commodity price fluctuations, interest and exchange rate fluctuations; litigation; reliance on third parties; governmental and environmental regulation; regulatory, political or economic developments; disruption from non-governmental organizations; increased costs due to climate change initiatives; the rights on indigenous peoples; inadequate infrastructure; risks related to global pandemics and the spread of other viruses or pathogens; conflicts of interests; and other factors, many of which are beyond the control of Penbar and Eastport. Penbar and Eastport assume no responsibility to update forward looking statements, other than as may be required by applicable securities laws.

The Resulting Issuer's future development and actual operating results may be very different from those expected as at the date of this Filing Statement. No representation is or can be made as to the future performance of the Resulting Issuer and there can be no assurance that the Resulting Issuer will achieve its objectives. Accordingly, readers should carefully consider the risk factors contained herein under "*Part VI – Risk Factors*".

Conditional Approval

Penbar received the conditional approval of the Exchange for the Transaction on July 8, 2025. Completion of the Transaction is subject to receipt of the final approval of the Exchange, among other conditions as provided pursuant to the conditional approval. There can be no assurance that Penbar will be able to obtain final approval for the Transaction or satisfy the requirements of the Exchange such that the Exchange will issue the Final Exchange Bulletin.

Interests of Experts

MNP LLP are the auditors of Eastport, and Davidson & Company Chartered Professional Accountants LLP are the auditors of Penbar. Upon Completion of the Transaction, MNP LLP will continue as the auditors of the Resulting Issuer.

None of the foregoing persons or any of their respective directors, officers or employees beneficially own, directly or indirectly, any securities, nor do they have any interest in the property, of Penbar, Eastport, the Resulting Issuer or any of their Associates or Affiliates.

PART II – INFORMATION CONCERNING THE TRANSACTION

The following is a summary of the material terms of the Amalgamation Agreement. This summary does not purport to be a complete summary of the Amalgamation Agreement and is qualified in its entirety by reference to the full text of the Amalgamation Agreement, a copy of which is available for review under Penbar's SEDAR+ profile at www.sedar.com.

Terms used in this "*Part II – Information Concerning the Transaction*" but not otherwise defined in this Filing Statement shall have the meaning ascribed thereto in the Amalgamation Agreement.

The Amalgamation Agreement

Pursuant to the Amalgamation Agreement, the parties will complete a three-cornered amalgamation whereby Penbar Subco, a wholly-owned subsidiary of Penbar, will amalgamate with Eastport to form Amalco, and Penbar will acquire all of the issued and outstanding Amalco Shares. The shareholders of Eastport will receive post-Consolidation Penbar Shares in exchange for their Eastport Shares, resulting in a reverse takeover of Penbar by Eastport. The amalgamated corporation resulting from the amalgamation of Penbar Subco and Eastport, Amalco, will be wholly-owned by the Resulting Issuer. The following is a summary of the Amalgamation Agreement and is qualified in its entirety by the full text of the Amalgamation Agreement, which has been filed on SEDAR+ and is incorporated by reference herein.

Representations, Warranties and Covenants

Eastport and Penbar agreed to certain representations and warranties relating to, among other things: the incorporation and registration of each party; the power and authority to enter into and perform the obligations under the Amalgamation Agreement and its related agreements; required approvals; no conflict; absence of undisclosed liabilities; their material contracts; the absence of guarantees; the financial statements of each party; taxes duly filed; capitalization; no indebtedness to any directors, officers consultants or creditors; absence of contingent tax liabilities; absence of litigation; and no use of funds for unlawful contributions.

Penbar further represents and warrants that: Penbar is a reporting issuer under the securities legislation of British Columbia and Alberta; and there are no change of control payment or severance payments to Penbar employees, consultants, directors, officers or agents.

In addition, Eastport has agreed to other representations and warranties relating to, among other things: no convertible securities other than those disclosed; absence of approvals required; Eastport holds all permits and licenses required to conduct and operate the business including with respect to the Properties; none of the directors or officers of Eastport is a related party; except as disclosed Eastport is not subject to termination or severance payments, applications for certifications, no change of control payment, employee claims or threatened litigation, and operates in accordance with all applicable labour standards; Eastport's interest in the Properties and mineral rights; Eastport's Properties are in compliance with environmental laws; and other than disclosed there are no obligations for pre-emptive rights.

Conditions of the Transaction

The Amalgamation Agreement contains a number of conditions precedent to the obligations of Eastport and Penbar. Unless all such conditions are satisfied or waived by the party for whose benefit such conditions exist, to the extent it may be capable of waiver, the Transaction will not proceed. There is no assurance that these conditions will be satisfied or waived on a timely basis, or at all. The conditions to the Transaction becoming effective are set out in the Amalgamation Agreement and are summarized below.

Mutual Conditions

The parties are not required to complete the Amalgamation unless each of the following conditions is satisfied on or prior to the Effective Date, which conditions may only be waived by the mutual consent of each of the parties:

- (a) the receipt of all necessary prior regulatory approvals, specifically TSXV conditional approval with respect to the Transaction;
- (b) Eastport having received required approval of its shareholders for the Amalgamation;
- (c) The holders of not more than 2% of the issued and outstanding Eastport Shares shall have exercised their rights of dissent pursuant to the OBCA in respect of the Amalgamation; and
- (d) no injunction or restraining order of any court or administrative tribunal of competent jurisdiction shall be in effect prohibiting the transactions contemplated by the Amalgamation Agreement and no action or proceeding shall have been instituted or be pending before any court or administrative tribunal to restrain or prohibit the transactions between the parties contemplated by the Amalgamation Agreement.

Conditions for the Benefit of Penbar

The completion of the Transaction is subject to the following conditions being satisfied at or prior to the Effective Date, which conditions are for the exclusive benefit of Penbar and may be waived, in whole or in part, by Penbar in its sole discretion:

- (a) Eastport shall deliver, as soon as practicable after the date of the Amalgamation Agreement:
 - (i) certificates of good standing or equivalent for Eastport and each of the Eastport Subsidiaries duly issued by the authorized government corporate registry in the applicable jurisdiction of incorporation;
 - (ii) a National Instrument 43-101 compliant technical report in respect of the Matsitama Property;
 - (iii) audited consolidated financial statements of Eastport for the most recently completed financial years ending October 31, 2024 and 2023, and any other interim financial statements of Eastport requested by the TSXV;
 - (iv) a certificate of incumbency of the directors and officers of Eastport, along with consents to act executed by each of the individuals designated by Eastport as directors and officers of Penbar in form and substance satisfactory to Penbar;
 - (v) a favourable bring-down title opinion in respect of the Matsitama Property dated as of the Effective Date;
 - (vi) the TSXV Escrow Agreement; and
 - (vii) such other documents as may be required by Penbar, acting reasonably;
- (b) the representations and warranties of Eastport made under the Amalgamation Agreement shall be true and correct at the Effective Time and with the same effect as if made at and as of the Effective Time;
- (c) Eastport shall have performed and complied with all the obligations and covenants contained in the Amalgamation Agreement to be performed and complied with by it, other than those conditions which are waived by Penbar;
- (d) there will have been no material adverse changes, adverse change of material fact or any development that could reasonably result in an adverse material impact on the business, financial results, operations or affairs of Eastport;
- (e) no event shall have occurred or condition or situation shall have arisen or legislation (whether by

statute, rule, regulation, by-law or otherwise) shall have been introduced that might reasonably be expected to have a materially adverse effect upon Eastport or the financial condition, results of operations or business prospects of Eastport;

- (f) Penbar shall have received all closing documentation;
- (g) Eastport shall have completed the minimum Subscription Receipt Financing; and
- (h) Eastport will not have incurred any liabilities other than those which are:
 - (i) described in the Eastport Disclosure Letter;
 - (ii) reasonably incurred in the ordinary course of business; or
 - (iii) incurred with the consent of Penbar, not to be unreasonably withheld.

Conditions for the Benefit of Eastport

The completion of the Transaction is subject to the following conditions being satisfied at or prior to the Effective Date, which conditions are for the exclusive benefit of Eastport and may be waived, in whole or in part, by Eastport in its sole discretion:

- (a) all representations and warranties of Penbar were true and correct as of the date of the Amalgamation Agreement and are true and correct as of the Closing;
- (b) Penbar will have fulfilled or complied with all covenants contained in the Amalgamation Agreement and any related agreements to be fulfilled or complied with by it at or prior to the date of Closing;
- (c) there will have been no material adverse changes, adverse change of material fact or any development that could reasonably result in an adverse material impact on the business, financial results, operations or affairs of Penbar;
- (d) Eastport shall have received from Penbar the closing documentation;
- (e) each of the applicable directors and officers of Penbar will have executed and delivered resignations and releases in favour of Penbar in form and substance satisfactory to Eastport, acting reasonably; and
- (f) Penbar's current auditors shall have delivered a resignation to be effective as at the Closing Date.

Covenants of the Parties during the Period prior to the Effective Date

During the period between the date of the Amalgamation Agreement and the Effective Date, Eastport will conduct its business in the ordinary and usual course and not, without the prior written consent of Penbar, enter into any transaction which would constitute a breach of any of their respective representations, warranties or agreements contained in or contemplated by the Amalgamation Agreement including but not limited to: terminate or vary any material contracts; grant any bonuses, benefits or other forms of direct or indirect compensation or approve any change of control or other termination benefits to any employee, director or consultant of Eastport; issue, sell, pledge, hypothecate, lease, dispose of or encumber any equity or convertible securities other than with respect to the exercise and/or voluntary cancellation of existing Eastport Options, Eastport Warrants, the issuance of the Performance Warrants, the transfer of Eastport Shares or pursuant to the Subscription Receipt Offering; redeem any securities or otherwise cause assets to be distributed; and borrow any funds under existing credit lines except as contemplated by the Amalgamation Agreement. Eastport further covenants to perform all obligations, pay any liabilities in the ordinary course, preserve their businesses and assets; will not knowingly take any action or refrain to take any action that would impede or delay the Transaction; and will take all action and do, or cause to be done, all other things necessary, proper or advisable to complete the Transaction. In addition, Eastport will also not: take

any action or omit to take any action which would result in a breach of its representations, warranties and covenants contained in the Amalgamation Agreement; and will not pay any dividends without Penbar's prior written consent.

During the period from the date of the Amalgamation Agreement to the Effective Date, Penbar shall conduct the Penbar business in the ordinary and usual course and not, without the prior written consent of Eastport, enter into any transaction which would constitute a breach of any of their respective representations, warranties or agreements contained in or contemplated by the Amalgamation Agreement including but not limited to: will not dispose, option, encumber, or transfer rights to any assets, will not terminate, amend, vary or enter into any material contracts of which it is a party; will not grant any bonuses, benefits or other forms of direct or indirect compensation or approve any change of control or other termination benefits to any employee, officer, director or consultant of Penbar; will not issue any equity securities, from treasury or otherwise, or options, warrants, rights or convertible securities; will not pay any dividends, redeem any securities, or otherwise cause assets to be distributed; will not borrow any funds, under existing credit lines or otherwise, except as specifically contemplated in the Amalgamation Agreement; will not knowingly take any action or refrain to take any action that would impede or delay the Transaction; and will take all action and do, or cause to be done, all other things necessary, proper or advisable to complete the Transaction.

Furthermore, promptly after the Closing, the Resulting Issuer shall make, or cause to be made, all filings, required to be given or made to the TSXV in order to obtain final approval of the TSXV, including the issuance and listing of the Post-Consolidation Penbar Shares to be issued and delivered to Eastport pursuant to Section 2.8 of the Amalgamation Agreement.

Confidentiality

The parties agree that no disclosure or announcement, public or otherwise, in respect of the Amalgamation Agreement or the transactions contemplated therein will be made by either party or any of its representatives without the prior approval of the other party as to timing, content and method, provided that the provisions of this paragraph will not prevent any party from making, after consultation with the other party, such disclosure as its counsel advises is required by applicable Law or the Exchange Policies. In addition, unless and until the transactions contemplated in the Amalgamation Agreement have been completed, or until the termination of the Amalgamation Agreement, except with the prior written consent of the other party, each of the parties and their respective representatives will hold all information received from the other party in the strictest confidence, except such information and documents as are available to the public or as are required to be disclosed by applicable Law or regulation.

Termination Rights

The Amalgamation Agreement may be terminated by mutual consent of Eastport and Penbar, or by either party on the following conditions:

By Eastport if:

- (a) any applicable governmental authority, including the TSXV, has notified either Eastport or Penbar in writing that it will not approve the transactions contemplated in the Amalgamation Agreement or permit such transactions to proceed; or
- (b) any of the conditions precedent contained in the Amalgamation Agreement for the benefit of Eastport have not been complied with, or waived by Eastport.

By Penbar if:

- (a) Eastport materially breaches any of its representations or warranties or fails to comply with any covenants contained in the Amalgamation Agreement, and such default is not remedied within ten Business Days of written notice provided to Eastport of such default; or
- (b) any applicable governmental authority, including the TSXV, has notified either Penbar or Eastport

in writing that it will not approve the transactions contemplated in the Amalgamation Agreement or permit such transactions to proceed; or

- (c) any of the conditions precedent contained in the Amalgamation Agreement for the benefit of Penbar have not been complied with, or waived by Penbar.

In addition, the Amalgamation Agreement can be terminated by the mutual agreement of Penbar and Eastport or by either Eastport or Penbar in the event that the Transaction has not been completed by December 31, 2025.

Upon the termination of this Agreement, the parties shall be released from their obligations other than as expressly contemplated in the Amalgamation Agreement, excepting those under Sections 2.15, 2.18, 6.1, 7.4, 9.2 and 11.11, provided that nothing shall relieve a party from liability arising prior to such termination.

Directors and Officers of the Resulting Issuer

The number of directors of the Resulting Issuer upon Closing shall be 6. Subject to the receipt of all necessary approvals, the directors of the Resulting Issuer shall be: David Minchin (Chairman), Burns Singh Tennent-Bhoi, Rickey G. Bonner, David Eaton, Herrick Lau, and David Newman. These directors shall hold office until the first annual meeting of the shareholders of the Resulting Issuer following Closing, or until their successors are duly appointed or elected.

The officers of the Resulting Issuer, until changed or added to by the board of directors of the Resulting Issuer, shall be as follows: Burns Singh Tennent-Bhoi, Chief Executive Officer; Denise Lok, Chief Financial Officer and Corporate Secretary, Dr. Gomotsang Tshoso, Managing Director of Eastport Subsidiaries; and Rickey G. Bonner, Country Geologist.

Amalgamation Steps

Pursuant to the terms and conditions set forth in the Amalgamation Agreement, on the Effective Date:

- (a) Penbar Subco and Eastport will amalgamate under the OBCA;
- (b) all Eastport Shares (including the Eastport Shares underlying the Subscription Receipts issued pursuant to the Subscription Receipt Offering and the Eastport Shares issuable upon the exercise of the Eastport Units pursuant to the Concurrent Financing) will be exchanged for Penbar Shares on the basis of 0.2941 of one (1) post-Consolidation Penbar Share for each Eastport Share held;
- (c) each Eastport Option will be exchanged for one equivalent option to purchase Resulting Issuer Shares with the same exercise price and expiry time as the Eastport Option taking into account the Exchange Ratio;
- (d) each Eastport Warrant will be exchanged for one equivalent warrant to purchase Resulting Issuer Shares with the same exercise price and expiry time as the Eastport Warrant taking into account the Exchange Ratio;
- (e) each Eastport Sub Receipt Finder's Warrant will be exchanged for one equivalent Resulting Issuer Sub Receipt Finder's Warrant;
- (f) Amalco shall be a wholly-owned subsidiary of Penbar;
- (g) the authorized capital of Amalco shall be an unlimited number of common shares;
- (h) the stated capital account in the records of Amalco for Amalco Shares shall be equal to the stated capital attributed to the shares of the companies amalgamating to create Amalco; and
- (i) the Resulting Issuer will continue the business of Eastport under the name "*Eastport Ventures Inc.*", or such other similar name as Eastport may determine and is acceptable to the TSXV.

Effect of Amalgamation

On the Effective Date:

- (a) the amalgamation of Eastport and Penbar Subco and their continuation as one company, Amalco, shall become effective;
- (b) the property, rights and interests of Eastport and Penbar Subco will continue to be the property of Amalco;
- (c) Amalco will continue to be liable for the obligations of Eastport and Penbar Subco;
- (d) any existing cause of action, claim or liability to prosecution with respect to either or both Eastport and Penbar Subco will be unaffected;
- (e) any legal proceeding prosecuted or pending by or against Eastport and Penbar Subco may be prosecuted, or its prosecution may be continued, as the case may be, by or against Amalco;
- (f) any conviction against, or ruling, order or judgment in favour of or against, Eastport and Penbar Subco may be enforced by or against Amalco; and
- (g) the Articles of Amalgamation shall be deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation shall be deemed to be the certificate of incorporation of Amalco.

The Consolidation

Prior to the completion of the Amalgamation, Penbar shall have completed the Consolidation on the basis of 1 post-consolidation Penbar Share for each 7 pre-consolidation Penbar Shares, resulting in approximately 571,429 post-Consolidation Penbar Shares outstanding.

The Subscription Receipt Offering

As a condition to closing the Transaction, before applying the Exchange Ratio, Eastport shall complete the Subscription Receipt Offering pursuant to which Eastport will issue a minimum of 18,055,556 Subscription Receipts and a maximum of 27,777,778 Subscription Receipts at a price of \$0.18 per Subscription Receipt for aggregate gross proceeds of a minimum of \$3,250,000 and a maximum of \$5,000,000.

The proceeds of the Subscription Receipt Offering (the "**Escrowed Funds**") shall be held in escrow by the subscription receipt agent in a segregated account of or for the benefit of Eastport, and will only be released to Eastport upon the satisfaction or waiver of all certain conditions precedent (the "**Escrow Release Conditions**"), including the conditions precedent to the completion of the Transaction as set forth in the Amalgamation Agreement, except for the release of the Escrowed Funds.

Upon satisfaction or waiver of the Escrow Release Conditions, and without any further action or additional consideration, each Subscription Receipt will convert into one (1) Eastport Share. As part of the Amalgamation, the Eastport Shares underlying the Subscription Receipts will be exchanged for Resulting Issuer Shares using the Exchange Ratio. If the Escrow Release Conditions are not met prior to a date to be determined in the context of the Subscription Receipt Offering, all funds will be returned to the subscribers without deduction and the Subscription Receipts will be cancelled.

In connection with the Subscription Receipt Offering, Eastport may pay a finder's fee of up to 6% of the gross proceeds from the Subscription Receipt Offering introduced by the finder and up to such number of Eastport Sub Receipt Finder's Warrants equal to 6% of the Subscription Receipts issued pursuant to the Subscription Receipt Offering as introduced to Eastport by the finder, each Eastport Initial Finder's Warrant exercisable into one Eastport Share at a price of \$0.18 for a period of 12 months following the date of the Exchange Listing. As part of the Amalgamation, the Eastport Sub Receipt Finder's Warrants will be exchanged for Resulting Issuer Sub Receipt

Finder's Warrants at the Exchange Ratio.

The proceeds of the Subscription Receipt Offering will be used primarily for exploration activities and for general working capital of the Resulting Issuer. Please see "*Part V - Information Concerning the Resulting Issuer – Available Funds and Principal Purposes.*"

See "*Part IV – Information Concerning Eastport – Description of Securities – Subscription Receipt Offering.*"

Procedure for the Transaction to Become Effective

Procedural Steps

The Amalgamation will be carried out pursuant to the provisions of the OBCA. The following procedural steps must be taken in order for the Transaction to become effective:

- (a) the Amalgamation Agreement must be entered into between Eastport, Penbar and Penbar Subco;
- (b) the satisfaction of all conditions precedent to the Transaction as set forth in the Amalgamation Agreement, including receipt of TSXV approval for the Exchange Listing; and
- (c) articles of amalgamation in the form prescribed by the OBCA must be filed. The Transaction will become effective when the Certificate of Amalgamation is issued in respect of the Amalgamation.

Approvals Necessary for the Transaction

Shareholder Approval

Pursuant to the provisions of the OBCA, the Amalgamation requires the approval of the Eastport Shareholders.

Eastport has called the Eastport Meeting, to be held on October 6, 2025, at 11:00 a.m. (EST), to consider and if thought advisable, to approve, with or without variation, a special resolution authorizing and approving the Amalgamation pursuant to the terms and conditions of the Amalgamation Agreement."

TSXV Approval

On July 8, the Exchange conditionally approved the Exchange Listing of the Resulting Issuer Shares, including those to be issued pursuant to the Amalgamation to the former Eastport Shareholders. The Exchange Listing is subject to the fulfillment of all of the requirements of the Exchange on or before October 8, 2025, being the 90th day from the date of conditional acceptance.

Legally, the Effective Date of the Amalgamation will be on the date a certificate of amalgamation is issued in respect of the Amalgamation. However, the Exchange Listing will be completed on the date the TSXV issues a Final Exchange Bulletin in respect of the Exchange Listing, which is expected to be within three (3) days after the Effective Date, provided all required documentation is filed with the Exchange.

PART III – INFORMATION CONCERNING PENBAR

The following information is presented prior to giving effect to the Transaction as at the date hereof or as otherwise specified herein. See “*Part V - Information Concerning the Resulting Issuer*” for pro forma business, financial and share capital information relating to the Resulting Issuer.

Corporate Structure

Name and Incorporation

The full corporate name of Penbar, and the full name under which it currently exists and carries its business is “Penbar Capital Ltd.”. Penbar was incorporated under the BCBCA on March 4, 2021. Penbar is a reporting issuer in the provinces of British Columbia and Alberta and the Penbar Shares trade on the TSXV under the trading symbol “PEM.P”.

Penbar’s head office is located at Suite 2250, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 and its registered and records office is located at Suite 2250, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9.

Intercompany Relationships

Penbar has two wholly-owned subsidiaries, Penbar Subco, formed for the purposes of completing the Amalgamation, and 1451356 B.C. Ltd., which it intends to dissolve after the Transaction.

General Development of the Business

Overview and History of Penbar

Penbar Capital Ltd. was incorporated under the BCBCA on March 4, 2021.

Penbar is a CPC and, to date, has not carried on any commercial operations. The sole business of Penbar since its incorporation has been to identify and evaluate opportunities for the acquisition of an interest in assets or businesses so as to complete a Qualifying Transaction. Until the Closing, Penbar will not have operated a business or have any material assets other than cash. Penbar currently has no written or oral agreements in principle for the acquisition of an asset or business other than the Amalgamation Agreement.

On the date of incorporation, March 4, 2021, Penbar issued 1 Penbar Share for \$1.00, which Penbar Share was subsequently cancelled by Penbar and returned to treasury, following which Penbar issued 2,000,000 Penbar Shares at a price of \$0.05 per Penbar Share for aggregate gross proceeds of \$100,000.

On January 27, 2022, Penbar completed the IPO and issued 2,000,000 Penbar Shares at a price of \$0.10 per Penbar Share for gross aggregate proceeds of \$200,000. In connection with the IPO, the agent for the IPO received a cash commission of \$20,000 and an administration fee and expenses of \$16,500, plus GST. Penbar also granted the agent for the IPO agent’s warrants which are exercisable to purchase up to 200,000 Penbar Shares at an exercise price of \$0.10 per Penbar Share until January 27, 2025. The Penbar Shares commenced trading on the TSXV under the symbol “PEM.P” at market opening on January 31, 2022.

On October 4, 2023, Penbar announced that it had entered into a letter of intent dated October 3, 2023, with Emissions EV Technologies Inc. (“**Emissions EV**”), pursuant to which Penbar proposed to acquire all of the issued and outstanding securities of Emissions EV, resulting in Emissions EV becoming a wholly-owned subsidiary of Penbar or otherwise combining its corporate existence with that of Penbar. The letter of intent also contemplated the consolidation of Penbar Shares on the basis of approximately two (2) pre-consolidation Penbar Shares for each one (1) post-consolidation Penbar Share and the completion of a financing by either Penbar or Emissions EV on a commercially reasonable efforts basis.

On October 31, 2023, Penbar announced that the timelines in the non-binding letter of intent were amended

pursuant to an amendment dated October 31, 2023, extending the time required for the parties to enter into a definitive agreement to November 15, 2023 and to complete the transaction to on or before March 31, 2024.

On November 15, 2023, Penbar announced that the amended letter of intent had been amended pursuant to a second amendment dated November 15, 2023, extending the time required for the parties to enter into a definitive agreement to November 30, 2023.

On November 27, 2023, Penbar announced that it had entered into an amalgamation agreement with Emissions EV dated November 24, 2023.

On January 29, 2025, Penbar announced that Penbar and Emissions EV had mutually agreed to terminate the amalgamation agreement pursuant to section 7.2 of the amalgamation agreement.

Since the date that the Penbar Shares commenced trading on the Exchange, Penbar carried on the business of a CPC as defined in Exchange Policy 2.4. Penbar does not have business operations or assets, other than cash, and currently has no written or oral agreements in principle for the acquisition of an asset or business other than the Amalgamation Agreement.

Trading in the Penbar Shares was halted on March 14, 2025, pending the announcement of the Transaction, and remains halted as of the date of this Filing Statement. The Transaction is intended to constitute Penbar's Qualifying Transaction under Exchange Policy 2.4, following which Penbar will no longer be a CPC.

Narrative Description of the Business

Penbar has never commenced commercial operations and has no assets other than cash. Penbar has not carried on any business other than the identification and evaluation of businesses or assets with a view to completing a Qualifying Transaction.

Eastport

The full corporate name of Eastport is Eastport Ventures Inc. Eastport was incorporated under the OBCA on June 14, 2017. Eastport's head office is located at Suite 409, 22 Leader Lane, Toronto, Ontario, M5E 0B2. The registered office is located at Suite 409, 22 Leader Lane, Toronto, Ontario, M5E 0B2.

Eastport is a private Canadian exploration company focusing on copper and other critical minerals. Since incorporation, Eastport, through its wholly owned subsidiaries Eastport Ventures (Botswana) Proprietary Limited and Current Exploration Solutions Proprietary Limited, have acquired a total of six mineral projects providing the company with exposure to critical metals including copper (Cu), nickel (Ni), uranium (U), rare earth elements (REE), and diamonds. Through its subsidiary, Eastport Ventures Botswana Proprietary Limited, Eastport holds 100% of the Matsitama Property, located approximately 85 km west of Francistown in Botswana's Central District. See "Part IV: Information Concerning Eastport – General Development of the Business – History" and "Part IV: Information Concerning Eastport – Narrative Description of the Business" for a further description of these projects.

No public market currently exists for the Eastport Shares.

The Transaction

Penbar and Eastport have agreed to complete the Amalgamation pursuant to the Amalgamation Agreement. Upon completion of the Amalgamation, the combined entity comprising Penbar Subco and Eastport will become a wholly owned subsidiary of Penbar and Penbar will continue the business of Eastport. It is intended that the Transaction will constitute a "Qualifying Transaction" in accordance with (and as defined under) Exchange Policy 2.4.

Pursuant to the Amalgamation Agreement, and subject to adjustment as provided thereunder, the parties intend to effect the following steps on or about Closing:

- (a) Penbar will complete the Consolidation and will consolidate its outstanding common shares on the basis

of one (1) new Penbar Share for every seven (7) old Penbar Shares, such that, immediately prior to Closing of the Transaction, Penbar will have 571,429 Penbar Shares issued and outstanding;

(b) following the Consolidation, Penbar Subco and Eastport will complete the Amalgamation to form Amalco under the OBCA and as a result, the holders of the issued and outstanding Eastport Shares will receive 0.2941 post-Consolidation Penbar Share in exchange for each one (1) Eastport Share (an aggregate of 20,642,230 Penbar Shares to be issued) at a deemed issue price of \$0.61 per share based on the Subscription Receipt Offering price of \$0.18 and adjusting for the Exchange Ratio of 0.2941;

(c) Penbar will change its name to “Eastport Ventures Inc.”, or such other name as may be determined by Eastport, subject to applicable Laws and Exchange Policies; and

(d) Penbar shall complete the Board Reconstitution and replace its officers with the officers designated by Eastport.

It is anticipated that immediately following completion of the foregoing steps, and assuming the minimum Subscription Receipt Offering, an aggregate of approximately 26,523,798 Resulting Issuer Shares will be issued and outstanding, and on an undiluted basis: (a) former Penbar Shareholders will hold 571,429 Resulting Issuer Shares, representing approximately 2.15% of the issued and outstanding Resulting Issuer Shares; (b) former Eastport Shareholders (other than former holders of Subscription Receipts) will hold 20,642,230 Resulting Issuer Shares, representing approximately 77.83% of the issued and outstanding Resulting Issuer Shares; (c) subscribers in the Subscription Receipt Offering will hold 5,310,139 Subscription Receipts that, when converted into Resulting Issuer Shares upon the Completion of the Transaction, will represent 20.02% of the issued and outstanding Resulting Issuer Shares.

Assuming the maximum Subscription Receipt Offering, an aggregate of approximately 29,383,103 Resulting Issuer Shares will be issued and outstanding, and on an undiluted basis: (a) former Penbar Shareholders will hold 571,429 Resulting Issuer Shares, representing approximately 1.94% of the issued and outstanding Resulting Issuer Shares; (b) former Eastport Shareholders (other than former holders of Subscription Receipts) will hold 20,642,230 Resulting Issuer Shares, representing approximately 70.25% of the issued and outstanding Resulting Issuer Shares; (c) subscribers in the Subscription Receipt Offering will hold 8,169,444 Subscription Receipts that, when converted into Resulting Issuer Shares upon the Completion of the Transaction, will represent 27.80% of the issued and outstanding Resulting Issuer Shares.

In addition, pursuant to the terms of the Addendum, dated June 23, 2025, to the Side Letter - Amending Agreement to the Restated Share Sale Agreement Dated June 12, 2025 between Eastport and ZCI, it is expected that the ZCI Note and the Gledhow Note (as defined elsewhere in this Filing Statement) will be converted into Resulting Issuer Shares at Closing, as follows:

Instrument	Relationship to Resulting Issuer	Principal Interest &	Conversion Price	Issue of Equity	Number of Resulting Issuer Shares After Applying the Exchange Ratio
ZCI Note	Vendor of Matsitama Property	Principal: \$1,348,677 Interest: \$148,681 Fair market value of shares payable at the Exchange Listing \$107,820 Total: \$1,605,178	\$0.18	8,917,656 Eastport Shares	2,622,686 Resulting Issuer Shares
Gledhow Note	Existing Eastport	Principal: \$100,000 Interest:	\$0.30	366,393 Eastport Shares	107,166 Resulting Issuer

	Shareholder	\$9,918Total: \$109,918			Shares

Shareholder Approval

Pursuant to the provisions of the BCBCA, the Amalgamation requires the approval of Penbar as the sole shareholder of Penbar Subco. Unless required by the TSXV, Penbar will not be seeking the approval of the Penbar Shareholders in connection with Transaction. Penbar held an annual general meeting of shareholders on August 12, 2025, and at that meeting the shareholders approved, among other things, the election of directors until the Completion of the Transaction, the election of directors after the Completion of the Transaction, the appointment of auditors until the Completion of the Transaction, the appointment of auditors after the Completion of the Transaction, and the approval of the Penbar Option Plan.

Selected Consolidated Financial Information

The following table sets forth selected consolidated financial information for Penbar for the years ended June 30, 2024 and 2023. Such information has been derived from and should be read in conjunction with the Penbar Annual Financial Statements and the Penbar Annual MD&A, attached to this Filing Statement as Appendix “A” and Appendix “B”, respectively.

	Year ended June 30, 2024 (\$)	Year Ended June 30, 2023 (\$)
Total assets	89,197	158,306
Total liabilities	3,203	5,305
Shareholder’s equity	85,994	153,001
Total revenue	Nil	Nil
Net and comprehensive loss	67,007	33,150
Basic and diluted loss per share	0.017	0.008

Quarterly Information

The following table sets forth selected financial information for Penbar for each of the most recently completed quarters ending at the end of the most recently completed financial year. Such information is derived from the Penbar Financial Statements, and should be read in conjunction with such financial statements and the notes thereto, which are attached hereto as Appendix “A”.

	Quarter ended June 30, 2024 (\$)	Quarter ended March 31, 2024 (\$)	Quarter ended December 31, 2023 (\$)	Quarter ended September 30, 2023 (\$)	Quarter ended June 30, 2023 (\$)	Quarter ended March 31, 2023 (\$)	Quarter ended December 31, 2022 (\$)	Quarter ended September 30, 2022 (\$)
Total Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loss and comprehensive loss	14,767	29,108	17,696	5,436	5,835	6,606	7,711	12,998
Loss per share	0.005	0.007	0.004	0.001	0.001	0.002	0.002	0.003

Management's Discussion & Analysis

The Penbar MD&A is attached hereto at Appendix "B" and should be read in conjunction with the Penbar Financial Statements, which are attached hereto at Appendix "A".

Description of the Securities

Common Shares

The authorized capital of Penbar consists of an unlimited number of Penbar Shares, of which 4,000,000 Penbar Shares are currently outstanding (571,429 Penbar Shares after giving effect to the Consolidation). The Penbar Shares are without par value and entitle the holders thereof to receive notice of, attend and vote at all meetings of Penbar Shareholders. Each Penbar Share carries one vote at such meetings. Holders of Penbar Shares are entitled to dividends as and when declared by the Penbar Board. In the event of the voluntary or involuntary liquidation, dissolution or winding-up of Penbar, after payment of all outstanding debts, the remaining assets of Penbar available for distribution will be distributed to the holders of Penbar Shares. The following table sets forth the capitalization of Penbar as at the date hereof and following the Consolidation, on a non-diluted basis:

Capital	Authorized	Outstanding as at date hereof	Outstanding post- Consolidation
Penbar Shares	Unlimited	4,000,000	571,428

Warrants

There are no outstanding warrants to purchase Penbar Shares.

Options

As of the date hereof, there are 400,000 Penbar Options outstanding (57,143 Penbar Options after giving effect to the Consolidation). The Penbar Options were granted on January 27, 2022 following the completion of the IPO to directors and officers of Penbar. Each Penbar Option entitles the holder thereof to purchase one Penbar Share at an exercise price of \$0.10 per Penbar Share (\$0.70 after giving effect to the Consolidation) for a period of ten years.

Stock Option Plan

The policies of the Exchange provide that the Penbar Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and employees of Penbar and its Affiliates and to consultants and management company employees, non-transferable options to purchase Penbar Shares for a period of up to ten years from the date of the grant, provided that the number of Penbar Shares reserved for issuance may not exceed 10% of the total issued and outstanding Penbar Shares at the date of the grant.

The purpose of the Penbar Option Plan established by Penbar, pursuant to which it may grant incentive stock options, is to promote a transaction involving Penbar by facilitating the efforts of Penbar to obtain and retain key individuals. The Penbar Option Plan provides an incentive for and encourages ownership of the Penbar Shares by its key individuals so that they may increase their stake in Penbar and benefit from increases in the value of the Penbar Shares. Pursuant to the Penbar Option Plan, the maximum number of Penbar Shares reserved for issuance in any 12-month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Penbar Shares at the date of the grant. The maximum number of Penbar Shares reserved for issuance in any 12-month period to any consultant may not exceed 2% of the issued and outstanding Penbar Shares at the date of the grant and the maximum number of Penbar Shares reserved for issuance in any 12-month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Penbar Shares at the date of the grant.

Notwithstanding the terms of the Penbar Option Plan described above, Exchange Policy 2.4 imposes certain restrictions on incentive stock options during the period that Penbar remains a CPC. Such restrictions shall remain in place until the Exchange issues the Final Exchange Bulletin (such bulletin indicating that the Resulting Issuer will not be considered a CPC). Under Exchange Policy 2.4, Penbar, while it remains a CPC, is limited to granting incentive stock options to only directors, officers and technical consultants of Penbar. In addition, the maximum number of Penbar Shares reserved under option for issuance to any individual officer or director may not exceed 5% of the issued and outstanding Penbar Shares to be outstanding at the date of grant. The maximum number of Penbar Shares reserved under option for issuance to all technical consultants may not exceed 2% of the issued and outstanding Penbar Shares to be outstanding at the date of grant. In addition, while Penbar is a CPC, it is prohibited from granting incentive stock options to any person providing investor relations activities, promotional or market making services. The exercise price per Penbar Share under any incentive stock option granted by Penbar may not be less than the Discounted Market Price. Any Penbar Shares acquired pursuant to the exercise of incentive stock options prior to the Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. Any stock options granted pursuant to the Penbar Stock Option Plan, following its adoption on March 4, 2021 but prior to the issuance of the Final Exchange Bulletin, must also be deposited into escrow. See “*Part IV – Information Concerning the Resulting Issuer – Escrowed Securities*”.

Penbar Options may be exercised until 12 months following the date the optionee ceases to be a director, officer or employee of Penbar or its Affiliates or a consultant or a management company employee, subject to any earlier expiry date of such Penbar Option.

The Penbar Option Plan will continue as the option plan of the Resulting Issuer.

Prior Sales

There have been no securities of Penbar issued within the 12 months before the date of this Filing Statement.

Trading Price and Volume

The Penbar Shares are listed on the Exchange under the trading symbol “PEM.P”. Trading of the Penbar Shares on the Exchange originally commenced on January 27, 2022. The closing price of the Penbar Shares on March 14, 2025, being the last day the Penbar Shares traded on the Exchange was \$0.04.

The following table sets forth the high and low daily closing prices and the volumes of trading of Penbar Shares on the TSXV for the periods indicated.

Period⁽¹⁾	High	Low	Trading Volume
March 1 – 14	\$0.05	\$0.04	8,000
February 2025	\$0.05	\$0.05	20,000
January 2025	\$0.05	\$0.06	3,000

Notes:

(1) From June 6, 2024 to January 28, 2025, trading in the Penbar Shares on the TSXV was halted.

Arm’s Length Transactions

The Transaction is not a Non-Arm’s Length Qualifying Transaction within the meaning of the Exchange Policies.

Legal Proceedings

To Penbar’s knowledge, Penbar is neither a party to, nor is any of its property the subject matter of, any legal proceedings, nor are any such proceedings known to Penbar to be contemplated by any party since the beginning

of the fiscal year ended June 30, 2024, being the most recently completed financial year for which Penbar Financial Statements are being included in this Filing Statement.

Auditor, Transfer Agent and Registrar

The auditor of Penbar is Davidson & Company, LLP, Chartered Professional Accountants, at its office at 609 Granville St. #1200, Vancouver, BC V7Y 1G6.

The transfer agent and registrar of Penbar is Olympia Trust Company, at its office at 925 W. Georgia St. #1900, Vancouver, BC V6C 2G3.

Material Contracts

Penbar has not entered into any material contracts, outside of the ordinary course of business, prior to the date hereof, other than the:

- (a) Amalgamation Agreement;
- (b) Transfer Agent, Registrar and Dividend Disbursing Agent Agreement between Penbar and Olympia Trust Company dated July 16, 2021;
- (c) Penbar Agency Agreement;
- (d) Penbar Escrow Agreement.

Copies of these agreements are available for inspection at the head office of Penbar at 1055 West Hastings Street, Suite 2250, Vancouver, BC V6E 2E9, Canada during normal business hours until the Completion of the Transaction and for a period of 30 days thereafter.

PART IV – INFORMATION CONCERNING EASTPORT

The following information has been provided by Eastport and is reflective of the current business, financial and share capital position of Eastport. See also the Eastport Financial Statements and the Eastport MD&A attached hereto at Appendix “C” and “D”, respectively. See “*Part V - Information Concerning the Resulting Issuer*” for pro forma business, financial and share capital information relating to the Resulting Issuer following the Transactions.

Although Penbar has no knowledge that would indicate any statements contained herein relating to Eastport, its Affiliates or the Eastport Shares taken from or based upon such information provided by Eastport are untrue or incomplete, neither Penbar nor any of its officers or directors assumes any responsibility for the accuracy or completeness of the information relating to Eastport, its Affiliates or the Eastport Shares, or for any failure by Eastport to disclose facts or events that may have occurred or may affect the significance or accuracy of any such information but which are unknown to Eastport.

Corporate Structure

Name and Incorporation

The full corporate name of Eastport, and the full name under which it currently exists and carries its business is “*Eastport Ventures Inc.*” Eastport was incorporated under the OBCA on June 14, 2017.

Eastport’s head and registered office is located at Suite 409 - 37 King Street East, Toronto, Ontario, M5E 0B2.

Intercorporate Relationships

Eastport has four subsidiaries:

Eastport Ventures Botswana Pty Ltd. (“**Eastport Botswana**”);

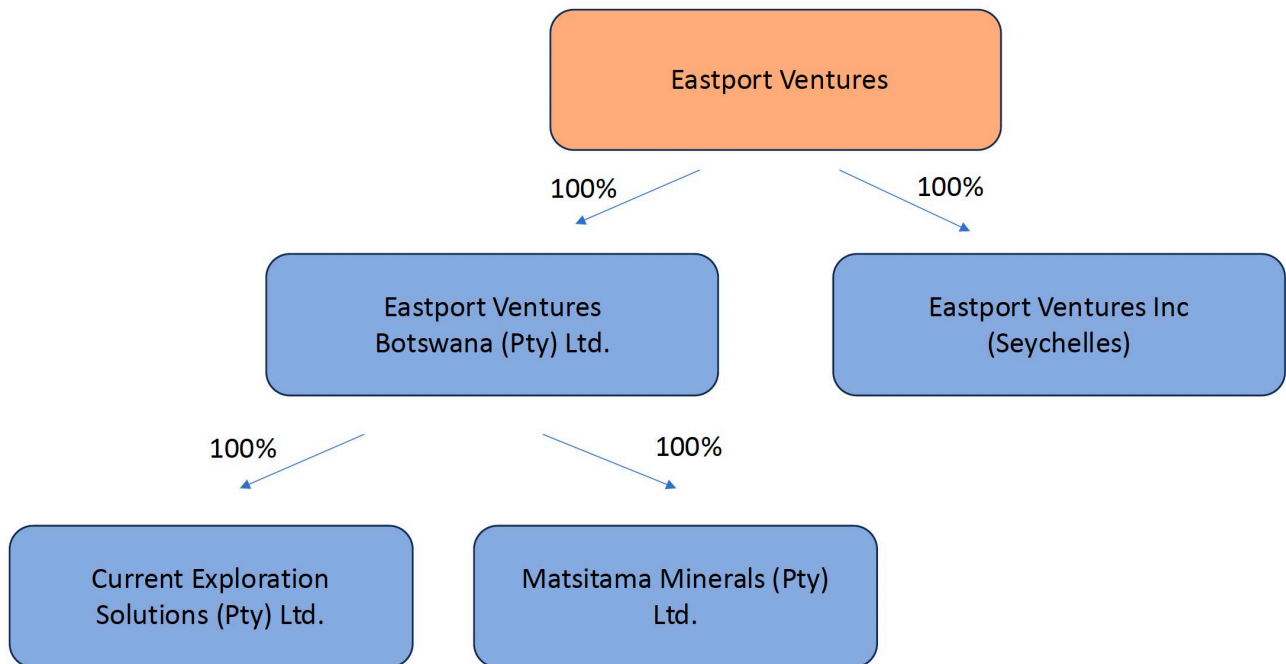
Current Exploration Solutions Pty Ltd. (“**CES**”);

Matsitama Minerals Pty Ltd. (“**Matsitama Minerals**”); and

Eastport Ventures Incorporated (Republic of Seychelles – Dormant) (“**EVI**”).

Eastport’s three material subsidiaries are Eastport Botswana, CES, and Matsitama Minerals, and it has one dormant subsidiary, EVI. Eastport Botswana is wholly owned by Eastport and is incorporated as a limited liability company pursuant to the laws of Botswana. Eastport Botswana is located at Plot 2482 B, Tshekedi Crescent, Extension 9, Gaborone, Botswana. CES is wholly owned by Eastport and is incorporated as a limited liability company pursuant to the laws of Botswana. CES is located at Plot 2482 B, Tshekedi Crescent, Extension 9, Gaborone, Botswana. Matsitama Minerals is wholly owned by Eastport and is incorporated as a limited liability company pursuant to the laws of Botswana. Matsitama Minerals is located at Plot 2482 B, Tshekedi Crescent, Extension 9, Gaborone, Botswana]. EVI is wholly owned by Eastport and was incorporated on 2nd August 2017 pursuant to the laws of the Republic of Seychelles; it has no operations or material assets.

The following diagram represents Eastport’s corporate structure prior to the Completion of the Transaction:



General Development of the Business

General

The principal business of Eastport is the operation, exploration, and development of mineral properties in Botswana, Africa. The material property of Eastport is the Matsitama Property. Eastport also has an interest in the Foley, Semarule, Jwaneng, Keng, and Selebi Properties (the “**Other Properties**”) which are considered non-core properties and are all located in Botswana.

Specialized Skill and Knowledge

All aspects of Eastport's business activities require specialized skills and knowledge. Such skills and knowledge include the fields of geology, mining, metallurgy, engineering, environment issues, permitting, social issues, and accounting. Competition in the resource mining industry has made it more difficult to locate and retain competent employees in such fields. See “*Risk Factors – Risks Relating to Attracting and Retaining Qualified Management and Technical Personnel*”.

Competitive Conditions

Eastport's business activities are the exploration, evaluation and development of mineral deposits. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. Eastport will compete with other interests, many of which have greater financial resources than it will initially have, for the opportunity to develop projects. See “*Risk Factors – Competition*”.

Business Cycles

The mining business is subject to mineral price and investment climate cycles. The marketability of minerals is also affected by worldwide economic and demand cycles. In recent years, the significant demand for minerals in some countries has driven increased commodity prices. It is difficult to assess if the current commodity prices are

long-term trends, and there is uncertainty as to the recovery, or otherwise, of the world economy. If the global conditions weaken and commodity prices decline as a consequence, a continuing period of lower prices could significantly affect the economic potential of the Matsitama Property and each of the Other Properties. See "*Risk Factors – Changes in Market Price of Metals*".

Economic Dependence

Eastport's business is not substantially dependent on any contract such as a contract to purchase the major part of its requirements for goods, services or raw materials, or on any franchise, license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends. See "*Risk Factors – Challenges Obtaining Equipment, Materials and Skilled Technical Workers*".

Environmental Protection

Eastport's primary operations are currently located outside of Canada and primarily in Botswana. Botswana is subject to various laws and regulations concerning the environment, including the Environmental Assessment Act of 2011 and Regulations (2012). Eastport is required to submit and adhere to environmental plans lodged in relation to all its licensed mineral properties. The financial and operational effects of environmental protection requirements on capital expenditures and the competitive position of Eastport have not been material to it from the date of its incorporation to the date of this Filing Statement. However, environmental protection requirements may result in additional expenditures and affect the competitive position of Eastport in the future. See "*Risk Factors*".

Employees

As at the end of the financial year ended October 31, 2024, Eastport had five direct employees and three external consultants.

Foreign Operations

Eastport's core assets are located Africa. As such, Eastport is exposed to various levels of political, economic and other risks and uncertainties associated with operating in jurisdictions outside Canada. See "*Risk Factors — Risks of Foreign Operations*".

Bankruptcy and Similar Procedures

There have been no bankruptcy, receivership or similar proceedings against Eastport, or any voluntary bankruptcy, receivership or similar proceedings initiated by Eastport, within the three most recently completed financial years or completed during or proposed for the current financial year.

Business Objectives, Strategy and Milestones

Eastport's business strategy is focused on creating value for stakeholders through its advancement of the Matsitama Property, and, to a lesser extent, the Other Properties, and through the pursuit of similarly attractive mineral development projects in Botswana and elsewhere.

Eastport plans to:

- (a) pursue strategic exploration activities designed to identify and increase the definition of its mineral resources, pursuing technical studies to support starting operations at the Matsitama Property, and consolidate other mineral and mining interests in the district;
- (b) pursue exploration and drill programs at certain identified high priority target areas at the Matsitama Property aimed at expanding and converting the known mineralized areas;
- (c) pursue exploration activities at the Other Properties; and

- (d) pursue project level or corporate transactions that are value accretive to Eastport's stakeholders.

History

Eastport Ventures Inc. was incorporated under the *Business Corporations Act* (Ontario) on June 14, 2017. Eastport is currently engaged in the acquisition, exploration and development of mineral properties in Botswana. The head office and principal address of Eastport is Suite 409, 22 Leader Lane, Toronto, Ontario, M5E 0B2.

Since incorporation, Eastport Ventures Inc., through its wholly owned subsidiaries Eastport Ventures (Botswana) pty Ltd and Current Exploration Solutions pty Ltd, have acquired a total of six mineral projects providing Eastport with exposure to critical metals including copper (Cu), nickel (Ni), uranium (U), rare earth elements (REE) and diamonds.

On February 22, 2022, Eastport completed the acquisition of the shares of Matsitama Minerals Proprietary Ltd., from ZCI Limited, which held the rights to the prospecting licenses to the Matsitama copper project in Matsitama, Botswana. The shares were purchased through Eastport Botswana.

Under the initial terms of the acquisition of Matsitama Minerals, Eastport funded the acquisition by:

- Initial cash consideration of \$381,966 (US \$300,000) plus closing/transaction costs of \$56,093;
- Issuance of a \$1,274,300 (US \$1,000,000) convertible loan at a 10% interest rate, (the “**ZCI Note**”);
- Common shares in the capital stock of Eastport with a fair market value of approximately \$107,820 (US \$75,000) upon becoming a publicly traded company, accrued as a liability;
- Eastport was initially required to be publicly listed by August 30, 2022 but this date was later extended into fiscal 2023 as described below.
- Eastport had previously advanced \$122,451 to Matsitama Minerals; this advance was accounted for as part of the consideration.
- The agreement stipulates that Eastport must undertake minimum exploration activities and minimum annual expenditures to remain in compliance with the Mines and Minerals Act as required for each license. If Eastport breaches this requirement and does not rectify it, the seller is entitled to cancel the agreement and require Eastport to return any shares of Matsitama Minerals received by Eastport.

The acquisition of Matsitama Minerals does not constitute a business combination and has been accounted for as an asset acquisition. Additionally, Eastport agreed to certain contingent considerations that included the following:

- i. Delay in initial public offering fee (grace fee) of US\$20,000 per 30-day period in the 90-day period following August 30, 2022;
- ii. US\$800,000 due 90-days from the completion and filing of a feasibility study with the appropriate regulatory authority;
- iii. Cash payment of US\$1,500,000 on or before 180-days when and if commercial production of minerals commences;
- iv. 0.85% net smelter returns royalty.

In December 2023 the loan matured and on January 3, 2024, Eastport renewed the outstanding principal and included the accrued interest in the principal. As a result, the principal increased by \$71,261 (US\$53,145), bringing the principal amount owing to \$1,492,592 (US\$1,113,145). The loan and accrued interest are now convertible into

common shares of Eastport once it becomes a listed entity, and the conversion price is measured based on the 14-day volume weighted average trading price of the common shares. The following payment terms are required until Eastport becomes a publicly listed entity:

- Loan repayment of \$171,820 (US\$ 125,000) payable in March 2024 (paid);
- Loan repayment of \$171,820 (US\$ 125,000) payable in June 2024 (\$72,169 (US\$50,000) paid on December 18, 2024);
- Prior month arrears interest payable beginning in February 2024; and
- A monthly grace fee of approximately \$27,491 (US\$ 20,000) until Eastport is a listed entity.

In consideration for the amendment, Eastport issued 678,540 units in the capital stock of Eastport to ZCI. Each unit is comprised of one common share and one-half of one A share purchase warrant and one-half of one B share purchase warrant. Each A warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the date that Eastport becomes a publicly listed company or January 3, 2027. Each B warrant entitles the holder to purchase one common share at an exercise price of \$0.30 until the earlier of 12 months from the date that Eastport is listed or January 3, 2027.

As of the date of the Filing Statement, pursuant to the terms of the Addendum, dated June 23, 2025, to the Side Letter - Amending Agreement to the Restated Share Sale Agreement Dated June 12, 2025 between Eastport and ZCI, Eastport's payment obligations to ZCI consist of the following:

	Cash payment obligations	Share payment obligations
Grace fees accrued as of June 30, 2025	\$258,768 (US\$180,000) to be paid in cash after the Exchange Listing	--
Interest accrued as of June 30, 2025	--	\$148,681 (US \$103,423) to be settled in Eastport Shares at the Exchange Listing
Cash fee payable upon the Exchange Listing	\$71,880 (US\$50,000) to be paid in cash at the Exchange Listing	--
Fair market value of shares payable at the Exchange Listing	--	\$107,820 (US\$75,000) to be settled in Eastport Shares at the Exchange Listing
Principal balance outstanding as at June 30, 2025	--	\$1,348,677 (US\$938,145) to be settled in Eastport shares at the Exchange Listing

On June 17, 2022, Eastport issued 1,000,000 warrants to Evrima, a company of which Burns Singh Tennent-Bhoji is the Executive Director and a shareholder, at an exercise price of \$0.10 per share, in consideration for \$100,000 that was advanced to the company on April 7, 2022. Eastport also granted to Evrima 1,500,000 warrants with an exercise price of \$0.30 per share, expiring in five years from the date of grant. Evrima also converted loans in the amounts of \$56,264 and \$500,000 which were advanced to Eastport on April 22, 2021 and September 20, 2021, respectively, into common shares of the company at a price of \$0.30 per share, resulting in the issuance of 1,854,211 shares to Evrima.

On June 28, 2023, Eastport issued a convertible promissory note to Gledhow Investments plc ("**Gledhow**"), whereby Gledhow advanced \$100,000 to Eastport, with an interest rate of 5% expiring December 28, 2023 (the "**Gledhow Note**") and convertible into common shares of Eastport upon Eastport achieving a public listing at a price of \$0.30 per share. On June 21, 2024 the redemption date for the principal and interest of the Gledhow Note was extended to the earlier of i) 60 days following Eastport's admission to a recognized investment exchange, or ii) June 30, 2025. In consideration of the extension of the redemption date, Eastport issued 50,000 share purchase warrants to Gledhow with an expiry date of June 21, 2027 and with an exercise price of \$0.25.

During Eastport's fiscal year ended October 31, 2023, Eastport completed a non-brokered private placement whereby Eastport issued 4,431,179 units at a price of \$0.20 per unit for gross proceeds of \$886,236. Each unit is

comprised of one common share and one-half of one A share purchase warrant and one-half of one B share purchase warrant. Each A warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the date that Eastport becomes a publicly listed company or 36 months from the date of issuance. Each B warrant entitles the holder to purchase one common share at an exercise price of \$0.30 until 36 months from the date of issuance.

On July 5, 2024, Eastport issued a \$75,000 unsecured convertible loan note (the “**Newman Note**”) to a director in exchange for a \$75,000 loan from the director. The loan bears a fixed interest rate of 10% per annum, with interest payable annually in cash or equity at the note holder’s discretion, and unless previously converted or redeemed, the loan note is fully repayable by July 5, 2029, including any accrued interest. The note holder has the right to redeem the loan notes, along with any accrued interest, on the 18-month anniversary of the company’s admission to a recognized stock exchange, and the right to convert the principal amount and any accrued interest into common shares of Eastport at a fixed conversion price of \$0.25 per share. Upon the issuance of each conversion share, the note holder shall also receive a share purchase warrant entitling them to purchase an additional common share at an exercise price of \$0.40 per share, with a five-year expiry period from the date of allotment.

On August 30, 2024 Eastport entered into a binding letter of intent with Bow Lake Capital Corp. (“**Bow Lake**”), an arm’s length party, pursuant to which Bow Lake proposed to acquire all of the issued and outstanding securities of Eastport by way of share exchange or other acceptable means. On November 7, 2024, the transaction with Bow Lake was terminated.

On October 31, 2024, Eastport completed a non-brokered private placement whereby Eastport issued 1,937,026 units at a price of \$0.25 per unit for gross proceeds of \$484,195. Each unit is comprised of one common share and one-half of one A share purchase warrant and one-half of one B share purchase warrant. Each A warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the date that Eastport becomes a publicly listed company. Each B warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until 24 months from the date that Eastport becomes a publicly listed company. On October 31, 2024, Eastport closed the first tranche of the private placement by issuing an aggregate of 1,937,026 units for gross proceeds of \$484,195.

On December 17, 2024, Eastport closed the second tranche of the private placement by issuing an aggregate of 525,000 units.

On December 17, 2024, Eastport completed an additional non-brokered private placement whereby Eastport issued 525,000 units at a price of \$0.25 per unit for gross proceeds of \$131,250. Each unit is comprised of one common share and one-half of one A share purchase warrant and one-half of one B share purchase warrant. Each A warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the date that Eastport becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until 24 months from the Company becomes a publicly listed company.

In February 2025, 950,000 performance warrants were exercised at \$0.02 per share and 250,000 stock options were forfeited.

On March 14, 2025, Eastport issued 6,000,000 performance warrants to directors and a consultant.

Performance warrants will fully vest upon completion of all of the below milestones:

- (i) Completion of concurrent financing for a proposed Qualifying Transaction;
- (ii) Successful completion of the proposed Acquisition resulting in the Company becoming a publicly listed company; and
- (iii) Completion of the recommended work program set out in the technical report.

In addition, the performance warrants shall not vest until all milestones have been satisfied (there shall be no staged/partial vesting conditions attributed to each milestone independent of one another). Each performance

warrant entitles the holder to purchase one common share at an exercise price of \$0.05 until five years from the date of grant.

On March 14, 2025, certain stock option holders signed a voluntary surrendering letter whereby at the time the Company becomes a publicly listed company an aggregate of 14,800,000 stock options shall be cancelled.

On March 31, 2025, 2,915,550 warrants were exercised at \$0.10 per share.

On May 19, 2025, Eastport entered into a shares-for-debt settlement with an arm's length party to settle \$10,000 of debt with 40,000 Eastport Shares.

Narrative Description of the Business

General

Eastport was incorporated for the purpose of exploring and acquiring mineral assets in Africa, specifically, in Botswana. Eastport was incorporated under the OBCA on June 14, 2017. Eastport's head and registered office is located at Suite 409 - 37 King Street East, Toronto, Ontario, M5E 0B2.

The Matsitama Property

On June 7, 2021, Eastport entered into the Matsitama Purchase Agreement. Pursuant to the Matsitama Purchase Agreement, Eastport acquired all of the issued and outstanding stated capital of Matsitama Minerals Proprietary Limited, which held a claim in Botswana, representing a 2,125.8 km² property known as the Matsitama Property (following renewals of the prospecting licences, the project size was subsequently reduced to the current size of 1,883.31 km²). The Matsitama Purchase Agreement was amended multiple times, and on June 22, 2023, the Matsitama Purchase Agreement was amended and restated, whereby the terms of payment of the consideration due and payable to the vendor were amended, as follows: (i) issuance of a USD\$1,060,000 convertible loan note; (ii) payment of USD\$125,000 on or before the date that is 14 business days from the date of signing the amended Matsitama Purchase Agreement; and (iii) payment of USD\$50,000 on or before the expiry of 14 days from the date of a public offering of equity in the issued share capital of Eastport.

Compared to the Other Properties, the Matsitama Property is considered to be at a more advanced stage with regards to mineral exploration. Prospecting, mapping and geochemical surveys followed by diamond core drilling have been conducted on the Matsitama Property. The Foley uranium, Keng nickel sulfide, Selebi-Pikwe nickel sulfide and Semarule critical mineral properties have only had early-stage exploration programs that consisted of geophysical and geochemical surveys. No drilling has been conducted on these properties by Eastport. Therefore, copper mineralization has been confirmed to extend below the subsurface at the Matsitama Property, whereas mineralized systems at the four other projects have only been traced on surface and are yet to be confirmed in the subsurface.

Fieldwork programs, including several phases of soil sampling and drilling, took place on the Matsitama Property in 2021, 2023, and 2024. In total, 308 soil samples were collected every 500m along lines spaced every 500m. In total, 15 historic core samples were collected from archived drill core at the Matsitama camp. Three diamond core drillholes were completed in 2023-2024, totaling 455.85m in the Nakalakwana target and ten diamond core drillholes were completed during 2021 and 2023, totaling 2,174.5m in the Phudulooga target. The Technical Report was commissioned in late 2024 and focused on the Nakalakwana deposit. This project is the only drill-ready project with Nakalakwana and Phudulooga targets open to depth and along-strike. Environmental approvals were received in 2021 and remain valid but require follow-up inspection reports at the end of each drilling phase. Inspections are complete and the project is drill ready.

Staking of the Foley Project

On January 01, 2021, Eastport was granted a three-year prospecting licence by the Ministry of Energy and Water Resources, Department of Mines, Gaborone, Botswana for an area of 834.8 km² in the Foley area of north-central

Botswana. A second contiguous three-year licence, PL020/2021, was granted on April 1, 2022 covering 137.1 km².

Subsequently a two-year renewal of PL113/2020 was granted on May 15, 2024, to commence on July 1, 2024, for a period of two years. The area covers 421.38 km² for energy minerals (uranium). A request to surrender PL020/2021 was made during September 2023 and the Department of Mines decision is pending.

Fieldwork on the Foley project included a surface radiometric spectrometer survey in 2023 over a portion of the project area. Measurements were collected at 50m intervals over 200m line spacings. This reconnaissance survey identified an area of moderate interest. Other work included a compilation of the historic data and reprocessing of airborne geophysical data. The compilation work identified priority targets extending north from the neighbouring Letlhakane prospect. Eastport has awarded a contract to complete an environmental study required prior to any mechanical work. This study is expected to be completed and approved in late 2025.

Staking of the Semarule Project

The Semarule Project comprises three contiguous prospecting licences covering a total area of 249.1 km². Prospecting licence 2480/2023 commenced on April 01, 2023, for an initial period of three years. Prospecting licences 2591/2023 and 2592/2023 both commenced on July 01, 2023, each for an initial period of three years. The licences were issued for metals.

Fieldwork on the Semarule project included rock sample traverses over a large exposed mineralized syenite intrusion. Results are positive for a suite of critical minerals including the light and heavy “magnet” minerals. The available national airborne magnetic layer suggested a larger covered intrusion existing within the project area. A ground radiometric spectrometer survey is currently underway. Occasional small bedrock and boulder exposures within the survey area have confirmed the covered intrusive is syenite and five assays confirm the presence of the critical mineral suite. The survey utilizes a GPS to locate measurement sites on a 50m-by-100m pattern. To date, 2,399 readings were collected within the area of interest. Additionally, Eastport has sponsored a graduate thesis to study the mineral suite. An environmental study, which is required in advance of any mechanical work, was completed and is in the final stages of approval.

Staking of the Jwaneng Project

On January 01, 2017, prospecting licence 360/2017 was granted for three years to EVB. A second prospecting licence, 011/2018, was granted on April 01, 2017, also for three years. Each of the licences was renewed twice.

A request to surrender PL360/2017 was made during November 2023 and the Department of Mines decision is pending. PL011/2018 is active and covers an area of 21.7 km².

Staking of the Keng Project

EVB was awarded a three-year prospecting licence, 114/2020, covering an area of 360.6 km² in the Keng area of south-central Botswana commencing on January 01, 2021. A second contiguous prospecting licence was awarded, PL016/2020, for an initial period of three years covering an area of 984.4 km² commencing on July 1, 2021.

Subsequently a two-year renewal of licence 114/2020 was granted commencing July 1, 2024, for a period of two years covering 169.24 km². A request to surrender PL016/2021 was made during March 2024 and the Department of Mines decision is pending.

Fieldwork on the Keng project included detailed soil geochemistry over a covered folded portion of the target ultramafic/mafic Molopo Farms Complex, which was completed in 2022. Soil samples were collected on 50m stations on 200m lines. The anomalous Ni-Cu target was subsequently covered by a 12km surface electromagnetic survey on four parallel lines and was completed in 2024. Eastport also compiled the historic data and reprocessed the historic airborne geophysical data. The licence was renewed in 2024. Eastport has awarded a contract to complete an environmental study, which is required prior to any mechanical work. This study is

expected to be completed and approved in late 2025.

Staking of the Selebi East Project

The Selebi East Project comprises five contiguous prospecting licences covering a total area of 1,232.63 km². Prospecting licences 001/2021, 002/2021, 003/2021, and 004/2021 commenced on July 01, 2021, for an initial period of three years. Prospecting licence 2183/2022 commenced on October 01, 2022, also for an initial period of three years.

Two-year renewal applications were submitted for prospecting licences 001-004/2021 on March 28, 2024. The total renewal area requested is 1,079.1 km².

Fieldwork on the Selebi East project included 15 individual reconnaissance soil lines where samples were collected every 200m over suspected favourable geology. Anomalous results were reported and detailed grid soil geochemistry was carried out over six areas. Grid samples were collected on a 400m-by-400m pattern using a GPS for location. In total 1,467 samples were collected. Of these, results are available for approximately 1,200. At least three anomalous areas are located. Eastport also compiled the historic data and reprocessed the historic airborne geophysical data. The licences were renewed in 2024. Eastport has awarded a contract to complete an environmental study, which is required prior to any mechanical work. This study is expected to be completed and approved in late 2025.

The Matsitama Property

The following is a summary of information derived, or extracted from, the Technical Report regarding the Matsitama Property. The Matsitama Property is the only property material to Eastport under NI 43-101. The Other Properties (being the Foley, Semarule, Jwaneng, Keng, and Selebi properties) are not material properties to Eastport for the purposes of NI 43-101 due to their early stage, lack of mineral resources and, the relative allocation of the Resulting Issuer's proposed budget and management resources relative to the Matsitama Property and to each of the Other Properties.

The technical information contained in this Filing Statement has been reviewed and approved by Liz de Klerk, Pr.Sci.Nat, FIMMM, QMR (Micon Managing Director); André Bezuidenhout, M.Sc. Eng, Pr.Sci.Nat., FGS; Dr. Ryan Langdon, Ph.D., CGeol, MCSM, FGS; and Dean MacEachern, P.Geo., President of Kima Geological Services Ltd., each of whom is a "Qualified Person" under NI 43-101.

Property Description and Location

Location and Area of the Property

The Matsitama Property or Project is an advanced-stage copper exploration project located in the Tutume Sub District of the Central District of Botswana, southern Africa (Figure 1). The Matsitama Property encompasses a contiguous block of six prospecting licences covering approximately 1,845 km² and near the town of Matsitama, approximately 85 km west of Francistown, the District capital and second-largest city in Botswana, and approximately 410 km northeast of Gaborone, the national capital.

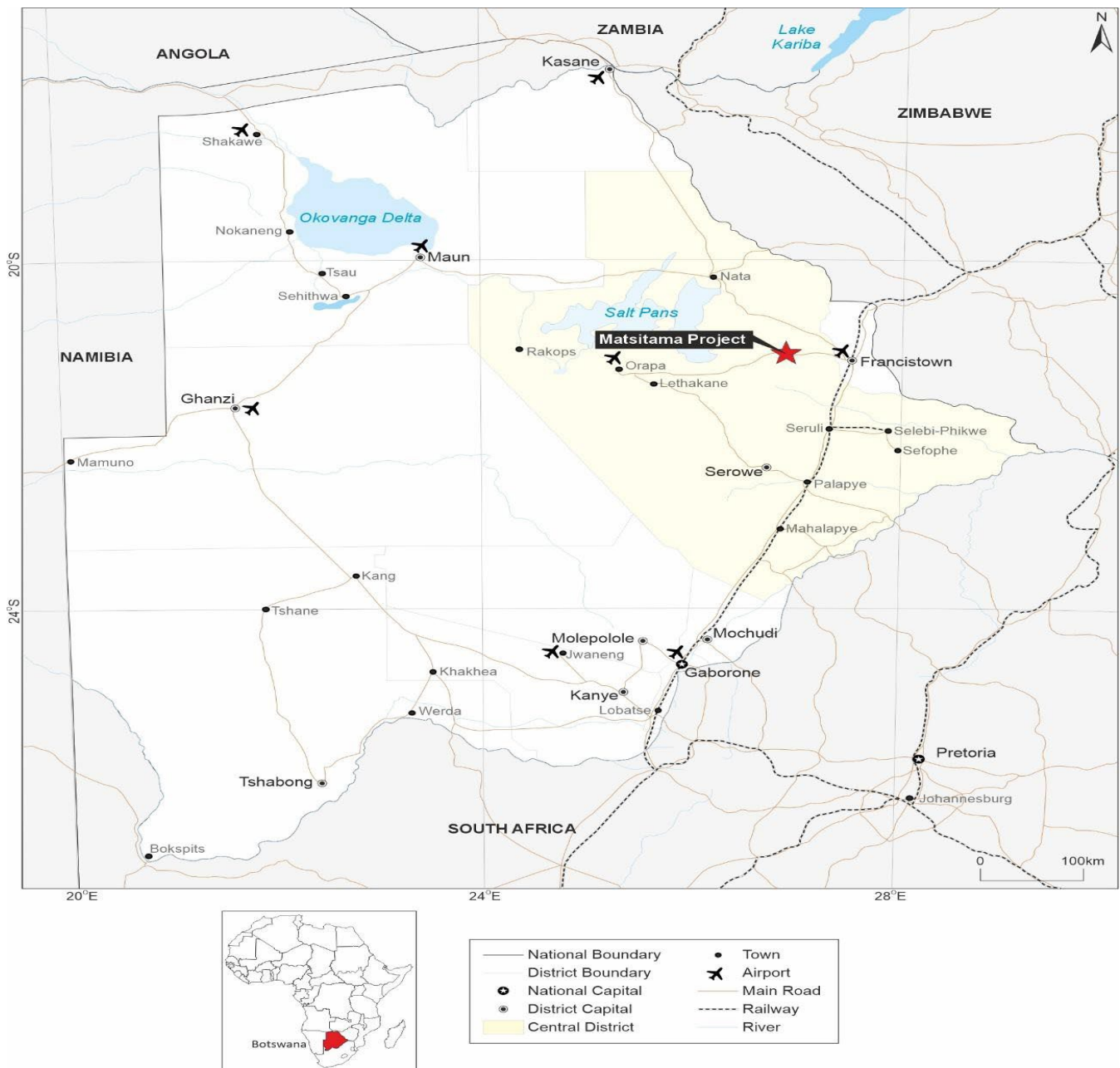
The Matsitama Property utilizes the Cape datum and the Universal Transverse Mercator (UTM) projection, zone 35S, as its coordinate reference system (CRS) (EPSG:22235 Cape / UTM Zone 35S). The Matsitama Property's extent ranges from approximately 456,753 meters Easting (mE) and 7,772,849 meters Northing (mN) at its northernmost point to 501,906 mE and 7,662,239 mN at its southeastern extremity.

Table 1 is a detailed tabulation of the corner coordinates for all six PLs, including both the Geographic Coordinate System (GCS) coordinates (latitude and longitude in degrees, using the WGS 84 datum) as provided by the Ministry and their corresponding converted coordinates in the Universal Transverse Mercator (UTM) projection, zone 35S (Easting and Northing in meters). Figure 2 illustrates the permit boundaries and the points for all six PLs, as well as the total area in km² for each PL.

Furthermore, Figure 2 illustrates the proximity of the Kopano (Mowana) and Thakadu Copper Mines to the Matsitama Property. These historically economic mines, with substantial copper resources, are adjacent to the Matsitama Property and along the same regional copper mineralization trend. The Kopano Mine is reported to have contained >910 kt Cu (Mining Technology, 2008) and the Thakadu Mine a combined >225 kt Cu, consisting of the Thakadu (>59 kt Cu) and the Makala Mine (>167 kt Cu) (Besta, 2018).

The information on the Kopano and Thakadu mines is sourced from publicly available information, as referenced. The QPs and Eastport have been unable to verify this information, which is not necessarily indicative of the mineralization on Eastport's properties and should not be disclosed out of context.

Figure 1: Regional Location of the Matsitama Project in Botswana



Source: Micon (2024)

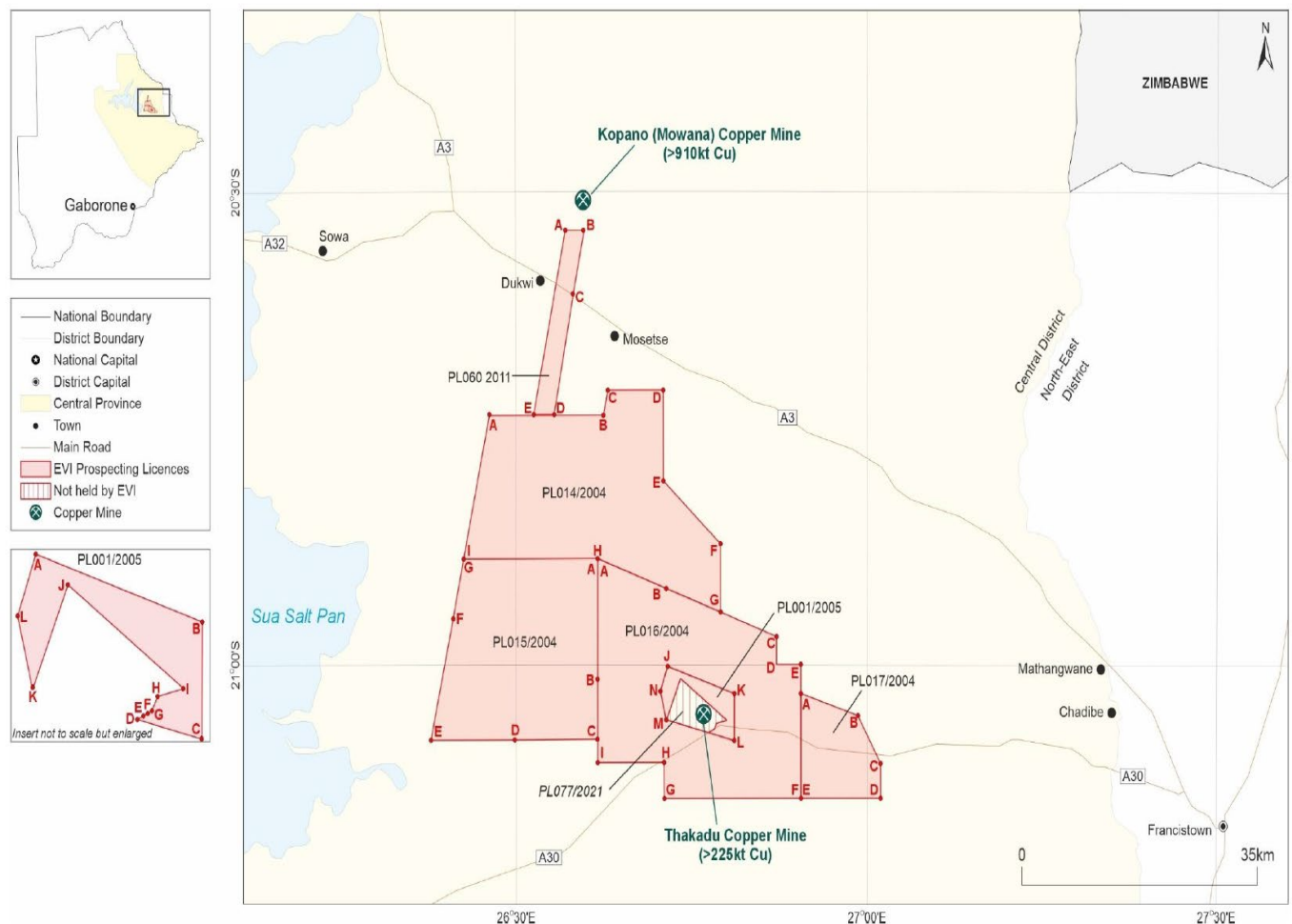
Table 1: Original and Converted Coordinate Points of the Six Prospecting Licences

Point	GCS WGS 84		Cape / UTM 35S	
	Latitude	Longitude	Easting	Northing
PL 014/2004				
A	26.464840	-20.736770	444284	7706892
B	26.626510	-20.736770	461116	7706939
C	26.632940	-20.710310	461779	7709869
D	26.711330	-20.710290	469941	7709888
E	26.711330	-20.806310	469960	7699261
F	26.792386	-20.873144	478405	7691878
G	26.792386	-20.945247	478415	7683898
H	26.618180	-20.888420	460288	7690154
I	26.427890	-20.888420	440496	7690095
PL 015/2004				
A	26.618180	-20.888420	460288	7690154
B	26.617730	-21.016037	460275	7676030
C	26.617730	-21.079400	460292	7669017
D	26.500948	-21.079910	448161	7668927
E	26.380860	-21.079870	435687	7668888
F	26.412823	-20.951568	438955	7683101
G	26.427890	-20.888420	440496	7690095
PL 016/2004				
A	26.618180	-20.888420	460288	7690154
B	26.716300	-20.920450	470500	7686630
C	26.871790	-20.971200	486673	7681034
D	26.871790	-21.000640	486675	7677776
E	26.906240	-21.000655	490256	7677777
F	26.906390	-21.142270	490280	7662104
G	26.712260	-21.142270	470124	7662080
H	26.711800	-21.104270	470068	7666285
I	26.617670	-21.104210	460292	7666271
PL 016/2004 - Exclusion				
J	26.717070	-21.002580	470596	7677541
K	26.811790	-21.031470	480444	7674358
L	26.811510	-21.081190	480421	7668855
M	26.714850	-21.058980	470376	7671298
N	26.706690	-21.028770	469522	7674640

Point	GCS WGS 84		Cape / UTM 35S	
	Latitude	Longitude	Easting	Northing
PL 017/2004				
A	26.906240	-21.031522	490258	7674361
B	26.987296	-21.054872	498680	7671779
C	27.019364	-21.105613	502011	7666164
D	27.019489	-21.142270	502024	7662107
E	26.906390	-21.142270	490280	7662104
PL 001/2005				
A	26.717070	-21.002580	470596	7677541
B	26.811790	-21.031470	480444	7674358
C	26.811510	-21.081190	480421	7668855
D	26.774778	-21.072750	476604	7669784
E	26.778535	-21.071115	476994	7669966
F	26.780653	-21.070178	477214	7670070
G	26.783093	-21.069107	477467	7670189
H	26.786314	-21.063054	477801	7670859
I	26.801066	-21.059666	479333	7671236
J	26.735373	-21.015594	472500	7676104
K	26.715523	-21.059135	470446	7671281
L	26.714850	-21.058980	470376	7671298
M	26.706690	-21.028770	469522	7674640
PL 060/2011				
A	26.573061	-20.540920	455494	7728600
B	26.599685	-20.541451	458270	7728549
C	26.584160	-20.608580	456670	7721116
D	26.556860	-20.735830	453864	7707025
E	26.527760	-20.735830	450834	7707017

Source: Micon (2024) from the Form II – Extension Prospecting License Rights

Figure 2: Mineral Tenure and Local Infrastructure of the Project



Source: Micon (2024)

Mineral Tenure

Botswanan Mining Legislation Overview

Botswana's mining industry operates under the Mines and Minerals Act of 1999 framework, which establishes the government's ownership of all mineral rights. The Minister of Minerals and Energy is empowered to manage the exploration, development, and exploitation of these resources in the public interest. The Minister holds discretionary power in granting licenses, considering the public interest, environmental impact, and local benefits. Environmental assessments are typically mandatory, and local participation is encouraged.

The Act outlines various license types, each serving a specific purpose in the mining lifecycle:

- **Prospecting License:** grants exclusive rights to explore specific minerals within a defined area, typically for three years with renewal options. A single Prospecting License (PL) may have a maximum area of 1,000 km². PLs are initially awarded for three years and can be renewed twice for two years, giving a maximum PL life of seven years. Holders must actively prospect, submit regular reports, and apply for further licenses if discoveries warrant it.
- **Retention License:** allows for preserving a discovered deposit while further exploration and feasibility studies are

conducted. These are generally valid for two years, with possible extensions, and requires ongoing exploration and reporting.

- Mining License: authorizes commercial extraction for the estimated mine life, subject to development in accordance with approved plans, payment of royalties, and responsible mine closure.
- Other licenses include Small-Scale Mining Licenses for smaller operations and Quarrying Licenses for construction materials extraction.

A PL grants exclusive prospecting rights within a defined area and may be issued to a company, local or foreign, demonstrating the technical expertise and financial capacity to execute the proposed exploration program. Foreign companies must have a registered agent (*domicilium citandi et executandi*) in Botswana. Under certain conditions, PLs may also be issued to individuals.

The Director of the Department of Mines administers PLs, receives applications and requires quarterly progress reports on exploration activities. PL holders are subject to an annual rental fee of BWP 5.00/km²/year, with a minimum payment of BWP 1,000.

For the proposed work on the Matsitama Property described in the Technical Report, the PLs are the sole permits required from the Government of Botswana.

A PL holder must conduct the agreed-upon exploration program outlined in the PL document and expend at least the stipulated annual expenditure. Failure to fulfil these obligations may result in rejecting a PL renewal application.

The Project's Mineral Tenure

Once EVI received approval for the purchase of Matsitama Minerals, the Ministry re-issued the PLs as PL Extensions on April 1, 2022, encompassing a total area of 1,844.31 km². The Competition & Consumer Authority (CCA) approved the purchase in November 2021. At the time of purchase, EVI surrendered three licenses located to the south of the current six PLs; these included PL273/2014, PL237/2015 and PL238/2015.

On April 1, 2024, Eastport was granted a second Extension for the six contiguous PLs for a two year term, expiring on March 31, 2026; no PL area was forfeited. EVI anticipates fulfilling the minimum expenditure requirements for exploration and drilling activities stipulated in the PL terms. A summary of the Project's mineral tenure is listed in 2 and illustrated in Figure 2.

Table 2: Mineral Tenure Summary of the Project

PL Number	Commodity	Date of Issue	Date of Expiry	Area (km ²)	Annual Fee (BWP)	Proposed Minimum Expenditure (BWP)	
						Year 1	Year 2
014/2004	Metals	April 1, 2024	March 31, 2026	590.09	2,952.50	500,000	1,000,000
015/2004	Metals	April 1, 2024	March 31, 2026	469.44	2,347.20	150,000	600,000
016/2004	Metals	April 1, 2024	March 31, 2026	573.68	2,868.40	750,000	1,000,000
017/2004	Metals	April 1, 2024	March 31, 2026	115.11	1,000.00	1,000,000	1,000,000
001/2005	Metals	April 1, 2024	March 31, 2026	34.17	1,000.00	300,000	500,000
060/2011	Metals	April 1, 2024	March 31, 2026	61.82	309.10	550,000	1,000,000
Total				1,844.31	10,477.20	3,250,000	5,100,000

Source: Micon (2024) from the Form II – Extension Prospecting License Rights

Surface Rights and Legal Access

Eastport does not possess surface rights within the PLs, as these rights are not automatically conferred by a PL in Botswana. The Project lies within communal tribal lands administered by the Ngwato Land Board through the

Marapong Sub-Land Board. The Central District Council, through the Tutume Sub-District headquartered in Tutume village, oversees local governance in the area. The traditional Tswana settlement pattern, comprising homes, agricultural lands, and cattle posts, is prevalent in the Matsitama area.

The Mines and Minerals Act of 1999 stipulates that while a PL does not automatically confer surface rights, permission for access to conduct exploration activities "cannot be unreasonably refused" by the legal surface rights owners (Section 50: Right of Entry and Inspection). Eastport actively engages in ongoing discussions and negotiations with relevant surface rights holders to secure access agreements. The company is committed to establishing mutually beneficial arrangements that respect the rights and interests of all parties involved.

As per Item 4(d) of Form 43-101F1, the requirement to obtain surface access permissions could potentially impact the Project's development timeline and cost. Delays in securing agreements or disputes with surface rights holders could materially affect the Project's progress. Eastport is committed to transparent and constructive engagement with all stakeholders to mitigate these risks and ensure the Project's advancement in a socially responsible manner.

Mining Rights

A PL in Botswana, while granting exclusive prospecting rights, does not confer the right to mine or extract minerals for commercial purposes. Any minerals recovered during prospecting activities, even if in bulk for testing purposes, remain the property of the State and cannot be sold or otherwise disposed of without explicit authorization from the Ministry.

However, upon demonstrating the economic viability of a mineral deposit through a positive feasibility study, the holder of a PL is entitled to apply for a Mining License. This license would authorize the extraction and sale of minerals within the defined area, subject to the terms and conditions stipulated in the license itself and the overarching provisions of the Mines and Minerals Act of 1999.

Water Rights

Water rights in Botswana are primarily governed by the Water Act of 1967. This legislation defines the ownership and control of water resources within the country and establishes the framework for granting water rights and servitudes.

The Act declares that there is no private ownership of public water. The state regulates the control and use of water. The Water Apportionment Board (WAB), established under the Act, grants water rights to individuals, communities, and businesses. The Act provides for various types of water rights, including:

- Water Right: The right to divert, dam, store, abstract, use, or discharge effluent into public water.
- Servitude: The right to convey water over another person's land.
- Existing Right: A right to abstract and use public water before the Act's commencement.

The WAB is responsible for evaluating applications for water rights. Their assessment considers water availability, intended use, and potential environmental and social impacts. It is important to note that granting water rights depends on adherence to environmental impact assessments (EIA) and other pertinent environmental regulations. Furthermore, the Water Act prohibits the unauthorized use of public water, except for limited purposes like domestic consumption and firefighting.

Royalties

No royalties apply to PLs in Botswana. Royalties are primarily associated with Mining Licenses, granting the right to extract and sell minerals commercially.

Material Contracts

Consistent with the Sales & Purchase Agreement entered with the Project (2020 - 2022), upon completing a successful go-public transaction, ZCI Limited shall convert approximately US\$988,145 of Convertible Loan Notes (CLN) into ordinary shares of EVI.

The CLN allows the vendor to convert the sum outstanding into ordinary shares of EVI at the 14-day Volume Weighted Average Price preceding the notice to convert. All CLN shares shall be subject to customary restrictions and voting irrevocable.

Micon knows of no other material contracts.

Environmental Liabilities and Permitting

Despite their preliminary nature, exploration activities under a PL in Botswana can potentially lead to environmental liabilities. These may include disturbance of land and vegetation, impacts on water resources, waste generation and management challenges, dust and air emissions, noise pollution, and potential effects on heritage and cultural sites.

The Environmental Assessment Act of 2011 and Regulations (2012) require environmental and archaeological impact studies to be undertaken prior to initiating prospecting works for a proposed development of this nature.

On February 1, 2021, Kalisa Consultancy Services & Engineering (Pty) Ltd completed an Environmental Management Plan (EMP) for Matsitama Minerals to conduct prospecting activities, including drilling. The EMP was updated on October 12, 2023 for drilling and is valid for two years.

Political Risk

Botswana can be considered a low-risk, stable environment for mining investment. Botswana enjoys a reputation as one of Africa's most politically stable and investor-friendly nations, particularly in the mining sector. The country boasts a long history of democratic governance, respect for the rule of law, and transparent regulatory frameworks, creating a conducive environment for mineral exploration and development.

Botswana boasts a longstanding multi-party democracy since gaining independence in 1966, characterized by regular and peaceful elections, fostering a stable political environment. This stability is complemented by a well-established legal system that robustly upholds property rights and contract enforcement, instilling confidence in investors.

Moreover, Botswana's mining legislation is recognized for its clarity and transparency, providing a predictable regulatory framework. The government further demonstrates its commitment to the mining sector by actively encouraging foreign investment through attractive fiscal incentives and streamlined permitting processes.

The Fraser Institute's Annual Survey of Mining Companies 2023 ranked Botswana as the most attractive jurisdiction in Africa for mining investment and 15th globally out of 86 jurisdictions. In addition, Botswana ranked first in Africa and fourth globally for the Policy Perception Index. This ranking underscores Botswana's strong policy perception and mineral potential (Mejia & Aliakbari, 2023).

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The capital city of Gaborone, with a population of approximately ~246,000, is served by the well-established Sir Seretse Khama International Airport (IATA: GBE), which offers numerous daily international and domestic flights. Direct flights connect Gaborone to Francistown, home to the Phillip Gaonwe Matante International Airport (Francistown International Airport, IATA: FRW). Francistown is the second largest city in Botswana with a population of ~103,000 and is the nearest major urban centre, approximately 85 km east of the Property (Statistics Botswana, 2022).

The Matsitama Property is accessible from Francistown via the tarred and well-maintained A30 national road for around 75 km, with an approximate travel time of one hour (Figure 3). The southern part of the Matsitama Property, near the village of Matsitama, can be reached via the A30 and a network of gravel roads and local access routes branching from it.

The northern part of the Matsitama Property is primarily accessed via a gravel road that bisects the area. This road connects the A3 highway at a point between the villages of Mosetse and Dukwi to the Kopano Mine, situated approximately 2.5 km north of the Matsitama Property's northernmost boundary. The A3 national road and a network of gravel roads facilitate additional access to the northern section and the entire property.

Climate, Physiography and Drainage

The Central District of Botswana experiences a semi-arid climate characterized by hot summers and warm to cool winters. From October to March, average temperatures experiences are around 26°C during the summer months, with daytime highs frequently exceeding 30°C. From April to September, winter brings milder temperatures, typically between 10°C and 20°C. However, night time temperatures can dip significantly, occasionally reaching near freezing with frosty conditions in elevated areas.

The region receives an average annual rainfall between 400 mm to 500 mm, approximately. Most precipitation occurs during the summer months, often in intense thunderstorms. A pronounced dry season prevails from April to October. During this period, the landscape becomes parched, and occasional dust storms, originating from the Kalahari Desert to the southwest, can affect visibility and air quality.

The Project area lies within the Matsitama Schist Belt (MSB), a prominent geological feature characterized by undulating hills and valleys interspersed with flat plains. The topography is generally moderate, with elevations ranging from between 700 to 1,400 meters above sea level (masl) (Figure 3). The Matsitama Property is flat with little rock exposure except in the northwest of the Matsitama Property (PL060/2011), where the north-trending Bushman Fault has a string of prominent granite hills. The Matsitama Property is almost entirely covered by the recent Kalahari Sands (Figure 4).

The landscape is predominantly characterized by savanna grasslands interspersed with acacia trees and diverse shrub species. However, localized areas exhibit modifications due to agricultural practices, notably overgrazing, which has led to bush encroachment. Additionally, some portions have been cleared for cultivation, primarily for maize and sorghum crops.

The Sua Salt Pan, situated west of the Property, is a significant landmark (Figure 3). This seasonal wetland experiences water-level fluctuations, attracting wildlife during the rainy season and transforming into a salt pan during the dry months.

The Project area is characterized by a poorly developed drainage network, primarily due to the low and erratic rainfall and the relatively flat terrain. The Matsitama Property is truncated by the east-to-west flowing Mosetse (north), Lepashe (centre) and Matsitama (south) Rivers that drain into the Sua Pan of the Makgadikgadi saline lake evaporite basin (Figure 3). The Sua Pan is a local drainage basin, collecting run-off during the rainy season, though it typically dries up during the dry season, leaving a salt-encrusted surface. A portion of the rainfall infiltrates the subsurface, contributing to groundwater recharge. However, the recharge rates are generally low due to the arid climate and sandy soils.

These climatic conditions allow for exploration and mining activities to occur year-round. However, the limited and seasonal rainfall and the potential for droughts may pose challenges in securing adequate water for drilling and other exploration activities, necessitating careful water management strategies and tapping into deeper groundwater sources by using boreholes and pumps. During the summer, the heavy rain and thunderstorms may temporarily render some areas inaccessible due to flooding, poor road conditions, and lightning risk, potentially causing delays in exploration activities.

Local Resources and Infrastructure

Sources of Power

The Botswana Power Corporation provides electricity to the Matsitama area, with a Botswana Power Corporation substation nearby. Existing power lines near the Project area facilitate potential connection to the national grid, ensuring a reliable power supply for future mining operations.

The Matsitama Property currently uses renewable solar power as the region's abundant sunlight offers opportunities to harness solar energy as a supplementary or alternative renewable power source.

Water

The Water Utilities Corporation provides potable water services to the Matsitama area. The camp consists of around five personnel, and drinking water is brought into the camp in 25 L plastic bottles.

The Project uses a 1,000 L water bowser for water supply at the drilling site. The water is sourced from local boreholes through access and payment agreements.

Local Infrastructure and Mining Personnel

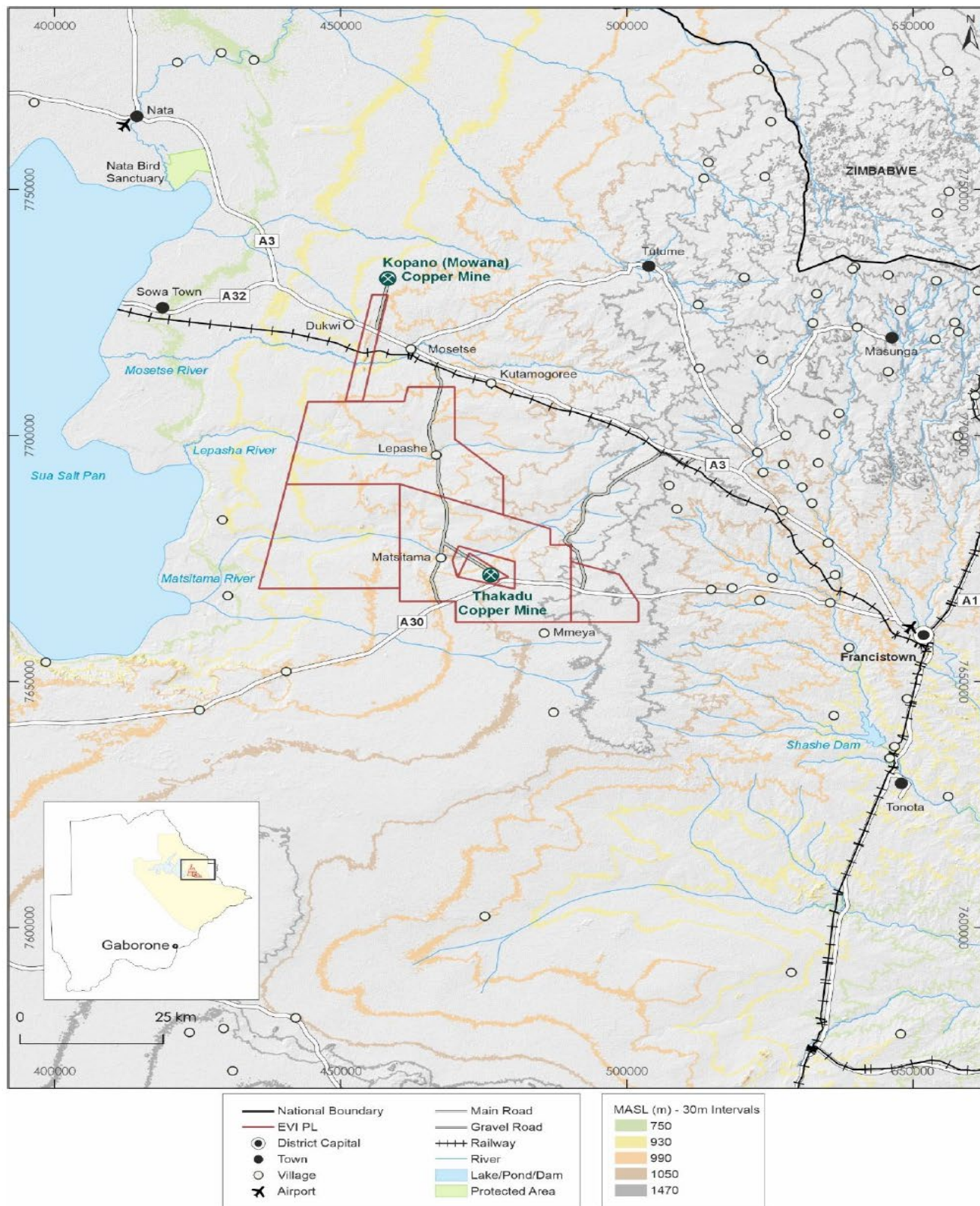
Francistown and the nearby towns of Matsitama, Dukwi, and Mosetse offer potential access to skilled and unskilled labor and local goods and services to support the Project. The existence of established mining operations like the Kopano and Thakadu Copper Mines in the region further suggests the availability of local mining expertise and support services.

The primary telecommunications infrastructure in the area is provided by cellular network communication service providers such as Mascom, beMobile, and Orange, as well as the Botswana Telecommunications Corporation. Mobile network coverage is available in some parts of the Project area.

Property Infrastructure

The Matsitama Property features a 42-person tent camp facility, trailer office space, and a well-organized core storage and core yard (Figure 4). Essential supplies, including fuel and water, are readily available to support both the camp and ongoing exploration activities.

Figure 3: Regional Accessibility, Physiography, Drainage, Infrastructure and Local Resources



Source: Micon (2024)

Figure 4: Photographs of the General Terrain and Kalahari Sand Cover, Camp Facility and Core Yard

The Property is characterized by flat terrain and is almost entirely covered by Kalahari Sands



The Property features a well-maintained 42-person trailer camp facility with office space



Adjacent to the camp is a well-organized core storage/processing area (core yard)



Source: Eastport (2024)

History

Introduction, Historical Work Completed and Results

The Matsitama area in northeastern Botswana, situated within the Neoproterozoic Matsitama Greenstone Belt of the Zimbabwe Craton, boasts a rich history of copper mining spanning over a millennium. The geological characteristics of this greenstone belt, particularly the presence of the Matsitama Metasedimentary Group, Thakadu Shear Zone and the Bushman Shear Zone, have fostered the occurrence of copper mineralization, attracting mining activities since prehistoric times (van Waarden, 2014).

Within the greater Project area, the earliest exploration evidence suggests the exploitation of oxide copper deposits through open-cut mining, potentially dating back approximately 400 years based on radiocarbon dating of charcoal. Ancient workings throughout the Schist Belt indicate extensive historical mining activity across nearly all known mineral occurrences.

The first modern exploration in the area commenced at the turn of the 20th century, led by the Bechuanaland Exploration Company (BEC), which secured various concessions along the Bushman lineament in 1902 (Figure 5). Subsequently, the Bechuanaland Copper Company and tributaries operated the Malakojwe and Mapanipani mines at the Bushman deposit between 1909 and 1918.

A detailed account of the historical ownership and exploration activities conducted in the area before 1995 was compiled by Water Surveys Botswana (Pty) Ltd (WSB); this work was commissioned by MPH Consulting Botswana (Pty) Limited (Water Surveys Botswana, 1995). More recently, Bottrill (1998) provides a comprehensive summary of historical exploration activities conducted by Prospect/Grid and Exploration Company across the entire MSB. Jones (2006) also offers a valuable compilation of prospects, summarizing the exploration efforts focused on all Nakalakwana grids.

Figure 5 provides a visual representation of these copper mines and targets across the Property and the greater Matsitama and Bushman Area (as referred to in historical reports). The Bushman Area is north of the A3 highway, extending to the Kopano Mine. The Matsitama Area is the area south of the A3 highway, extending to the southern boundary of the Property. Micon has generated highly anomalous copper in soil contours (>100 ppm Cu) from the historical data to highlight the potential copper mineralization of these areas and assist in demonstrating why the targets have been delineated.

Table 3 presents a chronological overview of the exploration efforts undertaken during different periods, referencing Figure 5 to provide spatial context for the discussed areas.

The number of geochemical soil samples collected by the different owners that are reflected in Eastport's database is presented in Table 4 and illustrated in Figure 6. Although the highly anomalous copper in the soil is plotted in Figure 5, a more detailed analysis of the results and anomalies is presented in Figure 7. The results are encouraging, with extensive "highly" and "very" anomalous trends aligning with the known copper mineralization areas.

Note, a report by The MSA Group (Pty) Ltd (MSA) (Siwela, 2011) illustrates the location of the soil samples collected by Ambase. However, the current Eastport database does not contain these samples and cannot be plotted for reference.

Eastport has the raw data for the 1996 QUESTEM Surveys by Mortbury Ltd and the 1998 SPECTREM Air completed by Anglo American Prospecting Services. Figure 8 presents a selection of geophysical plots from the SPECTREM survey, which covered a larger area of the Property compared to the QUESTEM survey.

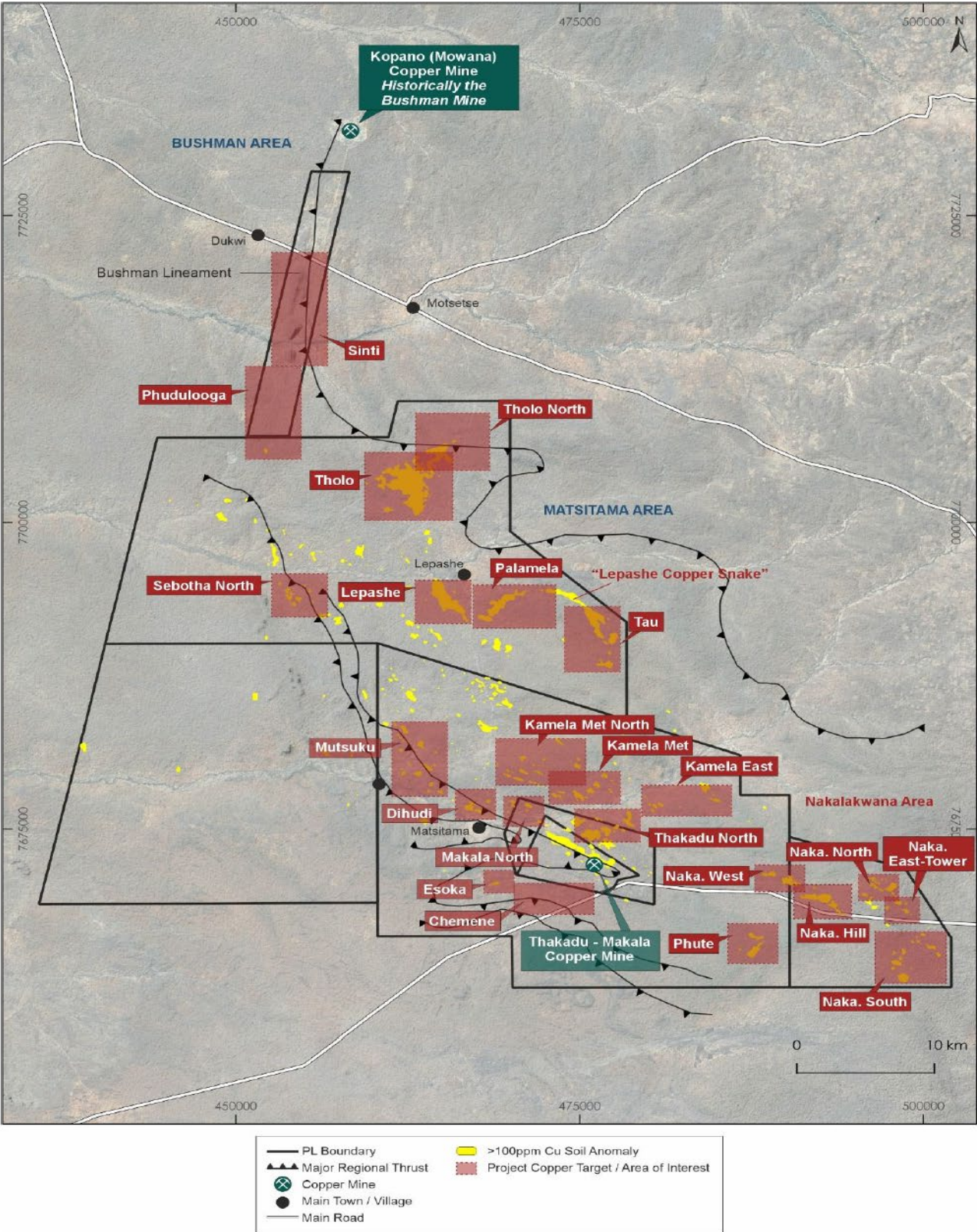
The SPECTREM data effectively delineate the fold and fault patterns within the MSB. Strong conductors are observed along the belt margins, contrasting with the predominantly moderate to weak conductors within the metasediments and metavolcanics. The granite-gneiss basement generally exhibits resistive characteristics, although the transitional zone with the metasediments and metavolcanics shows several strong to moderate conductors. Based on anomalous resistivity/radiometric signatures, Cowan (2021) identified three prospective

target areas. Target 1 is directly south of the Thakadu-Makala deposits, and Targets 2 and 3 are along the trend of Kamela to Nakalakwana.

Eastport has access to the historical ground geophysical (TITAN) surveys. Zang Geophysical Consulting (2010) completed an interpretation of the geophysical and geochemical data and derived the following observations:

- Most moderate strength SPECTREM EM anomalies are caused by conductive material in thrust faults.
- As mentioned by many other authors, the MSB is characterized by many weak linear conductors most of which are the result of energization of graphitic or structural causative bodies and thus of low exploration potential.
- The cause of the main soil copper anomalies located along the thrust faults may be due to a buried magmatic source, such as an IOCG, which has infiltrated the faults.
- The regional gravity shows that the MSB is surrounded by low density granite/granite gneiss bodies.
- The correlation of multi-element soil geochemical anomalies with localized gravity anomalies, which might be due to hematite alteration, should be the primary follow up targets.

Figure 5: Overview of the Copper Mines and Prospects in the MSB



Source: Micon (2024)

Table 3: Ownership and Exploration History of the Greater Project Area

Ownership Period	Company/Person	Activity
	Ancient Workings	Exploited the oxide copper deposits with open-cuts to depths of 40 m, approximately 400 years ago.
1903 - 1909	Bechuanaland Exploration Company (BEC) (operating under license to the British South Africa Company)	Held the PLs 1903 - 1909 Regional exploration discovered Bushman prospect.
1909 - 1913	Bechuanaland Copper Company	Established first underground workings at Bushman, Mining ceased at the outbreak of World War I.
1931	Bechuanaland Protectorate Geological Survey	Reconnaissance geological mapping
1951, 1953 - 1954	Bechuanaland Protectorate Geological Survey	Geophysical survey and diamond drilling at the Bushman Mine. Investigation of the copper mineralization at the Bushman Mine.
1960 - 1968	Rhodesian Selection Trust (RST) Exploration Limited & Bamangwato Concession Limited (BCL)	Held the PLs 1960 - 1968 First modern exploration work on the Project area. ~16,000 km airborne magnetic and radiometric survey. First regional and detailed exploration of the schist belt. Mapped all ancient working sites. Mapping, soil sampling and trenching. Completed the first drilling campaign on the Property, comprised of wagon, Halco and DDH drilling. Constructed shafts at Thakadu and Makala. Work suspended in 1968 following discovery of Selibe Phikwe.
1966 - 1968	Department of Geological Survey	J,D, Bennett produced the first geological map of the Matsitama Schist Belt.
1970	Department of Geological Survey	Barringer horizontal and vertical loop EM survey of Matsitama and Bushman area with follow up Halco drilling,
1972 - 1976	Bamangwato Concession Limited (BCL)	Held the PLs 1972 - 1976 Reanalysed all RST soil geochemistry and established follow up detailed grids with drilling. Established copper reserves at Thakadu and Makala but did not work underground. Mapping, soil sampling and ground-based IP surveys. Wagon, Halco and diamond drilling. Concession expired in 1976 and was not renewed due to poor copper prices.
1974 - 1975	BGA Lund and Partners	Held PL 10/74 for precious stones but exploration included soil sampling of the Bushman Linear Zone South (Tsarutsaru area).
1976 - 1981	Falconbridge Exploration	Took over concession for Thakadu and Bushman Re-evaluated the work carried out by BCL (relogging core) and calculated the ore reserves. Limited pitting and trenching, geophysics including seismics, drilling mostly at the Bushman Area and Mine (not on the Property). Metallurgical testwork at Thakadu-Makala.
1979 - 1983	Metal Mining Agency of Japan (MMA)	Held the PLs 1979 - 1983 Geological mapping, soil sampling (very coarse sample interval), airborne and ground geophysics, DDH drilling (vertical holes) (Not on Property). Investigated five target areas within the Matsitama Schist Belt. Two were new sites, not investigated by previous workers, including one chrome deposit.
1987	Gold Fields Ltd	Regional reconnaissance program and relogged and resampled historical BCL drill holes. Emphasis was placed on Nakalakwana Hill. Completed a 50 m by 50 m soil geochemistry, whole rock geochemistry, ground magnetics and IP survey.

Ownership Period	Company/Person	Activity
1993 - 1997	Messina Copper Botswana / Mortbury Limited	Messina Copper Botswana, a subsidiary of Messina Investments Limited (Minvest) of South Africa acquired the Bushman property in 1993 In January 1996 , following a review which began in 1995, Mortbury Limited acquired the Bushman property by purchasing Messina Copper Botswana, and applied for and received the Matsitama Project prospecting licenses . Executed a program of historical data compilation (Water Surveys Botswana, 1995) Airborne geophysical survey (EM and magnetics) was undertaken by Aerodata-World Geoscience on behalf of Mortbury in August, 1996 (QUESTEM Surveys), covered the central area of the Property
1997	Geological Survey of Botswana	Compiled and drawn detailed geological maps over the Moseitse and Matsitama areas. The maps are a compilation of mapping data completed by Bennet (1968 – 1970) who mapped the area for the GSB, whose map incorporates much of the same information and ideas of the BCL geologists. The maps include a detailed description of the various geological Groups and Formations within the area.
1998	Mortbury Limited / Anglo American Prospecting Services	In 1998, Mortbury signed a joint venture agreement with Anglo American Prospecting Services (Proprietary) Limited regarding the exploration and development of the Matsitama Project. A SPECTREM time domain airborne electromagnetic (EM), magnetic, and radiometric survey was flown by SPECTREM Air in September-October 1998. The survey covered a large portion of the Property.
1999 - 2001	Ambase	Mapping, geochemistry, geophysics and drilling across the Property. Focus was on the Nakalakwana area.
2004 - 2018	Matsitama Minerals (Pty) Ltd / African Copper Plc (ACE)	Matsitama Minerals (Pty) Ltd owned by African Copper Plc (2004 - 2015) and then Leboam Holdings (2015 - 2018) were the PL owners from 2004 – 2018. Completed extensive soil geochemistry grids, mainly across areas not historically covered by BCL. Collected and analysed 382 pit samples at the Sinti Target. In 2006, Quantec Geoscience Africa completed Titan ground surveys totalling 46.3 km on the Nakalakwana Titan grid. In 2007, completed a drill hole twinning program to validate the BCL drilling at the Nakalakwana Hill area. The drill holes drilled included NH07-001 to NH07-005. It was concluded that the significant copper intersections were comparable. 3,000 soil samples were collected in Nakalakwana on a 400 m x 50 m spacing Subsequent drilling focussed on the Titan IPDC targets, with the drilling of NH07-006 to NH07-012. A full review and interpretation of the data was completed in 2008, and approximately 181 targets, including 66 priority targets in 24 areas of interest were identified across the Project. In 2011, Matsitama Minerals commissioned a consultancy, The MSA Group (Pty) Ltd, to assess the potential of the greater Nakalakwana area (Siwela, 2011); the assessment included an internal non-compliant Mineral Resource Estimate (MRE) for the Nakalakwana Hill deposit. In October 2011, SRK Consulting South Africa Pty Limited (“SRK”) was approached to review and audit the MSA 2011 MRE. SRK declared a maiden SAMREC-compliant MRE for the Nakalakwana Hill deposit. In May 2013, SRK prepared an update on the Nakalakwana Hill MRE. SRK declared an updated SAMREC-compliant MRE for Nakalakwana Hill.
2018 - Current	Eastport Ventures Incorporated	EVI acquired Matsitama Minerals and the PLs were re-issued as an extension to EVI.

Source: Micon (2024), a compilation of information from Bottrill (1998), Jones (2006) and Water Surveys Botswana (1995)

Table 4: Summary of Soil Geochemistry Samples per Historical Owner

Period	Company/Person	Total Soil Samples	Total Cu Assays
1960 - 1976	Bamangwato Concession Limited	94,029	92,421
2004 - 2018	Matsitama Minerals (Pty) Ltd / African Copper Plc	15,418	15,417
Total		109,447	107,838

Source: Micon (2024), data from the EVI database

Figure 6: Historical Soil Geochemistry Sample Locations per Owner

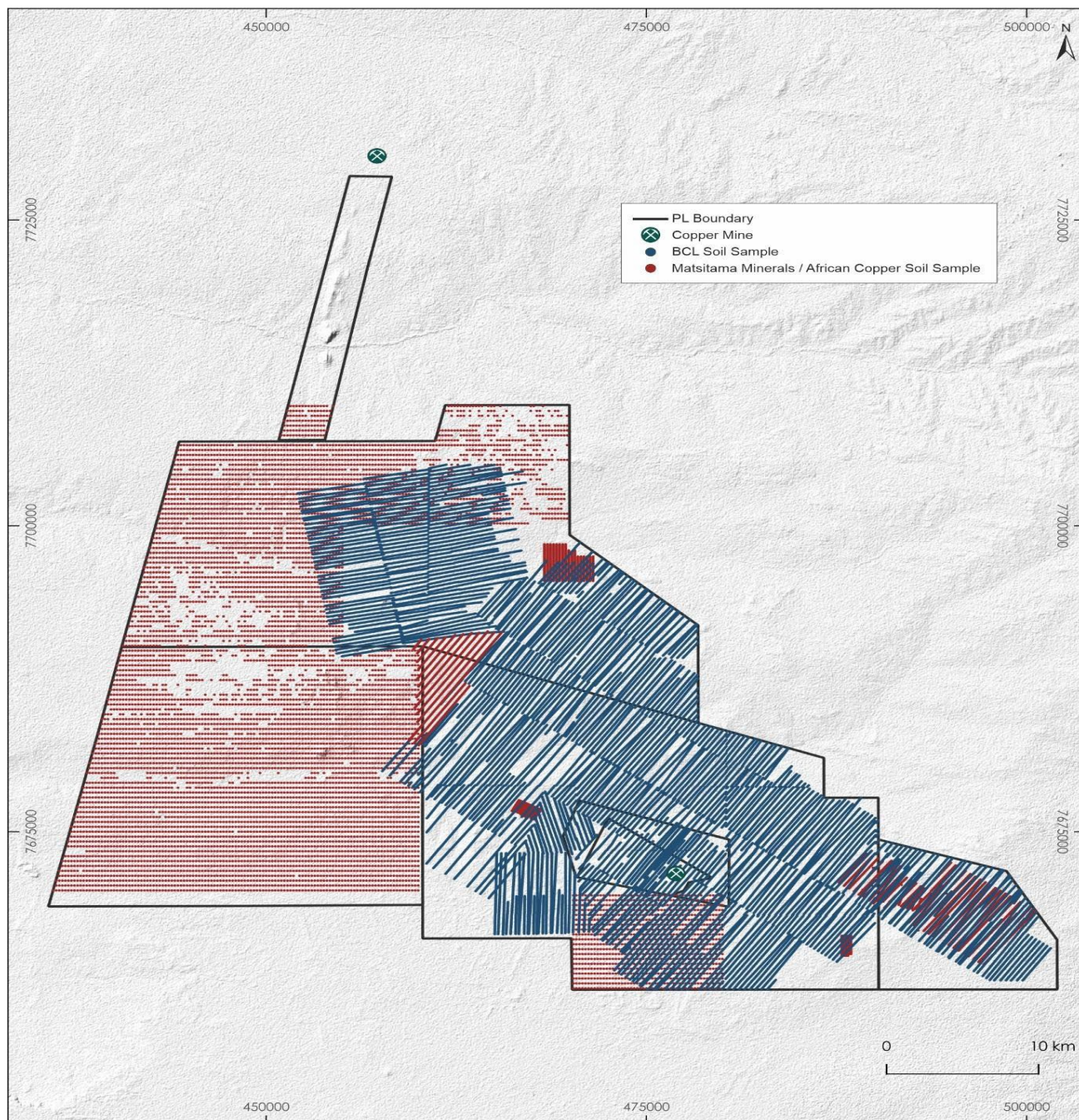
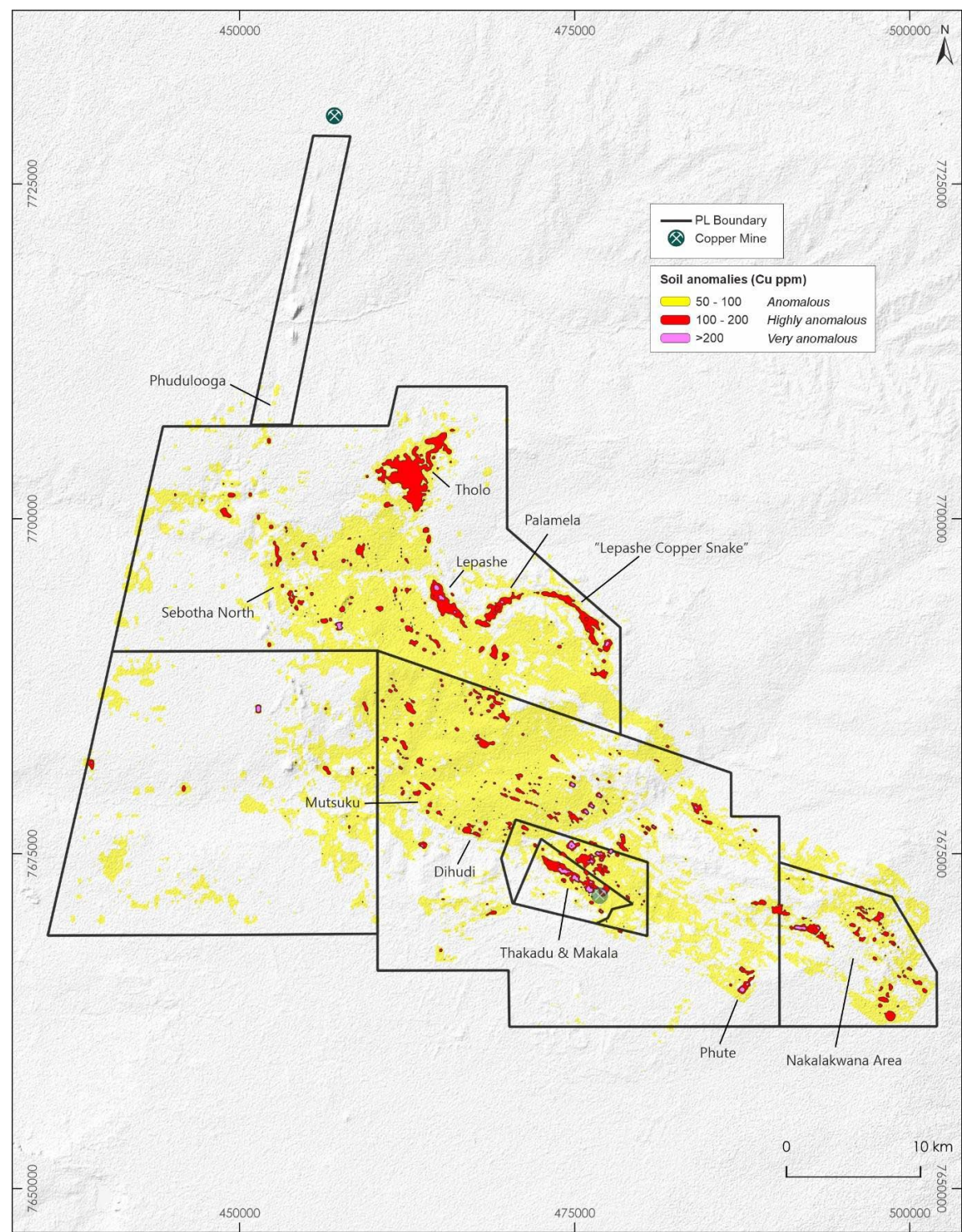
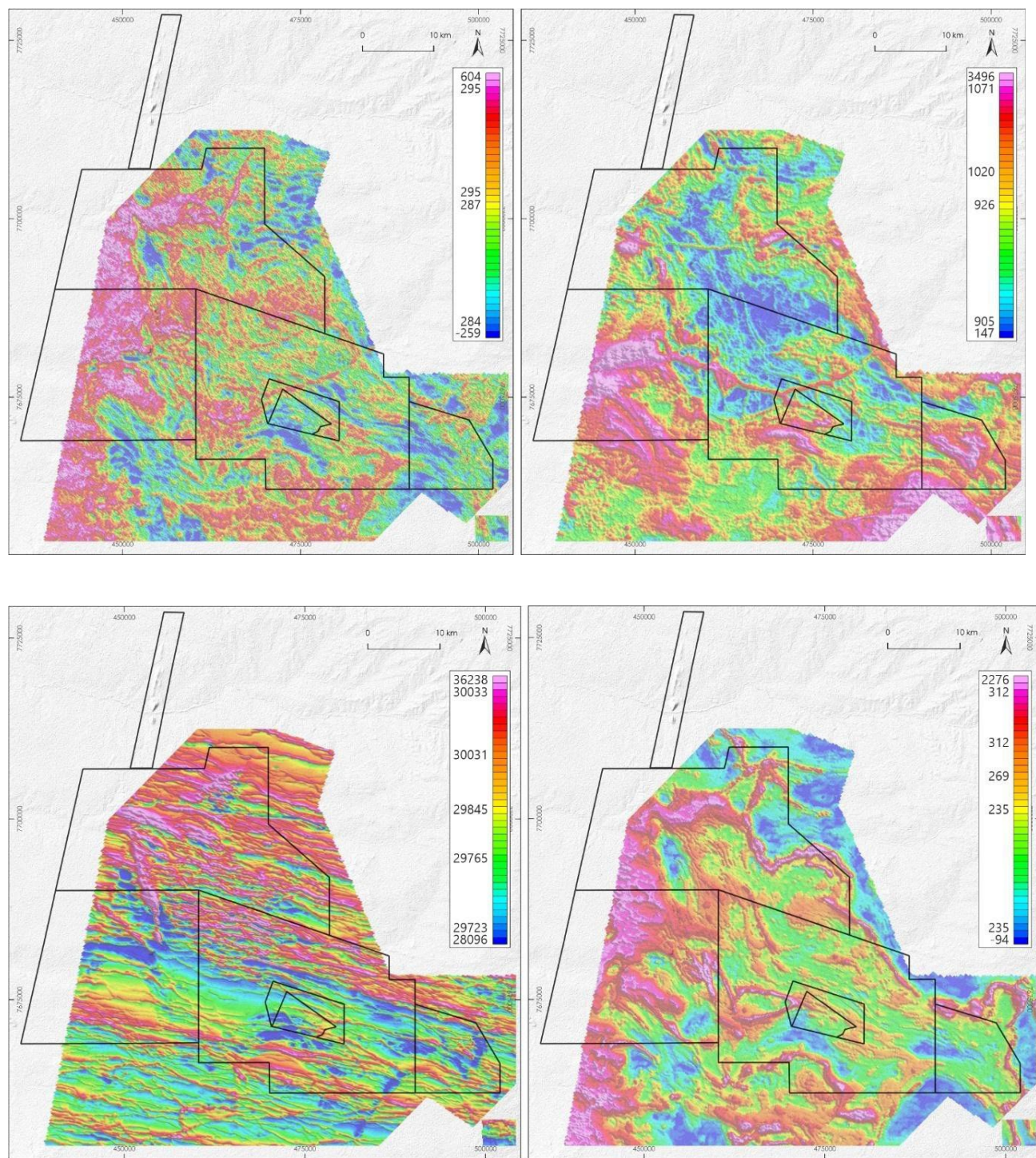


Figure 7: Historical Soil Geochemistry Results and Interpretation



Source: Micon (2024), data from the Eastport database, Micon QP's interpretation

Figure 8: Selected Geophysical Plots from the 1998 Regional SPECTREM Geophysical Surveys



Source: Micon (2024), data from the Eastport database, Micon QP's interpretation

Geological Setting and Mineralization

The Geology of Botswana

The tectonic setting and geology of Botswana are synthesized from multiple sources, including de Wit & Ashwal (1997), Key et al. (1998), Schluter (2006), and Chisenga et al. (2020).

The geology of Botswana is shaped by two ancient Archaean cratons: the Kaapvaal Craton to the south and the Zimbabwe Craton to the north, Figure 9. These cratons formed between 3.5 and 2.6 billion years ago and are stable blocks of continental crust primarily composed of granitoid and greenstone terranes. Separating the cratons is the Limpopo Belt, a high-grade metamorphic terrane that formed during the Limpopo Orogeny around 2.0 Ga due to the collision of these cratons. This orogeny caused intense crustal deformation and metamorphism, producing granulite-facies rocks and significant regional structural features.

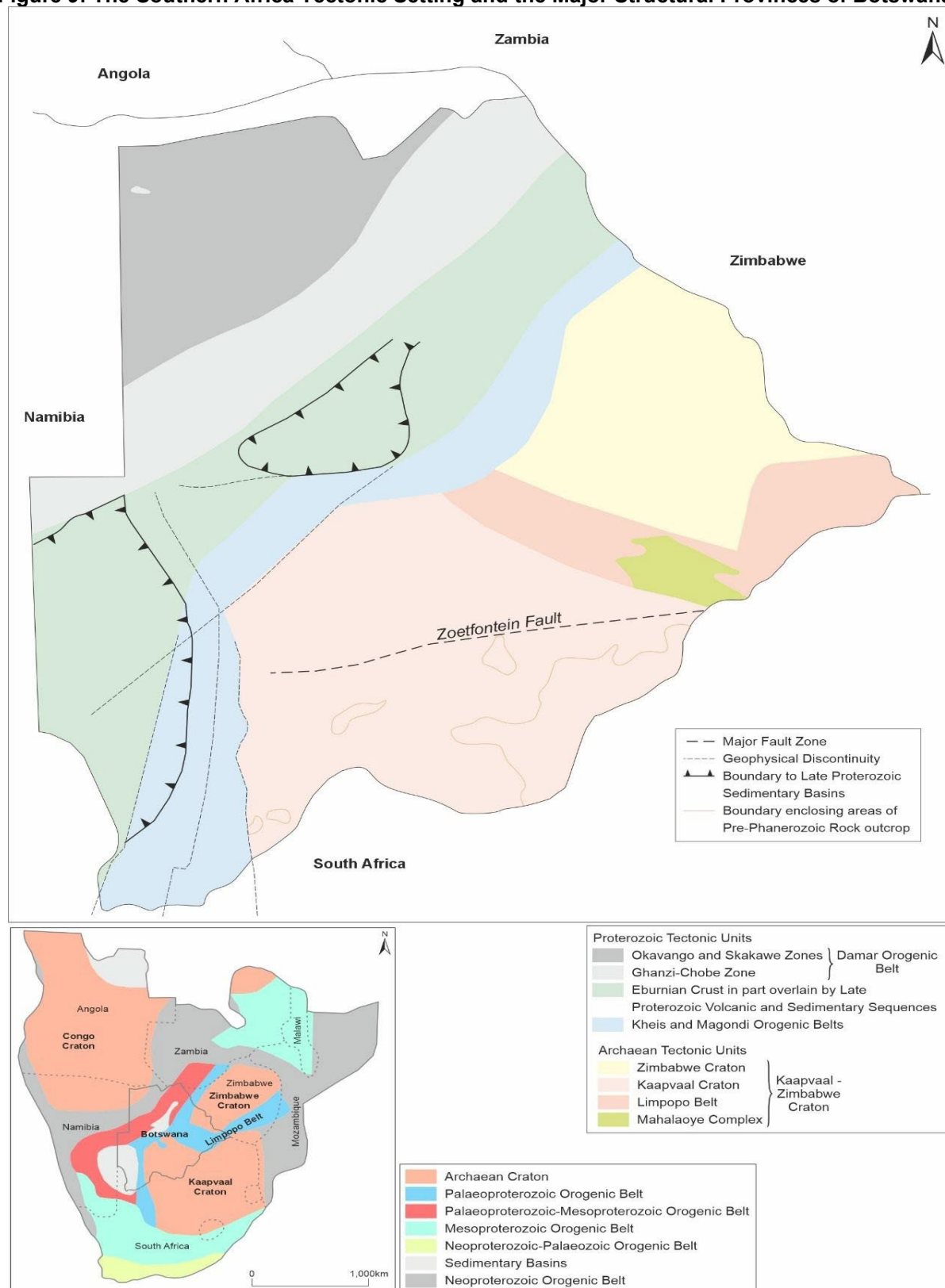
In the Limpopo Belt, the Maitengwe, Matsitama, Vumba and Tati Greenstone Belts are remnant belts of Archaean supracrustal (sedimentary and volcanic) rocks (Figure 10). These belts are made up of metavolcanic and metasedimentary rocks that underwent metamorphism during the Limpopo Orogeny. They offer valuable insights into the Archaean era's early volcanic and sedimentary processes and are linked to important mineral deposits, such as gold and base metals.

The Ghanzi-Chobe Zone is located to the northwest of Botswana. A tectonic belt formed between 1.1 Ga and 1.0 Ga during the Kibaran Orogeny. This geological event affected the southwestern margin of the Congo Craton, forming a thick sequence of metasedimentary rocks. The Ghanzi-Chobe Belt is significant for its copper mineralization and forms a part of the Kalahari Copper Belt that extends from northwestern Botswana into Namibia.

In the late Palaeozoic to early Mesozoic (300 Ma to 180 Ma), Botswana was influenced by the breakup of the supercontinent Gondwana. This event led to the deposition of the Karoo Supergroup, which consists of continental sediments, coal-bearing strata, and volcanic rocks. The Karoo rocks were deposited in rift basins, including the Kalahari Basin, as southern Africa experienced extensional tectonics. Widespread volcanic activity associated with the Karoo Large Igneous Province also occurred, marking the final stages of Gondwana's disintegration.

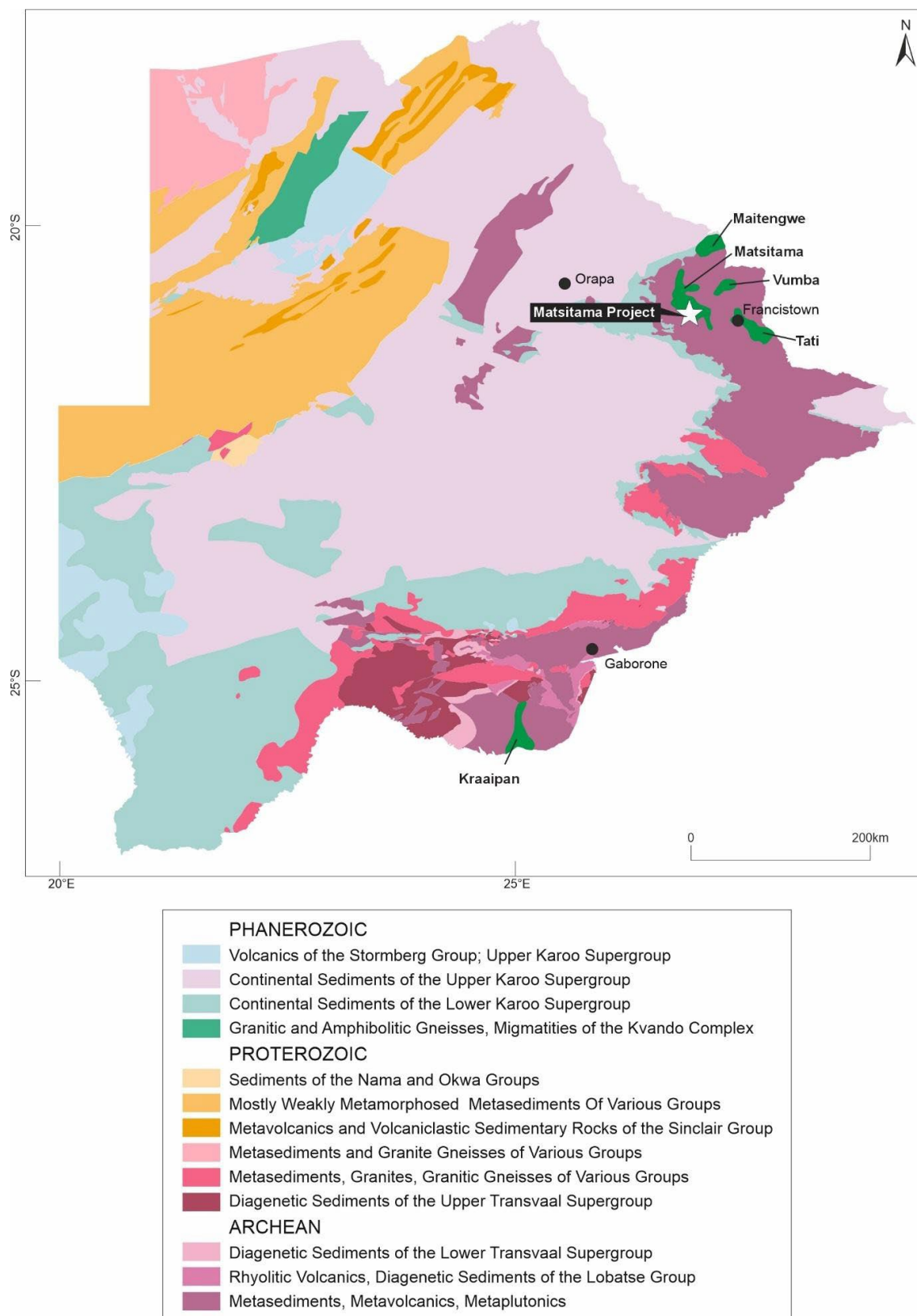
The Cenozoic era (65 Ma to the present) saw the deposition of the Kalahari Group sediments, which now cover much of Botswana. These unconsolidated sands and calcretes accumulated within the Kalahari Basin, concealing much of the older geology. Ongoing tectonic activity is evident in the development of the Okavango Rift, which is part of the East African Rift System.

Figure 9: The Southern Africa Tectonic Setting and the Major Structural Provinces of Botswana



Source: Modified from Carney, et al. (1994) and Chisenga, et al. (2020)

Figure 10: Simplified Geology of Botswana



Source: Modified from Schluter (2006)

Regional Geology, the Geology of the Matsitama Schist Belt

Figure 11, adapted from Davis (2009, 2011), provides a visual representation of the geology of the MSB, emphasizing the regional deformation and structural features. This figure can be used with the detailed descriptions of the stratigraphic sequence, structure, and mineralization in the MSB, as Bottrill (1998) described and summarised below.

Geological Terrane and Lithologies

The Property is situated within the MSB on the eastern limb of the Limpopo Belt. The MSB is a Lower Proterozoic arcuate belt characterized by shelf carbonate and clastic sedimentary rocks, along with mafic and ultramafic volcanic and hypabyssal rocks, all enveloped within the Motloutse Complex granite-gneiss terrane.

Two distinct lithological assemblages are present within the belt:

1. Lower Unit: This unit, potentially representing supracrustal remnants within the gneiss complex (basically oceanic crust substrate), features amphibolite-grade paragneiss, ultramafic rocks, and localized banded iron formations.

2. Upper Unit (Bushman Mine Group): Overlies the Lower Unit and is a sequence of fining up shallow marine to emergent sedimentary units collectively named the Bushman Mine Group. This stratigraphic package exhibits greenschist-facies metamorphism and comprises:

- Lower clastic sediments.
- Intermediate mixed clastic, carbonate, and volcanoclastic rocks.
- Upper, predominantly mafic volcanoclastic rocks.

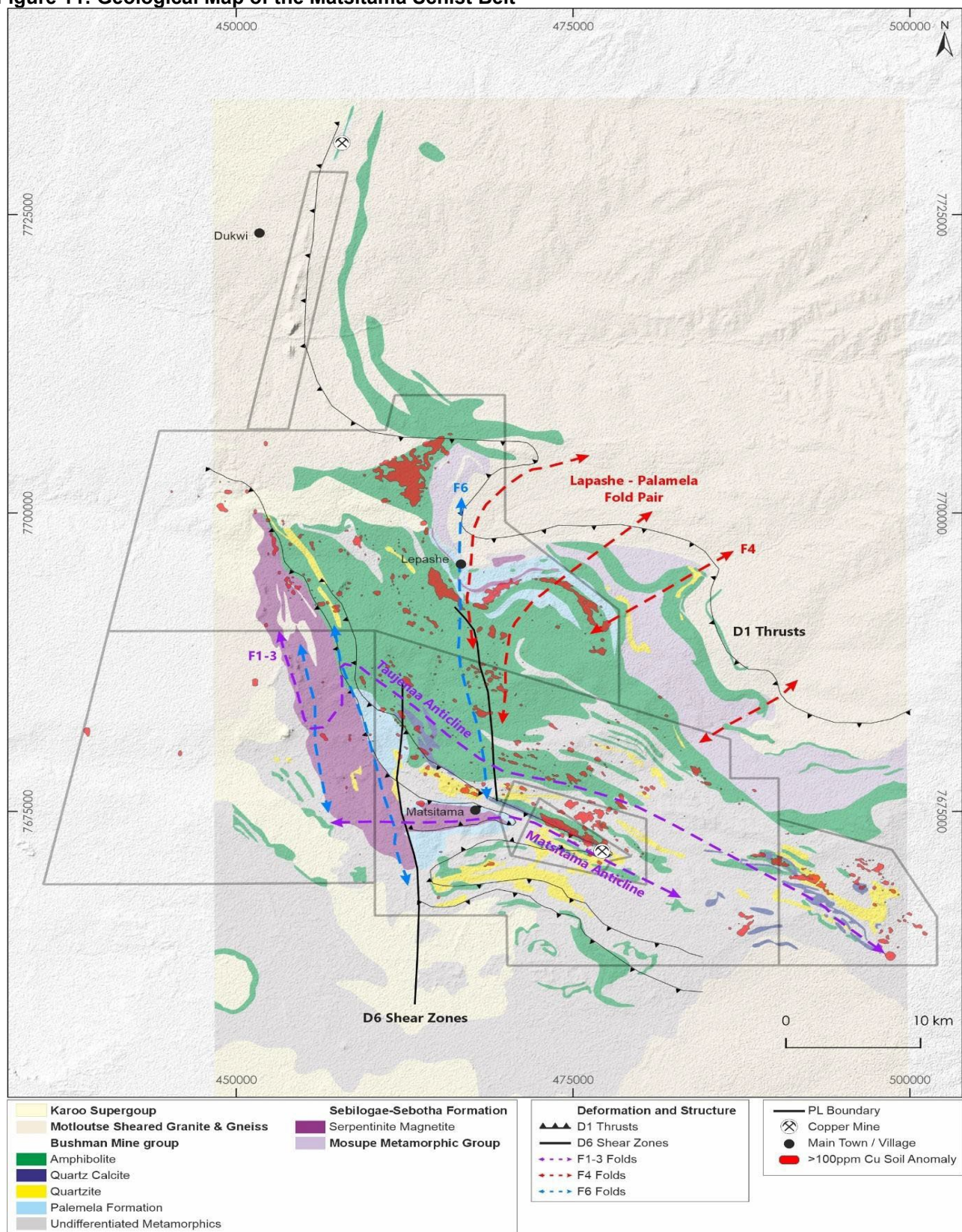
A facies change is observed within the Bushman Mine Group, transitioning from southeast to northwest. This reflects a gradual deepening of the basin from subaerial, likely fluvial, "red-bed" hematitic subarkose (Mmalogong Formation) to a deeper water environment dominated by mafic pyroclastic rocks and minor flows (Lepashe River Formation).

Numerous mafic sills intrude the entire basin, likely representing feeder systems for the mafic volcanic rocks in the northwestern part of the belt.

The Palamela-Mutsuku Formation occupies the boundary between the subaerial arkoses and shallow marine mafic volcanic rocks. It consists of intimately mixed mudstones (now largely biotite and peraluminous mineral schists), carbonate rocks (including original marls and limestones, some with evidence of sabkha deposition), and representatives of the adjacent coarser clastic and volcanoclastic sequences. This mixed lithology is consistent with deposition in a transitional environment between a subaerial and marine setting.

Significantly, the Palamela-Mutsuku Formation hosts most of the base metal mineralization and associated geochemical anomalies within the belt.

Figure 11: Geological Map of the Matsitama Schist Belt



Source: Modified from Davis (2009, 2011)

Mineralization

Most of the known copper mineralization within the belt, with lesser zinc occurrences, is hosted by the original mudstone and calcareous units of the Palamela-Mutsuku Formation (the “Middle Formation”). The mineralization is primarily disseminated as chalcopyrite-bornite-chalcocite and/or galena or sphalerite within the original calcareous black shales or marls. Notably, copper sulphide mineralization and lead/zinc sulphides occur in distinct horizons, separated at scales ranging from immediately adjacent to several hundred meters of apparent stratigraphic thickness.

The distribution of host horizons, mineralization, and most continuous and higher-amplitude geochemical anomalies strongly influences folding and associated shearing along fold axial planes and the basal thrust surface.

Davis (2011) proposes that the line of deposits stretching from Matsuku to Makala is situated on the long limb of the Matsitama Anticline, likely centred on parasitic folds on its north limb. These deposits are further influenced by the intersection of the original east-west folds with later north south folding.

Exploration of known mineralization has primarily been limited to the weathering zone. On the Thakadu-Makala property, adjacent to the current project, the weathering profile extends to approximately 60 m in depth. Carbonate minerals dominate the upper 30 m, while the deeper zone is characterized by silicate and oxide minerals, likely representing the alteration of an original supergene-enriched zone.

Limited diamond drilling at two Matsitama Project occurrences confirmed that near-surface copper oxide showings transition to copper sulphides at depth. No drilling has yet tested the depth extent of near-surface oxidized lead or zinc zones. Shallow drilling in the weathered zone has intersected significant intervals of low-grade zinc mineralization. At the Dihudi occurrence, copper-targeted drilling encountered encouraging lead-zinc mineralization with locally significant silver values.

The most prospective portions of the MSB are locations that have the potential to contain refolded parasitic folds. These include the folded northern limbs of the F1-3 anticlines and the long limbs of the F4 folds. The areas that most obviously match this criterion are the northwestern limb of the Lepashe-Palamela fold, the Matsuku-Makala trend, and the possible northern limb of the Taujena Anticline.

Prospect and Local Geology

Given the multitude of prospects across the Matsitama Property (Figure 5), the local geology focuses on those with existing geological studies and descriptions, primarily drawing from the work of Bottrill (1998) and Davis (2009, 2011). Among these, the Nakalakwana Hill copper deposit represents the most advanced exploration effort and is the only prospect on the Matsitama Property with a classified MRE, as per SRK's 2011 and 2013 assessments. Recognized as Eastport's flagship deposit, Nakalakwana Hill has undergone the most extensive geological study and interpretation.

As a result, a brief description of the different prospects is provided in Table 5, followed by a detailed description of the geology of the Nakalakwana Hill copper deposit in the section entitled “Nakalakwana Hill Geology”.

Table 5: Geological Summary of the Copper Prospects on the Matsitama Property

Prospect	Geology & Mineralization
Dihudi	Within the Palamela-Mutsuku Formation, as part of a continuous section from Thakadu to Mutsuku, the local geology consists of amphibolites, biotite-schists (or phyllites), locally accompanied by cordierite with variable layers of “quartz-carbonate” rock or limestone. Mineralization consists of disseminated to locally massive chalcopyrite and bornite, with local galena and sphalerite within or separate and parallel to the copper mineralization; locally, there is a complete separation into different copper, lead and zinc-rich zones; the wall rocks are extensively pyritized; locally significant silver mineralization, usually associated with the copper where it is co-incident with lead and zinc.
Esoka	Mmalongong Formation to the north of main outcrops of haematitic red-bed sub-arkoses; the possible trace of extension of Palamela-Mutsuku Formation south of major shear axis through Thakadu fold. Quartzites. Two small ancient workings, copper with quartz-carbonate in workings and float scattered along several hundred feet of strike; Esoka # 2: one mile south of Esoka, fairly broad weak copper zone in quartzite for 1,500 ft of strike; quartzite of Matsitama Formation has trace malachite.
Mutsuku	The northern end of the Thakadu-Mutsuku horizon/shear zone along the Palamela-Mutsuku Formation, possibly in the area of fold closure to the Mutsuku East-Kamela horizon. Quartz-carbonate and limestone; the wagon logs indicate biotite schist, quartz-carbonate amphibolite and limestone, the same assemblage as at Dihudi and Thakadu-Makala. Small ancient working with narrow copper showings; the wagon drill holes indicate local malachite and gossan associated with some copper intersections.
Thakadu-North	Close to the vesicular basalt and mica-schist contact within the folded Palamela-Mutsuku Formation. Two layers extend along 150 m of strike, irregular, maximum 3 m thick, in a series of drag folds, plunging at a moderate angle to the west. Two small ancient workings, malachite and chalcopyrite in quartz-carbonate, traced intermittently for several thousand feet, irregular, biohermal.
Kamela Area	Palamela-Mutsuku Formation is in contact with the Mmalongong Formation to the south. Quartz-carbonate, limestone. Small ancient working with narrow copper showings; secondary copper in impersistent quartz veins in amphibolite, not economically significant.
Palamela	Narrow folded Lepashe River Formation between bands of Palamela-Mutsuku Formation. Sericite quartzite intercalated in amphibolite; copper in amphibolite; Halco holes intersected biotite-schist, calcareous amphibolite with minor limestone and feldspathic quartzite. Two mineralized occurrences, 450 m apart, the western 1.8 m is fairly well mineralized with copper oxides; eastern small ancient working.
Lepashe	Lepashe River Formation and Palamela-Mutsuku Formation along thrust fault. Quartzite. The structural setting is similar to the Kopano (Mowana) Mine. Copper in quartzite.
Tau	Palamela-Mutsuku Formation is adjacent to fold closure of Lepashe River Formation. Massive quartz, gritty quartzite with pink dolomitic limestone, and epidote-amphibolite; the whole unit is the host for copper mineralization. Halco drill holes indicate mineralization in quartz-feldspar-biotite schist, muscovite schist or quartzite in the general mica schist sequence. Chrysocolla, malachite 1.2 m to 3.0 m thick over 500 m of strike; MMA intersections associated with chalcopyrite in amphibolite schists except for the second intersection in hole 20, which is associated with 40 cm thick crystalline limestone interbedded within the amphibolite schists.
Tholo	Probable Palamela-Mutsuku Formation beneath thrust, north of tongue of Karoo Sediments. No outcrops, tongue of Matsitama Formation limestones, carbonaceous quartzite, basic schist; wagon holes intersected calcrete plus rubble of sedimentary, volcanic rocks as well as quartz-carbonate; pits at Tholo South exposed amphibolites and calc-silicates. No mineralization was found in the field.

Prospect	Geology & Mineralization
Phute	Weathered quartz-biotite schist and amphibole schist near basement contact. Schist with some limestone/marble, amphibole quartzite; mineralized quartz-biotite schist with minor calcite or quartz-feldspar-amphibole schist. Three imbricate shear zones on air photos. Magnetite dolomite veins exposed in shallow pits indicate the presence of an alteration system with the potential to be related to copper mineralization. Mineralization includes gossan, malachite, chrysocolla and trace sulphides in amphibolite.
Sebotha	Part of the Sebilogae-Sebotha Formation. Small ancient working with copper showings.

Source: Modified from Bottrill 1998 and Davis (2009, 2011)

Nakalakwana Hill Geology

The geological understanding of the Nakalakwana Hill deposit and its surroundings is primarily based on exploration work and interpretations conducted by ACE (Matsitama Minerals), as Mandava & Simposya (2013) reported. Micon has further simplified the Nakalakwana Hill and surrounding area's geology map, presented in Figure 7.4, based on the mapping work by GSB (2126B - Matsitama). Additional insights have been drawn from Bottrill (1998) and Davis (2009, 2011).

Geological Setting

The Nakalakwana area is characterized by Archean/Proterozoic metasediments intruded by late (Mesozoic) Karoo dolerite dykes. The rock formations strike WNW-ESE and dip steeply (65° to 80°) to the SSW. The sedimentary succession youngs from north to south. Additionally, late-stage northeast and northwest-trending quartz vein-filled fractures are present in the eastern part of the belt, while only concordant NW-trending veins occur in the west.

Deformation, Structure and Metamorphism

The area has experienced multiple phases of deformation and metamorphism, with staurolite indicating upper amphibolite facies conditions. It is believed that the early deformation events were the most intense and were responsible for generating the majority of the copper-gold mineralization.

Ironstones at Nakalakwana Hill East are associated with D6 high-strain zones, which means this alteration has the same timing in a structural sense as the copper mineralization at Kopano (Mowana).

The prospects near Nakalakwana Hill lie along the strike of the Matsuku-Makala deposit trend, which parallels the refolded axial trace of the Matsitama Anticline. A significant expanse of eastwest striking bedding separates Makala and Nakalakwana Hill. Nakalakwana Hill is situated within the F6 hinge zone, where the mapped stratigraphy transitions from east-west to northwest strikes.

The southern deposits appear to be localized within shear zones or fold limbs, originally oriented east-west, but subsequently refolded. This refolding is a crucial factor in mineralization, as the large-scale alteration patterns (interpreted from phyllosilicate rock types) are concentrated in these refolded areas (cf. Davis, 2009). The F1 folds, representing the largest-scale heterogeneities in the area, likely play a significant role in the structural control of mineralization.

Hydrothermal Alteration and Mineralization

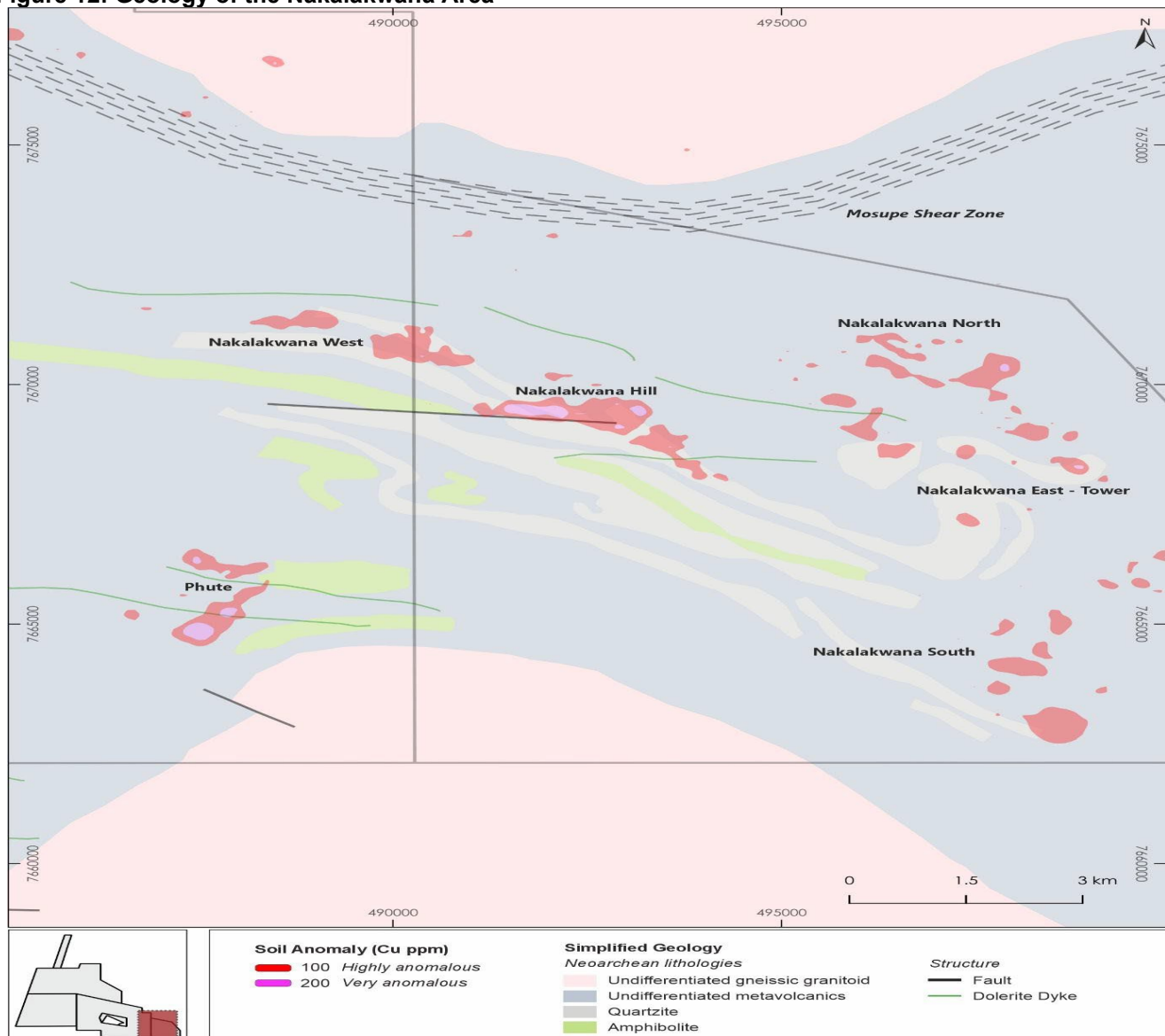
Low-temperature hydrothermal mineralization, including barite, fluor spar, and siderite, is observed in sheared ferruginous arkose within the old mining pit area. Several hydrothermal alteration phases are present, including chloritization (especially along shear planes), biotite and possible amphibole alteration, sericitization of feldspar, silicification, carbonatization, albitization, and argillization of biotite.

Two distinct sulphide zones are recognized in Nakalakwana:

1. Chalcopyrite-Pyrite Zone: 150 m to 200 m thick; this zone is hosted within sheared pelitic units and contains disseminated to coarse-grained chalcopyrite and pyrite as blebs and stringers. Lenticular zones may exhibit higher sulphide concentrations.
2. Pyrite Zone: This zone, located within hematite arkose, is dominated by pyrite with minor chalcopyrite. Pyrite occurs as disseminated blebs and stringers, often associated with quartzite-hematite veinlets, particularly near or within iron oxide zones.

No direct correlation exists between sulphide abundance and any specific alteration phase. However, the richest sulphide zones are generally associated with thicker veins or large sulphide blebs accompanied by quartz-hematite veining. Intense sericitization and argillization, while indicative of strong alteration, tend to occur in extensively sheared zones that are poorly mineralized.

Figure 12: Geology of the Nakalakwana Area



Source: Modified from GSB (2126B – Matsitama)

Deposit Types

The common characteristics of deposits within the Matsitama Schist Belt include the presence of sulphide mineralization and overprinting iron oxide alteration, and a spatial association with folds and mafic intrusions at the regional scale. This suggests affinities with Iron Oxide Copper-Gold (IOCG) deposit models (Davis 2009, 2011). IOCG deposits are distinguished by their association with iron oxides and their formation through hydrothermal processes within structurally controlled settings.

The Nakalakwana Hill prospect is hosted in hematite-altered psammites. Brecciation is evident in Nakalakwana and has been observed during mapping and drill hole logging. This has significance for an IOCG style of mineralization.

Iron Oxide Copper-Gold Deposits

The IOCG group of deposits were initially defined following the discovery of the giant Olympic Dam Cu-U-Au deposit in South Australia. IOCG deposits are characterized by a wide range of styles encompassing age, host rocks, mineralogy, geochemical signatures, and even geological setting (Williams, et al., 2005). Despite this diversity, they share key features that justify their distinct classification.

The hallmark of IOCG deposits is the association of iron oxides (hematite and/or magnetite) with copper and gold mineralization. These deposits also often display silver, uranium, barium, fluorine, and light rare earth elements (LREE) enrichments.

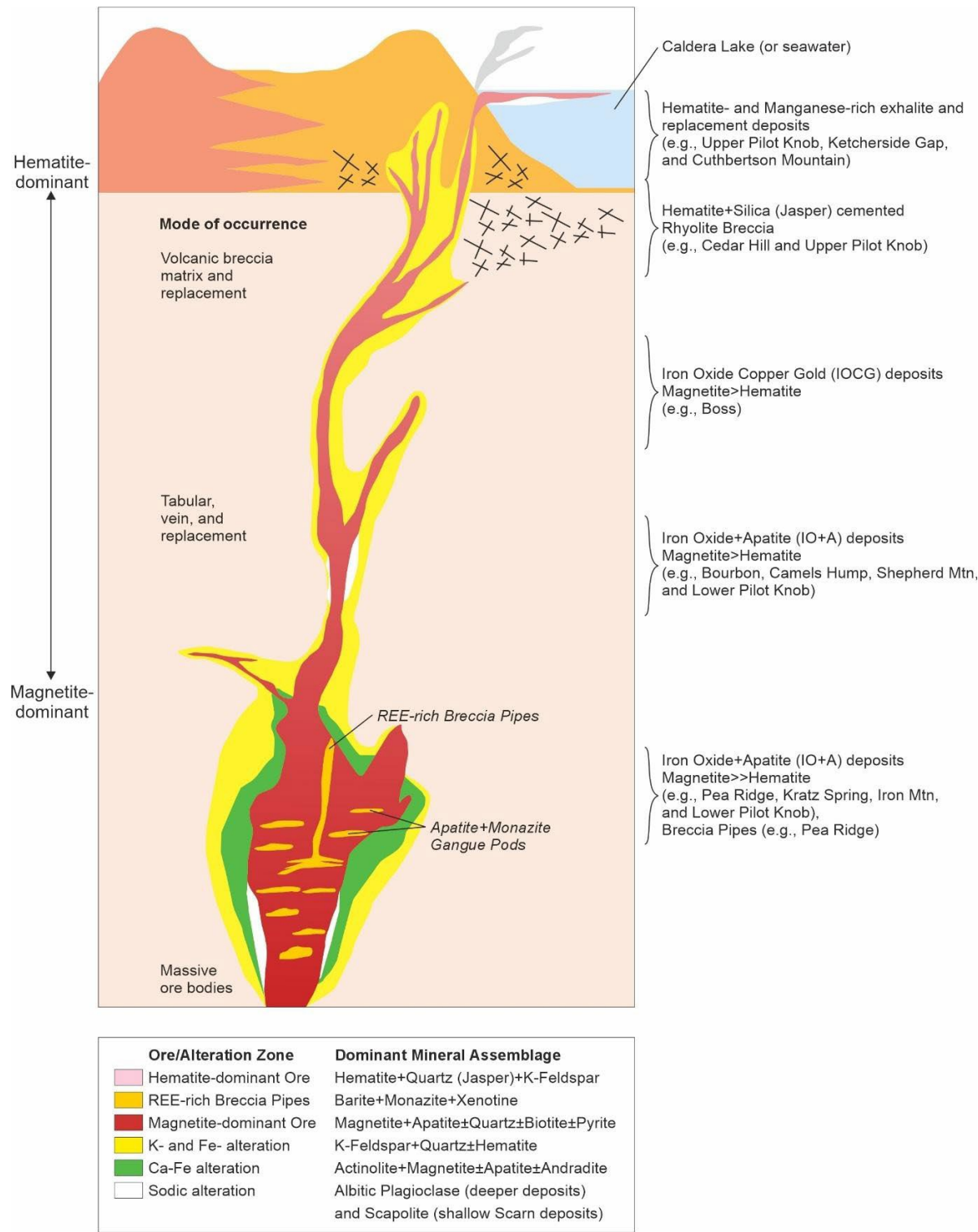
Additional common features include:

- A strong spatial and temporal relationship with regional I-type to A-type granitic suites. These intrusions are believed to be the heat source that drives fluid circulation.
- Proximity to crustal-scale faults or shear zones. These structures act as conduits for the mineralizing fluids.
- Extensive alteration, brecciation, and associated ore systems, resulting from fluid-rock interaction.

In rare instances, syn-mineralization intrusive suites are absent. It is postulated that, in these cases, fluid flow may have been triggered by magmatic events deeper in the crust or mantle. Therefore, while a close relationship with coeval intrusions is common, it is not considered an essential characteristic for defining IOCG deposits.

Figure 13 illustrates the principal characteristics and inferred setting of Iron Oxide Apatite (IOA)- and IOCG-type mineral deposits, using the deposits in the Missouri iron metallogenic province as an example (Day, et al., 2016).

Figure13: Principal Characteristics and Inferred Setting of IOA- and IOCG-Type Deposits



Source: Modified from Day, et al. (2016)

Exploration

Eastport's exploration efforts primarily focused on the sorting, compilation, and interpretation of historical

exploration data and drilling results. However, upon the transfer of the six PLs to Eastport on April 1, 2022, outstanding work programs previously agreed upon with the Department of Mines were inherited. While the majority of these programs have been completed, the analytical work and drilling results are still pending (Bonner, 2023).

The sections below detail the exploration work completed by Eastport during the first PL extension period of 2022 to 2023. The details are sourced from Bonner (2023).

Geophysics

Reprocessing Historical SPECTREM Geophysical Surveys

EVI commissioned a study to re-process and enhance the SPECTREM TDEM and airborne radiometric data to provide high-quality imagery for mapping lithologies and alteration targets within the MSB (Cowan, 2021). The objectives of the project were:

- to re-process the SPECTREM data and generate enhanced images and vector plots.
- to generate conductivity-depth-images (CDI) and 3D conductivity model.
- to carry out preliminary data enhancement and analysis, provide enhanced images to assist in lithological mapping and initial first pass alteration screening. Radiometrics was an important part of the screening.

The SPECTREM TDEM survey, except in areas of high surface conductivity in the west, mapped numerous clear linear and curvilinear conductivity anomalies and a smaller number of discrete conductors (Cowan, 2021).

Significant variations in radioelement concentrations were observed within the MSB. Blending conductivity and radiometric data in RGB space effectively highlighted lithologies and alteration. Potassium enrichment, a key mineralization factor, was identified as a prime target. Preliminary classification of the SPECTREM data sought correlations for lithological mapping and alteration detection, with the addition of radiometric data providing more detailed lithological information.

Cowan (2021) noted that areas such as Nakalakwana were resistive rather than conductive. Images of near-surface resistivity and resistivity blended with radiometric data were produced to highlight potential target zones.

Ground-Based IP Surveys

A series of interpreted historical airborne resistivity and K/eTh ratio targets, which are located within areas of potassium enrichment (potential phyllosilicate alteration), were surveyed using a ground-based Induced Polarization (IP) geophysical tool. Twelve targets were identified (Figure 14).

At Nakalakwana, the resistivity and the potassium signature observed in the radiometric survey are associated. The two signatures were analyzed using an unqualified self-organizing maps (SOM) routine, resulting in the selection of twelve targets.

A prominent feature was identified in the Chemene area, where a strong signature comparable in intensity to that observed in the Nakalakwana area was observed. Four of the twelve targets were located within the Chemene area.

Five reconnaissance grids were established over a selection of the targets, including three at Chemene. Eleven lines were surveyed using a pole-dipole array, and one line was re-surveyed using a gradient array.

The Chemene IP surveys failed primarily because it was difficult to establish contact points with the cover materials. Eastport is considering a different EM survey.

Soil Geochemical Sampling

A regional soil sampling program, consisting of 308 samples collected on a 1,000 m x 500 m grid, was conducted in the Lepashe-Palamela area (Figure 9.2). This program was designed by Mr. Bonner and Dr. Tshoso and aimed to supplement the historic BCL soil survey from 1968, which, while extensive, was limited in its analysis (Cu, Ni, and Pb only) and may have suffered from data quality issues.

EVB's on-site technical team, assisted by local labor, collected samples at designated locations. GPS coordinates for each sampling site were recorded using a Garmin GPS device. The field crew navigated to the sites using the GPS coordinates. If the sampling location deviated from the planned site, the exact coordinates were measured and documented.

The surface is cleared, and a hole is excavated to a depth of approximately 30 cm, from where the sample is collected. The collected material is then sifted using a sieve to remove coarse debris and organic matter. The finer material passing through the sieve is transferred to a pail and subsequently placed in a plastic sample bag. Approximately 2 kg to 2.5 kg of soil is collected per sample. The sample collection was sent to Lobatse for further processing and laboratory analysis.

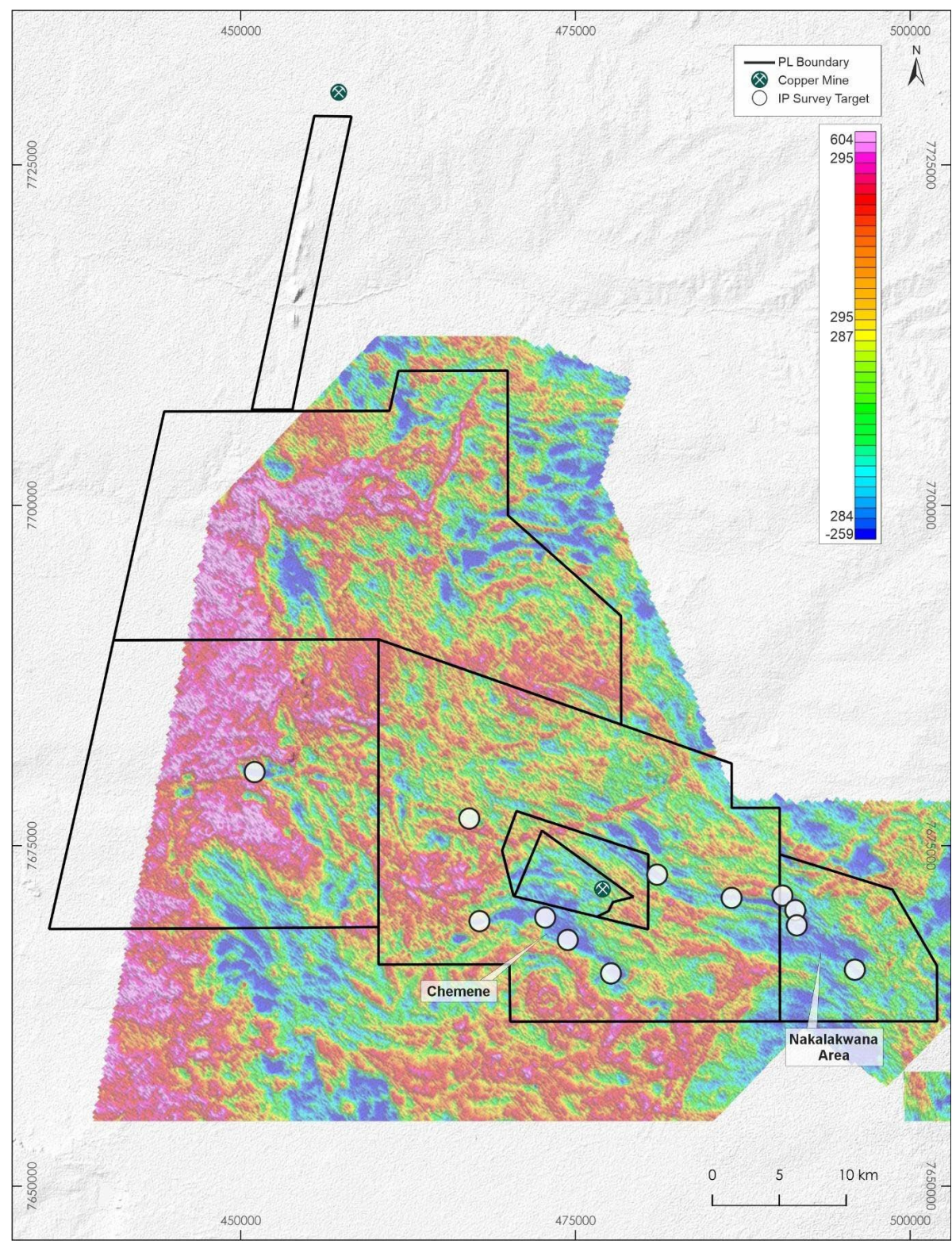
QP's Opinion on Eastport's Soil Results vs Historical Results

The QPs review of the Eastport soil sampling results, when compared to the historical BCL copper-in-soil anomalies (Figure 15), demonstrates a strong correlation between the two datasets. The Eastport data similarly reflects areas identified as highly anomalous in the BCL survey. This suggests that the historical BCL soil sampling results can be considered reliable for further exploration and drill targeting.

Trenching

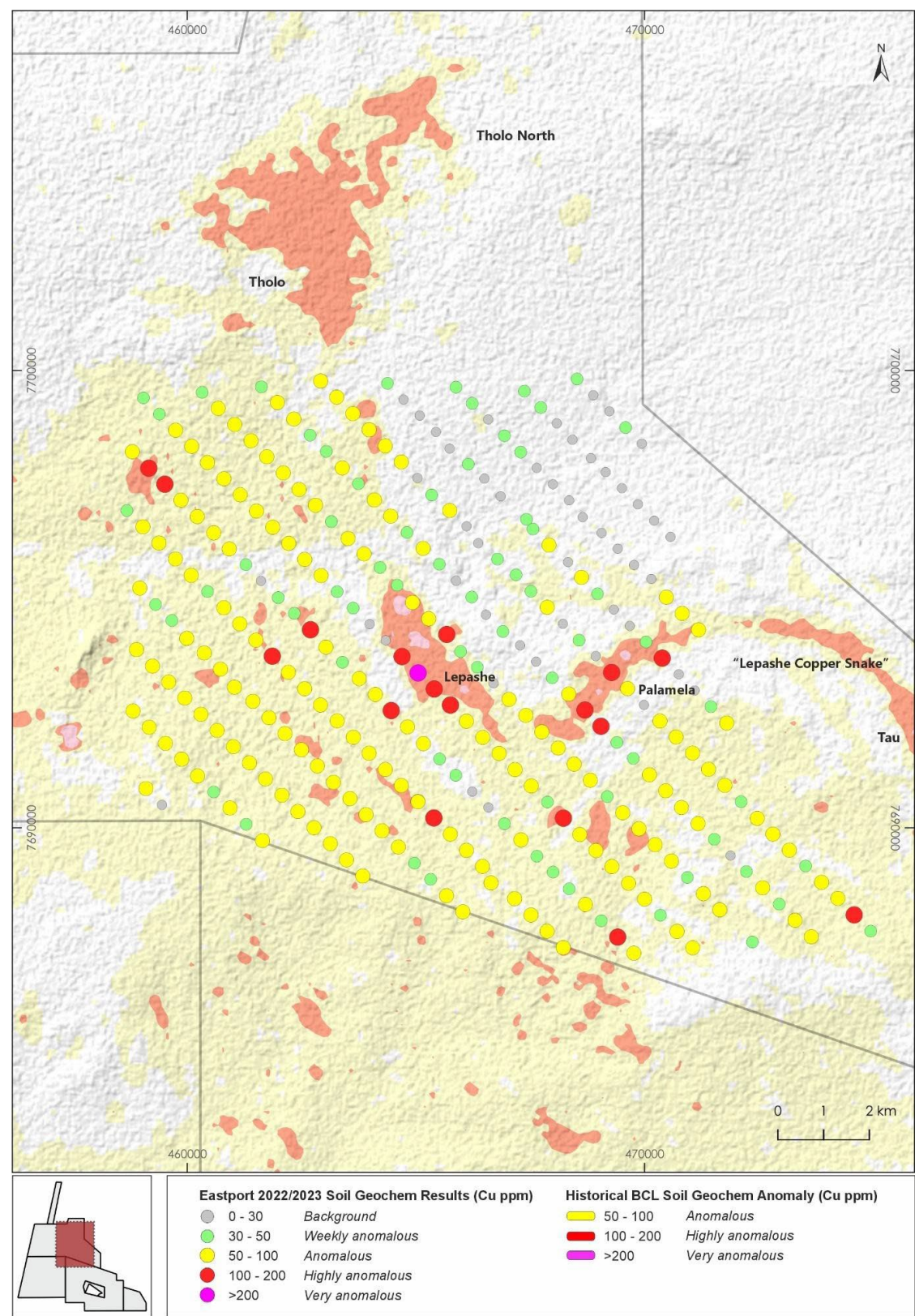
Eastport completed a single trench (TR23-001) at the Phudulooga target to support the drilling program. The trench, extending 55 m from the collar of DS23-023 on azimuth 310°, aimed to analyze the deposit's cross-section. Additionally, it was intended to investigate the presence of mineralized calcrete observed in the drill sump pit of DS23-023. As of the Technical Report date, only one assay result from the trench is available in the database, and the results of the trench were inconclusive (Bonner, 2023).

Figure 14: IP Survey Targets, Plotted on the Historical SPECTREM EM-Z1 Resistivity Survey



Source: Micon (2024)

Figure 15: Results of the Eastport 2022/2023 Lepashe Soil Geochemistry vs Historical Results



Source: Micon (2024)

Drilling

The Matsitama Property has a rich history of drilling activity, dating back to the 1960s when RST and BCL conducted the initial drilling campaign. This campaign employed a variety of drilling methods, including wagon, HALCO Down the Hole (DTH), and DDH. Over the years, numerous companies have continued to explore the Matsitama Property, resulting in nearly 68 km of drilling on the Matsitama Property.

A chronological summary of the drilling per company, type and prospect are summarised in Table 6 and includes the number of copper assays in the Eastport database. Plan maps of the location of drill holes completed by the various owners and the results thereof are presented in Figure 16 and Figure 17 respectively.

Historical Drilling

BCL (1960-1976)

From 1960 – 1976 BCL completed DDH, RC and HALCO DTH drilling methods. This program spanned numerous exploration prospects, totalling over 28,376 m of drilling (Table 6). However, neither the QPs or Micon are unable to source any information regarding the drilling methods, logging and photography, sampling, collar surveys, downhole surveys, chain of custody or data capture and verification procedures used throughout the drilling programs.

Siwela (2011) notes that for the BCL drill holes in the Nakalakwana Area, the collars had to be projected surface based on local grids. In addition, the collar coordinates were not in UTM and had to be reprojected from the original format to Cape / UTM 35S.

Ambase (1999-2001)

Ambase completed DDH and RC drilling for a total of 12,362 m. The QPs cannot source any information regarding the drilling methods, logging and photography, sampling, collar surveys, downhole surveys, chain of custody or data capture and verification procedures used throughout the drilling programs.

African Copper plc/Matsitama Minerals (2004-2018)

ACE and Matsitama Minerals completed 24,425 m of DDH and RC drilling. The QPs cannot source any information regarding the drilling methods, logging and photography, sampling, collar surveys, downhole surveys, chain of custody or data capture and verification procedures used throughout the drilling programs.

Eastport Diamond Drilling

Eastport conducted a drilling program at the Nakalakwana Hill and Phudulooga prospects. At Nakalakwana Hill, three DDH holes totalling 456 m were completed. At Phudulooga, a more extensive program involved ten DDH holes for a total of 2,175 m (Table 6).

The Phudulooga target is approximately 8 km north of the Karoo cover rocks, along the southern end of the uncovered Bushman Lineament. Eastport prioritized this target early in their field operations. A previous drilling program, completed in late 2021 and early 2022, encountered challenges with core recovery, limiting the ability to replicate the mineable grade and width observed in earlier sections. However, a subsequent review identified an unsampled interval in DS07-012, which assayed 10.95% Cu.

Eastport implemented a cross-sectional drilling campaign to better understand the Bushman fault, including holes DS23-021, DS23-023, and the previously planned DS21-013.

The drilling campaign at Phudulooga encountered challenges in identifying significant mineralization. Bonner (2023) attributes this difficulty to the complex breccia/shear geology and the inconsistent replication of the historic mineable grade and width observed in earlier drilling programs.

Drilling at Nakalakwana Hill focused on known mineralized zones within the western, near-surface portion of the deposit. Three drill holes, totalling 456 m, were completed to infill existing targets. All holes successfully intersected mineralization, aligning with anticipated geology and mineralization. Given its high sulphide mineralization, drill hole NKH23-013 was subjected to extensive sampling.

Bonner (2023) notes that drill holes NKH23-012 and NKH23-013, both rich in pyrite and chalcopyrite, exhibit approximately 50 m of mineralized core. While mineralization intensity varies within these holes, the mineralization's overall width and intensity align with historical observations in other parts of the deposit.

As of the effective date of the Technical Report, Eastport's diamond drilling program remains ongoing. Sampling and assaying activities are incomplete, and only partial results are available.

Drilling Method

Eastport utilized a truck-mounted diamond drill rig to recover NQ-sized core samples. Following each drilling run, the core was carefully placed in metal core boxes and labelled with core tags indicating the depth after each full core barrel run (Figure 20). If the core is retrieved before the full core barrel run finishes, a red tag is placed after the unfinished run. Meter marks were marked on the core and the core trays to prevent misplacement during handling and cutting. Upon completion of the drill hole, the casing was left in place (Figure 20).

Logging and Photography

Logging is completed using the logging template designed by Eastport's geology team. The drill log includes:

- From, To and Interval Length.
- Lithology.
- Description / Observations of the Lithology.
- Contacts.
- Weathering and Alteration.
- Depth of Structure.
- Alpha and Beta Angle of the Structure.
- The recorded Portable X-Ray Fluorescence (pXRF) Cu value where applicable.
- General Comments / Observations.
- Stratigraphy.
- Geological Group / Formation.

An example of a drill log from Eastport DS21-018 drilled at Phudulooga is presented in (Figure 21).

Eastport are considering a core scanning program through Hyperspectral Imaging to assess the various alteration phases of the Nakalakwana Hill deposit. The technology enables the detection of minerals and alteration zones based on their unique spectral signatures, which helps in mapping mineralogical variations that may not be visible to the naked eye or detected through traditional logging.

Sampling

Samples are a maximum of 1.5 m of NQ core and geological contacts are respected. The core samples are hand-split using a Bradley Core Splitter (Figure 20). The core splitter is rigorously cleaned after splitting each sample to avoid cross-contamination. Approximately half of the core sample is bagged, and the other half is placed back in the core tray. Sample bags are labelled and contain a sample tag. Sample bags are sealed and transferred into doubled polyweave (or “mielie”) bags. The polyweave bags are sealed with Teflon ties, one of which is numbered (Figure 20).

Collar Surveys

Eastport staff utilized a handheld Garmin Global Positioning System (GPS) to locate the collar positions. Once the collar site was identified, front and back markers were established to ensure proper drill alignment. A dip measurement was taken on the drill rod to verify the angle of the borehole. Upon completion, a concrete marker was placed at the collar location, with the hole number marked into the wet concrete.

No follow-up Differential Global Positioning System (DGPS) collar surveys have been completed.

Downhole Surveys and Core Orientation

Eastport conducted no downhole surveys for the diamond drilling campaign.

The drilling contractor conducted core orientation at the end of each three-meter run. After placing the core in the tray, the geologist aligned it and marked the entire length using a wax pencil. A goniometer was used for the structural and geotechnical measurements.

Data Capture and Verification

Logging is completed on a hard copy before being captured into an Excel spreadsheet of the logging template. The data is uploaded into Target Geosoft for plotting and interpretation. The core logs, Excel printouts, photos, and sketches are stored at the Matsitama camp. Mr. Bonner and Dr. Tshosho validated the data through a comprehensive review.

QP's Opinion on the Drilling Campaigns and Results

The QPs cannot source any historical drilling, sampling, survey, or data capture methods or specifications for the historical drilling. Any information has been sourced from historical reports. However, the QPs have received the downhole database, and the historical drilling results across the various prospects are encouraging, and coincide with the geophysical and soil anomalies.

The QPs feel that historical drilling can be relied upon as an exploration tool. Incorporating any of the historical drilling into an MRE would require Eastport to conduct a robust in-field verification program of collars and their locations and a twin drilling campaign in the specific prospect of interest.

The Eastport drilling campaign at Phudulooga and Nakalakwana Hill is pending assays, and a full analysis of the results cannot be completed. The protocols used for logging and sampling are per industry standards, and the QPs see no reason why the drilling methods and sampling could materially impact the accuracy and reliability of the results.

However, the QPs have not received any core recovery data and cannot comment on its impact on the accuracy and reliability of the data.

To ensure the precision and reliability of data, drill hole collars should be accurately surveyed using DGPS. This method provides high-precision coordinates crucial for spatial referencing in any resource estimation. Furthermore, future drill campaigns should incorporate downhole surveys with an appropriate gyro tool to monitor and correct for drill hole deviations. The absence of DGPS surveyed collar positions and downhole surveys introduces uncertainty in the positional data, which could negatively impact the inclusion of Eastport drill holes in an MRE.

The results focus on the flagship Nakalakwana Hill copper deposit, where the results are encouraging. Micon interprets a mineralized zone that extends for over 1.3 km of strike (WNW - ESE) and is >250 m wide, with strike extension potential to the east and west of the current central zone (Figure 18). The orebody is steeply dipping to the SW and plunging to the SE and remains open down-dip and down-plunge (Figure 19; for section locations, refer to the plan view in Figure 18). Figure 18 and Figure 19 demonstrate selected significant copper intercepts in plan and section view. A significant intercept is considered a minimum of 0.3% Cu over 2 m, with a maximum of 3 m included and consecutive waste.

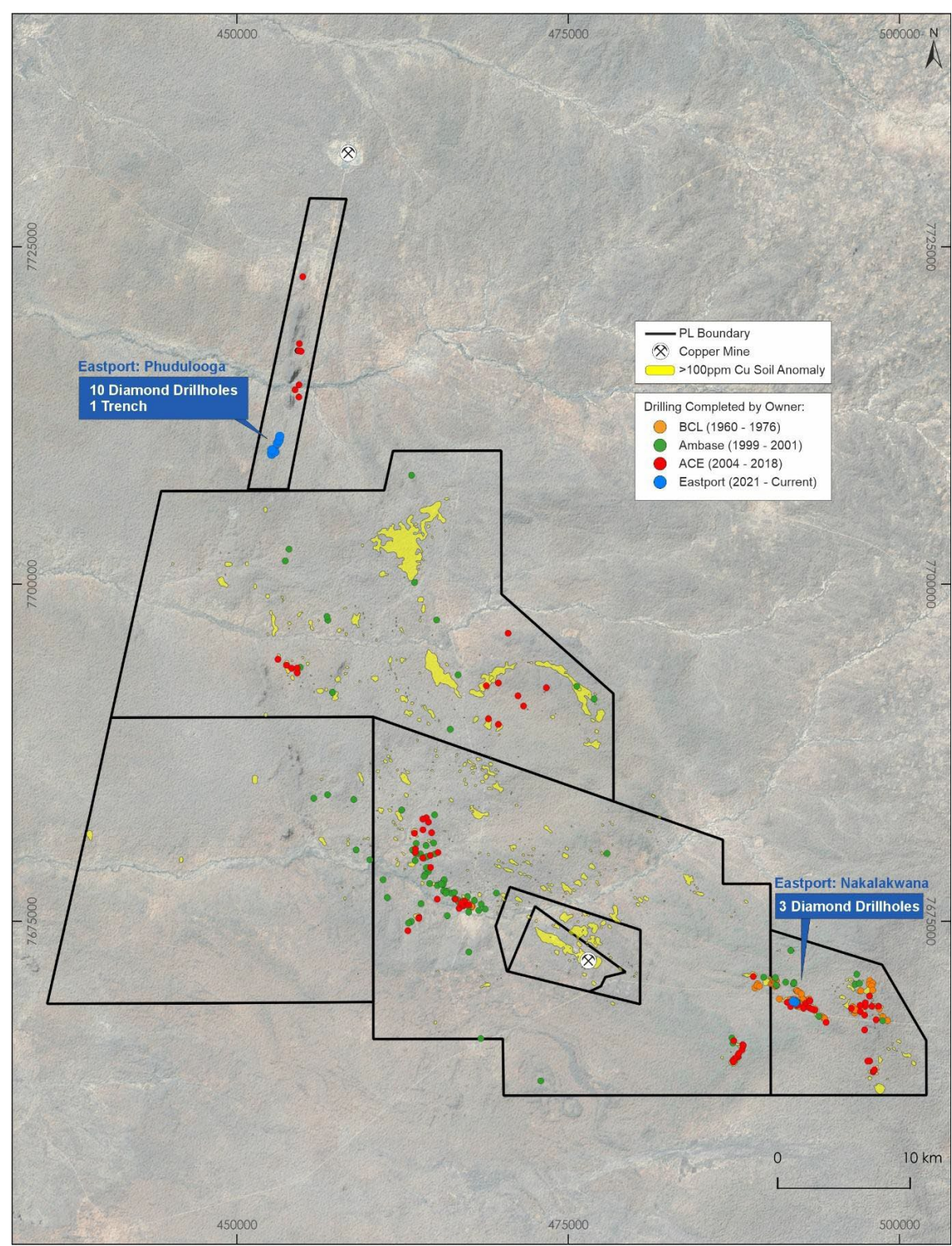
This presents an opportunity for future drilling campaigns to upgrade the resource by infill drilling the existing mineralized zone and extending the mineralization along strike, down-dip and down-plunge. In addition, soil anomalies have identified numerous surrounding mineralized areas that are recommended to be followed up.

Table 6: Summary of Drilling and Copper Assays Completed on the Matsitama Property

Prospect	DDH		RC		HALCO		TOTAL		Holes with Assay	Total Cu Assays	Holes No Assay	Meters No Assay
	Drill Holes	Meters	Drill Holes	Meters	Drill Holes	Meters	Drill Holes	Meters				
BCL (1960 - 1976)												
Dihudi	24	11,098					24	11,098	23	818	1	304
Nakalakwana	49	11,071	4	1,000	80	5,207	133	17,278	114	8,429	19	909
TOTAL	73	22,169	4	1,000	80	5,207	157	28,376	137	9,247	20	1,213
Ambase (1999 - 2001)												
Dihudi	8	1,973	35	2,667			43	4,640	37	3819	6	330
Esoka			2	180			2	180			2	180
Kamela Met			1	83			1	83	1	82		
Lepashe			2	200			2	200	2	200		
Mutsuku	7	1,922	17	1,750			24	3,672	23	2465	1	150
Nakalakwana Area			15	1,676			15	1,676	14	1458	1	49
Phute			4	445			4	445	1	107	3	338
Sebotha North			6	726			6	726	3	336	3	390
Tau			2	200			2	200	2	199		
Tholo			4	400			4	400	4	400		
Tholo North			1	140			1	140	1	140		
TOTAL	15	3,895	89	8,467	0	0	104	12,362	88	9,206	16	1,437
African Copper Plc / Matsitama Minerals (2004 - 2018)												
Dihudi	9	2,145	3	758			12	2,903	12	668		
Mutsuku	11	4,048					11	4,048	8	640	3	720
Nakalakwana Area	12	3,621	13	1,991			25	5,612	24	1971	1	25
Nakalakwana Tower	6	1,851	3	1,007			9	2,858	9	680		
Palamela	1	267	6	1,594			7	1,861	6	213	1	267
Phudulooga	3	756					3	756	3	115		
Phute			13	2,189			13	2,189	13	1085		
Sebotha North	1	230	5	1,494			6	1,724	6	346		
Sinti Hill	7	1,934					7	1,934	6	118	1	401
Thakadu	2	541					2	541	2	163		
TOTAL	52	15,392	43	9,033	0	0	95	24,425	89	5,999	6	1,412
Eastport (2022 - Current)												
Nakalakwana Hill	3	456					3	456	3	68		
Phudulooga	10	2,175					10	2,175	10	50		
TOTAL	13	2,630.39					13	2,630	13	118	0	0
GRAND TOTAL									327	24,570	42	4,061

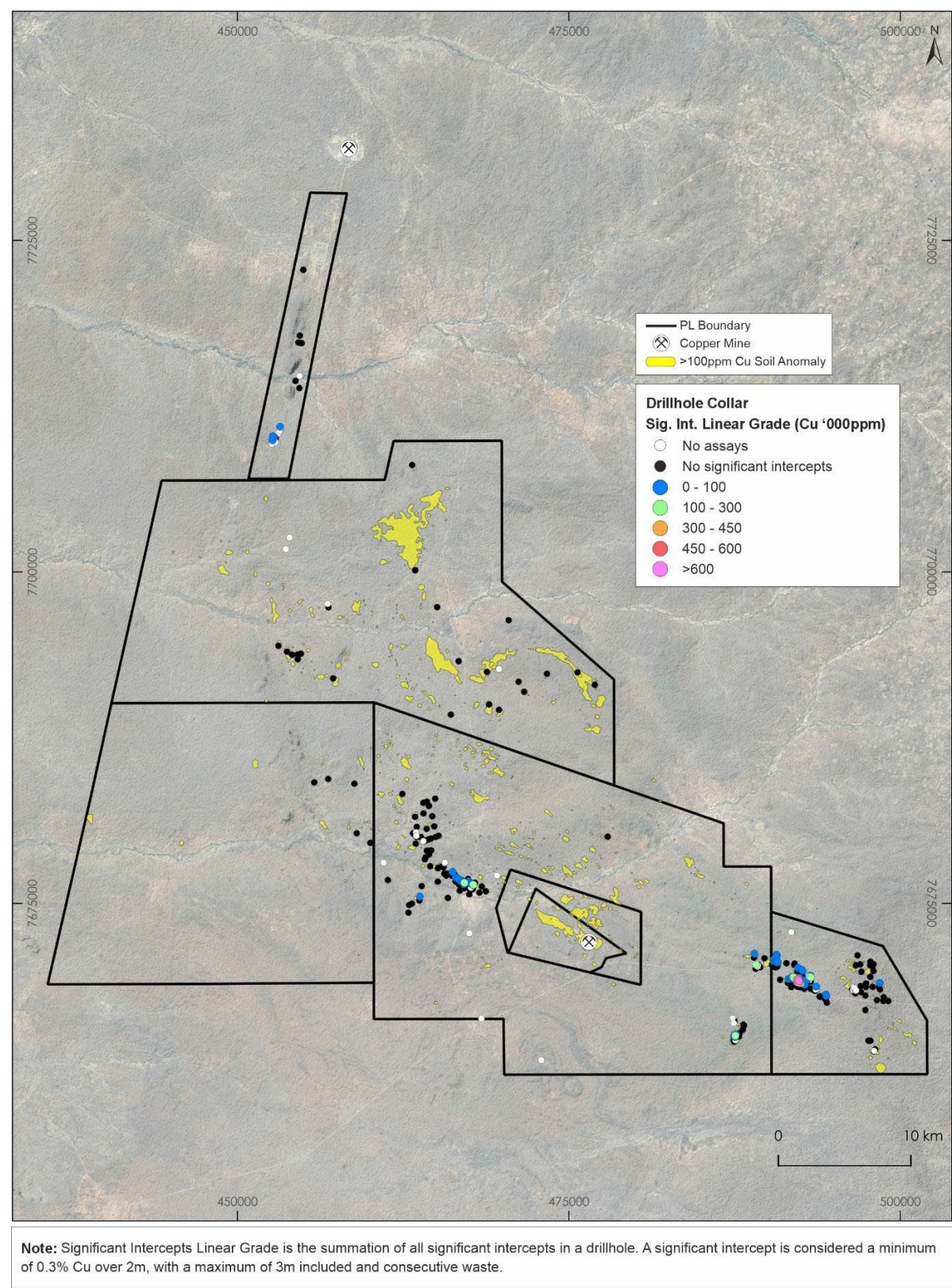
Source: Micon (2024)

Figure 16: Location of Drill Holes Completed by the Various Owners on the Matsitama Property



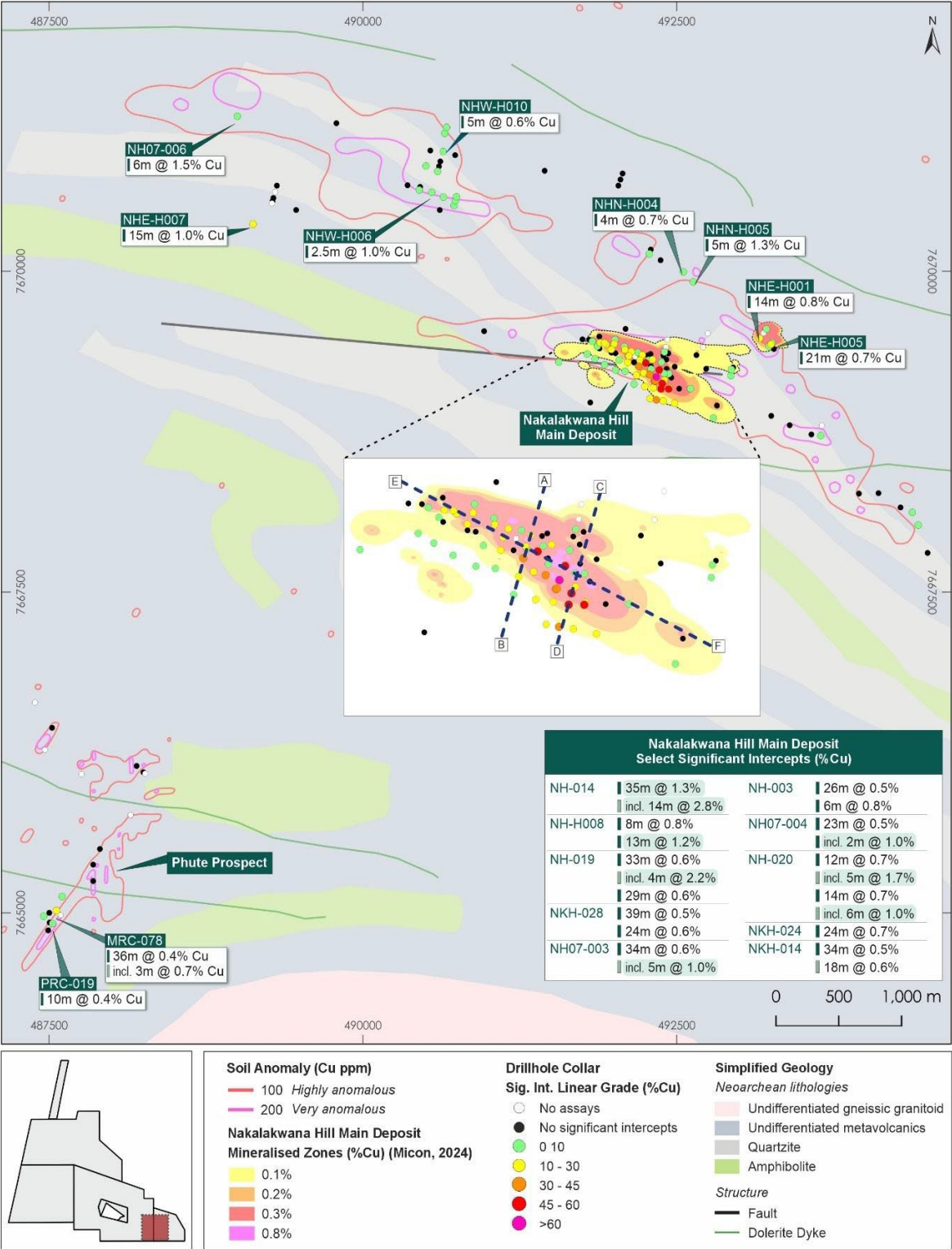
Source: Micon (2024)

Figure 17: Results of Historical and Current Drilling, Displayed in Plan View as Significant Intercepts Linear Grade



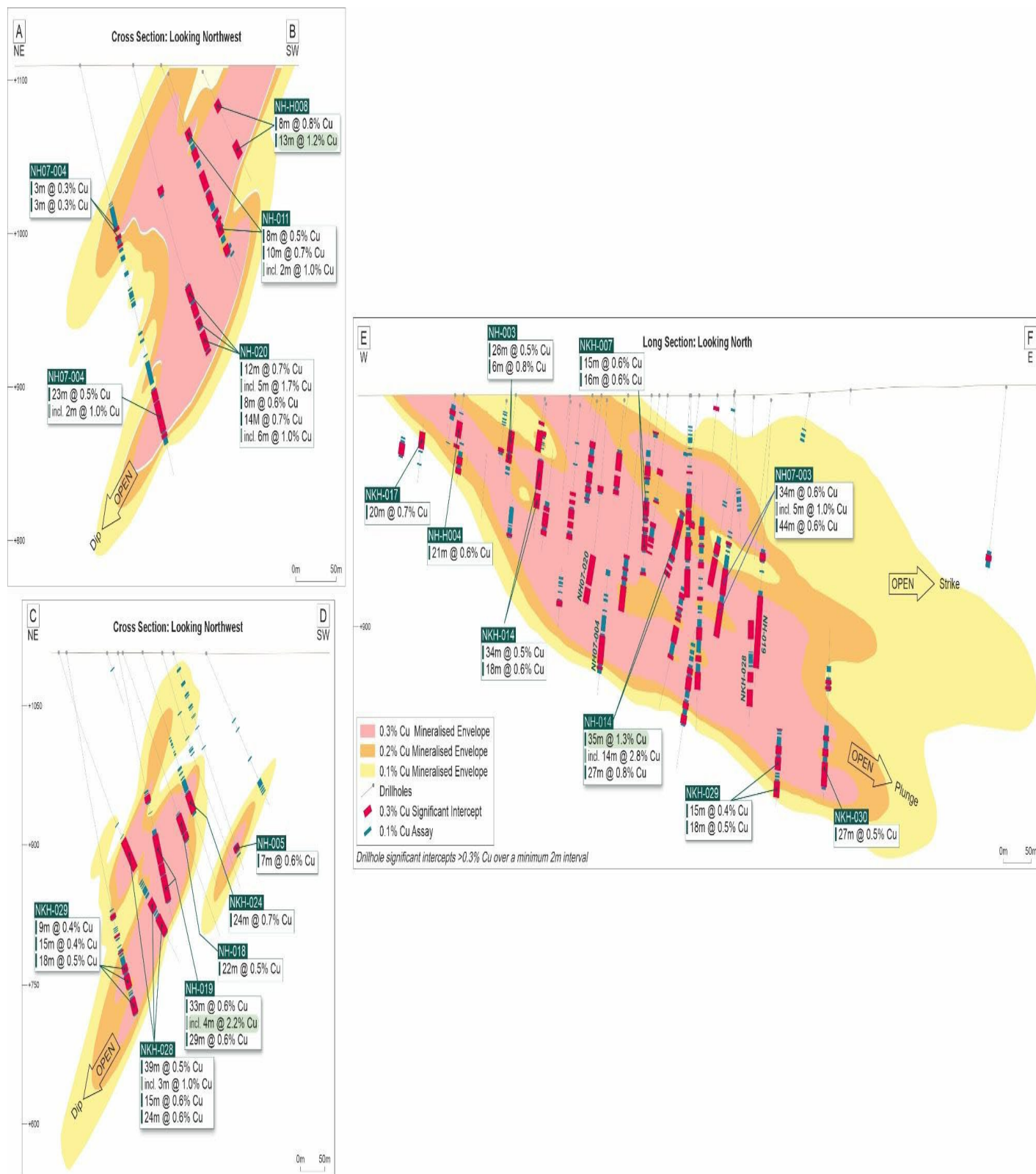
Source: Micon (2024)

Figure 18: Overview of Exploration and Drilling Results at Nakalakwana Hill and Surrounding Mineralization



Source: Micon (2024)

Figure 19: Select Cross and Long Sections through the Main Mineralized Zone of Nakalakwana Hill



Source: Micon (2024)

Figure 20: A Selection of Photographs of the Diamond Drilling Logging and Sampling Procedures followed by Eastport

Core in a metal tray with the applicable marks 	Core marking and logging 
Core is hand-split using a Bradley Core Splitter 	Split core with sample and depth markings 
Samples are placed in polyweave bag and labelled with a tag 	A complete sample batch ready for transportation to the courier and laboratory 

Source: Eastport (2024)

Figure 21: An Example of a Drill Hole Logsheet and pXRF Results, DS21-018

MATSITAMA MINERALS (PTY) LTD												
PL 060/2011												
HOLE ID: DS21-018												
X	453216	UTM Zone 35S,	Date started: 7 December 2021			Drilled by: Rotsdrill						
Y	7710950	Cape Datum	Date finished: 11 January 2022			Logged by: Segomotso Gaotlhobogwe, Ian McGeorge						
Azimuth	130°	Drilled sizes: Tricone to 2.8m										
Incl	-45°	HQ to 18.33 m										
											NQ to 177.44m	
Location: Phudulooga												
Log version of 30 April 2022												
From	To	Interval	Lithology	Description	Contacts	Weathering or alteration	depth	α	β	Cu ppm pXRF	General comments	Stratigraphy
0.00	3.55	3.55	soil	grey calcareous silty sand	gradational							SOIL
3.55	14.97	11.42	limestone	limestone, mottled grey, finely banded, chert lenses, fine calcite veining, microfaulting, breccia zones	gradational	relatively fresh, hard						LIMESTONE
14.97	20.98	6.01	limestone	as above but pervasive orange - red staining (Fe?)							HQ drilling to 18.33m	
20.98	23.12	2.14	calcrete	calcrete with remnants of limestone - zone of deep weathering		deeply weathered						
23.12	24.65	1.53	rubble	soft brown friable rock	bc fault							
24.65	41.78	17.13	weathered gneiss	white - yellow weathered gneiss, weathering picks up foliation, which is prominent and 20-30° to core. Some qtz-calcite veining and breccia zones		weathered		20-30°				GNEISS
41.78	112.21	70.43	grey gneiss	medium grained grey gneiss, foliation subtle, white feldspar, suggesting diorite or granodioritic character. Specks of pyrite towards the base. 70-90m qtz-calcite veining is more abundant. Some oxidised pyrite; below 90m veining is mainly quartz.	bc is fault	mainly fresh		40-70°				
112.21	119.81	7.60	limestone	grey limestone as above, some graphitic partings; 1.25m calcite vein at 117.3m, 12cm qtz vein at lower contact			112.21	30°	145°		fault 148° / 32° E	LIMESTONE
119.81	139.24	19.43	grey gneiss	grey gneiss as above, some pyrite, disseminated and in hair-line veins								GNEISS
139.24	153.11	13.87	impure limestone	impure limestone, bands of pyritic carbonaceous siltstone, and fine calcareous sandstone. Top contact is a breccia from 139.24-140.06m			139.24	30°				LIMESTONE
153.11	167.38	14.27	argillite breccia	dark grey siltstone breccia, vuggy with euhedral quartz crystals in voids, specks of malachite from 154.62m, buckshot pyrite 156.25 - 156.8m. Mineralised zone - 157.41 - 157.83m - malachite, chalcocite, chalcopyrite. Core has high SG. Quartz vein 162.59 - 163.0m with malachite	sharp	weathered	167.38 163.00	30° 60-70°	340°	4678	mineralised fracture zone 153.11 - 167.38m. 157.6 - 162.8m = 8,918ppm Cu. 157.6 - 158.0m = 2.6% Cu	FRCZ
167.38	172.09	4.71	limestone	grey limestone as above, some graphitic partings; 1.25m calcite vein at base	tc is fault, bc is unbroken		172.09	75°	290°	29	fault 030° / 70° NW	LIMESTONE
172.09	173.92	1.83	siltstone breccia	graphitic breccia as above								FRCZ
173.92	174.31	0.39	limestone	limestone block within breccia, contact unbroken							fracture zone	
174.31	176.94	2.63	siltstone breccia	graphitic breccia with quite abundant pyrite								FRCZ
	174.94			End of hole - hole stopped prematurely								

Source: Eastport (2024)

Sample Preparation, Analyses and Security

Historical Sample Preparation, Analyses and Security

BCL

The QPs could not source any information regarding the sample preparation, analyses and security implemented by BCL for its soil geochemistry campaigns.

African Copper Plc

The QPs could not source any information regarding the sample preparation, analyses and security implemented by ACE for its soil geochemistry campaigns.

Historical Pit Samples

African Copper Plc

The Eastport inherited database has 382 pit samples collected by ACE and the Sinti deposit on the Bushman Lineament. However, the QPs could not source any information regarding the sample preparation, analyses and security implemented by ACE for its pit sampling campaigns.

Historical Drilling

BCL

The QPs could not source any information regarding the sample preparation, analyses and security implemented by BCL for its drilling campaigns.

Ambase

The QPs could not source any information regarding the sample preparation, analyses and security implemented by Ambase for its drilling campaigns.

African Copper Plc

The QPs could not source any information regarding the sample preparation, analyses and security implemented by ACE for its drilling campaigns.

Regarding downhole surveys, the SRK 2013 report notes that downhole surveys were not undertaken in any of the second phase's 30 drill holes completed by ACE due to the presence of magnetic minerals and the drill holes were assumed to be on the bearing and inclination of the collar.

The QPs highlight that downhole gyroscopes are valuable for obtaining accurate surveys in areas with magnetic rocks and minerals. Unlike traditional magnetometers, which rely on the Earth's magnetic field, gyroscopes utilize the principle of angular momentum and, with the correct calibration, are not affected by magnetic interference.

Density Measurements

While no density measurements conducted by BCL are documented, the SRK 2013 report, referencing the "Acu Exploration Technical Procedures," indicates that density measurements for the ACE drilling campaigns adhered to the Archimedes principle. A total of 3,489 density measurements were collected during these campaigns.

Historical QA/QC

The QPs cannot source information or data for BCL and ACE's historical soil and pit sampling campaigns.

Regarding historical drilling, no QA/QC data has been sourced so the QPs can perform their analysis. However, Siwela (2011) notes that:

"Quality Assurance and Quality Control had been previously done for the more recent drilling data and the

confidence level is high. With regards to BCL, no data exist but Goldfields validated some of the BCL drill data by relogging and resampling (Milian, 1989). Generally the quality and reliability of the historical information is adequate to determine the overall prospectivity of the area and this conclusion was also reached by studies undertaken by Bottrill and AAC, in particular in comparing the results obtained by the original BCL colorimetric analyses and later atomic absorption (Mitsch & Davenport, 2000)."

The QPs do not have access to the Milian (1989) or the Mitsch & Davenport (2000) report to verify the statement.

The SRK 2011 report notes that the QA/QC was limited to four twin drill holes completed by ACE. The SRK 2013 report states that QA/QC data was available for the 30 drill holes completed by ACE in the Phase 2 drilling program, as recommended by SRK.

For 30 drill holes, as part of the QA/QC protocol, standards and blanks were inserted into the sample stream at a rate of 1:20 prior to laboratory submission. Additionally, 5% of samples were duplicated and sent to the same laboratory for verification. No samples were submitted to an independent umpire laboratory. The laboratory demonstrated satisfactory analysis accuracy and reproducibility for blanks, standards, and duplicates.

QP's Opinion of the Historical Sample Preparation, Analyses and Security

The QPs had limited access to information regarding the sample preparation, analysis, and security protocols implemented by BCL, Ambase, and ACE during their exploration and drilling campaigns. A historical QA/QC database precluded a comprehensive independent assessment of the assay data.

While historical reports indicate adherence to industry standards for the 30 drill holes completed by ACE at Nakalakwana Hill, the limited availability of detailed information hinders an independent evaluation of the QA/QC results.

The QPs cannot confirm that the historical exploration samples are representative and contain no sample bias. However, despite these limitations, the QP believes that historical exploration and drill hole data can still be utilized to inform future exploration planning efforts.

Current Sample Preparation, Analyses and Security

Eastport Soil Geochemical Sampling

Sample Security and Chain of Custody

Each sample undergoes riffle splitting, with the riffle splitter being air-cleaned between samples. Half of each split sample is retained in Lobatse until the corresponding pulp is returned from the laboratory, after which it is disposed of. The remaining sample pulps are stored securely at Lobatse or the Matsitama camp.

The splits meant for analysis are packaged in double polyweave bags and securely sealed. Eastport transports the samples to a courier service in Gaborone, which overnight delivers the samples to the ALS Global laboratory in Johannesburg for further preparation and analysis. ALS-Johannesburg is an accredited laboratory in accordance with ISO/IEC 17025 and the South African National Accreditation System (SANAS). ALS Global Johannesburg is independent of the Issuer. Upon completion of the analysis, the ALS pulps are returned to Lobatse or Matsitama to replace the archived sample splits.

After the laboratory analysis is completed, ALS electronically transmits the results to Mr. Rickey G. Bonner and Dr. Tshoso.

Sample Preparation and Analysis

Upon reception of the samples at ALS-Johannesburg, the soil samples are weighed. Samples are prepped according to ALS-Johannesburg's PREP-41, whereby samples are dried at <60°C, sieved to <180 µm and both fractions are retained.

The analysis was by “Aqua Regia Super Trace Analysis”, code ME-MS41L, which involves aqua regia digestion of a 0.5 g aliquot with super trace Inductively Coupled Plasma Mass Spectrometry (ICPMS) analysis that provides extremely low detection limits for the analysis of soils and sediments; useful for regional and deep cover exploration. A total of 53 elements were analyzed per sample.

QA/QC

The soil sample streams included a field duplicate at one in every 20 samples (~5%). The Eastport staff highlighted that no substantial issues were reported in the duplicate samples. It is understood that ALS-Johannesburg, as is standard practice, implemented a rigorous internal laboratory (external) QA/QC program.

The QPs have not received any internal (Eastport QA/QC samples) or external (ALS-Johannesburg samples) QA/QC data pertaining to the Eastport soil sampling campaign. Consequently, they have been unable to conduct an independent assessment and comment on the results.

Eastport Diamond Drilling

Sample Security and Chain of Custody

Eastport staff transport the core trays to the secure core yard at the end of each DDH shift. The core yard is under constant surveillance by 24/7 security personnel. Throughout the core processing workflow, Eastport staff remain solely responsible for handling the core, and the Eastport geological and field technician team performs logging and sampling tasks.

After collection, samples are transported to the designated storage area and subsequently dispatched to ALS Global in Johannesburg, following the same logistics procedures as the soil samples outlined in the section entitled “Sample Security and Chain of Custody”.

Sample Preparation and Analysis

ALS-Johannesburg processed the DDH core samples following the standard preparation code PREP-31. The samples were crushed to a size where 70% of the material was less than 2 mm and then underwent riffle splitting to obtain a 250 g representative sample. This split sample was further pulverized to a size where 85% of the material was less than 75 µm.

ALS-Johannesburg performed the analysis. Samples undergo multi-element analysis as well as a gold fire assay. The gold fire assay uses analytical code Au-GRA21, an Au fire assay and Atomic Absorption Spectroscopy (AAS) finish on a 30 g aliquot.

The multi-element analysis uses analytical code ME-ICP61, a four-acid digestion with Inductively Coupled Plasma Atomic Emission Spectroscopy (ICP-AES) finish. A total of 34 elements are reported, including copper, to a detection limit of 1 ppm to 10,000 ppm.

Density Measurements

Eastport has not completed any density measurements.

QA/QC

The DDH core sample streams included a field duplicate at one in every 20 samples (~5%). It is understood that ALS-Johannesburg, as is standard practice, implemented a rigorous internal laboratory (external) QA/QC program.

The QPs have not received any internal or external QA/QC data pertaining to the Eastport diamond drilling campaigns. Consequently, they have been unable to conduct an independent assessment and comment on the results.

QP's Opinion of Eastport's Sample Preparation, Analyses and Security

Sample security, chain of custody, and preparation procedures adhere to industry best practices, preventing external interference and ensuring proper sample handling and cross-contamination between samples.

The completed exploration and drilling samples only included duplicate QA/QC samples at a rate of 5%. The QP recommends, and the Eastport team concurs, that future sampling programs incorporate Certified Reference Materials (CRMs), blanks, field duplicates, and pulp duplicates. This comprehensive approach will ensure a robust QA/QC program, effectively testing for accuracy, precision, and reproducibility throughout the in-field sampling, laboratory preparation, and analysis processes.

As of the effective date of the Technical Report, the analysis and results for diamond drilling samples are still pending.

Data Verification

Historical Data Verification

Refer to the section entitled "Historical QA/QC" for a description of historical data verification comments on the historical soil sampling, drilling sampling and QA/QC procedures.

Regarding twin drilling, Siwela (2011) notes that in 2007, ACE conducted a drill hole twinning program at the Nakalakwana Hill prospect on the historical BCL drill holes. The program included drill holes NH07-001 to NH07-005, which successfully replicated significant copper intersections previously identified by BCL.

Siwela (2011) concluded that the twin drilling program conducted by ACE successfully validated BCL's findings within the main mineralized zone of Nakalakwana Hill. The twinning program, which included drilling to depth and along the strike, confirmed the presence of mineralization in the target area.

The SRK 2011 report comments on the same four twin drill holes completed by ACE, highlighting that the twin drill holes generally confirm the mineralization trends.

Eastport Data Verification

Eastport's three DDH drill holes at Nakalakwana Hill are designed as infill; however, they are close-spaced and can confirm the historical drilling results once they are processed.

All the exploration and drilling data collected and compiled by the in-field exploration team is validated by Mr. Rickey G. Bonner and/or Dr. Tshoso.

As referenced in the section entitled "Qualified Person Site Visit and Personal Inspection", Mr. Dean MacEachern, an Author and Qualified Person (QP) of the Technical Report, conducted a site visit to the Matsitama Property from February 23, 2023 to March 1, 2023. Accompanying him were Mr. Rickey G. Bonner, President of EVB, and Mr. Darrell Sibanda, the Contract Site Manager. A key objective of this visit was to verify historical and current exploration and drilling data. Data verification included:

- Verified the collar location of selected drill holes.
- Review several DDH drill holes to assess the accuracy of the logging procedures. The drill holes reviewed at Nakalakwana were historical drill holes NH07-01, NH07-03 and NH07-005. From Phudulooga, the QP reviewed historical drill holes DS07-011 and DS07-012, and one of Eastport's DDH drill holes, DS21-018.
- A resampling campaign of the Nakalakwana Hill drill core. The resampling samples are pending results. A total of nine samples were collected. Mr. MacEachern collected the samples. Samples were bagged, given a new unique sample number, and sealed with tamper-proof security ties. The samples were delivered personally to Lobatse, where they were shipped overnight by courier to ALS Global in Johannesburg for further preparation and

analysis. The preparation and analysis was as follows:

- Samples were dried, crushed, split, and pulverized to obtain a 250 g portion subsequently sieved to 200 mesh. This prepared sample was then analyzed for 37 elements, including gold, using a 15 g aqua regia digestion followed by ICP-MS analysis (ALS code ME-OG46). For samples with copper concentrations exceeding 10,000 parts per million (ppm), a 50 g ultra-trace aqua regia digestion was performed using ICP-MS (ALS code ME-OG4). This specialized method ensured accurate analysis of high-copper samples.
- The analyzed samples yielded copper values ranging from 122 ppm up to 128,500 ppm (12.85%) copper and silver values ranging from 0.5 ppm to 12.7 ppm silver. Six of the verification samples demonstrated a strong correlation with historical results. Two samples were collected from unmineralized sediments, while one was taken from a previously unsampled massive sulphide intersection in hole DS21-018.

Mineral Processing and Metallurgical Testing

Historical Mineral Processing and Metallurgical Testing

The information on the historical mineral processing and metallurgical testing is sourced from (Mintek, 2012).

In 2012, Messina Copper (Pty) Ltd requested Mintek Johannesburg to conduct scoping pre-concentration laboratory tests on their copper mineralized drill cores from the Nakalakwana deposit. In addition, mineralogical characterization was requested on the sample.

Pre-Concentration Laboratory Testing

The scoping beneficiation testwork included heavy liquid separation (HLS) on > 1 mm material and shaking table and mineralogy on fines (<1 mm), as well as rougher flotation testwork on the 'as-is' material.

The study's primary objective was to characterize the material's density response. Dense Medium Separation (DMS) was evaluated as a potential pre-concentration stage for particles larger than 1 mm, contingent upon the degree of mineral liberation. The impact of crushing top size (20 mm, 12 mm, and 6 mm) on liberation was also assessed. Spiral circuits were considered as a pre-concentration option for finer particles (less than 1 mm).

Flotation tests were conducted on the "as-is" material to establish a benchmark, comparing its performance to the pre-concentration stages. Additionally, mineralogical analysis of the fine fraction (less than 1 mm) was undertaken to identify copper-bearing minerals and assess their liberation size.

Mintek (2012) concluded:

- Density characterization studies revealed that the material greater than 1 mm is not sufficiently liberated for effective DMS. Mineralogical analysis of the finer fraction (less than 1 mm) identified chalcopyrite as the primary copper-bearing mineral. Within this size range, chalcopyrite is predominantly liberated, with approximately 65% occurring as individual grains between 100 µm and 450 µm. To achieve optimal liberation, further milling to a size range of 100%, passing 75 µm would be necessary.
- The fine material (less than 1 mm) generated during crushing could be beneficiated using gravity separation techniques, such as a shaking table. Preliminary assessments suggest that copper recoveries of approximately 80% could be achieved at a product grade of 1% Cu. Further studies indicated that grinding the material to a finer size (96% passing 106 µm) did not improve the performance of the shaking table. Finer grinding led to an increase in fines, resulting in a significant loss of copper (52%) as slimes on the shaking table.
- The "as-is" material demonstrated promising flotation characteristics. A saleable copper concentrate could be produced with a grade of 9% Cu and a recovery rate of 91%. However, flotation at a coarser grind (20 µm to 75 µm) indicated the need for longer residence times to achieve similar results, with copper recoveries reaching only 70%.

Mineralogical Study

Mintek's Physical Separation Department conducted testwork on a garnet-quartz-biotite schist drill core from Nakalakwana containing approximately 0.5% copper in chalcopyrite. The objective was to evaluate the feasibility of upgrading the copper concentration to greater than 1% using DMS. DMS tests were performed on the ore at various grind sizes, and a mineralogical study was conducted on the 100% -1.7 mm fraction.

A representative sub-sample was pulverized for X-ray diffraction (XRD) analysis to identify the major minerals and their relative proportions. Polished sections of the sub-sample were prepared for examination using optical and scanning electron microscopy. The aim was to establish copper bearing minerals' identity, modal abundance, and degree of liberation within a specific size range of particles.

Mintek (2012) concluded:

- Since the physical separation process relies on density differences to separate copper bearing minerals from gangue minerals, the volume percentage of copper minerals within each particle is crucial. The exposure of copper minerals on the particle surface is less significant in this context, as it does not directly affect the particle's overall density.
- XRD analysis revealed quartz as the predominant gangue mineral, with significant amounts of biotite mica and clinocllore. Optical analysis confirmed that chalcopyrite is the sole copper-bearing mineral present. Mineralogical studies indicated that biotite and clinocllore do not contain copper in solid solution. No cobalt minerals were detected.
- Chalcopyrite constitutes approximately 75% of the mineral volume and is predominantly liberated in two distinct size fractions: 100 µm to 450 µm and 20 µm to 75 µm. However, around 4% of the chalcopyrite occurs as fine inclusions within silicates or pyrite. These locked grains are too fine-grained to be effectively separated using density-based methods. To liberate the remaining 21% of chalcopyrite, further milling to a size range of 100 µm to 75 µm would be necessary.

Mineral Resource Estimates

Eastport has not declared any mineral resource estimates for the Matsitama Property.

Mineral Reserve Estimates

Eastport has not classified any mineral reserve estimates for the Matsitama Property.

Mining Methods

The Project is in an advanced exploration phase, with no mining activities. Consequently, no mining methods have been investigated or proposed in the Technical Report.

Recovery Methods

The Project is in an advanced exploration phase, with no mining activities. Consequently, no recovery methods have been investigated or proposed in the Technical Report.

Project Infrastructure

The Project is at an advanced exploration stage, and no project infrastructure and logistics requirements applicable to mining have been studied or proposed.

Market Studies and Contracts

Market Studies

Copper has developed an indispensable role in the modern economy with widespread applications across various industries. Its unique properties, including excellent electrical conductivity, corrosion resistance, and malleability, make it crucial for modern technology and infrastructure.

Copper supply primarily comes from mining operations. The top producers were Chile (5.2 Mt in 2022), Peru (2.2 Mt), DR Congo (2.2 Mt), China (1.9 Mt), and the USA (1.3 Mt), with a total global production of 22 Mt in 2022.

The global shift toward electrification, urbanization, and renewable energy sources drives demand, with domestic demand in China being the main growth driver. Some primary uses include electrical wiring, renewable energy and decarbonization, electric vehicles and healthcare. The copper market has recently experienced a supply deficit due to rising demand and limited new production. In 2021, global copper demand reached 25 Mt, already a surplus on the 22 Mt produced in 2022.

Copper prices have fluctuated over recent years, primarily influenced by market demand, supply chain disruptions, and macroeconomic factors (Figure 22). However, at the end of the first half of 2023, copper was one of the leading commodities in price percentage change since the first half of 2019 (EY, 2023). As of the effective date of the Technical Report, copper prices are around US\$9,300 per tonne. Analysts predict prices will remain robust due to the strong demand outlook, particularly from renewable energy and electric vehicle sectors. Long-term price forecasts suggest a range of US\$8,000 to US\$10,000 per tonne, contingent on global economic conditions and supply developments.

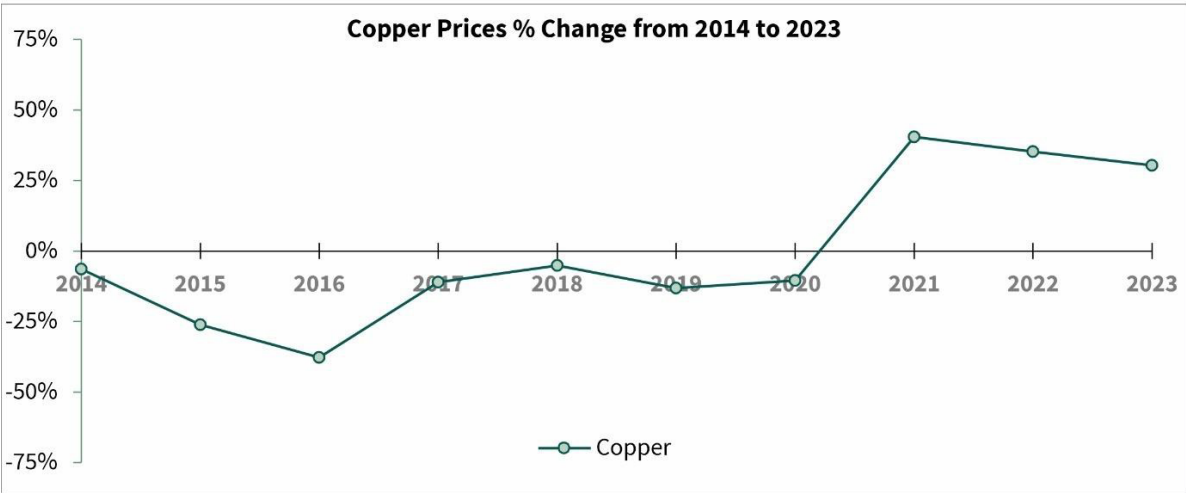
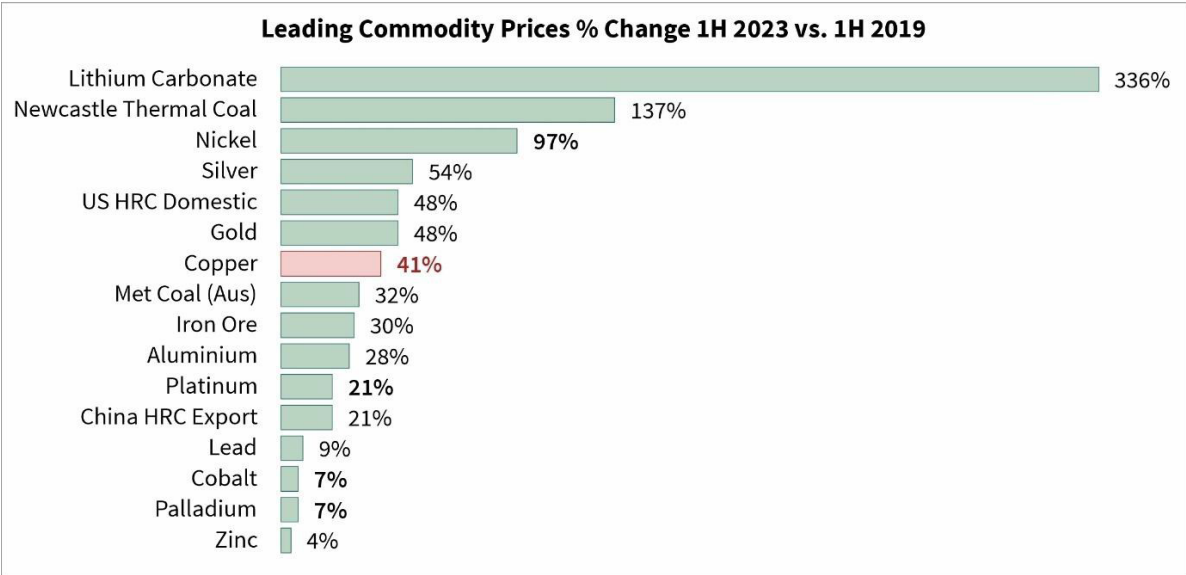
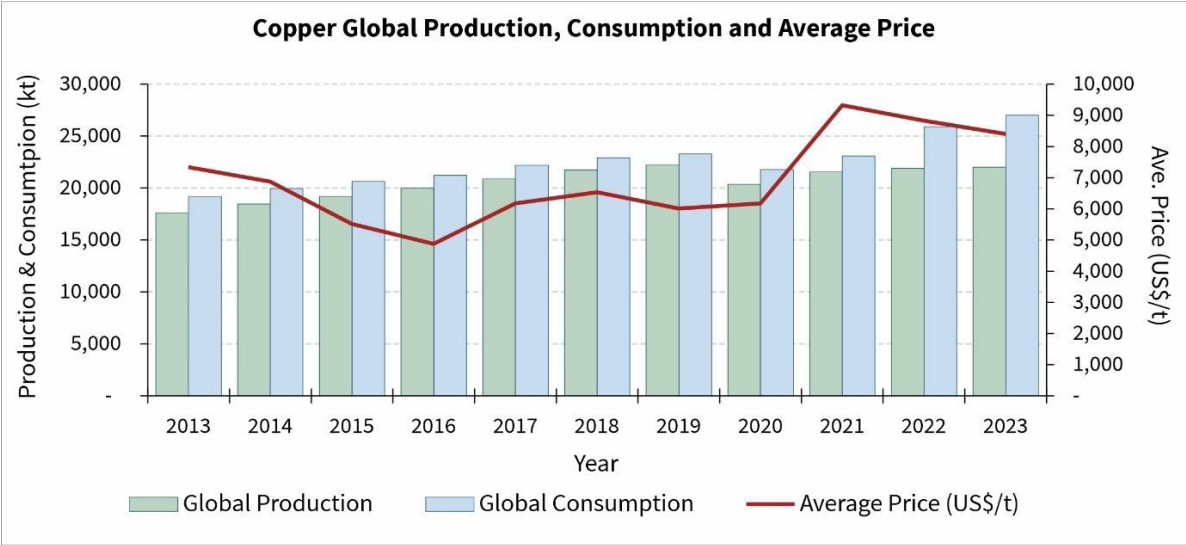
S&P Global projected in 2022 that annual global copper demand will nearly double from 25 Mt to roughly 50 Mt by 2035. Further, CRU projects there could be an unmet need for 7 Mt to 8 Mt per year of copper by 2035, while McKinsey & Company predict that electrification is projected to increase the annual copper demand, resulting in a 20% shortfall by 2031.

The outlook for copper remains positive, with growing demand driven by global efforts to decarbonize economies and expand electrification. However, supply constraints could result in continued price volatility.

Contracts

As the Project remains in the advanced exploration stage, no formal contracts have been finalized for land use agreements, infrastructure development, mining, offtake arrangements, smelting, refining, transportation, sales, marketing, or other commercial agreements.

Figure 22: Overview of Copper's Market Performance, Supply, Demand and Price



Source: Micon (2024), data sourced from EY (2023)

Environmental Studies, Permitting and Social or Community Impact

Kalisa Consultancy Services & Engineering completed an environmental management plan (EMP) in February 2021 on behalf of Matsitama Minerals to conduct prospecting activities. Eastport updated the EMP on October 12, 2023 for drilling.

Currently, the Project operates under PLs and adheres to local regulations and best practices for environmental protection. Community engagement is in its preliminary stages, focusing on establishing open communication with local stakeholders to ensure that any future developments consider social and environmental concerns. As the Project progresses, further studies will be conducted in accordance with applicable regulations and industry standards.

Capital and Operating Costs

The Project is in an advanced exploration stage. No capital and operating costs have been assessed.

Economic Analysis

The Project is currently in the exploration stage. No economic analysis or evaluation has been conducted to date.

Adjacent Properties

The Matsitama Property is adjacent to two operating mines:

- The Kopano Copper Mine to the north. Mining remains suspended, however the mining license remains unchanged under Leboam Holdings (Pty) Ltd.
- The Thakadu Copper Mine in the southern portion of the Matsitama Property, in the excluded section of Eastport's PL001/2005.

Details of the two mines are provided in the section entitled "Location and Area of the Property" and the location of the two mines illustrated in Figure 2.

The adjacent mines do not necessarily indicate the mineralization of Eastport's properties.

Other Relevant Data and Information

To the best of the QPs knowledge, no additional relevant data, information, or explanations are necessary to ensure the comprehensibility and accuracy of the Technical Report.

Interpretation and Conclusions

The Project benefits from substantial historical data, including over 105,000 multi-element soil geochemistry samples and nearly 68 km of diamond drilling, RC, and Halco drilling across the Matsitama Property. Eastport's recent exploration includes 10 diamond drill holes at the Phudulooga prospect, three at the flagship Nakalakwana prospect, and a 308-sample soil geochemistry campaign at the Lepashe prospect.

Exploration protocols adhered to industry best practices, including drilling, logging, sampling, and chain of custody. However, the soil and core sampling relied solely on field duplicates for QA/QC, limiting verification to early-stage sample reproducibility. A more comprehensive QA/QC program will be required to assess reproducibility, accuracy, and precision during sample preparation and analysis.

In addition, downhole surveys were not completed, and the collars have not yet been surveyed with a DGPS. This can have implications for incorporating the Eastport drill holes in an MRE.

Historical drill hole twinning by ACE at Nakalakwana Hill confirmed the reproducibility of mineralization in BCL drill holes. While current data verification is limited, the results correlate well with historical data.

After assessing the historical and current exploration data, the QPs concur with previous analyses, identifying over 20 copper prospects across the Matsitama Property. These have been ranked in order of prospectivity, with the top five prospects being:

- Nakalakwana Hill and surrounding Nakalakwana deposits.
- The “Lepashe Copper Snake” (Lepashe, Palamela and Tau prospects).
- Tholo and Tholo North.
- Phute.
- Phudulooga.

The Nakalakwana Hill prospect has undergone the most extensive exploration, including two MREs by SRK in 2011 and 2013 (refer to the section entitled “Historical Mineral Resource Estimates”), and is Eastport’s flagship prospect. In 2024, Micon delineated mineralized zones at Nakalakwana Hill Main Deposit, using cut-offs of 0.1%, 0.2%, 0.3%, and 0.8% Cu. These zones assisted in refining the orebody model, with key conclusions including:

- The mineralized zone extends over 1.3 km of strike (WNW-ESE) and is over 250 m wide, with potential strike extension to the east and west.
- Numerous high-grade copper intercepts are present along the orebody's extent.
- The orebody dips steeply to the southwest, plunges to the southeast, and remains open down-dip and down-plunge.

These factors present opportunities for future exploration, including infill drilling to upgrade resources and extend mineralization along strike and at depth. Additionally, soil anomalies indicate the presence of further mineralized zones at Nakalakwana and Phute.

Recommendations

Given the high prospectivity for copper deposits across the Matsitama Property, the QPs and Micon recommend the following actions:

Methodology and Protocol Enhancements

Implement a more comprehensive QA/QC program for exploration and drilling samples. This should include certified reference materials (CRMs), blanks, field and pulp duplicates, and using an umpire laboratory. This approach will improve accuracy, precision, and reproducibility testing across the in-field sampling, laboratory preparation, and analysis stages.

Upon completion, survey all drill hole collars using DGPS to ensure accurate location data for future modelling and estimation efforts.

Conduct downhole surveys using a gyro tool to mitigate potential interference from magnetic rocks, ensuring reliable data for MRE.

Licence Compliance and Prospectivity

Complete the required work programs and meet the expenditure obligations outlined for the six PLs to secure

extensions beyond their expiry date of March 31, 2026 (see the section entitled “The Project’s Mineral Tenure”) and Table 2 for details). This will facilitate future exploration and drilling activities across the key prospects within each PL.

Nakalakwana Hill Focus

Prioritize data verification, exploration, drilling and project progress at the Nakalakwana Hill prospect. The recommended steps include:

- Conduct in-field verification of historical drilling, including DGPS surveying of historical collars and resampling historical cores, to validate reproducibility and enhance confidence in historical data.
- Design and execute an infill and extension drilling program to test the lateral strike extensions (east and west) and down-dip/plunge continuity of mineralization.
- Focus drilling efforts on upgrading the confidence of the SRK 2013 MRE while expanding the inferred resource along strike, down-dip, and down-plunge.
- To maximize the data generation potential from the drill core, incorporate key 'modifying factors' testwork into the drilling program design, including:
 - o Archimedes bulk density measurements across varying lithologies and regolith profiles.
 - o In-situ moisture content measurements.
 - o Initial geotechnical assessment using hand penetrometer tests and, if feasible, point load tests.
 - o Verification of geometallurgical testwork, referencing the Mintek 2012 results.
- Following the completion of the drill program, assess the results and consider an updated MRE.
- If an updated MRE is completed, a Preliminary Economic Assessment (PEA) should be considered to provide an initial assessment of the Project's economic potential. A PEA will enhance the Project value and guide future strategic decisions.

Future Work and Budget

The exchange rate applied for budgeting and expenditure reporting is BWP:US\$ 1:0.07235, reflecting the exchange rate as of the Technical Report date, 19 March 2025.

Eastport has provided a summary of exploration and drilling expenditures completed on the Matsitama Property to date. This work constituted the Phase 1 exploration and drilling programme, which concluded in September 2024 and is described comprehensively in the sections entitled “Exploration” and “Eastport Diamond Drilling” of the Technical Report. The total expenditure incurred during Phase 1 amounted to BWP 577,950 (equivalent to US\$ 42,652) (Table 7).

Eastport has indicated to the QPs that Phase 2 of exploration is scheduled to commence in mid-2025 and conclude by December 2025. Phase 2 activities will encompass soil geochemistry surveys, rock chip sampling, and geophysical surveys intended to identify additional drill targets beyond the primary Nakalakwana Hill area.

Further drilling, including diamond and/or RC drilling, will be conducted at Nakalakwana Hill. The drilling programme is specifically designed for resource delineation, conversion, and extension, and will include twin drill holes to validate historical drilling results. Additionally, resampling of existing historical drill core will be undertaken to verify historical assay data. During drilling activities, maximum possible geological, geometallurgical, and geotechnical information will be systematically collected from drill core and RC chips.

Concurrent with the Nakalakwana Hill drilling, additional drilling will target newly identified prospects derived from Phase 2 exploration efforts. Upon the completion of Phase 2 drilling at Nakalakwana Hill, Eastport plans to complete an MRE.

The projected total budget for Phase 2 exploration and drilling activities is BWP 7,772,050 (equivalent to US\$ 573,556) (Table 7).

The proposed Phase 2 programme, including exploration, drilling, and subsequent MRE activities, has been reviewed by the QPs. The programme incorporates recommendations provided in the Technical Report, and the QPs endorse the planned Phase 2 activities.

Table 7: Phase 1 and Phase 2 Exploration and Drilling Budget

Phase	End Date	Activity	Budget / Expenditure		
			BWP	US\$	
Phase 1	September 2024	Soil sampling, diamond drilling	BWP	577,950	\$ 41,845
Phase 2	December 2025	Soil and rock chip sampling, geophysics, drilling, MRE	BWP	7,772,050	\$ 562,308
TOTAL			BWP	8,350,000	\$ 604,153

Selected Consolidated Financial Information

The following table sets forth selected consolidated financial information of Eastport for the years ended 2024 and 2023. Such information has been derived from and should be read in conjunction with the Eastport Financial Statements and the Eastport MD&A, attached to this Filing Statement as Appendix “C” and Appendix “D”, respectively.

	Year Ended October 31, 2024 (\$)	Year Ended October 31, 2023 (\$)
Total assets	1,081,610	3,981,576
Total liabilities	2,814,880	2,746,620
Shareholder's equity (deficit)	(1,733,270)	1,234,956
Total revenue	Nil	Nil
Net and comprehensive loss attributable to shareholders	3,746,895	2,331,309
Basic and diluted loss per share	0.07	0.05

Management's Discussion and Analysis

The Eastport MD&A is attached hereto at Appendix “D” and should be read in conjunction with Eastport Audited Financial Statements and Eastport Interim Financial Statements, attached hereto at Appendix “C”.

Description of Securities

Authorized Capital

The authorized capital of Eastport consists of an unlimited number of Eastport Shares, of which 60,903,744 Eastport Shares are issued and outstanding. The Eastport Shares are without par value and entitle the holders thereof to receive notice of, attend and vote at all meetings of Eastport Shareholders. Each Eastport Share carries one vote at such meetings. Eastport Shareholders are entitled to dividends as and when declared by the board of directors of Eastport. In the event of the voluntary or involuntary liquidation, dissolution or winding-up of Eastport, after payment of all outstanding debts, the remaining assets of Eastport available for distribution will be distributed to the holders of Eastport Shares.

Other than the Eastport Warrants, the Eastport Performance Warrants, the Eastport Options, and the outstanding Gledhow Note, ZCI Note, and Newman Note (which is expected to be paid back in cash or securities after the Exchange Listing at the election of the holder), and other than the securities to be issued pursuant to the Subscription Receipt Offering, there are no other securities convertible or exercisable into Eastport Shares outstanding.

Eastport Options

As of the date of Closing, before applying the Exchange Ratio, Eastport expects that the following number of Eastport Options will be outstanding, assuming the voluntary surrender of an aggregate of 14,800,000 options, and as set forth in the table below:

Description	Number	Expiry Date	Exercise Price
Employee Stock Options	100,000	September 30, 2027	\$0.30
	250,000	September 30, 2028	\$0.20
	50,000	June 30, 2027	\$0.20
Consultant Stock Options	100,000	December 1, 2028	\$0.20
Director/Officer Stock Options	100,000	September 30, 2027	\$0.30
	500,000	September 30, 2028	\$0.20
Total:	1,150,000		

Eastport Performance Warrants

As of the date hereof, Eastport has issued Eastport Performance Warrants as set forth in the table below:

Description	Number	Expiry Date	Exercise Price
Consultant Eastport Performance Warrants	400,000	March 14, 2030	\$0.05
Director/Officer Eastport Performance Warrants	5,600,000	March 14, 2030	\$0.05
Total:	6,000,000		

Notes:

Performance warrants will fully vest upon completion of all of the below milestones:

- (i) Completion of concurrent financing for a proposed Qualifying Transaction with Penbar for which terms can be referenced in the Amalgamation Agreement;
- (ii) Successful completion of the proposed Qualifying Transaction resulting in the Exchange Listing;
- (iii) Completion of the recommended work program set out in the Technical Report.

In addition, the Eastport Performance Warrants shall not vest until all milestones have been satisfied (there shall be no staged/partial vesting conditions attributed to each milestone independent of one another). The Eastport Warrants shall expire five years from the date of grant.

Eastport Warrants

The following table sets forth the issued and outstanding Eastport Warrants as at the date of this Filing Statement.

Number of Warrants	Grant Date	Expiry Date	Exercise Price (\$)
125,000	May 18, 2023	June 30, 2026 ⁽¹⁾	0.20
212,500	July 14, 2023	June 30, 2026 ⁽¹⁾	0.20
1,888,089	October 31, 2023	June 30, 2026 ⁽¹⁾	0.20
125,000	May 18, 2023	May 18, 2026	0.30
212,500	July 14, 2023	July 14, 2026	0.30
1,888,089	October 31, 2023	October 31, 2026	0.30
1,281,265	August 1, 2022	June 17, 2027	0.20
50,000	June 21, 2024	June 21, 2027	0.25
339,270	January 3, 2024	June 30, 2026 ⁽²⁾	0.20
339,270	January 3, 2024	June 30, 2026 ⁽²⁾	0.30
968,513	October 31, 2024	June 30, 2026 ⁽³⁾	0.25
968,513	October 31, 2024	June 30, 2027 ⁽⁴⁾	0.35
262,500	December 17, 2024	June 30, 2026 ⁽³⁾	0.25
262,500	December 17, 2024	June 30, 2026 ⁽⁴⁾	0.35
6,000,000	March 14, 2025	March 14, 2030	0.05
14,923,009			

Notes:

- (1) Expires on the earlier of 12 months following the date of the Exchange Listing or 36 months from the date of issuance.
- (2) Expires on the earlier of 12 months from the date of the Exchange Listing or January 3, 2027.
- (3) Expires on the earlier of 12 months following the date of the Exchange Listing.
- (4) Expires on the earlier of 24 months following the date of the Exchange Listing.

Convertible Notes

The following table sets forth details regarding the ZCI Note and the Gledhow Note, which will be converted into Resulting Issuer Shares at Closing:

Instrument	Relationship to Resulting Issuer	Principal & Interest	Conversion Price	Issue of Equity	Number of Resulting Issuer Shares After Applying the Exchange Ratio
ZCI Note	Vendor of Matsitama Property	Principal: \$1,348,677 Interest: \$148,681 Fair market value of shares payable at the Exchange Listing \$107,820 Total: \$1,605,178	\$0.18	8,917,656 Eastport Shares	2,622,686 Resulting Issuer Shares
Gledhow Note	Existing Eastport Shareholder	Principal: \$100,000 Interest: \$9,918 Total: \$109,918	\$0.30	366,393 Eastport Shares	107,756 Resulting Issuer Shares

Consolidated Capitalization

The following table sets out any material change in, and the effect of the material change on, the share and loan capital of Eastport, on a consolidated basis, since October 31, 2024:

Designation of Security	Amount Authorized	Number of Eastport securities outstanding as at October 31, 2024	Number of Eastport securities outstanding as at the date of this Filing Statement
Eastport Shares	unlimited	56,473,194	60,903,744
Eastport Warrants ⁽¹⁾	--	12,263,559	8,923,009
Eastport Performance Warrants	--	-	6,000,000
Eastport Options ⁽²⁾⁽³⁾	--	16,200,000	15,950,000
Gledhow Note, Newman Note, ZCI Note	--	Gledhow Note \$106,726 ZCI Note \$1,568,224 Newman Note \$77,425	Gledhow Note \$109,918 ZCI Note \$1,605,178 Newman Note \$84,288

(1) Comprised of 3,795,872 currently outstanding A warrants, 3,795,872 currently outstanding B warrants, and 1,331,265 common share purchase warrants as at the date of this Filing Statement.

(2) Comprised of 4,000,000 Eastport Options exercisable on or before September 30, 2025, each entitling the holder to acquire one Eastport Share at a price of \$0.10 per Eastport Share; 3,200,000 Eastport Options exercisable on or before September 30, 2027, each entitling the holder to acquire Eastport Share at a price of \$0.30 per Eastport Share; 250,000 Eastport Options exercisable on or before January 31, 2027, each entitling the holder to acquire one Eastport Share at a price of \$0.30 per Eastport Share; 7,400,000 Eastport Options exercisable on or before September 30, 2028, each entitling

the holder to acquire one Eastport Share at a price of \$0.20 per Eastport Share; 100,000 Eastport Options exercisable on or before December 1, 2028, each entitling the holder to acquire one Eastport Share at a price of \$0.20 per Eastport Share; 100,000 Eastport Options exercisable on or before February 26, 2029, each entitling the holder to acquire one Eastport Share at a price of \$0.20 per Eastport Share; 800,000 Eastport Options exercisable on or before June 30, 2029, each entitling the holder to acquire one Eastport Share at a price of \$0.25 per Eastport Share; 400,000 Eastport Options exercisable on or before June 30, 2027, each entitling the holder to acquire one Eastport Share at a price of \$0.25 per Eastport Share; and 50,000 Eastport Options exercisable on or before June 30, 2027, each entitling the holder to acquire one Eastport Share at a price of \$0.20 per Eastport Share.

(3) Eastport expects that a total of 14,800,000 Eastport Options will be surrendered at Closing, with the balance of 1,150,000 Eastport Options to be exchanged for Resulting Issuer Options.

The following table sets forth the pro forma share capital of the Resulting Issuer, on a consolidated basis, after giving effect to the Qualifying Transaction, assuming no Eastport Options, Eastport Warrants, Eastport Performance Warrants or any of the Gledhow Note, ZCI Note, or Newman Note are exercised prior to the Qualifying Transaction:

Designation of Security	Number Authorized or to be Authorized	Number Outstanding Prior to Giving Effect to the Qualifying Transaction^{(1) (2)}	Number and Percentage Outstanding After Giving Effect to the Qualifying Transaction and the Exchange Ratio, Assuming the Minimum Subscription Receipt Offering^{(1) (2) (3)}	Number and Percentage Outstanding After Giving Effect to the Qualifying Transaction and the Exchange Ratio, Assuming the Maximum Subscription Receipt Offering^{(1) (2) (3)}
Resulting Issuer Shares, Including Eastport Shares Issued Pursuant to the Conversion of Subscription Receipts	Unlimited	4,000,000 Penbar Shares 20,642,230 Eastport Shares Gledhow Note \$109,918 ZCI Note \$1,605,178	571,429 Resulting Issuer Shares Held by Former Penbar Shareholders (2.15%) 25,952,369 Resulting Issuer Shares Held by Former Eastport Shareholders (97.85%) Includes 107,756 Resulting Issuer Shares Issuable Upon the Conversion of the Gledhow Note (0.41%) and 2,622,686 Resulting Issuer Shares Issuable Upon the Conversion of the ZCI Note (9.89%)	571,429 Resulting Issuer Shares Held by Former Penbar Shareholders (1.94%) 28,811,674 Resulting Issuer Shares Held by Former Eastport Shareholders (98.06%) Includes 107,756 Resulting Issuer Shares Issuable Upon the Conversion of the Gledhow Note (0.37%) and 2,622,686 Resulting Issuer Shares Issuable Upon the Conversion of the ZCI Note (8.93%)
Options	10% of the issued and outstanding Resulting Issuer Shares	400,000 Penbar Options 15,950,000 Eastport Options	57,143 Resulting Issuer Options Held by Former Penbar Option Holders (0.15%) 338,215 Resulting Issuer Options Held by Former Eastport Option Holders (0.92%)	57,143 Resulting Issuer Options Held by Former Penbar Option Holders (0.13%) 338,215 Resulting Issuer Options Held by Former Eastport Option Holders (0.79%)
Warrants	N/A	Nil	2,624,257 Resulting Issuer Warrants Held by Former Eastport Warrant Holders (7.10%)	2,624,257 Resulting Issuer Warrants Held by Former Eastport Warrant Holders (6.13%)
A Warrants Underlying the Eastport Units	N/A	Nil	2,655,069 A Warrants (7.19%)	4,084,722 A Warrants (9.54%)

After Conversion of the Subscription Receipts				
B Warrants Underlying the Eastport Units After Conversion of the Subscription Receipts	N/A	Nil	2,655,069 B Warrants (7.19%)	4,084,722 B Warrants (9.54%)
Performance Warrants	N/A	6,000,000	1,764,600 (4.78%)	1,764,600 (4.12%)
Eastport Sub Receipt Finder's Warrants	N/A	Nil	318,608 (0.86%)	490,167 (1.14%)
Newman Note ⁽³⁾	N/A	Newman Note \$75,000	Newman Note \$75,000	Newman Note \$75,000

Notes:

- (1) Prior to the completion of the Consolidation. Of the 15,950,000 currently outstanding Eastport Options, Eastport expects that an aggregate of 14,800,000 Eastport Options will be surrendered prior to Closing.
- (2) Subject to minor deviation as a result of the effect of rounding. Pursuant to the Amalgamation Agreement, any fractional Post-Consolidation Penbar Share to which an Eastport Shareholder would otherwise be entitled pursuant to the Amalgamation will be rounded down to the nearest whole Post-Consolidation Penbar Share.
- (3) The holders of the Gledhow Note and the ZCI Note have agreed to convert their notes into Resulting Issuer Shares at Closing. The Newman Note holder will be repaid after the Exchange Listing, either in cash or securities at the election of the holder.

Subscription Receipt Offering

As a condition to closing the Transaction, before applying the Exchange Ratio, Eastport shall complete the Subscription Receipt Offering pursuant to which Eastport will issue a minimum of 18,055,556 Subscription Receipts and a maximum of 27,777,778 Subscription Receipts at a price of \$0.18 per Subscription Receipt for aggregate gross proceeds of a minimum of \$3,250,000 and a maximum of \$5,000,000.

The proceeds of the Subscription Receipt Offering shall be held in escrow by the subscription receipt agent in a segregated account of or for the benefit of Eastport and will only be released to Eastport upon the satisfaction or waiver of all certain conditions precedent, including the conditions precedent to the completion of the Transaction as set forth in the Amalgamation Agreement, except for the release of the Escrowed Funds.

Upon satisfaction or waiver of the Escrow Release Conditions, and without any further action or additional consideration, each Subscription Receipt will convert into one (1) Eastport Unit, which is exercisable into one Eastport Share, one-half of one A Warrant and one-half of one B Warrant. Each whole A Warrant is exercisable by the holder to acquire one Eastport Share at an exercise price of \$0.25 per Eastport Share for a period of 12 months from the Exchange Listing. Each whole B Warrant is exercisable by the holder to acquire one Eastport Share at an exercise price of \$0.50 per Eastport Share for a period of 24 months from the Exchange Listing. As part of the Amalgamation, the Eastport Shares underlying the Eastport Units issued upon conversion of the Subscription Receipts will be exchanged for Resulting Issuer Shares, the A Warrants underlying the Eastport Units will be exchanged for Resulting Issuer Warrants on equivalent terms as the A Warrants, and the B Warrants underlying the Eastport Units will be exchanged for Resulting Issuer Warrants on equivalent terms as the B Warrants. If the Escrow Release Conditions are not met prior to a date to be determined in the context of the Subscription Receipt Offering, all funds will be returned to the subscribers without deduction and the Subscription Receipts will be cancelled.

Eastport may pay fees of up to 6% of the gross proceeds from the Subscription Receipt Offering and up to such number of Eastport Sub Receipt Finder's Warrants equal to 6% of the Subscription Receipts issued pursuant to the Subscription Receipt Offering, each Eastport Sub Receipt Finder's Warrant exercisable into one Eastport Share at a price of \$0.18 for a period of 12 months following the date of the Exchange Listing. As part of the Amalgamation, the Eastport Sub Receipt Finder's Warrants will be exchanged for Resulting Issuer Sub Receipt Finder's Warrants.

The proceeds of the Subscription Receipt Offering will be used primarily for exploration activities and for general working capital of the Resulting Issuer. Please see "*Part V - Information Concerning the Resulting Issuer – Available Funds and Principal Purposes.*"

Prior Sales

The following table set outs the securities of Eastport that have been issued within the 12 months before the date of this Filing Statement:

Date of Issue	Number of Eastport Shares	Aggregate Issue Price	Issue Price Per Eastport Share	Nature of Consideration Received
May 19, 2025	40,000 ⁽¹⁾	\$10,000	\$0.25	Service
March 31, 2025	2,915,550 ⁽²⁾	\$291,555	\$0.10	Cash
February 20, 2025	750,000 ⁽³⁾	\$15,000	\$0.02	Cash
February 17, 2025	200,000 ⁽³⁾	\$4,000	\$0.02	Cash
December 17, 2024	525,000 ⁽⁴⁾	\$131,250	\$0.25	Cash
October 31, 2024	1,937,026 ⁽⁵⁾	\$484,195	\$0.25	Cash
Total	6,367,576			

Notes:

- (1) On May 19, 2025, Eastport entered into a shares-for-debt settlement with an arm's length party to settle \$10,000 of debt with the issuance of 40,000 Eastport Shares.
- (2) On March 31, 2025, 2,915,550 warrants were exercised at \$0.10 per share.
- (3) In February 2025, 950,000 performance warrants were exercised at \$0.02 per share.
- (4) Eastport completed a non-brokered private placement whereby the company issued 525,000 units of Eastport at a price of \$0.25 per unit for gross proceeds of \$131,250. Each unit is comprised of one common share and one half of one A share purchase warrant and one half of one B share purchase warrant. Each A warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the date that Eastport becomes a publicly listed company. Each B warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until 24 months from the date that Eastport becomes a publicly listed company.
- (5) Eastport completed a non-brokered private placement whereby the company issued 1,937,026 units of Eastport at a price of \$0.25 per unit for gross proceeds of \$484,195. Each unit is comprised of one common share and one half of one A share purchase warrant and one half of one B share purchase warrant. Each A warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the date that Eastport becomes a publicly listed company. Each B warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until 24 months from the date that Eastport becomes a publicly listed company.

Executive Compensation

Compensation Discussion and Analysis

At no time prior to the date of this Filing Statement was Eastport a reporting issuer for the purposes of Canadian

securities laws. Significant elements of the compensation to be awarded to, earned by, paid to or payable to named executive officers of the Resulting Issuer following the Closing, to the extent it has been determined, is set forth in “Part V - Information Concerning the Resulting Issuer”.

Summary Compensation Table

The following table sets forth all annual and long-term compensation for the periods paid or payable by Eastport for services rendered during the two most recently completed financial years, being the years ended October 31 2023 and October 31 2024, to NEOs and directors.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Burns Singh Tennent-Bhoji, Director, CEO, and CFO	2024 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Rickey G. Bonner, Director and Country Geologist	2024 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Marc Bamber, Director	2024 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Simon Grant-Rennick, Director	2024 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
David Newman, Director	2024 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Paul Dennison, Director	2024 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Edward Nehme, Former CFO	2024 2023	100,200 84,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	100,200 84,000
Dr. Gomotsang Tshoso, Managing Director of Eastport Subsidiaries	2024 2023	85,862 84,702	Nil Nil	Nil Nil	Nil Nil	Nil Nil	85,862 84,702

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by Eastport for services provided or to be provided, directly or indirectly, to Eastport prior to the fiscal year ended October 31, 2024.

Compensation Securities							
Name and position	Type of Compensation Security	Number of compensation, securities, number of underlying securities,	Date of issue or grant (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)

		and percentage of class (#)					
Burns Singh Tennent-Bhoi, Director, CEO, and CFO	Eastport Stock Options	2,000,000 2,000,000 3,000,000	09/30/21 09/30/22 09/29/23	\$0.10 \$0.30 \$0.20	N/A	N/A	09/30/25 09/30/27 09/30/28
Rickey G. Bonner, Director and Country Geologist	Eastport Stock Options	2,000,000 1,000,000 3,000,000	09/30/21 09/30/22 09/29/23	\$0.10 \$0.30 \$0.20	N/A	N/A	09/30/25 09/30/27 09/30/28
Marc Bamber, Director	Eastport Stock Options	1,000,000	09/29/23	\$0.20	N/A	N/A	09/30/28
Simon Grant- Rennick, Director	Eastport Stock Options	50,000	09/29/23	\$0.20	N/A	N/A	09/30/28
David Newman, Director	Eastport Stock Options	100,000 50,000	09/28/22 09/29/23	\$0.30 \$0.20	N/A	N/A	09/30/27 09/30/28
Paul Dennison, Director	Eastport Stock Options	50,000	09/29/23	\$0.20	N/A	N/A	09/30/28
David Minchin, Director	Eastport Stock Options	800,000	06/27/24	\$0.25	N/A	N/A	06/30/29
Edward Nehme, Former CFO	Eastport Stock Options	250,000	02/01/23	\$0.30	N/A	N/A	01/31/27
Dr. Gomotsang Tshoso, Managing Director of Eastport Subsidiaries	Eastport Stock Options	100,000 250,000	09/29/22 09/29/23	\$0.30 \$0.20	N/A N/A	N/A N/A	09/30/27 09/30/28

External Management Companies

There are no external management companies of Eastport.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued to any NEO or director by Eastport or its subsidiaries during the most recently completed financial year ended October 31, 2024 for services provided or to be provided, directly or indirectly to Eastport or any of its subsidiaries.

No compensation securities were exercised by any directors or NEOs during the most recently completed financial year ended October 31, 2024.

No compensation securities were re-priced, cancelled and replaced, had their term extended, or otherwise materially modified during most recently completed financial year ended October 31, 2024.

Stock option plans and other incentive plans

Eastport has not adopted any stock option or other equity incentive plan.

Pension Plan Benefits

Eastport does not have in place any defined benefits or defined compensation pension plans for NEOs that provides for payments or benefits at, following or in connection with retirement.

Employment, consulting and management agreements

There are no agreements and arrangements under which compensation is provided by Eastport to NEOs or directors.

Termination and Change of Control Benefits

There is no compensatory plan, contract or arrangement where a named executive officer is entitled to receive any payment from Eastport in the event of: (a) the resignation, retirement or any other termination of the officer's employment with Eastport; (b) a change of control Eastport; or (c) a change in the officer's responsibilities following a change in control.

Director Compensation

Directors of Eastport did not receive any compensation, share-based awards, option-based awards, incentive plan rewards or other benefits or perquisites during the financial years ended October 31, 2023 or October 31, 2024 for their roles as directors.

Oversight and Description of Director and Named Executive Officer Compensation

Eastport has not had any revenues from operations. As a result, the board of directors of Eastport has to consider not only Eastport's financial situation at the time of the determination of executive compensation, but also Eastport's estimated financial situation in the mid- and long-term.

Eastport's executive compensation program is informal at this time and is administered by the board of directors of Eastport. The board of directors informally discusses and approves the executive compensation that is competitive in order to attract, motivate and retain highly skilled and experienced executive officers, to provide fair and competitive compensation, to align the interest of management with those of shareholders and to reward corporate and individual performance.

Management Contracts

Management functions of Eastport are, and since incorporation have been, performed by the directors of Eastport, and are not to any substantial degree performed by any other person or corporation.

Indebtedness of Officers and Directors

Simon Bate, a director of each of the Eastport Subsidiaries, was indebted to Eastport or an Eastport Affiliate or Associate in the amount of \$15,000 and this debt remains outstanding as of the date of this Filing Statement.

Non-Arm's Length Party Transactions

Evrima plc is deemed to be a related party to Eastport because two of the Eastport directors are also directors of Evrima plc. During the fiscal year ended October 31, 2024, Evrima provided administrative services to Eastport totaling \$52,862 (\$17,074 in 2023). As at October 31, 2024, \$984 is owed to Evrima in accounts payable (Nil in 2023).

Aegis Instruments (PYT) Ltd is deemed to be a related party to Eastport because the owner is a director of Eastport's subsidiary, Eastport Botswana. During the fiscal year ended October 31, 2024, AEGIS provided administrative services to Eastport totaling \$12,668 (\$11,359 in 2023). As at October 31, 2024, Nil is owed to AEGIS in accounts payable (\$576 in 2023).

2835889 Ontario Inc. is deemed to be a related party to Eastport because it is owned by the former CFO of Eastport. During the fiscal year ended October 31, 2024, 2835889 Ontario Inc. provided professional services to Eastport totaling \$100,200 (Nil in 2023). As at October 31, 2024, \$70,512 is owed to 2835889 Ontario Inc. in accounts payable (Nil in 2023). During three months ended January 31, 2025, 2835889 Ontario Inc. provided professional services to the Company totaling \$12,300 (2024 - \$25,680). As at January 31, 2025 \$75,145 (October 31, 2024, \$70,512) is owed to 2835889 Ontario Inc. in accounts payable.

Dr. Gomotsang Thoso is deemed to be a related party to Eastport because she is the Managing Director of Eastport's subsidiary, Eastport Botswana. During the fiscal year ended October 31, 2024, she received a salary of \$85,862 (\$84,702 in 2023). During the period ended January 31, 2025, she received a salary of \$15,576 (2024 - \$14,986).

As at October 31, 2024, Eastport's "due to directors" balance was \$117,983 (\$60,325 in 2023). These funds are to the directors for having advanced funds on behalf of the company to support Eastport's working capital needs. This balance is not interest bearing and there are no set terms of repayment.

Hill 79 is a privately owned exploration company with operations in the northern Canadian territories. Hill 79 is deemed to be a related party as one of Eastport's directors is a shareholder of Hill 79. As of fiscal year 2023, a total of \$246,750 was advanced to Hill 79 at no interest with no terms of repayment.

Globe Capital ("**Globe**") is an investment company listed on the Aquis stock exchange under the stock ticker "GCAP". Globe is deemed to be a related party as two of Eastport's directors are also directors of Globe. A total of \$139,699 was advanced to Globe at a 10% interest rate, repayable on November 21, 2027. Prior to recognizing the expected credit loss during the year ended October 31, 2023, the balance consisted of \$133,182 in principal and \$6,517 interest for total amount due of \$139,699.

As at the fiscal year ended October 31, 2023, both Hill 79 and Globe Capital have not arranged sufficient financing to settle their debts with Eastport. On that basis, Eastport has concluded that until both entities are able to support repayment, the balances are effectively impaired and a full expected credit loss has been recorded.

During the period ended July 31, 2025, Eastport loaned \$7,500 to Hill 79. The loan is non-interest bearing and there were no set terms of repayment. As at July 31, 2025, Eastport concluded that until Hill 79 is able to support repayment, the balance is effectively impaired and a full expected credit loss has been recorded.

On December 1, 2024, Burns Singh Tennent-Bhohi, CEO and Director of the Glenpani Group, entered into a loan facility agreement ("Loan Facility") with Glenpani Group whereby Burns Singh Tennent-Bhohi will provide a loan facility of up to \$360,000 (US\$250,000) to Glenpani Group. Interest shall accrue immediately upon drawdown at a fixed rate of 5% per annum and the repayment date is December 31, 2030. On May 6, 2025, Glenpani Group amended the Loan Facility whereby the loan will be subject to a 15% annual fixed rate interest effective January 1, 2025. All terms remained the same. As of July 31, 2025, Eastport had drawn \$272,252 under the Loan Facility, with accrued interest totaling \$14,700. In addition, Eastport owed Mr. Tennent-Bhohi \$29,358 in a separate, non-interest-bearing amount, with no specified repayment terms. Mr. Tennent-Bhohi confirmed that he and Glenpani Group does not intend to request repayment of these amounts within the next 12 months.

In February 2025, Simon Bate, director of the Eastport Subsidiaries , was indebted \$15,000 to Eastport. The loan bears an interest rate of 5%. As at July 31, 2025, Eastport recorded \$333 interest income (July 31, 2024: \$nil).

To the knowledge of Eastport, except as disclosed herein, there have been no other transactions before the date of this Filing Statement, or proposed, in which any director, officer, Promoter or principal stockholder of Eastport or Associates or Affiliates thereof have or have had a material interest.

Legal Proceedings

To the knowledge of Eastport, there are no legal proceedings to which Eastport is a party to, or in respect of which any of its assets are the subject of, which is or will be material to Eastport, and Eastport is not aware of any such legal proceedings that are contemplated.

Auditor, Transfer Agent and Registrar

The auditor of Eastport is MNP LLP.

Eastport does not currently employ a transfer agent or registrar.

Material Contracts

The following are a summary of the material contracts, other than contracts entered into in the ordinary course of business, entered into by Eastport since incorporation:

- (a) Share Sale Agreement between Eastport Ventures Inc. and ZCI Limited dated June 7, 2021;
- (b) Addendum to the Share Sale Agreement between Eastport Ventures Inc. and ZCI Limited dated November 29, 2021;
- (c) Letter agreement between Eastport and Burns Singh Tennent-Bhohi dated June 17, 2022;
- (d) Letter agreement between Eastport and Evrima plc dated June 17, 2022;
- (e) Share Sale Agreement between Eastport Ventures Inc. and ZCI Limited dated June 21, 2023;
- (f) Amendment and Restatement Agreement Relating to a Share Sale Agreement between Eastport Ventures Inc. and ZCI Limited dated June 21, 2023;
- (g) Convertible promissory note between Eastport and Gledhow Investments plc dated effective June 28, 2023;
- (h) Amending Agreement to the Restated Share Sale Agreement between Eastport Ventures Inc. and ZCI Limited dated January 3, 2024;
- (i) Letter agreement dated June 21, 2024 between Eastport and Gledhow Investments plc regarding the convertible promissory note instrument dated June 28, 2023;
- (j) Agreement relating to unsecured convertible loan notes 2024 between Eastport and David Newman dated July 5, 2024;
- (k) Burns Singh Tennent-Bhohi loan facility agreement dated December 1, 2024
- (l) Eastport letter to Gesondheid (Pty) Ltd t/a Rotsdrill Exploration dated January 28, 2025;
- (m) Performance warrant certificate issued by Eastport to Breniklan Ltd. dated March 14, 2025;

- (n) Performance warrant certificate issued by Eastport to David Minchin dated March 14, 2025;
- (o) Performance warrant certificate issued by Eastport to Glenpani Group Limited dated March 14, 2025;
- (p) Performance warrant certificate issued by Eastport to Marc Bamber dated March 14, 2025;
- (q) Performance warrant certificate issued by Eastport to Rickey Bonner dated March 14, 2025;
- (r) Debt settlement agreement between Eastport and Gesondheid (Pty) Ltd t/a Rotsdrill Exploration dated May 19, 2025;
- (s) Amalgamation Agreement dated March 14, 2025;
- (t) Burns Singh Tennent-Bhohi loan facility agreement amendment dated May 6, 2025;
- (u) Debt settlement agreement between Eastport and Gesondheid (Pty) Ltd t/a Rotsdrill Exploration dated May 19, 2025;
- (v) Amended and restated Amalgamation Agreement dated May 26, 2025;
- (w) Amending Agreement to the Restated Share Sale Agreement dated June 12, 2025; and
- (x) Addendum, dated June 23, 2025, to the Side Letter – Amending Agreement to the Restated Share Sale Agreement Dated June 12, 2025.

The contracts may be inspected at 409 - 22 Leader Lane, Toronto, ON M5E 0B2 without charge, until the Completion of the Transaction and for a period of 30 days thereafter.

PART V – INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Transaction basis and is reflective of the projected business, financial and share capital position of the Resulting Issuer. This section only includes information respecting the Resulting Issuer that is materially different from information provided earlier in this Filing Statement. Following the Completion of the Transaction, the Resulting Issuer will carry on the businesses currently carried on by Eastport. See the various headings under “Information Concerning the Transaction”, “Information Concerning Penbar” and “Information Concerning Eastport” for additional information regarding Penbar and Eastport, respectively. See also the Pro Forma Financial Statements of the Resulting Issuer attached hereto as Appendix “E”. The following disclosure contains forward-looking statements, including with respect to the Resulting Issuer’s business objectives and milestones. Such statements involve known and unknown risks, uncertainties and other factors outside of management’s control, including the risk factors set forth elsewhere in this Filing Statement that could cause results to differ materially from those described or anticipated in such forward-looking statements.

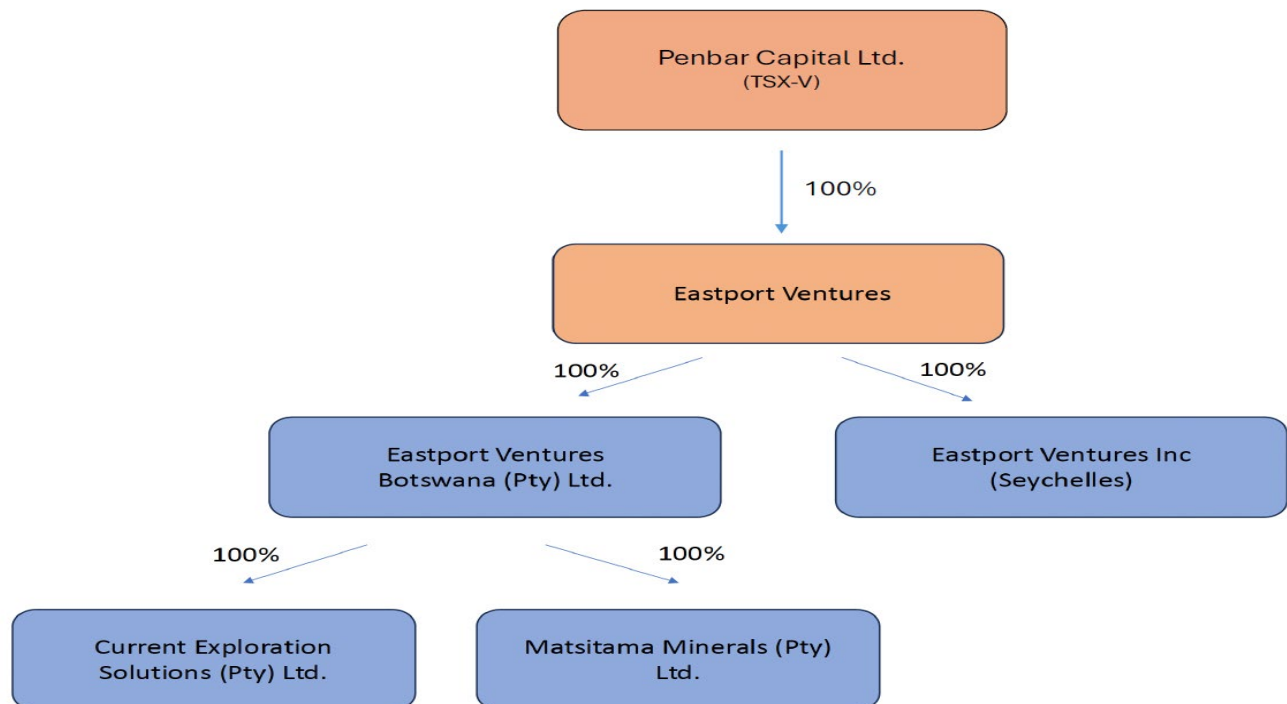
Corporate Structure

Name and Incorporation

The Resulting Issuer will continue under the name “Eastport Ventures Inc.”, or such other name as may be determined by Eastport, subject to applicable Exchange approval. The Resulting Issuer will be governed under the OBCA. It is expected that, following the Completion of the Transaction, the Resulting Issuer’s head office will be located at 409-22 Leader Lane, Toronto, ON M5E 0B2 and its registered and records office will be located at 409-22 Leader Lane, Toronto, ON M5E 0B2.

Intercorporate Relationships

Following the Completion of the Qualifying Transaction, the Resulting Issuer will hold 100% of Amalco and Amalco will thereby be a wholly owned subsidiary of the Resulting Issuer. The chart below represents the anticipated corporate structure of the Resulting Issuer.



Narrative Description of the Business

Upon Completion of the Transaction, the Resulting Issuer will carry on the businesses of Eastport. See *Part IV – Information Concerning Eastport – Narrative Description of the Business*, *Part V – Information Concerning the Resulting Issuer – Available Funds* and *Part V – Information Concerning the Resulting Issuer – Principal Purposes*.

Business Objectives and Milestones

Business Objectives

Upon completion of the Qualifying Transaction the Resulting Issuer will operate within the mining sector as an explorer and developer of its Botswanan projects. Primarily, the Resulting Issuer anticipates advancing the Matsitama Project through exploration expenditures in line with the recommendations set forth in the Technical Report and to begin early exploration on the Other Properties in due course and may, in the future, seek to complete additional property acquisitions.

Milestones

Key milestones to achieve Eastport's strategy are set forth pursuant to the work program recommendations outlined in the Technical Report. The costs of the work program will be funded from a combination of Eastport's existing cash and cash equivalents, and through additional financing available to it through completing the Qualifying Transaction with Penbar.

The exploration program budget for the Properties is shown below, and the work is expected to be completed within the next 12-month period, following Completion of the Qualifying Transaction:

Uses of Funds	Amount of Funds Assuming the Minimum Subscription Receipt Offering (\$)	Amount of Funds Assuming the Maximum Subscription Receipt Offering (\$)
Exploration program expenditures on the Matsitama Property ⁽¹⁾	792,750	792,750
Exploration program expenditures on the Other Properties ⁽²⁾	35,792	35,792
Professional fees ⁽³⁾	342,319	342,319
General and administrative expenses for 12 months ⁽⁴⁾	1,018,614	1,018,614
ZCI cash payments ⁽⁵⁾	330,648	330,648
Unallocated working capital	250,006	1,895,006
Total Estimated Uses of Funds	2,770,128	4,415,128

Notes:

- (1) This figure is the remaining balance for a forecasted period of 12 months of the total recommended program budget of BWP8,350,000, which is converted to CAD \$815,795 using the BWP/CAD exchange rate of 0.0977 as of August 31, 2025. See "Narrative Description of the Business"
- (2) This figure is for a forecasted period of 12 months of the total minimum required expenditure to maintain good standing for the licences.
- (3) This figure is for a forecasted period of 12 months of the total professional fees, which includes legal fees (\$160,070), third party accounting service providers (\$20,000), and audit and tax (\$162,249).
- (4) Includes payments related to salaries and benefits, management fees, office expenses, travel expenses, filing fees, regulatory fees, transfer agent fees, vehicle expenses, and marketing.
- (5) See "Part IV: Information Concerning Eastport – General Development of the Business – History" for more information about the cash payments to be made to ZCI Limited.

Using the funds available to the Resulting Issuer as set out in “Part V – Information Concerning the Resulting Issuer - Available Funds” and “Part V – Information Concerning the Resulting Issuer – Principal Purposes”, the Resulting Issuer intends to carry out the phase 1 and phase 2 recommended work program as described in the Technical Report, “Part IV – Information Concerning Eastport – Narrative Description of the Business – The Properties”, and this section “Part V – Information Concerning the Resulting Issuer – Narrative Description of the Business – Business Objectives & Milestones” of this Filing Statement.

Description of the Securities

Upon Completion of the Transaction, the authorized capital of the Resulting Issuer will consist of an unlimited number of Resulting Issuer Shares and will continue to be the same as the current authorized capital of Penbar. See “Part III – Information Concerning Penbar – Description of the Securities” of this Filing Statement.

See “Part V – Information Concerning the Resulting Issuer – Fully Diluted Share Capital” of this Filing Statement for the total issued and outstanding share capital of the Resulting Issuer and securities convertible into Resulting Issuer Shares.

Pro Forma Consolidated Capitalization

The following table sets forth the *pro forma* share capital of the Resulting Issuer following the Completion of the Transaction, based on the *pro forma* statement of financial position contained in this Filing Statement at Appendix “E” – *Unaudited Pro Forma Financial Statements of the Resulting Issuer*.

Designation of Security or Debt	Amount Outstanding as at the date of this Filing Statement After Giving Effect to the Transaction, assuming the minimum Subscription Receipt Offering	Amount Outstanding as at the date of this Filing Statement After Giving Effect to the Transaction, assuming the maximum Subscription Receipt Offering
Resulting Issuer Shares	26,523,798	29,383,103
Resulting Issuer Options	395,358	395,358
Resulting Issuer Warrants	7,934,396	10,793,701
Resulting Issuer Finder's Warrants ⁽¹⁾	318,608	490,167
Resulting Issuer Performance Warrants	1,764,600	1,764,600

- (1) Each Resulting Issuer Sub Receipt Finder's Warrant is exercisable into one common share of the Resulting Issuer at a price of \$0.18 for 12 months from the date of the Exchange Listing.

Fully Diluted Share Capital

Upon Completion of the Transaction the issued and outstanding securities of the Resulting Issuer are expected to consist of the following:

	Number of and Percentage of Common Shares Assuming the Minimum Subscription Receipt Offering ⁽¹⁾⁽³⁾	Number of and Percentage of Common Shares Assuming the Maximum Subscription Receipt Offering ⁽¹⁾⁽³⁾
<u>Resulting Issuer Shares:</u>		
Held by former Eastport Shareholders (other than former holders of Subscription Receipts)	20,642,230 (77.83%)	20,642,230 (70.25%)
Held by former holders of Subscription Receipts	5,310,139 (20.02%)	8,169,444 (27.81%)
Held by former Penbar Shareholders	571,429 (2.15%)	571,429 (1.94%)

Total	26,523,798 (100%)	29,383,103 (100%)
<i><u>Resulting Issuer Convertible Securities:</u></i>		
Resulting Issuer Options held by former Penbar Option holders	57,143 (0.15%)	57,143 (0.13%)
Resulting Issuer Options issued in exchange for Eastport Options	338,215 (0.92%)	338,215 (0.79%)
Resulting Issuer Warrants issued in exchange for Eastport Warrants	2,624,257 (7.10%)	2,624,257 (6.13%)
Resulting Issuer Warrants issued in exchange for Eastport Performance Warrants, as hereafter defined	1,764,600 (4.78%)	1,764,600 (4.12%)
Resulting Issuer Warrants issued to former holders of A Warrants After Conversion of Subscription Receipts	2,655,069 (7.19%)	4,084,722 (9.54%)
Resulting Issuer Warrants issued to former holders of B Warrants After Conversion of Subscription Receipts	2,655,069 (7.19%)	4,084,722 (9.54%)
Resulting Issuer Sub Receipt Finder's Warrants issued in connection with the Subscription Receipt Offering ⁽²⁾	318,608 (0.86%)	490,167 (1.14%)
	10,412,961 (28.19%)	13,443,826 (31.39%)
Total		
Fully Diluted Total	36,936,759 (100%)	42,826,929 (100%)

Notes:

- (2) Calculation assumes the Consolidation and the exchange of Eastport Shares after giving effect to the Exchange Ratio.
- (3) Each Resulting Issuer Sub Receipt Finder's Warrant is exercisable into one common share of the Resulting Issuer at a price of \$0.18 for 12 months from the date of the Exchange Listing.
- (4) The ZCI Note and the Gledhow Note are expected to be converted into Eastport Shares and subsequently exchanged for Resulting Issuer Shares at Closing. The Newman Note will be outstanding after Closing and is expected to be settled in cash or securities at the election of the holder. See "Part IV: Information Concerning Eastport – Description of Securities".

Available Funds

The following table sets forth the funds anticipated to be available to the Resulting Issuer on a consolidated basis after giving effect to the Transaction:

Source of Funds	Amount of Funds Assuming the Minimum Subscription Receipt Financing (\$)	Amount of Funds Assuming the Maximum Subscription Receipt Financing (\$)
Estimated working capital of Eastport as at August 31, 2025	(199,513)	(199,513)
Estimated working capital of Penbar as at August 31, 2025	(85,359)	(85,359)
Gross proceeds from Subscription Receipt Offering net of finder's fees	3,055,000	4,700,000
Total Estimated Funds Available ⁽¹⁾	2,770,128	4,415,128

Notes:

- (1) Does not include expenses incurred in connection with the Transaction.
- (2) Eastport expects to pay a cash finder's fee of 6% with respect to the Subscription Receipt Offering.

Dividends

It is not expected that the Resulting Issuer will declare any dividends for the foreseeable future. There are no restrictions in the Resulting Issuer's articles or elsewhere which could prevent the Resulting Issuer from paying dividends subsequent to the Completion of the Transaction. The Resulting Issuer Board will determine if, and when, to declare and pay dividends in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time. Holders of Resulting Issuer Shares will be entitled to an equal share in any dividends declared and paid on the Resulting Issuer Shares on a per share basis.

Principal Purposes

The following table summarizes the expenditures anticipated by the Resulting Issuer required to achieve its business objectives during the 12 months following Completion of the Transaction:

Uses of Funds	Amount of Funds Assuming the Minimum Subscription Receipt Offering (\$)	Amount of Funds Assuming the Maximum Subscription Receipt Offering (\$)
Exploration program expenditures on the Matsitama Property ⁽¹⁾	792,750	792,750
Exploration program expenditures on the Other Properties ⁽²⁾	35,792	35,792
Professional fees ⁽³⁾	342,319	342,319
General and administrative expenses for 12 months ⁽⁴⁾	1,018,614	1,018,614
ZCI cash payments ⁽⁵⁾	330,648	330,648
Unallocated working capital	250,006	1,895,006
Total Estimated Uses of Funds	2,770,128	4,415,128

Notes:

- (1) This figure is the remaining balance for a forecasted period of 12 months of the total recommended program budget of BWP8,350,000, which is converted to CAD \$815,795 using the BWP/CAD exchange rate of 0.0977 as of August 31, 2025.
- (2) This figure is for a forecasted period of 12 months of the total minimum required expenditure to maintain good standing for the licences.
- (3) This figure is for a forecasted period of 12 months of the total professional fees, which includes legal fees (\$160,070), third party accounting service providers (\$20,000), and audit and tax (\$162,249).
- (4) Includes payments related to salaries, benefits, management fees, office expenses, travel expenses, filing fees, regulatory fees, transfer agent fees, vehicle expenses, and marketing.
- (5) See "Part IV: Information Concerning Eastport – General Development of the Business – History" for more information about the cash payments to be made to ZCI Limited.

The Resulting Issuer intends to spend the funds available to it as stated in the table above. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve its objectives or to pursue other opportunities that management believes are in the interests of the Resulting Issuer.

Principal Securityholders

To the best of the knowledge of management and the directors of Penbar and Eastport, upon Completion of the Transaction, no person will beneficially own, directly or indirectly, or exercise control or direction over, Resulting Issuer Shares carrying more than 10% of the voting rights attached to all Resulting Issuer Shares as of the date of this Filing Statement, except the following:

Name and Municipality of Residence	Number of Resulting Issuer Shares, both of record and beneficially	Percentage of Resulting Issuer Shares Owned After Giving Effect to the Transaction, Assuming the Minimum Subscription Receipt Offering ⁽¹⁾	Percentage of Resulting Issuer Shares Owned After Giving Effect to the Transaction, Assuming the Maximum Subscription Receipt Offering ⁽²⁾
Burns Singh-Tennent-Bhohi (London, United Kingdom)	3,040,546⁽³⁾	11.46%	10.35%

Notes:

- (1) Based on 26,523,798 Resulting Issuer Shares issued and outstanding, assuming the minimum Subscription Receipt Offering and adjusting for the Exchange Ratio.
- (2) Based on 29,383,103 Resulting Issuer Shares issued and outstanding, assuming the maximum Subscription Receipt Offering and adjusting for the Exchange Ratio.
- (3) Includes 58,820 Resulting Issuer Shares held by Burns Singh-Tennent-Bhohi and 2,540,576 Resulting Issuer Shares owned by Glenpani Group Limited, a company solely owned by Burns Singh-Tennent-Bhohi B, and 882,300 Resulting Issuer Shares owned by Glenpani Capital Group Limited, a company jointly owned by Burns Singh-Tennent-Bhohi and David Minchin, of which 441,150 Resulting Issuer Shares are attributed to Burns Singh-Tennent-Bhohi.

Directors, Officers and Promoters

The following are the names and municipalities of residence of the individuals who will hold office as directors and officers of Resulting Issuer upon the Completion of the Transaction, their proposed positions and offices with the Resulting Issuer, the number and percentage of Resulting Issuer Shares that the proposed director or officer will own, or over which control or direction will be exercised following the Completion of the Transaction, the period served as a director or officer of Eastport and their principal occupations during the last five years. The term of office of the directors will expire on the date of the next annual general meeting of the shareholders of the Resulting Issuer.

Name, Expected Position and Municipality of Residence	Principal Occupation for the Previous Five Years	Number and Percentage of Resulting Issuer Shares after giving effect to the Transaction and % of Class Held or Controlled, Assuming the Minimum Subscription Receipt Offering ⁽¹⁾	Number and Percentage of Resulting Issuer Shares after giving effect to the Transaction and % of Class Held or Controlled, Assuming the Maximum Subscription Receipt Offering ⁽²⁾
Burns Singh-Tennent-Bhohi, CEO and Director (London, United Kingdom)	Chairman and CEO of Glenpani Group Limited since 2017.	3,040,546 (11.46%)⁽³⁾	3,040,546 (10.35%)⁽³⁾
Rickey G. Bonner, Director, Country Geologist (Ottawa, Canada)	Director, Geologist, Eastport Ventures Inc.	1,817,776 (6.85%)	1,817,776 (6.19%)
David Newman, Director (Gaborone, Botswana)	Arbitrator and Legal Consultant	367,625 (1.39%)	367,625 (1.25%)
David Eaton, Director (British Columbia, Canada)	Chairman of Baron Global Financial	57,143 (0.22%)	57,143 (0.19%)

	Canada Ltd. since 2007.		
Herrick Lau, Director (British Columbia, Canada)	Managing Director of Baron Global Financial Canada Ltd. from 2007 to 2025.	57,143 (0.22%)	57,143 (0.19%)
David Minchin, Chairman of the Board (London, United Kingdom)	C-Suite Executive (Chairman & CEO) and Geologist	882,300 (3.33%)⁽³⁾	882,300 (3.00%)⁽³⁾
Dr. Gomotsang Tshoso, Managing Director of Botswana Subsidiaries (Lobatse, Botswana)	Chief Economic Geologist and subsequently Manager, Mineral Resources & Hydrocarbons at the at the Botswana Geoscience Institute. (2004 – 2022). Managing Director Eastport Ventures Botswana Pty Ltd since September 2022.	91,752 (0.35%)	91,751 (0.31%)
Denise Lok (British, Columbia, Canada)	Senior Manager, Corporate Finance of Baron Global Financial Canada Ltd. from 2009 to 2025.	57,143 (0.22%)	57,143 (0.19%)

Notes:

- (1) Based on 26,523,798 Resulting Issuer Shares issued and outstanding, assuming the minimum Subscription Receipt Offering and adjusting for the Exchange Ratio.
- (2) Based on 29,383,103 Resulting Issuer Shares issued and outstanding, assuming the maximum Subscription Receipt Offering and adjusting for the Exchange Ratio.
- (3) Includes 58,820 Resulting Issuer Shares held by Burns SinghTennent-Bhohi and 2,540,576 Resulting Issuer Shares owned by Glenpani Group Limited, a company solely owned by Burns Singh-Tennent-Bhohi B, and 882,300 Resulting Issuer Shares owned by Glenpani Capital Group Limited, a company jointly owned by Burns Singh-Tennent-Bhohi and David Minchin, of which 441,150 Resulting Issuer Shares are attributed to Burns Singh Tennent-Bhohi.

Upon the Completion of the Transaction and assuming the minimum Subscription Receipt Offering, Promoters, Insiders, directors and executive officers of the Resulting Issuer shall beneficially own, directly or indirectly, as a group, 6,121,443, Resulting Issuer Shares or approximately 23.08% on a non-diluted basis or 19.18% on a fully diluted basis. Upon the Completion of the Transaction and assuming the maximum Subscription Receipt Offering, Promoters, Insiders, directors and executive officers of the Resulting Issuer shall beneficially own, directly or indirectly, as a group, 6,121,443 Resulting Issuer Shares or approximately 20.83% on a non-diluted basis or 16.54% on a fully diluted basis.

Biographies of Management and Directors

David Minchin, Chairman of the Board

Mr. David Minchin is a highly accomplished board-level executive with over 20 years of experience in exploration/mining geology and corporate finance. David is Chairman of Helix Exploration, a London-listed helium exploration company with operations in Montana, North America. Prior to this, between 2020 and 2023, he was the Chief Executive Officer at Helium One, and previously, from 2018 to 2020, at ScandiVanadium.

David has extensive M&A and African operational experience. As Director of Geology at African Minerals Exploration & Development (AMED) Funds from 2013 to 2018, he was responsible for allocating and monitoring \$450 million of investment into exploration projects at various stages of development across a diverse array of commodities throughout Africa. Earlier in his career, he served as a Senior Geologist at Cleveland Potash from 2006 to 2013 and worked as a geologist with Rio Tinto and the British Geological Survey.

Burns Singh Tennent-Bhohi, Director, CEO

Mr. Tennent-Bhohi is the Founder, Chairman of the Board, and Chief Executive Officer of The Glenpani Group, a global venture capital conglomerate headquartered in the heart of the City of London, UK. The Glenpani Group is focused on the evaluation and augmentation of a number of asset classes, including distressed asset opportunities, private transactions, investment origination, and asset management. Mr. Tennent-Bhohi has restructured and recapitalised over twenty private and public companies, and has served on the board of directors of several London and Canadian stock exchange-quoted or listed businesses. His current directorships include Evrima plc, Globe Capital Ltd, and Advanced Hydrogen Technologies Group Ltd. He has overseen the completion of transactions with tier one mining blue chips including Rio Tinto. Mr. Tennent-Bhohi earned his MA in Social Sciences (Economics) from the University of Glasgow.

Denise Lok, CFO, Corporate Secretary

Ms. Denise Lok is a Chartered Professional Accountant with extensive experience in corporate finance, financial reporting, and governance. She has spent over 15 years advising and managing financial operations for publicly traded companies across various sectors, including mining, technology, and industrial markets. Previously, she was with PwC in the audit and assurance practice, where she obtained her CPA designation. Throughout her career, she has served as CFO and director for multiple TSX Venture Exchange and Canadian Securities Exchange-listed companies. Ms. Lok holds a Bachelor of Commerce degree in Accounting and Transportation Logistics from the University of British Columbia.

Rickey G. Bonner, Director, Country Geologist

Rickey G. Bonner has over forty years of mineral exploration experience across four continents exploring for copper, gold, uranium, and diamonds. His work has taken him around the world including the former Soviet Union, western and southern Africa, and the Canadian Arctic for major mining groups including BHP and Rio Tinto. As co-founder of Westport Resources Namibia, Mr. Bonner built a significant exploration company for Forsys Metals Corp, a TSX-listed company. This work included advancing their key project, the Valencia uranium deposit (now known as the Norasa deposit), from the exploration stage to a measured resource, at which point the project was delivered for development consideration.

Mr. Bonner is a licenced Professional Geologist (non-practicing) with NAPEG, Canada. He has also held a number of directorships at Canadian public junior exploration companies and founded a number of exploration companies, including Kalahari Key Mineral Resources in Botswana.

David Eaton, Director

Mr. Eaton has over 25 years' experience in public markets with exposure to all aspects of the business as a trader, financier and market maker. Over his career, Mr. Eaton has started many public companies, managing the process from creating the structure, organizing the going public process, and providing post-listing administration support. As Chairman of Baron Global Financial Canada Ltd., Mr. Eaton has a track record of creating companies that bring together solid projects with his network of North American and European investors.

David Newman, Director

Mr. Newman is the former Ambassador of Botswana to the United States of America and has enjoyed a highly distinguished and decorated career within Botswana's legal industry. From 1990 through to 2004, David Newman worked in Botswana as Managing Partner of legal firm, Collins Newman & Co., where he specialised in corporate, commercial, property and mining transactions, as well as civil litigation, arbitrations, conveyancing, and managing partnership affairs and personnel.

Since 2004, David Newman has devoted himself to public service. Between 2004 to 2015 he served as Judge of the High Court of Botswana, as well as sitting ad hoc on the Court of Appeal. In August 2015, David Newman presented his credentials to President Barack Obama, and was duly appointed as Ambassador of Botswana to the United States of America, a position which he held through to 2020.

Herrick Lau, Director

Mr. Herrick Lau is an experienced investment banking professional who has conducted many public listings, corporate transactions and various advisory services. Mr. Lau was recently Managing Director of Baron Global Financial Canada Ltd. Mr. Lau also has experience as a senior financial executive in public companies. Mr. Lau has acted as CFO and/or director for various public companies listed on the TSX, TSXV and CSE. Mr. Lau is currently a member of the Local Advisory Committee of the TSX Venture Exchange. Mr. Lau obtained his bachelor and master degrees in Business and Economics from Simon Fraser University and is a charter holder of the Chartered Financial Analyst (CFA) designation.

Dr. Gomotsang Thsoso, Managing Director of Botswana Subsidiaries

Dr. Gomotsang Tshoso completed her undergraduate studies at the University of Botswana in 1997, graduating with a BSc in Geology. She then pursued advanced degrees at the University of Western Brittany, France, in geology and geophysics, eventually completing her PhD in Geophysics in 2003.

Her professional career began in 2004 at the Botswana Geological Survey (BGS) as a Senior Geophysicist, where she eventually achieved the leading position of Chief Economic Geologist in 2014. Following the transformation of the BGS to Botswana Geoscience Institute (BGI), Dr. Gomotsang Tshoso was appointed as Manager, Mineral Resources & Hydrocarbons, until joining Eastport Ventures Botswana (EVB) in September 2022 as its Managing Director with a mandate to advance the Company's project portfolio beyond exploration.

Standing Committees of the Board

The Resulting Issuer will have an Audit Committee comprised of two (2) independent directors of the Resulting Issuer: Herrick Lau (Chair) and David Newman, and David Minchin, who is not independent by virtue of his position as Chairman of the Resulting Issuer Board.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Composition of the Audit Committee

The following individuals will be the members of the Resulting Issuer's Audit Committee: Herrick Lau (Chair), David Minchin and David Newman. All audit committee members are financially literate and two of three members of the Audit Committee are independent.

For additional details regarding the relevant experience of each member of the Resulting Issuer's Audit Committee, see the relevant biographical experiences for each of Eastport's directors and officers under the heading "*Part V Information Concerning the Resulting Issuer – Directors, Officers and Promoters*".

Audit Committee Oversight

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the Resulting Issuer's (i) financial statements and other financial information provided by the Resulting Issuer to regulatory authorities and shareholders, and (ii) auditing, accounting and financial reporting processes.

The Resulting Issuer Board will adopt a written charter for the Audit Committee which will set out the Audit Committee's responsibility in reviewing the financial statements of the Resulting Issuer and public disclosure documents containing financial information and reporting on such review to the Resulting Issuer Board, ensuring that adequate procedures are in place for the review of the Resulting Issuer's public disclosure documents that contain financial information, overseeing the work and reviewing the independence of the external auditors, setting

policies and procedures for the engagement of non-audit services and reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management.

Reliance on Certain Exemptions

As the Resulting Issuer proposes to list on the TSXV, it will be a “venture issuer” and may avail itself of exemptions from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110, which require the independence of each member of an audit committee, subject to limited exceptions and the disclosure of audit committee information in an annual information form, respectively.

External Auditor Services Fees

As the Resulting Issuer has not yet completed a year end, it has not yet incurred any auditor service fees.

Corporate Governance

Canadian securities regulatory policy as reflected in NI 58-101 requires that venture issuers must disclose on an annual basis their approach to corporate governance. NP 58-201 provides regulatory staff guidance on preferred governance practices, although the guidelines are not prescriptive, other than for audit committees. The Resulting Issuer’s proposed approach to corporate governance in the context of NI 58-101 and NP 58-201 (together the “Policies”) as well as its compliance with the mandatory rules relating to audit committees is set out below.

Board of Directors

The Policies require that the board of directors of a venture issuer determine and disclose the status of each director as independent or not, based on each director’s interest in or other relationship with the issuer. Under the Policies, the applicable definition of independence is that contained in NI 52-110, under which a director is “independent” where he or she “has no direct or indirect material relationship” with the issuer. A “material relationship” is a relationship which could, in the view of the issuer’s board of directors, be reasonably expected to interfere with the exercise of a member’s independent judgement. 52-110 also deems certain individuals as having a material relationship with the issuer, and who are therefore not independent.

The Resulting Issuer Board will consist of six directors: David Minchin (Chair), Burns Singh Tennent-Bhohi, Rickey Bonner, David Eaton, David Newman, and Herrick Lau.

David Minchin, David Newman, and Herrick Lau are independent directors as defined in NI 58-101 and NI 52-110. Burns Singh Tennent-Bhohi, as CEO of the Resulting Issuer, will be an executive officer of the Resulting Issuer and therefore, not independent. Rickey Bonner, as the Country Geologist, will be the Country Geologist of the Resulting Issuer and therefore, not independent. David Eaton, as the President and CEO of Penbar, is also not considered independent.

The Resulting Issuer Board will meet for formal board meetings periodically on an ad hoc basis during the year on an as needed basis to review and discuss the Resulting Issuer’s business activities and to consider and, if thought fit, to approve matters presented to the Resulting Issuer Board for approval, and to provide guidance to management. In addition, management will informally provide updates to the Resulting Issuer Board at least once per quarter between formal Resulting Issuer Board meetings. In general, management will consult with the Resulting Issuer Board when deemed appropriate to keep the Resulting Issuer Board informed regarding the company’s affairs.

The Resulting Issuer Board will facilitate the exercise of independent supervision over management through these various meetings. It is anticipated that the Resulting Issuer Board will establish formal committees and, when necessary, the Resulting Issuer Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Resulting Issuer Board will be such that the independent directors have significant experience in business affairs. As a result, the Resulting Issuer Board members will be able to provide significant and valuable independent supervision over management.

It is anticipated that in the event of a conflict of interest at a meeting of the Resulting Issuer Board, the conflicted director will in accordance with corporate law and in accordance with his or her fiduciary obligations as a director of the Resulting Issuer, disclose the nature and extent of his or her interest to the meeting and abstain from voting on or against the approval of such participation.

Directorships

The following directors of the Resulting Issuer are also directors of other reporting issuers as set out in the table below, under the heading “*Other Reporting Issuer Experience*”.

Name	Name of Reporting Issuer	Exchange	Position	From	To
Burns Singh Tennent-Bhoi	Forum Energy Metals Corp	TSX-V	Director	12 February 2019	20 September 2021
	Oscillate plc	Aquis	Director	June 2019	January 2022
	WeCap plc	Aquis	Director	October 2019	September 2021
	Evrma plc				
	Globe Capital Limited	Aquis	CEO	July 2020	-
	Igraine plc	Aquis	Director	November 2021	-
David Minchin			Director	April 2021	July 2022
	ScandiVanadium Ltd	ASX	CEO	November 2018	August 2020
	Helium One plc	AIM	CEO	August 2020	February 2023
	East Star Resources plc	LSE	Non-Executive Director	January 2022	June 2024
Denise Lok			Chairman	September 2023	-
	Cognetivity	CSE	CFO and Corporate Secretary	December 2017	October 2021
	Neurosciences Ltd.	TSXV	Director	June 2016	Present
	Jayden Resources Inc.	CSE	CFO	February 2020	March 2021
David Eaton	Vext Science, Inc.	TSXV	Director	March 2021	Present
	Penbar Capital Ltd.	TSXV			
	Jayden Resources Inc.	TSXV	CEO, President and Director	June 2016	Present
	VEXT Science Inc.	CSE	Director	May 2019	December 2022
	Prisma Exploration Corp.	CSE	Director and CFO	March 2018	February 2025
	Allied Copper Corp.	TSXV	Director	October 2021	December 2022
	Penbar Capital Ltd.	TSXV	Director, CEO and President	March 2021	Present
	LDB Capital Corp.	TSXV	Director, CEO, and CFO	February 2021	Present
Herrick Lau	Cape Lithium Corp.	CSE	Director, CEO, and CFO	July 2021	Present
	Darelle Online Solutions Inc.	TSXV	Director	July 2024	Present
	Penbar Capital Ltd.	TSXV	Director	March 2021	Present
	Pardus Ventures Inc.	TSXV	CEO, CFO, Corporate Secretary, Director	December 2022	Present
	Pluto Ventures Inc.	TSXV	CFO, Corporate Secretary, Director	September 2021	January 2025
	Jayden Resources Inc.	TSXV	CFO and Corporate Secretary	December 2008	Present
	Hapbee Technologies Inc.	TSXV	CFO	June 2020	May 2022
Kiaro Holdings Corp.		TSXV			
	Aston Connect Inc.	CSE	Director	October 2020	July 2022
		TSXV	Director	October 2022	Present

Orientation and Continuing Education

At present, the Resulting Issuer Board does not provide a formal orientation and education program for new directors. It is anticipated that prior to joining the Resulting Board, potential Resulting Issuer Board members will be encouraged to meet with management and inform themselves regarding management and the company's affairs. After joining the Resulting Issuer Board, management and the Resulting Issuer Board chair will provide orientation both at the outset and on an ongoing basis. The Resulting Issuer Board currently has no specific policy regarding continuing education for directors; it is anticipated that requests for education will be encouraged and dealt with on an ad hoc basis.

Ethical Business Conduct

It is anticipated that the primary step to be taken by the Resulting Issuer to encourage and promote a culture of ethical business conduct will be to conduct appropriate due diligence on proposed directors and ensure that proposed directors are of the highest ethical standards. The Resulting Issuer intends to adopt a Code of Ethics, a copy of which will be filed under the Resulting Issuer's profile on SEDAR+ at www.sedar.com.

Nomination of Directors

Subsequent to listing, the Resulting Issuer anticipates that it will establish a Compensation Committee to assist the Resulting Issuer Board in fulfilling its responsibilities with respect to the composition, compensation and operation of the Resulting Issuer Board and the Resulting Issuer Board committees. Once a decision has been made to add or replace a director, the task of identifying new candidates will fall on the Resulting Issuer Board and management. Proposals will be put forth by the Resulting Issuer Board and management and considered and discussed. If a candidate looks promising, the Resulting Issuer Board and management will conduct due diligence on the candidate and if the results are satisfactory, the candidate will be invited to join the Resulting Issuer Board. The CEO's compensation will be determined by the Resulting Issuer Board (excluding the CEO), based on the recommendation of the Compensation Committee formed to conduct research into compensation matters and make a recommendation to the Resulting Issuer Board. Compensation for Resulting Issuer Board members will be determined by the Resulting Issuer Board as a whole and in accordance with industry norms.

Other Board Committees

Following the listing, the Resulting Issuer anticipates that it will establish other Resulting Issuer Board committees as required.

Assessments

At present, the Resulting Issuer Board does not have a formal process for assessing the effectiveness of the Resulting Issuer Board. It is anticipated that it will consider that its committees and individual directors are performing effectively. These matters will be dealt with on a case-by-case basis at the Resulting Issuer Board level.

Promoter Consideration

David Eaton is considered the promoter of Penbar in that he has been responsible for identifying and reviewing new business opportunities for Penbar, including the Transaction. Mr. Eaton is expected to beneficially own, directly or indirectly, or exercise control or direction over, 57,143 Resulting Issuer Shares, on an undiluted basis, which is expected to represent 0.22% of the issued and outstanding Resulting Issuer Shares following the Closing, assuming the minimum Subscription Receipt Offering, and 0.19% of the issued and outstanding Resulting Issuer Shares following the Closing, assuming the maximum Subscription Receipt Offering. See "*Part V – Information Concerning the Resulting Issuer*" and "*Part V – Information Concerning the Resulting Issuer – Directors, Officers and Promoters*" for additional information.

Burns Singh Tennent-Bhoji is considered the promoter of Eastport in that he was part of the initiative founding

and organizing Eastport and was instrumental in facilitating the Transaction. Mr. Tennent-Bhoji is expected to beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 3,481,698 Resulting Issuer Shares, on an undiluted basis, being 13.13% of the issued and outstanding Resulting Issuer Shares following the Closing, assuming the minimum Subscription Receipt Offering, and 11.85% of the issued and outstanding Resulting Issuer Shares following the Closing, assuming the maximum Subscription Receipt Offering, as more particularly described elsewhere in this Filing Statement. See “Part V – Information Concerning the Resulting Issuer” and “Part V – Information Concerning the Resulting Issuer – Directors, Officers and Promoters” for additional information.

Apart from the foregoing, there is no person or company that will be considered a Promoter of the Resulting Issuer nor has any person or company acted as a Promoter for Penbar or Eastport within the past two years.

Cease Trade Order or Bankruptcies

None of the proposed directors, officers, Insiders or Promoters of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is, or within 10 years before the date of this Filing Statement has been, a director, officer, Insider or Promoter of any other issuer that, while that person was acting in that capacity:

- a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days; or
- b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

None of the proposed directors, officers, Insiders or the Promoters of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

None of the proposed directors, officers, Insiders or the Promoters of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is, or within the 10 years before the date of this Filing Statement, has been declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Conflicts of Interests

There may from time to time be potential conflicts of interest to which some of the directors, officers, Insiders and Promoters of the Resulting Issuer will be subject in connection with the operations of the Resulting Issuer. Some of the individuals who will be appointed as directors or officers of the Resulting Issuer are also directors and/or officers of other reporting and non-reporting issuers. Conflicts, if any, will be subject to the procedures and remedies provided for under the BCBCA, with respect to the Resulting Issuer, and the OBCA, with respect to Amalco.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and Promoters of the Resulting Issuer that are, or

have been within the last five years, directors, officers or Promoters of other reporting issuers:

Name	Name of Reporting Issuer	Exchange	Position	From	To
Burns Singh Tennent-Bhoi	Forum Energy Metals Corp	TSX-V	Director	12 February 2019	20 September 2021
	Oscillate plc	Aquis	Director	June 2019	January 2022
	WeCap plc	Aquis	Director	October 2019	September 2021
	Evrma plc	Aquis	CEO	July 2020	-
	Globe Capital Limited	Aquis	Director	November 2021	-
	Igraine plc	Aquis	Director	April 2021	July 2022
David Minchin	ScandiVanadium Ltd	ASX	CEO	November 2018	August 2020
	Helium One plc	AIM	CEO	August 2020	February 2023
	East Star Resources plc	LSE	Non-Executive Director	January 2022	June 2024
	Helix Exploration plc	AIM	Chairman	September 2023	-
Denise Lok	Cognetivity Neurosciences Ltd.	CSE	CFO and Corporate Secretary	December 2017	October 2021
	Jayden Resources Inc.	TSXV	Director	June 2016	Present
	Vext Science, Inc.	CSE	CFO	February 2020	March 2021
	Penbar Capital Ltd.	TSXV	Director	March 2021	Present
David Eaton	Jayden Resources Inc.	TSXV	CEO, President and Director	June 2016	Present
	VEXT Science Inc.	CSE	Director	May 2019	December 2022
	Prisma Exploration Corp.	CSE	Director and CFO	March 2018	February 2025
	Allied Copper Corp.	TSXV	Director	October 2021	December 2022
	Penbar Capital Ltd.	TSXV	Director, CEO and President	March 2021	Present
	LDB Capital Corp.	TSXV	Director, CEO, and CFO	February 2021	Present

	Cape Lithium Corp.	CSE	Director	July 2021	Present
	Darelle Online Solutions Inc.	TSXV	Director	July 2024	Present
Herrick Lau	Penbar Capital Ltd. Pardus Ventures Inc.	TSXV TSXV	Director CEO, CFO, Corporate Secretary, Director	March 2021 December 2022	Present Present
	Pluto Ventures Inc.	TSXV	CFO, Corporate Secretary, Director	September 2021	January 2025
	Jayden Resources Inc.	TSXV	CFO and Corporate Secretary	December 2008	Present
	Hapbee Technologies Inc.	TSXV	CFO	June 2020	May 2022
	Kiario Holdings Corp.	TSXV	Director	October 2020	July 2022
	Aston Connect Inc.	TSXV	Director	October 2022	Present

Executive Compensation

Compensation Discussion and Analysis

It is anticipated that, following the Completion of the Transaction, the Resulting Issuer will formalize its compensation practices. It is anticipated that the Resulting Issuer's compensation practices will include elements of short and longer-term equity incentives together with cash-based awards.

Compensation Summary Table

The following table sets forth information concerning the expected compensation payable by the Resulting Issuer for services rendered for the 12-month period after giving effect to the Transaction to its NEOs. For the purposes of this section, the NEOs are the Chief Executive Officer and the Chief Financial Officer as there is no other executive officer of the Resulting Issuer or a Subsidiary whose total compensation will exceed CAD\$150,000. The following table sets out the anticipated compensation of the aforementioned persons for the 12-month period from June 30, 2025 to June 30, 2026.

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$) ⁽¹⁾	Total compensation (\$)
Burns Singh Tennent-	2025	-	-	-	-	-	-

Bhohi, CEO and Director							
David Minchin, Chairman of the Board	2025	-	-	-	-	-	-
Rickey G. Bonner, Director, Country Geologist	2025	-	-	-	-	-	-
Denise Lok, CFO and Corporate Secretary	2025	150,000	-	-	-	-	150,000

Notes:

- (1) .Through Glenpani Group Limited, Burns Singh Tennent-Bhohi, David Minchin and Rickey G. Bonner currently hold 3,500,000, 600,000, and 1,000,000 Eastport Performance Warrants respectively, which will be exchanged for 1,029,350, 176,460, and 294,100, respectively, equivalent performance warrants of the Resulting Issuer after giving effect to the Exchange Ratio at Closing.

Performance warrants will fully vest upon completion of all of the below milestones:

- (i) Completion of concurrent financing for a proposed Qualifying Transaction with Penbar for which terms can be referenced in the Amalgamation Agreement;
- (ii) Successful completion of the proposed Qualifying Transaction resulting in the Exchange Listing;
- (iii) Completion of the recommended work program set out in the Technical Report.

In addition, the Eastport Performance Warrants shall not vest until all milestones have been satisfied (there shall be no staged/partial vesting conditions attributed to each milestone independent of one another). The Eastport Warrants shall expire five years from the date of grant,

Director Compensation

Upon Completion of the Transaction, the directors of the Resulting Issuer will determine if, and to what extent, compensation will be paid to directors for services rendered to the Resulting Issuer in their capacity as directors. It is anticipated that non-management directors will be reimbursed for transportation and other out-of-pocket expenses incurred for attendance at board of directors' meetings and in connection with discharging their director functions. It is currently anticipated that any additional incentives paid to directors will be in the form of monthly director fees or through security-based compensation.

Indebtedness of Directors and Officers

Simon Bate, a director of each of the Eastport Subsidiaries, was indebted to Eastport or an Eastport Affiliate or Associate in the amount of \$15,000 and this debt remains outstanding as of the date of this Filing Statement.

Other than as disclosed above, upon Completion of the Transaction, no person who is a director or officer of Penbar and Eastport or is proposed to be a director or officer of the Resulting Issuer, or any Affiliate or Associate of the foregoing, is or will be: (i) indebted to Penbar or Eastport or a subsidiary of Penbar or Eastport; or (ii) is or will be indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Penbar or Eastport or a subsidiary of Penbar or Eastport.

Investor Relations Agreements

No written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for the Resulting Issuer.

Incentive Securities

The Option Plan

Upon Completion of the Qualifying Transaction, the Resulting Issuer will retain the Penbar Option Plan adopted by Penbar and the Penbar Option Plan as disclosed under the heading “*Part III – Information Concerning Penbar – Description of the Securities – Options – Stock Option Plan*”. The shareholders of the Resulting Issuer may approve a resolution at a meeting of the shareholders of the Resulting Issuer adopting a new stock option plan or amending the existing Penbar Option Plan.

Options to Purchase Securities

The following table sets forth all Resulting Issuer Options that are expected to be outstanding upon the Completion of the Qualifying Transaction.

Category	Number and Type of Options	Grant Date	Expiry Date	Exercise Price per Resulting Issuer Share (\$)
All current and past officers of Penbar ⁽¹⁾	57,143 Resulting Issuer Options	January 27, 2022	January 27, 2032	\$0.70
All current and past officers of Eastport ⁽³⁾	29,410 Resulting Issuer Options	September 29, 2022	September 30, 2027	\$1.02
	73,525 Resulting Issuer Options	September 29, 2023	September 30, 2028	\$0.68
All current and past directors of Eastport (other than directors who are also past officers of Eastport) ⁽²⁾	29,410 Resulting Issuer Options	September 29, 2022	September 30, 2027	\$1.02
	161,755 Resulting Issuer Options	September 29, 2023	September 30, 2028	\$0.68
TOTAL	351,243			

Notes:

- (1) The current and past officers of Penbar who will hold Resulting Issuer Options following Closing are: David Eaton, Herrick Lau, Denise Lok, David Velisek and Queenie Kuang.
- (2) The current and past directors of the Resulting Issuer (other than directors who are also past officers of the Resulting Issuer) who will hold Resulting Issuer Options following Closing are: David Newman, Marc Bamber, Paul Dennison, and Simon Grant-Rennick..
- (3) The current and past officer of Eastport who will hold Resulting Issuer Options following Closing is Dr. Gomotsang Tshoso.

Following Completion of the Qualifying Transaction, it is expected that there will be 395,358 Resulting Issuer Options outstanding, each entitling the holder thereof to purchase one Resulting Issuer Share at an exercise price as per above.

Currently, it is not anticipated that the Resulting Issuer Board will issue Resulting Issuer Options to directors and officers of the Resulting Issuer following, and in connection with, the Completion of the Qualifying Transaction. Any future grants of Resulting Issuer Options will be in accordance with the terms of the Penbar Option Plan, applicable requirements of the Exchange and customary practices.

Resulting Issuer Performance Warrants

The following table sets forth all Resulting Issuer Performance Warrants that are expected to be outstanding upon the Completion of the Qualifying Transaction.

Category	Number1 and Type of Performance Warrants ⁽³⁾	Grant Date	Expiry Date	Exercise Price per Resulting Issuer Share (\$)
All current and past officers of Penbar	Nil	N/A	N/A	N/A
All current and past officers of Eastport ⁽²⁾	1,323,450 Resulting Issuer Performance Warrants	March 14,2025	March 14, 2030	\$0.17
All current and past directors of Eastport (other than directors who are also past officers of Eastport) ⁽¹⁾	176,460 Resulting Issuer Performance Warrants	March 14,2025	March 14, 2030	\$0.17
TOTAL	1,499,910			

Notes:

- (1) The current and past directors of the Resulting Issuer (other than directors who are also past officers of the Resulting Issuer) who will hold Resulting Issuer Performance Warrants following Closing is David Minchin.
- (2) The current and past officer of Eastport who will hold Resulting Issuer Performance following Closing are Burns Singh-Tennent-Bhoji, through Glenpani Group Limited, and Rickey G. Bonner.
- (3) Performance warrants will fully vest upon completion of all of the below milestones:
 - (i) Completion of concurrent financing for a proposed Qualifying Transaction with Penbar for which terms can be referenced in the Amalgamation Agreement;
 - (ii) Successful completion of the proposed Qualifying Transaction resulting in the Exchange Listing;
 - (iii) Completion of the recommended work program set out in the Technical Report.

In addition, the Eastport Performance Warrants shall not vest until all milestones have been satisfied (there shall be no staged/partial vesting conditions attributed to each milestone independent of one another). The Eastport Warrants shall expire five years from the date of grant.

Resulting Issuer Sub Receipt Finder's Warrants

In connection with the closing of the Subscription Receipt Offering, finders may receive such number of Eastport Sub Receipt Finder's Warrants equal to 6% of the Subscription Receipts issued pursuant to the Subscription Receipt Offering, each Eastport Sub Receipt Finder's Warrant exercisable into one Eastport Share at a price of \$0.18 for a period of 12 months following the date of the Exchange Listing. As part of the Amalgamation, the Eastport Sub Receipt Finder's Warrants will be exchanged at the Exchange Ratio for Resulting Issuer Sub Receipt Finder's Warrants. Each Resulting Issuer Sub Receipt Finder's Warrant is exercisable at any time prior to the date that is 12 months from the date the Resulting Issuer Shares are listed on the Exchange to acquire one Resulting Issuer Common Share at an exercise price equal to \$0.18 per Resulting Issuer Common Share.

Escrowed and Restricted Securities

Penbar Escrow Agreement

The following table sets out the number and percentage of Penbar Shares held in escrow under the Penbar Escrow Agreement prior to giving effect to the Transaction, and the number and percentage of Penbar Shares that will be held in escrow following the closing of the Transaction, after giving effect to the initial release of such escrowed shares under the Penbar Escrow Agreement in connection with the issuance of the Final Exchange Bulletin:

Name and Municipality of Residence of Securityholder	Prior to Giving Effect to the Transaction		After Giving Effect to the Transaction Assuming the Minimum Subscription Receipt Offering		After Giving Effect to the Transaction Assuming the Maximum Subscription Receipt Offering	
	Number of Securities Held in Escrow ⁽¹⁾	Percentage of Class ⁽¹⁾	Number of Securities to be Held in Escrow ⁽²⁾	Percentage of Class ⁽³⁾	Number of Securities to be Held in Escrow ⁽²⁾	Percentage of Class ⁽⁴⁾
David Eaton <i>British Columbia, Canada</i>	400,000 Penbar Shares	10%	57,143 Resulting Issuer Shares	0.22%	57,143 Resulting Issuer Shares	0.19%
	80,000 Penbar Options	N/A	11,429 Resulting Issuer Options	N/A	11,429 Resulting Issuer Options	N/A
Herrick Lau <i>British Columbia, Canada</i>	400,000 Penbar Shares	10%	57,143 Resulting Issuer Shares	0.22%	57,143 Resulting Issuer Shares	0.19%
	80,000 Penbar Options	N/A	11,429 Resulting Issuer Options	N/A	11,429 Resulting Issuer Options	N/A
David Velisek <i>British Columbia, Canada</i>	400,000 Penbar Shares	10%	57,143 Resulting Issuer Shares	0.22%	57,143 Resulting Issuer Shares	0.19%
	80,000 Penbar Options	N/A	11,429 Resulting Issuer Options	N/A	11,429 Resulting Issuer Options	N/A
Denise Lok <i>British Columbia, Canada</i>	400,000 Penbar Shares	10%	57,143 Resulting Issuer Shares	0.22%	57,143 Resulting Issuer Shares	0.19%
	80,000 Penbar Options	N/A	11,429 Resulting Issuer Options	N/A	11,429 Resulting Issuer Options	N/A
Queenie Kuang <i>British Columbia, Canada</i>	400,000 Penbar Shares	10%	57,143 Resulting Issuer Shares	0.22%	57,143 Resulting Issuer Shares	0.19%
	80,000 Penbar Options	N/A	11,429 Resulting Issuer Options	N/A	11,429 Resulting Issuer Options	N/A

- (1) Calculated on an undiluted basis based on 4,000,000 Penbar Shares (on a pre-Consolidation basis) issued and outstanding.
- (2) Calculated on a post-Consolidation basis.
- (3) Calculated on an undiluted basis based on 26,523,798 Resulting Issuer Shares expected to be issued and outstanding following completion of the Transaction, assuming the minimum Subscription Receipt Offering, and assuming an aggregate of 571,429 Penbar Shares being outstanding after giving effect to the Consolidation, an aggregate of 20,642,230 Post-Consolidation Penbar Shares being issued in exchange for the outstanding Eastport Shares immediately prior to the Effective Time, and 5,310,139 Post-Consolidation Penbar Shares being issued in exchange for the conversion of outstanding Subscription Receipts immediately prior to the Effective Time.
- (4) Calculated on an undiluted basis based on 29,383,103 Resulting Issuer Shares expected to be issued and outstanding following completion of the Transaction, assuming the maximum Subscription Receipt Offering, and assuming an aggregate of 571,429 Penbar Shares being outstanding after giving effect to the

Consolidation, an aggregate of 20,642,230 Post-Consolidation Penbar Shares being issued in exchange for the outstanding Eastport Shares immediately prior to the Effective Time, and 8,169,444 Post-Consolidation Penbar Shares being issued in exchange for the conversion of outstanding Subscription Receipts immediately prior to the Effective Time.

The Penbar Escrow Shares are currently held in escrow pursuant to the Penbar Escrow Agreement. The Transfer Agent is also the Escrow Agent for the purposes of the Penbar Escrow Agreement. There are 2,000,000 Penbar Shares (on a pre-Consolidation basis) currently in escrow. At the time of Completion of the Qualifying Transaction, it is expected that each Person listed in the table above will hold Resulting Issuer Shares subject to escrow in the amount listed beside such Person's name.

The Penbar Escrow Shares are currently subject to the release schedule set out in Schedule B(1) to the Penbar Escrow Agreement. Pursuant to Schedule B(1) of the Penbar Escrow Agreement, 10% of the Penbar Escrow Shares are to be released upon the date of issuance of the Final Exchange Bulletin respecting the Transaction and an additional 15% of the Penbar Escrow Shares are to be released every six months thereafter until all Penbar Escrow Shares have been released (36 months following the date of issuance of the Final Exchange Bulletin). Should the Resulting Issuer be accepted by the TSXV as a Tier 1 Issuer, the Penbar Escrow Shares will be released on an accelerated schedule, as set out in Schedule B(2) of the Penbar Escrow Agreement. Pursuant to Schedule B(2) of the Penbar Escrow Agreement, 25% of the Penbar Escrow Shares would be released upon the date of issuance of the Final Exchange Bulletin and an additional 25% of the Penbar Escrow Securities (as defined below) would be released every six months thereafter, until all Penbar Escrow Shares have been released (18 months following the date of issuance of the Final Exchange Bulletin).

The Penbar Escrow Agreement provides that the Penbar Escrow Shares are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the prior written consent of the TSXV. In the event of the bankruptcy of an escrow shareholder, provided the TSXV does not object, the Penbar Escrow Shares held by such escrow shareholder may be transferred to the trustees in the bankruptcy of such person legally entitled to the Penbar Escrow Shares, which shares will remain in escrow subject to the Penbar Escrow Agreement. In the event of the death of an escrow shareholder, provided the TSXV does not object, the Penbar Escrow Shares held by the escrow shareholder will be released from escrow.

Penbar Escrow Securities are Penbar Shares and Penbar Options held in escrow pursuant to Exchange Policy 2.4. Following the issuance of the Final Exchange Bulletin, it is expected that the Resulting Issuer will be a "Tier 2" issuer on the Exchange.

Principal Escrow

In connection with the Transaction, the Exchange has discretion, in certain circumstances, to impose escrow provisions on the Resulting Issuer Shares being issued to certain shareholders of the Resulting Issuer. Management anticipates that the Resulting Issuer will be a "Tier 2" issuer on the Exchange and that all Resulting Issuer Shares held by the "Principals" of the Resulting Issuer will be subject to a Tier 2 escrow agreement (the "**TSXV Escrow Agreement**") to be entered into with Olympia Trust Company, as escrow agent. "Principals" of the Resulting Issuer include all directors, all officers and any shareholder who holds in excess of 20% of the Resulting Issuer Shares. It also includes any shareholder of the Resulting Issuer who holds in excess of 10% of the Resulting Issuer Shares and who has elected or appointed, or has the right to elect or appoint, one or more directors or officers of the Resulting Issuer.

The table below sets out the names of the anticipated Principals of the Resulting Issuer who will hold Resulting Issuer Shares that are subject to the TSXV Escrow Agreement. A total of 6,615,570 Resulting Issuer Shares (on a post-Consolidation basis), 2,006,760 Resulting Issuer Warrants, and 176,460 Resulting Issuer Options will be held in escrow pursuant to the TSXV Escrow Agreement.

Name and Municipality of Residence of Principal	Designation of Security	Number of Securities	Percentage Assuming the Minimum Subscription Receipt Offering (%) (1)(3)	Percentage Assuming the Maximum Subscription Receipt Offering (%) (2)(3)
Burns Singh Tennent-Bhoi, London United Kingdom	Resulting Issuer Shares	58,820	0.22%	0.20%
Rickey G Bonner, Ottawa Canada	Resulting Issuer Shares	1,817,776	6.85%	6.19%
	Eastport Performance Warrants	294,100	1.11%	1.00%
	Resulting Issuer Warrants	111,732	0.42%	0.38%
David Newman, Gaborone, Botswana	Resulting Issuer Shares	367,625	1.39%	1.25%
	Resulting Issuer Options	44,115	0.17%	0.15%
	Resulting Issuer Warrants	44,115	0.17%	0.15%
Glenpani Capital Group Limited (Burns Singh Tennent-Bhoi and David Minchin) London, United Kingdom	Resulting Issuer Shares	882,300	3.33%	3.00%
Glenpani Group Limited, (Burns Singh Tennent-Bhoi) London, United Kingdom	Resulting Issuer Shares	2,540,576	9.58%	8.65%
	Eastport Performance Warrants	1,029,350	3.88%	3.50%
	Resulting Issuer Warrants	174,542	0.66%	0.59%
Herrick Lau British Columbia, Canada	Resulting Issuer Shares	57,143	0.22%	0.19%
David Eaton British Columbia, Canada	Resulting Issuer Shares	57,143	0.22%	0.19%
Denise Lok British Columbia, Canada	Resulting Issuer Shares	57,143	0.22%	0.19%

David Minchin London, United Kingdom	Eastport Performance Warrants	176,460	0.67%	0.60%
Marc Bamber Saint Helier, Jersey	Resulting Issuer Shares	529,380	2.00%	1.80%
	Resulting Issuer Options	117,640	0.44%	0.40%
	Eastport Performance Warrants	147,050	0.55%	0.50%
Buffalo Associates Ltd (Marc Bamber) Saint Helier, Jersey	Resulting Issuer Shares	73,525	0.28%	0.25%
	Resulting Issuer Warrants	14,705	0.06%	0.05%
Paul Dennison Rueschlikon, Switzerland	Resulting Issuer Shares	639,668	2.41%	2.18%
	Resulting Issuer Options	14,705	0.06%	0.05%
	Resulting Issuer Warrants	14,705	0.06%	0.05%

Notes:

- (1) Calculated on an undiluted basis based on 26,523,798 Resulting Issuer Shares expected to be issued and outstanding following completion of the Transaction, assuming the minimum Subscription Receipt Offering, and assuming an aggregate of 571,429 Penbar Shares being outstanding after giving effect to the Consolidation, an aggregate of 20,642,230 Post-Consolidation Penbar Shares being issued in exchange for the outstanding Eastport Shares immediately prior to the Effective Time, and 5,310,139 Post-Consolidation Penbar Shares being issued in exchange for the conversion of outstanding Subscription Receipts immediately prior to the Effective Time.
- (2) Calculated on an undiluted basis based on 29,383,103 Resulting Issuer Shares expected to be issued and outstanding following completion of the Transaction, assuming the maximum Subscription Receipt Offering, and assuming an aggregate of 571,429 Penbar Shares being outstanding after giving effect to the Consolidation, an aggregate of 20,642,230 Post-Consolidation Penbar Shares being issued in exchange for the outstanding Eastport Shares immediately prior to the Effective Time, and 8,169,444 Post-Consolidation Penbar Shares being issued in exchange for the conversion of outstanding Subscription Receipts immediately prior to the Effective Time.
- (3) The Resulting Issuer Shares held by the Principals set out in the table above (the “**Escrowed Shares**”) will be released from escrow in accordance with the following schedule:

Percentage of Escrow Shares Released	Release Date
10%	Completion of the Qualifying Transaction
15%	6 months from Completion of the Qualifying Transaction
15%	12 months from Completion of the Qualifying Transaction
15%	18 months from Completion of the Qualifying Transaction
15%	24 months from Completion of the Qualifying Transaction
15%	30 months from Completion of the Qualifying Transaction
15%	36 months from Completion of the Qualifying Transaction
100%	

The Escrowed Shares may not be sold, assigned, transferred, redeemed, surrendered or otherwise dealt with in any manner except provided by the TSXV Escrow Agreement. Escrowed Shares may be transferred within escrow to an individual who is a director or senior officer of the Resulting Issuer or a material operating subsidiary of the Resulting Issuer, provided that certain requirements of the Exchange are met, including that the new proposed transferee agrees to be bound by the terms of the agreement. In the event of bankruptcy of, the Escrowed Shareholder held by such holder may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such Escrowed Shares provided that certain prescribed Exchange requirements are met. Escrowed Shares may also be transferred within escrow by an Escrowed Shareholder to a RRSP or RRIF that the Exchange receives proper notice of the same, the Escrowed Shareholder is the sole beneficiary of the RRSP or RRIF and the trustee of the RRSP or RRIF agrees to be bound by the terms of the TSXV Escrow Agreement. In the event of the death of an Escrowed Shareholder, the Escrowed Shares shall be released to the legal representatives of the deceased holder thereof.

Escrowed Shareholders who are not individuals will provide undertakings to the Exchange that they will not issue securities of their own issue or effect or permit a transfer of ownership of securities of their own issue that would have the effect of changing the beneficial ownership of, or control or direction over, the Escrowed Shares.

Seed Share Resale Restrictions

To the knowledge of the Resulting Issuer, based on the Exchange's analysis, certain "seed share resale restrictions" will be applicable to Resulting Issuer Shares held by non-"principals" of the Resulting Issuer (the "**Seed Shares**"). The "seed share resale restrictions" apply only to former holders of Eastport Shares. An aggregate of 1,423,693 Resulting Issuer Shares issued to former Eastport Shareholders in exchange for Eastport Shares under the Transaction are expected to be subject to the Exchange's seed share resale matrix under Exchange Policy 5.4.

The following table sets out, on a non-diluted basis, as of the date of this Filing Statement and to the knowledge of the Resulting Issuer, the details of the seed resale restrictions of each Resulting Issuer shareholder who will be subject to the Exchange's seed share resale matrix.

Issue Date	Shareholder (Group of Shareholders)	Number of Securities	Issue Price	Resale Restriction
March 25, 2021	Individual	58,820	Nil	1 year hold
June 28, 2022	Individual	58,820	Nil	1 year hold
November 1, 2022	Individual	88,230	Nil	1 year hold
August 24, 2023	Group	352,391	Nil	1 year hold
August 25, 2023	Group	176,460	Nil	1 year hold
September 15, 2023	Group	5,882	Nil	1 year hold
September 30, 2023	Group	29,410	Nil	1 year hold
October 10, 2023	Group	617,610	Nil	1 year hold

December 17, 2024	Individual	36,070	Nil	1 year hold

Notes:

- (1) After giving effect to the Transaction, including the exchange of Eastport Shares after giving effect to the Exchange Ratio. Calculated on an undiluted basis based on 26,523,798 Resulting Issuer Shares expected to be issued and outstanding following the Completion of the Transaction, assuming the minimum Subscription Receipt Offering, and 29,383,103 Resulting Issuer Shares expected to be issued and outstanding following the Completion of the Transaction, assuming the maximum Subscription Receipt Offering.

The Seed Shares will be subject to a one-year hold, with 20% released every three months with the first release on the date of the Final Exchange Bulletin.

Other Discretionary Escrow

An aggregate of 4,601,558 Resulting Issuer Shares will be held in escrow pursuant to the terms of a voluntary escrow agreement between Penbar Capital Ltd., Olympia Trust Company, and certain non-principal shareholders of the Resulting Issuer. Under the voluntary escrow agreement, these shares will be subject to a one-year hold, with 20% released every three months with the first release on the date of the Final Exchange Bulletin.

Auditors, Transfer Agent and Registrar

The Resulting Issuer's auditor will be MNP LLP, Chartered Professional Accountants, at its office at 1600 Carling Avenue, Suite 800, Ottawa, Ontario, K1Z 1G3. The transfer agent and registrar of the Resulting Issuer will be Olympia Trust Company, at its office at 925 West Georgia Street, Suite 1900, Vancouver, British Columbia, V6C 3L2.

PART VI – RISK FACTORS

An investment in the securities of Eastport or the Resulting Issuer is highly speculative, involves a high degree of risk and should be undertaken only by Persons whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prior to investing in such securities, you should carefully consider the risks described below, together with other information included in or incorporated by reference into this Filing Statement and filed on SEDAR+ at www.sedarplus.ca. If any of the following risks materialize, the business, financial condition, results of operation and future prospects of Eastport and the Resulting Issuer will likely be materially and adversely affected. This could cause actual future events to differ materially from those described in forward-looking statements and may cause the trading price of the Resulting Issuer's securities to decline.

The risks presented below should not be considered exhaustive and may not be all the risks the Resulting Issuer may face. Management of Eastport believes that factors set out below could cause actual results to be different from expected and from historical results. Other sections of this Filing Statement include additional factors that could have an effect on the business and financial performance of the Resulting Issuer's business following the Completion of the Transaction. New risks may emerge from time to time and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. You should not rely upon forward-looking statements as a prediction of future results.

References below to "Eastport" will, as the context permits or requires, be read to include the "Resulting Issuer" upon the Completion of the Transaction. Furthermore, references below to the "Resulting Issuer" refer to the Resulting Issuer and all of its subsidiaries, as applicable.

Risks Related to the Transaction

Completion of the Transaction and Exchange Approval

The completion of the Transaction is subject to several conditions precedent. There can be no assurance that the Transaction will be completed on the terms set out in the Amalgamation Agreement, as negotiated, or at all. In the event that any of the conditions precedent are not satisfied or waived, the Transaction may not be completed. In addition, there is no guarantee that the Resulting Issuer will be able to satisfy the requirements of the Exchange such that it will issue the Final Exchange Bulletin. See "*Part II – Information Concerning the Transaction – The Amalgamation Agreement - Conditions of the Transaction*". There is no certainty that these conditions will be satisfied on a timely basis or at all.

If the Transaction is not completed, Penbar and Eastport will each remain liable for significant consulting, accounting, legal and other costs relating to the Transaction and will not realize anticipated benefits of the Transaction. If the Transaction is not completed and the Penbar Board decides to seek another Qualifying Transaction, there can be no assurance that it will be able to find a party that will agree to equivalent or more attractive terms than those of the Amalgamation Agreement.

The Concurrent Financing May Not Be Completed

There can be no guarantee that the Concurrent Financing will be completed. If the Concurrent Financing is not completed, Penbar and Eastport may not be able to complete the Transaction, further develop their business objectives, including the proposed exploration program on the Matsitama Property, retain their management team, employees and consultants, conduct exploration and development activities, and repay certain indebtedness of the Resulting Issuer.

Termination of the Amalgamation Agreement in Certain Circumstances

Each of Penbar and Eastport has the right to terminate the Amalgamation Agreement in certain circumstances. Accordingly, there is no certainty, nor can the parties provide any assurances that the Amalgamation Agreement will not be terminated by Penbar or Eastport before the Completion of the Transaction. Certain costs related to the Transaction, such as legal and accounting fees, must be paid by Penbar and Eastport regardless of if the Transaction is completed. See "*Part II – Information Concerning the Transaction – The Amalgamation Agreement*".

– *Termination Rights*”.

The Transaction Will Have a Dilutive Effect on the Ownership Interest of Penbar Shareholders

The issuance of Resulting Issuer Shares pursuant to the Transaction if it is completed will have a very significant dilutive effect on the ownership interest of the current Penbar Shareholders.

The Transaction May Divert the Attention of Management of Eastport

The Transaction could cause the attention of management of Eastport to be diverted from their day-to-day operations. These disruptions could be exacerbated by a delay in the Completion of the Transaction and could have an adverse effect on the business, operating results or prospects of Eastport, regardless of whether the Transaction is ultimately completed, or of the Resulting Issuer if the Transaction is completed.

Tax Consequences

The transactions described herein may have tax consequences in Canada, or elsewhere, depending on each particular existing or prospective shareholder's specific circumstances. Such tax consequences are not described herein and this Filing Statement is not intended to be, nor should it be construed to be, legal or tax advice to any particular shareholder. Existing and prospective shareholders should consult their own tax advisors with respect to any such tax considerations.

Eastport May Not Realize Anticipated Benefits of the Transaction

The Transaction is proposed to strengthen the position of Eastport in the mining and exploration industry and to create the opportunity to realize certain benefits. Achieving the benefits of the Transaction depends in part on the ability of Eastport to effectively capitalize on its scale, to realize the anticipated capital and operating synergies, to profitably sequence the growth prospects of its asset base and to maximize the potential of its improved growth opportunities and capital funding opportunities. A variety of factors, including those risk factors set forth in this Filing Statement, may adversely affect the ability of Eastport to achieve the anticipated benefits of the Transaction.

Pro-forma Financial Statements

The pro-forma financial statements attached to this Filing Statement and information derived therefrom contained in this Filing Statement are presented for illustrative purposes only and may not be an indication of Eastport's financial condition following the Transaction for several reasons. For example, such pro-forma financial statements have been derived from the historical financial statements of Eastport and certain assumptions have been made. The information upon which these assumptions have been made is historical, preliminary and subject to change. Moreover, the pro-forma financial statements do not reflect all costs that are expected to be incurred by Eastport in connection with the Transaction. In addition, the assumptions used in preparing the pro-forma financial statements may not prove to be accurate.

Risk Factors Relating to the Resulting Issuer Shares

Market Price and Listing of Resulting Issuer Shares

The Resulting Issuer is seeking to have the Resulting Issuer Shares listed and posted for trading on the TSXV. The listing of the Resulting Issuer Shares will be subject to the satisfaction of all of the TSXV's initial listing requirements. If the Resulting Issuer receives final approval for listing the Resulting Issuer Shares on the TSXV, there is no assurance that it will maintain such listing on the TSXV or a listing on any other exchange or quotation service. There can be no assurance that an active trading market will develop or be sustained for the Resulting Issuer Shares. Shareholders may not be able to resell the Resulting Issuer Shares, which may affect the pricing of the Resulting Issuer Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Resulting Issuer Shares. If an active or liquid market for the Resulting Issuer Shares fails to develop or be sustained, the price at which the Resulting Issuer Shares trade may be adversely affected. An investment in Eastport's securities is highly speculative, due to the high-risk nature of its business, lack of diversification and the present stage of its development. Shareholders of the Resulting Issuer may lose their entire investment.

If the Resulting Issuer Shares are publicly traded, the market price of the Resulting Issuer Shares may be affected by many variables not directly related to the corporate performance of Eastport, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for its shares. The effect of these and other factors on the market price of the Resulting Issuer Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the Resulting Issuer Shares.

The Market Price of Resulting Issuer Shares May Be Volatile

The market price of Resulting Issuer Shares could be subject to significant fluctuations following the Completion of the Transaction. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions and the risk factors described in this Filing Statement could subject the market price of the Resulting Issuer Shares to wide price fluctuations regardless of the Resulting Issuer's operating performance.

The Resulting Issuer May Issue Additional Equity Securities

Following the Completion of the Transaction, the Resulting Issuer may issue equity securities and or securities convertible into equity securities to finance its activities, including in order to finance acquisitions. If the Resulting Issuer were to issue additional equity securities, the ownership interest of existing shareholders may be diluted and some or all of the Resulting Issuer's financial measures on a per share basis could be reduced.

Value Assigned to Eastport May Be Incorrect

The valuation placed on Eastport for the purposes of the Transaction has been determined by negotiation among Eastport and Penbar. There can be no assurance that the number of Resulting Issuer Shares will not, in the fullness of time, prove to be excessive. If the market determines that the number of Resulting Issuer Shares is excessive, the market price of the Resulting Issuer Shares will be adversely affected.

No Payment of Dividends

The declaration, timing, amount and payment of dividends are at the discretion of the board of directors of the Resulting Issuer and will depend upon the Resulting Issuer's future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. There can be no assurance that the Resulting Issuer will declare a dividend on a quarterly, annual or other basis.

Risks Related to Resulting Issuer's Business

Risks of Foreign Operations

The Properties are located in Botswana. As such, the operations of Eastport are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties include, but are not limited to: expropriation; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; protests; roadblocks or other forms of public expression; war, civil or social unrest; crime or other violence; renegotiation or nullification of existing concessions, licences, permits and contracts; ability of governments to unilaterally alter agreements; government imposed supply laws, including laws, establishing, among other things, profit margins, production quotas, maximum and minimum price, levels and the ability to confiscate merchandise in certain circumstances; surface land access issues; political, judicial and business corruption; changes in policies, regulations and laws, including but not limited to those concerning taxation, environmental protection, and resource development; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. The occurrence of regime changes adds uncertainties that cannot be accurately predicted and any future material adverse changes in government policies or legislation in the jurisdictions in which Eastport operates that affect foreign ownership, natural resource exploration, and development or mining activities, may affect Eastport's viability and profitability.

The Resulting Issuer's operations may also be adversely affected by laws and policies of Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with the Resulting Issuer's operations

in Botswana, the Resulting Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Resulting Issuer may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Resulting Issuer's exploration, development and exploration activities in Botswana could be substantially affected by factors beyond the Resulting Issuer's control, any of which could have a material adverse effect on the Resulting Issuer.

Exploration and Development Risk

The Matsitama Property is in the exploration stage and will require extensive expenditures during the exploration stage. Mineral exploration and development involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to mitigate. The vast majority of properties which are explored are not ultimately developed into producing mines. There is no assurance that the Resulting Issuer's mineral exploration and development activities will result in any discoveries of mineral resources or mineral reserves, or that minerals will be discovered in sufficient grade or quantities to justify commercial operations. The long-term profitability of the Resulting Issuer's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Early Stage of Development

On completion of the Transaction, the Resulting Issuer will be in the business of exploring for, with the ultimate goal of producing, achieving commercial production. The Matsitama Property will not have commenced commercial production and the Resulting Issuer will have no history or earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that the Resulting Issuer will be able to develop the Matsitama Property profitably or that its activities will generate positive cash flow. The Resulting Issuer will not have paid any dividends and it is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. The Resulting Issuer will have limited cash and other assets. A prospective investor in the Resulting Issuer must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of the Resulting Issuer's management in all aspects of the development and implementation of the Resulting Issuer's business activities.

Limited Profitability

Eastport does not have any history of earnings or profitability. The likelihood of success of the Resulting Issuer must be considered in light of the problems, expenses, difficulties, complication and delays frequently encountered in connection with the establishment of any business particularly in the junior mineral exploration sector. The Resulting Issuer will have limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Resulting Issuer will be able to generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Negative Cash Flow

Eastport has a limited history of operations, and no history of earnings, cash flow or profitability; it has had negative operating cash flow since its date of incorporation, and will continue to have negative operating cash flow for the foreseeable future. The Properties is at the exploration stage. The Resulting Issuer will have no source of operating cash flow and no assurance that additional funding will be available for further exploration and development of the property when required. No assurance can be given that the Resulting Issuer will ever attain positive cash flow or profitability.

Dependence on the Matsitama Property

Presently, the Matsitama Property is the most likely property to account for the Resulting Issuer's future revenue, if any is ever generated. Any adverse development affecting the progress of the Matsitama Property such as, but not limited to, obtaining development financing on commercially suitable terms, hiring suitable personnel and mining contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Resulting Issuer's financial performance and results of operations. Ongoing activity at the Matsitama

Property will be undertaken without established mineral resources or mineral reserves and the economic viability of the operations on either project have not been established.

Mineral Deposits May Not Be Economical

The determination of whether any mineral deposits at the Matsitama Property or the Other Properties are economical is affected by numerous factors beyond the control of Eastport. These factors include: (a) the metallurgy of the mineralization forming the mineral deposit; (b) market fluctuations for metal prices; (c) the proximity and capacity of natural resource markets and processing equipment; and (d) government regulations, governing prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection.

Changes in Market Price of Metals

The potential of the Matsitama Property, or any of the Other Properties, to be economically mined is significantly affected by changes in the market price of metals. The market price of metals is volatile and is impacted by numerous factors beyond the control of the Resulting Issuer, including: (a) expectations with respect to the rate of inflation; (b) the relative strength of the U.S. dollar and certain other currencies; (c) interest rates; (d) global or regional political or economic conditions; (e) supply and demand for jewelry and industrial products containing metals; and (f) sales by central banks, other holders, speculators, and producers of gold and other metals in response to any of the above factors. A decrease in the market price of metals could make it difficult or impossible to finance the exploration or development of the Matsitama Property, or any of the Other Properties, or cause Eastport to determine that it is impractical to continue development of the Matsitama Property, or any of the Other Properties, which would have a material adverse effect on the financial condition and results of operations of Eastport. There can be no assurance that the market price of metals will not decrease.

Mining Operations May Not Be Established or Profitable

The future development of the Matsitama Property will require additional financing, permits, design, construction, processing plant, and related infrastructure. As a result, Eastport will be subject to all of the risks associated with establishing mining operations and business enterprises, including: (a) the timing and cost, which will be considerable, of obtaining all necessary permits including environmental, construction, and operating permits; (b) the timing and cost, which will be considerable, of the construction of mining and processing facilities; (c) the availability and costs of skilled labour, power, water, transportation, and mining equipment; (d) the availability and cost of appropriate smelting and/or refining arrangements; (e) the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits; and (f) the availability of funds to finance construction and development activities.

It is common in new mining operations to experience unexpected problems and delays during permitting, construction, and development. In addition, delays in the commencement of mineral production often occur, and once commenced, the production of a mine may not meet expectations or the estimates set forth in feasibility or other studies. Accordingly, there are no assurances that Eastport will successfully establish mining operations or become profitable.

The Resulting Issuer May Not Use the Available Funds as Described in this Filing Statement

The Resulting Issuer currently intends to use its available funds as set out in this Filing Statement. However, the Resulting Issuer Board and/or management will have discretion in the actual application of the available funds and may elect to allocate them differently from that described in the Filing Statement if they believe it would be in the Resulting Issuer's best interests to do so. Shareholders may not agree with the manner in which the Resulting Issuer Board and/or management chooses to allocate and spend the net proceeds. The failure by the Resulting Issuer Board and/or management to apply these funds effectively could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Ability to Exploit Future Discoveries

It may not always be possible for the Resulting Issuer to participate in the exploitation of successful discoveries. Such exploitation may involve the need to obtain licenses or clearance from the relevant authorities, which may not be available on a timely basis or may require conditions to be satisfied and/or the exercise of discretion by

such authorities. It may or may not be possible for such conditions to be satisfied, and such conditions may prove uneconomic or not practical. Furthermore, the decision to proceed to further exploitation may require the participation of other companies whose interest and objectives may not be consistent with those of the Resulting Issuer. Such further exploitation may also require the Resulting Issuer to meet or commit to financial obligations which it may not have anticipated or may not be able to commit to due to a lack of funds or an inability to raise funds.

Financing Risks

Eastport expects to be substantially dependent upon the equity and debt capital markets or alternative sources of funding to pursue additional investments. There can be no assurance that such financing will be available to Eastport on acceptable terms or at all.

From time to time, the Resulting Issuer may rely on debt financing for a portion of its business activities, including capital and operating expenditures. There are no assurances that the Resulting Issuer will be able to comply at all times with any covenants under its debt arrangements, if applicable; nor are there assurances that the Resulting Issuer will be able to secure new financing that may be necessary to finance its operations and capital growth program. Any failure of the Resulting Issuer to secure financing or refinancing, to obtain new financing or to comply with applicable covenants under its borrowings could have a material adverse effect on the Resulting Issuer's financial results. Further, any inability of the Resulting Issuer to obtain new financing may limit its ability to support future growth.

Additional equity or debt financings may significantly dilute positions held by shareholders of Eastport, increase Eastport's leverage or require Eastport to grant security over its assets. If Eastport is unable to obtain such financing, it may not be able to develop the Matsitama Property or any of the Other Properties or execute on its business strategy. If Eastport is unable to obtain financing for business activities, it may determine to allocate income, if any, from other investments to finance business activities.

Mining is Inherently Dangerous

The business of mining is subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, cave-ins, pit wall failures, flooding, fires, rock bursts, explosions, power outages, periodic interruptions due to inclement or hazardous weather conditions, and other acts of God or unfavourable operating conditions. Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, increased production costs, monetary losses, and possible legal liability.

Where considered practical to do so, Eastport will maintain insurance against risks in the operation of its business in amounts which it believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. There can be no assurance that such insurance will continue to be available, will be available at economically acceptable premiums, or will be adequate to cover any resulting liability. In some cases, coverage is not available or is considered too expensive relative to the perceived risk. Eastport may suffer a material adverse effect on its business if it incurs losses related to any significant events that are not covered sufficiently or at all by its insurance policies.

Operations and Exploration Subject to Governmental Regulations

Eastport's operations and exploration and development activities are subject to extensive laws and regulations governing various matters, including: (a) environmental protection; (b) management and use of toxic substances and explosives; (c) management of natural resources; (d) management of tailings and other wastes; (e) mine construction; (f) exploration, development of mines, production and post-closure reclamation; (g) exports; (h) price controls; (i) taxation and mining royalties; (j) regulations concerning business dealings with indigenous groups; (k) labour standards and occupational health and safety, including mine safety; and (l) historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities, enjoining or curtailing operations, or requiring corrective measures, installation of additional equipment, or remedial actions, any of which could result in Eastport incurring significant expenditures. Eastport may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations, or permitting requirements. It is also possible that future laws and regulations, or a more stringent enforcement of current laws and regulations by

governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of Eastport's operations, if any, and delays in the development of the Matsitama Property and the Other Properties.

Operation and Exploration Activities are Subject to Environmental and Endangered Species Laws and Regulations

All phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of government laws and regulations, including laws and regulations relating to the protection of endangered and threatened species. Compliance with such laws and regulations can require significant expenditures and a breach may result in the imposition of fines and penalties, which may be material. For example, despite their preliminary nature, exploration activities under a prospecting licence in Botswana can potentially lead to environmental liabilities. These may include disturbance of land and vegetation, impacts on water resources, waste generation and management challenges, dust and air emissions, noise pollution, and potential effects on heritage and cultural sites. The Environmental Assessment Act of 2011 and Regulations (2012) require environmental and archaeological impact studies to be undertaken prior to initiating prospecting works for a proposed development of this nature. In addition, such laws and regulations can constrain or prohibit the exploration and development of new projects or the development or expansion of existing projects. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, increases in land use restrictions, larger fines and liability and potentially increased capital expenditures and operating costs. Any breach of environmental legislation by owners or operators of the property underlying the Resulting Issuer's asset portfolio could have a material impact on the viability of the relevant property and impair the revenue derived from the owned property or applicable interest, which could have a material adverse effect on the Resulting Issuer's operations, financial condition and the trading price of its securities.

Mineral Properties May Be Subject to Rights of Indigenous Peoples

Various international, national, state and provincial laws, codes, resolutions, conventions, guidelines, treaties and other principles and considerations relate to the rights of indigenous peoples. The Resulting Issuer will hold, exploration interests in respect of operations located in some areas presently or previously inhabited or used by indigenous peoples. Many of these impose obligations on government to respect the rights of indigenous peoples. Some mandate consultation with indigenous peoples regarding actions which may affect indigenous peoples, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national requirements, principles and considerations pertaining to indigenous peoples continue to evolve and be defined. The Properties is subject to the risk that one or more groups of indigenous peoples may oppose operation or new development. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the operator's activities. Opposition by indigenous peoples to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with indigenous peoples. Claims and protests of indigenous peoples may disrupt or delay activities of the operators of assets in respect of which the Resulting Issuer holds an exploration interest which may result in a material adverse effect on the Resulting Issuer profitability, results of operations and financial condition and the trading price of its securities.

Permits and Licences

Operations of the Resulting Issuer will require licences and permits from various governmental authorities. Specifically, the Resulting Issuer is required to complete the required work programs and meet the expenditure obligations outlined for its six prospecting licences to secure extensions beyond their expiry date of March 31, 2026. The Resulting Issuer anticipates that it will be able to obtain in the future all necessary licences and permits to carry on the activities which it intends to conduct, and that it intends to comply in all material respects with the terms of such licences and permits. However, there can be no guarantee that the Resulting Issuer will be able to obtain at all or on reasonable terms, and maintain, at all times, all necessary licences and permits required to undertake its proposed exploration and development or to place its property into commercial production and to operate mining facilities thereon.

Additional Costs May Be Incurred by Mineral Property Operators as a Result of International Climate Change Initiatives

The Resulting Issuer acknowledges climate change as an international and community concern. The Resulting Issuer supports and endorses various initiatives for voluntary actions consistent with international initiatives on

climate change. In addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Resulting Issuer expects this may result in increased costs at the Properties, which could have a material impact on the viability of the property and impair the revenue derived from the interest, which could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of the Resulting Issuer's securities.

Community Relations

Eastport's relationships with the communities in which it operates and other stakeholders are critical to ensure the future success of its existing operations and the construction and development of its projects. There is an increasing level of public concern relating to the perceived effect of exploration activities on the environment and on communities impacted by such activities. Publicity adverse to Eastport, its operations or extractive industries generally, could have an adverse effect on Eastport and may impact relationships with the communities in which Eastport operates. While Eastport is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to Eastport's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easy for individuals and groups to communicate and share opinions and views with regard to Eastport and its activities, whether true or not. While Eastport strives to uphold and maintain a positive image and reputation, Eastport does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing, maintaining community relations and advancing its projects and decreased investor confidence, all of which may have a material adverse impact on the financial performance and growth of Eastport.

Competition

The mining industry is intensely competitive. Eastport will compete with other mining companies, many of which have greater financial resources for the acquisition of mineral claims, permits, and concessions, as well as for the recruitment and retention of qualified employees. Increased competition could adversely affect Eastport's ability to attract necessary capital funding.

Defects in Title to Mineral Properties

Establishing title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. While Eastport has investigated title to all of its mineral claims and, to the best of its knowledge, title to all of its Properties are in good standing, mineral properties may be subject to prior unregistered agreements or transfers and title may be affected by such undetected defects. There may be valid challenges to the title of Eastport's Properties which, if successful, could impair exploration, development and/or operations. Eastport's mineral properties may be subject to aboriginal land claims, prior unregistered agreements or transfers and title may be affected by undetected defects. Eastport cannot give any assurance that title to its properties will not be challenged.

Defects in or disputes relating to the interests the Resulting Issuer holds or acquires may prevent it from realizing the anticipated benefits from these interests. Material changes could also occur that may adversely affect management's estimate of the carrying value of the Resulting Issuer's interests and could result in impairment charges. While Eastport currently seeks, and the Resulting Issuer will seek, to confirm the existence, validity, enforceability, terms and geographic extent of the interests it acquires, there can be no assurance that disputes or other problems concerning these and other matters or other problems will not arise. Confirming these matters is complex and is subject to the application of the laws of each jurisdiction to the particular circumstances of each parcel of mineral property and to the documents reflecting the interest. The discovery of any defects in, or any disputes in respect of, the Resulting Issuer's interests, could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

A defect in the chain of title to one of the Resulting Issuer's interests or necessary for the anticipated development or operation of a particular project to which an interest relates may arise to defeat or impair the claim of the operator to a property which could in turn result in a loss of the Resulting Issuer's interest in respect of that property. In

addition, claims by third parties or aboriginal groups in Botswana and elsewhere may impact on the operator's ability to conduct activities on a property to the detriment of the Resulting Issuer's interests. To the extent an owner or operator does not have title to the property, it may be required to cease operations or transfer operational control to another party. Certain interests can be contractual in nature, rather than an interest in land, with the risk that an assignment or bankruptcy or insolvency proceedings by an owner will result in the loss of any effective interest in a particular property. Further, even in those jurisdictions where there is a right to record or register interests held by the Resulting Issuer in land registries or mining recorders offices, such registrations may not necessarily provide any protection to the Resulting Issuer. As a result, known title defects, as well as unforeseen and unknown title defects may impact operations at a project in respect of which the Resulting Issuer has an interest and may result in a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Future Litigation Could Affect Title

Potential litigation may arise on a property on which the Resulting Issuer holds an interest (for example, litigation between joint venture partners or between operators and original property owners or neighboring property owners), including the Properties. As a holder of such interests, the Resulting Issuer will not generally have any influence on the litigation and will not generally have access to data. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) or the expropriation or loss of rights to a property could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Deficient Third Parties' Reviews, Reports and Projections

The Resulting Issuer relies upon third parties to provide analysis, reviews, reports, advice and opinions regarding the Resulting Issuer's projects. There is a risk that such analysis, reviews, reports, advice and opinions are inaccurate, in particular with respect to resource estimation, process development and recommendations for products to be produced as well as with respect to economic assessments including estimating the capital and operation costs of the Resulting Issuer's project and forecasting potential future revenue streams. Uncertainties are also inherent in such estimations.

Dependence on Key Individuals

The Resulting Issuer is dependent on a relatively small number of key personnel, and the loss of any one of them could have an adverse effect on the Resulting Issuer. In addition, while certain of the Resulting Issuer's officers and directors have experience in the exploration and development of mineral producing properties; the Resulting Issuer will remain highly dependent upon contractors and other third parties in the performance of its exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Resulting Issuer or be available upon commercially acceptable terms.

Directors and Officers May Have Conflicts of Interest

Certain of the proposed directors and/or officers of the Resulting Issuer, are or will be, and may continue to be, involved in other business ventures through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the technologies, products and services the Resulting Issuer intends to provide. Situations may arise where the other interest of these directors and officers conflict with, or diverge from, the Resulting Issuer's interest. Certain of such conflicts may be required to be disclosed in accordance with procedures and remedies, as applicable, under corporate law, however, such procedures and remedies may not fully protect the Resulting Issuer. In addition, in conflict-of-interest situations, the directors and officers of the Resulting Issuer may owe the same duty to another company and will need to balance their competing interest. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavorable to the Resulting Issuer.

Global Financial Conditions May Be Volatile

Market events and conditions, disruptions in the international credit markets and other financial systems, along with political instability have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global credit markets resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, tighter regulations, less liquidity,

widening credit spreads, less price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers and other financial institutions caused the broader credit markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Resulting Issuer's control may have on commodity prices, demand for metals, including gold and silver, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect Resulting Issuer's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by sovereign debt concerns in Europe and emerging markets, as well as concerns over global growth rates and conditions. These and other factors may impact the ability of Resulting Issuer to obtain equity or debt financing in the future and, if obtained, the favourability of the terms of such financing to Resulting Issuer. Increased levels of volatility and market turmoil can adversely impact Resulting Issuer's operations and the price of the Resulting Issuer Shares.

Adequate Infrastructure May Not Be Available to Develop the Properties

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect or inhibit the operations at the Properties in respect of which the Resulting Issuer holds an interest, which may result in a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of their securities.

Future Acquisitions and Partnerships

As part of the Resulting Issuer's business strategy, it may seek to grow by acquiring companies and/or assets or establishing new joint ventures that it believes will complement its future business. In pursuit of such opportunities, the Resulting Issuer may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions or integrate the acquired businesses or their personnel into the Resulting Issuer. There can be no assurance that the Resulting Issuer will complete any acquisition or business arrangement that it pursues on favorable terms or at all, or that any acquisitions or business arrangements completed will ultimately benefit the Resulting Issuer.

There are risks inherent in such activities. Specifically, there could be unknown or undisclosed risks or liabilities of such companies for which the Resulting Issuer is not sufficiently indemnified. Any such unknown or undisclosed risks or liabilities could materially and adversely affect the Resulting Issuer's financial performance and results of operations. The Resulting Issuer may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for our business. The Resulting Issuer could encounter additional transaction and integration related costs or experience an impact to its operations or results of operation as a result of the failure to realize all of the anticipated benefits from such acquisitions or partnerships, or an inability to successfully integrate an acquisition as anticipated. As a result of integration efforts, the Resulting Issuer may experience interruptions in its business activities, costs of integration and harm to its reputation, all of which could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations. The Resulting Issuer may experience difficulties in combining corporate cultures, maintaining employee morale and retaining key employees. The integration of any such acquired companies may also impose substantial demands on management of the Resulting Issuer. There is no assurance that these acquisitions will be successfully integrated in a timely manner or without additional expenses incurred.

CRA's Recent Focus on Foreign Income Earned by Canadian Companies May Result in Adverse Tax Consequences

There has been a recent focus by the CRA on income earned by foreign subsidiaries of Canadian companies. Some of the Resulting Issuer's assets will be owned by, and the related revenue received by, the Resulting Issuer's subsidiaries. Although management believes that the Resulting Issuer will be in full compliance with Canadian tax law, there can be no assurance that the Resulting Issuer's structure may not be challenged in future. In the event the CRA successfully challenges the Resulting Issuer's structure, this could potentially result in additional federal and provincial taxes and penalties, which may have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Anti-Bribery Laws (Such as the Corruption of Foreign Public Officials Act of Canada (“CFPOA”))

The Resulting Issuer's business is subject to the CFPOA which generally prohibits companies and company employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. The CFPOA also requires companies to maintain accurate books and records and internal controls, including all foreign-controlled subsidiaries. In addition, the Resulting Issuer is subject to other anti-bribery laws of the nations in which it conducts business that apply similar prohibitions as the CFPOA. The Resulting Issuer's employees or other agents may, without the Resulting Issuer's knowledge and despite its efforts, engage in prohibited conduct under the CFPOA or other anti-bribery laws that the Resulting Issuer may be subject to and for which it may be held responsible. If employees or other agents are found to have engaged in such practices, the Resulting Issuer could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

Challenges Obtaining Equipment, Materials and Skilled Technical Workers

The Resulting Issuer is dependent on the availability of affordable and accessible equipment, replacement parts, and repair services and the absence or disrepair of such equipment, parts and services could affect or halt exploration or eventual production on the properties of the Resulting Issuer. There can be no guarantee that such equipment, parts or repair services will be available to the Resulting Issuer, or that such equipment, replacement parts or repair work will be available on commercially reasonable terms.

The Resulting Issuer is dependent on the availability of affordable and accessible materials. There can be no guarantee of the availability, quality and reliability of the supply of neither such materials, nor that such materials will continue to be available to the Resulting Issuer on commercially reasonable terms.

The Resulting Issuer is also dependent on the availability of skilled technical workers to carry out various functions on the properties of the Resulting Issuer. There can be no guarantee that such skilled workers will be available to carry out such activities on behalf of the Resulting Issuer or that such workers will be available on commercially reasonable terms.

The Resulting Issuer Will Be Exposed to Foreign Exchange Risk

Certain of the Resulting Issuer's activities are located in Botswana and the costs associated with these activities are largely denominated in Botswanan Pula and U.S. dollars. However, the Resulting Issuer's interests are denominated in Canadian dollars and, as a result, are subject to foreign currency fluctuations and inflationary pressures, which may have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition. There can be no assurance that the steps taken by management to address variations in foreign exchange rates will eliminate all adverse effects and the Resulting Issuer may suffer losses due to adverse foreign currency rate fluctuations.

Risks Relating to Attracting and Retaining Qualified Management and Technical Personnel

The Resulting Issuer will be dependent upon the continued availability and commitment of its key management personnel, whose contributions to immediate and future operations of the Resulting Issuer are of significant importance. The loss of any such key management personnel could negatively affect business operations. From time to time, the Resulting Issuer may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. In addition, the Resulting Issuer frequently retains third party specialized technical personnel to assess and execute on opportunities. These individuals may have conflicts of interest or scheduling conflicts, which may delay or inhibit the Resulting Issuer's ability to employ such individuals' expertise. Recruiting and retaining qualified personnel is critical to the Resulting Issuer's success and there can be no assurance that the Resulting Issuer will be able to recruit and retain such personnel. If the Resulting Issuer is not successful in recruiting and retaining qualified personnel, the Resulting Issuer's ability to execute its business model and growth strategy could be affected, which could have a material adverse impact on its profitability, results of operations and financial condition and the trading price of its securities.

Eastport's Operations Are Subject to Human Error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage

Eastport's interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Eastport. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Eastport might undertake and legal claims for errors or mistakes by Eastport personnel.

Disruption from Non-Governmental Organizations

As is the case with any businesses which operate in the mining industry, the Resulting Issuer may become subject to pressure and lobbying from non-governmental organizations. There is a risk that the demands and actions of non-governmental organizations may cause significant disruption to the Resulting Issuer's business which may have a material adverse effect on its operations and financial condition.

Health & Safety Risks

Mining, like many other exploration or extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations, lead to a loss of licences, affect the reputation of the Resulting Issuer and its ability to obtain further licences, damage community relations and reduce the perceived appeal of the Resulting Issuer as an employer.

There is no assurance that the Resulting Issuer has been or will at all times be in full compliance with all laws and regulations or hold, and be in full compliance with, all required health and safety permits. The potential costs and delays associated with compliance with such laws, regulations and permits could prevent the Resulting Issuer from proceeding with the development of a project or the operation or further development of a project, and any noncompliance therewith may adversely affect the Resulting Issuer's business, financial condition and results of operations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in exploration expenses, capital expenditures or production costs, reduction in the levels of production at producing properties, or abandonment or delays in development of the Matsitama Property, the Other Properties, or any new mining properties.

Nature and Climatic Conditions

The Resulting Issuer and the mining industry continually face geotechnical challenges which could adversely impact the Resulting Issuer's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as severe rainfall, floods, landslides, droughts, pit wall failures and rock fragility may occur, and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Resulting Issuer's control. Such conditions could result in limited access to mine sites, suspensions or reductions in operations, government investigations, increased monitoring costs, remediation costs, loss of ore and other impacts which could cause the Resulting Issuer's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Resulting Issuer's results of operations and financial position.

Uninsured or Uninsurable Risks

In the course of exploration, development and production of mineral resource properties, several risks and, in particular, significant risks that could result in damage to, or destruction of vessels and producing or processing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability, may occur. It is not always possible to fully insure against such risks, and the Resulting Issuer may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Resulting Issuer. The Resulting Issuer cannot be certain that insurance will be available on acceptable terms or conditions. In some cases, coverage may not be acceptable or may be considered too expensive relative to the perceived risk.

Disruption in Eastport's Activities Due to Acts of God May Adversely Affect Eastport

Disruptions in the activities of Eastport may be caused by natural disasters, effects of climate change and man-made activities, pandemics, trade disputes and disruptions, war, terrorism, and any other form of economic, health,

or political disruptions. Eastport's financial condition is reliant on continued operations, and in circumstances where continued operations are not possible, Eastport is likely to experience a decline in its revenue, and may suffer additional disruptions in the form of lack of access to its workforce, customers, technology, or other assets. The extent of the impact on Eastport will vary with the extent of the disruption and cannot be adequately predicted in advance.

PART VII – GENERAL MATTERS

Sponsorships/Relationships

Pursuant to Exchange Policy 2.2 of the TSXV Corporate Finance Manual, sponsorship is generally required in conjunction with a Qualifying Transaction. Penbar has obtained a waiver of the sponsorship requirement from the TSXV in connection with the Transaction.

Opinions

The following professional persons have prepared reports or have provided opinions that are either included or referenced within this Filing Statement:

1. Davidson & Company LLP, Chartered Professional Accountants, has provided auditor's reports on the Penbar Audited Financial Statements included in this Filing Statement as Appendix "A".
2. MNP LLP, Chartered Professional Accountants, has provided auditor's reports on the Eastport Audited Financial Statements included in this Filing Statement as Appendix "C".
3. Each of André Bezuidenhout, Pri.Sci.Nat, FGS, Dean MacEachern, P.Geo., Liz de Klerk, Pri.Sci.Nat, FIMMM, and Ryan Langdon, Ph.D, MCSM, CGeol, FGS, of Micon International Co Ltd., is the Author of the Technical Report, a qualified person for the purposes of NI 43-101 and independent of Eastport and Penbar.

Interests of Experts

No individual or company whose profession or business gives authority to a statement made by the individual or corporation and who is named as having prepared or certified a part of this Filing Statement or as having prepared or certified a report or valuation described or included in this Filing Statement holds, or will hold immediately following the Completion of the Transaction, any direct or indirect interest in any securities or property of the Resulting Issuer.

Other Material Facts

There are no other material facts about Penbar, Eastport, the Resulting Issuer or the Transaction that are not elsewhere disclosed herein and which are necessary in order for this Filing Statement to contain full, true and plain disclosure of all material facts relating to Penbar, Eastport and the Resulting Issuer, assuming Completion of the Transaction.

Board Approval

The contents and the filing of this Filing Statement have been approved by the board of directors of both Penbar and Eastport. Where information contained in this Filing Statement rests particularly within the knowledge of a Person other than Penbar and Eastport, Penbar and Eastport relied upon information furnished by such person.

CERTIFICATE OF PENBAR CAPITAL LTD.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Penbar Capital Ltd. assuming Completion of the Transaction.

DATED September 30, 2025.

(signed) "David Eaton "

David Eaton
Chief Executive Officer

(signed) "Queenie Kuang"

Queenie Kuang
Chief Financial Officer

On behalf of the Board of Directors

(signed) "Denise Lok"

Denise Lok, Director

(signed) "Herrick Lau"

Herrick Lau
Director

CERTIFICATE OF EASTPORT VENTURES INC.

The foregoing as it relates to Eastport Ventures Inc. ("**Eastport**"), constitutes full, true and plain disclosure of all material facts relating to the securities of Eastport.

DATED September 30, 2025.

(signed) "Burns Singh Tennent-Bhoi"

Burns Singh Tennent-Bhoi
Chief Executive Officer

(signed) "Burns Singh Tennent-Bhoi"

Burns Singh Tennent-Bhoi
Chief Financial Officer

On behalf of the Board of Directors

(signed) "David Newman"

David Newman
Director

(signed) "David Minchin"

David Minchin
Director

(signed) "Rickey G. Bonneri"

Rickey G. Bonner
Director

ACKNOWLEDGEMENT – PERSONAL INFORMATION

“Personal Information” means any information about an identifiable individual, and includes information contained in any Items in the Filing Statement that are analogous to Items 4.2, 11, 12.1, 15, 17.2, 18.2, 23, 24, 26, 31.3, 32, 33, 34, 35, 36, 37, 38, 40 and 41 of Form 3B2 of the Exchange, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to the Exchange pursuant to this Filing Statement; and
- (b) the collection, use and disclosure of Personal Information by the Exchange for purposes described in Appendix 6B of Exchange Form 3B2 or as otherwise identified by the Exchange from time to time.

PENBAR CAPITAL INC.

Per: *“David Eaton”*

David Eaton
Chief Executive Officer

EASTPORT VENTURES INC.

Per: *“Burns Singh Tennent-Bhoi”*

Burns Singh Tennent-Bhoi
Chief Executive Officer

APPENDIX "A" – PENBAR FINANCIAL STATEMENTS

Penbar Capital Ltd.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS**

NINE MONTHS ENDED MARCH 31, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

Penbar Capital Ltd.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	March 31, 2025	June 30, 2024
	\$	\$
ASSETS		
Current assets		
Cash	59,102	86,391
GST Receivable	3,346	2,806
Total Assets	62,448	89,197
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	46,176	3,203
Total Liabilities	46,176	3,203
SHAREHOLDERS' EQUITY		
Share capital (note 7)	228,297	228,297
Reserve (note 7)	55,557	55,557
Deficit	(267,582)	(197,860)
Total Shareholders' Equity	16,272	85,994
Total Liabilities and Shareholders' Equity	62,448	89,197

Nature and Continuation of Operations (note 1)

Proposed Qualifying Transaction (note 10)

Events after the reporting period (note 11)

Approved on behalf of the Board of Directors on May 27, 2025.

"Herrick Lau"
Director

"David Velisek"
Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Penbar Capital Ltd.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Three months ended March 31, 2025	Three months ended March 31, 2024	Nine months ended March 31, 2025	Nine months ended March 31, 2024
	\$	\$	\$	\$
Expenses				
Filing fees	1,728	326	4,033	4,027
General and administrative	58	18	95	115
Professional fees	31,621	22,338	46,518	39,022
Regulatory fees	15,526	5,526	15,526	5,526
Transfer agent fees	900	900	3,550	3,550
Loss and comprehensive loss	(49,833)	(29,108)	(69,722)	(52,240)
Loss per share – basic and diluted	(0.012)	(0.007)	(0.017)	(0.013)
Weighted-average number of common shares				
outstanding - basic and diluted	4,000,000	4,000,000	4,000,000	4,000,000

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Penbar Capital Ltd.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Number of Common Shares	Common Shares	Reserves	Deficit	Total
		\$	\$	\$	\$
Balance, June 30, 2023	4,000,000	228,297	55,557	(130,853)	153,001
Loss for the period	-	-	-	(52,240)	(52,240)
Balance, March 31, 2024	4,000,000	228,297	55,557	(183,093)	100,761
Balance, June 30, 2024	4,000,000	228,297	55,557	(197,860)	85,994
Loss for the period	-	-	-	(69,722)	(69,722)
Balance, March 31, 2025	4,000,000	228,297	55,557	(267,582)	16,272

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Penbar Capital Ltd.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Nine months ended March 31, 2025	Nine months ended March 31, 2024
	\$	\$
Operating activities		
Loss for the period	(69,722)	(52,240)
Changes in non-cash working capital:		
Decrease in receivable	(540)	(1,972)
Increase (Decrease) in accounts payable and accrued liabilities	42,973	(4,990)
Net cash used in operating activities	(27,289)	(59,202)
Change in cash during the period	(27,289)	(59,202)
Cash, beginning of the period	86,391	158,031
Cash, end of the period	59,102	98,829

There were no significant non-cash transactions during the nine months ended March 31, 2025 and 2024.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Penbar Capital Ltd. (the "Company") was incorporated on March 4, 2021 under the laws of British Columbia. The Company completed an initial public offering ("IPO") of its common shares on January 27, 2022, and on January 31, 2022, the Company began trading its shares on the TSX Venture Exchange ("TSX-V" or the "Exchange"). The Company is classified as a Capital Pool Company ("CPC"), as defined in the Exchange Policy 2.4. The Company has not commenced commercial operations and has no significant assets. The activities of the Company are initially limited to the efforts to identify and evaluate the acquisition of assets and business, which would represent a "Qualifying Transaction" for regulatory purposes. The head office and the records and registered office is located at 2250 - 1055 W Hastings St. Vancouver, British Columbia, V6E 2E9.

On November 24, 2023, the Company incorporated a wholly owned subsidiary, 1451356 B.C. Ltd. under the laws of British Columbia.

On March 5, 2025, the Company incorporated a wholly owned subsidiary, 1001160772 Ontario Ltd. under the laws of Ontario.

Since incorporation on March 4, 2021, the Company has had no active business operations. As a CPC, the Company's principal business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction, as defined in Exchange Policy 2.4 subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company has an accumulated deficit of \$267,582 as at March 31, 2025. The Company's ability to continue its operations is dependent upon obtaining additional financing sufficient to cover its operating costs. Although management has been successful in raising capital in the past, there is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be obtained on terms advantageous to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. These condensed interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed interim consolidated financial statements.

These condensed interim consolidated financial statements were authorized by the Board of Directors on May 27, 2025.

2. STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements International Accounting Standard ("IAS") 34, Interim Financial Reporting, using the same accounting policy information as detailed in the Company's audited annual consolidated financial statements for the year ended June 30, 2024, and do not include all the information required for full annual financial statements in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IASB"). It is suggested that these condensed interim consolidated financial statements be read in conjunction with the annual audited consolidated financial statements.

3. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. The condensed interim consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. BASIS OF PRESENTATION *(continued)*

Basis of Consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Companies, 1451356 B.C. Ltd. and 1001160772 Ontario Ltd., the Company's wholly owned subsidiaries. Subsidiaries are all entities (including structured entity) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The subsidiary is fully consolidated from the date on which control is transferred to the group. It is deconsolidated from the date that control ceases. All significant intercompany transactions and balances have been eliminated.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent audited annual consolidated financial statements and are those the Company expects to adopt in its audited annual consolidated financial statements for the year ended June 30, 2024. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company's most recent audited annual financial statements.

5. CHANGES IN ACCOUNTING POLICIES

Accounting Pronouncements Not Yet Adopted

IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively.

The Company has not yet determined the impact of these amendments on its consolidated financial statements.

6. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

For the periods ended March 31, 2025 and 2024 there were no related party transactions.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties.

During the periods ended March 31, 2025 and 2024 there were no amounts paid to key management personnel.

7. SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of common shares without par value.

b) Issued and outstanding

As at March 31, 2025, there were 4,000,000 common shares issued and outstanding (June 30, 2024 – 4,000,000).

As at March 31, 2025, 2,000,000 (June 30, 2024 – 2,000,000) shares are held in escrow pursuant to the policies of the Exchange.

The Company had no share capital transactions for the period ended March 31, 2025 and the year ended June 30, 2024.

c) Stock options

During the period ended June 30, 2021, the Company adopted an incentive stock option plan (the 'Plan') whereby the Company may issue stock options up to 10% of the issued and outstanding common shares, not to exceed 400,000 while the Company remains a CPC, of the Company to eligible directors, officers, employees or consultants. These options may be granted for a maximum term of ten years from the date of grant and vest as determined by the board of directors. The exercise price will be set by the directors at the time of grant and cannot be less than the discounted market price of the Company's common shares, subject to a minimum exercise price of \$0.05.

Any common shares acquired pursuant to the exercise of options under the Plan prior to completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

7. SHARE CAPITAL AND RESERVES *(continued)*

c) **Stock options** *(continued)*

The continuity of stock options issued and outstanding for the period ended March 31, 2025 is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance June 30, 2023, June 30, 2024 and March 31, 2025	400,000	0.10

The options outstanding and exercisable at March 31, 2025 are as follows:

Outstanding Options				Exercisable Options	
Expiry Date	Number	Exercise Price	Remaining Contractual (in years)	Number	Exercise Price
January 27, 2032	400,000	\$0.10	6.83	400,000	\$0.10

d) **Warrants**

On January 27, 2022, the Company issued 200,000 non-transferrable agent's warrants with an exercise price of \$0.10 and expected life of 3 years. The warrants expired on January 27, 2025.

There are no warrants issued and outstanding as of March 31, 2025.

8. MANAGEMENT OF CAPITAL

Capital is composed of the Company's shareholders' equity and any debt that it may issue. As at March 31, 2025, the Company's shareholders' equity was \$62,448. The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness, and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements, and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction.

The Company is not subject to any externally imposed capital requirements other than the expenditure restrictions applicable under Policy 2.4, which apply on completion of the IPO. These expenditure restrictions limit the aggregate amount that the Company is permitted to spend on reasonable general and administrative costs of the Company not exceeding in aggregate of \$3,000 per month, and reasonable expenses incurred related to a Qualifying Transaction.

There were no changes in the Company's approach to management of capital during the period ended March 31, 2025.

9. FINANCIAL INSTRUMENTS

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

Fair Value Measurements

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

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and accounts payable and accrued liabilities classified at amortized cost. The carrying value of the Company's accounts payable and accrued liabilities approximates its fair value due to the short-term to maturity.

Financial risk management

- **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

- **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as described in Note 8.

The Company monitors its ability to meet its short-term administrative expenditures by raising additional funds through share issuance when required. The Company does not have investments in any asset backed deposits.

- **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. The Company does not currently hold and does not expect to hold interest-bearing financial instruments other than cash, assets or liabilities denominated in a foreign currency, and marketable securities or other financial instruments subject to fluctuations in equity prices, it currently does not have and is not expected to have exposure to these market risks.

9. FINANCIAL INSTRUMENTS *(continued)*

Financial risk management *(continued)*

- **Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on cash is not considered significant.

- **Currency Risk**

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company is not exposed to significant currency risk. The Company has not entered into any foreign currency contracts to mitigate this risk.

10. PROPOSED QUALIFYING TRANSACTIONS

Emissions EV Technologies Ltd. - Terminated

On November 24, 2023, the Company entered into an amalgamation agreement with Emissions EV Technologies Ltd., Emission EV Operating Corp. and 1451356 B.C. Ltd. Effective October 29, 2024, the Company terminated the proposed amalgamation.

Eastport Ventures Inc. – Definitive Amalgamation Agreement

On March 14, 2025, the Company entered into a definitive amalgamation agreement (the "Definitive Agreement") with Eastport Ventures Inc. ("Eastport"), an arm's length party, pursuant to which the Company intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport (the "Eastport Shares") by way of a three-cornered amalgamation.

The three-cornered amalgamation is to be completed under the *Business Corporations Act* (Ontario) by the Company, Eastport, and 1001160772 Ontario Ltd., a wholly-owned subsidiary of the Company, incorporated for the purpose of completing the amalgamation (the "Amalgamation"). The Amalgamation is expected to result in the issuance, to each shareholder of Eastport (each, an "Eastport Shareholder"), 0.7143 of one Post-Consolidation Common Share (as defined below) for each one Eastport Share held by such holder (the "Exchange Ratio") immediately prior to the closing of the Qualifying Transaction (the "Closing").

Prior to the completion of the Transaction, Eastport is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$2,200,000. Each subscription receipt will be issued at a price of \$0.25 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.35 for a period of 24 months following the date of the listing.

10. PROPOSED QUALIFYING TRANSACTIONS *(continued)*

As part of the Amalgamation, all convertible securities of Eastport outstanding immediately prior to the Closing are expected to be replaced with or exchanged for equivalent convertible securities of the Company entitling the holders thereof to acquire Post-Consolidation Common Shares in lieu of Eastport Shares, adjusted based on the Exchange Ratio. Eastport is a corporation incorporated pursuant to and existing under Business Corporations Act (*Ontario*). The Company does not expect that the Acquisition will be subject to shareholder approval of the Company. Eastport will hold a shareholder meeting or seek written shareholder consent in connection with the Acquisition. The Acquisition is arm's length for the purposes of the Exchange policies. No finder's fees are payable in connection with the Acquisition.

The Amalgamation will result in the reverse takeover of the Company by the Eastport Shareholders and will constitute the Company's Qualifying Transaction. Following the completion of the Qualifying Transaction, the Company, as the issuer resulting therefrom (the "Resulting Issuer"), is expected to carry on the current business of Eastport under the name "Eastport Ventures Inc." or such other name as may be determined by Eastport and approved by the shareholders of the Company and be acceptable to the applicable regulatory authorities, including the Exchange. The business of the Resulting Issuer will be primarily focused on mineral exploration and development of properties in Botswana.

Closing is subject to a number of conditions including but not limited to satisfactory due diligence investigations, receipt of all required shareholder approvals and consents, if required, regulatory and third-party approvals and consents, including that of the Exchange and satisfaction of other customary closing conditions. The Acquisition cannot close until the required approvals are obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

In connection with the Acquisition, it is anticipated that the Company will, among other things: (i) change its name to "Eastport Ventures Inc." (as outlined above); (ii) reconstitute the existing directors and officers of the Company with nominees mutually agreed upon by the parties; (iii) enter into employment, consulting or other agreements with key members of the Eastport team and management; (iv) enter into such escrow or pooling agreements as required by the Exchange or as agreed by the parties; and (v) effect a consolidation (the "Consolidation") of its outstanding common shares on the basis of not less than three pre-consolidation common shares for every one (the "Consolidation Ratio") post-consolidation common share (each, a "Post-Consolidation Common Share").

11. EVENTS AFTER THE REPORTING PERIOD

On May 26, 2025, the Company entered into an amended and restated amalgamation agreement with Eastport, including the terms of the related financing for subscription receipts of Eastport, in connection with the Company's proposed qualifying transaction.

In connection with the proposed Transaction, Penbar will effect a consolidation of its outstanding common shares on the basis of seven pre-consolidation common shares for every one post-consolidation common share.

In accordance with the terms of the amended and restated amalgamation agreement, each holder of shares of Eastport will exchange the holder's shares for common shares in the capital of the resulting issuer on the basis of 0.2941 fully paid and non-assessable resulting issuer common shares for every one Eastport share held.

11. EVENTS AFTER THE REPORTING PERIOD *(continued)*

Prior to the completion of the Transaction, Eastport is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$3,250,000 and up to a maximum gross proceeds of \$5,000,000. Each subscription receipt will be issued at a price of \$0.18 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.50 for a period of 24 months following the date of the listing.

Penbar Capital Ltd.

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

(EXPRESSED IN CANADIAN DOLLARS)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Penbar Capital Ltd.

We have audited the accompanying consolidated financial statements of Penbar Capital Ltd. (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

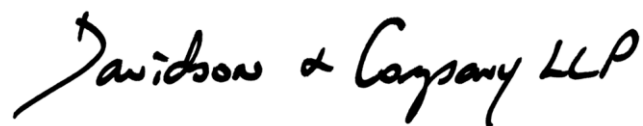
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year ended and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Carmen Newnham.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

September 10, 2024

Penbar Capital Ltd.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	June 30, 2024	June 30, 2023
	\$	\$
ASSETS		
Current assets		
Cash	86,391	158,031
GST Receivable	2,806	275
Total Assets	89,197	158,306
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	3,203	5,305
Total Liabilities	3,203	5,305
SHAREHOLDERS' EQUITY		
Share capital (note 7)	228,297	228,297
Reserve (note 7)	55,557	55,557
Deficit	(197,860)	(130,853)
Total Shareholders' Equity	85,994	153,001
Total Liabilities and Shareholders' Equity	89,197	158,306

Nature and continuance of operations (note 1)

Proposed Qualifying Transaction (note 11)

Approved on behalf of the Board of Directors on September 10, 2024.

"Herrick Lau"
Director

"David Velisek"
Director

The accompanying notes are an integral part of these consolidated financial statements.

Penbar Capital Ltd.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended June 30, 2024	Year ended June 30, 2023
	\$	\$
Expenses		
Filing fees	4,221	2,503
General and administrative	133	78
Professional fees	52,677	20,139
Regulatory fees	5,526	5,537
Shareholder costs	-	1,293
Transfer agent fees	4,450	3,600
Loss and comprehensive loss	(67,007)	(33,150)
Loss per share – basic and diluted	(0.017)	(0.008)
Weighted-average number of common shares outstanding - basic and diluted	4,000,000	4,000,000

The accompanying notes are an integral part of these consolidated financial statements.

Penbar Capital Ltd.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Number of Common Shares	Common Shares	Reserves	Deficit	Total
		\$	\$	\$	\$
Balance, June 30, 2022	4,000,000	228,297	55,557	(97,703)	186,151
Loss for the year	-	-	-	(33,150)	(33,150)
Balance, June 30, 2023	4,000,000	228,297	55,557	(130,853)	153,001
Loss for the year	-	-	-	(67,007)	(67,007)
Balance, June 30, 2024	4,000,000	228,297	55,557	(197,860)	85,994

The accompanying notes are an integral part of these consolidated financial statements.

Penbar Capital Ltd.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended June 30, 2024	Year ended June 30, 2023
	\$	\$
Operating activities		
Loss for the year	(67,007)	(33,150)
Changes in non-cash working capital:		
Increase in receivable	(2,531)	(223)
Increase (Decrease) in accounts payable and accrued liabilities	(2,102)	4,990
Net cash used in operating activities	(71,640)	(28,383)
Change in cash during the year	(71,640)	(28,383)
Cash, beginning of the year	158,031	186,414
Cash, end of the year	86,391	158,031

There were no significant non-cash transactions during the years ended June 30, 2024 and 2023.

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Penbar Capital Ltd. (the "Company") was incorporated on March 4, 2021 under the laws of British Columbia. The Company completed an initial public offering ("IPO") of its common shares on January 27, 2022, and on January 31, 2022, the Company began trading its shares on the TSX Venture Exchange ("TSX-V" or the "Exchange"). The Company is classified as a Capital Pool Company ("CPC"), as defined in the Exchange Policy 2.4. The Company has not commenced commercial operations and has no significant assets. The activities of the Company are initially limited to the efforts to identify and evaluate the acquisition of assets and business, which would represent a "Qualifying Transaction" for regulatory purposes. The head office and the records and registered office is located at 2250 - 1055 W Hastings St. Vancouver, British Columbia, V6E 2E9.

On November 24, 2023, the Company incorporated a wholly owned subsidiary, 1451356 B.C. Ltd. under the laws of British Columbia.

Since incorporation on March 4, 2021, the Company has had no active business operations. As a CPC, the Company's principal business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction, as defined in Exchange Policy 2.4 subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company has an accumulated deficit of \$197,860 as at June 30, 2024. The Company's ability to continue its operations is dependent upon obtaining additional financing sufficient to cover its operating costs. Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the next 12 months. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

These consolidated financial statements were authorized by the Board of Directors on September 10, 2024.

2. STATEMENT OF COMPLIANCE

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

3. BASIS OF PRESENTATION

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of consolidated financial statements in compliance with IFRS Accounting Standards requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

4. MATERIAL ACCOUNTING POLICY INFORMATION

a) Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Company, 1451356 B.C. Ltd., the Company's wholly owned subsidiary. Subsidiaries are all entities (including structured entity) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The subsidiary is fully consolidated from the date on which control is transferred to the group. It is deconsolidated from the date that control ceases. All significant intercompany transactions and balances have been eliminated.

b) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

c) Share capital

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

The proceeds from the issue of units is allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to share capital based on the fair value of the common shares and any residual value is allocated to common share purchase warrants.

d) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

e) Share-Based Compensation Transactions

The share option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based compensation expense with a corresponding increase in equity. The fair value is measured at the grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

f) Financial instruments

Recognition

The Company recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments.

Classification

The Company classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and ii) those to be measured at amortized costs. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company has implemented the following classifications:

- Cash and accounts payable and accrued liabilities are classified as amortized cost and carried on the statements of financial position at amortized cost.

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition).

4. MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

f) Financial instruments *(continued)*

Impairment

The Company assesses all information available, including on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward looking information.

Critical accounting estimates and judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements are discussed below:

Judgements

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future.

Estimates

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

5. CHANGES IN ACCOUNTING POLICIES

Adoption of New Accounting Standards and New Accounting Pronouncements

The following amendments were adopted by the Company on June 1, 2023:

- a) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) - the amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.
- b) Definition of Accounting Estimates (Amendments to IAS 8) - the amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in consolidated financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in consolidated financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

There was no impact on the Company's consolidated financial statements upon the adoption of these amendments.

Accounting Pronouncements Not Yet Adopted

IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively. The Company has not yet determined the impact of these amendments on its consolidated financial statements.

6. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

6. RELATED PARTY TRANSACTIONS *(continued)*

For the year ended June 30, 2024 and 2023 there were no related party transactions.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties.

During the year ended June 30, 2024 and 2023 there were no amounts paid to key management personnel.

7. SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of common shares without par value.

b) Issued and outstanding

As at June 30, 2024, there were 4,000,000 common shares issued and outstanding (June 30, 2023 – 4,000,000).

As at June 30, 2024, 2,000,000 (June 30, 2023 – 2,000,000) shares are held in escrow pursuant to the policies of the Exchange.

The Company had no share capital transactions for the years ended June 30, 2024 and 2023.

c) Stock options

During the period ended June 30, 2021, the Company adopted an incentive stock option plan (the 'Plan') whereby the Company may issue stock options up to 10% of the issued and outstanding common shares, not to exceed 400,000 while the Company remains a CPC, of the Company to eligible directors, officers, employees or consultants. These options may be granted for a maximum term of ten years from the date of grant and vest as determined by the board of directors. The exercise price will be set by the directors at the time of grant and cannot be less than the discounted market price of the Company's common shares, subject to a minimum exercise price of \$0.05.

Any common shares acquired pursuant to the exercise of options under the Plan prior to completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

On January 27, 2022, the Company granted 400,000 stock options to directors and officers of the Company. Each option is exercisable into one common share of the Company at an exercise price of \$0.10 until January 27, 2032. The Company recorded a share-based payment amount of \$39,354. The Company used the Black-Scholes Option Pricing Model to estimate the fair value of the options using the following assumptions: risk free interest rate of 1.84%; dividend yield of 0%; expected volatility of 150%; and expected option life of 10 years.

The continuity of stock options issued and outstanding for the year ended June 30, 2024 is as follows:

7. SHARE CAPITAL *(continued)*

c) Stock options *(continued)*

	Number of Options	Weighted Average Exercise Price (\$)
Balance June 30, 2022, 2023 and 2024	400,000	0.10

The options outstanding and exercisable at June 30, 2024 are as follows:

Outstanding Options				Exercisable Options	
Expiry Date	Number	Exercise Price	Remaining Contractual (in years)	Number	Exercise Price
January 27, 2032	400,000	\$0.10	7.58	400,000	\$0.10

d) Warrants

The continuity of the warrants issued and outstanding for the year ended June 30, 2024 is as follows:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance June 30, 2022, 2023 and 2024	200,000	0.10

The outstanding warrants as at June 30, 2024 are as follows:

Expiry Date	Price per Share	Warrants Outstanding
January 27, 2025	\$0.10	200,000

8. MANAGEMENT OF CAPITAL

Capital is composed of the Company's shareholders' equity and any debt that it may issue. As at June 30, 2024, the Company's shareholders' equity was \$85,994. The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness, and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements, and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction.

8. MANAGEMENT OF CAPITAL *(continued)*

The Company is not subject to any externally imposed capital requirements other than the expenditure restrictions applicable under Policy 2.4, which apply on completion of the IPO. These expenditure restrictions limit the aggregate amount that the Company is permitted to spend on reasonable general and administrative costs of the Company not exceeding in aggregate of \$3,000 per month, and reasonable expenses incurred related to a Qualifying Transaction.

There were no changes in the Company's approach to management of capital during the year ended June 30, 2024.

9. FINANCIAL INSTRUMENTS

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

Fair Value Measurements

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

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and accounts payable and accrued liabilities classified at amortized cost. The carrying value of the Company's accounts payable and accrued liabilities approximates its fair value due to the short-term to maturity.

Financial risk management

- **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

- **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as described in Note 8.

The Company monitors its ability to meet its short-term administrative expenditures by raising additional funds through share issuance when required. The Company does not have investments in any asset backed deposits.

9. FINANCIAL INSTRUMENTS *(continued)*

Financial risk management *(continued)*

- Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. The Company does not currently hold and does not expect to hold interest-bearing financial instruments other than cash, assets or liabilities denominated in a foreign currency, and marketable securities or other financial instruments subject to fluctuations in equity prices, it currently does not have and is not expected to have exposure to these market risks.

- Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on cash is not considered significant.

- Currency Risk**

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company is not exposed to significant currency risk. The Company has not entered into any foreign currency contracts to mitigate this risk.

10. INCOME TAXES

The following is a reconciliation of income taxes attributable to operations computed at the statutory tax rates to income tax recovery.

	Year ended June 30, 2024	Year ended June 30, 2023
Loss before income taxes	\$ 67,007	\$ 33,150
Statutory rate	27%	27%
Expected recovery of income tax	\$ (18,000)	\$ (9,000)
Change in unrecognized deductible temporary differences	18,000	9,000
Total income tax recovery	\$ -	\$ -

The following is a summary of the Company's deferred tax assets:

	As at June 30, 2024	As at June 30, 2023
Non-capital losses available for future period	\$ 6,000	\$ 9,000
Share issue costs	62,000	41,000
Unrecognized deferred tax asset	(68,000)	(50,000)
Net deferred tax asset	\$ -	\$ -

10. INCOME TAXES *(continued)*

As at June 30, 2024, the Company has estimated non-capital losses for Canadian income tax purposes of \$231,000 that may be carried forward to reduce taxable income derived in future years. These losses expire between 2041 and 2044.

11. PROPOSED QUALIFYING TRANSACTION

On November 24, 2023, the Company, 1451356 B.C. Ltd., a newly incorporated wholly-owned subsidiary of the Company ("NewCo"), Emissions EV Technologies Ltd. ("Emissions EV"), a private arm's length British Columbia company, and Emission EV Operating Corp., a wholly-owned subsidiary of Emissions EV, have entered into an amalgamation agreement dated November 24, 2023 (the "Amalgamation Agreement"), pursuant to which the Company will acquire all of the issued and outstanding securities of Emissions EV (the "Transaction").

The Transaction is subject to the approval of the TSX-V, and is intended to constitute the Company's Qualifying Transaction (as defined in the Exchange Policy 2.4). The combined company that will result from the completion of the Transaction (thereafter referred to as the "Resulting Issuer") will be renamed "Emissions EV Technologies Ltd." or such other name as agreed to by the Company and Emissions EV. Subject to TSX-V approval, the common shares of the Resulting Issuer (each, a "Resulting Issuer Share") will trade on the TSX-V, and the business of the Resulting Issuer will be the business of Emissions EV. It is expected that the Resulting Issuer will be listed on the TSX-V as a Tier 2 Technology issuer.

Emission EV specializes in the design, manufacturing, and production of electrically powered industrial and commercial vehicles.

Summary of the Transaction

Pursuant to the terms of the Amalgamation Agreement, the Company will acquire all of the issued and outstanding common shares (each, an "Emissions EV Share") in the capital of Emissions EV by way of a "three-cornered" amalgamation whereby NewCo and Emissions EV will amalgamate to form a new amalgamated entity ("AmalCo"), and AmalCo will be a wholly-owned subsidiary of the Company. In addition, Emission EV Operating Corp. will be a wholly-owned subsidiary of AmalCo.

At the time of closing of the Transaction (the "Closing"), each of the outstanding Emissions EV Shares will be cancelled and, in consideration for such Emissions EV Shares, each holder of Emissions EV Shares (collectively, the "Emissions EV Shareholders") will receive one post-Consolidation (as defined below) common share in the capital of the Company (each, a "Penbar Share") for each one Emissions EV Share held by such Emissions EV Shareholder.

The Company expects to issue an aggregate of 67,091,767 Penbar Shares (on a post-Consolidation basis) for the Emissions EV Shares issued and outstanding immediately prior to the completion of the Concurrent Financing (as defined below). In addition, the Company expects to:

- i. issue 10,000,000 Penbar share purchase performance warrants (the "Penbar Performance Warrants") to be issued to the former holder of performance warrants of Emissions EV entitling the holder thereof to acquire one post-Consolidation Penbar Share at a price of \$0.15 per Penbar Share, subject to the satisfaction of certain performance conditions enumerated in the certificates representing the Penbar Performance Warrants; and
- ii. issue 15,500,000 Penbar share purchase warrants to be issued to the former holders of share purchase warrants of Emissions EV entitling the holders thereof to acquire one post-Consolidation Penbar Share at a price of \$0.02 per share until July 28, 2024.

11. PROPOSED QUALIFYING TRANSACTION *(continued)*

Summary of the Transaction *(continued)*

- **Share Consolidation**

Prior to completion of the Transaction, the Company will seek to consolidate its outstanding Penbar Shares on the basis of two pre-consolidation Penbar Shares for every one post-consolidation Penbar Share (the "Consolidation").

- **Concurrent Financing**

In connection with the Transaction, it is anticipated that Emissions EV will complete a non-brokered private placement financing (the "Concurrent Financing") of at least 13,333,334 Emissions EV Shares at a price of \$0.15 per Emissions EV Share to raise aggregate gross proceeds of approximately \$2,000,000. No finder's fees, cash commissions and/or broker warrants are expected to be paid and/or issued in relation to the Concurrent Financing.

- **Corporate Advisory Fee**

In connection with the Transaction, the parties agreed that on Closing and subject to approval of the TSX-V, an arm's length corporate advisor (the "Advisor"), will be paid a merger and acquisition advisory fee of 1,000,000 Resulting Issuer Shares. No other fees will be paid.

APPENDIX "B" – PENBAR MANAGEMENT'S DISCUSSION AND ANALYSIS

PENBAR CAPITAL LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") is dated May 27, 2025 and should be read in conjunction with the condensed interim consolidated financial statements of Penbar Capital Ltd. ("Penbar" or the "Company") for the period ended March 31, 2025 and the unaudited condensed interim consolidated financial statements of the Company for the period ended March 31, 2024, including the notes thereon. Penbar prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements are presented in Canadian dollars, which is the functional currency of the Company.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Penbar common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Penbar's financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the Penbar Capital Ltd. profile at www.sedarplus.com.

FORWARD-LOOKING STATEMENTS

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

DESCRIPTION OF BUSINESS

Penbar Capital Ltd. (the "Company") was incorporated on March 4, 2021 under the laws of British Columbia. The Company completed an initial public offering ("IPO") of its common shares on January 27, 2022, and on January 31, 2022, the Company began trading its shares on the TSX Venture Exchange ("TSX-V" or the "Exchange"). The Company is classified as a Capital Pool Company ("CPC"), as defined in the Exchange Policy 2.4. The activities of the Company are initially limited to the efforts to identify and evaluate the acquisition of assets and business, which would represent a "Qualifying Transaction" for regulatory purposes.

The head office and the records and registered office is located at 2250 - 1055 W Hastings St. Vancouver, British Columbia, V6E 2E9.

The Company has not commenced commercial operations and has no significant assets.

The Company's continuing operations are dependent on the continued financial support of its shareholders, and the completion of a Qualifying Transaction. Any acquisition or investment proposed by the Company will be subject to regulatory approval. There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within such time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's common shares from trading.

All amounts are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted.

PROPOSED QUALIFYING TRANSACTIONS

Emissions EV Technologies Ltd. - Terminated

On November 24, 2023, the Company entered into an amalgamation agreement with Emissions EV Technologies Ltd., Emission EV Operating Corp. and 1451356 B.C. Ltd. Effective October 29, 2024, the Company terminated the proposed amalgamation.

Eastport Ventures Inc. – Definitive Amalgamation Agreement

On March 14, 2025, the Company entered into a definitive amalgamation agreement (the "Definitive Agreement") with Eastport Ventures Inc. ("Eastport"), an arm's length party, pursuant to which the Company intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport (the "Eastport Shares") by way of a three-cornered amalgamation.

Three-cornered amalgamation is to be completed under the *Business Corporations Act* (Ontario) by the Company, Eastport, and 1001160772 Ontario Ltd., a wholly-owned subsidiary of the Company, incorporated for the purpose of completing the amalgamation (the "Amalgamation"). The Amalgamation is expected to result in the issuance, to each shareholder of Eastport (each, an "Eastport Shareholder"), 0.7143 of one Post-Consolidation Common Share (as defined below) for each one Eastport Share held by such holder (the "Exchange Ratio") immediately prior to the closing of the Qualifying Transaction (the "Closing").

Prior to the completion of the Transaction, Eastport is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$2,200,000. Each subscription receipt will be issued at a price of \$0.25 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.35 for a period of 24 months following the date of the listing.

As part of the Amalgamation, all convertible securities of Eastport outstanding immediately prior to the Closing are expected to be replaced with or exchanged for equivalent convertible securities of the Company entitling the holders thereof to acquire Post-Consolidation Common Shares in lieu of Eastport Shares, adjusted based on the Exchange Ratio. Eastport is a corporation incorporated pursuant to and existing under *Business Corporations Act* (Ontario). The Company does not expect that the Acquisition will be subject to shareholder approval of the Company. Eastport will hold a shareholder meeting or seek written shareholder consent in connection with the Acquisition. The Acquisition is arm's length for the purposes of the Exchange policies. No finder's fees are payable in connection with the Acquisition.

The Amalgamation will result in the reverse takeover of the Company by the Eastport Shareholders and will constitute the Company's Qualifying Transaction. Following the completion of the Qualifying Transaction, the Company, as the issuer resulting therefrom (the "Resulting Issuer"), is expected to carry on the current business of Eastport under the name "Eastport Ventures Inc." or such other name as may be determined by Eastport and approved by the shareholders of the Company and be acceptable to the applicable regulatory authorities, including the Exchange. The business of the Resulting Issuer will be primarily focused on mineral exploration and development of the properties in Botswana.

Closing is subject to a number of conditions including but not limited to satisfactory due diligence investigations, receipt of all required shareholder approvals and consents, if required, regulatory and third-party approvals and consents, including that of the Exchange and satisfaction of other customary closing conditions. The Acquisition cannot close until the required approvals are obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

In connection with the Acquisition, it is anticipated that the Company will, among other things: (i) change its name to "Eastport Ventures Inc." (as outlined above); (ii) reconstitute the existing directors and officers of the Company with nominees mutually agreed upon by the parties; (iii) enter into employment, consulting or other agreements with key members of the Eastport team and management; (iv) enter into such escrow or pooling agreements as required by the Exchange or as agreed by the parties; and (v) effect a consolidation (the

"Consolidation") of its outstanding common shares on the basis of not less than three pre-consolidation common shares for every one (the "Consolidation Ratio") post-consolidation common share (each, a "Post-Consolidation Common Share").

OVERALL PERFORMANCE

Since its incorporation on March 4, 2021, the Company has focused on completing an IPO, filing a listing application on the Exchange, identifying and evaluating the potential acquisition of assets and business and has incurred expenses relevant to such activity during the period ended March 31, 2025 as characterized by filing fees, professional fees and regulatory fees.

Loss and comprehensive loss for the period ended March 31, 2025, was \$69,722, which is further explained in "Discussion of Operations" below.

DISCUSSION OF OPERATIONS

Current Quarter

Key components of loss and comprehensive loss for the three months ended March 31, 2025 were as follows:

- Filing fees of \$1,728 (2024: \$326) relating to continuous disclosure filings on SEDAR;
- Professional fees of \$31,621 (2024: \$22,338) comprised of the Company's legal fees for general corporate matters;
- Regulatory fees of \$15,526 (2024: \$5,526) relating to initial fee and Exchange's annual sustaining fees; and
- Transfer agent fees of \$900 (2024: \$900) was paid in relation to general monthly transfer agent expenses.

Year-to-Date

Key components of loss and comprehensive loss for the nine months ended March 31, 2025 were as follows:

- Filing fees of \$4,033 (2024: \$4,027) relating to the continuous disclosure filings on SEDAR;
- Professional fees of \$46,518 (2024: \$39,022) comprised of legal fees of \$33,896 (2024: \$26,400) relating to the Company's general corporate matters and accounting fees of \$12,622 (2024: \$12,622) relating to the filings of the Company's annual audit and corporate income tax returns;
- Regulatory fees of \$15,526 (2024: \$5,526) relating to initial fee and Exchange's annual sustaining fees; and
- Transfer agent fees of \$3,550 (2024: \$3,550) was paid in relation to general monthly transfer agent expenses.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of the Company for the eight most recently quarters of operation. This information is derived from unaudited quarterly financial statements prepared by management. The financial data for the quarters ended from June 30, 2023 to March 31, 2025, are prepared in accordance with IFRS.

	March 31, 2025 \$	December 31, 2024 \$	September 30, 2024 \$	June 30, 2024 \$	March 31, 2024 \$	December 31, 2023 \$	September 30, 2023 \$	June 30, 2023 \$
Total Assets	62,448	71,583	76,361	89,197	101,076	130,499	150,505	158,306
Working Capital	16,272	66,105	71,706	85,994	100,761	129,869	147,565	153,001
Revenue	-	-	-	-	-	-	-	-
Net Loss	(49,833)	(5,601)	(14,288)	(14,767)	(29,108)	(17,696)	(5,436)	(5,835)
Loss per Share	(0.012)	(0.001)	(0.004)	(0.005)	(0.007)	(0.004)	(0.001)	(0.001)

Overall, filing fees, professional fees, regulatory fees and share-based payments were the major components that caused variances in net loss from quarter to quarter. During the quarter ended March 31, 2025, the major expenses of the Company were professional fees of \$31,621, filing fees of \$1,728 and regulatory fees of \$15,526.

LIQUIDITY AND CAPITAL RESOURCES

The Company utilizes existing cash and the issuance of common shares to provide liquidity to the Company. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue the plans of identifying and completing a Qualifying Transaction, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's capital management approach is also disclosed in Note 8 of the financial statements for the period ended March 31, 2025.

During the nine month period ended March 31, 2025, the Company's cash decreased by \$27,289 primarily due to the Company's regular course of business.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

RISK FACTORS

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline, and prospective investors may lose part or all of their investment.

No Operating History

The Company was incorporated on March 4, 2021, has not commenced commercial operations and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. The Company has only limited funds with which to identify and evaluate potential acquisitions of a material asset or a business (Qualifying Transaction, or Proposed Transaction) and there can be no assurance that the Company will be able to do so. Even if a Proposed Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

No Assurance of Market for Shares

There can be no assurance that an active and liquid market for the Company's common shares will develop and a shareholder may find it difficult to resell its common shares.

Halt of Trading

Upon public announcement of a potential Proposed Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Proposed Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Proposed Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Proposed Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Proposed Transaction; the Exchange may not approve a Proposed Transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon Completion of the Proposed Transaction;
- (b) if, following Completion of the Qualifying Transaction, the Company will be a finance company, or a mutual fund as defined under applicable securities laws;
- (c) the consideration proposed to be paid by the Company in connection with the Proposed Transaction is not acceptable to the Exchange; or
- (d) for any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Proposed Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change, and shareholders may suffer dilution of their investment.

Directors and Officers

The Directors and Officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the Directors and Officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Reliance on Management

The Company is relying solely on the past business success of its Directors and Officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of

its Directors and Officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Foreign Acquisition

In the event that the Company identifies a foreign business as a Proposed Transaction, shareholders may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The Company's significant estimates and judgments are disclosed in Note 4 – Summary of Significant Accounting Policies to the March 31, 2025, financial statements.

FINANCIAL INSTRUMENTS

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

Fair Value Measurements

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

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The fair value of cash is determined based on Level 1 inputs, which consist of quoted prices in active markets for identical assets. Accounts payable and accrued liabilities is measured at amortized cost.

Financial risk management

- **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

- **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and

financial leverage as described in Note 8 of the financial statements for the period ended March 31, 2025.

The Company monitors its ability to meet its short-term administrative expenditures by raising additional funds through share issuance when required. The Company does not have investments in any asset backed deposits.

- **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. The Company does not currently hold and does not expect to hold interest-bearing financial instruments other than cash, assets or liabilities denominated in a foreign currency, and marketable securities or other financial instruments subject to fluctuations in equity prices, it currently does not have and is not expected to have exposure to these market risks.

- **Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on cash is not considered significant.

- **Currency Risk**

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company is not exposed to significant currency risk. The Company has not entered into any foreign currency contracts to mitigate this risk.

NEW ACCOUNTING STANDARD ADOPTED

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after July 1, 2021. The Company has determined that there were no new accounting standards, interpretations or amendments to existing accounting standards that had any effect on the Company's financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

As of March 31, 2025, \$Nil (June 30, 2024 - \$Nil) was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties.

During the periods ended March 31, 2025 and 2024 there were no amounts paid to key management personnel.

OUTSTANDING SHARE DATA

Common shares

The following table sets forth the Company's outstanding share data as of the date of this MD&A:

Total common shares at May 27, 2025	4,000,000
Total outstanding stock options	400,000
Total diluted common shares at May 27, 2025	4,400,000

CONTROLS AND PROCEDURES

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. TSX Venture listed companies are not required to provide representations in filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI- 52-109. In particular, the CEO and CFO certifying Officers do not make any representations relating to the establishment and maintenance of (a) 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 (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's financial reporting framework. The issuer's certifying Officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosures of financial information. 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 MI 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.

EVENTS AFTER THE REPORTING PERIOD

On May 26, 2025, the Company entered into an amended and restated amalgamation agreement with Eastport, including the terms of the related financing for subscription receipts of Eastport, in connection with the Company's proposed qualifying transaction.

In connection with the proposed Transaction, Penbar will effect a consolidation of its outstanding common shares on the basis of seven pre-consolidation common shares for every one post-consolidation common share.

In accordance with the terms of the amended and restated amalgamation agreement, each holder of shares of Eastport will exchange the holder's shares for common shares in the capital of the resulting issuer on the basis of 0.2941 fully paid and non-assessable resulting issuer common shares for every one Eastport share held.

Prior to the completion of the Transaction, Eastport is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$3,250,000 and up to a maximum gross proceeds of \$5,000,000. Each subscription receipt will be issued at a price of \$0.18 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.50 for a period of 24 months following the date of the listing.

PENBAR CAPITAL LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") is dated September 10, 2024 and should be read in conjunction with the audited financial statements of Penbar Capital Ltd. ("Penbar" or the "Company") for the year ended June 30, 2024 and 2023, including the notes thereon. Penbar prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements are presented in Canadian dollars, which is the functional currency of the Company.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Penbar common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Penbar's financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the Penbar Capital Ltd. profile at www.sedarplus.com.

FORWARD-LOOKING STATEMENTS

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

DESCRIPTION OF BUSINESS

Penbar Capital Ltd. (the "Company") was incorporated on March 4, 2021 under the laws of British Columbia. The Company completed an initial public offering ("IPO") of its common shares on January 27, 2022, and on January 31, 2022, the Company began trading its shares on the TSX Venture Exchange ("TSX-V" or the "Exchange"). The Company is classified as a Capital Pool Company ("CPC"), as defined in the Exchange Policy 2.4. The activities of the Company are initially limited to the efforts to identify and evaluate the acquisition of assets and business, which would represent a "Qualifying Transaction" for regulatory purposes.

The head office and the records and registered office is located at 2250 - 1055 W Hastings St. Vancouver, British Columbia, V6E 2E9.

The Company has not commenced commercial operations and has no significant assets.

The Company's continuing operations are dependent on the continued financial support of its shareholders, and the completion of a Qualifying Transaction. Any acquisition or investment proposed by the Company will be subject to regulatory approval. There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within such time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's common shares from trading.

All amounts are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted.

PROPOSED TRANSACTIONS

The Company does not have any proposed transactions.

OVERALL PERFORMANCE

Since its incorporation on March 4, 2021, the Company has focused on completing an IPO, filing a listing application on the Exchange, identifying and evaluating the potential acquisition of assets and business and has incurred expenses relevant to such activity during the year ended June 30, 2024 as characterized by filing fees, professional fees and share-based payments.

Loss and comprehensive loss for the year ended June 30, 2024, was \$67,007, which is further explained in “Discussion of Operations” below.

SELECTED ANNUAL INFORMATION

The following table provides a brief summary of the Company’s financial operations for the three most recently completed financial years:

	2024	2023	2022
	\$	\$	\$
Total Revenues	-	-	-
Net Loss	(67,007)	(33,150)	(95,017)
Comprehensive Loss	(67,007)	(33,150)	(95,017)
Loss Per Share – basic and diluted	(0.017)	(0.008)	(0.030)
Total Assets	89,197	158,306	186,466
Total Long-term Financial Liabilities	-	-	-

The overall increase in comprehensive loss and total assets is mainly related to the Company’s IPO and identification and evaluation of potential acquisitions described above and in the accompanying financial statements of the Company.

DISCUSSION OF OPERATIONS

Annual

Key components of loss and comprehensive loss for the year ended June 30, 2024 were as follows:

- Filing fees of \$4,221 (2023: \$2,503) relating to the continuous disclosure filings on SEDAR;
- Professional fees of \$52,677 (2023: \$20,139) comprised of legal fees of \$40,055 (2023: \$4,767) relating to the Company’s general corporate matters and accounting fees of \$12,622 (2023: \$15,372) relating to the filings of the Company’s annual audit and corporate income tax returns; and
- Regulatory fees of \$5,526 (2023: \$5,537) relating to the Exchange’s annual sustaining fees; and
- Transfer agent fees of \$4,450 (2023: \$3,600) was paid in relation to general monthly transfer agent expenses.

Fourth Quarter 2024

Key components of loss and comprehensive loss for the three months ended June 30, 2024 were as follows:

- Filing fees of \$195 (2023: \$150) relating to continuous disclosure filings on SEDAR;
- Professional fees of \$13,655 (2023: \$4,767) relating to the Company's legal fees for general corporate matters; and
- Transfer agent fees of \$900 (2023: \$900) was paid in relation to general monthly transfer agent expenses.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of the Company for the eight most recently quarters of operation. This information is derived from unaudited quarterly financial statements prepared by management. The financial data for the quarters ended from September 30, 2022 to June 30, 2024, are prepared in accordance with IFRS.

	June 30, 2024 \$	March 31, 2024 \$	December 31, 2023 \$	September 30, 2023 \$	June 30, 2023 \$	March 31, 2023 \$	December 31, 2022 \$	September 30, 2022 \$
Total Assets	89,197	101,076	130,499	150,505	158,306	159,151	172,353	173,468
Working Capital	85,994	100,761	129,869	147,565	153,001	158,836	165,442	173,153
Revenue	-	-	-	-	-	-	-	-
Net Loss	(14,767)	(29,108)	(17,696)	(5,436)	(5,835)	(6,606)	(7,711)	(12,998)
Loss per Share	(0.005)	(0.007)	(0.004)	(0.001)	(0.001)	(0.002)	(0.002)	(0.003)

Overall, filing fees, professional fees, regulatory fees and share-based payments were the major components that caused variances in net loss from quarter to quarter. During the quarter ended June 30, 2023, the major expenses of the Company were filing fees of \$150, professional fees of \$13,654 and transfer agent fees of \$900.

LIQUIDITY AND CAPITAL RESOURCES

The Company utilizes existing cash and the issuance of common shares to provide liquidity to the Company. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue the plans of identifying and completing a Qualifying Transaction, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's capital management approach is also disclosed in Note 9 of the financial statements for the year ended June 30, 2024.

During the year ended June 30, 2024, the Company's cash decreased by \$71,640 primarily due to the Company's regular course of business.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

RISK FACTORS

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results

of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline, and prospective investors may lose part or all of their investment.

No Operating History

The Company was incorporated on March 4, 2021, has not commenced commercial operations and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. The Company has only limited funds with which to identify and evaluate potential acquisitions of a material asset or a business (Qualifying Transaction, or Proposed Transaction) and there can be no assurance that the Company will be able to do so. Even if a Proposed Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

No Assurance of Market for Shares

There can be no assurance that an active and liquid market for the Company's common shares will develop and a shareholder may find it difficult to resell its common shares.

Halt of Trading

Upon public announcement of a potential Proposed Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Proposed Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Proposed Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Proposed Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Proposed Transaction; the Exchange may not approve a Proposed Transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon Completion of the Proposed Transaction;
- (b) if, following Completion of the Qualifying Transaction, the Company will be a finance company, or a mutual fund as defined under applicable securities laws;
- (c) the consideration proposed to be paid by the Company in connection with the Proposed Transaction is not acceptable to the Exchange; or
- (d) for any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Proposed Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the

Company may change, and shareholders may suffer dilution of their investment.

Directors and Officers

The Directors and Officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the Directors and Officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Reliance on Management

The Company is relying solely on the past business success of its Directors and Officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its Directors and Officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Foreign Acquisition

In the event that the Company identifies a foreign business as a Proposed Transaction, shareholders may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The Company's significant estimates and judgments are disclosed in Note 4 – Summary of Significant Accounting Policies to the June 30, 2024, financial statements.

FINANCIAL INSTRUMENTS

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

Fair Value Measurements

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

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The fair value of cash is determined based on Level 1 inputs, which consist of quoted prices in active markets for identical assets. Accounts payable and accrued liabilities is measured at amortized cost.

Financial risk management

- **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

- **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as described in Note 9 of the financial statements for year ended June 30, 2024.

The Company monitors its ability to meet its short-term administrative expenditures by raising additional funds through share issuance when required. The Company does not have investments in any asset backed deposits.

- **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. The Company does not currently hold and does not expect to hold interest-bearing financial instruments other than cash, assets or liabilities denominated in a foreign currency, and marketable securities or other financial instruments subject to fluctuations in equity prices, it currently does not have and is not expected to have exposure to these market risks.

- **Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on cash is not considered significant.

- **Currency Risk**

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company is not exposed to significant currency risk. The Company has not entered into any foreign currency contracts to mitigate this risk.

NEW ACCOUNTING STANDARD ADOPTED

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after July 1, 2021. The Company has determined that there were no new accounting standards, interpretations or amendments to existing accounting standards that had any effect on the Company's financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction

when there is a transfer of resources or obligations between related parties.

As of June 30, 2024, \$Nil (June 30, 2023 - \$Nil) was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties.

During the year ended June 30, 2024, \$Nil (June 30, 2023 - \$Nil) was recognized as share-based payments arising from stock options.

OUTSTANDING SHARE DATA

Common shares

The following table sets forth the Company's outstanding share data as of the date of this MD&A:

Total common shares at September 10, 2024	4,000,000
Total outstanding stock options	400,000
Total outstanding warrants	200,000
Total diluted common shares at September 10, 2024	4,600,000

CONTROLS AND PROCEDURES

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. TSX Venture listed companies are not required to provide representations in filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI- 52-109. In particular, the CEO and CFO certifying Officers do not make any representations relating to the establishment and maintenance of (a) 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 (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's financial reporting framework. The issuer's certifying Officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosures of financial information. 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 MI 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.

APPENDIX "C" – EASTPORT FINANCIAL STATEMENTS

Eastport Ventures Inc.

Condensed Consolidated Interim Financial Statements (Unaudited)

**For the Nine months ended
July 31, 2025 and 2024
(Expressed in Canadian Dollars)**

Consolidated statement of financial position

(expressed in Canadian Dollars)

As at	Note	July 31 2025	October 31, 2024
		\$	\$
		(Unaudited)	(Audited)
Assets			
Current assets			
Bank and cash balances		103,389	135,808
Commodity taxes recoverable		32,746	109,092
Prepays and deposits		12,713	14,928
Investments at fair value through profit or loss	4	311,784	738,061
Loan from a Director	12	15,333	-
		475,965	997,889
Non-current assets			
Property, plant and equipment	5	51,618	83,721
		51,618	83,721
Total assets		527,583	1,081,610
Liabilities			
Trade and other payables		903,558	1,005,819
Amount due to Directors	12	83,698	117,983
Convertible loans - ZCI	6	1,531,849	1,132,701
Convertible loans - Gledhow	7	109,918	110,091
Convertible loans - David Newman	8	79,429	72,988
Conversion liability - ZCI	6	70,441	375,298
		2,778,893	2,814,880
Non-current liabilities			
Amount due to Directors	12	316,310	-
Total liabilities		3,095,203	2,814,880
Shareholders' equity			
Share capital	9	3,670,420	3,176,765
Stock option reserves	10a	1,933,867	1,894,445
Warrant reserve	10b	782,090	506,012
Contributed surplus		(61,726)	(61,726)
Foreign currency translation reserve		612,010	612,992
Deficit		(9,504,281)	(7,861,758)
Total shareholders' deficit		(2,567,620)	(1,733,270)
Total liabilities ad shareholders' deficit		527,583	1,081,610

Going Concern (Note 2)
Commitments and contingencies (Note 16)

Approved on behalf of the Board of Directors

/s/ Burns singh Tennent-Bhoi
/s/ Rickey Gerhard Bonner

Condensed Consolidated Statements of Net Loss and Comprehensive Loss

(expressed in Canadian Dollars)

	Note s	Three months ended		Nine months ended	
		July 31 2025	July 31, 2024	July 31 2025	July 31, 2024
				\$	\$
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
EXPENSES					
Exploration and evaluation	17	88,682	83,978	251,045	547,481
Administrative		8,826	87,122	158,881	229,225
Facilities		7,252	18,926	7,552	21,755
Professional fees		145,117	177,128	370,442	441,348
Information Technology and Telecommunications		1,258	4,870	11,446	9,090
Travel		10,230	4,555	14,963	40,128
Marketing and investor relations		24,959	95,300	45,259	178,671
Share-based payments and compensation	10	223,129	90,777	357,352	103,544
Expected credit loss of party related debt		-	-	7,500	-
Depreciation		5,615	10,627	29,586	31,555
Loss from operations		515,068	573,283	1,254,025	1,602,797
Other Income/(Loss)					
Interest income		7	39	397	214
Fair value adjustment on investments	4	(57,108)	299,090	(134,202)	(853,647)
Gain from debt extinguishment		138,514	-	138,514	-
Loss on disposal of portfolio securities	4	(4,585)	(49,666)	(48,738)	(173,097)
Accretion expense and interest expense	6,7,8	(67,121)	(193,308)	(451,461)	(461,195)
Fair value adjustments on conversion liabilities	6	60,520	37,030	189,485	180,664
Unrealized foreign exchange loss		(4,642)	(5,441)	(82,493)	(58)
Loss before tax		(449,483)	(485,539)	(1,642,523)	(2,909,916)
Deferred tax recovery		-	-	-	294,124
Net loss for the period		(449,483)	(485,539)	(1,642,523)	(2,615,792)
Other Comprehensive income for the period					
Exchange differences on translating foreign operations		(1,474)	(59,861)	(982)	(194)
Net Loss and comprehensive loss attributable to shareholders		(450,958)	(545,400)	(1,643,505)	(2,615,986)
Loss per share	11	(0.01)	(0.00)	(0.03)	(0.05)
Weighted average number of common shares - basic and diluted		60,895,483	54,236,521	58,783,879	54,236,521

Eastport Ventures Inc.

Condensed Consolidated Statements of Changes in Shareholders' Deficit

(expressed in Canadian Dollars, except
per share data)

	Notes	Number of common shares	Share capital	Stock option reserves	Warrant reserve	Contributed surplus	Foreign currency translation reserve	Deficit	Total shareholders' deficit
			\$	\$	\$	\$	\$	\$	\$
Balance at November 1, 2023		53,857,628	2,722,385	1,777,645	232,306	4,491	616,330	(4,118,201)	1,234,956
Total comprehensive loss for the period							(194)	(2,615,792)	(2,615,986)
Share capital subscribed but not yet issued	9		334,210						334,210
Equity component of Newman loan	8					3,422			3,422
Issued of stock options	10 a			98,611					98,611
Issued of warrants	10b				4,934				4,934
Warrant modification	10				69,637	(69,637)			-
ZCI loan amendment	6	678,540	115,352		53,966				169,318
As at 31 July 2024		54,536,168	3,171,947	1,876,256	360,843	(61,724)	616,136	(6,733,993)	(770,535)
As at 1 November 2024		56,473,194	3,176,765	1,894,445	506,012	(61,726)	612,992	(7,861,758)	(1,733,270)
Total comprehensive loss for the period							(982)	(1,642,523)	(1,643,505)
Stock options	10			39,422					39,422
Performance warrant granted	10 b (i)				317,927				317,927
Share issued for warrant exercised	9 (i)	3,865,550	387,867		(77,311)				310,556
Issued share capital	9 (iii)	525,000	95,788		35,462				131,250
Shares for debt settlement	9 (ii)	40,000	10,000						10,000
As at 31 July 2025		60,903,744	3,670,420	1,933,867	782,090	(61,726)	612,010	(9,504,281)	(2,567,620)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Eastport Ventures Inc.
Consolidated statement of cash flows
For the nine months ended 31 July

	Notes	2025	2024
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period		(1,642,523)	(2,615,792)
Adjustments for:			
Accretion expense	6,7,8	428,557	454,664
Interest on loans		(333)	6,531
Depreciation	5	29,586	31,555
Fair value adjustment on conversion liabilities	6,7	(189,485)	(180,664)
Deferred taxes (expense) recovery		-	(294,124)
Share-based payments	10	357,352	103,544
Unrealized foreign exchange difference		82,491	58
Gain from debt extinguishment	6	(138,514)	-
Gain on disposal of portfolio securities	4	48,738	173,097
Fair value change on investment	4	134,202	853,647
		(889,929)	(1,467,484)
Changes in prepaid and deposits		2,215	(22,277)
Changes in commodity taxes recoverable		76,346	53,258
Changes in trade payable and other payables		(102,261)	472,859
Net cash generated used in operating activities		(913,629)	(963,644)
CASH FLOWS FROM INVESTING ACTIVITIES			
Loan receivable		(15,000)	-
Proceed from disposal of investment at fair value through profit or loss		243,336	960,823
Net cash generated from investing activities		228,336	960,823
CASH FLOWS FROM FINANCING ACTIVITIES			
Share capital subscribed but not yet issued		-	110,936
Cash advance from directors		282,025	26,358
Issue of convertible loan		-	75,000
Repayment of convertible loan		-	(244,267)
Interest paid		-	(472,708)
Issue of share capital		451,806	435,165
Net cash generated from/(used in) financing activities		733,831	(69,516)
Net increase/(decrease) in bank and cash balances		48,538	(72,337)
Bank and cash balances at beginning of the period		135,810	298,285
Exchange difference		(80,959)	(28,693)
Bank and cash balances at the end of the period		103,389	197,255

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Eastport Ventures Inc.
(An Exploration Stage Company)
Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended July 31, 2025 and 2024
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

1. Nature of Operations

Eastport Ventures Inc. ("EVI" or the "Company") was incorporated on June 14, 2017 under the laws of Ontario, Canada and its corporate head office is located at Suite 409 22 Leader Lane, Toronto, Ontario M5E 0B2, Canada. EVI's and its subsidiaries (refer as "Group") principal business activity is the exploration and evaluation of mineral properties in Botswana through its wholly-owned subsidiaries.

On August 30, 2024, the Company signed a binding letter of intent with Bow Lake Capital Corp. ("Bow Lake") in respect of the proposed business combination transaction whereby Bow Lake intends to acquire all of the issued and outstanding securities of the Company (the "Acquisition"). On November 7, 2024, the Acquisition was terminated.

2. Going Concern

The Company is an exploration company and is subject to risks and challenges similar to companies in a comparable stage of exploration. These risks include the challenges of securing adequate capital for exploration, operational risks inherent in the mining industry, and global economic and metal price volatility and there is no assurance management will be successful in its endeavors. As at July 31, 2025, the Company had no source of operating cash flows, nor any credit line currently in place. The Company incurred a net loss of \$1,642,523 for the period ended July 31, 2025 (\$2,615,792 for the period ended July 31, 2024). The Company's committed cash obligations and expected level of expenses will vary depending on its operations.

These unaudited condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The ability of the Company to continue operations as a going concern is ultimately dependent upon achieving profitable operations and its ability to obtain adequate financing. To date the Company has not generated profitable operations from its resource activities and will need to invest additional funds in carrying out its planned exploration and evaluation, and operational activities. It is not possible to predict whether financing efforts will be successful or if the Company will attain a profitable level of operations. These material uncertainties cast significant doubt about the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities and the reported expenses and comprehensive loss that might be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

The properties in which the Company currently has an interest are in pre-revenue stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and cover administrative costs, the Company will use its existing working capital and raise additional amounts as needed. Although the Company has been successful in its past fundraising activities, there is no assurance as to the success of future fundraising efforts or as to the sufficiency of funds raised in the future. The Company will continue to assess new properties and seek to acquire interests in additional properties if there is sufficient geologic or economic potential and if adequate financial resources are available to do so.

These unaudited condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on September 29, 2025.

3. Significant Accounting Policies and Basis of Presentation

These unaudited condensed interim consolidated financial statements were prepared in accordance with International Accounting Standards ("IAS 34"), Interim Financial Reporting, utilizing the accounting policies of the Company outlined in its October 31, 2024 audited annual consolidated financial statements. The accounting policies are in line with IFRS guidelines. These unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the audited annual consolidated financial statements and therefore should be read in conjunction with the Company's audited annual consolidated financial statements.

These unaudited condensed consolidated interim financial statements have been prepared under the historical cost convention, except for the revaluation of investments and derivatives which are carried at their fair values.

(a) BASIS OF CONSOLIDATION

The unaudited condensed consolidated interim financial statements include the financial statements of the Company and its subsidiaries made up to July 31, 2025. Subsidiaries are entities over which the Company has control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those

Eastport Ventures Inc.
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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended July 31, 2025 and 2024

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

returns through its power over the entity. The Company has power over an entity when the Company has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Company considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intracompany transactions, balances and unrealized profits are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries.

Name of Subsidiary	Principal Activity	Location	Functional	
			Currency	Ownership
Eastport Ventures Incorporated (EVS)	Shell company (inactive)	Seychelles	CAD	100%
Eastport Ventures Botswana Proprietary Limited (EVB)	Holding company and explorer	Botswana	BWP	100%
Current Exploration Solutions Proprietary Limited (CES)	Exploration company	Botswana	BWP	100% *
Matsitama Minerals Proprietary Limited (MAT)	Shell corporation	Botswana	BWP	100% *

*Current Exploration Solutions Proprietary Limited and Matsitama Minerals Proprietary Limited are subsidiaries of Eastport Ventures Botswana Proprietary Limited.

(b) Recent Accounting Pronouncements and Future Changes in Accounting Policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after November 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded.

The following have been adopted by the Company:

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024. The accounting pronouncement does not have a significant impact on the Company's consolidated financial statements.

The following have not been adopted and are being evaluated to determine their impact on the Company:

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which is intended to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. IFRS 18 introduces new sets of requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies through

- Improved comparability in the statement of profit or loss or income statement;
- Enhanced transparency of management-defined performance measures; and

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- More useful grouping of information in the financial statements.

IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged.

In May 2024, the IASB issued amendments to the classification and measurement requirements in IFRS 9. The amendments will address diversity in accounting practice by making the requirements more understandable and consistent. These include:

- Clarifying the classification and assessment of contractual cash flows of financial assets with environmental, social and corporate governance ("ESG").
- Settlement of liabilities through electronic payment systems - the amendments clarify the date on which a financial asset or financial liability is derecognized. The IASB also decided to develop an accounting policy option to allow a company to derecognize a financial liability before it delivers cash on the settlement date if specified criteria are met.

With these amendments, the IASB has also introduced additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets. The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

4. Investments at fair value through profit or loss

	July 31, 2025 \$	October 31, 2024 \$
Fair value of investments		
Beginning balance	738,061	3,384,170
Investment acquired	-	4,305
Investment disposed	(243,337)	(1,082,359)
Loss on disposal	(48,738)	(329,121)
Fair value adjustment revaluation	(134,202)	(1,238,934)
	<u>311,784</u>	<u>738,061</u>

As at July 31, 2025 and October 31 2024, shares of NexMetals Mining Corp. (formerly Premium Resources Ltd.) remain in escrow as per certain legal requirements. The predetermined release from escrow schedule is as follows:

Units to be released	July 31, 2025	October 31, 2024
February 15, 2025	-	434,775
August 18, 2025	434,775	434,775
Total	434,775	869,550

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*For the nine months ended July 31, 2025 and 2024
(expressed in Canadian Dollars, except share amounts or where otherwise stated)*

5. Property, Plant and Equipment

	Office equipment \$	Mining equipment \$	Motor vehicle \$	Leasehold Improvements \$	Total \$
Cost					
As at 31 October, 2024	7,660	48,605	118,094	4,565	178,924
Exchange difference	(205)	(304)	(5,352)	(250)	(6,111)
As at July, 31, 2025	7,455	48,301	112,742	4,315	172,813
Accumulated depreciation and impairment					
As at 31 October, 2024	4,006	34,257	52,375	4,565	95,203
Charge for the year	1,546	8,073	19,967	-	29,586
Exchange difference	(117)	(307)	(2,920)	(250)	(3,594)
As at July, 31, 2025	5,435	42,023	69,422	4,315	121,195
Carrying amount					
As at 31 July 31, 2025	2,020	6,278	43,320	-	51,618
As at 31 October 2024	3,654	14,348	65,719	-	83,721

6. ZCI Convertible Loan

On February 22, 2022, the Company completed the acquisition of Matsitama Minerals (PTY) Ltd. The Company financed the purchase by issuing a \$1,274,300 (US\$1,000,000) convertible loan with a 10% interest rate, the loan and accrued interest was convertible into common shares of the Company on the date the Company completes its initial public offering ("IPO") at the price of a common share at the date of the initial public offering. At the time of issuance, the coupon rate was higher than the prevailing market conditions resulting in no value being associated with the conversion feature.

On June 21, 2023 the loan was amended and the principal increased by \$78,960 (US\$60,000), bringing the principal to \$1,394,960 (US\$1,060,000). The terms of the conversion of the loan and accrued interest was also amended. The loan and accrued interest are now convertible into common shares of the Company once it becomes a listed entity, and the conversion price is measured based on the 14 day volume weighted average trading price ("VWAP") of the common shares.

Under IFRS 9, the change in the carrying amount of the loan is not deemed a substantial modification because change in the net present value of the new loan does not exceed 10% of the carrying amount of the proceeding loan. The carrying value of the loan before the amendment was \$1,502,205, and the fair value of the new debt is \$1,369,953. The difference between the two amounts of \$132,252 is recognized through the statement of net loss as debt modification.

On initial recognition the amended loan, the residual method was used to allocate the fair value of the conversion option. The fair value of the loan was calculated at \$1,369,953 using a discount rate 15%. Based on the residual proceeds of the loan, \$25,006 was allocated to the conversion option. Since the loan is denominated in USD and the conversion price is based on the 14 VWAP, it does not meet the fixed for fixed criteria under IAS32 and will need be revalued at every reporting period as a conversion liability.

As at October 31, 2023, the Conversion liability was revalued to \$13,020 and the same amount is recognized through the statement of profit or loss as a conversion liability loss. The conversion liability was valued using the Black Scholes option model with the following inputs: The fair value of the underlining common share is \$0.17, and is based on the implied price of the most recent financings, expected life of 0.2 years, dividend yield of 0, volatility of 49.2%, and risk free rate of 4.65%. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns.

In December 2023 the loan matured and on January 3, 2024, the Company renewed the outstanding principal and included the accrued interest in the principal, maturing on March 31, 2025 at an interest rate of 10%. As a result, the principal increased by \$71,261 (US\$53,145), bringing the principal to \$1,492,592 (US\$1,113,145). The loan and accrued interest are now convertible into common shares of the Company once it becomes a listed entity, and the conversion price is measured based on the 14 day volume weighted

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average trading price ("VWAP") of the common shares. The following payment terms are required until the Company becomes a publicly listed entity:

- Loan repayment of \$171,820 (US\$ 125,000) payable in March 2024 (paid);
- Loan repayment of \$171,820 (US\$ 125,000) payable in June 2024 (\$72,169 (US\$50,000) paid on December 18, 2024);
- Prior month arrears interest payable beginning in February 2024; and
- A monthly grace fee of \$27,491 (US\$ 20,000) until the Company is a listed entity.

In consideration for the amendment, the Company issued 678,540 units of the Company (the "Units") to ZCI. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.30 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027.

On initial recognition of the renewed loan, the fair value of the conversion features was determined and the residual is allocated to the host financial liability. The Conversion liability was valued at \$627,706. The conversion liability was valued using the Black Scholes option model with the following inputs: The fair value of the underlining common share is \$0.17, and is based on the implied price of the most recent financings, expected life of 1.24 years, dividend yield of 0, volatility of 95.5%, and risk free rate of 3.99%. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. Since the loan is denominated in USD and the conversion price is based on the 14 VWAP, it does not meet the fixed for fixed criteria under IAS32 and will need be revalued at every reporting period as a conversion liability.

On June 12, 2025, the Company entered into an amending agreement with ZCI whereby if a qualifying transaction between the Company and Penbar is completed on or before 18 September 2025, the loan and accrued interest shall be convertible into approximately 8,917,656 common shares of the Company at \$0.18 per share. This amendment introduces a change in currency from US dollars to Canadian dollars for the settlement of the loan and its conversion terms. Consistent with IFRS 9, such a change constitutes a substantial modification. Accordingly, the amendment represents an extinguishment of the original loan and recognition of a new financial liability. The difference between the carrying amount of the original liability and the fair value of the new liability at the amendment date was recognized in profit or loss.

On June 23, 2025, the Company entered into a supplemental side letter to the June 12, 2025 amending agreement to agree that no further interest and grace fees shall accrue provided and that the Company completes the qualify transaction with Penbar on or before September 30, 2025. In the event that the qualifying transaction is not completed on or before September 30, 2025, grace fees and interest shall revert to those as determined in the January 3, 2024 amending agreement effective October 1, 2025.

As at July 31, 2025, the conversion liability was revalued to \$70,441 (October 31, 2024 - \$375,298) and the amount of \$189,485 (July 31, 2024 - \$180,664) is recognized through the statement of profit or loss as a conversion liability gain for the nine months ended July 31, 2025. The conversion liability was valued using the Black Scholes option model with the following inputs: The fair value of the underlining common share is \$0.15, and is based on the implied price of the most recent financings, expected life of 0.17 years, dividend yield of 0, volatility of 75%, and risk free rate of 2.77%. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns.

During the nine months ended July 31, 2025, accretion expense was \$422,288 (July 31, 2024 - \$461,195). As at July 31, 2025 the loan had accrued interest payable of \$nil (October 31, 2024 - \$75,548), and principal balance of \$1,531,849 (October 31, 2024 - \$1,057,153), for a total sum of \$1,531,849 (October 31, 2024 - \$1,132,701). In addition, there was listing fee in payable of \$71,880 and grace fee in payables of \$258,768 (October 31, 2024 - \$109,965).

7. Gledhow Convertible Loan

On June 28, 2023, the Company agreed to terms with Gledhow Investments PLC to issue a \$100,000 convertible loan, with a 5% coupon interest rate that matures in six months. The borrower has the right to convert the outstanding principal and interest into shares of the Company at price of \$0.30 per share once the Company is a listed entity.

On initial recognition, the residual method was issued to allocate the fair value of the conversion option. The fair value of the loan was calculated at \$95,509 using a discount rate of 15%. Based on the residual proceeds of the loan, \$4,491 was allocated to the conversion option and recorded as contributed surplus.

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On December 28, 2023, the loan matured without the Company repaying the loan. On June 21, 2024 the loan was amended and the loan maturity date was extended to June 21, 2025, and as a consideration the Company issued 50,000 warrants with an exercise price of \$0.25 per share until June 21, 2027. The fair value assigned to these warrants was \$4,934.

As at July 31, 2025, the carrying amount of the loan \$109,918 (October 31, 2024 is \$110,091), including arrears interest of \$9,917 (October 31, 2024 is \$7,562).

8. David Newman Convertible Loan

On July 5, 2024, the Company agreed to terms with David Newman to issue a \$75,000 convertible loan, with a 10% coupon interest rate that matures in 5 years. The borrower has the right to convert the outstanding principal and interest into shares of the Company at price of \$0.25 per share once the Company is a listed entity.

On initial recognition, the residual method was issued to allocate the fair value of the conversion option. The fair value of the loan was calculated at \$70,344 using a discount rate of 15%. Based on the residual proceeds of the loan, \$4,656 was allocated to the conversion option and recorded as contributed surplus.

During the nine months ended July 31, 2025, interest expense was \$6,441 (July 31, 2024 - Nil). As at July 31, 2025 the loan had carrying value of \$79,429 (October 31, 2024 – \$72,988).

9. Share Capital

Authorized

An unlimited number of common shares without nominal or par value of a class designated as common shares.

- i) During the period ended July 31, 2025, 3,865,550 warrants were exercised for a total proceeds of \$310,556. In relation to the exercise of the warrants, the proportionate fair value of \$77,311 was allocated from reserves.
- ii) On May 19, 2025, the Company entered into a shares for debt settlement with an arm's length party to settle \$10,000 of debt with 40,000 of the Company's shares.
- iii) On December 17, 2024, the Company completed a non-brokered private placement whereby the Company issued 525,000 units of the Company (the "Units") at a price of \$0.25 per Unit for gross proceeds of \$131,250. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the Company becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until 24 months from the Company becomes a publicly listed company. The proceeds was allocated pro-rata to the common shares and the A Warrants and B Warrants based on their relative fair value. The common shares had an implied fair value of \$95,788 and the combined fair value of both Warrants is \$35,462.

The fair value of A Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; exercise price of \$0.25; expected dividend yield of 0%; risk-free interest rate of 2.99%; volatility of 95.3% and an expected life of 1.54 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$16,545.

The fair value of B Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; exercise price of \$0.35; expected dividend yield of 0%; risk-free interest rate of 2.99%; volatility of 95.9% and an expected life of 2.54 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$18,917.

- iv) On October 31, 2024, the Company completed a non-brokered private placement whereby the Company issued 1,937,026 units of the Company (the "Units") at a price of \$0.25 per Unit for gross proceeds of \$484,195. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the Company becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at

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an exercise price of \$0.35 until 24 months from the Company becomes a publicly listed company. The proceeds was allocated pro-rata to the common shares and the A Warrants and B Warrants based on their relative fair value. The common shares had an implied fair value of \$339,028 and the combined fair value of both Warrants is \$145,167.

The fair value of A Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; exercise price of \$0.25; expected dividend yield of 0%; risk-free interest rate of 3.09%; volatility of 98.6% and an expected life of 1.67 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$67,377.

The fair value of B Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; exercise price of \$0.35; expected dividend yield of 0%; risk-free interest rate of 3.09%; volatility of 101.2% and an expected life of 2.67 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$77,790.

- v) On January 3, 2024, the ZCI loan (Note 6) was renewed and as part of the consideration for the renewal the Company issued 678,540 common shares, 339,270 A share purchase warrant ("A Warrant") and 339,270 B share purchase warrant ("B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.30 until earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027. The common shares had an implied fair value of \$115,352 and the combined fair value of both Warrants is \$53,966.

The fair value of A Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.17; exercise price of \$0.20; expected dividend yield of 0%; risk-free interest rate of 3.99%; volatility of 91.7% and an expected life of 2.49 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$29,753.

The fair value of B Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.17; exercise price of \$0.30; expected dividend yield of 0%; risk-free interest rate of 3.99%; volatility of 91.7% and an expected life of 2.49 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$24,213.

10. Share-Based Payments

(a) Stock options

The Company adopted a Stock Option Plan (the "Plan") providing the authority to grant options to directors, officers, employees and consultants. Under the Plan, the exercise price of each option typically equals the price of the most recent equity financing on the date the Company announces the grant of the option.

	Number of Options #	Weighted average exercise price \$
Outstanding, October 31, 2023	14,850,000	0.22
Granted	1,850,000	0.23
Cancelled	(400,000)	0.2
Outstanding, October 31, 2024	16,300,000	0.20
Cancelled	(250,000)	0.30
Outstanding, July 31, 2025	16,050,000	0.20

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- i) During the period ended July 31, 2025, 250,000 stock options were cancelled.
- ii) On February 26, 2024, 500,000 stock options were granted to a consultant at the exercise price of \$0.25, expiring February 26, 2029. 100,000 stock options were vested immediately and 400,000 stock options were unvested and forfeited during the year. The vested stock options were expensed. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.57%; volatility of 94.7% and an expected life of 5 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$12,580.
- iii) On June 27, 2024, 800,000 stock options were granted to a consultant at the exercise price of \$0.25, expiring June 30, 2029. 400,000 stock options have an immediate vesting period and are expensed in the current period, the rest of 400,000 share options have a 12 months vesting period and are expensed spread over vesting period. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.51%; volatility of 99.2% and an expected life of 5 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$61,140.
- iv) On June 21, 2024, 400,000 stock options were granted to a consultant at the exercise price of \$0.25, expiring June 30, 2027. 200,000 stock options have an immediate vesting period and are expensed during the year, the rest of the 200,000 stock options have a 1-year vesting period and are expensed over the vesting period. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.75%; volatility of 99.3% and an expected life of 3 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$26,866..
- v) On July 1, 2024, 50,000 stock options were granted to an employee at the exercise price of \$0.20, expiring June 30, 2027. 25,000 stock options have an immediate vesting period and the stock based compensation was expensed during the year, the remainder 25,000 stock options vest one year from grant date and the stock based compensation are expensed over the vesting period. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.83%; volatility of 99.3% and an expected life of 3 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$3,261..

The share-based payment expense for the nine months ended July 31, 2025 was \$357,352 (2024 - \$103,544).

Details of options outstanding as at July 31, 2025 are as follows:

Options Outstanding	Options Exercisable	Expiry Date	Exercise Price (\$)	Weighted average remaining contractual life (years)
4,000,000	4,000,000	30-Sep-25	0.1	0.17
3,200,000	3,200,000	30-Sep-27	0.3	2.17
7,400,000	7,400,000	30-Sep-28	0.2	3.17
100,000	100,000	01-Dec-28	0.2	3.34
100,000	100,000	26-Feb-29	0.2	3.58
800,000	400,000	30-Jun-29	0.25	3.92
400,000	400,000	30-Jun-27	0.25	1.92
50,000	50,000	30-Jun-27	0.2	1.92
16,050,000	15,650,000			2.23

Details of options outstanding as at October 31, 2024 are as follows:

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Options Outstanding	Options Exercisable	Expiry Date	Exercise Price (\$)	Weighted average remaining contractual life (years)
4,000,000	4,000,000	September 30, 2025	0.10	0.22
3,200,000	3,200,000	September 30, 2027	0.30	0.57
250,000	-	January 31, 2027	0.30	0.03
7,400,000	7,400,000	September 30, 2028	0.20	1.78
100,000	100,000	December 1, 2028	0.20	0.03
100,000	100,000	February 26, 2029	0.20	0.03
800,000	400,000	June 30, 2029	0.25	0.23
400,000	200,000	June 30, 2027	0.25	0.07
50,000	25,000	June 30, 2027	0.20	0.01
16,300,000	15,425,000			2.97

(b) Warrants

The following table summarizes warrant activity during the period ended July 31, 2025:

	Number of warrants #	Weighted average exercise price \$
Outstanding, October 31, 2023	9,597,993	0.19
Issued	2,665,566	0.29
Outstanding, October 31, 2024	12,263,559	0.21
Exercised	(3,865,550)	0.08
Issued	6,525,000	0.07
Outstanding, July 31, 2025	14,923,009	0.17

Warrants granted during the period ended July 31, 2025 and fiscal year 2024 and also refer to Note 9.

- (i) On March 14, 2025, the Company issued 6,000,000 performance warrants to directors and a consultant. Performance warrants will fully vest upon completion of all of the below milestones:
- (i) Completion of concurrent financing for a proposed Qualifying Transaction;
 - (ii) Successful completion of the proposed Acquisition resulting in the Company becoming a publicly listed company; and
 - (iii) Completion of the recommended work program set out in the technical report.

In addition, the performance warrants shall not vest until all milestones have been satisfied (there shall be no staged/partial vesting conditions attributed to each milestone independent of one another). Each performance warrant entitles the holder to purchase one common share at an exercise price of \$0.05 until five years from the date of grant.

The fair value of these warrants was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.15; expected dividend yield of 0%; risk-free interest rate of 2.57%; volatility of 95.7% and an expected life of 5 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value recognized as an expenses during the current period in relation to these warrants was \$317,927.

Management has considered the timing and probability of vesting. Based on progress to date and the current status of the work program, management believes it is reasonably likely that all milestones could be achieved by the end of fiscal 2025. However, the ultimate timing and outcome remain subject to uncertainty.

- (ii) On November 1, 2023, the Company repriced 1,281,265 warrants issued on August 1, 2022 from \$0.30 to \$0.20.
- (iii) On June 21, 2024 the Gledhow Loan was amended and as a consideration the Company issued 50,000 warrants with an exercise price of \$0.25 per share until June 21, 2027 (Note 7). The fair value of these warrants was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175;

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expected dividend yield of 0%; risk-free interest rate of 3.74%; volatility of 99.4% and an expected life of 3 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$4,934.

At July 31, 2025, the Company had outstanding common share purchase warrants to acquire common shares of the Company as follows:

Warrants Outstanding	Expiry Date	Exercise Price (\$)	Weighted Average remaining contractual life (years)
125,000	30-Jun-26	0.2	0.92
212,500	30-Jun-26	0.2	0.92
1,888,089	30-Jun-26	0.2	0.92
125,000	18-May-26	0.3	0.80
212,500	14-Jul-26	0.3	0.95
1,888,089	31-Oct-26	0.3	1.25
1,281,265	17-Jun-27	0.2	1.88
50,000	21-Jun-27	0.25	1.89
339,270	30-Jun-26	0.2	0.92
339,270	30-Jun-26	0.3	0.92
968,513	30-Jun-26	0.25	0.92
968,513	30-Jun-27	0.35	1.92
262,500	30-Jun-26	0.25	0.92
262,500	30-Jun-27	0.35	1.92
6,000,000	31-Mar-30	0.05	4.67
14,923,009			2.63

At October 31, 2024, the Company had outstanding common share purchase warrants exercisable to acquire common shares of the Company as follows:

Warrants Outstanding	Expiry Date	Exercise Price (\$)	Weighted Average remaining contractual life (years)
950,000	February 28, 2025	0.02	0.03
2,915,550	March 31, 2025	0.10	0.10
2,225,589	June 30, 2026	0.20	0.12
125,000	May 18, 2026	0.30	0.02
212,500	July 14, 2026	0.30	0.03
1,888,089	October 31, 2026	0.30	0.31
1,281,265	June 17, 2027	0.20	0.27
50,000	June 21, 2027	0.25	0.01
339,270	June 30, 2026	0.20	0.05
339,270	June 30, 2026	0.30	0.05
968,513	June 30, 2026	0.25	0.13
968,513	June 30, 2027	0.35	0.21
12,263,559			1.33

11. Loss per share

	July 31, 2025	July 31, 2024
Basic and diluted loss per share		
Net loss for the period	\$1,642,523	\$2,615,792
Weighted average number of common shares outstanding during the period	58,783,879	54,236,521
Loss per share – basic	\$(0.03)	\$(0.05)

- 4,000,000 (January 31, 2024 – 4,000,000) in the money stock options have not been included in the calculation of diluted loss per share as their impact would be antidilutive.

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12. Related Party Transactions

Compensation of Key Management

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the Company's operations, directly or indirectly. The key management personnel of the Company are the members of the executive management team and the Board of Directors.

Compensation provided to key management during the period was as follows:

<i>For the nine months ended</i>	<i>July 31, 2025</i>	<i>July 31, 2024</i>
	\$	\$
Salary and fees	46,290	44,753
Total	46,290	44,753

These transactions are in the normal course of operations and are measured at exchange amount, which the amount of consideration established and agreed by the related parties.

Related party transactions

EVRIMA PLC is deemed to be a related party to the Company because two of their respective Board of Director also hold Board of Director seats for the Company. As at July 31, 2025 Nil (October 31, 2024 - \$984) is owed by EVRIMA in accounts payable.

Hill 79 is deemed to be a related party to the Company because one of their Board of Directors also hold Board of Director seat for the Company. During the period the Company loaned \$7,500 to Hill 79. The loan is non-interest bearing and there were no set terms of repayment. As at July 31, 2025, the Company concluded that until Hill 79 is able to support repayment, the balance is effectively impaired and a full expected credit loss has been recorded.

2835889 Ontario Inc. is deemed to be a related party to the Company because it is owned by the former CFO of the Company. During nine months ended July 31, 2025, 2835889 Ontario Inc. provided professional services to the Company totaling \$12,300. As at July 31, 2025 \$75,145 (October 31, 2024, \$70,512) is owed to 2835889 Ontario Inc. in accounts payable.

Dr. Gomotsang Thoso is deemed to be a related party to the Group because she is the Managing Director of the Group. During the period ended July 31, 2025, the Company incurred and paid a salary of \$46,290, as at July 31, 2025, nil (2024 - \$nil) is owned to her.

On December 1, 2024, Burns Singh Tennent-Bhohi, CEO, the director of the Company, entered into a loan facility agreement ("Loan Facility") with the Company whereby Burns Singh Tennent-Bhohi will provide a loan facility of up to \$360,000 (US\$250,000) to the Company. Interest shall accrue immediately upon drawdown at a fixed rate of 15% per annum and the repayment date is December 31, 2030. As of July 31, 2025, the Company had drawn \$272,252 under the Loan Facility, with accrued interest totaling \$14,700. In addition, the Company owed Mr. Tennent-Bhohi \$29,358 in a separate, non-interest-bearing amount, with no specified repayment terms. Burns Singh Tennent-Bhohi has confirmed that he does not intend to request repayment of these amounts within the next 12 months; therefore, the total amount of \$316,310 payable to Burns Singh Tennent-Bhohi is classified as long-term liability.

In February 2025, Simon Bate, director of the Group, was indebted \$15,000 to the Company. The loan bears an interest rate of 5%. As at July 31, 2025, the Company recorded \$333 interest income (July 31, 2024: \$nil).

13. Financial Instruments

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, market risk and currency risk. The carrying value of bank and cash balances, amounts due to related, trade payables and accrued liabilities, loan payable and convertible loans approximate their fair value due to their short-term nature. Such fair value estimates are not necessarily indicative of the amounts the Company might pay or receive in actual market transactions. Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table shows the levels with the hierarchy if financial assets and liabilities measure at fair value on recurring basis:

July 31, 2025				
	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>	\$	\$	\$	\$
Bank and cash balances	103,389	-	-	103,389
Investments	301,784	-	10,000	311,784
Loan receivable	-	15,333	-	15,333
Total financial assets	405,173	15,333	10,000	430,506
<u>Financial liabilities</u>				
Conversion liabilities	-	70,441	-	70,441
Total financial liabilities	-	70,441	-	70,441

October 31, 2024				
	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>	\$	\$	\$	\$
Bank and cash balances	135,808	-	-	135,808
Investments	723,756	-	14,305	738,061
Total financial assets	859,564	-	14,305	873,869
<u>Financial liabilities</u>				
Conversion liabilities	-	375,298	-	375,298
Total financial liabilities	-	375,298	-	375,298

14. Risk Management

Credit risk

The carrying amount of the bank and cash balances investments and loan receivable included in the statement of financial position represents the Company's maximum exposure to credit risk in relation to the Company's financial assets.

The Company has no significant concentrations of credit risk.

The credit risk on bank and cash balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The credit risk on investments is limited because the counterparty is a well-established securities broker firm.

The Company considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans have been written off, the Company, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

Liquidity Risk

The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

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The maturity analysis, based on cash flows, of the Company's financial liabilities is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
July 31 2025				
Accounts payable and accrued liabilities	903,558	-	-	-
Due to related director	83,698	-	-	316,310
Convertible loans	1,721,196	-	-	-
Total	2,708,452	-	-	316,310
October 31, 2024				
Accounts payable and accrued liabilities	1,005,819	-	-	-
Due to related director	117,983	-	-	-
Convertible loans	1,315,780	-	-	-
Total	2,439,582	-	-	-

Interest Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's financial assets and liabilities are substantially independent of changes in market interest rates.

Price Risk – Financial Assets

The Company's investments at fair value through profit or loss are measured at fair value at the end of each reporting period. Therefore, the Company is exposed to equity security price risk. The directors manage this exposure by maintaining a portfolio of investments with difference risk profiles.

At July 31, 2025, if the share prices of the investments increase/decrease by 10%, loss before tax for the year would have been \$29,845 (July 31, 2024: \$268,925) higher/lower, arising as a result of the fair value gain/loss of the investments.

Foreign Exchange Risk

The Company has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of Botswana Pula ("BWP") and Canadian dollars. The Company currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Company will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Based on management's analysis, the impact of a 5% increase/decrease in USD and a 5% increase/decrease in CAD, would result in a change in the Convertible loan's fair value of \$74,868 as at July 31, 2025 (July 31, 2024: \$51,047)

Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as a going concern, so that adequate funds are available or are scheduled to be raised to meet its ongoing operating and administrative costs and obligations. This is achieved by the Board of Directors' review and ultimate approval of budgets that are achievable within existing resources, and the timely matching and release of the next stage of expenditures with the resources made available from capital raises and debt funding from related or other parties. In doing so, the Company may issue new shares, restructure or issue new debt.

The Company is not subject to any externally imposed capital requirements imposed by a regulator or a lending institution. In the management of capital, the Company includes the components of equity and debt (loans and convertible loans), net of cash.

	July 31 2025	October 31, 2024
Shareholder's equity	(2,567,620)	(1,733,270)
Convertible loans	1,721,196	1,315,780

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	(846,424)	(417,490)
Cash and balances	103,389	135,808
	(743,035)	(281,682)

15. Commitments and Contingencies

Commitments

- The Company has certain contractual financial obligations relating to prospecting licensing minimum exploration commitments at its sites in Botswana and some rental agreements. The annual minimum payments payable under these obligations over the next five fiscal years and thereafter are as follows:

	\$
October 31, 2025	182,951
October 31, 2026	369,573
Thereafter	2,855
	555,379

- On March 14, 2025, certain stock option holders signed a voluntary surrendering letter whereby at the time the Company becomes a publicly listed company an aggregate of 14,800,000 stock options shall be cancelled.
- On March 14, 2025, the Company entered into a definitive amalgamation agreement (the "Definitive Agreement") with Penbar Capital Ltd. ("Penbar"), an arm's length party, pursuant to which Penbar intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport by way of a three-cornered amalgamation, subject to regulatory approval including that of the TSX Venture Exchange (the "Exchange"). The Acquisition is expected to result in the issuance, to each shareholder of the Company, 0.7143 of one post-consolidation common share for each one Eastport common share held by such holder immediately prior to the closing of the Acquisition. On May 26, 2025, the Company entered into an amended and restated amalgamation agreement with Penbar, including the terms of the related financing for subscription receipts of EVI, in connection with Penbar's proposed qualifying transaction.

In connection with the proposed Acquisition, Penbar will effect a consolidation of its outstanding common shares on the basis of seven pre-consolidation common shares for every one post-consolidation common share.

In accordance with the terms of the amended and restated amalgamation agreement, each holder of shares of the Company will exchange the holder's shares for common shares in the capital of the resulting issuer on the basis of 0.2941 fully paid and non-assessable resulting issuer common shares for every one EVI share held.

Prior to the completion of the Acquisition, the Company is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$3,250,000 and up to a maximum gross proceeds of \$5,000,000. Each subscription receipt will be issued at a price of \$0.18 per subscription receipt. Each subscription receipt will convert into one (1) EVI unit. Each EVI unit will consist of one EVI share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional EVI share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional EVI share at a price of \$0.50 for a period of 24 months following the date of the listing.

Contingencies

The Group's operations are subject to governmental laws and regulations regarding environmental protection. Environments' consequences, their impact and their duration are difficult to determine. To the best of its knowledge, management believes that the Group's operations are in compliance with all applicable laws and regulations. Provisions for estimated costs are recorded when environmental remedial efforts are likely and costs can be reasonably estimated.

16. Segment information

Eastport Ventures Inc.
(An Exploration Stage Company)
Notes to the Condensed Consolidated Interim Financial Statements

*For the nine months ended July 31, 2025 and 2024
(expressed in Canadian Dollars, except share amounts or where otherwise stated)*

The Company's operating segment is determined based on information reported to the chief operating decision maker (the "CODM") of the Company, being the executive Directors throughout the year, for the purpose of resource allocation and performance assessment. For management purpose, the Company operates in one business unit, and its sole operating segment is the exploration activities in Botswana. The CODM monitors the revenue, results, assets and liabilities of its business unit as a whole and regularly reviews financial information prepared in accordance with IFRSs which is consistent with those presented in the consolidated financial statements, and without further discrete financial information. Accordingly, no analysis of segment information other than entity-wide information is presented.

17. Exploration and evaluation expenditures

Details of the general exploration expenses by properties as at July 31, 2025 as follows:

	Matsitama	Jwaneng	Semarule	Foley	Keng	Selebi	Total
	\$	\$	\$	\$	\$	\$	\$
Labour costs	71,713	4,846	34,440	-	-	-	110,999
Site and vehicle costs	20,779	4,373	5,330	239	256	568	31,545
Drilling	14,491	69	17,480	-	-	-	32,040
Geophysical and geological costs	42,021	5	6,903	5,482	6,993	15,057	76,461
	149,004	9,293	64,153	5,721	7,249	15,625	251,045

Details of the general exploration expenses by properties as at July 31, 2024 as follows:

	Matsitama	Jwaneng	Semarule	Foley	Keng	Selebi	Total
	\$	\$	\$	\$	\$	\$	\$
Labour costs	112,486	1,327	2,469	-	-	-	116,282
Site and vehicle costs	32,947	4,185	944	216	628	8,751	47,671
Drilling	254,103	-	6,137	-	-	-	260,240
Geophysical and geological costs	57,402	-	703	2,226	14,295	48,662	123,288
	456,938	5,512	10,253	2,442	14,923	57,413	547,481

For the nine months ended July 31, 2025, the Group had five exploration sites (five explorations sites – July 31, 2024), which consisted of 16 exploration licenses.

The Group maintain in total, 5 projects located in the south-east and north-east of Botswana and the projects are prospective for: Copper, Nickel, Uranium, Rare Earth Elements and Diamonds. The Group's will continue to maintain these mineral interests to the extent the on-going exploration yield successful results. The objective of the Group is to make material mineral discoveries that can be developed into economic deposits, which will then lead to the sale of the mineral interest(s) or a Joint-Venture Participation and Mining Operation.

The below table represents the Prospecting Licenses (PL) held by the Group, tenure and our remaining financial obligations associated in the event we elect to maintain the Prospecting Licenses for which election will be contingent on the success of the work conducted.

Project	Country	Issued	Expiry	Commitment \$
Foley	Botswana	01-Jan-21	30-Jun-26	8,566
Semarule	Botswana	01-Apr-23	31-Mar-26	118,296
Selebi	Botswana	01-Jul-21	30-Jun-26	74,241
Keng	Botswana	01-Jan-21	30-Jun-26	21,416
Matsitama	Botswana	01-Apr-22	31-Mar-26	332,860

Eastport Ventures Inc.
(An Exploration Stage Company)
Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended July 31, 2025 and 2024
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

Total commitment over remaining licensed period		555,379

Eastport Ventures Inc.

Consolidated Financial Statements

**For the years ended
October 31, 2024 and 2023**
(Expressed in Canadian Dollars)

To the Shareholders of Eastport Ventures Inc.:

Opinion

We have audited the consolidated financial statements of Eastport Ventures Inc. (the "Company"), which comprise the consolidated statements of financial position as at October 31, 2024 and October 31, 2023, and the consolidated statements of net loss and comprehensive loss, change in shareholders' equity(deficit) and cash flows for each of the years in the two year period ended October 31, 2023 and October 31, 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2024 and October 31, 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS® Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net loss from operations and had no source of operating cash flows. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS® Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Ottawa, Ontario

September 10, 2025

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Consolidated Statements of Financial Position

(expressed in Canadian Dollars)

As at	Notes	October 31, 2024	October 31, 2023
		\$	\$
Assets			
<i>Current assets</i>			
Cash and cash equivalents		135,808	298,285
Commodity taxes recoverable		109,092	67,647
Prepays and deposits		14,928	108,895
Investments at fair value through profit or loss	4	738,061	2,297,666
		997,889	2,772,493
Non-current assets			
Investments at fair value through profit or loss	4	-	1,086,504
Property, plant and equipment	5	83,721	122,579
		83,721	1,209,083
Total assets		1,081,610	3,981,576
Liabilities			
<i>Current liabilities</i>			
Accounts payable and accrued liabilities		1,005,819	667,244
Amount due to Directors	13	117,983	60,325
Convertible loan – IAMFIRE	6	-	71,654
Convertible loan – ZCI Ltd.	7	1,132,701	1,516,827
Convertible loan – Gledhow	8	110,091	100,286
Convertible loan – David Newman	9	72,988	-
Conversion liability – IAMFIRE	6	-	24,374
Conversion liability – ZCI	7	375,298	13,020
		2,814,880	2,453,730
Non-current liabilities			
Deferred tax liability	18	-	292,890
Total liabilities		2,814,880	2,746,620
Shareholders' equity			
Share capital	10	3,176,765	2,722,385
Stock option reserves	11	1,894,445	1,777,645
Warrant reserve	11	506,012	232,306
Contributed surplus	10	(61,726)	4,491
Foreign currency translation reserve		612,992	616,330
Deficit		(7,861,758)	(4,118,201)
Total shareholders' (deficit)/equity		(1,733,270)	1,234,956
Total liabilities and shareholders' equity		1,081,610	3,981,576

Going Concern (Note 2)

Commitments and contingencies (Note 16)

Events after the reporting period (Note 20)

Approved by the Board of Directors

/s/ Burns Singh Tennent-Bhohi

/s/ Rickey Gerhard Bonner

The accompanying notes are an integral part of these consolidated financial statements

Consolidated Statements of Net Loss and Comprehensive Loss

(expressed in Canadian Dollars)

For the years ended October 31, 2024 and 2023

	Notes	October 31, 2024	October 31, 2023
		\$	\$
Expenses			
Exploration and evaluation	19	941,635	534,627
Administrative		20,187	33,075
Facilities		28,805	11,721
Professional fees		688,389	358,692
Information technology and telecommunications		14,110	5,472
Travel		57,753	49,263
Marketing and investor relations		181,264	52,255
Share-based payments compensation	11	121,733	751,794
Expected credit loss of related party debt	13	-	386,449
Depreciation	5	41,883	36,718
Loss from operations		2,095,759	2,220,066
Other Income (Loss)			
Interest income		387	4,859
Gain (loss) on disposal of portfolio securities	4	(329,121)	765,525
Fair value adjustment on investments	4	(1,238,934)	(923,660)
Accretion expense and interest expense	6, 7, 8, 9	(663,605)	(181,252)
Debt modification	7, 8	-	132,252
Fair value adjustment on conversion liabilities	6, 7	289,802	23,689
Unrealized foreign exchange loss		(451)	(367,600)
Loss before tax		(4,037,681)	(2,766,253)
Deferred tax expense (recovery)	18	294,124	105,875
Net loss for the year		(3,743,557)	(2,660,378)
Other Comprehensive loss for the year			
Exchange differences on translation foreign operations		(3,338)	329,069
Net Loss and comprehensive loss attributable to shareholders		(3,746,895)	(2,331,309)
Basic and diluted loss per share		(0.07)	(0.05)
Weighted average number of common shares – basic and diluted	12	54,317,134	49,810,416

The accompanying notes are an integral part of these consolidated financial statements

Consolidated Statements of Changes in Shareholders' (Deficit) / Equity

(expressed in Canadian Dollars, except per share data)

	Notes	Number of common shares	Share capital	Stock option reserves	Warrant reserves	Contributed surplus	Foreign currency translation reserve	Deficit	Total shareholders' equity
			\$	\$	\$	\$	\$	\$	\$
Balance at October 31, 2022		48,207,714	1,876,789	1,025,851	114,214	-	287,261	(1,457,823)	1,846,292
Total comprehensive loss for the year		-	-	-	-	-	329,069	(2,660,378)	(2,331,309)
Exercised warrants – EVRIMA	11(b) i)	218,735	69,312	-	(3,691)	-	-	-	65,621
Exercised warrants – Glenpani	11(b) ii)	1,000,000	29,328	-	(9,328)	-	-	-	20,000
Issuance of units – private placement	10(a) iii)	4,431,179	746,956	-	131,111	-	-	-	878,067
Convertible loan	8	-	-	-	-	4,491	-	-	4,491
Issued of stock options	11(a) i & ii)	-	-	751,794	-	-	-	-	751,794
Balance at October 31, 2023		53,857,628	2,722,385	1,777,645	232,306	4,491	616,330	(4,118,201)	1,234,956
Total comprehensive loss for the year							(3,338)	(3,743,557)	(3,746,895)
Issuance of units – private placement	10(a) i)	1,937,026	339,028	-	145,167	-	-	-	484,195
Equity component of Newman loan	9	-	-	-	-	3,422	-	-	3,422
Issued of stock options	11(a) iii - vii)	-	-	116,800	-	-	-	-	116,800
Issued of warrants	11(b) iii	-	-	-	4,934	-	-	-	4,934
Warrants modification		-	-	-	69,639	(69,639)	-	-	-
ZCI loan amendment	10(a) ii)	678,540	115,352	-	53,966	-	-	-	169,318
Balance at October 31, 2024		56,473,194	3,176,765	1,894,445	506,012	(61,726)	612,992	(7,861,758)	(1,733,270)

The accompanying notes are an integral part of these consolidated financial statements

Consolidated Statements of Cash Flows

(expressed in Canadian Dollars)

For the years ended October 31, 2024 and 2023

	Notes	October 31, 2024	October 31, 2023
Cash flows from operating activities		\$	\$
Net loss		(3,743,557)	(2,660,378)
Adjustments for:			
Accretion expense	6, 7, 8, 9	650,720	25,319
Interest accrual	6, 7, 8, 9	12,885	155,933
Depreciation	5	41,883	36,718
Fair value adjustment on conversion liabilities	7,8	(289,802)	(23,689)
Deferred taxes expense (recovery)		(294,124)	(105,875)
Share-based payments	11	121,733	751,794
Unrealized foreign exchange difference		451	367,600
Forgiveness of previous year grace fees		-	(26,438)
Expected credit loss on related party debt	13	-	386,449
Loss on debt modification	7,8	-	(132,252)
Gain on disposal of portfolio securities	4	329,121	(765,525)
Fair value change on investments	4	1,238,934	923,660
Operating loss before working capital changes		(1,931,756)	(1,066,684)
Changes in prepaid and deposits		93,967	(108,383)
Changes in Commodity taxes recoverable		(40,946)	(21,763)
Changes in accounts payable and accrued liabilities		335,453	265,681
Cash generated used in operations		(1,543,282)	(931,149)
Cash flows from investing activities			
Advance to related parties		-	(386,449)
Acquisition of property, plant and equipment	5	(1,764)	(23,695)
Purchase of investment at fair value through profit or loss	4	(4,305)	(210,700)
Proceed from investment at fair value through profit or loss	4	1,082,359	810,813
Cash used in investing activities		1,076,290	189,969
Cash flows from financing activities			
Interest paid on withholding tax		(5,728)	-
Cash advanced from directors	13	57,658	7,719
Cash received on exercise of warrants		-	85,621
Repayment of loan payable		(173,950)	(8,000)
Interest paid		(37,833)	-
Issue of convertible loan		75,000	100,000
Repayment of convertible loan		(71,654)	(35,132)
Proceeds from issuance of common shares and warrants, net		484,195	878,071
Cash generated from financing activities		327,688	1,028,279
Increase/(decrease) in cash and cash equivalents		(139,304)	287,099
Cash and cash equivalents, beginning of year		298,285	32,928
Exchange difference		(23,173)	(21,742)
Cash and cash equivalents, end of year		135,808	298,285

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

1. Nature of Operations

Eastport Ventures Inc. ("EVI" or the "Company") was incorporated on June 14, 2017 under the laws of Ontario, Canada and its corporate head office is located at Suite 409 22 Leader Lane, Toronto, Ontario M5E 0B2, Canada. EVI's principal business activity is the exploration and evaluation of mineral properties in Botswana through its wholly-owned subsidiaries.

2. Going Concern

The Company is an exploration company and is subject to risks and challenges similar to companies in a comparable stage of exploration. These risks include the challenges of securing adequate capital for exploration, operational risks inherent in the mining industry, and global economic and metal price volatility and there is no assurance management will be successful in its endeavors. As at October 31, 2024, the Company had no source of operating cash flows, nor any credit line currently in place. The Company incurred a net loss of \$3,911,757 for the year ended October 31, 2024 (\$2,660,378 for the year ended October 31, 2023). The Company's committed cash obligations and expected level of expenses will vary depending on its operations.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The ability of the Company to continue operations as a going concern is ultimately dependent upon achieving profitable operations and its ability to obtain adequate financing. To date the Company has not generated profitable operations from its resource activities and will need to invest additional funds in carrying out its planned exploration and evaluation, and operational activities. It is not possible to predict whether financing efforts will be successful or if the Company will attain a profitable level of operations. These material uncertainties cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities and the reported expenses and comprehensive loss that might be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

The properties in which the Company currently has an interest are in pre-revenue stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and cover administrative costs, the Company will use its existing working capital and raise additional amounts as needed. Although the Company has been successful in its past fundraising activities, there is no assurance as to the success of future fundraising efforts or as to the sufficiency of funds raised in the future. The Company will continue to assess new properties and seek to acquire interests in additional properties if there is sufficient geologic or economic potential and if adequate financial resources are available to do so.

On August 30, 2024, the Company signed a binding letter of intent with Bow Lake Capital Corp. ("Bow Lake") in respect of the proposed business combination transaction whereby Bow Lake intends to acquire all of the issued and outstanding securities of the Company (the "Acquisition"). On November 7, 2024, the Acquisition was terminated.

These consolidated financial statements were approved and authorized for issue by the Board of Directors on August 18, 2025.

3. Significant Accounting Policies and Basis of Presentation

These consolidated financial statements were prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The significant accounting policies followed in the preparation of these consolidated financial statements are as follows: The consolidated financial statements are presented in Canadian dollars (\$), which is the parent's functional currency. Each subsidiary entity within the Company (the "Group") determines its own functional currency based on the primary economic environment in which it operates.

These consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of investments and derivatives which are carried at their fair values.

(a) PRINCIPALS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to October 31st. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealized profits are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries.

Name of Subsidiary	Principal Activity	Location	Functional	
			Currency	Ownership
Eastport Ventures Incorporated (EVS)	Shell company (inactive)	Seychelles	CAD	100%
Eastport Ventures Botswana Proprietary Limited (EVB)	Holding company and explorer	Botswana	BWP	100%
Current Exploration Solutions Proprietary Limited (CES)	Exploration company	Botswana	BWP	100% *
Matsitama Minerals Proprietary Limited (MAT)	Shell corporation	Botswana	BWP	100% *

*Current Exploration Solutions Proprietary Limited and Matsitama Minerals Proprietary Limited are subsidiaries of Eastport Ventures Botswana Proprietary Limited.

(b) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided using the following terms and methods:

Asset	Method	Term
Office equipment	Straight line	4 years
Mining equipment	Straight line	3 years
Motor Vehicles	Straight line	4-5 years
Leasehold improvements	Straight line	2-4 years

An asset's residual value and useful life are reviewed at each reporting date and adjusted if appropriate. When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount of the equipment and are recognized in profit or loss.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

(c) EXPLORATION COSTS & LICENSES

The Company expense exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include the acquisition of companies with exploration targets, the acquisition costs of mineral property rights, property option payments, costs of prospecting licenses and exploration and evaluation activities.

Once a project has been established as commercially viable, technically feasible and decision to proceed with development has been approved by the Board of Directors, related development expenditures are capitalized. This includes costs incurred in preparing the site of mining operations. Capitalization ceases when a mine is capable of commercial production, with the exception of development cost that gives rise to a future benefit.

(d) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognized when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognized in profit or loss.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in profit or loss.

Financial assets are recognized and derecognized on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognized at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognized immediately in profit or loss.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value, either through other comprehensive income ("FVOCI") or through profit or loss ("FVTPL"), and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company has made the following classifications:

	IFRS 9 Classification
Financial assets	
Cash and cash equivalents	FVTPL
Investments equity securities	FVTPL
Financial liabilities	
Accounts payable and accrued liabilities	Amortized cost
Due to director	Amortized cost
Due to related parties	Amortized cost
Convertible loans	Amortized cost
Conversion liabilities	FVTPL

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

(i) Fair Value Through Profit or Loss ("FVTPL") Financial Assets

Financial assets classified and measured at FVTPL are those assets that do not meet the criteria to be classified at amortized cost or at FVOCI. This category includes debt instruments whose cash flow characteristics are not solely payments of principal and interest ("SPPI") or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell the financial asset.

Investments at fair value through profit or loss are subsequently measured at fair value with any gains or losses arising from changes in fair values recognized in profit or loss. The fair value gains or losses recognized in profit or loss are net of any interest income and dividend income. Interest income and dividend income are recognized in profit or loss.

(ii) Amortized Cost Financial Assets

Financial assets at amortized cost are non-derivative financial assets which are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. An amortized cost financial asset is initially measured at fair value, including transaction costs and subsequently at amortized cost using the effective interest rate.

(iii) Impairment of Financial Assets at Amortized Cost

An 'expected credit loss' impairment model applies when there is a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(iv) Financial Liabilities and Other Financial Liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. Financial liabilities mandatory classified at FVTPL, such derivatives, are stated at fair value, with changes being recognized in profit or loss. Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method.

Financial liabilities are classified as current when the Company does not retain an unconditional right to defer settlement, due to a conversion feature or otherwise, beyond 12 months from the reporting date.

(vi) Convertible loans/debt

The component parts of compound instruments (convertible loans/debt) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest rate method until extinguished upon conversion or at the instrument's maturity date.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity as contributed surplus and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issuance of the convertible loans/debt are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the term of the convertible loan/debt using the effective interest method.

For compound instruments with non-equity derivatives, the fair value of the embedded derivative is determined first based on the contractual terms, and the initial carrying amount of the host instrument is the residual amount after separating the embedded derivative.

Fair value on initial recognition

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. If, after considering the terms of the transaction, the Company determines that the fair value of a financial instrument at initial recognition differs from the transaction price, the difference is recognized as a gain or loss in the statement of loss only if fair value is evidenced by quoted prices or based on a valuation technique that uses only data from observable markets. In all other cases, the difference is deferred and recognized systematically to the extent that it arises from a change in a factor (including time) that market participants would consider in setting a price. Any subsequent measurement of the instrument excludes the balance of the deferred day one gain or loss.

(e) FOREIGN CURRENCY TRANSLATION

Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Gains and losses resulting from this translation policy are recognized in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

Foreign Operations

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognized in the foreign currency translation reserve as a component of other comprehensive loss.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognized in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognized in profit or loss as part of the gain or loss on disposal.

(f) CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

(g) EQUITY INSTRUMENTS

The Company's common shares and common share warrants are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares, warrants or options are shown in equity as a deduction from the proceeds.

Unit placements

The Company has adopted the pro-rata basis method for the measurement of shares and warrants issued as private placement units. The pro-rata basis method requires that gross proceeds and related issuance costs be allocated to the common shares and the warrants based on the relative fair value of the component.

The fair value of common shares is based on the implied value and the fair value of warrants is determined using the Black-Scholes Option Pricing Model.

The fair value attributed to warrants is recorded as warrant reserves. If a warrant is exercised, the value attributed to the warrant is transferred to share capital. If the warrant expires unexercised, the value is transferred to deficit. Warrants, issued as part of private placement units, that have their term of expiries extended, are not subsequently revalued.

(h) SHARE-BASED PAYMENTS

The Group issues equity-settled share-based payments to certain directors, employees and consultants.

Where equity-settled share options are awarded, the fair value of the options at the date of grant is recognized over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these non-vesting and market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also recognized over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received.

When the value of goods and services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in share-based payments reserve, until exercised. Upon exercise shares are issued from the treasury and the amount reflected in share-based payments reserve is credited to share capital along with any consideration paid.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

(i) TAXATION

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognized in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognized in profit or loss, except when it relates to items recognized in other comprehensive income or directly in equity, in which case the deferred tax is also recognized in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(j) RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Transactions with related parties are entered into during the normal course of business and are measured at the amount established and agreed to by the parties.

(k) IMPAIRMENT OF ASSETS

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

(l) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognized for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(m) SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS & MEASUREMENT UNCERTAINTY

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may 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 any future periods affected.

Critical Accounting Judgements:

(a) Going concern

Consolidated financial statements are prepared on a going concern basis unless management either intends to liquidate the Company or has no realistic alternative to do so. Assessment of the Company's ability to continue as a going concern requires the consideration of all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This information includes estimates of future cash flows and other factors, the outcome of which is uncertain. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern those uncertainties are disclosed.

Critical Accounting Estimates

(a) Valuation of share-based compensation and warrants

The Company estimates the fair value of warrants and options using the Black-Scholes Option Pricing Model which requires significant estimation around assumptions and inputs such as share price, expected term to maturity, expected volatility and expected forfeiture rates. The fair value of the underlining common shares was based on implied share price based on the most recent financings, the volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. Note 11 of the consolidated financial statements contains further details of significant assumptions applied to these areas of estimation.

(b) Convertible Debentures

Convertible debentures are financial instruments which are accounted for separately dependent on the nature of their components: a financial liability and an equity instrument. The identification of such components embedded within a convertible debenture requires significant judgments including; discount rates and future cash flows. When the conversion option has a fixed conversion rate thus the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual balance, or conversion feature is accounted for as equity at issuance. Transaction costs are apportioned to the debt liability and equity component in proportion to the allocation of proceeds.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

When the conversion option does not have a fixed conversion rate, the convertible debenture are convertible into a variable number of common shares such that there were liability and derivative liability components. On issuance the financial instrument is bifurcated by evaluating the fair value of the derivative liability component and the residual was assigned to the host financial liability. The fair value of the derivative liability is determined by using the Black Scholes Option Model on issuance and revalued at each reporting date. Significant judgment is required to estimate the fair value of the common share and the probability of a going public transaction.

(c) *Deferred tax*

Tax benefits from uncertain tax positions may be recognized when it is probable that the Company will be able to use deductible temporary differences against taxable profit: (i) whether a tax position, based solely on its technical merits, is probable to be sustained upon examination, and (ii) measuring the tax benefit as the expected value or most likely amount taking into consideration which method better predicts the realized amounts upon ultimate settlement.

Furthermore, the Corporation uses the asset and liability method in accounting for deferred taxes and mining duties. Under this method, deferred taxes are recognized for future income tax. In preparing these estimates, management is required to interpret substantially enacted legislation as well as economic and business conditions along with management's tax and corporate structure plans which may impact taxable income in future periods.

(d) *Estimated useful lives and depreciation of property, plant and equipment*

Depreciation of property, plant and equipment is dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

(e) *Valuation of investments in private entities*

The Company values its investments in private entities at fair value at each reporting date. When the fair values of these financial instruments cannot be measured based upon quoted prices in active markets, their fair value is based on estimates made by management using valuation techniques. The inputs to these valuation models are taken from observable market data where possible, including concurrent third-party investments, but where this is not feasible, a degree of judgement is required in establishing fair value. Changes in assumptions related to these inputs could affect the reported fair value of the financial instruments.

(f) *Accounting standards and amendments issued but not yet effective*

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after November 1, 2023. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which is intended to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. IFRS 18 introduces new sets of requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies through

- Improved comparability in the statement of profit or loss or income statement;
- Enhanced transparency of management-defined performance measures; and
- More useful grouping of information in the financial statements.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

3. Significant Accounting Policies and Basis of Presentation *(continued from previous page)*

IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged.

In May 2024, the IASB issued amendments to the classification and measurement requirements in IFRS 9. The amendments will address diversity in accounting practice by making the requirements more understandable and consistent. These include:

- Clarifying the classification and assessment of contractual cash flows of financial assets with environmental, social and corporate governance ("ESG").
- Settlement of liabilities through electronic payment systems - the amendments clarify the date on which a financial asset or financial liability is derecognized. The IASB also decided to develop an accounting policy option to allow a company to derecognize a financial liability before it delivers cash on the settlement date if specified criteria are met.

With these amendments, the IASB has also introduced additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets. The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

4. Investments at fair value through profit or loss

	2024 \$	2023 \$
Fair value of investments		
Beginning balance	3,384,170	4,142,418
Investment acquired during the year	4,305	210,700
Investment disposed during the year	(1,082,359)	(810,813)
Loss on disposal	(329,121)	765,525
Fair value adjustment revaluation	(1,238,934)	(923,660)
	<u>738,061</u>	<u>3,384,170</u>
 Presented as:	 \$	 \$
Current assets	738,061	2,297,666
Non-current assets	-	1,086,504
	<u>738,061</u>	<u>3,384,170</u>

As at October 31, 2024, 869,550 (1,739,100 in 2023) shares of Premium Resources Ltd. remain in escrow as per certain legal requirements. The predetermined release from escrow schedule is as follows:

Units to be released	2024	2023
February 15, 2024	-	434,775
August 18, 2024	-	434,775
February 15, 2025	434,775	434,775
August 18, 2025	434,775	434,775
Total	<u>869,550</u>	<u>1,739,100</u>

For the year ended October 31, 2023, the fair value of those units \$1,086,504 to be released beyond 12-months from the date of 2023 financial statements have been classified as non-current assets.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

5. Property, Plant and Equipment

	Office equipment \$	Mining equipment \$	Motor vehicle \$	Leasehold improvement \$	Total \$
Cost					
At November 1, 2022	5,813	48,516	93,050	4,492	151,871
Addition	-	-	23,695	-	23,695
Exchange difference	(14)	(39)	(901)	(32)	(986)
At October 31, 2023 and November 1, 2023	5,799	48,477	115,844	4,460	174,580
Addition	1,764	-	-	-	1,764
Exchange difference	97	128	2,250	105	2,580
At October 31, 2024	7,660	48,605	118,094	4,565	178,924
Accumulated depreciation and impairment					
At November 1, 2022	728	9,052	5,091	763	15,634
Charge for the year	1,458	12,603	20,392	2,265	36,718
Exchange difference	(8)	(43)	(258)	(42)	(351)
At October 31, 2023 and November 1, 2023	2,178	21,612	25,225	2,986	52,001
Charge for the year	1,790	12,506	26,123	1,464	41,883
Exchange difference	38	139	1,027	115	1,319
At October 31, 2024	4,006	34,257	52,375	4,565	95,203
Carrying amount					
At October 31, 2023	3,621	26,865	90,619	1,474	122,579
At October 31, 2024	3,654	14,348	65,719	-	83,721

6. IAMFIRE Convertible Loan

	IAMFIRE August 2020 Tranche \$	IAMFIRE November 2020 Tranche \$	IAMFIRE March 2021 Tranche \$	Total \$
Convertible debt balances				
At November 1, 2022	31,557	24,234	41,562	97,353
Accretion expense	1,129	571	891	2,591
Interest expense	2,446	2,312	2,084	6,842
Repaid (August 2023)	(35,132)	-	-	(35,132)
At October 31, 2023 and November 1, 2023	-	27,117	44,537	71,654
Interest expense	-	405	7,466	7,871
Repaid (July 2024)	-	(27,522)	(52,003)	(79,525)
At October 31, 2024	-	-	-	-
		Current \$	Long-term \$	Total \$
At October 31, 2023		71,654	-	71,654
At October 31, 2024		-	-	-

Conversion liability

	IAMFIRE August 2020 Tranche \$	IAMFIRE November 2020 Tranche \$	IAMFIRE March 2021 Tranche \$	Total \$
At November 1, 2022	17,551	14,368	29,164	61,083
Fair value change	(17,551)	(7,873)	(11,285)	(36,709)
At October 31, 2023 and November 1, 2023	-	6,495	17,879	24,374
Fair value change	-	(6,495)	(17,879)	(24,374)
At October 31, 2024	-	-	-	-

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

6. IAMFIRE Convertible Loan (continued from previous page)

On August 21, 2020 the Company agreed to terms with IAMFIRE PLC to issue a convertible loan of \$25,736 (£15,367) maturing in three years, with a fixed interest payment of \$9,008 (£5,378). The principal and interest are payable at the end of term. The borrower has the right to convert the outstanding principal and interest into units of the Company at a 20% discount of the last equity financing, each unit is comprised of one common share and one common share purchase warrant with a strike price equivalent to the last equity financing and expires three years from issuance.

The tranche issued on August 21, 2020 was repaid in full in August of 2023 without the borrower exercising its right to converting the debt and effectively canceling the conversion liability.

On November 2, 2020 the Company agreed to terms with IAMFIRE PLC to issue a convertible loan of \$20,154 (£11,779) maturing in three years, with a fixed interest payment of \$7,054 (£4,123). The principal and interest are payable at the end of term. The borrower has the right to convert the outstanding principal and interest into units of the Company at a 20% discount of the last equity financing, each unit is comprised of one common share and one common share purchase warrant with a strike price equivalent to last equity financing and expires three years from issuance.

On October 31, 2023 the Conversion liability was revalued to \$6,495. The conversion liability was valued using the Black Scholes option model with the following inputs:

Input	October 31, 2023
Stock price	\$0.17
Expected life – years	0.1
Dividends	-
Volatility	53.71%
Risk free rate	4.93%

The tranche issued on November 2, 2020 was repaid in full in July 2024 without the borrower exercising its right to converting the debt and effectively canceling the conversion liability.

On March 3, 2021 the Company agreed to terms with IAMFIRE PLC to issue a convertible loan of \$35,636 (£21,692) maturing in three years, with a fixed interest payment of \$11,772 (£7,592). The principal and interest are payable at the end of term. The borrower has the right to convert the outstanding principal and interest into units of the Company at a 20% discount of the last equity financing, each unit is comprised of one common share and one common share purchase warrant with a strike price equivalent to last equity financing and expires three years from issuance.

On October 31, 2023 the Conversion liability was revalued to \$17,879. The warrant liability was valued using the Black Scholes option model with the following inputs:

Input	October 31, 2023
Stock price	\$0.17
Expected life – years	0.33
Dividends	-
Volatility	68.87%
Risk free rate	4.93%

The tranche issued on March 3, 2021 was repaid in full in July 2024 without the borrower exercising its right to converting the debt and effectively canceling the conversion liability.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

7. ZCI Convertible Loan

On February 22, 2022, the Company completed the acquisition of Matsitama Minerals (PTY) Ltd. The Company financed the purchase by issuing a \$1,274,300 (US\$1,000,000) convertible loan with a 10% interest rate, the loan and accrued interest is convertible into common shares of the Company on the date the Company completes its initial public offering ("IPO") at the price of a common share at the date of the initial public offering. At the time of issuance, the coupon rate was higher than the prevailing market conditions resulting in no value being associated with the conversion feature.

On June 21, 2023 the loan was amended and the principal increased by \$78,960 (US\$60,000), bringing the principal to \$1,394,960 (US\$1,060,000). The terms of the conversion of the loan and accrued interest was also amended. The loan and accrued interest are now convertible into common shares of the Company once it becomes a listed entity, and the conversion price is measured based on the 14 day volume weighted average trading price ("VWAP") of the common shares.

Under IFRS 9, the change in the carrying amount of the loan is not deemed a substantial modification because change in the net present value of the new loan does not exceed 10% of the carrying amount of the proceeding loan. The carrying value of the loan before the amendment was \$1,502,205, and the fair value of the new debt is \$1,369,953. The difference between the two amounts of \$132,252 is recognized through the statement of net loss as debt modification 2023.

On initial recognition the amended loan, the residual method was used to allocate the fair value of the conversion option. The fair value of the loan was calculated at \$1,369,953 using a discount rate 15%. Based on the residual proceeds of the loan, \$25,006 was allocated to the conversion option. Since the loan is denominated in USD and the conversion price is based on the 14 VWAP, it does not meet the fixed for fixed criteria under IAS32 and will need be revalued at every reporting period as a conversion liability.

As at October 31, 2023, the Conversion liability was revalued to \$13,020 and the same amount is recognized through the statement of profit or loss as a conversion liability loss. The conversion liability was valued using the Black Scholes option model with the following inputs: The fair value of the underlining common share is \$0.17, and is based on the implied price of the most recent financings, expected life of 0.2 years, dividend yield of 0, volatility of 49.2%, and risk free rate of 4.65%. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns.

In December 2023 the loan matured and on January 3, 2024, the Company renewed the outstanding principal and included the accrued interest in the principal, maturing on March 31, 2025 at an interest rate of 10%. As a result, the principal increased by \$71,261 (US\$53,145), bringing the principal to \$1,492,592 (US\$1,113,145). The loan and accrued interest are now convertible into common shares of the Company once it becomes a listed entity, and the conversion price is measured based on the 14 day volume weighted average trading price ("VWAP") of the common shares. The following payment terms are required until the Company becomes a publicly listed entity:

- Loan repayment of \$171,820 (US\$ 125,000) payable in March 2024 (paid);
- Loan repayment of \$171,820 (US\$ 125,000) payable in June 2024 (\$72,169 (US\$50,000) paid on December 18, 2024);
- Prior month arrears interest payable beginning in February 2024; and
- A monthly grace fee of \$27,491 (US\$ 20,000) until the Company is a listed entity.

In consideration for the amendment, the Company issued 678,540 units of the Company (the "Units") to ZCI. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.30 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027.

On initial recognition of the renewed loan, the fair value of the conversion features was determined and the residual is allocated to the host financial liability. The Conversion liability was valued at \$627,706. The conversion liability was valued using the Black Scholes option model with the following inputs: The fair value of the underlining common share is \$0.17, and is based on the implied price of the most recent financings, expected life of 1.24 years, dividend yield of 0, volatility of 95.5%, and risk free rate of 3.99%. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. Since the loan is denominated in USD and the conversion price is based on the 14 VWAP, it does not meet the fixed for fixed criteria under IAS32 and will need be revalued at every reporting period as a conversion liability.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

7. ZCI Convertible Loan (continued from previous page)

As at October 31, 2024, the Conversion liability was revalued to \$375,298 (2023 - \$13,020) and the amount of \$252,408 (2023 - \$13,020) is recognized through the statement of profit or loss as a conversion liability gain. The conversion liability was valued using the Black Scholes option model with the following inputs: The fair value of the underlining common share is \$0.175, and is based on the implied price of the most recent financings, expected life of 0.42 years, dividend yield of 0, volatility of 101.6%, and risk free rate of 3.09%. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns.

During the year ended October 31, 2024, accretion expense was \$643,914 (2023 - \$19,687). As at October 31, 2024 the loan had accrued interest payable of \$75,548 (2023 - \$52,771), and principal balance of \$1,057,153 (2023 - \$1,444,369), for a total sum of \$1,132,701 (2023 - \$1,516,827). In addition, there was grace fee in payables of \$109,965 (2023 - nil),

8. Gledhow Convertible Loan

On June 28, 2023, the Company agreed to terms with Gledhow Investments PLC to issue a \$100,000 convertible loan, with a 5% coupon interest rate that matures in six months. The borrower has the right to convert the outstanding principal and interest into shares of the Company at price of \$0.30 per share once the Company is a listed entity.

On initial recognition, the residual method was issued to allocate the fair value of the conversion option. The fair value of the loan was calculated at \$95,509 using a discount rate of 15%. Based on the residual proceeds of the loan, \$4,491 was allocated to the conversion option and recorded as contributed surplus.

On December 28, 2023, the loan matured without the Company repaying the loan. On June 21, 2024 the loan was amended and the loan maturity date was extended to June 21, 2025 and as a consideration the Company issued 50,000 warrants with an exercise price of \$0.25 per share until June 21, 2027. The fair value assigned to these options was \$4,934.

The accretion expense and the accrued interest as at October 31, 2024 was \$4,925 and \$1,712 (2023 - \$3,041 and \$1,736) respectively. The balance of the loan as at October 31, 2024 is \$103,454 (2023 - \$95,509), for a total sum of \$110,091 (2023 - \$100,286).

9. David Newman Convertible Loan

On July 5, 2024, the Company agreed to terms with David Newman to issue a \$75,000 convertible loan, with a 10% coupon interest rate that matures in 5 years. The borrower has the right to convert the outstanding principal and interest into shares of the Company at price of \$0.25 per share once the Company is a listed entity.

On initial recognition, the residual method was issued to allocate the fair value of the conversion option. The fair value of the loan was calculated at \$70,345 using a discount rate of 15%. Based on the residual proceeds of the loan, \$4,656 was allocated to the conversion option and recorded as contributed surplus.

The accretion expense as at October 31, 2024 was \$2,644. The balance of the loan as at October 31, 2024 the loan had accretion expense of \$2,644 and principal balance of \$70,344, for a total sum of \$72,988.

10. Share Capital

(a) Authorized

An unlimited number of common shares without nominal or par value of a class designated as common shares.

- i) On October 31, 2024, the Company completed a non-brokered private placement whereby the Company issued 1,937,026 units of the Company (the "Units") at a price of \$0.25 per Unit for gross proceeds of \$484,195. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the Company becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until 24 months from the Company becomes a publicly listed company. The proceeds was allocated pro-rata to the common shares and the A Warrants and B Warrants based on their relative fair value. The common shares had an implied fair value of \$339,028 and the combined fair value of both Warrants is \$145,167.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

10. Share Capital *(continued from previous page)*

The fair value of A Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; exercise price of \$0.25; expected dividend yield of 0%; risk-free interest rate of 3.09%; volatility of 98.6% and an expected life of 1.67 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$67,377.

The fair value of B Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; exercise price of \$0.35; expected dividend yield of 0%; risk-free interest rate of 3.09%; volatility of 101.2% and an expected life of 2.67 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$77,790.

- ii) On January 3, 2024, the ZCI loan (Note 7) was renewed and as part of the consideration for the renewal the Company issued 678,540 common shares, 339,270 A share purchase warrant ("A Warrant") and 339,270 B share purchase warrant ("B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.30 until earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027. The common shares had an implied fair value of \$115,352 and the combined fair value of both Warrants is \$53,966.

The fair value of A Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.17; exercise price of \$0.20; expected dividend yield of 0%; risk-free interest rate of 3.99%; volatility of 91.7% and an expected life of 2.49 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$29,753.

The fair value of B Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.17; exercise price of \$0.30; expected dividend yield of 0%; risk-free interest rate of 3.99%; volatility of 91.7% and an expected life of 2.49 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these warrants was \$24,213.

- iii) During fiscal year 2023, the Company completed a non-brokered private placement whereby the Company issued 4,431,179 units of the Company (the "Units") at a price of \$0.20 per Unit for gross proceeds of \$886,236. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the Company becomes a publicly listed company or 36 months from the date of issuance. Each B Warrant entitles the holder to purchase one common share at an exercise price of 0.30 until 36 months from the date of issuance. The proceeds was allocated pro-rata to the common shares and the A Warrants and B Warrants based on their relative fair value. The common shares had an implied fair value of \$0.17 and the combined fair value of both A and B Warrants is \$131,111.

The fair value of A Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.17; exercise price of \$0.20; expected dividend yield of 0%; risk-free interest rate of 3.70%; volatility of 71.94%, expected life of 2.23 years, and discount for lack of marketability of 10.06%. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

10. Share Capital (continued from previous page)

The fair value of B Warrant was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.17; exercise price of \$0.30; expected dividend yield of 0%; risk-free interest rate of 3.70%; volatility of 71.94%, an expected life of 2.23 years, and discount for lack of marketability of 10.06%. The volatility was

determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns.

The share issuance costs related to the fiscal year 2023 financing was \$8,169. Of this balance, \$7,569 were cash costs incurred for agents and lawyers, and the \$600 represent the fair value of warrants issued to the brokers. The Company issued to brokers, 10,000 A Warrant valued at \$300, and 10,000 B Warrant at \$300.

11. Share-Based Payments

(a) Stock options

The Company adopted a Stock Option Plan (the "Plan") providing the authority to grant options to directors, officers, employees and consultants. Under the Plan, the exercise price of each option typically equals the price of the most recent equity financing on the date the Company announces the grant of the option.

	Number of Options	Weighted average exercise price
Outstanding, October 31, 2022	7,200,000	\$0.14
Granted	7,650,000	0.30
Outstanding, October 31, 2023	14,850,000	\$0.22
Granted	1,850,000	0.23
Cancelled	(400,000)	0.20
Outstanding, October 31, 2024	16,300,000	\$0.20

- (i) On February 1, 2023, 250,000 stock options were granted to an officer of the Company at the exercise price of \$0.30, expiring January 31, 2027. The stock options vest upon the Company becoming a listed entity. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.16; expected dividend yield of 0%; risk-free interest rate of 4.01%; volatility of 78.8% and an expected life of 4 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$21,491, which was expensed in year ended October 31, 2023.
- (ii) On September 29, 2023, 7,400,000 stock options were granted to officers, directors, key employees and consultants at the exercise price of \$0.20, expiring September 30, 2028. The stock option have an immediate vesting period and are expensed in the current period. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.16; expected dividend yield of 0%; risk-free interest rate of 4.01%; volatility of 79% and an expected life of 5 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$730,303.
- (iii) On December 1, 2023, 100,000 stock options were granted to consultants at the exercise price of \$0.20, expiring December 1, 2028. The stock option has an immediate vesting period and are expensed in the current period. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.5%; volatility of 96.9% and an expected life of 5 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$12,767.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

11. Share-Based Payments *(continued from previous page)*

- (iv) On February 26, 2024, 500,000 stock options were granted to a consultant at the exercise price of \$0.25, expiring February 26, 2029. 100,000 stock options were vested immediately and 400,000 stock options were unvested and forfeited during the year. The vested stock options were expensed. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.57%; volatility of 94.7% and an expected life of 5 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$12,580.
- (v) On June 27, 2024, 800,000 stock options were granted to a consultant at the exercise price of \$0.25, expiring June 30, 2029. 400,000 stock options have an immediate vesting period and are expensed in the current period, the rest of 400,000 share options have a 1-year vesting period and are expensed spread over vesting period. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.51%; volatility of 99.2% and an expected life of 5 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$61,140.
- (vi) On June 21, 2024, 400,000 stock options were granted to a consultant at the exercise price of \$0.25, expiring June 30, 2027. 200,000 stock options have an immediate vesting period and are expensed during the year, the rest of the 200,000 stock options have a 1-year vesting period and are expensed over the vesting period. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.75%; volatility of 99.3% and an expected life of 3 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$26,866.
- (vii) On July 1, 2024, 50,000 stock options were granted to an employee at the exercise price of \$0.20, expiring June 30, 2027. 25,000 stock options have an immediate vesting period and the stock based compensation was expensed during the year, the remainder 25,000 stock options vest one year from grant date and the stock based compensation are expensed over the vesting period. The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.83%; volatility of 99.3% and an expected life of 3 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$3,261.

The share-based payment expense for the fiscal year ended October 31, 2024 was \$116,800 (\$751,794 in 2023).

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
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11. Share-Based Payments (continued from previous page)

Details of options outstanding as at October 31, 2024 are as follows:

Options Outstanding	Options Exercisable	Expiry Date	Exercise Price (\$)	Weighted average remaining contractual life (years)
4,000,000	4,000,000	September 30, 2025	0.10	0.22
3,200,000	3,200,000	September 30, 2027	0.30	0.57
250,000	-	January 31, 2027	0.30	0.03
7,400,000	7,400,000	September 30, 2028	0.20	1.78
100,000	100,000	December 1, 2028	0.20	0.03
100,000	100,000	February 26, 2029	0.20	0.03
800,000	400,000	June 30, 2029	0.25	0.23
400,000	200,000	June 30, 2027	0.25	0.07
50,000	25,000	June 30, 2027	0.20	0.01
<u>16,300,000</u>	<u>15,425,000</u>			<u>2.97</u>

Details of options outstanding as at October 31, 2023 are as follows:

Options Outstanding	Options Exercisable	Expiry Date	Exercise Price (\$)	Weighted average remaining contractual life (years)
4,000,000	4,000,000	September 30, 2025	0.10	0.52
3,200,000	3,200,000	September 30, 2027	0.30	0.84
250,000	-	January 31, 2027	0.30	0.05
7,400,000	7,400,000	September 30, 2028	0.20	2.45
<u>14,850,000</u>	<u>14,600,000</u>			<u>3.87</u>

(b) Warrants

The following table summarizes warrant activity during the year ended October 31, 2024 and 2023:

	Number of warrants	Weighted average exercise price ¹
Outstanding, October 31, 2022	6,365,550	0.14
Issued	4,451,178	0.25
Exercised	<u>(1,218,735)</u>	0.14
Outstanding, October 31, 2023	9,597,993	0.19
Issued	<u>2,665,566</u>	0.29
Outstanding, October 31, 2024	<u>12,263,559</u>	0.21

Warrants granted in fiscal year 2024 and 2023 are described in Note 10.

- i) In the first quarter of 2023, EVRIMA exercised 218,735 warrants for gross proceeds \$65,621. These warrants were issued in 2022 and each warrant entitled EVRIMA to one common share at a strike price of \$0.30 per warrant and expire in 5 years from issuance. These warrants were valued at the time of issuance, using the Black Scholes option model with the following assumptions: \$0.30 strike price, warrant using a share price of \$0.15, expected dividend yield of 0%, risk-free of 3.3%; volatility of 82% and an expected life of 5 years. At the time of exercising of the warrants the fair value of \$3,691 was transferred from warrant reserve to share capital.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

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11. Share-Based Payments (continued from previous page)

- ii) On April 28, 2023, Glenpani Capital exercised 1,000,000 warrants for gross proceeds of \$20,000. These warrants were issued in 2022 and each warrant entitled EVRIMA to one common share at a strike price of \$0.02 per warrant and expire 36 months from issuance. These warrants were valued at the time of issuance, using the Black Scholes option model with the following assumptions: \$0.02 strike price, warrant using a share price of \$0.15, expected dividend yield of 0%, risk-free of 1.4%; volatility of 42% and an expected life of 36 months. . At the time of exercising of the warrants the fair value of \$9,328 was transferred from warrant reserve to share capital.
- iii) On November 1, 2023, the Company repriced 1,281,265 warrants issued on August 1, 2022 from \$0.30 to \$0.20.
- iv) On June 21, 2024 the Gledhow Loan was amended and as a consideration the Company issued 50,000 warrants with an exercise price of \$0.25 per share until June 21, 2027 (Note 8). The fair value of these options was estimated on the date they were granted using the Black-Scholes option pricing model with the following assumptions: share price of \$0.175; expected dividend yield of 0%; risk-free interest rate of 3.74%; volatility of 99.4% and an expected life of 3 years. The volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. The fair value assigned to these options was \$4,934.

At October 31, 2024, the Company had outstanding common share purchase warrants exercisable to acquire common shares of the Company as follows:

Warrants Outstanding	Expiry Date	Exercise Price (\$)	Weighted Average remaining contractual life (years)
950,000	February 28, 2025	0.02	0.03
2,915,550	March 31, 2025	0.10	0.10
2,225,589	June 30, 2026	0.20	0.12
125,000	May 18, 2026	0.30	0.02
212,500	July 14, 2026	0.30	0.03
1,888,089	October 31, 2026	0.30	0.31
1,281,265	June 17, 2027	0.20	0.27
50,000	June 21, 2027	0.25	0.01
339,270	June 30, 2026	0.20	0.05
339,270	June 30, 2026	0.30	0.05
968,513	June 30, 2026	0.25	0.13
968,513	June 30, 2027	0.35	0.21
<u>12,263,559</u>			<u>1.33</u>

At October 31, 2023, the Company had outstanding common share purchase warrants exercisable to acquire common shares of the Company as follows:

Warrants Outstanding	Expiry Date	Exercise Price (\$)	Weighted Average remaining contractual life (years)
950,000	February 28, 2025	0.02	0.13
2,915,550	March 31, 2025	0.10	0.43
2,225,589	June 30, 2026	0.20	0.39
125,000	May 18, 2026	0.20	0.03
212,500	July 14, 2026	0.20	0.06
1,888,089	October 31, 2026	0.30	0.59
1,281,265	June 17, 2027	0.30	0.48
<u>9,597,993</u>			<u>2.11</u>

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

12. Loss per share

	2024	2023
Basic and diluted loss per share		
Net loss for the year	3,911,757	2,331,309
Average number of common shares outstanding during the year	54,317,134	49,810,416
Loss per share – basic	(0.07)	(0.05)

- Nil (2023 – 3,865,550) in the money warrants have been included in the calculation of diluted loss per share as their impact would be anti-dilutive
- 4,000,000 (2023 – 4,000,000) in the money stock options have not been included in the calculation if diluted loss per share as their impact would be antidilutive.
- 597,819 (2023 – 597,819) in the money convertible debt options not been included in the calculation if diluted loss per share as their impact would be antidilutive.

13. Related Party Transactions

Compensation of Key Management

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the Company's operations, directly or indirectly. The key management personnel of the Company are the members of the executive management team and the Board of Directors.

Compensation provided to key management during the year was as follows:

For the year ended	2024	2023
	\$	\$
Salary and fees	85,862	180,340
Stock based compensation	–	751,794
Total	85,862	932,134

These transactions are in the normal course of operations and are measured at exchange amount, which the amount of consideration established and agreed by the related parties.

Related party transactions

EVRIMA PLC is deemed to be a related party to the Company because two of their respective Board of Director also hold Board of Director seats for the Company. During the fiscal year ended October 31, 2024, EVRIMA provided administrative services to the Company totaling \$52,862 (\$17,074 in 2023). As at October 31, 2024 \$984 is owed to EVRIMA in accounts payable (Nil in 2023).

Aegis Instruments (PYT) Ltd is deemed to be a related party to the Company because the owner is a Board member of the Company's subsidiary, EVB. During the fiscal year ended October 31, 2024, AEGIS provided administrative services to the Company totaling \$12,668 (\$11,359 in 2023). As at October 31, 2024, Nil is owed to AEGIS in accounts payable (\$576 in 2023).

2835889 Ontario Inc. is deemed to be a related party to the Company because it is owned by the former CFO of the Company. During the fiscal year ended October 31, 2024, 2835889 Ontario Inc. provided professional services to the Company totaling \$100,200 (Nil in 2023). As at October 31, 2024, \$70,512 is owed to 2835889 Ontario Inc. in accounts payable (Nil in 2023).

Dr. Gomotsang Thoso is deemed to be a related party to the Company because she is the Managing Director of the Company's subsidiary, EVB. During the fiscal year ended October 31, 2024, she received a salary of \$85,862 (\$84,702 in 2023).

As at October 31, 2024, the Company's due to Directors balance was \$117,983 (\$60,325 in 2023). These funds are to the Directors for having advanced funds on behalf of the Company to support the Company's working capital needs. This balance is not interest bearing and there are no set terms of repayment.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

13. Related Party Transactions *(continued from previous page)*

Due from related parties

	2024	2023
	\$	\$
Hill 79	246,750	246,750
Globe Capital	139,699	139,699
Total due from related parties	386,449	386,449
Expected credit loss (ECL)	(386,449)	(386,449)
Balance	-	-

Hill 79 is a privately owned exploration company with operation in the northern Canadian territories. Hill 79 is deemed to be a related party as one of the Company's Director is a Shareholder in Hill 79. These funds were advanced at no interest with no terms of repayment.

Globe Capital ("Globe") is an investment company listed on the Aquis stock exchange under the stock ticker GCAP. Globe is deemed to be a related party as two of the Company's Director are also Board of Directors of Globe. These funds were advanced at 10% interest rate and repayable on November 21, 2027. Prior to recognizing the expected credit loss during the year ended October 31, 2023, the balance consisted of \$133,182 in principal and \$6,517 interest for total amount due of \$139,699.

As at fiscal year ended October 31, 2023, both Hill 79 and Globe Capital have not arranged sufficient financing to settle their debts with the Company. On that basis the Company has concluded that until both entities are able to support repayment, the balances are effectively impaired and a full expected credit loss has been recorded.

14. Financial Instruments

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, market risk and currency risk. The carrying value of cash and cash equivalents, amounts due to related, trade payables and accrued liabilities, loan payable and convertible loans approximate their fair value due to their short-term nature. Such fair value estimates are not necessarily indicative of the amounts the Company might pay or receive in actual market transactions. Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table shows the levels with the hierarchy if financial assets and liabilities measure at fair value on recurring basis:

	October 31, 2024			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<u>Financial assets</u>				
Cash and cash equivalents	135,808	-	-	135,808
Investments	723,756	-	14,305	738,061
Total financial assets	859,564	-	14,305	873,869
<u>Financial liabilities</u>				
Conversion liabilities	-	375,298	-	375,298
Total financial liabilities	-	375,298	-	375,298

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

14. Financial Instruments (continued from previous page)

	October 31, 2023			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<u>Financial assets</u>				
Cash and cash equivalents	298,285	-	-	298,285
Investments	3,365,070	9,100	10,000	3,384,170
Total financial assets	3,663,355	9,100	10,000	3,682,455
<u>Financial liabilities</u>				
Accounts payable and accrued liabilities	-	95,250	-	95,250
Conversion liabilities	-	37,394	-	37,394
Total financial liabilities	-	132,644	-	132,644

15. Risk Management

Credit risk

The carrying amount of the cash and cash equivalents, investments and amounts due from related parties included in the statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has no significant concentrations of credit risk.

The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The credit risk on investments is limited because the counterparty is a well-established securities broker firm.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

Liquidity Risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

15. Risk Management *(continued from previous page)*

The maturity analysis, based on cash flows, of the Group's financial liabilities is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	\$	\$	\$	\$
October 31, 2024				
Accounts payable and accrued liabilities	1,005,819	-	-	-
Due to related Director	117,983	-	-	-
Convertible loans	1,315,780	-	-	-
Total	2,439,582	-	-	-
October 31, 2023				
Accounts payable and accrued liabilities	667,244	-	-	-
Due to related Director	60,325	-	-	-
Convertible loans	1,688,767	-	-	-
Total	2,416,336	-	-	-

Interest Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's financial assets and liabilities are substantially independent of changes in market interest rates.

Price Risk – Financial Assets

The Group's investments at fair value through profit or loss are measured at fair value at the end of each reporting period. Therefore, the Group is exposed to equity security price risk. The directors manage this exposure by maintaining a portfolio of investments with difference risk profiles.

At October 31, 2024, if the share prices of the investments increase/decrease by 10%, loss before tax for the year would have been \$73,806 higher/lower, arising as a result of the fair value gain/loss of the investments.

At October 31, 2023, if the share prices of the investments increase/decrease by 10%, loss before tax for the year would have been \$338,417 higher/lower, arising as a result of the fair value gain/loss of the investments.

Foreign Exchange Risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities Botswana Pula ("BWP") and Canadian dollars. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Based on management's analysis, the impact of a 5% increase in BWP would not result in a material change to the financial position or net loss and comprehensive loss for the year ended October 31, 2024 and the year ended October 31, 2023.

Based on management's analysis, the impact of a 5% increase/decrease in USD and a 5% increase/decrease in CAD, would result in a change in the Convertible loan's fair value of \$59,457 as at October 31, 2024.

Based on management's analysis, the impact of a 5% increase/decrease in USD and a 5% increase/decrease in CAD, would result in a change in the Convertible loan's fair value of \$73,222 as at October 31, 2023.

Based on management's analysis, the impact of a 5% increase/decrease in USD, would not result in a material change in the Cash and cash equivalent balance as at October 31, 2024 and 2023.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

15. Risk Management *(continued from previous page)*

Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as a going concern, so that adequate funds are available or are scheduled to be raised to meet its ongoing operating and administrative costs and obligations. This is achieved by the Board of Directors' review and ultimate approval of budgets that are achievable within existing resources, and the timely matching and release of the next stage of expenditures with the resources made available from capital raises and debt funding from related or other parties. In doing so, the Company may issue new shares, restructure or issue new debt.

The Company is not subject to any externally imposed capital requirements imposed by a regulator or a lending institution. In the management of capital, the Company includes the components of equity and debt (loans and convertible loans), net of cash.

	2024	2023
	\$	\$
Shareholder's equity	(1,733,270)	1,234,956
Convertible loans	1,315,780	1,688,767
	(417,490)	2,923,723
Cash	135,808	(298,285)
	(281,682)	2,625,438

16. Commitments and Contingencies

Commitments

The Company has certain contractual financial obligations relating to prospecting licensing minimum exploration commitments at its sites in Botswana and some rental agreements. The annual minimum payments payable under these obligations over the next five fiscal years and thereafter are as follows:

	\$
October 31, 2025	605,956
October 31, 2026	379,534
Thereafter	2,933
	<u>988,423</u>

Contingencies

The Company's operations are subject to governmental laws and regulations regarding environmental protection. Environments' consequences, their impact and their duration are difficult to determine. To the best of its knowledge, management believes that the Company's operations are in compliance with all applicable laws and regulations. Provisions for estimated costs are recorded when environmental remedial efforts are likely and costs can be reasonably estimated.

17. Segment information

The Group's operating segment is determined based on information reported to the chief operating decision maker (the "CODM") of the Group, being the executive Directors throughout the year, for the purpose of resource allocation and performance assessment. For management purpose, the Group operates in one business unit, and its sole operating segment is the exploration activities in Botswana. The CODM monitors the revenue, results, assets and liabilities of its business unit as a whole and regularly reviews financial information prepared in accordance with IFRSs which is consistent with those presented in the consolidated financial statements, and without further discrete financial information. Accordingly, no analysis of segment information other than entity-wide information is presented.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

18. Income tax expense

	2024 \$	2023 \$
Current tax		
Provision for the year	-	-

The reconciliation between the income tax expense and the product of profit before tax multiplied by Canadian Profits Tax rate is as follows:

	2024 \$	2023 \$
Loss before tax	(4,037,681)	(2,766,253)
Tax at the domestic income tax rate of 26.5% (2023: 26.5%)	(1,069,985)	(733,057)
Tax effect of income that is not taxable		
Tax effect of (income) expenses that are not (taxable) deductible	9,924	(74,270)
Foreign tax differential	36,622	46,154
Impact of debt extinguishment	-	102,409
Stock compensation	32,258	199,255
Fair value adjustment taxed at capital gains rates	209,630	128,023
Origination and reversal of temporary differences not recognized	487,427	225,611
Income tax expense (recovery)	(294,124)	(105,875)

The following is a reconciliation of the deferred tax assets and liabilities recognized by the Company:

	Opening December 31, 2023 \$	Recognized in Income \$	Recognized in Equity \$	Ending December 31, 2024 \$
Non-capital losses	90,228	1,926	-	92,154
Share issuance costs	5,201	(5,201)	-	-
Investments	(419,896)	328,616	-	(91,280)
Debt	31,577	(31,217)	(1,234)	(874)
	(292,890)	294,124	(1,234)	-

	Opening December 31, 2022 \$	Recognized in Income \$	Recognized in Equity \$	Ending December 31, 2023 \$
Non-capital losses	114,665	(24,437)	-	90,228
Share issuance costs	5,687	(486)	-	5,201
Investments	(542,189)	122,293	-	(419,896)
Debt	23,072	8,505	-	31,577
	(398,765)	105,875	-	(292,890)

The Company concluded that there is uncertainty regarding the future recoverability of the Company's deferred income tax assets in future periods. Therefore, deferred tax assets have not been recognized in the financial statements with respect to non-capital losses in the amount of \$4,057,131 in Botswana. These losses may be carried forward indefinitely.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023
(expressed in Canadian Dollars, except share amounts or where otherwise stated)

19. Exploration and evaluation expenditures

Details of the general exploration expenses by properties as at October 31, 2024 as follows:

	Matsitama	Jwaneng	Semarule	Foley	Keng	Selebi	Total
	\$	\$	\$	\$	\$	\$	\$
Acquired exploration and evaluation	302,143	-	-	-	-	-	302,143
Labour costs	148,774	2,232	5,879	-	-	3,378	160,263
Site and vehicle costs	41,319	5,599	4,569	218	633	5,430	57,768
Drilling	255,887	-	6,177	-	-	-	262,064
Geophysical and geological costs	92,315	-	781	2,240	14,387	49,674	159,397
Total	840,438	7,831	17,406	2,458	15,020	58,482	941,635

Details of the general exploration expenses by properties as at October 31, 2023 as follows:

	Matsitama	Jwaneng	Semarule	Foley	Keng	Selebi	Total
	\$	\$	\$	\$	\$	\$	\$
Acquired exploration and evaluation	116,511	-	-	-	-	-	116,511
Labour costs	125,249	799	1,062	-	-	5,611	132,721
Site and vehicle costs	55,908	1,872	739	532	186	11,873	71,110
Drilling	176,124	131	1,924	-	-	910	179,089
Geophysical and geological costs	35,000	-	196	-	-	-	35,196
Total	508,792	2,802	3,921	532	186	18,394	534,627

For the year ended October 31, 2024, the Company had five exploration sites (six explorations sites for the year ended October 31, 2023), which consisted of 16 exploration licenses.

The Company maintain in total, 5 projects located in the south-east and north-east of Botswana and the projects are prospective for: Copper, Nickel, Uranium, Rare Earth Elements and Diamonds. The Company's will continue to maintain these mineral interests to the extent the on-going exploration yield successful results. The objective of the Company is to make material mineral discoveries that can be developed into economic deposits, which will then lead to the sale of the mineral interest(s) or a Joint-Venture Participation and Mining Operation.

The below table represents the Prospecting Licenses (PL) held by the Company, tenure and our remaining financial obligations associated in the event we elect to maintain the Prospecting Licenses for which election will be contingent on the success of the work conducted.

Project	Country	Issued	Expiry	Commitment \$
Foley	Botswana	01-Jan-21	30-Jun-26	15,500
Semarule	Botswana	01-Apr-23	31-Mar-26	164,423
Selebi	Botswana	01-Jul-21	30-Jun-26	123,579
Keng	Botswana	01-Jan-21	30-Jun-26	36,026
Matsitama	Botswana	01-Apr-22	31-Mar-26	648,895
Total commitment over remaining licensed period				988,423

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

20. Events After The Reporting Period

1. On December 1, 2024, Burns Singh Tennent-Bhoi, CEO and Director of the Group, entered into a loan facility agreement ("Loan Facility") with the Group whereby Burns Singh Tennent-Bhoi will provide a loan facility of up to \$360,000 (US\$250,000) to the Group. Interest shall accrue immediately upon drawdown at a fixed rate of 5% per annum and the repayment date is December 31, 2030. On May 6, 2025, the Group amended the Loan Facility whereby the loan will be subject to a 15% annual fixed rate interest effective January 1, 2025. All terms remained the same.
2. On December 17, 2024, the Company completed a non-brokered private placement whereby the Company issued 525,000 units of the Company (the "Units") at a price of \$0.25 per Unit for gross proceeds of \$131,250. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the Company becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until 24 months from the Company becomes a publicly listed company.
3. In February 2025, 950,000 performance warrants were exercised at \$0.02 per share and 250,000 stock options were forfeited.
4. In February 2025, Simon Bate, director of the Group's subsidiaries, was indebted \$15,000 to the Group. The loan bears an interest rate of 5% and is due on October 31, 2049.
5. On March 14, 2025, Eastport entered into a definitive amalgamation agreement (the "Definitive Agreement") with Penbar Capital Ltd. ("Penbar"), an arm's length party, pursuant to which Penbar intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport by way of a three-cornered amalgamation, subject to regulatory approval including that of the TSX Venture Exchange (the "Exchange"). The Acquisition is expected to result in the issuance, to each shareholder of Eastport, 0.7143 of one post-consolidation common share for each one Eastport common share held by such holder immediately prior to the closing of the Acquisition.
6. On March 14, 2025, the Group issued 6,000,000 performance warrants to directors and a consultant. Performance warrants will fully vest upon completion of all of the below milestones:
 - (i) Completion of concurrent financing for a proposed Qualifying Transaction;
 - (ii) Successful completion of the proposed Acquisition resulting in the Group becoming a publicly listed company;
 - (iii) Completion of the recommended work program set out in the technical report.

In addition, the performance warrants shall not vest until all milestones have been satisfied (there shall be no staged/partial vesting conditions attributed to each milestone independent of one another). Each performance warrant entitles the holder to purchase one common share at an exercise price of \$0.05 until five years from the date of grant.

7. On March 14, 2025, certain stock option holders signed a voluntary surrendering letter whereby at the time the Group becomes a publicly listed company an aggregate of 14,800,000 stock options shall be cancelled.
8. On March 31, 2025, 2,915,550 warrants were exercised at \$0.10 per share.
9. On May 19, 2025, the Company entered into a shares for debt settlement with an arm's length party to settle \$10,000 of debt with 40,000 of the Company's shares.
10. On May 26, 2025, the Company entered into an amended and restated amalgamation agreement with Penbar, including the terms of the related financing for subscription receipts of EVI, in connection with Penbar's proposed qualifying transaction.

In connection with the proposed Acquisition, Penbar will effect a consolidation of its outstanding common shares on the basis of seven pre-consolidation common shares for every one post-consolidation common share.

In accordance with the terms of the amended and restated amalgamation agreement, each holder of shares of the Company will exchange the holder's shares for common shares in the capital of the resulting issuer on the basis of 0.2941 fully paid and non-assessable resulting issuer common shares for every one EVI share held.

Notes to the Consolidated Financial Statements

For the years ended October 31, 2024 and 2023

(expressed in Canadian Dollars, except share amounts or where otherwise stated)

20. Events After The Reporting Period *(continued from previous page)*

Prior to the completion of the Acquisition, the Company is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$3,250,000 and up to a maximum gross proceeds of \$5,000,000. Each subscription receipt will be issued at a price of \$0.18 per subscription receipt. Each subscription receipt will convert into one (1) EVI unit. Each EVI unit will consist of one EVI share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional EVI share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional EVI share at a price of \$0.50 for a period of 24 months following the date of the listing.

11. On June 12, 2025, the Company entered into an amending agreement with ZCI whereby if a qualifying transaction between the Company and Penbar is completed on or before 18 September 2025, the loan and accrued interest shall be convertible into approximately 8,318,656 common shares of the Company at \$0.18 per share. On June 23, 2025, the Company entered into a supplemental side letter to the June 12, 2025 amending agreement to agree that no further interest and grace fees shall accrue provided and that the Company completes the qualify transaction with Penbar on or before September 30, 2025. In the event that the qualifying transaction is not completed on or before September 30, 2025, grace fees and interest shall revert to those as determined in the January 3, 2024 amending agreement effective October 1, 2025.

APPENDIX "D" – EASTPORT MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview

This Management's Discussion and Analysis ("MD&A") of financial results and related data of Eastport Ventures Inc. ("Eastport" or the "Company") is reported in Canadian dollars and has been prepared in accordance with IFRS® Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board. To the extent which may be appropriate, this MD&A should be read in conjunction with the annual audited consolidated financial statements for the years ended October 31, 2024 and October 31, 2023.

This commentary is as of September 29, 2025. The reader should be aware that historical results are not necessarily indicative of future performance.

Forward-Looking Statements

This MD&A contains forward-looking information which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, future plans and objectives, competitive positioning, requirements for additional capital, government regulation of operations, environmental risks and the timing and possible outcome of litigation and regulatory matters. All statements other than statements of historical fact, included in this MD&A that address activities, events or developments that the Company expects or anticipates may occur in the future are forward-looking statements. Often, but not always, forward-looking statements can be identified by use of forward-looking words such as "may", "could", "would", "might", "will", "expect", "intend", "plan", "budget", "scheduled", "estimate", "anticipate", "believe", "forecast", "future" or "continue" or the negative thereof or similar variations. Forward-looking statements are based on certain assumptions and analyses made by the Company, in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and known and unknown risks, many of which are outside the control of the Company, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, general business, economic, competitive, political and social uncertainties, the actual results of current operations, industry conditions, research and development activities, intellectual property and other proprietary rights, production risks, liabilities inherent in the mining industry, accidents, labour disputes, delays in obtaining regulatory approvals or financing and general market factors, including interest rates, currency exchange rates, equity markets, business competition, changes in government regulations. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause results to differ from those anticipated.

Forward-looking statements contained in this MD&A are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events, results or otherwise, except as required by applicable securities laws.

Business Background

Eastport Ventures Inc. (the "Company" or "Eastport") was incorporated under the Ontario Business Corporations Act on June 14, 2017. The Company is currently engaged in the acquisition, exploration and development of mineral properties in Botswana. The head office and principal address of the Company is Suite 409, 22 Leader Lane, Toronto, Ontario, M5E 0B2.

Since incorporation, Eastport Ventures Inc. through its wholly owned subsidiaries (Botswana); Eastport Ventures (Botswana) Pty Ltd ("EVB") & Current Exploration Solutions Pty Ltd ("CES") have acquired a total of 6 mineral projects providing the Company exposure to critical metals including Copper (Cu), Nickel (Ni), Uranium (U), Rare Earth Elements (REE) & Diamonds.

The Company was formed by seasoned explorers, engineers, metals traders, corporate financiers and public-market executives that have many decades of experience in the mineral and capital markets industry. The core objective for Eastport is to develop its mineral projects through the development and value curve, with the commercial objective of materialising value for its shareholders to be realised through the sale of the Company's mineral interest(s), joint-venture transactions and, where appropriate, mining operations.

On August 30, 2024, the Group signed a binding letter of intent with Bow Lake Capital Corp. ("Bow Lake") in respect of the proposed business combination transaction whereby Bow Lake intends to acquire all of the issued and outstanding securities of the Group (the "Acquisition"). On November 7, 2024, the Acquisition was terminated.

On March 14, 2025, Eastport entered into a definitive amalgamation agreement (the "Definitive Agreement") with Penbar Capital Ltd. ("Penbar"), an arm's length party, pursuant to which Penbar intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport by way of a three-cornered amalgamation, subject to regulatory approval including that of the TSX Venture Exchange (the "Exchange").

On May 26, 2025, the Company entered into an amended and restated amalgamation agreement with Penbar, including the terms of the related financing for subscription receipts of EVI, in connection with Penbar's proposed qualifying transaction.

In connection with the proposed Acquisition, Penbar will effect a consolidation of its outstanding common shares on the basis of seven pre-consolidation common shares for every one post-consolidation common share.

In accordance with the terms of the amended and restated amalgamation agreement, each holder of shares of the Company will exchange the holder's shares for common shares in the capital of the resulting issuer on the basis of 0.2941 fully paid and non-assessable resulting issuer common shares for every one Eastport share held.

Prior to the completion of the Acquisition, the Company is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$3,250,000 and up to a maximum gross proceeds of \$5,000,000. Each subscription receipt will be issued at a price of \$0.18 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.50 for a period of 24 months following the date of the listing.

Eastport's Principal Project: Matsitama Copper Project

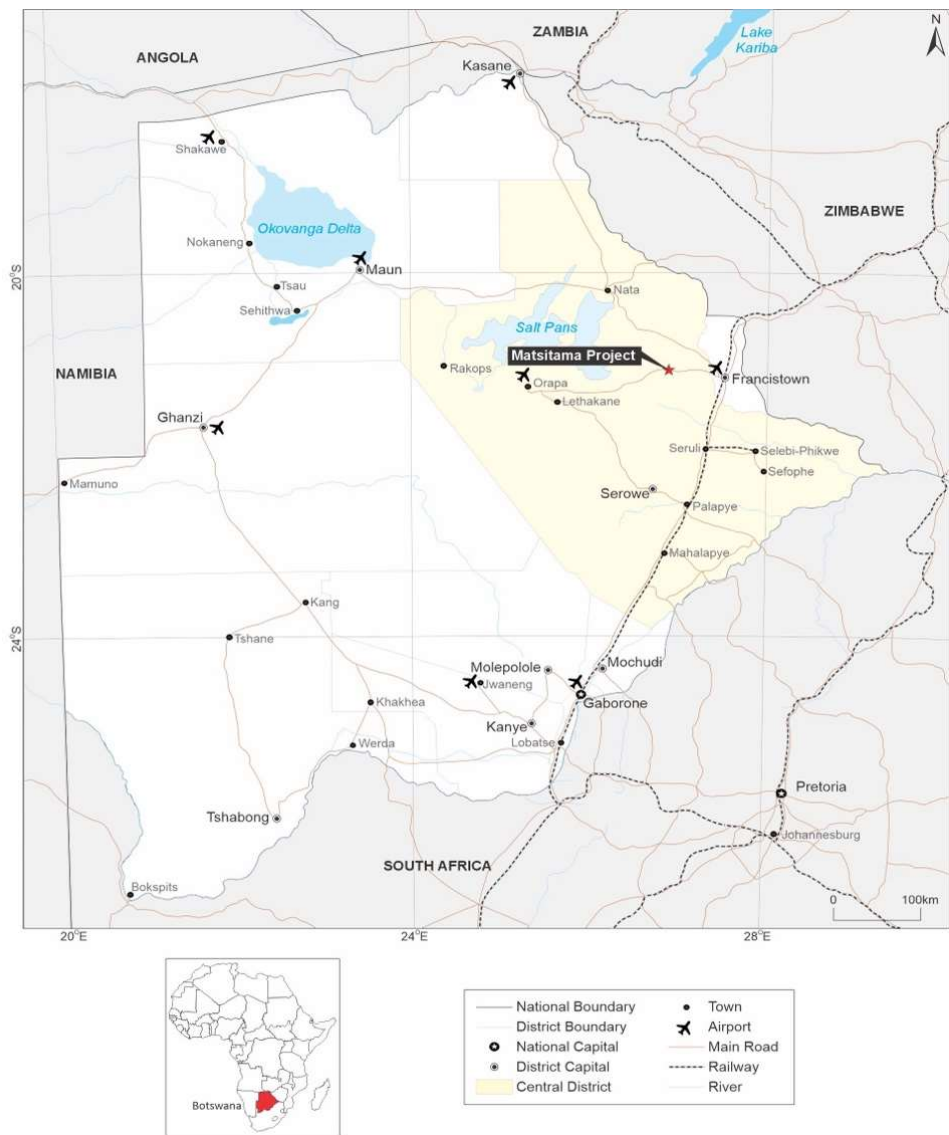
On February 22, 2022, the Company completed the acquisition of the shares of Matsitama Minerals Proprietary Ltd. ("MAT"), from ZCI Limited, which held the rights to the prospecting licenses to the Matsitama copper project in Matsitama, Botswana. The shares were purchased jointly through the Company's subsidiary, EVB.

Under the initial terms of the transaction, the Company funded the acquisition by:

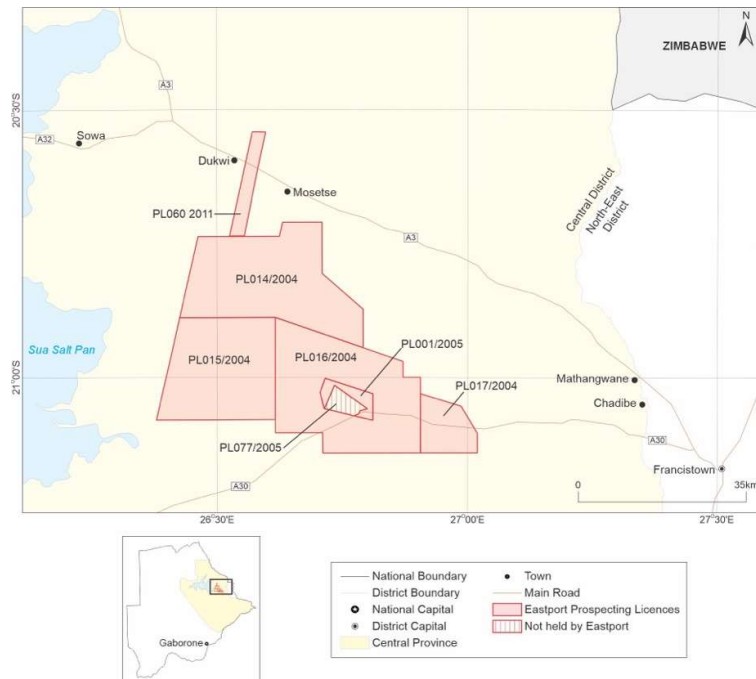
- Initial cash consideration \$381,966 (US \$300,000) plus closing/transaction cost of \$56,093;
- Issuance of a \$1,274,300 (US\$1,000,000) convertible loan at a 10% interest rate, (the "Convertible Loan");
- Common shares in the Company with a fair market value of \$95,250 (US \$75,000) upon becoming a publicly traded company, accrued as a liability;
- The Company was initially required to be publicly listed by August 30, 2022, this date is later extended into fiscal 2023 as described below on June 21, 2023;
- The Company had pre-existing relations with MAT and had advanced them \$122,451 prior the acquisition, which was accounted for as part of the consideration; and
- The agreement stipulates that the Company must undertake minimum exploration activities and minimum annual expenditures to remain in compliance with the Mines and Minerals Act as required for each license. If the Company breaches this requirement and does not rectify it, the seller is entitled to cancel the agreement and require the Company to restore possession of the shares of MAT to the seller without consideration.

The Transaction does not constitute a business combination and has been accounted for as an asset acquisition. Additionally, the Company agreed to certain contingent considerations that included the following (together the "Contingent Consideration"):

- i. Delay in initial public offering fee (grace fee) of US\$20,000 per 30-day period post 90-days August 30, 2022;
- ii. US\$800,000 due 90-days from the completion of a feasibility study being filed with the appropriate regulatory authority;
- iii. Cash payment of US\$1,500,000 on or before 180-days when and if commercial production of minerals commences;
- iv. 0.85% net smelter returns royalty.



Location of Matsitama Project in Botswana



The Matsitama Copper Prospecting Licenses

On June 22, 2023, the Company renegotiated an amendment to the agreement to address not having taken the Company public in 2022.

The amendment extended the listing date to September 30, 2023 in exchange for the following consideration:

- Extend the listing date of the Company to September 30, 2023;
- Replace the current Convertible loan with a new a new loan of \$1,394,000 (US\$1,060,000).
- Cancel prior agreement grace fee accruals.
- Delay in public listing fee (grace fee) of US\$20,000 per 30-day period post 90-days September 30, 2023;
- Incremental increase to the cash consideration of \$69,615 (US\$50,000 cash) paid on July 12, 2023, plus transaction costs of \$6,676.
- Cash of \$65,800 (US\$50,000) on or 14-days before the IPO date.

In December 2023 the loan matured and on January 3, 2024, the Company renewed the outstanding principle and included the accrued interest in the principle. As a result, the principle increased by \$71,261 (US\$53,145), bringing the principal to \$1,492,592 (US\$1,113,145). The loan and accrued interest are now convertible into common shares of the Company once it becomes a listed entity, and the conversion price is measured based on the 14 day volume weighted average trading price ("VWAP") of the common shares. The following payment terms are required until the Company becomes a publicly listed entity:

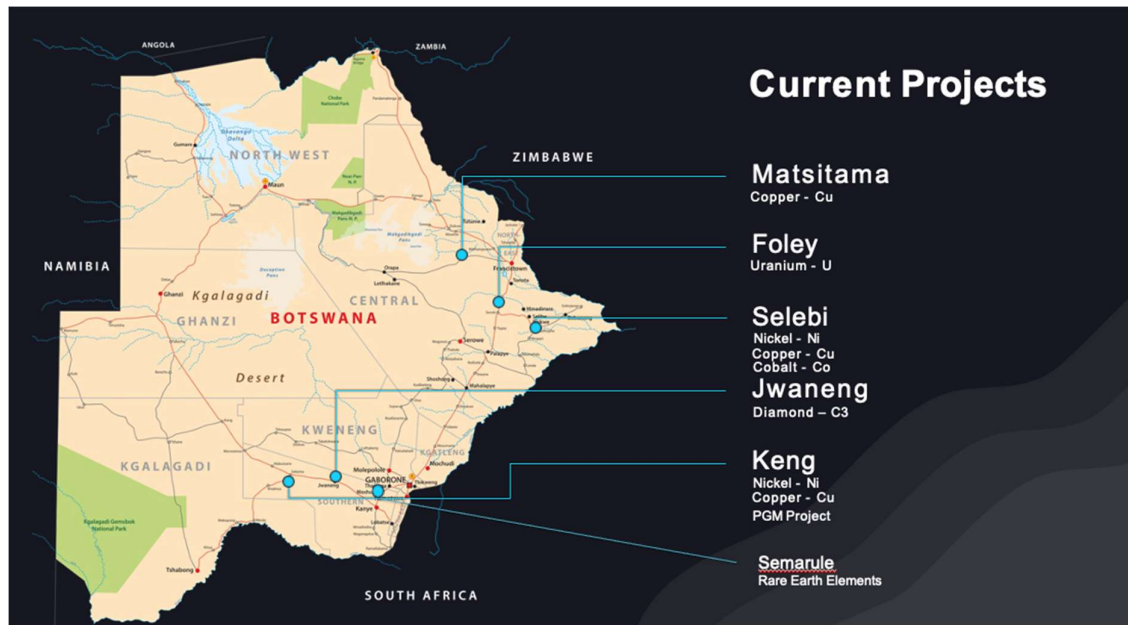
- Loan repayment of US\$ 125,000 payable in March 2024 (paid);
- Loan repayment of US\$ 125,000 payable in June 2024 (\$72,169 (US\$50,000) paid on December 18, 2024;
- Prior month arrears interest payable beginning in February 2024; and
- A monthly grace fee of US\$ 20,000 until the Company is a listed entity.

In consideration for the amendment, the Company issued 678,540 units of the Company (the "Units") to ZCI. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.30 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027.

On June 12, 2025, the Company entered into an amending agreement with ZCI whereby if a qualifying transaction between the Company and Penbar is completed on or before 18 September 2025, the loan and accrued interest shall be convertible into approximately 8,917,656 common shares of the Company at \$0.18 per share. On June 23, 2025, the Company entered into a supplemental side letter to the June 12, 2025 amending agreement to agree that no further interest and grace fees shall accrue provided and that the Company completes the qualify transaction with Penbar on or before September 30, 2025. In the event that the qualifying transaction is not completed on or before September 30, 2025, grace fees and interest shall revert to those as determined in the January 3, 2024 amending agreement effective October 1, 2025.

In addition to the Company's core copper-project, Eastport Ventures Inc. holds interests in a further 5 prospective mineral projects providing exposure to; Copper, Nickel, Uranium, Rare Earth Elements & Diamonds. All the Company's mineral interests are located in the country of Botswana.

Map illustrating all of Eastport Ventures Inc.'s projects in Botswana



Properties

Eastport, through its wholly-owned subsidiaries, holds title to various properties (herein, the “Eastport Properties”). The Eastport Properties consist of sixteen (16) prospecting licenses granted by the Minister of Minerals Resources, Green Technology and Energy Security, of the Republic of Botswana (herein, the “Ministry”) in favour of EVB & CES (the “Eastport Properties” or “Prospecting Licenses”).

In the event of a viable mineral deposit being discovered, it is necessary to negotiate the terms of any mining lease with the Botswana Government. Important principles governing such negotiations are that the Botswana Government will maximize the return to the People of Botswana, subject to the licensee receiving a reasonable return on investment.

In the case of large, rich deposits such as De Beers’ Jwaneng and Orapa Diamond Mines, the Botswana Government acquired a 50% interest in the deposit via holding company, Debswana. History has shown that the working interests negotiated range between a 0% or no interest, up to a 50% interest.

Results of Operations

During the period July 31, 2025 and 2024, the Company has focused on progressing its portfolio of mineral interests in line with its financial and technical obligations.

Exploration Planning

Eastport is finalising recommended budgets provided by its Qualified Person ("QP") for the purpose of its future financing requirements in the event of successful admission to a recognised stock exchange.

RESULTS OF OPERATIONS

Nine Months Ended July 31, 2025

Eastport had a net loss of \$1,642,523 for the period ended July 31, 2025 (July 31, 2024: \$2,615,792).

Operational expenses that mainly contributed to the net loss as follows:

- Exploration activities accounted for \$251,045 (July 31, 2024: \$547,481), which consisted of mainly labour cost, which includes wages and site security, and geophysical and geological costs.
- Professional fees of \$370,422 (July 31, 2024: \$441,348), which was related to fiscal year 2024 audit, Q1 2024 interim review and proforma and filing statement review engagement, and legal fees.
- Marketing and investor relations of \$45,259 (July 31, 2024: \$178,671) was related to general marketing in preparation for listing on the TSXV.
- Share based payments of \$357,352 (July 31, 2024: \$103,544), which was related to 6m performance warrants granted to directors and a consultant in March 2025. The performance warrants will fully vest upon completion of all of the below milestones:
 - (i) Completion of concurrent financing for a proposed Qualifying Transaction;
 - (ii) Successful completion of the proposed Acquisition resulting in the Group becoming a publicly listed company;
 - (iii) Completion of the recommended work program set out in the technical report.

In addition, the performance warrants shall not vest until all milestones have been satisfied. Each performance warrant entitles the holder to purchase one common share at an exercise price of \$0.05 until five years from the date of grant.

- Expected credit loss of related party debt of \$7,500 (July 31, 2024: nil) was related to Hill 79 debt with the Company. The Company concluded that until Hill 79 is able to support repayment, the balance is effectively impaired and a full expected credit loss has been recorded during the period.
- Other expenses of \$388,498 (July 31, 2024: \$1,307,119), which include non-cash items such as, loss on disposal of investments, unrealized fair value adjustment on investments, fair value adjustments on conversion liabilities, and gain from debt extinguishment.

During the periods ended July 31, 2025 and July 31, 2024 the Company incurred exploration and evaluation expenditures.

Eastport Ventures Inc.
MANAGEMENT'S DISCUSSION & ANALYSIS
July 31, 2025

Details of the general exploration expenses by properties as at July 31, 2025 as follows:

	Matsitama	Jwaneng	Semarule	Foley	Keng	Selebi	Total
	\$	\$	\$	\$	\$	\$	\$
Labour costs	71,713	4,846	34,440	-	-	-	110,999
Site and vehicle costs	20,779	4,373	5,330	239	256	568	31,545
Drilling	14,491	69	17,480	-	-	-	32,040
Geophysical and geological costs	42,021	5	6,903	5,482	6,993	15,057	76,461
	149,004	9,293	64,153	5,721	7,249	15,625	251,045

Details of the general exploration expenses by properties as at July 31, 2024 as follows:

	Matsitama	Jwaneng	Semarule	Foley	Keng	Selebi	Total
	\$	\$	\$	\$	\$	\$	\$
Labour costs	112,486	1,327	2,469	-	-	-	116,282
Site and vehicle costs	32,947	4,185	944	216	628	8,751	47,671
Drilling	254,103	-	6,137	-	-	-	260,240
Geophysical and geological costs	57,402	-	703	2,226	14,295	48,662	123,288
	456,938	5,512	10,253	2,442	14,923	57,413	547,481

For the period ending July 31, 2025, the Company had five exploration sites (six explorations sites for the year ending July 31, 2024), which consisted of 16 exploration licenses.

The Company maintain in total, 5 projects located in the south-east and north-east of Botswana and the projects are prospective for: Copper, Nickel, Uranium, Rare Earth Elements and Diamonds. The Company's will continue to maintain these mineral interests to the extent the on-going exploration yield successful results. The objective of the Company is to make material mineral discoveries that can be developed into economic deposits, which will then lead to the sale of the mineral interest(s) or a Joint-Venture Participation and Mining Operation.

Three Months Ended July 31, 2025

Eastport had a net loss of \$449,483 for the period ended July 31, 2025 (July 31, 2024: \$485,539).

Operational expenses that mainly contributed to the net loss as follows:

- Exploration activities accounted for \$88,682 (July 31, 2024: \$83,978), which consisted of mainly labour cost, which includes wages and site security, and geophysical and geological costs.
- Professional fees of \$145,117 (July 31, 2024: \$177,128), which was related to remainder balance for the fiscal year 2024 audit, Q1 2024 interim review and legal fees.
- Marketing and investor relations of \$24,959 (July 31, 2024: \$95,300) was related to general marketing in preparation for listing on the TSXV.

- Share based payments of \$223,129 (July 31, 2024: \$90,777), which was related to 6m performance warrants granted to directors and a consultant in March 2025.
- Other expenses of \$65,585 (July 31, 2024: \$87,744), which include non-cash items such as, loss on disposal of investments, unrealized fair value adjustment on investments, fair value adjustments on conversion liabilities.

Liquidity

Eastport has financed its operations to date by the issuance of common shares and convertible debt instruments. Eastport had negative working capital of \$2,302,928 (October 31, 2024 negative working capital of \$1,816,991) and bank and cash balances of \$103,389 as at July 31, 2025 (2024: \$135,808). Further financing will be required for working capital and exploration expenditures, and whilst the Board & Management are motivated and focused to continue to raise capital, for the Company to meet its continuing financial and project-related obligations there can be no certainty that capital will be raised in line with meeting the Company's ongoing financial obligations.

Capital Resources

Eastport has no sources of revenue. The availability of equity capital, and the price at which additional equity could be issued, will be dependent upon the success of Eastport's exploration activities, and upon the state of the capital markets generally.

Off-Balance Sheet Arrangements

Eastport does not have any off-balance sheet arrangements.

Transactions with Related Parties

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the Company's operations, directly or indirectly. The key management personnel of the Company are the members of the executive management team and the Board of Directors.

Compensation provided to key management during the period was as follows:

For the nine months ended	July 31, 2025	July 31, 2024
	\$	\$
Salary and fees	46,290	44,753
Total	46,290	44,753

These transactions are in the normal course of operations and are measured at exchange amount, which is the amount of consideration established and agreed by the related parties.

Related party transactions

EVRIMA PLC is deemed to be a related party to the Company because two of their respective Board of Director also hold Board of Director seats for the Company. As at July 31, 2025 Nil (October 31, 2024 - \$984) is owed by EVRIMA in accounts payable.

Hill 79 is deemed to be a related party to the Company because one of their Board of Directors also hold Board of Director seat for the Company. During the period the Company loaned \$7,500 to Hill 79. The loan is non-interest bearing and there were no set terms of repayment. As at July 31, 2025, the Company concluded that until Hill 79 is able to support repayment, the balance is effectively impaired and a full expected credit loss has been recorded.

2835889 Ontario Inc. is deemed to be a related party to the Company because it is owned by the former CFO of the Company. During nine months ended July 31, 2025, 2835889 Ontario Inc. provided professional services to the Company totalling \$12,300. As at July 31, 2025 \$75,145 (October 31, 2024, \$70,512) is owed to 2835889 Ontario Inc. in accounts payable.

Dr. Gomotsang Thoso is deemed to be a related party to the Group because she is the Managing Director of the Group. During the period ended July 31, 2025, the Company incurred and paid a salary of \$46,290, as at July 31, 2025, nil (2024 - \$nil) is owned to her.

On December 1, 2024, Burns Singh Tennent-Bhohi, CEO, the director of the Company, entered into a loan facility agreement ("Loan Facility") with the Company whereby Burns Singh Tennent-Bhohi will provide a loan facility of up to \$360,000 (US\$250,000) to the Company. Interest shall accrue immediately upon drawdown at a fixed rate of 15% per annum and the repayment date is December 31, 2030. As of July 31, 2025, the Company had drawn \$272,252 under the Loan Facility, with accrued interest totaling \$14,700. In addition, the Company owed Mr. Tennent-Bhohi \$29,358 in a separate, non-interest-bearing amount, with no specified repayment terms. Burns Singh Tennent-Bhohi has confirmed that he does not intend to request repayment of these amounts within the next 12 months; therefore, the total amount of \$316,310 payable to Burns Singh Tennent-Bhohi is classified as long-term liability.

In February 2025, Simon Bate, director of the Group, was indebted \$15,000 to the Company. The loan bears an interest rate of 5%. As at July 31, 2025, the company record \$333 interest income (July 31, 2024: \$nil).

Proposed Transactions

On March 14, 2025, Eastport entered into a definitive amalgamation agreement Penbar Capital Ltd. ("Penbar"), an arm's length party, pursuant to which Penbar intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport by way of a three-cornered amalgamation.

On May 26, 2025, the Company entered into an amended and restated amalgamation agreement with Penbar, including the terms of the related financing for subscription receipts of Eastport, in connection with Penbar's proposed qualifying transaction.

In connection with the proposed Acquisition, Penbar will effect a consolidation of its outstanding common shares on the basis of seven pre-consolidation common shares for every one post-consolidation common share.

In accordance with the terms of the amended and restated amalgamation agreement, each holder of shares of the Company will exchange the holder's shares for common shares in the capital of the resulting issuer on the basis of 0.2941 fully paid and non-assessable resulting issuer common shares for every one Eastport share held.

Prior to the completion of the Acquisition, the Company is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$3,250,000 and up to a maximum gross proceeds of \$5,000,000. Each subscription receipt will be issued at a price of \$0.18 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.50 for a period of 24 months following the date of the listing.

Contingency

Environmental contingencies:

The Company's exploration activities are subject to various federal and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. In the future, the Company may make expenditures to comply with such laws and regulations.

Critical Accounting Estimates

(a) Valuation of share-based compensation and warrants

The Company estimates the fair value of warrants and options using the Black-Scholes Option Pricing Model which requires significant estimation around assumptions and inputs such as share price, expected term to maturity, expected volatility and expected forfeiture rates. The fair value of the underlining common shares was based on implied share price based on the most recent financings, the volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. Refer to Note 11 of the fiscal year 2024 audited consolidated financial statements for further details of significant assumptions applied to these areas of estimation.

(b) Convertible Debentures

Convertible debentures are financial instruments which are accounted for separately dependent on the nature of their components: a financial liability and an equity instrument. The identification of such components embedded within a convertible debenture requires significant judgments including; discount rates and future cash flows. When the conversion

option has a fixed conversion rate thus the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual balance, or conversion feature is accounted for as equity at issuance. Transaction costs are apportioned to the debt liability and equity component in proportion to the allocation of proceeds.

When the conversion option does not have a fixed conversion rate, the convertible debenture are convertible into a variable number of common shares such that there were liability and derivative liability components. On issuance the financial instrument is bifurcated by evaluating the fair value of the derivative liability component and the residual was assigned to the host financial liability. The fair value of the derivative liability is determined by using the Black Scholes Option Model on issuance and revalued at each reporting date. Significant judgment is required to estimate the fair value of the common share and the probability of a going public transaction.

(c) Deferred tax

Tax benefits from uncertain tax positions may be recognized when it is probable that the Company will be able to use deductible temporary differences against taxable profit: (i) whether a tax position, based solely on its technical merits, is probable to be sustained upon examination, and (ii) measuring the tax benefit as the expected value or most likely amount taking into consideration which method better predicts the realized amounts upon ultimate settlement.

Furthermore, the Corporation uses the asset and liability method in accounting for deferred taxes and mining duties. Under this method, deferred taxes are recognized for future income tax. In preparing these estimates, management is required to interpret substantially enacted legislation as well as economic and business conditions along with management's tax and corporate structure plans which may impact taxable income in future periods.

(d) Estimated useful lives and depreciation of property, plant and equipment

Depreciation of property, plant and equipment is dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

(e) Valuation of investments in private entities

The Company values its investments in private entities at fair value at each reporting date. When the fair values of these financial instruments cannot be measured based upon quoted prices in active markets, their fair value is based on estimates made by management using valuation techniques. The inputs to these valuation models are taken from observable market data where possible, including concurrent third-party investments, but where this is not feasible, a degree of judgement is required in establishing fair value. Changes in assumptions related to these inputs could affect the reported fair value of the financial instruments.

Changes in Accounting Policies including Initial Adoption

There were no change in the Company's accounting policies including initial adoption.

Financial Instruments

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, market risk and currency risk. The carrying value of bank and cash balances, amounts due to related, trade payables and accrued liabilities, loan payable and convertible loans approximate their fair value due to their short-term nature. Such fair value estimates are not necessarily indicative of the amounts the Company might pay or receive in actual market transactions. Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table shows the levels with the hierarchy if financial assets and liabilities measure at fair value on recurring basis:

July 31, 2025				
	Level 1	Level 2	Level 3	Total
Financial assets	\$	\$	\$	\$
Bank and cash balances	103,389	-	-	103,389
Investments	301,784	-	10,000	311,784
Loan receivable	-	15,333	-	15,333
Total financial assets	405,173	15,333	10,000	430,506
Financial liabilities				
Conversion liabilities	-	70,441	-	70,441
Total financial liabilities	-	70,441	-	70,441

October 31, 2024				
	Level 1	Level 2	Level 3	Total
Financial assets	\$	\$	\$	\$
Bank and cash balances	135,808	-	-	135,808
Investments	723,756	-	14,305	738,061
Total financial assets	859,564	-	14,305	873,869
Financial liabilities				
Conversion liabilities	-	375,298	-	375,298
Total financial liabilities	-	375,298	-	375,298

Risk Factors Relating to Eastport

Eastport is a mineral exploration and development company operating in the Country of Botswana. The core objective of the Company is to make economic discoveries and develop its mineral portfolio through the development and value curve to a point at which the Company can realise value through either; a sale of asset(s), joint-venture transaction(s) and or mining operations.

As at now, Eastport does not generate any revenue from its activities, and will, for the foreseeable future, be reliant on capital investment by way of equity or debt finance.

It is the opinion of the Board & Management that the following risk factors apply to Eastport Ventures Inc.

(a) Nature of Mineral Exploration

Resource exploration and development is a speculative business and involves a high degree of risk, which even a combination of experience, knowledge, and careful evaluation may not be able to overcome. The properties in which Eastport holds an interest are without a known mineral resource. Each of the Company's proposed programs on its properties is an exploratory search for resources. There can be no assurance that commercial quantities of resources will be discovered. There can also be no assurance that even if commercial quantities of resources are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors, not least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the aforementioned factors are beyond the control of Eastport.

(b) Requirement for Further Financing

Eastport has relied on equity financing to date to fund its operations. Eastport does not have sufficient financial resources to undertake all of its currently planned exploration programs. There can be no assurance that Eastport will be able to raise the financing required or that such financing can be obtained without dilution or credit risk to its shareholders. Failure to obtain additional financing on a timely basis could cause Eastport to reduce or terminate its operations or lose its interest in its properties.

(c) Volatile Metals Markets

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resource are discovered, a profitable market will exist for the sale of same, or those mineral prices will be such that Eastport's properties can be mined at a profit. Factors beyond the control of Eastport may affect the ability of Eastport to attract investors and receive further funds for exploration. Minerals prices have experienced volatile and significant price movements over short periods of time, and are affected by numerous

factors beyond the control of Eastport, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the Botswana Pula relative to other currencies), interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. In particular, the supply of and demand for metals are affected by, among other factors, political events, economic conditions and production costs in major mining regions and governmental policies.

(d) Dependence on Key Management Employees

Eastport's development to date has depended, and in the future will continue to depend, on the efforts of key management employees. The loss of any key management employees could have a material adverse effect on Eastport. Furthermore, at present, Eastport does not have key man insurance in place.

Share Capital

As at date of this MD&A, there are 60,903,744 common shares, 8,923,009 share purchase warrants, 16,050,000 stock options, and 6,000,000 performance warrants outstanding.

Overview

This Management's Discussion and Analysis ("MD&A") of financial results and related data of Eastport Ventures Inc. ("Eastport" or the "Company") is reported in Canadian dollars and has been prepared in accordance with IFRS® Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board. To the extent which may be appropriate, this MD&A should be read in conjunction with the annual audited consolidated financial statements for the years ended October 31, 2024 and October 31, 2023.

This commentary is as of August 18, 2025. The reader should be aware that historical results are not necessarily indicative of future performance.

Forward-Looking Statements

This MD&A contains forward-looking information which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, future plans and objectives, competitive positioning, requirements for additional capital, government regulation of operations, environmental risks and the timing and possible outcome of litigation and regulatory matters. All statements other than statements of historical fact, included in this MD&A that address activities, events or developments that the Company expects or anticipates may occur in the future are forward-looking statements. Often, but not always, forward-looking statements can be identified by use of forward-looking words such as "may", "could", "would", "might", "will", "expect", "intend", "plan", "budget", "scheduled", "estimate", "anticipate", "believe", "forecast", "future" or "continue" or the negative thereof or similar variations. Forward-looking statements are based on certain assumptions and analyses made by the Company, in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and known and unknown risks, many of which are outside the control of the Company, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, general business, economic, competitive, political and social uncertainties, the actual results of current operations, industry conditions, research and development activities, intellectual property and other proprietary rights, production risks, liabilities inherent in the mining industry, accidents, labour disputes, delays in obtaining regulatory approvals or financing and general market factors, including interest rates, currency exchange rates, equity markets, business competition, changes in government regulations. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause results to differ from those anticipated.

Forward-looking statements contained in this MD&A are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events, results or otherwise, except as required by applicable securities laws.

Business Background

Eastport Ventures Inc. (the "Company" or "Eastport") was incorporated under the Ontario Business Corporations Act on June 14, 2017. The Company is currently engaged in the acquisition, exploration and development of mineral properties in Botswana. The head office and principal address of the Company is Suite 409, 22 Leader Lane, Toronto, Ontario, M5E 0B2.

Since incorporation, Eastport Ventures Inc. through its wholly owned subsidiaries (Botswana); Eastport Ventures (Botswana) Pty Ltd ("EVB") & Current Exploration Solutions Pty Ltd ("CES") have acquired a total of 6 mineral projects providing the Company exposure to critical metals including Copper (Cu), Nickel (Ni), Uranium (U), Rare Earth Elements (REE) & Diamonds.

The Company was formed by seasoned explorers, engineers, metals traders, corporate financiers and public-market executives that have many decades of experience in the mineral and capital markets industry. The core objective for Eastport is to develop its mineral projects through the development and value curve, with the commercial objective of materialising value for its shareholders to be realised through the sale of the Company's mineral interest(s), joint-venture transactions and, where appropriate, mining operations.

Eastport's Principal Project: Matsitama Copper Project

On February 22, 2022, the Company completed the acquisition of the shares of Matsitama Minerals Proprietary Ltd. ("MAT"), from ZCI Limited, which held the rights to the prospecting licenses to the Matsitama copper project in Matsitama, Botswana. The shares were purchased jointly through the Company's subsidiary EVB.

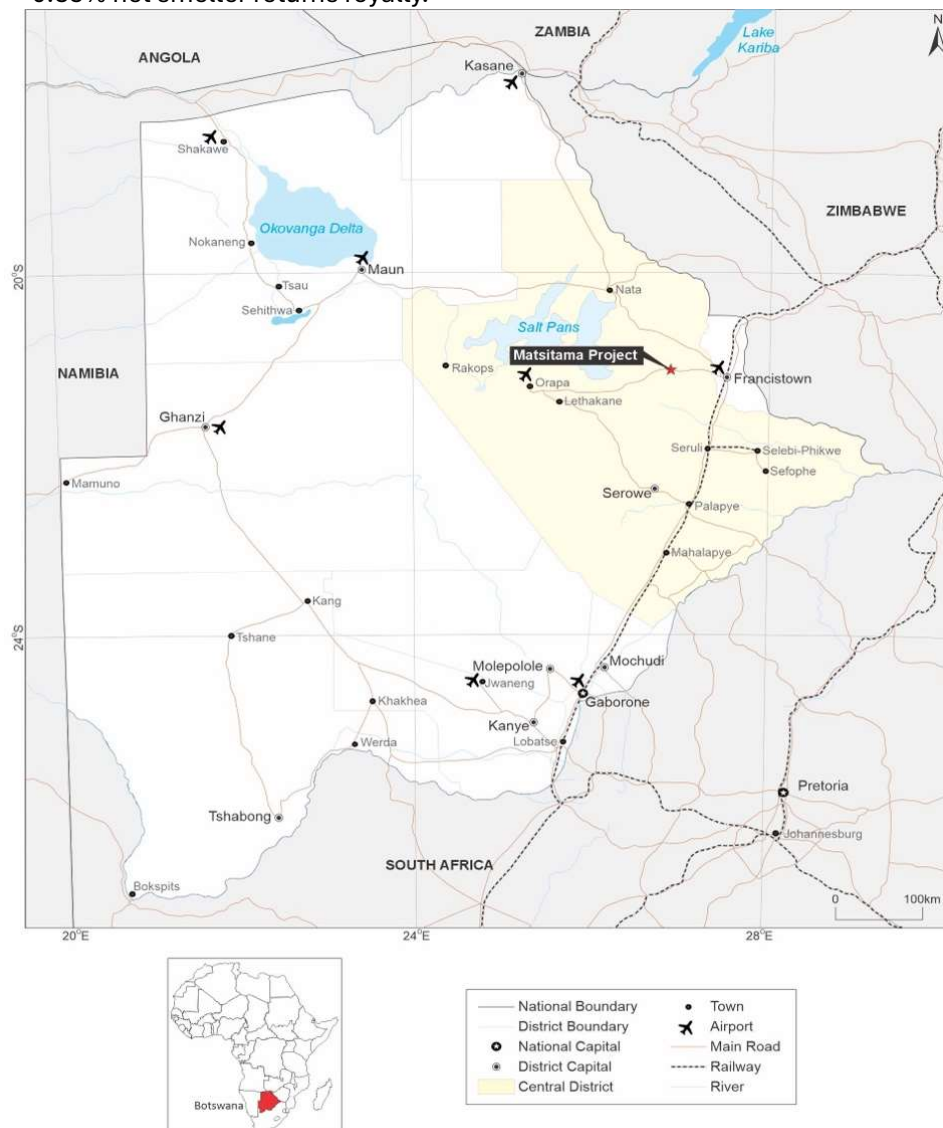
Under the initial terms of the Transaction, the Company funded the acquisition by:

- Initial cash consideration \$381,966 (US \$300,000) plus closing/transaction cost of \$56,093;
- Issuance of a \$1,274,300 (US\$1,000,000) convertible loan at a 10% interest rate, (the "Convertible Loan");
- Common shares in the Company with a fair market value of \$95,250 (US \$75,000) upon becoming a publicly traded company, accrued as a liability;
- The Company was initially required to be publicly listed by August 30, 2022, this date is later extended into fiscal 2023 as described below on June 21, 2023;
- The Company had pre-existing relations with MAT and had advanced them \$122,451 prior the acquisition, which was accounted for as part of the consideration; and
- The agreement stipulates that the Company must undertake minimum exploration activities and minimum annual expenditures to remain in compliance with the Mines and Minerals Act as required for each license. If the Company breaches this requirement and

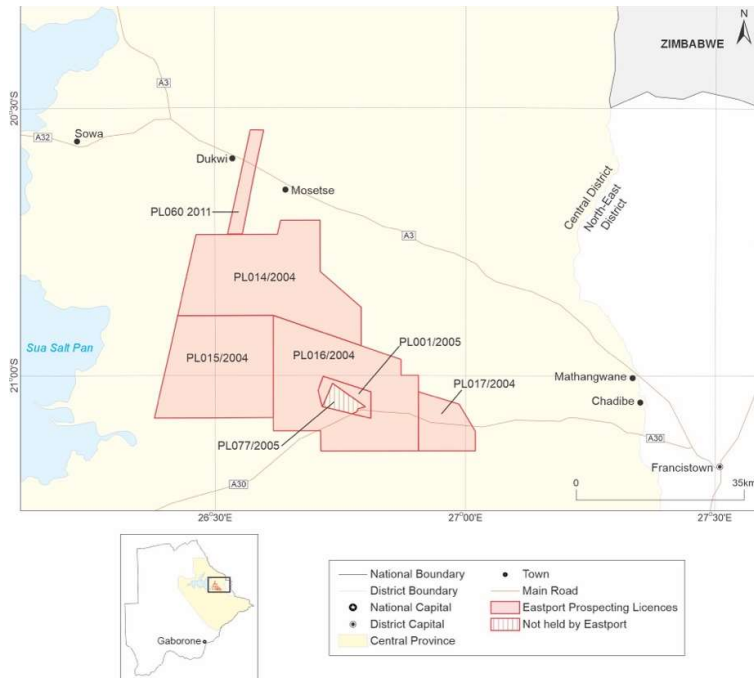
does not rectify it, the seller is entitled to cancel the agreement and require the Company to restore possession of the shares of MAT to the seller without consideration.

The Transaction does not constitute a business combination and has been accounted for as an asset acquisition. Additionally, the Company agreed to certain contingent considerations that included the following (together the "Contingent Consideration"):

- i. Delay in initial public offering fee (grace fee) of US\$20,000 per 30-day period post 90-days August 30, 2022;
- ii. US\$800,000 due 90-days from the completion of a feasibility study being filed with the appropriate regulatory authority;
- iii. Cash payment of US\$1,500,000 on or before 180-days when and if commercial production of minerals commences;
- iv. 0.85% net smelter returns royalty.



Location of Matsitama Project in Botswana



The Matsitama Copper Prospecting Licenses

On June 22, 2023, the Company renegotiated an amendment to the agreement to address not having taken the Company public in 2022.

The amendment extended the listing date to September 30, 2023 in exchange for the following consideration:

- Extend the listing date of the Company to September 30, 2023;
- Replace the current Convertible loan with a new a new loan of \$1,394,000 (US\$1,060,000).
- Cancel prior agreement grace fee accruals.
- Delay in public listing fee (grace fee) of US\$20,000 per 30-day period post 90-days September 30, 2023;
- Incremental increase to the cash consideration of \$69,615 (US\$50,000 cash) paid on July 12, 2023, plus transaction costs of \$6,676.
- Cash of \$65,800 (US\$50,000) on or 14-days before the IPO date.

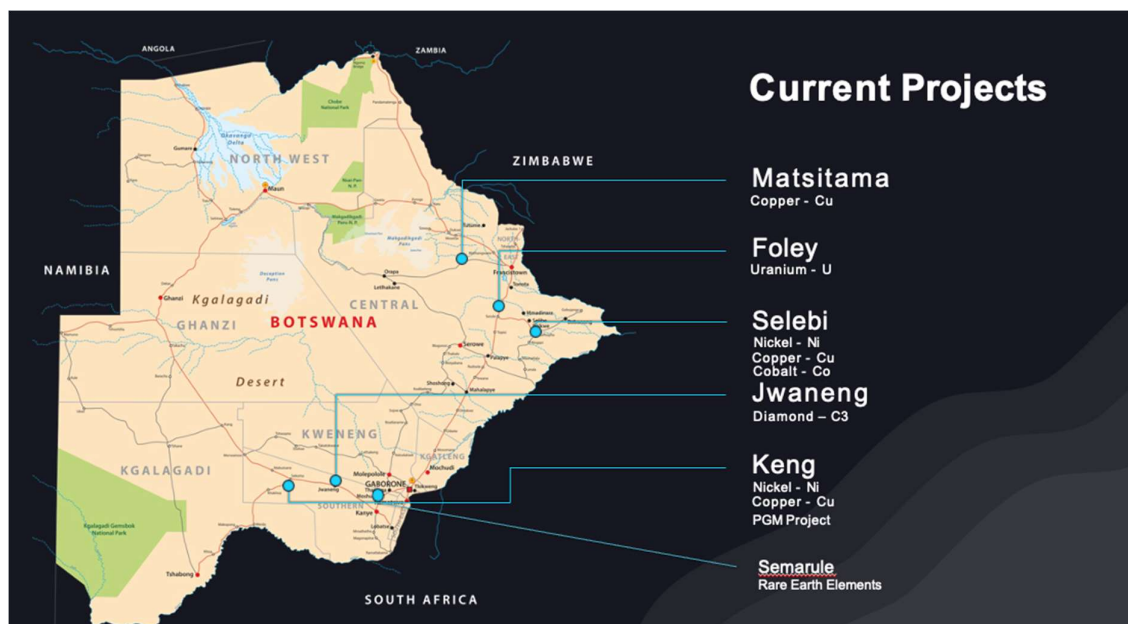
In December 2023 the loan matured and on January 3, 2024, the Company renewed the outstanding principle and included the accrued interest in the principle. As a result, the principle increased by \$71,261 (US\$53,145), bringing the principal to \$1,492,592 (US\$1,113,145). The loan and accrued interest are now convertible into common shares of the Company once it becomes a listed entity, and the conversion price is measured based on the 14 day volume weighted average trading price ("VWAP") of the common shares. The following payment terms are required until the Company becomes a publicly listed entity:

- Loan repayment of US\$ 125,000 payable in March 2024 (paid);
- Loan repayment of US\$ 125,000 payable in June 2024 (\$72,169 (US\$50,000) paid on December 18, 2024);
- Prior month arrears interest payable beginning in February 2024; and
- A monthly grace fee of US\$ 20,000 until the Company is a listed entity.

In consideration for the amendment, the Company issued 678,540 units of the Company (the "Units") to ZCI. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.20 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.30 until the earlier of 12 months from the Company becomes a publicly listed company or January 3, 2027.

In addition to the Company's core copper-project, Eastport Ventures Inc. holds interests in a further 5 prospective mineral projects providing exposure to; Copper, Nickel, Uranium, Rare Earth Elements & Diamonds. All the Company's mineral interests are located in the country of Botswana.

Map illustrating all of Eastport Ventures Inc.'s projects in Botswana



Properties

Eastport, through its wholly-owned subsidiaries, holds title to various properties (herein, the "Eastport Properties"). The Eastport Properties consist of sixteen (16) prospecting licenses granted by the Minister of Minerals Resources, Green Technology and Energy Security, of the Republic of Botswana (herein, the "Ministry") in favour of EVB & CES (the "Eastport Properties" or "Prospecting Licenses").

In the event of a viable mineral deposit being discovered, it is necessary to negotiate the terms of any mining lease with the Botswana Government. Important principles governing such negotiations are that the Botswana Government will maximize the return to the People of Botswana, subject to the licensee receiving a reasonable return on investment.

In the case of large, rich deposits such as De Beers' Jwaneng and Orapa Diamond Mines, the Botswana Government acquired a 50% interest in the deposit via holding company, Debswana. History has shown that the working interests negotiated range between a 0% or no interest, up to a 50% interest.

Results of Operations

During the fiscal year 2024 and 2023, the Company has focused on progressing its portfolio of mineral interests in line with its financial and technical obligations.

Exploration Planning

Eastport is finalising recommended budgets provided by its Qualified Person ("QP") for the purpose of its future financing requirements in the event of successful admission to a recognised stock exchange.

Selected Annual Disclosure

The following table provides a brief summary of the Company's financial operations for the three most recently completed financial years:

	2024	2023	2022
	\$	\$	\$
Total Revenues	-	-	-
Net Loss	3,743,557	2,660,378	2,145,227
Loss Per Share – basic and diluted	(0.07)	(0.05)	(0.07)
Total Assets	1,081,610	3,981,576	4,358,265
Total Long-term Financial Liabilities	-	292,890	1,966,613

The overall increase in net loss and the increase and decrease in total assets is mainly related to the Company fair valuing its investment at year-end and recognizing the loss from fair valuing through profit and loss.

The decrease in long-term financial liabilities is due to re-classifying the convertible loan from long-term assets to current liabilities.

RESULTS OF OPERATIONS

Annual

Eastport had a net loss of \$3,743,557 for the year ended October 31, 2024 (2023: \$2,660,378).

Operational expenses that mainly contributed to the net loss as follows:

- Exploration activities accounted for \$941,635 (2023: \$534,627), which consisted of mainly the ZCI monthly US\$20,000 grace fees, drilling, site security and wages.
- Professional fees of \$688,389 (2023: \$358,692), which was related to preparation of the fiscal year 2023 and 2022 audited financial statements. In addition, the Company incurred legal fees relating to the transaction with Bow Lake Capital Corp. ("Bow Lake"), a TSXV listed company, whereby Bow Lake acquires all of the issued and outstanding common shares of Eastport, which was terminated in November 2024.
- Marketing and investor relations of \$181,264 (2023: \$52,255) was related to marketing in preparation for listing on the TSXV through Bow Lake acquiring all of the issued and outstanding shares of Eastport.
- Travel of \$57,753 (2023: \$49,263) was related to corporate travel for management and directors.
- Share based payments of \$121,733 (2023: \$751,794), which was related to stock options issued to consultants and employees during the year.
- Expected credit loss of related party debt of nil (2023: \$386,449) was related to both Hill 79 and Globe Capital debt with the Company. They did not arrange sufficient financing to settle their debts with the Company so the Company concluded that until both entities are able to support repayment, the balances are effectively impaired and a full expected credit loss has been recorded in fiscal year 2023.
- Other expenses of \$1,941,922 (2023: \$546,187), which include non-cash items such as, loss on disposal of investments, unrealized fair value adjustment on investments fair value adjustments on conversion liabilities.

During the years ended October 31, 2024 and October 31, 2023 the Company incurred exploration and evaluation expenditures. Details of the general exploration expenses are presented below.

Details of the general exploration expenses by properties as at October 31, 2024 as follows:

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October 31, 2024

	Matsitama	Jwaneng	Semarule	Foley	Keng	Selebi	Total
	\$	\$	\$	\$	\$	\$	\$
Acquired exploration and evaluation	302,143	-	-	-	-	-	302,143
Labour costs	148,774	2,232	5,879	-	-	3,378	160,263
Site and vehicle costs	41,319	5,599	4,569	218	633	5,430	57,768
Drilling	255,887	-	6,177	-	-	-	262,064
Geophysical and geological costs	92,315	-	781	2,240	14,387	49,674	159,397
Total	840,438	7,831	17,406	2,458	15,020	58,482	941,635

Details of the general exploration expenses by properties as at October 31, 2023 as follows:

	Matsitama	Jwaneng	Semarule	Foley	Keng	Selebi	Total
	\$	\$	\$	\$	\$	\$	\$
Acquired exploration and evaluation	116,511	-	-	-	-	-	116,511
Labour costs	125,249	799	1,062	-	-	5,611	132,721
Site and vehicle costs	55,908	1,872	739	532	186	11,873	71,110
Drilling	176,124	131	1,924	-	-	910	179,089
Geophysical and geological costs	35,000	-	196	-	-	-	35,196
Total	508,792	2,802	3,921	532	186	18,394	534,627

For the year ending October 31, 2024, the Company had five exploration sites (six explorations sites for the year ending October 2023), which consisted of 16 exploration licenses.

The Company maintain in total, 5 projects located in the south-east and north-east of Botswana and the projects are prospective for: Copper, Nickel, Uranium, Rare Earth Elements and Diamonds. The Company's will continue to maintain these mineral interests to the extent the on-going exploration yield successful results. The objective of the Company is to make material mineral discoveries that can be developed into economic deposits, which will then lead to the sale of the mineral interest(s) or a Joint-Venture Participation and Mining Operation.

Fourth Quarter 2024

Eastport had a net loss of \$1,157,844 for the period ended October 31, 2024 (2023: \$302,384).

Operational expenses that mainly contributed to the net loss as follows:

- Exploration activities accounted for \$123,408 (2023: \$19,050), which consisted of mainly the ZCI monthly US\$20,000 grace fees, site security and wages.
- Professional fees of \$247,041 (2023: \$137,514), which was related to preparation of Q3 2024 interim financials. In addition, the Company incurred legal fees relating to the transaction with Bow Lake Capital Corp. ("Bow Lake"), a TSXV listed company, whereby Bow Lake acquires all of the issued and outstanding common shares of Eastport, which was terminated in November 2024.
- Travel of \$17,625 (2023: \$12,034) was related to corporate travel for management and directors.

- Share based payments of \$(13,380) (2023: \$730,303), which was related to stock options issued to consultants and employees during the fiscal year 2024 and year end audit adjustments.
- Other expenses of \$751,852 (2023: \$302,384), which include non cash items such as, gain on disposal of investments, unrealized fair value adjustment on investments, accretion expense fair value adjustments on conversion liabilities.
- Expected credit loss of related party debt of nil (2023: \$386,449) was related to both Hill 79 and Globe Capital debt with the Company. They did not arrange sufficient financing to settle their debts with the Company so the Company concluded that until both entities are able to support repayment, the balances are effectively impaired and a full expected credit loss has been recorded in fiscal year 2023.

Liquidity

Eastport has financed its operations to date by the issuance of common shares and convertible debt instruments. Eastport had negative working capital of \$1,816,991 (2023: positive working capital of \$318,763) and cash & cash equivalents of \$135,808 as at October 31, 2024 (2023: \$298,285). Further financing will be required for working capital and exploration expenditures, and whilst the Board & Management are motivated and focused to continue to raise capital, for the Company to meet its continuing financial and project-related obligations there can be no certainty that capital will be raised in line with meeting the Company's ongoing financial obligations.

Capital Resources

Eastport has no sources of revenue. The availability of equity capital, and the price at which additional equity could be issued, will be dependent upon the success of Eastport's exploration activities, and upon the state of the capital markets generally.

Off-Balance Sheet Arrangements

Eastport does not have any off-balance sheet arrangements.

Transactions with Related Parties

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the Company's operations, directly or indirectly. The key management personnel of the Company are the members of the executive management team and the Board of Directors.

Compensation provided to key management during the year was as follows:

For the year ended	2024	2023
	\$	\$
Salary and fees	85,862	180,340

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Stock based compensation	–	751,794
Total	85,862	932,134

These transactions are in the normal course of operations and are measured at exchange amount, with the amount of consideration established and agreed by the related parties.

Related party transactions

Evrima PLC is deemed to be a related party to the Company because two of their respective Board of Directors also hold Board of Director seats for the Company. During the fiscal year ended October 31, 2024, Evrima provided administrative services to the Company totaling \$52,862 (\$17,074 in 2023). As at October 31, 2024 \$984 is owed to EVRIMA in accounts payable (Nil in 2023).

Aegis Instruments (PYT) Ltd is deemed to be a related party to the Company because the owner is a Board member of the Company's subsidiary, EVB. During the fiscal year ended October 31, 2024, AEGIS provided administrative services to the Company totaling \$12,668 (\$11,359 in 2023). As at October 31, 2024, Nil is owed to AEGIS in accounts payable (\$576 in 2023).

2835889 Ontario Inc. is deemed to be a related party to the Company because it is owned by the former CFO of the Company. During the fiscal year ended October 31, 2024, 2835889 Ontario Inc. provided professional services to the Company totaling \$100,200 (Nil in 2023). As at October 31, 2024, \$70,512 is owed to 2835889 Ontario Inc. in accounts payable (Nil in 2023).

Dr. Gomotsang Tshoso is deemed to be a related party to the Company because she is the Managing Director of the Company's subsidiary, EVB. During the fiscal year ended October 31, 2024, she received a salary of \$85,862 (\$84,702 in 2023).

As at October 31, 2024, the Company's balance due to Directors was \$117,983 (\$60,325 in 2023). These funds are owed to the Directors for having advanced funds on behalf of the Company to support the Company's working capital needs. This balance is not interest bearing and there are no set terms of repayment.

Due from related parties

	2024	2023
	\$	\$
Hill 79	246,750	246,750
Globe Capital	139,699	139,699
Total due from related parties	386,449	386,449
Expected credit loss (ECL)	(386,449)	(386,449)
Balance	-	-

Hill 79 is a privately owned exploration company with operation in the northern Canadian territories. Hill 79 is deemed to be a related party as one of the Company's Directors is a Shareholder in Hill 79. These funds were advanced at no interest with no terms of repayment.

Globe Capital ("Globe") is an investment company listed on the Aquis stock exchange under the stock ticker GCAP. Globe is deemed to be a related party as two of the Company's Directors are also on the Board of Directors of Globe. These funds were advanced at 10% interest rate and repayable on November 21, 2027. Prior to recognizing the expected credit loss during the year ended October 31, 2023, the balance consisted of \$133,182 in principal and \$6,517 interest for total amount due of \$139,699.

As at fiscal year ended October 31, 2023, both Hill 79 and Globe Capital have not arranged sufficient financing to settle their debts with the Company. On that basis the Company has concluded that until both entities are able to support repayment, the balances are effectively impaired and a full expected credit loss has been recorded.

Proposed Transactions

On March 14, 2025, Eastport entered into a definitive amalgamation agreement Penbar Capital Ltd. ("Penbar"), an arm's length party, pursuant to which Penbar intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport by way of a three-cornered amalgamation.

Contingency

Environmental contingencies:

The Company's exploration activities are subject to various federal and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. In the future, the Company may make expenditures to comply with such laws and regulations.

Critical Accounting Estimates

(a) Valuation of share-based compensation and warrants

The Company estimates the fair value of warrants and options using the Black-Scholes Option Pricing Model which requires significant estimation around assumptions and inputs such as share price, expected term to maturity, expected volatility and expected forfeiture rates. The fair value of the underlining common shares was based on implied share price based on the most recent financings, the volatility was determined by calculating the historical volatility of comparable public listed company's stock prices over the period comparable to the expected life, using daily closing prices. The formula used to compute historical volatility is the standard deviation of the logarithmic returns. Refer to Note 11 of the fiscal year 2024 audited consolidated financial statements for further details of significant assumptions applied to these areas of estimation.

(b) Convertible Debentures

Convertible debentures are financial instruments which are accounted for separately dependent on the nature of their components: a financial liability and an equity instrument. The identification of such components embedded within a convertible debenture requires significant judgments including; discount rates and future cash flows. When the conversion

option has a fixed conversion rate thus the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual balance, or conversion feature is accounted for as equity at issuance. Transaction costs are apportioned to the debt liability and equity component in proportion to the allocation of proceeds.

When the conversion option does not have a fixed conversion rate, the convertible debenture are convertible into a variable number of common shares such that there were liability and derivative liability components. On issuance the financial instrument is bifurcated by evaluating the fair value of the derivative liability component and the residual was assigned to the host financial liability. The fair value of the derivative liability is determined by using the Black Scholes Option Model on issuance and revalued at each reporting date. Significant judgment is required to estimate the fair value of the common share and the probability of a going public transaction.

(c) Deferred tax

Tax benefits from uncertain tax positions may be recognized when it is probable that the Company will be able to use deductible temporary differences against taxable profit: (i) whether a tax position, based solely on its technical merits, is probable to be sustained upon examination, and (ii) measuring the tax benefit as the expected value or most likely amount taking into consideration which method better predicts the realized amounts upon ultimate settlement.

Furthermore, the Corporation uses the asset and liability method in accounting for deferred taxes and mining duties. Under this method, deferred taxes are recognized for future income tax. In preparing these estimates, management is required to interpret substantially enacted legislation as well as economic and business conditions along with management's tax and corporate structure plans which may impact taxable income in future periods.

(d) Estimated useful lives and depreciation of property, plant and equipment

Depreciation of property, plant and equipment is dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

(e) Valuation of investments in private entities

The Company values its investments in private entities at fair value at each reporting date. When the fair values of these financial instruments cannot be measured based upon quoted prices in active markets, their fair value is based on estimates made by management using valuation techniques. The inputs to these valuation models are taken from observable market data where possible, including concurrent third-party investments, but where this is not feasible, a degree of judgement is required in establishing fair value. Changes in assumptions related to these inputs could affect the reported fair value of the financial instruments.

Changes in Accounting Policies including Initial Adoption

There were no change in the Company's accounting policies including initial adoption.

Financial Instruments

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, market risk and currency risk. The carrying value of cash and cash equivalents, amounts due to related, trade payables and accrued liabilities, loan payable and convertible loans approximate their fair value due to their short-term nature. Such fair value estimates are not necessarily indicative of the amounts the Company might pay or receive in actual market transactions. Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table shows the levels with the hierarchy if financial assets and liabilities measure at fair value on recurring basis:

	October 31, 2024			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	135,808	-	-	135,808
Investments	723,756	-	14,305	738,061
Total financial assets	859,564	-	14,305	873,869
Financial liabilities				
Conversion liabilities	-	375,298	-	375,298
Total financial liabilities	-	375,298	-	375,298

	October 31, 2023			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	298,285	-	-	298,285
Investments	3,365,070	-	10,000	3,384,170
		9,100		
Total financial assets	3,663,355	9,100	10,000	3,682,455

Financial liabilities

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Accounts payable and accrued liabilities	-	95,250	-	95,250
Conversion liabilities	-	37,394	-	37,394
Total financial liabilities	-	132,644	-	132,644

Risk Factors Relating to Eastport

Eastport is a mineral exploration and development company operating in the Country of Botswana. The core objective of the Company is to make economic discoveries and develop its mineral portfolio through the development and value curve to a point at which the Company can realise value through either; a sale of asset(s), joint-venture transaction(s) and or mining operations.

As at now, Eastport does not generate any revenue from its activities, and will, for the foreseeable future, be reliant on capital investment by way of equity or debt finance.

It is the opinion of the Board & Management that the following risk factors apply to Eastport Ventures Inc.

(a) Nature of Mineral Exploration

Resource exploration and development is a speculative business and involves a high degree of risk, which even a combination of experience, knowledge, and careful evaluation may not be able to overcome. The properties in which Eastport holds an interest are without a known mineral resource. Each of the Company's proposed programs on its properties is an exploratory search for resources. There can be no assurance that commercial quantities of resources will be discovered. There can also be no assurance that even if commercial quantities of resources are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors, not least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the aforementioned factors are beyond the control of Eastport.

(b) Requirement for Further Financing

Eastport has relied on equity financing to date to fund its operations. Eastport does not have sufficient financial resources to undertake all of its currently planned exploration programs. There can be no assurance that Eastport will be able to raise the financing required or that such financing can be obtained without dilution or credit risk to its shareholders. Failure to obtain additional financing on a timely basis could cause Eastport to reduce or terminate its operations or lose its interest in its properties.

(c) Volatile Metals Markets

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resource are discovered, a profitable market will exist for the sale of same, or those mineral prices will be such that Eastport's properties can be mined at a profit. Factors beyond the control of Eastport may affect the ability of Eastport to attract investors and receive further funds for exploration. Minerals prices have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the control of Eastport, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the Botswana Pula relative to other currencies), interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. In particular, the supply of and demand for metals are affected by, among other factors, political events, economic conditions and production costs in major mining regions and governmental policies.

(d) Dependence on Key Management Employees

Eastport's development to date has depended, and in the future will continue to depend, on the efforts of key management employees. The loss of any key management employees could have a material adverse effect on Eastport. Furthermore, at present, Eastport does not have key man insurance in place.

Share Capital

As at date of this MD&A, there are 60,863,744 common shares, 8,923,009 share purchase warrants and 15,950,000 stock options, 6,000,000 performance warrants outstanding.

Subsequent Events

On December 1, 2024, Burns Singh Tennent-Bhoi, CEO and Director of the Group, entered into a loan facility agreement ("Loan Facility") with the Group whereby Burns Singh Tennent-Bhoi will provide a loan facility of up to \$360,000 (US\$250,000) to the Group. Interest shall accrue immediately upon drawdown at a fixed rate of 5% per annum and the repayment date is December 31, 2030. On May 6, 2025, the Group amended the Loan Facility whereby the loan will be subject to a 15% annual fixed rate interest effective January 1, 2025. All terms remained the same.

On December 17, 2024, the Company completed a non-brokered private placement whereby the Company issued 525,000 units of the Company (the "Units") at a price of \$0.25 per Unit for gross proceeds of \$131,250. Each Unit is comprised of one common share and one half A share purchase warrant (each, a "A Warrant") and one half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from when the Company becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until 24 months from when the Company becomes a publicly listed company.

In February 2025, 950,000 performance warrants were exercised at \$0.02 per share and 250,000 stock options were forfeited.

On March 14, 2025, Eastport entered into a definitive amalgamation agreement (the "Definitive Agreement") with Penbar Capital Ltd. ("Penbar"), an arm's length party, pursuant to which Penbar intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport by way of a three-cornered amalgamation, subject to regulatory approval including that of the TSX Venture Exchange (the "Exchange"). The Acquisition is expected to result in the issuance, to each shareholder of Eastport, 0.7143 of one post-consolidation common share for each one Eastport common share held by such holder immediately prior to the closing of the Acquisition.

On March 14, 2025, the Company issued 6,000,000 performance warrants to directors and a consultant.

Performance warrants will fully vest upon completion of all of the below milestones:

- (i) Completion of concurrent financing for a proposed Qualifying Transaction;
- (ii) Successful completion of the proposed Acquisition resulting in the Company becoming a publicly listed company; and
- (iii) Completion of the recommended work program set out in the technical report.

In addition, the performance warrants shall not vest until all milestones have been satisfied (there shall be no staged/partial vesting conditions attributed to each milestone independent of one another). Each performance warrant entitles the holder to purchase one common share at an exercise price of \$0.05 until five years from the date of grant.

On March 14, 2025, certain stock option holders signed a voluntary surrendering letter whereby at the time the Company becomes a publicly listed company an aggregate of 14,800,000 stock options shall be cancelled.

On March 31, 2025, 2,915,550 warrants were exercised at \$0.10 per share.

On May 6, 2025, the Company amended the Loan Facility agreement with the CEO whereby the loan will be subject to a 15% annual fixed rate interest effective January 1, 2025. All terms remained the same.

On May 19, 2025, the Company entered into a shares for debt settlement with an arm's length party to settle \$10,000 of debt with 40,000 of the Company's shares.

On May 26, 2025, the Company entered into an amended and restated amalgamation agreement with Penbar, including the terms of the related financing for subscription receipts of Eastport, in connection with Penbar's proposed qualifying transaction.

In connection with the proposed Acquisition, Penbar will effect a consolidation of its outstanding common shares on the basis of seven pre-consolidation common shares for every one post-consolidation common share.

In accordance with the terms of the amended and restated amalgamation agreement, each holder of shares of the Company will exchange the holder's shares for common shares in the capital of the resulting issuer on the basis of 0.2941 fully paid and non-assessable resulting issuer common shares for every one Eastport share held.

Prior to the completion of the Acquisition, the Company is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$3,250,000 and up to a maximum gross proceeds of \$5,000,000. Each subscription receipt will be issued at a price of \$0.18 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.50 for a period of 24 months following the date of the listing.

On June 12, 2025, the Company entered into an amending agreement with ZCI whereby if a qualifying transaction between the Company and Penbar is completed on or before 18 September 2025, the loan and accrued interest shall be convertible into approximately 8,318,656 common shares of the Company at \$0.18 per share. On June 23, 2025, the Company entered into a supplemental side letter to the June 12, 2025 amending agreement to agree that no further interest and grace fees shall accrue provided and that the Company completes the qualify transaction with Penbar on or before September 30, 2025. In the event that the qualifying transaction is not completed on or before September 30, 2025, grace fees and interest shall revert to those as determined in the January 3, 2024 amending agreement effective October 1, 2025.

APPENDIX "E" – UNAUDITED *PRO FORMA* BALANCE SHEET OF THE RESULTING ISSUER

Eastport Ventures Inc. (formerly know as Penbar Capital Ltd.)

Pro Forma Consolidated Statement of Financial Position as of March 31, 2025

(Expressed in Canadian dollars)

(unaudited)

Eastport Ventures Inc. (formerly know as Penbar Capital Ltd.)
Pro Forma Consolidated Statement of Financial Position
(Unaudited, Expressed in Canadian Dollars)

	Eastport Ventures Inc. (Note 1) July 31, 2025 \$	Penbar Capital Ltd. (Note 1) March 31, 2025 \$	Note 5	Maximum Offering Pro Forma Adjustments \$	Pro Forma \$
Current assets					
Bank and cash balances	103,389	59,102	a b c	(185,000) 4,700,000 (330,648)	4,346,843
Receivables	32,746	3,346			36,092
Loan receivables	15,333	-			15,333
Prepays and deposits	12,713	-			12,713
Investments at fair value through profit or loss	311,784	-			311,784
	475,965	62,448		4,184,352	4,722,765
Non-current assets					
Property, plant and equipment	51,618	-			51,618
Total assets	527,583	62,448		4,184,352	4,774,383
Current liabilities					
Trade and other payables	903,558	46,176	c	(330,648)	619,086
Amount due to directors	83,698	-			83,698
Convertible loans - ZCI	1,531,849	-	d	(1,531,849)	-
Convertible loans - Gledhow	109,918	-	e	(109,918)	-
Convertible loans - David Newman	79,429	-			79,429
Conversion liability - ZCI	70,441	-	d	(70,441)	-
	2,778,893	46,176	-	(2,042,856)	782,213
Non-current liabilities					
Amount due to directors	316,310	-			316,310
	3,095,203	46,176	-	(2,042,856)	1,098,523
Shareholders' equity					
Share capital	3,670,420	228,297	a a b b b e	(228,297) 289,934 4,151,015 (300,000) (32,767) 114,409	9,207,654

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			d	1,602,290	
			d	(287,647)	
Stock option reserves	1,933,867	55,557	a	(55,557)	1,949,775
			a	2,392	
			f	13,516	
Warrant reserve	782,090	-			1,663,842
			b	32,767	
			b	434,628	
			b	414,357	
Contributed surplus	(61,726)	-	e	(4,491)	(66,217)
Foreign currency translation reserve	612,010	-		-	612,010
Accumulated deficit	(9,548,281)	(267,582)	a	267,582	(9,691,204)
			a	(461,054)	
			d	287,647	
			f	(13,516)	
	(2,567,620)	16,272		6,227,207	3,675,860
Total liabilities and shareholders' equity	527,583	62,448		4,184,352	4,774,383

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	Eastport Ventures Inc. (Note 1) July 31, 2025 \$	Penbar Capital Ltd. (Note 1) March 31, 2025 \$	Note 5	Pro Forma Adjustments \$	Minimum Offering Pro Forma \$
Current assets					
Bank and cash balances	103,389	59,102	a b c	(185,000) 3,055,000 (330,648)	2,701,843
Receivables	32,746	3,346			36,092
Loan receivables	15,333	-			15,333
Prepays and deposits	12,713	-			12,713
Investments at fair value through profit or loss	311,784	-			311,784
	475,965	62,448		2,539,352	3,077,765
Non-current assets					
Property, plant and equipment	51,618	-			51,618
Total assets	527,583	62,448		2,539,352	3,129,383
Current liabilities					
Trade and other payables	903,558	46,176	c	(330,648)	619,086
Amount due to directors	83,698	-			83,698
Convertible loans - ZCI	1,531,849	-	d	(1,531,849)	-
Convertible loans - Gledhow	109,918	-	e	(109,918)	-
Convertible loans - David Newman	79,429	-		-	79,429
Conversion liability - ZCI	70,441	-	d	(70,441)	-
	2,778,893	46,176		(2,042,856)	782,213
Non-current liabilities					
Amount due to directors	316,310				316,310
	3,095,203	46,176		(2,042,856)	1,098,523
Shareholders' equity					
Share capital	3,670,420	228,297	a a b b b e	(228,297) 289,934 2,698,160 (195,000) (21,299) 114,409	7,871,267

Eastport Ventures Inc. (formerly know as Penbar Capital Ltd.)
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			d	1,602,290	
			d	(287,647)	
Stock option reserves	1,933,867	55,557	a	(55,557)	1,949,775
			a	2,392	
			f	13,516	
Warrant reserve	782,090	-			1,355,229
			b	21,299	
			b	282,508	
			b	269,332	
Contributed surplus	(61,726)	-	e	(4,491)	(66,217)
Foreign currency translation reserve	612,010	-			612,010
Accumulated deficit	(9,548,281)	(267,582)	a	267,582	(9,691,204)
			a	(461,054)	
			d	287,647	
			f	(13,516)	
	(2,567,620)	16,272		4,582,208	2,030,860
Total liabilities and shareholders' equity	527,583	62,448		2,539,352	3,129,383

Eastport Ventures Inc. (formerly know as Penbar Capital Ltd.)
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1. Basis of presentation

Basis of presentation

These unaudited pro forma consolidated statement of financial position have been prepared by management of Eastport Ventures Inc. (formerly know as Penbar Capital Ltd.) (“the Company” or “Penbar”) to reflect the anticipated completion of the proposed acquisition of 100% interest of Eastport Ventures Inc. (the “Acquiree” or “Eastport”) by the Company.

These unaudited pro forma consolidated financial statements give effect to the Transaction (Defined in Note 3) as if it had occurred on July 31, 2025, using information derived from:

- (i) unaudited condensed interim financial statements of the Company for the nine months ended March 31, 2025;
- (ii) Eastport’s unaudited condensed interim consolidated financial statements for the nine months ended July 31, 2025.

In preparing the unaudited pro forma consolidated financial information consideration was given to identifying accounting policy differences between Penbar and Eastport where the impact was potentially material and could be reasonably estimated. The accounting policy differences had been identified, and the adjustments are described in the pro forma consolidated statement of financial position. The accounting policies are conformed in all material respects to those of Eastport, except as noted below:

In the opinion of the Company’s management, the pro forma financial statement includes all adjustments necessary for a fair presentation of the Transaction applied on a basis consistent with Company’s accounting policies. Actual amounts recorded once the Transaction, and other adjusting items are completed will likely differ from those recorded in this unaudited pro forma consolidated financial statement. Further, this unaudited consolidated financial statement is not necessarily indicative of the financial position that may be obtained in the future. These differences may be material.

2. Significant accounting policies

The accounting policies used in the preparation of these unaudited pro forma consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) along with the adjustments described in Note 5.

3. Description of the transaction

On March 14, 2025, the Company, Eastport Ventures Inc. and 1001160772 Ontario Inc.(“SubCo”) entered into a three-cornered amalgamation agreement (the “Amalgamation Agreement”). The Company is expected to acquire all of the issued and outstanding common shares of Eastport pursuant to the Amalgamation Agreement. The Amalgamation to be completed under the Business Corporations Act (Ontario) by the Company, Eastport and SubCo., a wholly owned subsidiary of the Company, incorporated for the purpose of completing the Amalgamation.

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Penbar is a company listed on the TSX-V, as a capital pool company. Penbar has identified Eastport as a target company with which to complete its qualifying transaction (the "Transaction") and wishes to acquire all of the issued and outstanding common shares of Eastport in exchange for Penbar QT Shares (as defined below) by way of an amalgamation between Eastport and SubCo., upon the terms and conditions herein set forth such that upon completion of the Amalgamation, the amalgamated corporation shall be a wholly-owned subsidiary of Penbar.

Prior to the effectiveness of the Amalgamation, Penbar shall complete the Penbar consolidation (the "Consolidation"). The consolidation of the Penbar shares on the basis of one (1) Penbar share (the "Penbar QT Shares") for three (7) existing Penbar shares. Upon completion of the Consolidation, an aggregate of 571,429 Penbar QT Shares are expected to be issued and outstanding.

Penbar agrees to issue Penbar QT Shares to Eastport shareholders in exchange for the delivery to Penbar of all of the issued and outstanding Eastport shares. The aggregate number of Penbar QT Shares to be issued in exchange for the issued and outstanding Eastport shares shall be determined by multiplying the number of Eastport Shares issued and outstanding at the time of closing of the Qualifying Transaction (the "Closing") by the Share Exchange Ratio 0.2941. No fractional Penbar Shares will be issuable to Eastport shareholders pursuant to the Amalgamation, and no cash payment or other form of consideration will be payable in lieu thereof. In the event that the former holder of Eastport shares is entitled to receive a fractional Penbar Share, any such fractional Penbar Share interest to which an Eastport shareholder would otherwise be entitled pursuant to the Amalgamation will be rounded down to the nearest whole Penbar share.

Prior to Closing Transaction, Eastport shall have completed the Concurrent financings.

- a) Eastport is expected to complete a minimum offering whereby Eastport will issue 18,055,556 units of Eastport at a price of \$0.18 per unit for gross proceeds of \$3,250,000. Each Unit is comprised of one common share and one-half A share purchase warrant (each, a "A Warrant") and one-half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the Company becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.50 until 24 months from the Company becomes a publicly listed company; or
- b) Eastport is expected to complete a maximum offering whereby Eastport will issue 27,777,778 units of Eastport at a price of \$0.18 per unit for gross proceeds of \$5,000,000. Each Unit is comprised of one common share and one-half A share purchase warrant (each, a "A Warrant") and one-half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the Company becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.50 until 24 months from the Company becomes a publicly listed company.

Following the completion of the Qualifying Transaction, the Company, as the issuer resulting therefrom, is expected to carry on the current business of Eastport under the name "Eastport Ventures Inc." or such

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other name as may be determined by Eastport and approved by the shareholders of the Company and be acceptable to the applicable regulatory authorities, including the Exchange.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSX Venture Exchange acceptance and if applicable pursuant to Exchange requirements, shareholder approval. There can be no assurance that the Transaction will be completed as proposed or at all.

4. Reverse takeover

The Transaction has been accounted for in accordance with IFRS 2, Share-based Payment. The Transaction is considered to be a reverse takeover of the Company by the Acquiree. Although the Transaction resulted in Eastport legally becoming a subsidiary of the Company, the transaction has been accounted for as a reverse takeover of the Company in accordance with guidance provided in IFRS 2, Share-based Payment. As the Company did not qualify as a business according to the definition in IFRS 3, Business Combinations this reverse takeover transaction did not constitute a business combination.

For financial reporting purposes, the Company is considered a continuation of the Acquiree, the legal subsidiary, except with regards to the authorized and issued share capital, which is that of the Company, the legal parent. The fair value of the net assets of the Company are deemed to be acquired and will ultimately be determined at the date of the closing of the Transaction, and the actual costs of the acquisition may vary from those estimates. Therefore, the allocation of consideration among the assets and liabilities of the Company may vary from those shown, and such differences may be material.

The consideration paid by Eastport to acquire the Company has been measured considering the price per share of concurrent financing. In accordance with IFRS 2, any excess of the fair value of the equity instruments issued by Eastport over the value of the net monetary assets of the Company has been expensed as amalgamation costs.

5. Pro forma adjustments

(a) RTO Transaction

As Penbar does not meet the definition of a business under IFRS 3, Business Combinations, the acquisition of Penbar will be accounted for under IFRS 2, Share-based Payment. The difference in the fair value of the consideration and the fair value of Penbar's net assets acquired is recorded as an amalgamation expense charge in the consolidated statement of loss and comprehensive loss.

The number of shares expected to be issued to Eastport shareholders are 28,811,674. The number of Penbar QT Shares (consolidation of the Penbar shares on the basis of one (1) new share for seven (7) old shares, to be made effective prior to completion of the Transaction) outstanding as at July 31, 2025 were 571,429.

The value of the shares issued for the purchase price has been based on the fair value of the common shares issued in the concurrent financing of \$0.15, as this was assessed as being the best estimate of

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the fair value of the shares. The assets and liabilities are assumed to be recorded at their estimated fair market values, which are based on preliminary management estimates and are subject to final valuation adjustments.

The fair value of the stock options of Penbar is re-calculated using the Black-Scholes option pricing model which requires the input of highly subjective assumptions; changes in the subjective input assumptions can materially affect the fair value estimate. The following weighted average assumptions were used: risk-free interest rate – 2.77%, expected life – 3 years, annualized volatility – 94.23%, exercise price – \$0.70, and estimated annual dividend yield and forfeiture rate – 0%.

Transaction costs accrued includes legal, audit, commission and other expenses related to the completion of the Transaction amount to approximately \$185,000.

As at July 31, 2025, the fair value of the consideration to be issued by Penbar, and the fair value of the identifiable net assets acquired in the RTO transaction was estimated to be as follows:

Transaction consideration	\$
Deemed common share to be issued	289,934
Stock Options deemed granted	2,392
	<u>292,325</u>
Estimated costs of the acquisition	
Broker's cash commission	-
Broker's warrants	-
Estimated legal and professional fees related to the Transaction	185,000
	<u>185,000</u>
 Penbar's Identifiable Net Assets	
Cash	59,102
Receivable	3,346
Accounts payable and accrued liabilities	(46,176)
Identifiable net assets	<u>16,272</u>
 Amalgamation expense, net of identifiable net assets	 <u>461,053</u>

(b) Concurrent financing

Concurrent minimum offering

To record concurrent financing whereby the Company issued 18,055,556 units of the Eastport (the “Units”) at a price of \$0.18 per Unit for gross proceeds of \$3,250,000. Each Unit is comprised of one common share and one-half A share purchase warrant (each, a “A Warrant”) and one-half B share purchase warrant (each, a “B Warrant”). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the Eastport becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of

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\$0.50 until 24 months from the Eastport becomes a publicly listed company. The proceeds were allocated pro-rata to the common shares and the A Warrants and B Warrants based on their relative fair value. The common shares had an implied fair value of \$2,698,160 and the combined fair value of both Warrants is \$551,840.

The Company paid \$195,000 in cash and issued 1,083,333 non-transferrable broker's warrants at price of \$0.18 for a period of 12 months as finders' fees. The broker's warrants were valued at \$21,298 using the Black-Scholes Option Pricing Model with the following assumption at the issue date: risk free interest rate of 2.77%; dividend yield of 0%; expected volatility of 92.03% and expected life of 12 months.

Concurrent maximum offering

To record concurrent financing whereby the Company issued 27,777,778 units of the Eastport (the "Units") at a price of \$0.18 per Unit for gross proceeds of \$5,000,000. Each Unit is comprised of one common share and one-half A share purchase warrant (each, a "A Warrant") and one-half B share purchase warrant (each, a "B Warrant"). Each A Warrant entitles the holder to purchase one common share at an exercise price of \$0.25 until 12 months from the Eastport becomes a publicly listed company. Each B Warrant entitles the holder to purchase one common share at an exercise price of \$0.50 until 24 months from the Eastport becomes a publicly listed company. The proceeds were allocated pro-rata to the common shares and the A Warrants and B Warrants based on their relative fair value. The common shares had an implied fair value of \$4,151,015 and the combined fair value of both Warrants is \$848,985.

The Company paid \$300,000 in cash and issued 1,666,667 non-transferrable broker's warrants at price of \$0.18 for a period of 12 months as finders' fees. The broker's warrants were valued at \$32,767 using the Black-Scholes Option Pricing Model with the following assumption at the issue date: risk free interest rate of 2.77%; dividend yield of 0%; expected volatility of 92.03% and expected life of 12 months.

- (c) To make cash payment of 330,648 to settle the accounts payable with ZCI Limited.
- (d) ZCI Convertible loan issued by Eastport. The principal amount of the convertible loan plus all unpaid accrued interest for total of \$1,605,178 was convertible into Eastport's common share at a price of \$0.18 per share. As a result of the conversion of convertible note, Eastport issued 8,917,656 common shares immediately before Amalgamation Agreement became effective.
- (e) Gledhow Convertible loan issued by Eastport in the aggregate principal amount of \$100,000. The principal amount of the convertible loan plus all unpaid accrued interest for total of \$109,918 was convertible into Eastport's common share at a price of \$0.30 per share. As a result of the conversion of convertible note, Eastport issued 366,393 common shares immediately before Amalgamation Agreement became effective.

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- (f) On March 14, 2025, certain stock option holders signed a voluntary surrendering letter whereby at the time the Company becomes a publicly listed company an aggregate of 14,800,000 stock options shall be cancelled.

6. Pro forma Share capital

a.

Maximum offering

	Common Shares #	Eastport Share	Share Capital \$	Option Reserve \$	Warrant Reserve \$	Contributed Surplus \$
Eastport common shares issued and outstanding at July 31, 2025	-	60,903,744	3,670,420	1,933,867	782,090	(61,726)
Share units issued on Concurrent financing (net of share issuance cost)	-	27,777,778	3,851,015	-	881,752	-
Shares issued for convertible loan	-	9,284,049	1,429,052	-	-	(4,491)
Shares issued to Eastport's shareholder in connection with the Transaction	28,811,674	-	289,934	2,392	-	-
Penbar common shares issued and outstanding at July 31, 2025 (Penbar QT Shares)	571,429	-	228,297	55,557	-	-
Adjustment of Penbar share capital upon RTO	-	-	(228,297)	(55,557)	-	-
Broker warrants and cash finders fee issued on concurrent Financing	-	-	(32,767)	-	-	-
Stock options cancelled	-	-	-	13,516	-	-
	29,383,103	97,965,571	9,207,654	1,949,775	1,663,842	(66,217)

Minimum offering

	Common Shares #	Eastport Share	Share Capital \$	Option Reserve \$	Warrant Reserve \$	Contributed Surplus \$
Eastport common shares issued and outstanding at July 31, 2025	-	60,903,744	3,670,420	1,933,867	782,090	(61,726)
Share units issued on Concurrent financing (net of share issuance cost)	-	18,055,556	2,503,160	-	573,140	-
Shares issued for convertible loan	-	9,284,049	1,429,052	-	-	(4,491)
Shares issued to Eastport's shareholder in connection with the Transaction	25,952,369	-	289,934	2,392	-	-
Penbar common shares issued and outstanding at July 31, 2025 (Penbar QT Shares)	571,429	-	228,297	55,557	-	-
Adjustment of Penbar share capital upon RTO	-	-	(228,297)	(55,557)	-	-
Broker warrants and cash finders fee issued on concurrent Financing	-	-	(21,299)	-	-	-
Stock options cancelled	-	-	-	13,516	-	-
	26,523,798	88,243,349	7,871,267	1,949,775	1,355,229	(66,217)

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b. Warrant

The following table summarizes the pro forma warrants:

Maximum	Minimum	Exercise price
Number of warrants outstanding		\$
376,820	376,820	0.68
14,705	14,705	0.85
654,546	654,546	0.68
36,763	36,763	1.02
62,496	62,496	1.02
555,287	555,287	1.02
99,779	99,779	0.68
99,779	99,779	1.02
284,840	284,840	0.85
284,840	284,840	1.19
77,201	77,201	0.85
77,201	77,201	1.19
1,764,600	1,764,600	0.17
4,084,722	2,655,069	0.85
4,084,722	2,655,069	1.70
490,167	318,608	1.19
13,048,468	10,017,603	

c. Options

The following table summarizes the pro forma options:

Number of options outstanding	Exercise price
	\$
57,143	0.30
58,820	1.02
279,395	0.68
395,358	