

Pasofino Gold Announces Update with Respect to Mineral Development Agreement

Toronto, Ontario--(Newsfile Corp. - December 29, 2025) - Pasofino Gold Limited (TSXV: VEIN) (OTCQB: EFRGF) (FSE: N07A) ("**Pasofino**" or the "**Company**") announces that it received a notice dated December 16, 2025 from the Government of Liberia with respect to the Mineral Development Agreement ("**MDA**") previously entered into by the Company's subsidiary, Hummingbird Resources (Liberia) Inc. with the Government of The Republic of Liberia. In the notice, the Government of Liberia asserts that the Company has failed to meet a number of obligations under the MDA, including to timely make certain payments and to complete certain activities required by the terms of the MDA, (including deadlines under the MDA that occurred during the COVID 19 Pandemic).

The Company has requested a meeting with the Government of Liberia for the week of January 18, 2026 to discuss the Government's concerns and to address the scope and status of the issues listed in the notice. Pasofino also intends to identify appropriate steps to remedy them under the MDA and confirm with the Government of Liberia which alleged defaults are defaults under the MDA. To the extent necessary, the Company is also engaged in discussions with its controlling shareholder, Mansa Resources Limited, with respect to potential funding to address certain financial remedies being sought by the Government of Liberia. The Company's expectation is that Pasofino and the Government of Liberia will engage collaboratively in order to address the concerns of the Government and to advance the development of the Dugbe Gold Project for the benefit of all stakeholders.

Pursuant to the terms of the MDA, the Company has 30 days from the date it received the notice from the Government of Liberia to contest the allegations or to request a hearing with the relevant authorities. The Company shall also have a 60-day period from the date of receipt of this notification, to cure such defaults prior to the Government of Liberia having the right to terminate the MDA, although the Company must provide evidence of certain funding capabilities earlier within such period.

Pasofino is committed to resolving the matters raised in the notice in accordance with consultation of the Liberian Government and methods for cure under the MDA. The MDA however, provides for consultation and arbitration to settle any disputes should the Government of Liberia and the Company be unable to agree on which actions (or failure to act) constitute a default or fail to agree with the remedies for any defaults.

ABOUT THE DUGBE GOLD PROJECT

The 1,410 km² Dugbe Gold Project ("**Dugbe**" or the "**Project**") is in southern Liberia and situated within the southwestern corner of the Birimian Supergroup which is host to most West African gold deposits. To date, two deposits have been identified on the Project; Dugbe F and Tuzon discovered by Hummingbird Resources Limited ("**HBL**", formerly Hummingbird Resources PLC), in 2009 and 2011 respectively. The deposits are located within 4 km of the Dugbe Shear Zone which is thought to have played a role in large scale gold mineralization in the area.

A significant amount of exploration in the area was conducted by HBL up until 2012 including 74,497 m of diamond coring. Pasofino drilled an additional 14,584 m at Tuzon and Dugbe F during 2021. These deposits have a combined Mineral Resource Estimates dated 17 November 2021 with total Measured and Indicated of 3.3 Moz with an average grade of 1.37 g/t Au, and 0.6 Moz in Inferred.

Following the completion of the Definitive Feasibility Study in June 2022 a Mineral Reserve Estimate was declared, based on the open-pit mining of both deposits over a 14-year Life of Mine. A technical report for the Dugbe Gold Project was prepared in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") and filed on SEDAR+ at www.sedarplus.ca and on the Company's website.

In addition to the existing deposits there are many gold prospects within the Project including the Bukon Jedeh area and the DSZ target on the Tuzon-Sackor trend where Pasofino has discovered a broad zone of surface gold mineralization in trench and outcrop along strike from Tuzon. At this and several of the other prospects no drilling has been carried out to date.

In 2019, Hummingbird Resources (Liberia) Inc. ("**HB Liberia**") signed a 25-year mineral development agreement ("**MDA**") with the Government of Liberia providing the necessary long-term framework and stabilization of taxes and duties. Under the terms of the MDA, the royalty rate on gold production is 3%, the income tax rate payable is 25% (with credit given for historic exploration expenditures), the fuel duty is reduced by 50%, and the Government of Liberia is granted a free carried interest of 10% in the Project.

Today, Pasofino is focusing its efforts on updating the Dugbe Gold Project feasibility study to support its project financing efforts to commence construction on the Dugbe Gold Project in 2026; as illustrated in the MineScope Services Ltd. gap analysis announced on August 26, 2025.

[Pasofino Gold Completes its Phase One Gap Analysis Update to the 2022 Feasibility Study - Pasofino Gold is developing the Dugbe Gold Project/Liberia](#)

MineScope Services Ltd. is currently progressing with the update of the 2022 feasibility study, in conjunction with Lycopodium Limited, Oreology, ALS Laboratories, and other consultants engaged to complete certain sections of the update to the 2022 study to support project financing. As well, the company has engaged Cestos Drilling for an c.11,000m infill drilling program, with three (3) rigs mobilized and drilling on site.

QUALIFIED PERSONS STATEMENT

Scientific or technical information in this disclosure that relates to exploration results was prepared and approved by Mr. Ian Brown. Ian Brown is a member in good standing with the South African Council for Natural Scientific Professions (SACNASP), membership number 114135. He graduated from Rhodes University in 2004 with a Bachelor of Science in Geology and Environmental Science, and the University of Cape Town in 2019 with an Advanced Diploma in Business Project Management. Mr Brown has practiced the profession in Exploration Geology Management continuously for 20 years, including 5 years in West African gold deposits, and is a Qualified Person under NI 43-101.

ABOUT PASOFINO GOLD LTD.

Pasofino Gold Limited is a Canadian-based mineral exploration company listed on the TSX Venture Exchange (VEIN).

Pasofino, through its wholly-owned subsidiary, owns 100% of the Dugbe Gold Project (prior to the issuance of the Government of Liberia's 10% carried interest).

For further information, please visit www.pasofinogold.com or contact:

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CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking statements" that are based on expectations, estimates, projections and interpretations as at the date of this news release. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "seek", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur, and include, without limitation, statements regarding the completion and timing of the feasibility study update and related project financing efforts, the results of the meeting with the Government of Liberia, the availability of financing from Mansa Resources Limited, HB Liberia's obligations under the MDA and the related resolutions of the defaults raised by the Government of Liberia in its notice to the Company, the ability of the Company of an extension to the cure period under the MDA, the ability of the Company to cure any defaults during the cure period, the results of any arbitration proceeding in respect of any alleged defaults,. Such forward-looking statements involve 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. Such risks and other factors may include, but are not limited to, the results of discussions with the Government of Liberia with respect to any alleged defaults, the timing and ability of the Company to cure any defaults, the ability of the Company to obtain financing from Mansa Resources Limited, or other parties, the ability of the Government of Liberia to terminate the MDA, the timing and results of project study and permitting; the results of business operation, the ability to advance the Dugbe Gold Project, the results of exploration activities; ability of the Company to comply with the terms of the MDA, the ability of the Company to complete further exploration activities; timing and availability of external financing on acceptable terms and those risk factors outlined in the Company's Management's Discussion and Analysis as filed on SEDAR+. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.



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