(the "Company")

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

For the Nine Months Ended September 30, 2025

Highlights

- The Company was selected as one of eight exploration companies to participate in BHP's 2025 Xplor Accelerator Program, completing the Program in mid-September 2025.
- Phase 1 scout drilling was completed, and all results received by April 2025.
- Two diamond drill holes intersected chalcopyrite-bearing skarn zones, returning silver values up to 109 g/t Ag and gold values up to 1.65 g/t Au.
- Completed a 280 line-km ground magnetic survey over ~59 km² at Timok East (Luka & Makovište) Extending Western Mag and Bambino Trend Targets and identifying new Limestone Boundary Target.
- 3D magnetic inversion modelling confirms >1 km depth continuity and a 7.5 km NNW corridor of elevated magnetic susceptibility across the Bambino Trend and confirms high magnetic susceptibility correlating with mapped phase 1 andesites across the Western Mag Target.
- Soil sampling completed over the Western Mag, Limestone Boundary and Northern Bambino trend.
- Karamanica geochemical footprint at Novo Tlamino confirmed new gold targets through integrated soil geochemistry analysis, structural mapping and petrology.
- Petrological study at Karamanica identifies potential epithermal and CRD-style indicators and outlines new structurally-controlled gold targets.
- Board strengthened with the additions of Michael Williams and John Anderson (July 24, 2025).
- On October 2, 2025, the Company closed a non-brokered private placement for total gross proceeds of $1,608,077.
- In November 2025, the Rgotna mineral license application has been granted, expanding the Timok East project to 210 square kilometers.

General

This interim Management's Discussion and Analysis ("Interim MD&A") supplements, but does not form part of, the unaudited condensed interim consolidated financial statements of the Company for the nine months ended September 30, 2025. The following information, prepared as of November 25, 2025, should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for nine months ended September 30, 2025, and the related notes contained therein. The Company reports its financial position, results of operations and cash flows in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. In addition, the following should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended December 31, 2024, and the related Interim MD&A. All amounts are expressed in Canadian dollars unless otherwise indicated. The September 30, 2025 condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Additional information relevant to the Company's activities can be found on SEDAR+ at www.sedarplus.ca.

Forward Looking Information

This Interim MD&A contains certain statements which constitute forward-looking information within the meaning of applicable Canadian securities legislation ("Forward-looking Statements"). All statements included herein, other than statements of historical fact, are Forward-looking Statements and are subject to a variety of known and unknown risks and uncertainties which could cause actual events or results to differ materially from those reflected in the Forward- looking Statements. The Forward-looking Statements in this Interim MD&A include, without limitation, statements relating to:

- mineral reserves or resources as they involve the implied assessment, based on estimates and assumptions, that the resources described exist in the quantities predicted or estimated and can be profitably produced in the future;
- the Company's planned exploration activities for its mineral properties;
- the intended use of proceeds received from past and possible future financing activities;
- the sufficiency of the Company's cash position and its ability to raise equity capital or access debt facilities; and
- maturities of the Company's financial liabilities or other contractual commitments.

Often, but not always, these Forward-looking Statements can be identified by the use of words such as "anticipates", "believes", "plans", "estimates", "expects", "forecasts", "scheduled", "targets", "possible", "strategy", "potential", "intends", "advance", "goal", "objective", "projects", "budget", "calculates" or statements that events, "will", "may", "could" or "should" occur or be achieved and similar expressions, including negative variations.

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 results, performance or achievements expressed or implied by the Forward-looking Statements. Such uncertainties and factors include, among others:

- uncertainty of mineral reserve and resource estimates;
- risks associated with mineral exploration and project development;
- fluctuations in commodity prices;
- fluctuations in foreign exchange rates and interest rates;
- credit and liquidity risks;
- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in countries in which the Company does or may carry on business;
- reliance on key personnel;
- property title matters;
- local community relationships;
- risks associated with potential legal claims generally or with respect to environmental matters;
- adequacy of insurance coverage;
- dilution from further equity financing;
- competition;
- uncertainties relating to general economic conditions; and
- risks relating to pandemics, epidemics and public health crises, and the impact they might have on the Company's business, operations, financial condition and/or share price;

as well as those factors referred to in the "Risks and Uncertainties" section in this Interim MD&A.

Forward-looking Statements contained in this Interim MD&A are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to:

- all required third party contractual, regulatory and governmental approvals will be obtained for the exploration and development of the Company's properties;
- there being no significant disruptions affecting operations, whether relating to labor, supply, power, damage to equipment or other matter;
- permitting, exploration and development activities proceeding on a basis consistent with the Company's current expectations;
- expected trends and specific assumptions regarding commodity prices and currency exchange rates;
- prices for and availability of fuel, electricity, equipment and other key supplies remaining consistent with current levels; and
- the accuracy of the Company's current mineral resource estimates.

These Forward-looking Statements 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 or results or otherwise, except as required by law. There can be no assurance that Forward-looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on Forward-looking Statements.

Business of the Company

The Company is a Vancouver-based mineral exploration entity engaged in the acquisition and exploration of precious and base metals properties. The Company is targeting early- to mid-stage exploration projects in jurisdictions which are mining-friendly, with strong mining codes, and with excellent geological potential. The Company's exploration activities have been focused in the Republic of Serbia ("Serbia"); however, management has been opportunistically investigating potential business opportunities in other regions.

The Company's Mineral Properties

The Company controls over 400 square kilometers of mineral rights spanning two of the most prospective metallogenic provinces in the Tethyan Metallogenic Belt, crossing the Republic of Serbia, so called West Tethyan Belt (the "West Tethyan"): (1) the Timok Magmatic Complex (the "TMC"), host of world class Cu- Au porphyry style deposits; and (2) the Serbo-Macedonian Massif (the "SMM"), located to the west of TMC and continues to northern Greece (see Figure 1). Furtermore, the Company has a number of mineral exploration applications for a total of additional 470 square kilometers of prospective exploration ground.

The Company's current active exploration portfolio is composed of 6 mineral permits and 6 mineral exploration applications. Certain mineral permits and applications are grouped in two principal projects:

1. **Timok East Project** - Luka, Makovište, Bukova Glava and newly awarded Rgotna mineral exploration permits (awarded in November 2025) and Rudna Glava, Crna Gora and Štubik mineral exploration applications, all situated on the eastern fringe of Timok Magmatic Complex; and
2. **Novo Tlamino Project** - Surlica Dukat and Donje Tlamino mineral exploration permits and Radovnica, Ljubata, and Crnoštica permit applications, located in the SMM Tertiary metallogenic province in the southern Serbia.

Additionally, the Company has a stand-alone mineral exploration permit: Żuta Bara, not far from the Novo Tlamino Project.

BHP Xplor Accelerator Program

In January 2025, the Company was selected as one of eight exploration companies to participate in BHP's 2025 Xplor Accelerator Program. Funding from the Program was exclusively directed to the Company's Timok East copper-gold project.

As a part of this program, BHP Xplor provided the Company with US$500,000 in non-dilutive grant funding to support and accelerate its exploration activities at Timok East during the Program. Additionally, the Program provided the Company with access to BHP's global expertise, networks and partnerships. The 2025 Xplor Accelerator Program ended on September 12, 2025.

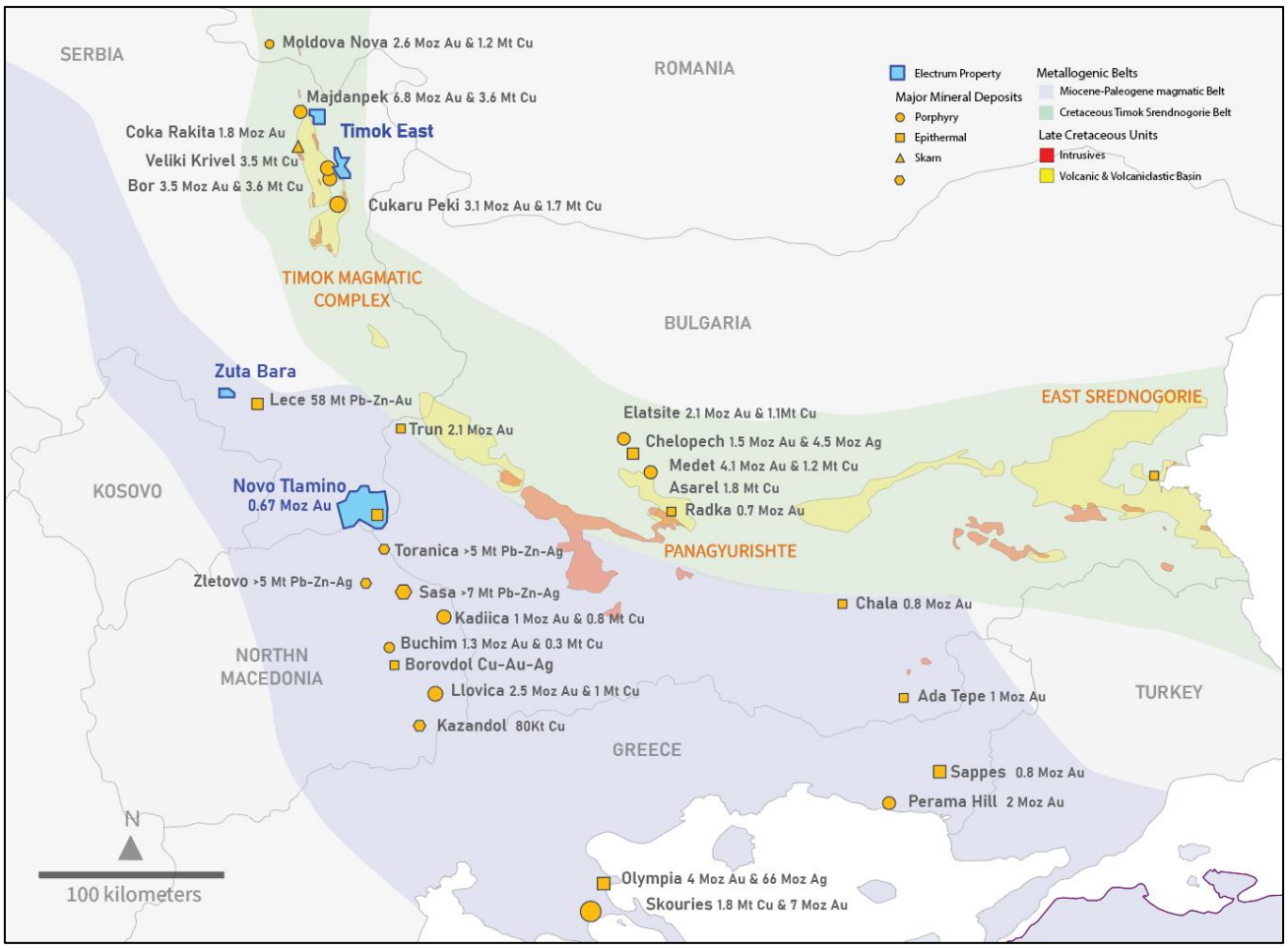

Figure 1: *Location of the Company's properties in relation the various metallogenic belts and regions of the Western Tethyan Belt in southern Europe.*

Timok East Copper-Gold Project

The Timok East Copper-Gold Project is situated along the eastern boundary of the Cretaceous-aged Timok Magmatic Complex, within the prolific Western Tethyan Metallogenic Belt in the Republic of Serbia. The project comprises four mineral exploration permits: three contiguous permits: Luka, Makovište, newly awarded Rgotna permit and further to the north Bukova Glava — covering a total area of 210 square kilometres (see Figure 2).

Current exploration efforts are concentrated on the Luka and Makovište licenses, where three principal copper-gold targets have been outlined: the Bambino Trend, Western Mag, and the Limestone Boundary. At Bambino, copper-gold-silver mineralization has been confirmed through trenching, surface geochemistry, and Phase 1 scout drilling (April 2025). Two diamond drill holes intersected chalcopyrite-bearing skarn zones, returning silver values up to 109 g/t Ag and gold values up to 1.65 g/t Au. The Bambino Trend extends for more than 7 km and lies approximately five kilometres east of the Bor porphyry corridor, that hosts deposits including Bor, Veliki Krivelj, and Čukari Peki, all operated by Zijin Mining Ltd.

The Western Mag Target, situated along the western portion of the project, was confirmed by a 280 line-km ground magnetic survey completed in June 2025 and refined through 3D inversion modelling in July 2025. Results demonstrate that the anomaly extends to depths greater than one kilometre and coincides with mapped Phase 1 Andesites, a favourable host for porphyry copper-gold systems in the Timok District.

The Limestone Boundary Anomaly is defined by a strong, linear magnetic feature coincident with the contact between limestone and clastic sedimentary rocks on the eastern flank of the project. A previously un-mapped igneous unit, with similar mineralogy and texture to the Phase 1 Andesites, has been discovered within the magnetic anomaly and is suggestive of a link to the Timok Magmatic Complex, mapped approximately 2 kilometres to the east.

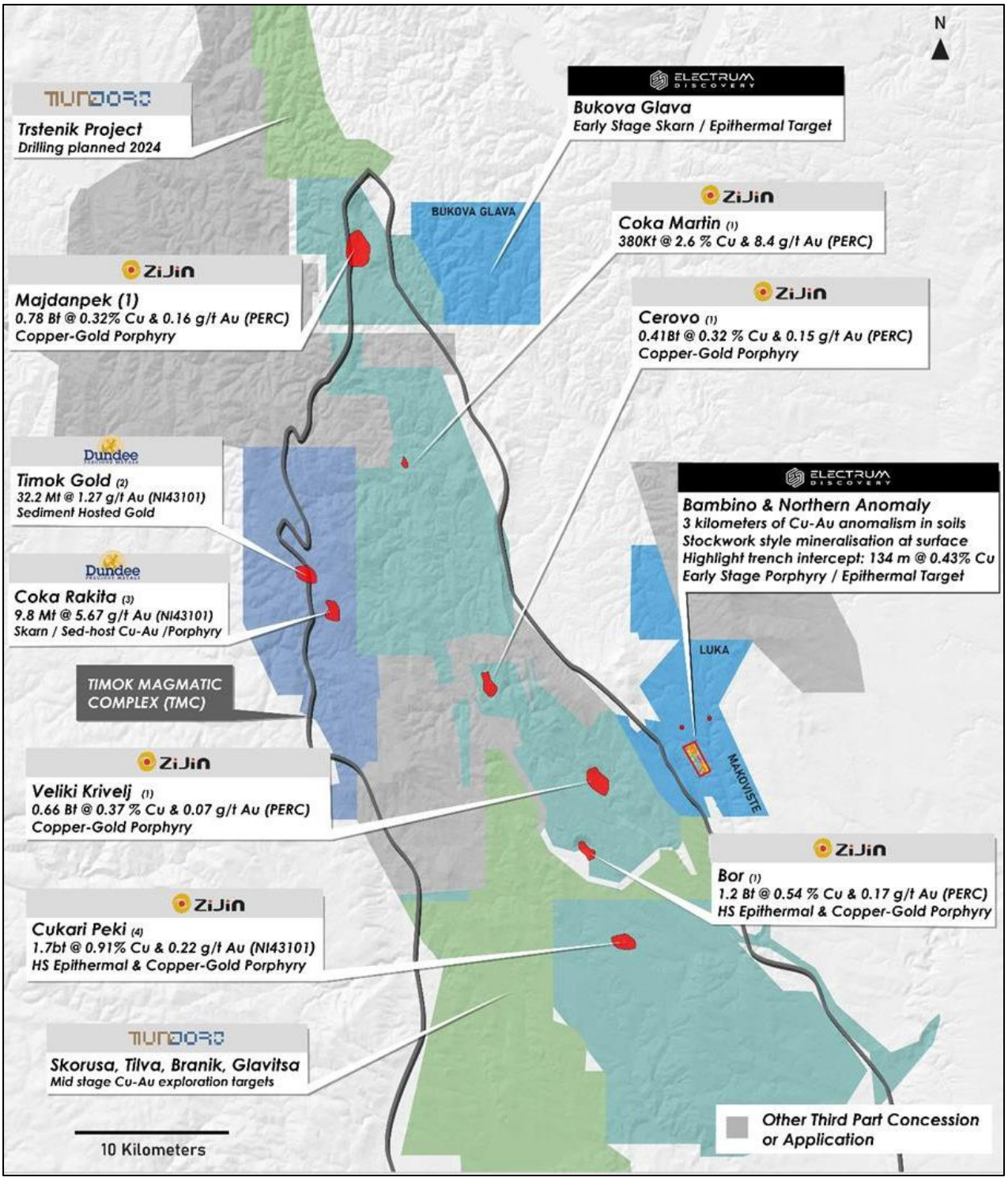

Figure 2: *Map showing the Company's and major third-party mineral exploration and mining companies' properties in the Bor region. Third-party resource figures sourced from Jelenkovic, Rade & Milovanović, Dragan & Koželj, Dejan & Banješević, Miodrag. (2016). The Mineral Resources of the Bor Metallogenic Zone: A Review. Geologia Croatica. 69. 143- 155.*

Following extensive field-based prospecting and desktop targeting across the Timok East Project, throughout 2024, a 1.8 km copper anomaly and 1 km gold anomaly was outlined at the Bambino Target, as well as additional copper anomalies at the Northern and Northwestern Anomaly areas (Results reported in News Release July 3rd 2024) (Figures 3 & 4). Additionally, a 300-meter trenching program was completed at the Bambino Central Target. All four trenches intersected significant copper-bearing stockwork, with TR02 returning 133.5 metres @ 0.43% Cu and 6.9 g/t Ag. Additional gold-rich intervals were encountered, suggesting possible overprinting by a secondary gold system. Trenches also confirmed mineralization remains open to the east (Trench results reported in News Release November 5th 2024).

To better resolve subsurface targeting, a High-Resolution Resistivity and Induced Polarization (HIRIP) survey was conducted in two phases by Terratec Geophysical Services in December 2024 and January 2025. Results revealed chargeability anomalies beneath Bambino Central, extending up to 180 metres depth and interpreted as subsurface extensions of the stockwork system. Resistivity highs were interpreted as quartz-rich intrusions or silicification zones. *(IP results from News Release December 19th 2024)*.

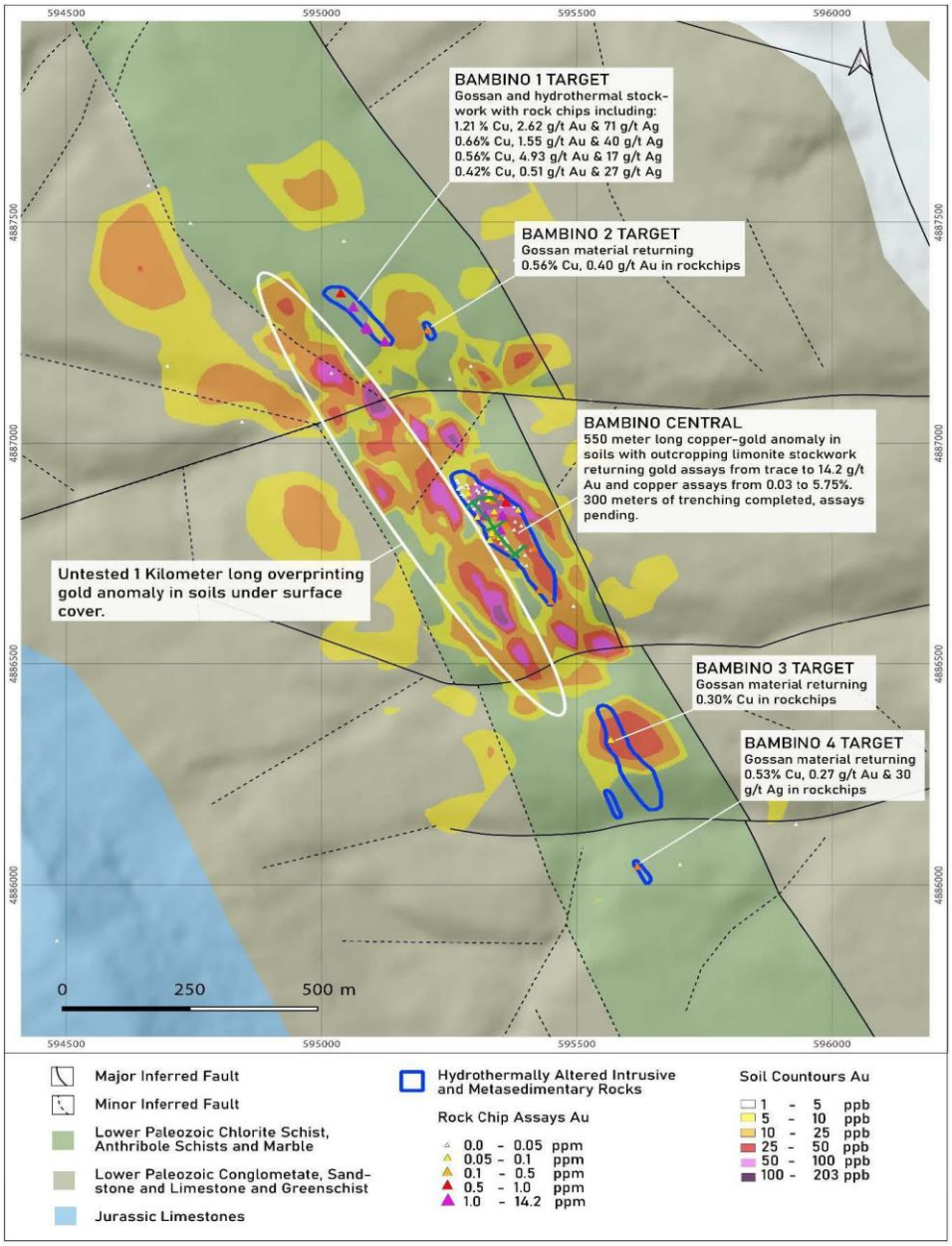

Figure 3: *Map showing the Bambino gold soil and rock chip assay results from April – June 2024 (Rock and soil results from News Releases 30th October 2024, 4th September 2024, and 3rd July 2024) (EPSG:32634).*

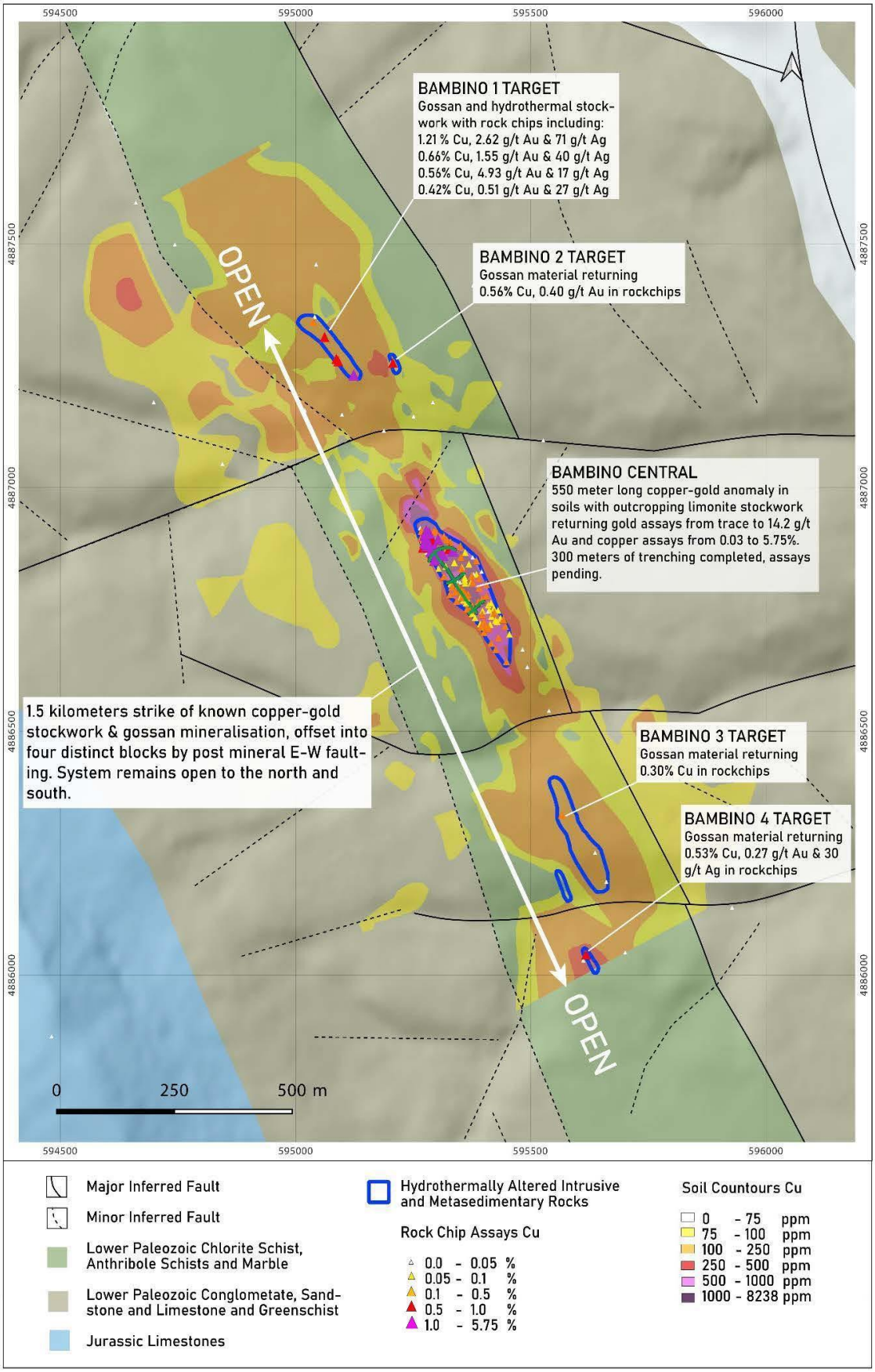

Figure 4: *Map showing the Bambino copper soil and rock chip assay results from April – June 2024 on geology map (Rock and soil results from News Releases 30th October 2024, 4th September 2024, and 3rd July 2024) (EPSG:3263)*

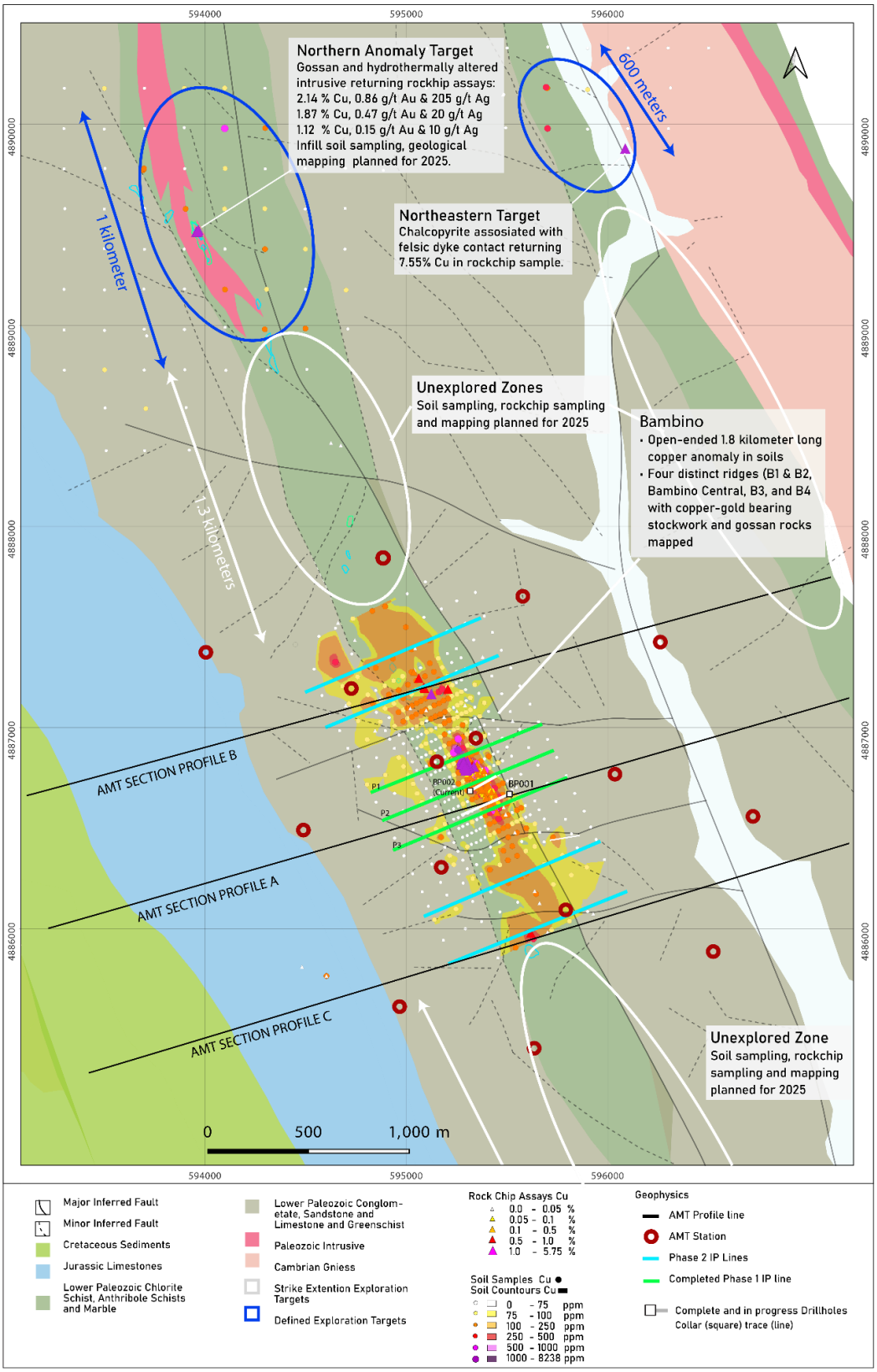

Figure 5: *Geology showing the location of the Bambino and Bambino Central anomalies within the broader target area (rock and soil results from News Release 30th October 2024, 4th September 2024, and 3rd July 2024) with AMT survey stations.*

In Q1 2025, the Company significantly advanced exploration at its Timok East Project through geophysical surveying, initial diamond drilling, and detailed surface mapping. A localized AMT survey identified a large, deep-seated conductivity anomaly beneath Bambino, interpreted as a potential deep-seated structure potentially linked to hydrothermal activity. Additional HIRIP surveying confirmed chargeability highs aligned with surface copper anomalies to the north and south of the Bambino central target. The Company completed its first drill program at Bambino, intersecting narrow intervals of skarn alteration and confirming minor gold, silver, and copper mineralization. Follow-up mapping and rock-chip sampling extended surface mineralization over 1.7 km at the Northern Skarn target, reinforcing the potential for a Cu-Au skarn system across the broader Bambino trend.

In January 2025, the Company engaged 3D Consulting-Geo GmbH to conduct a broadband Audio-Magnetotelluric (AMT) survey over the Bambino area of Timok East. The survey consisted of 14 stations spaced on a nominal 750-metre grid pattern (see Figure 5). The survey identified a significant westerly-dipping conductivity high beneath the Bambino target at depths of 500–800 metres. This zone continues with increasing depth to the west into the TMC. Additionally, it continues eastward toward the surface, aligning with an unexplored ridgeline approximately 1.5 kilometres east of Bambino. This area presents a compelling target for follow-up mapping and surface geochemical analysis (see Figure 6). The conductive anomaly potentially highlights a deep-seated regional structure that may have provided a pathway for mineralizing fluids to move laterally out of the TMC and could be linked to a large mineralized system. Directly beneath this conductive feature, the AMT survey identified a substantial zone of higher resistivity, which may correspond to a deep-seated intrusive body, potentially acting as a separate or additional driver of hydrothermal activity in the area (see News Release February 19th 2025).

In January 2025, the Company also completed Phase 2 of the HIRIP survey at Bambino. This survey consisted of four additional survey lines, 950 meters in length, traversing the northern and southern Bambino extensions (Bambino 1, 2, 3 & 4), (see Figure 5) areas identified through previous mapping and surface geochemical analysis completed in February 2025. Together, both phases covered approximately 1.6 kilometers of strike length across the Bambino anomaly, depth penetration of approximately 300 meters across each profile. Results from the Phase 2 survey confirmed a similar chargeability high anomaly beneath surface copper soil anomalism at the B1, B2, B3, and B4 targets as identified at Bambino Central.

In February 2025, the Company completed its phase 1 scout diamond drill program at Timok East, focusing on the Bambino Central target. The Phase 1 drill program consisted of two diamond drill holes BC001 and BC002, for a total of 704.4 metres, was completed in early March 2025 (see figure 7). The program was designed to test chargeability and resistivity anomalies identified beneath surface copper-gold mineralization in the late-2024 HIRIP survey. Both drill holes encountered isolated intervals of gold, silver, and copper mineralization (Drill results from News Release April 2nd 2025).

- Gold: Assay results included 20 samples returning values between 0.1 to 0.5 g/t Au and three samples returning values from 0.5 to 1.65 g/t Au. Gold mineralization was primarily associated with quartz-arsenic-rich shear zones and pyrite bearing stockwork zones surrounding intervals of skarn.

- Silver: Assay results included three samples returning between 10 to 109 g/t Ag. Silver mineralization was associated with anomalous copper values in both holes and correlated with intervals of skarn replacement.

- Copper: Assay results ranged from BDL (<1 ppm) to 3,090 ppm Cu. Mineralization was linked to chalcopyrite-bearing skarn intervals and showed an association with magnetite.

Table 1: Drill Collar coordinates and orientations of complete diamond drillholes (EPSG:32634)

Hole ID	***East***	***North***	***Azimuth (deg.)***	***Dip (deg.)***
BC001	*595473*	*4886730*	*248*	*-50*
BC002	*595322*	*4886760*	*051*	*-57*

Both drill holes intersected zones of pervasive chlorite–epidote–hematite alteration, interlayered with zones of skarn replacement featuring fine to coarse-grained garnet, amphibole, and localized magnetite. These features are characteristic of a distal skarn environment, possibly linked to a primary hydrothermal source. Late-stage overprinting by quartz–calcite stockwork veining with minor pyrite indicates ongoing hydrothermal fluid activity beyond the primary skarn-forming phase, suggesting a prolonged, multi-phase hydrothermal system.

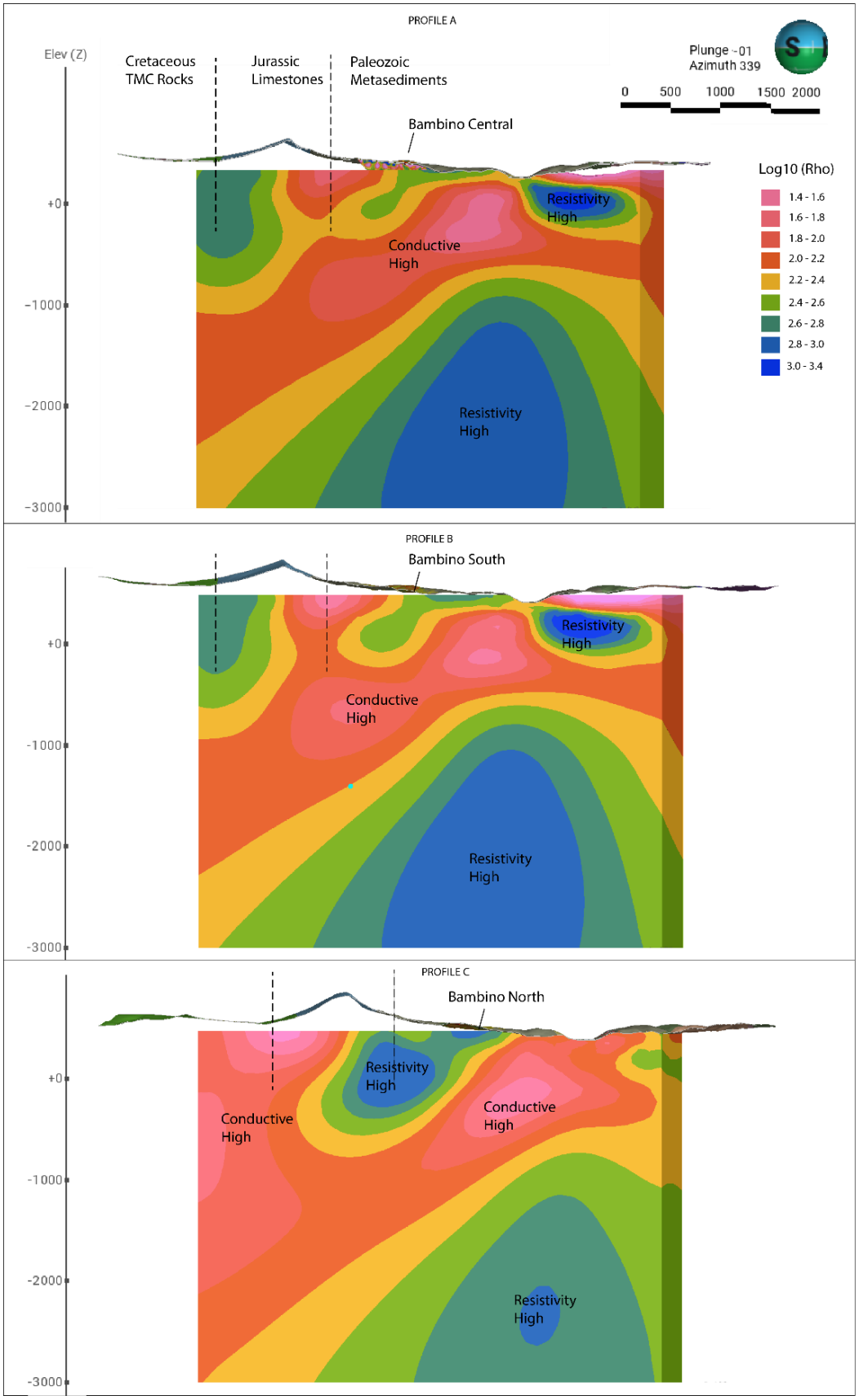

***Figure 6**: Cross-section profiles A, B, and C, through a 3D inversion resistivity model from the AMT survey showing the location of Bambino targets areas in relation to the conductivity and resistivity anomalies, and locations of two drill holes (BC001 and BC002) on Profile B. See figure 5 for section lines (AMT results from News Release 14th of February 2025).*

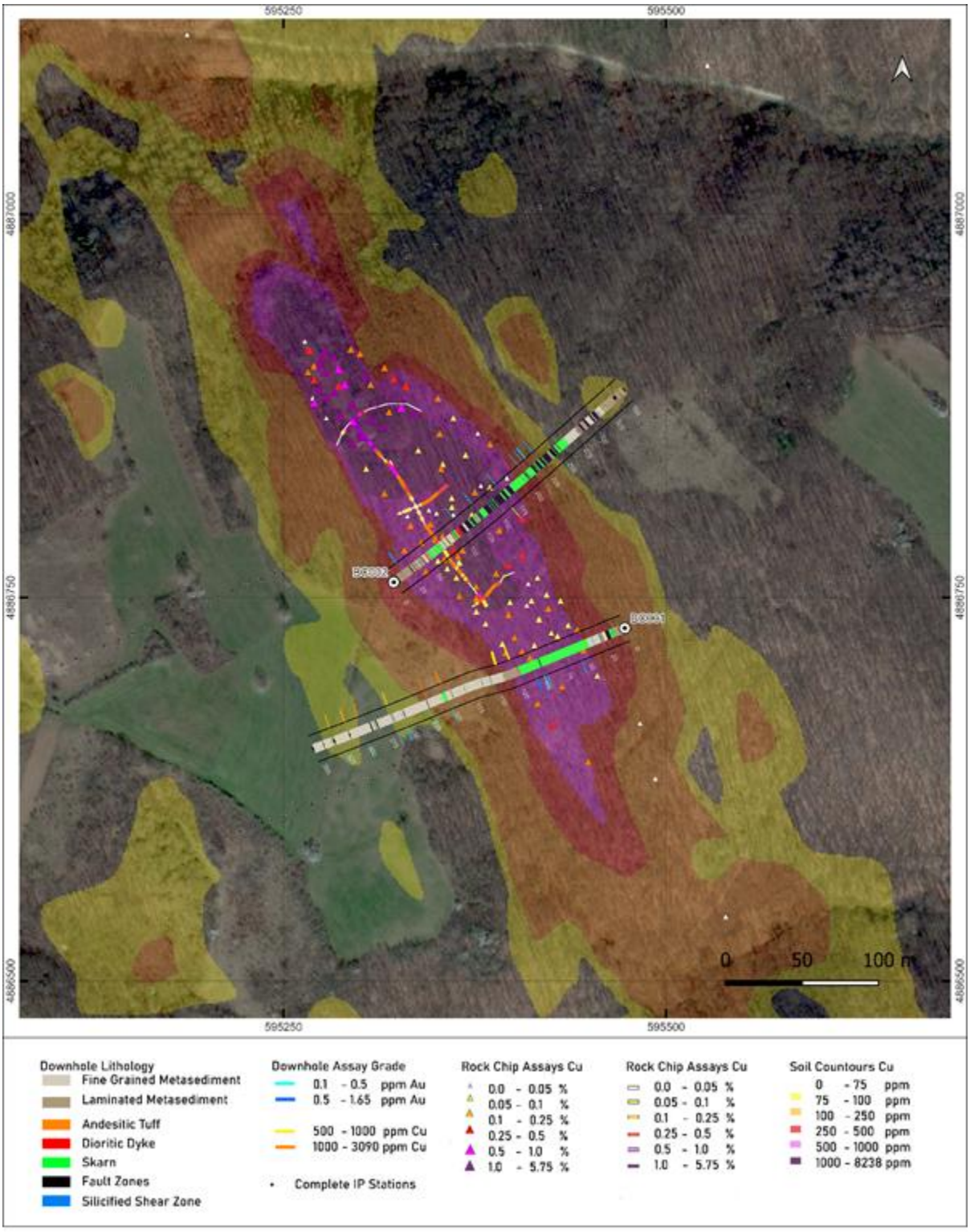

Figure 7: *Planview map showing the locations of BC001 and BC002, with downhole lithology logging in relation to surface copper anomalism (Rock and soil results from News Release 30th October 2024, 4th September 2024, and 3rd July 2024, Trench results from News Release November 5th 2024, Drill Results from News Release April 2nd 2025) (EPSG:32634).*

During Q2 2025, the Company continued exploration on the Luka and Makovište licenses, advancing two key targets: the Bambino Trend, (including Bambino and the Northern Skarn) and the Western Mag, and identified one new Target named the Limestone Boundary Target. Surface mapping and rock chip sampling at Northern Skarn confirmed copper-silver mineralization over 1.7 km of strike, forming the northern portion of the Bambino Trend, which demonstrate copper-gold-silver anomalism consistent with skarn and structurally controlled systems intermittently over 7 strike kilometers. A 280 line-km ground magnetic survey and 3D inversion modelling further outlined the depth extent of the Western Mag anomaly and highlighted the new linear magnetic high target at the Limestone Boundary. Continued literature review, petrology, TIMA, and geochronology studies were initiated to refine the geological framework as part of the BHP Xplor programme.

In April 2025, as part of the BHP Xplor work-program, the Company focused on an continued literature review and compilation of data, resulting in the identification of a a prominent magnetic high anomaly named the Western Mag Target, located in the western part of the Makovište license, coinciding with Phase 1 andesitic intrusive rocks at surface, which shares geological and magnetic characteristics with known porphyry systems in the region. Literature review placed past exploration results within the context of the regional geological architecture, enabling more efficient future targeting (See News Release April 16th 2025).

During this period the company has also completed follow-up mapping across the northern portion of the license, identifying Skarn mineralization across the Northern Skarn target at the northern end of the Bambino trend (Figure 9). During this mapping, 14 Rock chip samples were taken for assay, which confirmed the extension of copper mineralization at surface over a 1.7-kilometre strike length at the Northern Skarn target. Mineralization was encountered within sulphide bearing skarn alteration and gossanous quartz breccia material), particularly around the contact zone between a mapped granodiorite intrusion and the surrounding Palaeozoic metasedimentary units (Figure 9) (Rock chip results from News Release April 16th 2025).

This style of mineralization is consistent with surface expressions observed at the Bambino prospect, with elevated gold and silver values present in most samples, reinforcing the exploration model and highlighting the potential for laterally extensive skarn replacement and structurally controlled vein hosted mineralization along the central Bambino trend.

Key rock chip sampling of the Northern Skarn target include:

- 5 samples returned copper values between 0.13% and 0.65% Cu
- 3 samples assayed between 14 g/t and 80 g/t Ag
- 1 sample returned 0.42 g/t Au

Between April and May 2025, the Company carried out an extensive field prospecting campaign across the Luka, Makovište, and Bukova Glava licenses, aimed at classifying intrusive phases, alteration styles, and mineralization potentially related to Cretaceous magmatism at Timok East. A total of 86 rock samples were collected and added to the Company's growing physical and digital rock library. Selected specimens from these samples and from the Bambino drill core were submitted for mineralogical analysis and age dating to support geological understanding and ongoing target refinement.

On June 12, 2025, the Company reported results from its 280 line-km ground magnetic survey covering 59 km² of the Makovište and southern Luka licenses. The survey delineated several priority features: (i) a magnetic-high anomaly intensifying northward along the Bambino Trend into previously untested ground at Luka; (ii) the Western Mag, resolved as a major segmented NNW-trending feature coincident with Phase 1 andesites and regional extensional faults, comparable to settings hosting porphyry copper systems elsewhere in Timok; and (iii) a newly identified linear anomaly at the Limestone Boundary, along the contact between Jurassic limestones and Palaeozoic metasediments, prospective for skarn and carbonate replacement mineralization. Initial 3D inversion of the dataset indicated vertically continuous magnetic zones potentially reflecting magnetite-bearing intrusive or hydrothermal alteration (Figure 10 and News Release June 12, 2025).

A literature review of the Timok Magmatic Complex and Serbo-Macedonian Belt continued during Q2 2025. Published studies support a regional extensional regime linked to slab rollback of the subducting Tethyan slab, with deep-seated faults acting as conduits for Cretaceous intrusions and mineralizing fluids. the Company's AMT results showing west-dipping resistive structures are consistent with this framework and strengthen the district-scale prospectivity of the Timok East project (Figures 8 & 9).

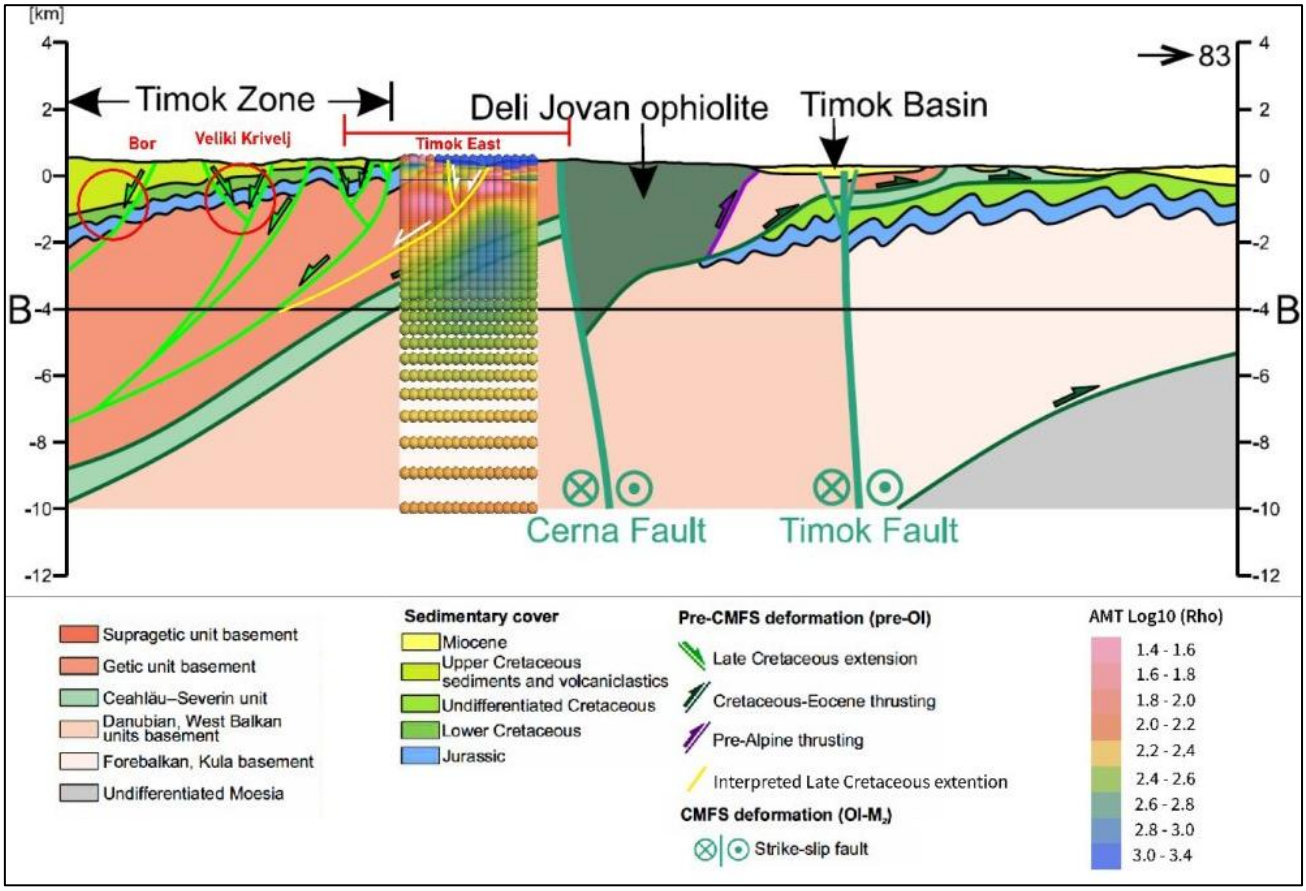

Figure 8: *Schematic cross-section of the eastern boundary of the Timok Magmatic Complex and Deli Jovan Ophiolite showing results from the AMT survey (see release February 19th 2025) with the Company's interpretations of extensional fault sets across Timok East. The approximate structural context and locations of the Bor and Veliki Krivelj porphyry copper deposits are also shown. Line of section displayed on figure Circum-Mos Modified from Krstekanić et al. (2022)[1].*

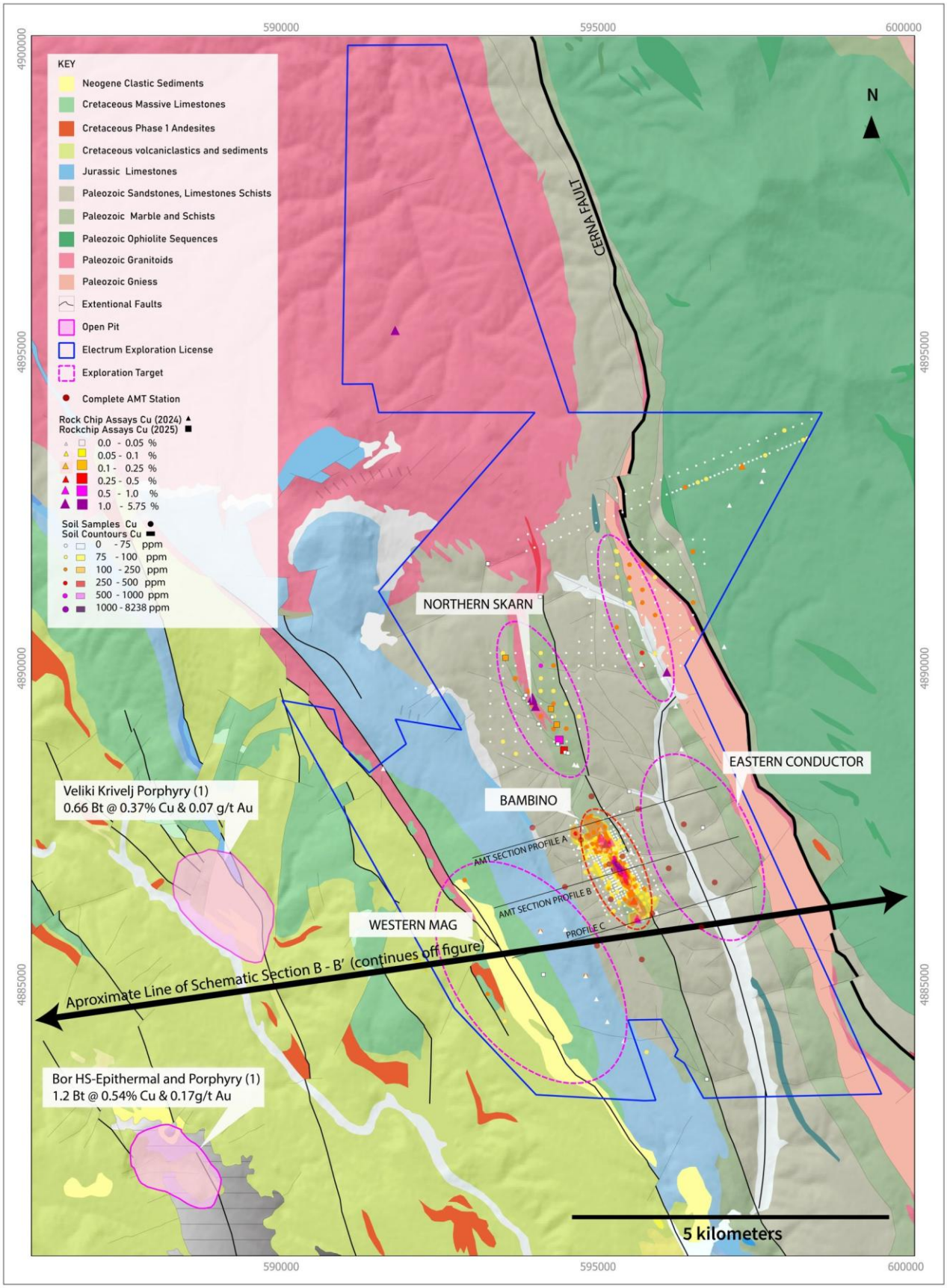

Figure 9: *Map of targets on 100k geology background, highlighting targets identified from regional targeting work and the location of newly reported assay samples (2025) (2024 Rock and soil results from News Releases 30th October 2024, 4th September 2024, and 3rd July 2024) (EPSG:32634).*

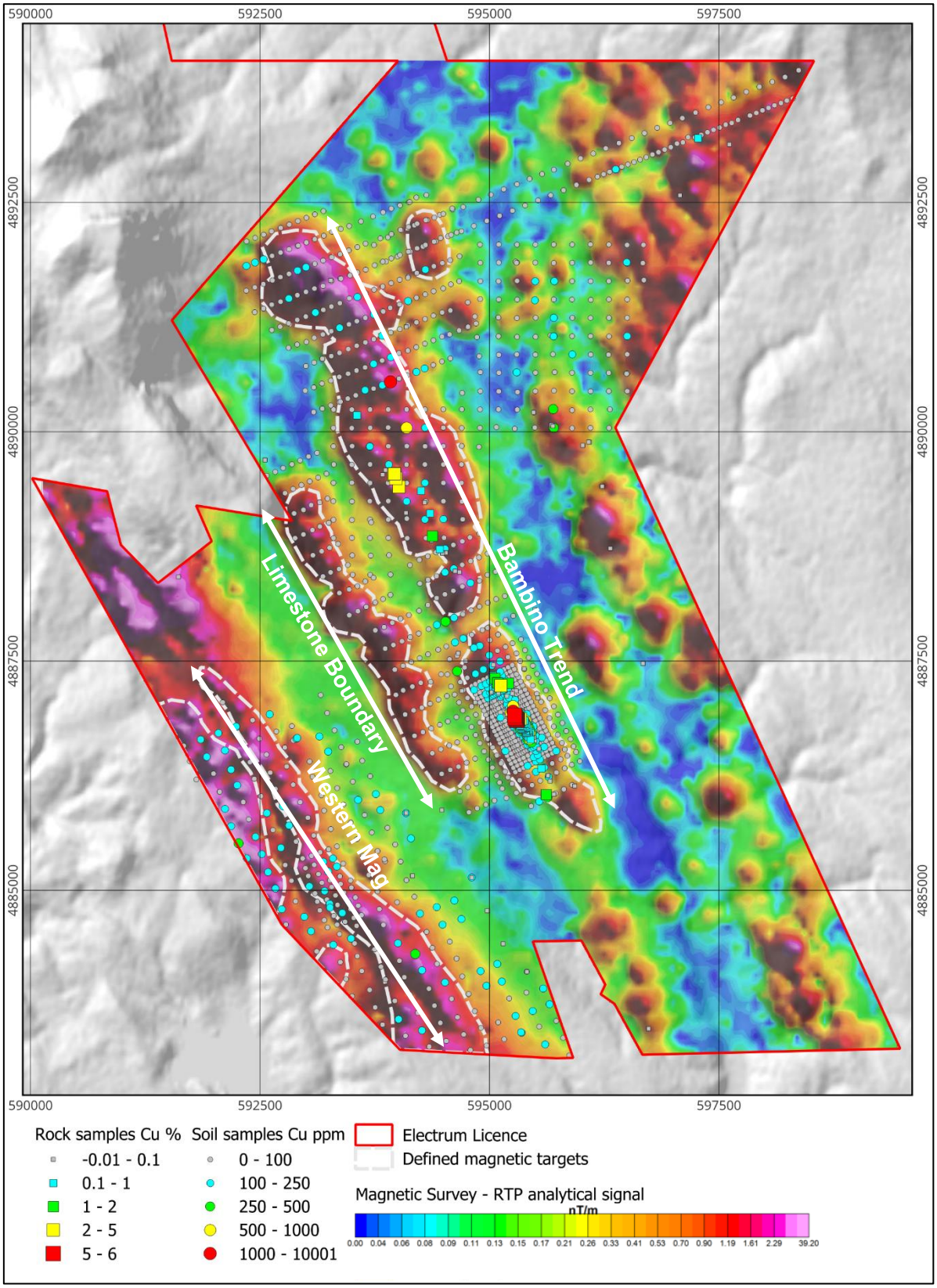

***Figure 10**: RTP Total Magnetic Intensity – Analytical Signal map of Timok East with Copper-in-soil and rock chip anomalies showing targets identified from the magnetic data including the Bambino Trend, Western Mag, and Limestone Boundary (EPSG:32634) (soil results from News Releases 30th October 2024, April 16th 2025, with new results added from later samples.).*

During Q3 2025, the Company advanced its summer field program at Timok East, completing soil sampling grids across the Bambino Trend, Western Mag, and Limestone Boundary targets. In total, 540 samples were collected, providing systematic geochemical coverage to complement the ground magnetic survey and 3D inversion modelling. Follow-up mapping and prospecting were also carried out to refine geological interpretations. These integrated datasets will guide drill-target definition and prioritization through the remainder of 2025 (Figure 10).

On July 2, 2025, the Company announced results from full 3D inversion modelling of the ground magnetic survey. The modelling confirmed vertical continuity of magnetic anomalies to >1 km depth at the Bambino Trend, Western Mag, and Limestone Boundary targets. The Bambino Trend was defined as a prominent 7.5 km corridor of elevated susceptibility coincident with surface copper-gold-silver anomalies. At Western Mag, fieldwork confirmed association with Phase 1 andesitic volcanics, reinforcing porphyry potential, while at the Limestone Boundary, the anomaly was modelled to ~850 m depth, dipping west toward the Timok Magmatic Complex. (Figures 11 & 12) (News Release July 2, 2025).

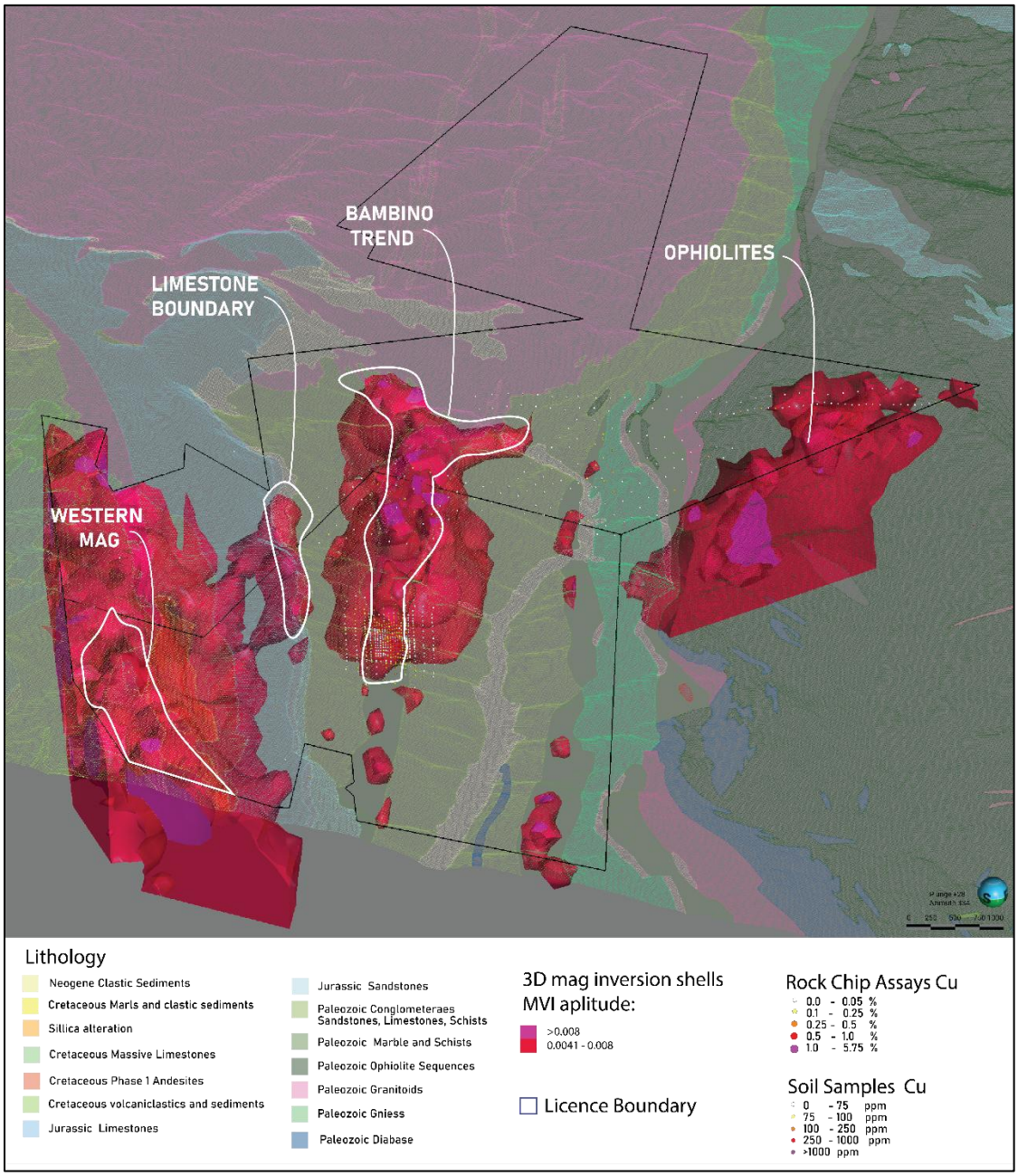

Figure 11: *Zones of higher magnetic susceptibility from the 3D inversion of ground magnetic data, with 100k geology surface wireframe and geochemistry overlain (rock and soil results from News Releases 30th October 2024, and April 16th 2025). Oblique view to the NNW.*

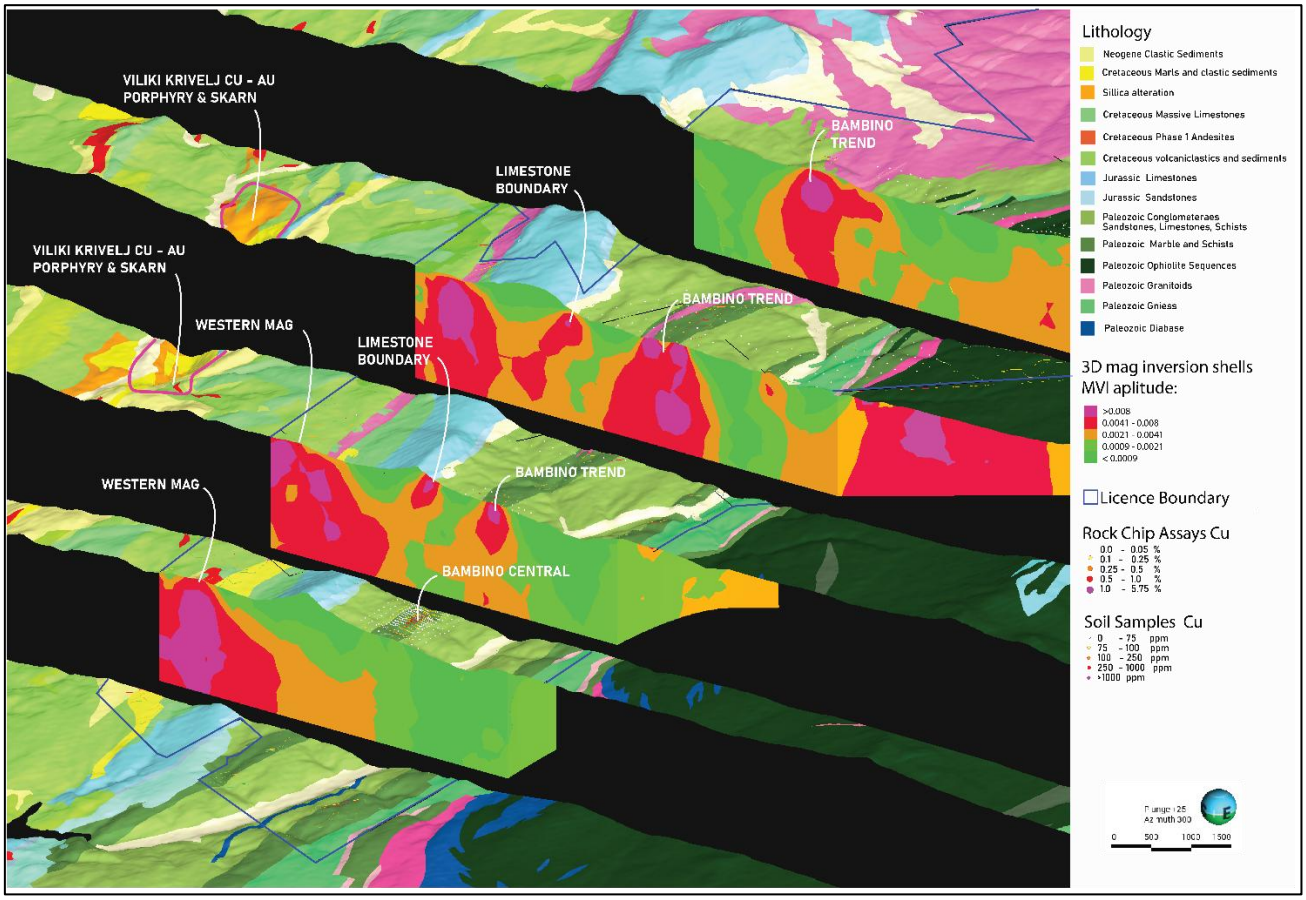

Figure 12: *Expanded slices through the 3D inversion model of ground magnetic data with 1:100,000-scale geology and geochemical data superimposed (soil results from News Releases 30th October 2024, and April 16th 2025). Oblique view to the WNW.*

Subsequent to the end of Q3 2025 reporting period, in November 2025, the Company engaged again 3D Consulting-Geo GmbH to conduct the second phase of broadband Audio-Magnetotelluric survey over the three key anomalies of the Timok East Project. The survey will consist of 41 stations spaced on an area of 5 x 2.5 kilometres.

Novo Tlamino Project

As a result of a reverse take-over transaction completed in January 2024, the Company expanded its Tlamino Gold Project, located in southern Serbia which was renamed to the Novo Tlamino Project ("Novo Tlamino") and at the time consisted of 5 active mineral exploration licenses: Donje Tlamino, Surlica-Dukat, Radovnica, Ljubata and Crnoštica.

In October 2020, the Serbian Ministry of Mining and Energy issued exploration licenses for Donje Tlamino and Surlica Dukat for the period of 3 years, which expired in October 2023. In October 2023, the Company submitted progress reports and renewal application for the second three- year exploration cycle for the Donje Tlamino and Surlica Dukat properties. During the 2024 fiscal year, the Company received the three-year extensions for the Surlica Dukat and Donje Tlamino exploration licenses.

During the 2024 fiscal year, licenses Radovnica, Ljubata and Crnoštica, expired and the Company's subsidiary Medgold Istraživanja DOO submitted new applications for all three licenses. As a result of these changes, at present the Novo Tlamino Project consist of two valid licenses: Donje Tlamino and Surlica Dukat, covering a total of 192.63 km^2, and three mineral exploration license applications: Radovnica, Ljubata and Crnoštica, covering a total of 226.65 km^2 (see Table 2).

Table 2: The Novo Tlamino Project

The Novo Tlamino Project: Constituent licenses			
License Name	**Area (km^2)**	**Award date**	**Years remaining**
Donje Tlamino	97.51	10 Dec 2024	2 + 2 years
Surlica Dukat	95.12	7 May 2024	2 + 2 years
Radovnica	98.30	*In application*	
Ljubata	60.19	*In application*	
Crnoštica	68.16	*In application*	
Total	**419.28 km^2**		

In mid-2016, the Company signed a strategic alliance with Fortuna Mining Corp. (NYSE: FSM) (TSX: FVI), formerly known as Fortuna Silver Mines Inc. ("Fortuna"), for the purposes of generating gold and silver exploration projects in Serbia by targeting gold-silver epithermal systems associated with the Oligo-Miocene igneous belt within Serbia. This belt of rocks runs NW-SE across much of the country and is under-explored for gold and silver. Much of the historic and available geological information was generated by the Yugoslav State, during the 1960s and 1970s, through phases of national-scale geological mapping and systematic exploration for lead and zinc.

Exploration drilling programs conducted at the Tlamino Gold Project between 2018 and 2019 led to the drill-definition of a zone of continuous gold mineralization at the Barje Prospect measuring 700 metres by 250 metres. In January 2020, the Company established a maiden Mineral Resource Estimate for the Barje Prospect (see "Mineral Resource Estimate" below). The above programs were fully funded by Fortuna and directed by a joint Fortuna-Medgold technical committee pursuant to the terms of a March 2017 Tlamino option agreement.

In July 2022, the Company and Fortuna entered into two agreements whereby the Fortuna option agreement was terminated, the Company acquired Fortuna's 51% beneficial interest in the Tlamino Project, and Fortuna was granted a 1% net smelter return royalty from any future production from the Tlamino Project. The royalty may be purchased by the Company at any time for a cash consideration of $3 million.

The Tlamino Gold Project

The Tlamino Gold Project includes three prospects: Barje, Liska and Karamanica. Outcropping mineralization was first observed at the Barje Prospect by Yugoslav State agencies in the 1950s and 1960s when a short adit was opened but no drilling was carried out. The prospect was then held by private and public companies between approximately 2005 and 2012 during which time limited drilling failed to intersect significant mineralization.

In a period between May 2018 and October 2019, a total of 33 diamond drill holes were completed at the Barje prospect over 4,991.5 metres, which identified gold and silver mineralization with lesser amounts of lead, zinc and copper. Drilling was conducted jointly with the Company's former option partner Fortuna.

The Novo Tlamino Project: Exploration Targets

Following extensive data review and filed work, the Company has confirmed key exploration targets at the Novo Tlamino Project (Figure 13), namely Karamanica, Jube Jube and Liska- Barje.

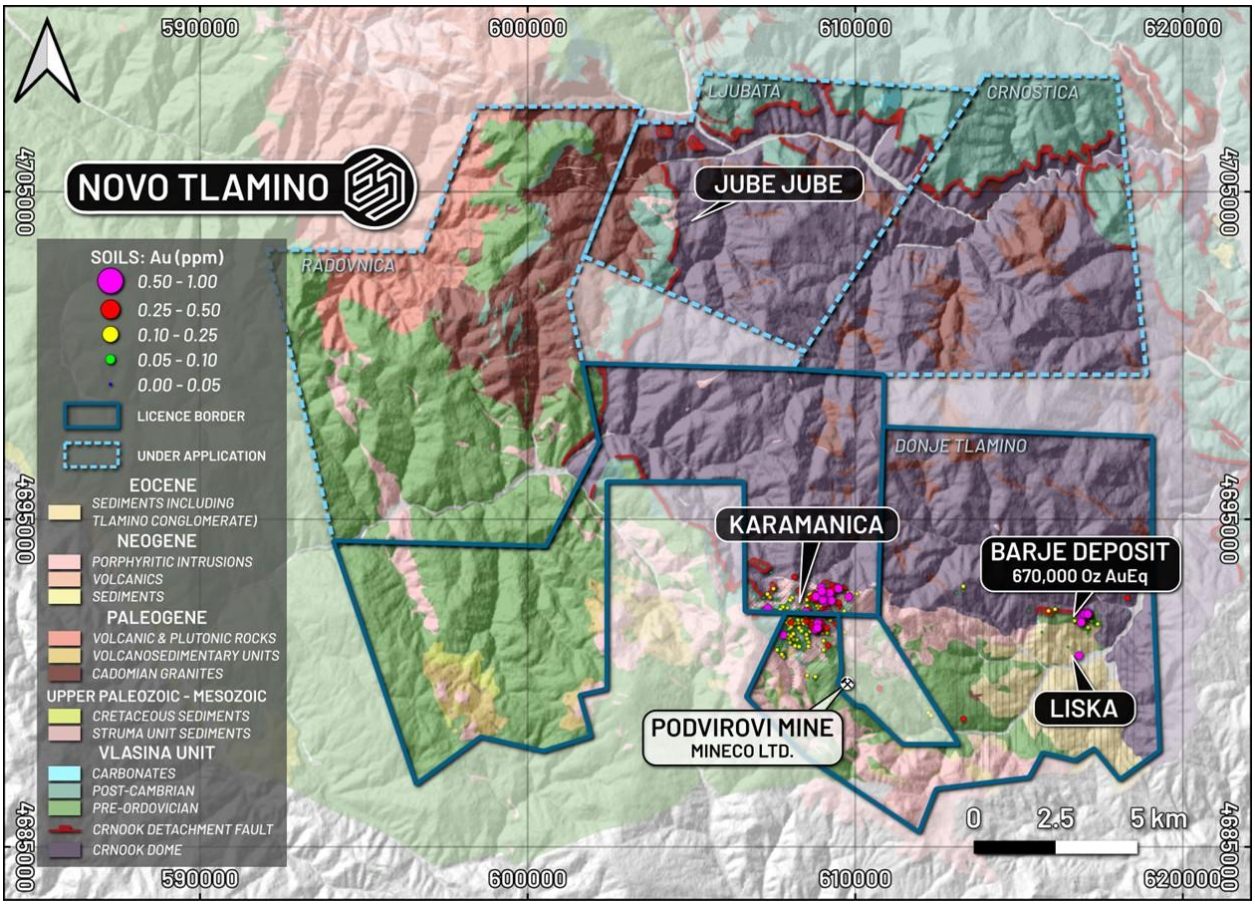

Figure 13: *Overview geological map of the Novo Tlamino project area, with key locations. (EPSG: 32634). Contained AuEq at Barje from News Release dated 26th January 2021; soil results from News Releases dated 2nd October 2017, and 11th January 2018.*

Karamanica

The Karamanica Prospect is located approximately five kilometres west of the Barje deposit. Soil sampling has outlined a 2.5 x 2.5 kilometre Au–Cu–Ag anomaly (Figure 13), within which historic rock-chip sampling returned assays up to 11.1 g/t Au, 911 g/t Ag, and 4.7% Cu. Fieldwork has also identified sulphide-mineralized vuggy silica within historical mine dumps, associated with a broad silicified zone in the southern anomaly area.

Past exploration at Karamanica included eight drill holes (1,996.5 metres), targeting the strike extension of the nearby Bosilegrad Pb–Zn mine and surface gold anomalism over limestones to the north. This drilling intercepted variable gold mineralization, including 2.0 metres at 0.9 g/t Au from 241 metres in hole KAR002. Reconnaissance work in October 2024 included six rock-chip samples, four of which returned between 0.29 and 2.57 g/t Au from brecciated and gossanous rocks along limestone–schist contacts (Figure 15). Five additional samples were collected for petrological studies of vuggy silica material.

During Q2 2025, the Company advanced exploration at Karamanica through geochemical reinterpretation, geological mapping, and prospecting. Re-examination of multi-element soil geochemistry extended the anomalous footprint to approximately 2 km² and delineated two distinct associations. Type A anomalies (Au–As–Sb–Ag–Tl) define NW- and ENE-striking trends, including a jasperoid corridor developed along the Crnook Detachment. Type B anomalies (Au–Pb–Zn–Cu) are concentrated within calc-schist units and gossanous breccias (Figures 16 & 17). Mapping confirmed NW–SE breccia zones coincident with Type B anomalism and an ENE–WSW jasperoid body aligned with Type A, together forming a robust framework for follow-up exploration (News Release June 23, 2025).

As part of this program, 20 rock-chip samples were collected in late Q2 to test surface mineralization across these structural corridors (Figure 17). Assay results, released on July 21, 2025, confirmed the presence of gold- and silver-bearing mineralization across multiple target areas. Highlights include:

- Gold values up to 2.39 g/t Au, with two additional samples grading 0.5–2.0 g/t Au and eleven samples between 0.1–0.5 g/t Au.
- Silver values up to 745 g/t Ag from a vein sample associated with elevated lead, with two further samples >50 g/t Ag and six between 10–50 g/t Ag.
- Lead values peaking at 21.0% Pb, with additional samples between 0.5–5.0% Pb.
- Zinc values up to 2.90% Zn, with two further samples returning 1.0–2.0% Zn.

Three priority target zones have now been delineated: the Drill Road Breccia, yielding up to 2.39 g/t Au and 56 g/t Ag; the Northeast Gossan, with up to 2.90% Zn and 2.01% Pb; and the Western Jasperoid, which returned up to 0.49 g/t Au (Figure 16). These results are consistent with surface expressions of epithermal and CRD/skarn-style systems and support the interpretation of Karamanica as a large, multiphase hydrothermal centre (News Release July 21, 2025).

Complementary petrographic analysis confirmed mineral assemblages consistent with epithermal and CRD-style processes, providing mineralogical support for the geochemical and structural models. Together, these datasets refine the understanding of Karamanica and have defined three new structurally controlled gold-bearing targets for further investigation.

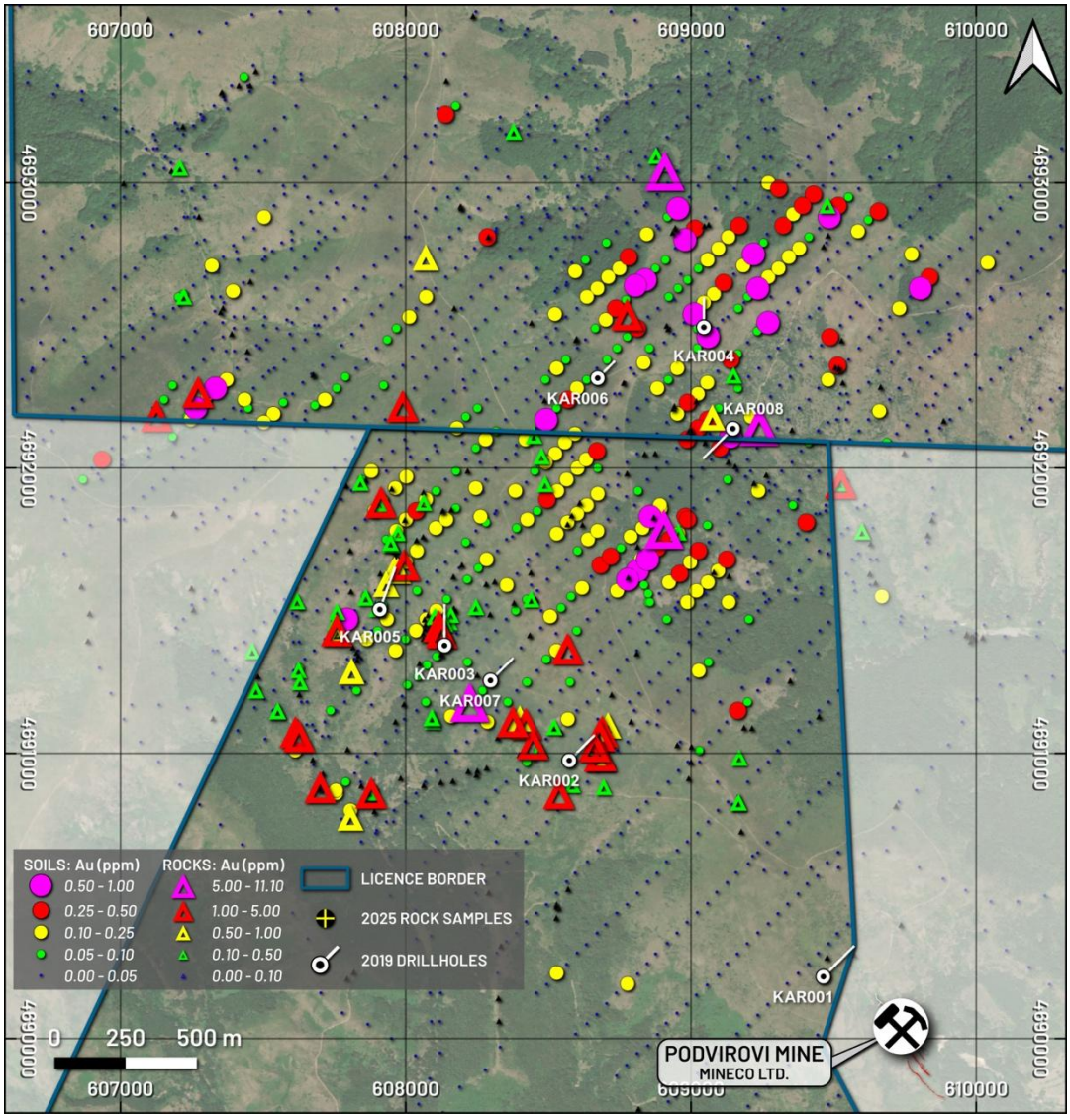

Figure 14: *Distribution of gold grades in soil and rock samples at Karamanica. (EPSG: 32634). (Rock and soil results from News Releases dated 2nd October 2017, and 11th January 2018).*

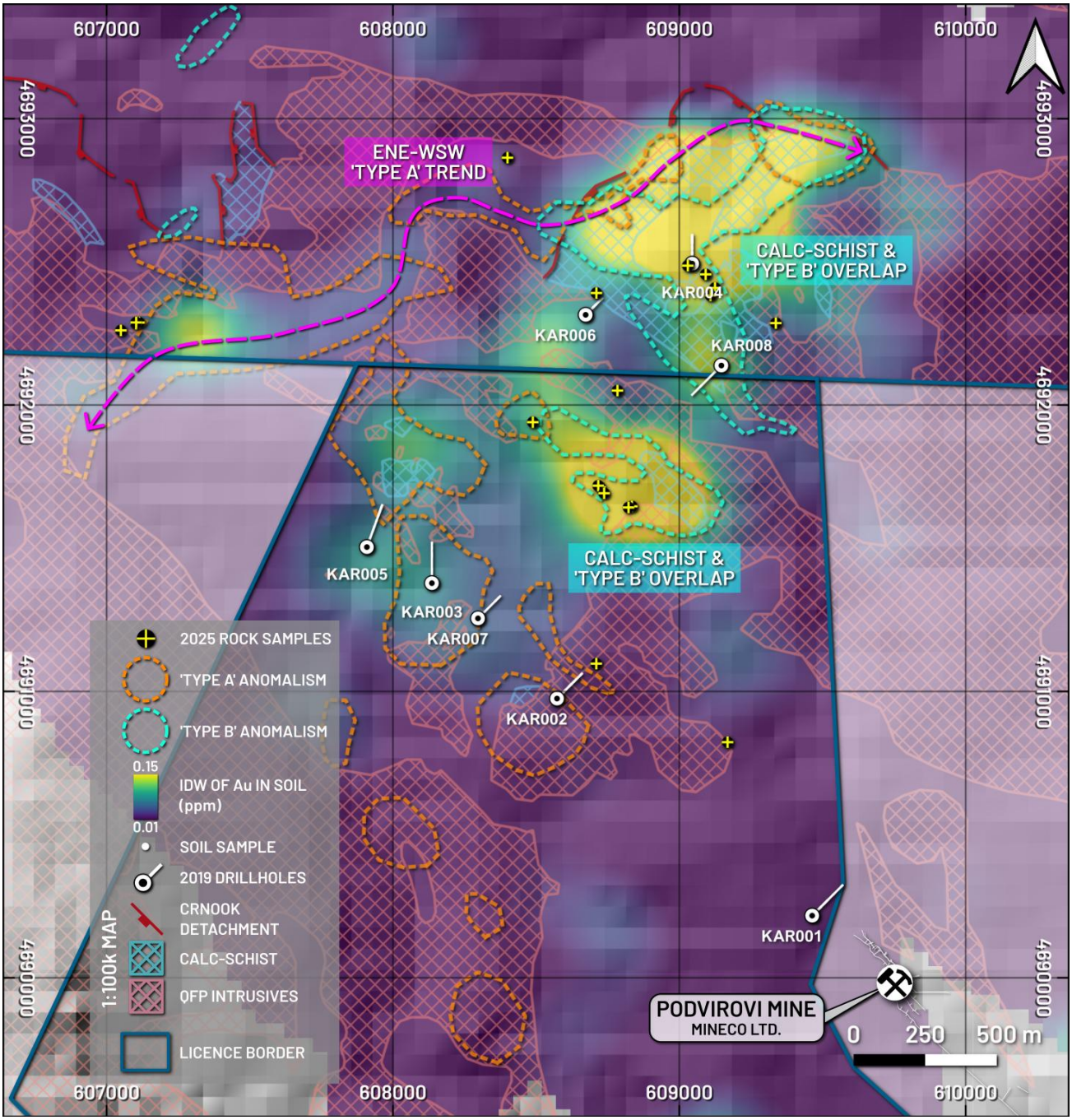

Figure 15: *Key geological features and the 'Type A' and 'Type B' anomaly trends at Karamanica, overlain onto gridded values of Au-in-soil. (EPSG: 32634). (Soil results from news Releases dated 2nd October 2017, and 11th January 2018).*

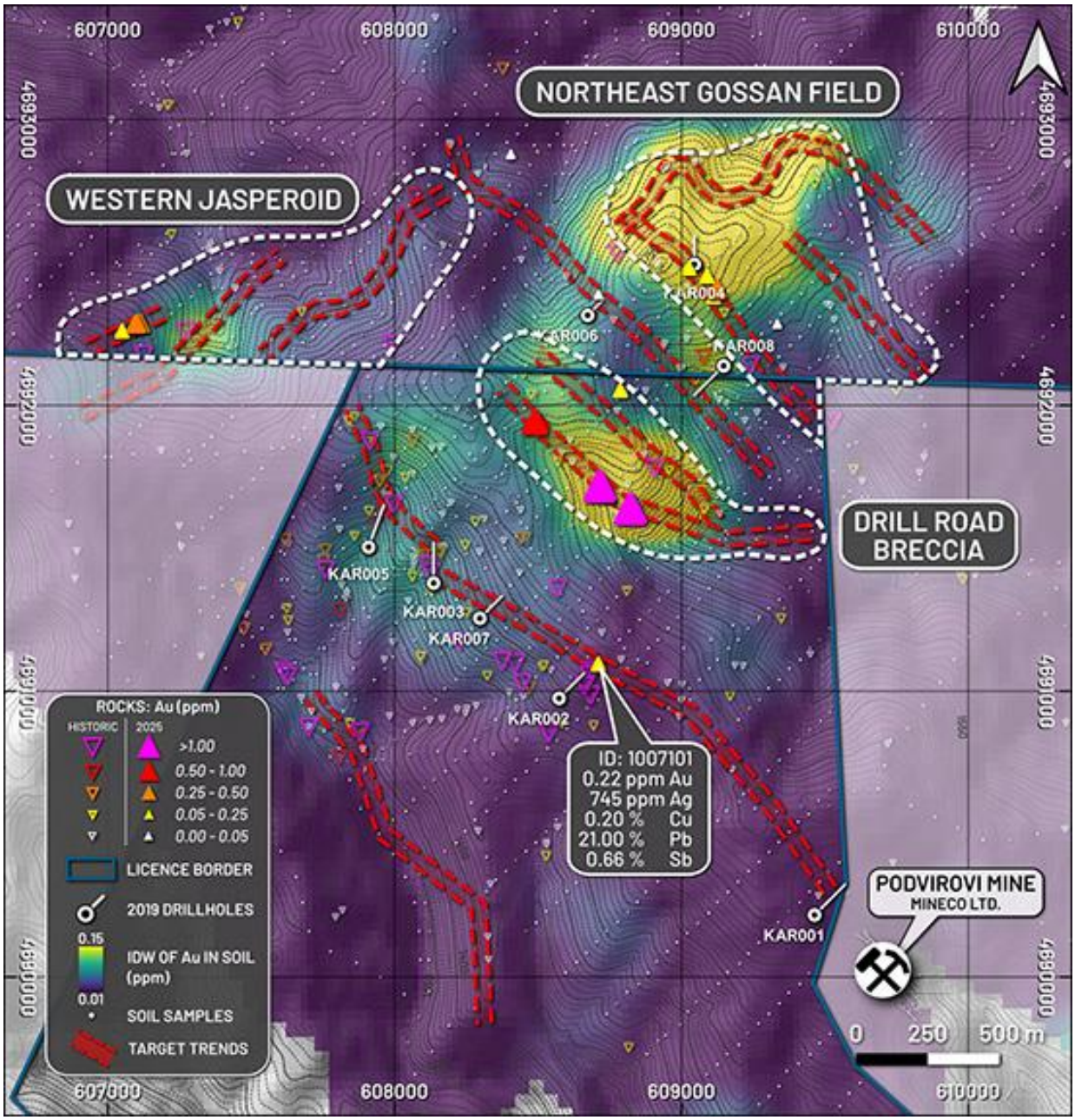

Figure 16: *Overview map of 2025 and historical rock chip samples at Karamanica, with target trends marked in red and overlain onto gridded gold-in-soil data. Historic Soil and rock sample results from News Releases dated 2nd October 2017, and 11th January 2018.*

Jube Jube Target

The interpretation of past soil sample data has identified four surface gold anomalies over a 3 kilometres strike length in the northwest of the Novo Tlamino Project, at the Jube Jube Target. Three of these anomalies appear to be associated with structures along the same geological contact as the privately owned Grot polymetallic skarn deposit, located approximately 5 kilometres to the northwest.

The Jube Jube Target is located on the Ljubata mineral exploration licence, which is currently in application process for re-issuance under Medgold Istraživanja DOO. Until that licence is awarded the Company will not be conducting any exploration on this target (Figure 17).

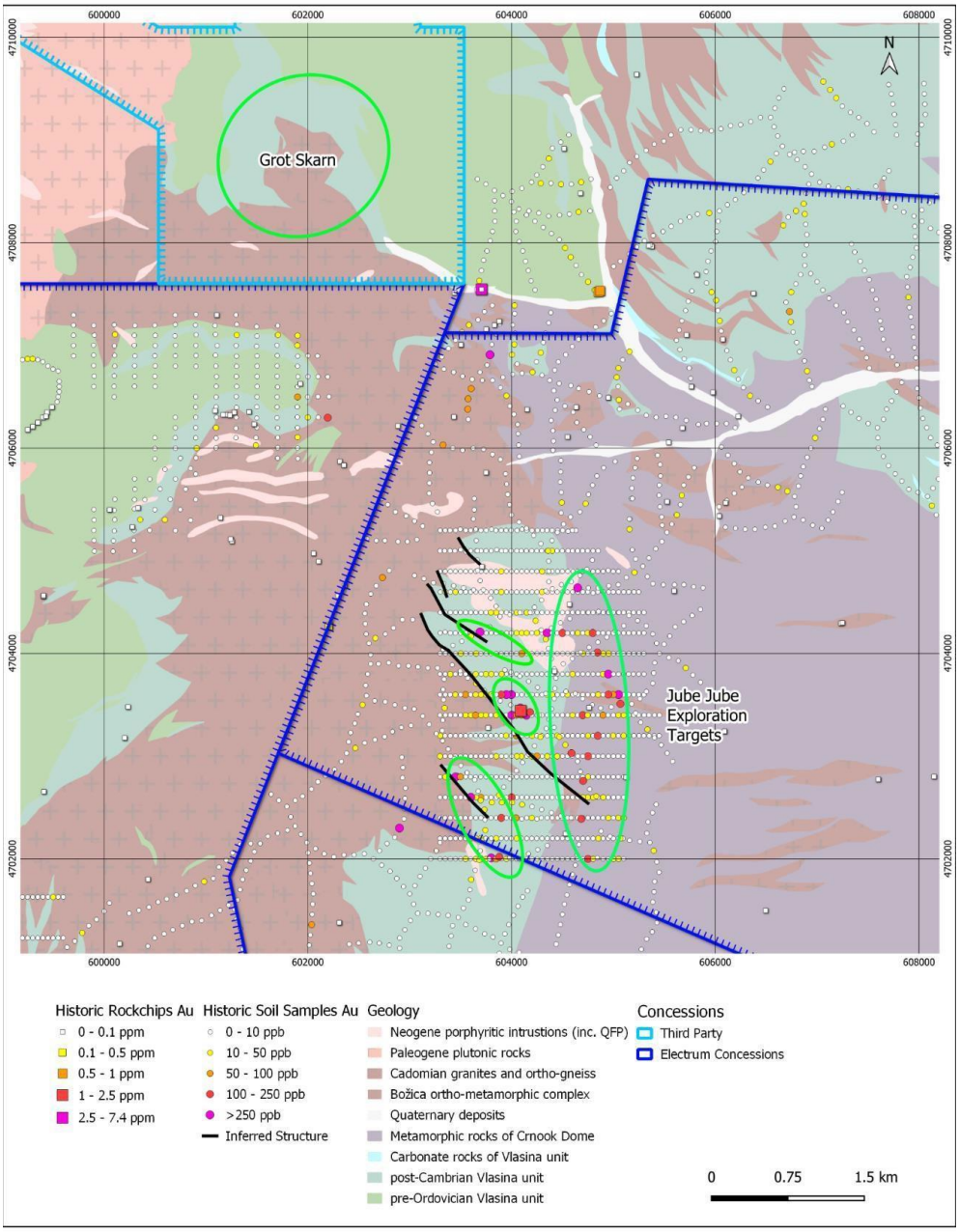

Figure 17: *Surface gold anomalism within the Jube Jube target area in relation to Grot mine in the north.*

Liska-Barje Target

The Liska Pb-Zn occurrence is located 1.5 kilometres south of the Company's wholly-owned Barje Deposit within the same exploration license (Figure's 18 & 19). Core, field-outcrop and 3D model review has concluded that both Liska and Barje are likely controlled by the same low-angle detachment fault. Mineralization styles between the two deposits suggest they are potentially genetically linked and represent the geochemically zoned upper and lower segments of an intermediate-sulphidation epithermal deposit. The potential for an offset continuation of the Barje mineralization, between previous drilling at Barje and Liska, has been identified as a high priority exploration target.

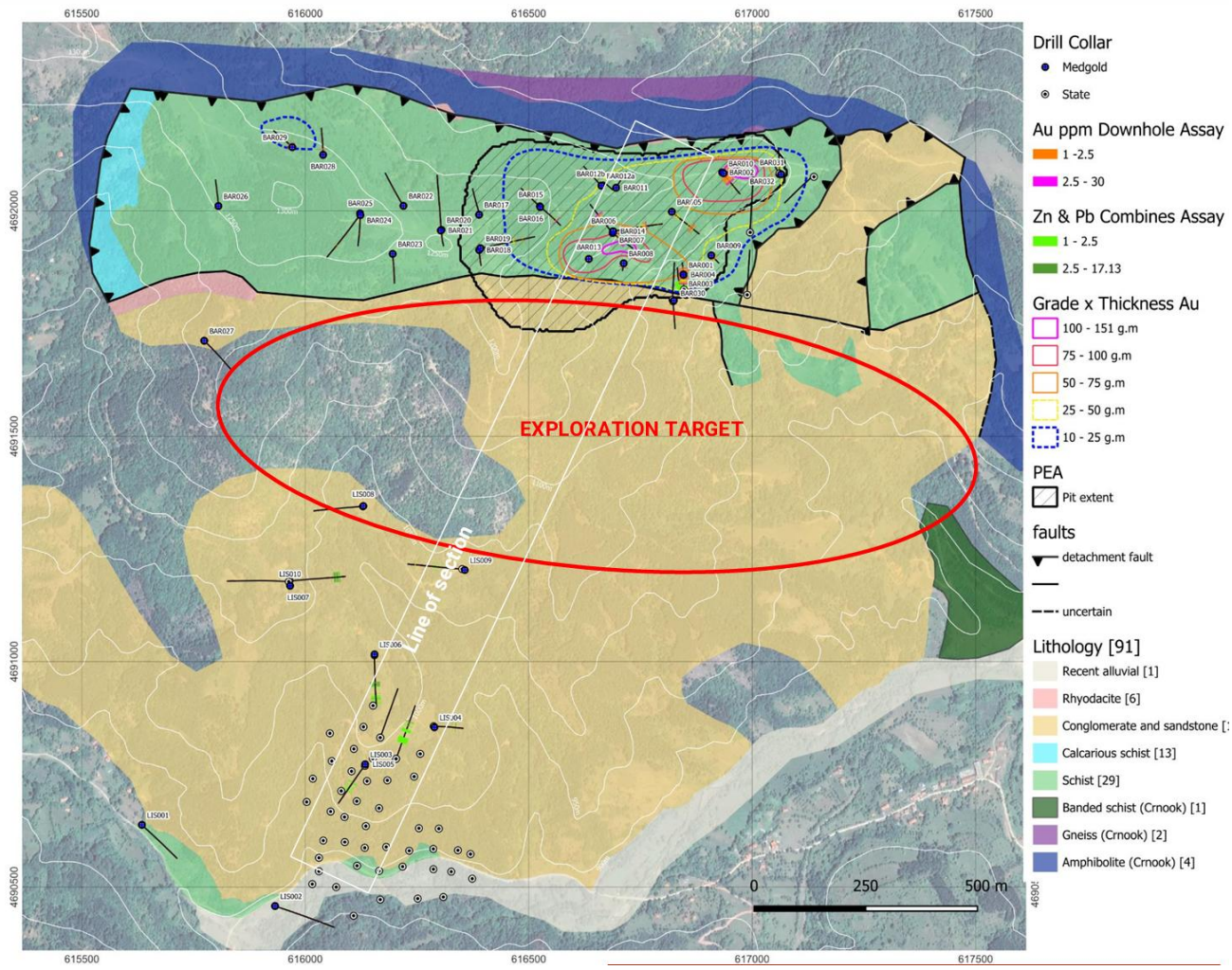

Figure 18: *Plan view geology map showing the location of drill holes complete to date at the Barje and Liska projects.*

In January 2025, the Company received preliminary results from a structural interpretation study of the Barje-Liska target area, led by Dr. Paul Pearson. Based on a six-day field visit and detailed core review, the study focused on identifying potential resource extensions around the Barje deposit and assessing the structural complexity along its southern fault-offset boundary. Preliminary findings outlined several near-resource targets west of the current resource as prospective zones for expansion and provided new insights into the syn- and post-mineral structural regime.

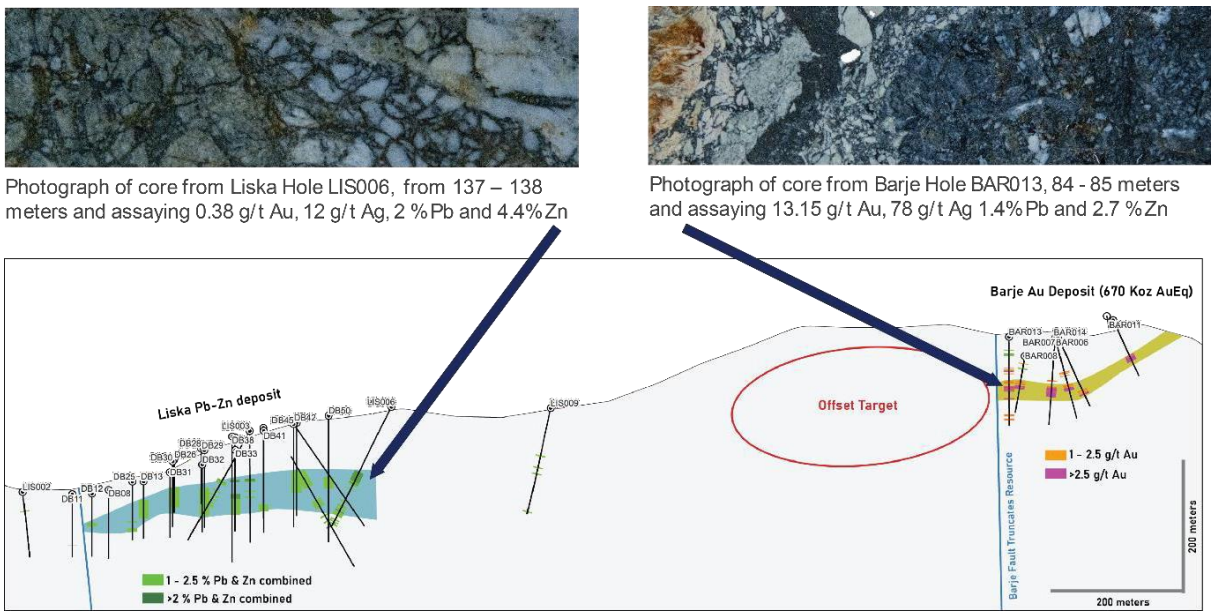

Figure 19: *Cross section through the Barje and Liska deposits, with tagged core photographs showing similarities in mineralization styles between the two deposits.*

Preliminary Economic Assessment

On January 30, 2020, the Company announced a maiden Mineral Resource Estimate for the Barje Deposit and, in January 2021, the Company completed a Preliminary Economic Assessment ("PEA") for the Barje Deposit. The purpose of this study was to confirm the self-standing economics of the Tlamino Gold Project, and specifically its capacity to yield a marketable metal concentrate. Addison Mining Services Ltd. and Bara Consulting Ltd., both of the United Kingdom, were appointed as leaders of the PEA and metallurgical studies. Reach Partners Limited, also of the United Kingdom, was engaged to provide guidance in the fields of concentrate specification and marketing terms. Unless otherwise stated, all tones referenced in the PEA summary set out below are metric, and ounces are troy ounce.

The highlights of the PEA (2021) are as follows:

- Based on simple open-pit mining methods and the production of a flotation concentrate via conventional processing techniques, the pre-tax NPV of the Project, at a discount rate of 8%, is US$101M, its IRR 49%, and its operating margin 61%.
- The up-front capital cost of the Project is US$74M (inclusive of a 15% contingency margin and further study and engineering costs) with payback achieved in two years.
- Life of mine C1 cash costs are US$464/oz Au, and life of mine all-in sustaining costs ("AISC") are US$522/ounce Au.
- A gold price of US$1,500/oz and a silver price of US$16.50/oz was used in the study. At an approximate spot gold price of US$1,800/oz, the post-tax NPV of the Project, at a discount rate of 8%, is US$139M, and its IRR 69%.

The key financial metrics of the Project are summarized in Table 3.

Table 3: Barje PEA Key Financial Metrics

Metric	Value	Units
Revenue	458	US$M
Operating Cost	181	US$M
Peak Funding Requirement	37	US$M
Project Capital Cost	74	US$M
Free Cashflow	153	US$M
LOM C1 Cash Cost	464	US$/oz
LOM AISC	522	US$/oz
Pre-Tax Project NPV8	101	US$M
Post-Tax Project NPV8	86	US$M
Pre-Tax Project IRR	49	%
Post-Tax Project IRR	46	%
Operating Margin	61	%
Payback Period	2	years

The PEA is preliminary in nature and is based on Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. As such there may be no certainty that the PEA will be realized. The study was undertaken by Addison Mining Services Ltd., Bara Consulting Ltd. and Reach Partners Limited, all of the United Kingdom. A Technical Report for the Project has been filed on SEDAR+ at www.sedarplus.ca.

Basis of Preliminary Economic Assessment

Scoping-level design and preliminary economic analysis thereof was undertaken for the Barje Deposit of the Tlamino Project. The Mineral Resource Estimate for Barje as announced on January 30, 2020 has been updated in accordance with the metallurgical test work and mining parameters identified during the course of the current study. An updated Inferred Mineral Resource of approximately 7.1 Mt at 2.5 g/t Au and 38 g/t Ag, containing approximately 570,000 oz of Au and 8.8 Moz of Ag is herein stated and has been used as a basis for the PEA.

Mining via open pit methods using a conventional truck and shovel fleet is contemplated, delivering approximately 600,000 tpa of two Run of Mine ("ROM") material types - High-Grade Breccia ("HG_BX") and Low-Grade Schist ("LG_Sch") - to stockpile for processing, with a life-of-mine stripping ratio of approximately 4:1. On site mineral processing is via grinding and flotation to a bulk Au-Ag bearing sulphide concentrate for sale to potential offtake customers. Preliminary economic analysis has been performed in accordance with the preliminary mine design and schedule, metallurgical testing, and concentrate payability analysis developed in the study, and the estimates and analyses therein have been prepared to scoping level (+-30%). Oxidized material from the Mineral Resource was not considered by the PEA, and the nearby prospects at Liska and Karamanica were similarly omitted. A preliminary site layout, subject to further study, permitting and land access is shown in Figure 20. Key project parameters are presented in Table 4.

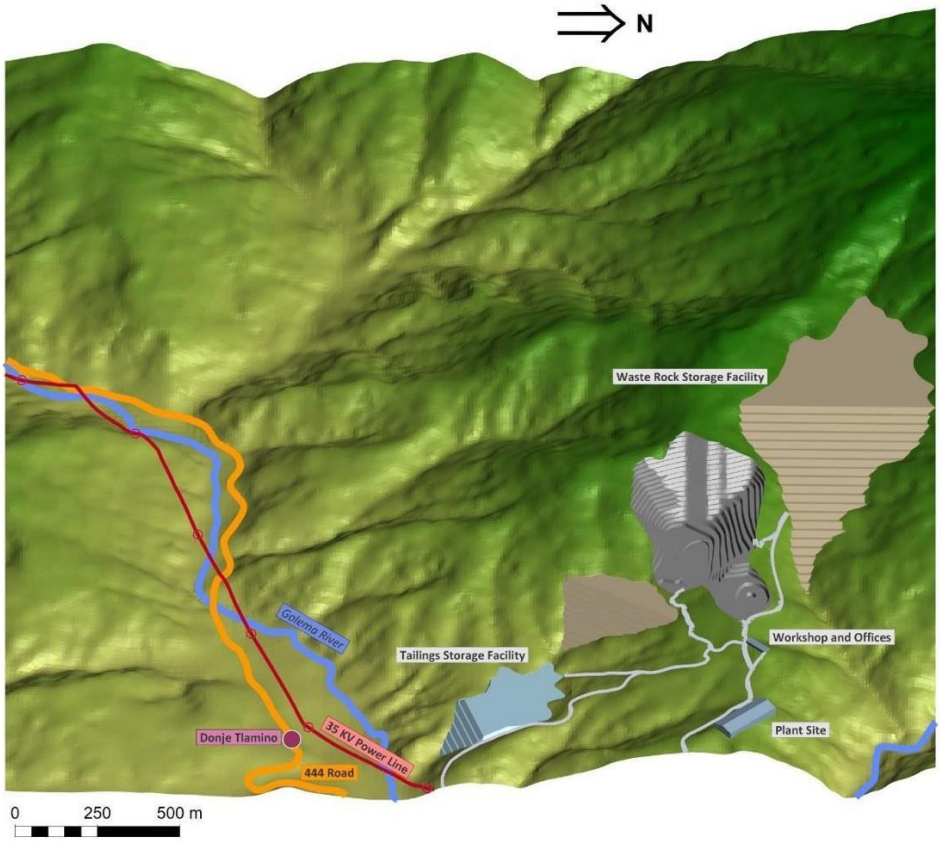

Figure 20: *Preliminary Site Layout, Barje (looking west)*

Table 4: Summary of Project Parameters

Parameter	Value	Units
LOM Production Rate	710	ktpa
Waste Mining Rate	3,310	ktpa
LOM Average Strip Ratio	4:1	Waste t:ROM t
Average Mined Gold Grade	2.6	g/t
Total Mined Gold	390	Koz
Total Mined Silver	4,022	Koz
Cut-off Grade - HG_BX	0.6	g/t AuEq
Cut-off Grade - LG_Sch	1.14	g/t AuEq
LOM	8	Years
Mining Cost - OPEX	2.30	US$/t mined
Process Cost - OPEX	11.50	US$/t processed
Base Case Au Price	1,500	US$/oz
Base Case Ag Price	16.50	US$/oz

Mining

The Barje Deposit is relatively flat-lying and situated beneath shallow to medium-depth overburden. While mining via both open pit and underground techniques were initially considered, an open pit method was ultimately selected for the PEA on account of the overall low volume of waste and the generally low RQD of both waste and ore material. The PEA contemplates application of open pit mining methods using hydraulic excavators and wheel loaders charging articulated dump trucks for haulage of both waste and ROM material. Mining activities will be performed on a contractor basis, and include free-digging of weathered material, and drilling and blasting of fresh rock. Pre-production mining includes removal and stockpiling of topsoil is also assumed.

Mining is expected to be completed over four pit stages with an active life of mine ("**LOM**") of approximately eight years, followed by a further two years of production from stockpile reclamation. Pit and schedule optimizations prioritize mining and processing of HG_BX material where possible, with LG_Sch material stockpiled and processed periodically throughout the LOM. Mining parameters are summarized in Table 5.

Table 5: Summary of Mining Parameters

LOM Summary	Total	Units
Total Rock	31.7	Mt
Total Waste	26.0	Mt
Total ROM	5.69	Mt
LOM Average Strip Ratio	4:1	Waste t:ROM t
Plant Feed (All)	5.69	Mt
	2.62	g/t Au
	38.9	g/t Ag
Plant Feed (HG_BX)	3.57	Mt
	3.43	Au g/t
	56.1	Ag g/t
Plant Feed (LG_Sch)	2.11	Mt
	1.25	Au g/t
	9.9	Ag g/t
LOM	8	years
Stockpile Reclaim	2	years
Total	10	years
Peak Production Total Rock	10.6	Mt/year
Peak Production Waste	10.0	Mt/year
Peak Production ROM	1.4	Mt/year
Average Production Total Rock	4.0	Mt/year
Average Production Waste	3.3	Mt/year
Average Production ROM	0.7	Mt/year

Processing

Test work on Barje samples reported by the Company on October 28, 2020 demonstrated the production of a flotation concentrate at a primary grind of 75 µm grading 48.9 g/t Au and 824 g/t Ag with recoveries to concentrate of 83.4% for gold and 82.4% for silver from a composite sample representing the HG_BX material. A second composite sample representing the LG_Sch material produced a flotation concentrate at a similar grind grading 24.4 g/t Au and 238 g/t Ag with recoveries to concentrate of 71.2% for gold and 79.2% for silver. Laboratory test work shows that the same grind size and flotation parameters are applicable to both rock types and can result in commercially viable concentrates. These results were incorporated into the PEA and were used in re-assessment of the Mineral Resource Estimate.

A flowsheet contemplating crushing, grinding, and rougher plus cleaner flotation to a bulk Au-Ag concentrate has been developed based on the metallurgical test program. It is envisaged that the two ROM material types be processed in the same concentrator but at different times, i.e. on a campaign basis, in order to maximize revenue from the HG material.

The PEA provides that ROM material is hauled by trucks and tipped on a storage and blending stockpile. Ball milling with feed prepared by three-stage crushing and screening is further assumed as it is deemed to represent a robust option for this material type. A rougher flotation stage followed by two stages of cleaner flotation are sufficient to produce acceptable concentrate of the previously reported specification. Concentrates are dewatered by means of a pressure filter, with concentrate filter cake stored and blended before transport by road and sea for processing at toll facilities elsewhere.

Tailings are densified in a high-rate thickener before final dewatering by means of a pressure filter before storage in a dry-stack type Tailings Storage Facility ("TSF"), thus improving the geotechnical properties of the TSF and maximizing recycling of process water. Key processing parameters are presented in Table 6.

Table 6: Summary of Mineral Processing Parameters

Parameter	Value	Units
Flotation Throughput	600	ktpa
Au Recovery HG_BX	85.8	%
Ag Recovery HG_BX	84.3	%
Au Recovery LG_Sch	76.5	%
Ag Recovery LG_Sch	84.3	%
Mass Pull	5	%
Au grade HG conc	49	g/t
Ag grade HG conc	824	g/t
Au grade LG conc	24	g/t
Ag grade LG conc	238	g/t
Recovered Au	390	koz
Recovered Ag	4,022	koz
Payability – HG conc	75	%
Payability – LG conc	60	%
Flotation Process Costs - OPEX	11.50	US$/processed t
G&A	5.80	US$/processed t
Concentrate Transport Cost	3.24	US$/processed t

Capital Costs

The Project is well-served by existing infrastructure including sealed roads and a high voltage power line adjacent to the property. Capital costs for mine development, mine infrastructure, processing plant, and surface infrastructure including mine offices, control, plant building, common workshop and stores, change house, water, powerline and substation, and earthworks including tailings, roads and platforms were estimated based on current designs and quotes from recent comparable projects by Bara Consulting.

Plant capital provides for the design and construction of a 600,000 tpa flotation plant including crushing, grinding, froth flotation, concentrate and tailings handling facilities including filtration of tailings for dry stacking. Infrastructure includes for mine support infrastructure, plant infrastructure, dry stack tailings storage facility, power (including backup 35 kV line), water and internal roads. A summary is presented in Table 7. Estimates for closure were also assessed during the ESIA review process.

Table 7: Capital Cost Estimates

Description	Value	Units	Cost
Mine Development	3.25	Mt	US$7.5M
Process Plant	600,000	tpa	US$34.6M
Surface Infrastructure			US$14.0M
Indirect Costs	15	%	US$8.4M
Contingency	15	%	US$9.7M
Total			**US$74.2M**

Operating Costs

A high-level breakdown of operating costs was developed based on current designs and quotes from recent similar projects by Bara Consulting. Mine operating costs include ore mining and waste mining at US$2.30/t, plus a stockpile reclaim cost for LG material of US$1/t equating to US$0.50/ROM tonne. Process costs include crushing, grinding, flotation, concentrate handling and tailings handling (including filtration) for 600,000 tpa flotation feed. G&A includes on-mine administration and general costs. Concentrate transport is costed for delivery of concentrate CIF to customers in China. Details are presented in Table 8 below.

Table 8: Operating Cost Estimates

Description	Units	Cost/Unit
Mining		
Mining Cost - ROM	t	US$2.80
Mining Cost - Waste	t	US$2.30
Processing		
Processing	t	US$11.50
Conc Transport (Per ROM t)	t	US$3.24
G&A	t	US$5.80

Economics and Sensitivities

The post-tax NPV of the Project, at a discount rate of 8%, is US$86M, with an IRR of 46%, and an operating margin of 61%. Up-front capital is US$74M with payback achieved in two years. Life of mine C1 cash costs are US$464/oz Au, and life of mine AISC are US$522/oz Au. Sensitivity analysis of key capital and operating cost parameters, and gold price indicates significant upside potential to the project. The Project was demonstrated to be most sensitive to variance in gold price, and least sensitive to variances in capital cost. Specific post-tax NPV and IRR sensitivity ranges are presented in Table 9.

Table 9: NPV and IRR sensitivities, Barje Prospect

Variance	Gold Price US$/oz	NPV (8%)	IRR	Capital Cost (US$M)	NPV (8%)	IRR	Operating Cost US$/t	NPV (8%)	IRR
-30%	1050	10	12	52	102	72	24	118	63
-25%	1125	23	18	56	99	66	26	112	60
-20%	1200	36	23	59	97	61	27	107	57
-15%	1275	48	29	63	94	57	29	102	54
-10%	1350	61	34	67	91	53	31	96	51
-5%	1425	73	40	70	88	49	32	91	49
0%	1500	86	46	74	86	46	34	86	46
5%	1575	98	52	78	83	43	36	80	43
10%	1650	110	57	81	80	40	37	75	40
15%	1725	123	63	85	77	38	39	69	38
20%	1800	135	69	89	74	36	41	64	35
25%	1875	147	76	93	71	34	43	59	32
30%	1950	160	82	96	69	32	44	53	30

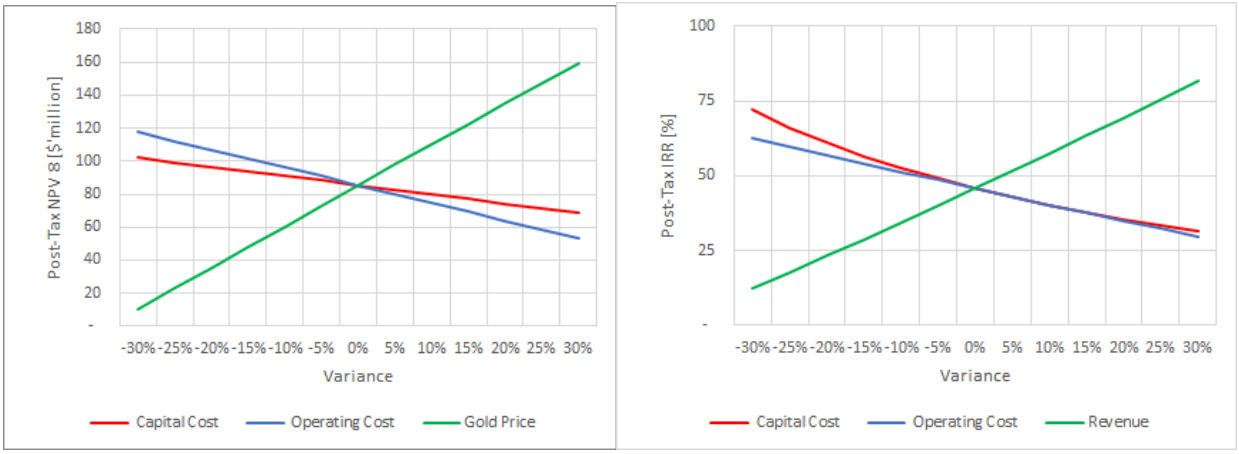

Figure 21: *Post-Tax NPV and IRR Sensitivity, Barje Deposit*

Mineral Resources

Mineral Resources, reported in accordance with National Instrument 43-101, *Standards of Disclosure for Mineral Projects*, ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards, have been re-estimated for the Barje Deposit of the Tlamino Project incorporating updated metallurgical testwork and mining parameters identified during the PEA. No Mineral Resources for other prospects within the Tlamino Project (Liska, Karamanica) have as yet been declared.

The estimated Mineral Resource for Barje, using various cut-off grades for their respective material types, is approximately 7.1 Mt at 2.5 g/t Au and 38 g/t Ag in the Inferred category, and containing 570,000 oz of Au and 8.8 Moz of Ag. This equates to approximately 2.9 g/t AuEq or 670,000 oz AuEq. It is the opinion of the Qualified Person for the Mineral Resource Estimate that all elements included in the Au Equivalent calculation (gold and silver) have a reasonable prospect of being recovered and sold.

The updated Mineral Resource Estimate has an effective date of January 7, 2021 and supersedes the previous initial Mineral Resource Estimate announced on January 30, 2020; there has, however, been no material change to the estimate in terms of tonnage, grade and contained metal. See Table 10 for further information relating to the updated Mineral Resource Estimate. A north-south cross-section illustrating the optimized Barje pit and block model is shown in Figure 22.

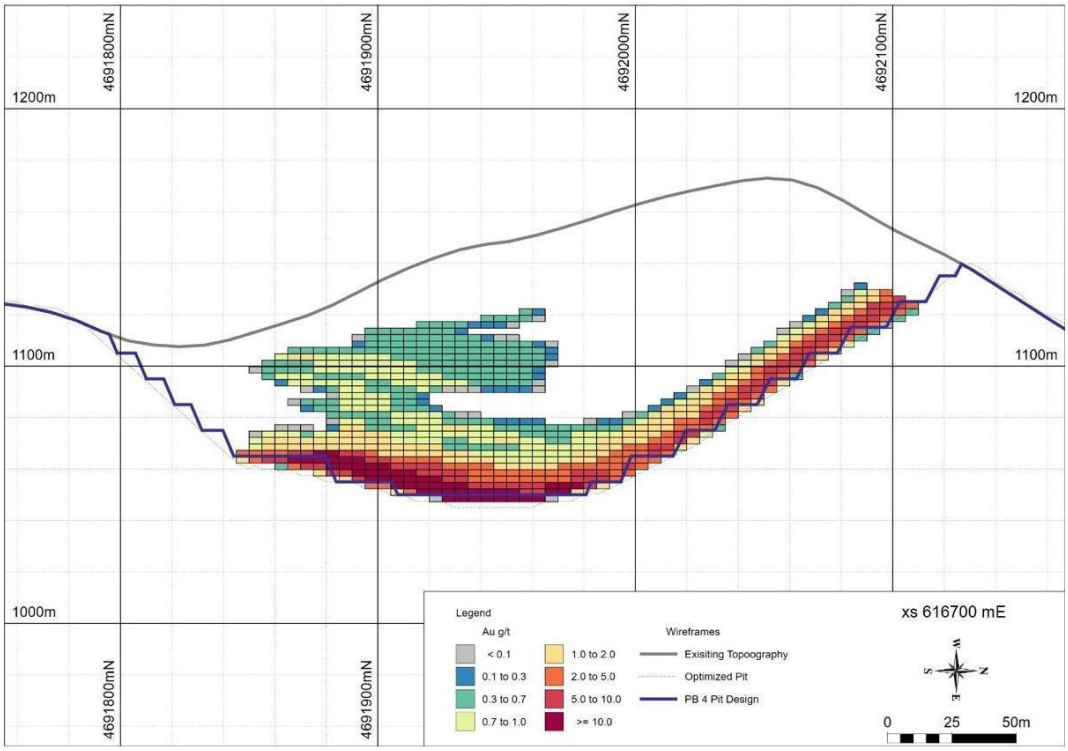

Figure 22: *North-south cross-section illustrating the optimized Barje pit and block model*

No estimates of Mineral Reserves have been completed. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

The Mineral Resources extend from surface to a depth of approximately 110 metres, are laterally extensive over an area of approximately 600 metres from east to west and approximately 350 metres north to south. The thickness of resource mineralization ranges from approximately 10 to 40 metres with some isolated thinner areas. It is closed by bounding faults to the north and south and by drilling to the east and west. There remains some possibility of identifying additional mineralization via infill drilling in areas where the model is currently interpreted to pinch and in which data are sparse, and in the northwest corner of the area of mineralization.

Table 10: Mineral Resource Estimate, Barje Prospect

		AuEq		Au		Ag	
Tonnes	**Density**	**g/t**	**Contained oz**	**g/t**	**Contained oz**	**g/t**	**Contained oz**
			Total Inferred Resources				
7,100,000	2.7	2.9	670,000	2.5	570,000	38	8,800,000
			Including				
			High Grade Breccia				
3,200,000	2.8	4.7	470,000	3.9	400,000	65	6,700,000
			Low Grade Schist				
2,400,000	2.7	1.2	96,000	1.1	88,000	8.4	650,000
			Partially Oxidized Material				
1,500,000	2.5	2.1	100,000	1.7	87,000	29	1,400,000

Notes to the Mineral Resource Estimate:

1. The independent Qualified Person for the Mineral Resource Estimate, as defined by NI 43-101, is Mr. Richard Siddle, MSc, MAIG, of Addison Mining Services Ltd since November 2014. The effective date of the Mineral Resource Estimate is January 07 2021.
2. These Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred Resources in this Mineral Resource Estimate are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as Indicated or Measured, however it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. Additional drilling is however required to increase the confidence in the Mineral Resource; increased levels of information brought about by further drilling may serve to either increase or decrease the Mineral Resources.
3. Mineral Resources reported in the above table are presented as undiluted and in-situ for an open-pit scenario and are considered to have reasonable prospects for economic extraction. The Mineral Resources constrained by open pit optimization.
4. Break even cut-off grades were estimated for each material type of 0.6 g/t, 0.8g/t and 0.5 g/t AuEg for the High Grade Breccia, Low Grade Schist and Partially Oxidized materials respectively, these cut-off grades were used in Resource Reporting. The cut-off grades were calculated on the basis of the following assumptions: a gold price of US$1500/oz, a silver price of US$16.5/oz, mining costs of US$2.3/t, processing costs including tailings disposal of US$10/t for sulphide rock and US$12/t for oxide, G&A costs of US$4/ROMt and transport costs of US$2/ROMt.
5. Per metallurgical test work completed to date, recovery to concentrate after flotation of 85.8% for gold and 84.3% for silver were used for the High Grade Breccia material with 75% payability. For the Low Grade Schist recoveries used were 76.5% for gold and 82.7% for silver with 60% payability. For the Partially Oxidized material 80% recovery via leaching for gold and silver was assumed with 98% payability. 5% gross royalty was applied to both metals.
6. Geological and block models for the Mineral Resource Estimate used data from 33 surface drillholes performed by Medgold in 2018 and 2019; data from four drillholes completed by Avala Resources Ltd., a prior operator, were used to constrain the model though they did not intercept significant mineralization. The drill database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Medgold and by comparison of umpire assays performed at a second laboratory. No QA/QC was possible on the data relating to the drilling by Avala.
7. The geological model as applied to the Mineral Resource Estimate comprises two mineralized domains, a shallowly inclined high-grade hydrothermal breccia unit and a lower-grade schist unit immediately overlying the hydrothermal breccia. Individual wireframes were created for each domain. Weathering domains of fresh and partially oxidized material were defined within the two mineralized domains.
8. The block model was prepared using Micromine version 2020, Services Pack 1, A 10 m x 10 m x 4 m block model was created with sub-blocks of minimum 2 m x 2 m x 2 m on domain boundaries. Grade estimation from drillhole data was carried out for Au, Ag, As, Cu, Pb, Zn, Fe, S using Ordinary Kriging and was validated by comparison of input and output statistics, kriging neighborhood analysis and by inspection of the assay data and block model in cross section. A gold equivalent (AuEq) grade was calculated for each block using the formula AuEq = ((Ag g/t) x 0.011)) + (Au g/t) for the High Grade Breccia and Partially Oxidized materials and AuEq = ((Ag g/t) x 0.012)) + (Au g/t) for the Low Grade Schist.
9. Bulk density values were calculated for each block of the model based on a broad linear relationship observed between 152 measured bulk density values within the mineralized domains and the assayed values of As, Cu, Fe, S, Pb and Zn. Blocks within the partially oxidized material were assigned a single bulk density value of 2.54 g/cm^3.
10. Estimates in the above table have been rounded to two significant figures.
11. CIM Definition Standards for Mineral Resources have been followed.
12. The independent Qualified Person for Resources is not aware of any additional known environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues that could materially affect the Mineral Resource Estimate.

Qualified Persons

The scientific and technical contents of this Interim MD&A have been reviewed and approved by Mr. Thomas Sant BSc, FGS, CGeol, EurGeol. Mr. Sant is a non-independent Qualified Person as defined by NI 43-101 and the VP, Operations, of the Company.

The independent Qualified Persons as defined by NI 43-101 regarding the PEA summary technical information included in this Interim MD&A are Mr. Richard Siddle, MAIG, of Addison Mining Services Ltd for Mineral Resources; Dr. Matthew Randall, FIMMM, of Axe Valley Mining Consultants Ltd for Mining; Mr. Ian Jackson, FIMMM, of Bara Consulting for Mineral Processing, and Dr. Andrew Bamber, MCIM, of Bara Consulting Ltd for Economic Analysis.

Quality Control and Assurance

The details of the Company procedures for quality control and assurance are provided in the results press releases and the Company Technical Reports on SEDAR+. Assay results are provided by accredited labs and the company includes quality control samples in its samples submitted in addition to monitoring the lab sample standards.

Quarterly Information

The following table provides information for the eight fiscal quarters ended September 30, 2025:

	Sep. 30, 2025 ($)	June 30, 2025 ($)	Mar. 31, 2025 ($)	Dec. 31, 2024 ($)	Sep. 30, 2024 ($)	June 30, 2024 ($)	Mar. 31, 2024 ($)	Dec. 31, 2023 ($)
General and administrative expenses	389,483	307,610	427,020	648,987	332,978	427,922	407,844	148,243
Interest and other income	1,000	1,635	4,265	10,431	3,019	5,485	26	184
Foreign exchange gain (loss)	2,010	(13,499)	(4,534)	(20,906)	2,790	(4,324)	(7,515)	7,008
Loss for the period	(357,961)	(319,474)	(431,643)	(730,982)	(297,094)	(426,761)	(332,000)	(274,319)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)

General and administrative expenses and reported losses for the quarterly periods after 2023 were significantly higher than the previous quarterly periods due to the increase in corporate and exploration activity following the Company's acquisition of Balkan Metals Corp by way of a reverse take-over transaction in January 2024 (the "Acquisition"). The loss for the quarter ended December 31, 2024 was higher than all the other quarters presented due in part to a write-off of exploration and evaluation assets costs of $173,921 whereas there was no such charge for any of the other quarters presented, with the exception of the quarter ended March 31, 2025 which recorded a write-off of $4,354. The loss for the quarter ended December 31, 2023 was impacted by a listing expense of $67,522 that related to the Acquisition.

Results of Operations

Quarter ended September 30, 2025

For the quarter ended September 30, 2025, the Company had a net loss of 357,961 compared to a net loss of $297,094 for the quarter ended September 30, 2024, an increase of $60,867.

General and administrative expenses totaled $389,483 for the current quarter compared to $332,978 for the comparative quarter, an increase of $56,505. Notable cost increases for the current quarter were in legal fees and management and directors' fees which were higher by $106,275 and $18,750, respectively. Legal fees were higher due primarily to investigation into business strategy and opportunities. Management fees were higher due to the Chief Executive Officer's compensation increasing in the latter part of the 2024 fiscal year and more directors' fees following the restructuring of the Board upon the Acquisition. An expense that was recorded in the current quarter but not the comparative quarter was an accretion expense of $11,326 relating to long-term payables.

Costs decreased by $39,592 in consulting fees, $28,4944 in marketing and investor relations costs, and $15,919 in travel expenses during the current quarter. Consulting fees were higher for the comparative quarter as there were financial and business development services and Corporate Secretary services provided whereas no financial advisory costs were incurred in the current quarter. Marketing and investor relations fees include service agreements and promotional activities, of which there was less such activity during the current quarter. Travel expenses were lower for the current quarter due to less promotional activities that require travel.

Both the current and comparative quarters recorded a share-based payments expense of $72,012 and $69,945, respectively. The share-based payments expense for the current quarter relates to the fair value of the vested portion of options granted during the first and fourth quarters of the 2024 fiscal year and the third quarter of the current fiscal year whereas the expense for the comparative quarter relates to the fair value of the vested portion of options granted during the first quarter of the 2024 fiscal year. The fair value of options granted during the 2024 and 2025 fiscal periods are being charged to operations over vesting periods of eighteen and twenty-four months.

Nine months ended September 30, 2025

For the nine-month period ended September 30, 2025, the Company had a net loss of $1,109,078 compared to a net loss of $1,055,855 for the nine-month period ended September 30, 2024, an increase of $53,223. The comparative period's net loss was reduced by $83,333 due to a gain on extinguishment of debt and a gain from the write-off of payables being recorded during that period. This comparative period gain was the result of certain payables being settled with the issuance of common shares, the price of which was lower at the time of issuance compared to the deemed price to reduce the debt.

General and administrative expenses totaled $1,124,113 for the current period compared to $1,168,744 for the comparative

period, a decrease of $44,631. A notable cost that increased during the current period was management and directors' fees. This cost was $57,750 higher and due to the same reasons for the quarterly comparison. As with the quarterly comparison, the current period recorded an accretion expense of $31,483 relating to long-term payables whereas there was no such expense for the comparative period.

Notable cost decreases for the current period were in audit and accounting fees and salaries and benefit costs which were lower by $48,412 and $28,053, respectively. Audit and accounting fees were higher in the comparative period due primarily to separate audit requirements for a subsidiary and accounting services by a consultant that was discontinued during the 2024 fiscal year. Salaries and benefits for the current period include costs for administrative support personnel, including the Chief Financial Officer, whereas the comparative quarter also included costs for marketing support personnel.

Both the current and comparative periods recorded a share-based payments expense of $177,921 and $192,473, respectively. The share-based payments expense for the current period relates to the fair value of options granted in 2024 and in August 2025, the expense of which is being charged to operations over vesting periods of eighteen and twenty-four months. The share-based payments expense for the comparative period included the fair value of the same options granted in 2024 in addition to fair value of deferred share units awarded during the comparative period and immediately expensed.

Legal fees were significant for both the current and comparative periods, with current period costs being $12,943 lower. Legal costs for the current period were primarily due to the same reasons provided in the quarterly comparison whereas the expense for the comparative period was due primarily to corporate activity that required legal services following the Acquisition and legal counsel providing Corporate Secretary services until the Company contracted a consultant to provide this service part way through the comparative period.

Exploration and Evaluation Assets

A summary of the Company's capitalized acquisition costs and exploration expenditures on its mineral properties during the period ended September 30, 2025 is as follows:

	December 31, 2024	Additions	Write-offs	September 30, 2025
Timok East Project				
Acquisition costs	$ 503,695	$ -	$ -	$ 503,695
Property holding fees and taxes	76,430	48,390	-	124,820
Assaying	91,498	114,004	-	205,502
Drilling	-	122,005	-	122,005
Field work	573,339	466,837	-	1,040,176
43-101 report	33,490	-	-	33,490
Others	202,222	95,731	-	297,953
Expense recoveries	-	(704,600)	-	(704,600)
	1,480,674	142,367	-	1,623,041
Lece West Project				
Property holding fees and taxes	-	4,354	(4,354)	-
	-	4,354	(4,354)	-
Novo Tlamino Project				
Acquisition costs	100,287	-	-	100,287
Recognition on reverse acquisition	1,520,257	-	-	1,520,257
Property holding fees and taxes	74,129	35,107	-	109,236
Assaying	2,072	-	-	2,072
Field work	97,637	71,951	-	169,588
Others	47,041	25,079	-	72,120
	1,841,423	132,137	-	1,973,560
Total exploration and evaluation assets	**$ 3,322,097**	**$ 278,858**	**$ (4,354)**	**$ 3,596,601**

BHP funding of $704,600 (US$500,000) that was received during the period ended September 30, 2025 was recorded as a cost recovery against Timok East Project costs incurred during that period. The Company intends to dispose of the Lece West Project and as a result, a total of $4,354 in costs incurred during the current period were written off.

Liquidity and Capital Resources

The Company's cash as at September 30, 2025 was $372,077 compared to $1,183,341 as at December 31, 2024. As at September 30, 2025, the Company had current assets totaling $481,596 and current liabilities totaling $435,870, for working capital of $45,726. During the 2024 fiscal year, certain accounts payables totaling $494,794 were converted to long-term payables with payment due dates ranging from June 30, 2026 and January 31, 2027. During the current period, a long-term payable agreement for $377,980 with a due date of June 30, 2026 was amended to extend the due date to September 30, 2026 and subsequently amended further to extend the due date to October 1, 2026 for $277,980 of the balance and $100,000 became a current payable and paid subsequent to September 30, 2025.

The Company has been financed primarily through the issuance of equity instruments. The Company's most recent equity financing is a private placement financing that closed subsequently on October 2, 2025 for gross proceeds of $1,608,077. Cash finders' fees for this financing totaled $12,246. The proceeds of this financing is being used for exploration activities and general working capital requirements, including the settlement of $100,000 in long-term debt.

Prior to the most recent equity financing, the Company closed a private placement financing in October 2024 for gross proceeds of $2,281,850. Cash finders' fees and other cash transaction costs for this financing totaled $100,183. The proceeds of this financing were used for exploration activities and general working capital requirements, including the settlement of $268,000 in debt in 2024.

The Company expects it current capital resources to be sufficient to cover it corporation operating costs but not potential future mineral property acquisitions or significant exploration activities for the next twelve months. As such, the Company will continue to seek additional capital and believes it will be able to do so, but recognizes the uncertainty attached thereto. Actual funding requirements may vary from those planned due to a number of factors, including potential property acquisitions and exploration activity.

Related Party Transactions

See Note 9 of the condensed interim consolidated financial statements for the nine months ended September 30, 2025 for details of other related party transactions which occurred in the normal course of business.

Other Data

Additional information related to the Company is available for viewing on SEDAR+ at www.sedarplus.ca.

Share Position and Outstanding Share Purchase Unit and Finders' Warrants, Options and Deferred Share Units

As at the date of this Interim MD&A, the Company's outstanding share position is 122,357,195 common shares and the following share purchase warrants, stock options and deferred share units ("DSU's") are outstanding:

No. of unit warrants	Exercise price	Expiry date
21,600,000	$0.20	January 15, 2026
10,700,284	$0.15	October 1, 2027
22,972,527	$0.15	October 2, 2027
21,897,570	$0.15	October 9, 2027
77,170,381		

No. of finders' warrants	Exercise price	Expiry date
365,004	$0.15	October 2, 2026
849,599	$0.15	October 9, 2026
1,214,603		

No. of options	Exercise price	Expiry date
75,000	$0.20	February 18, 2029
2,632,523	$0.20	March 18, 2029
2,701,304	$0.13	November 13, 2029
1,000,000	$0.13	August 25, 2030
240,626	$1.60	March 1, 2031
6,649,453		

No. of DSU's	Share price	Award date
240,000	$0.090	March 19, 2024
150,000	$0.095	November 14, 2024
390,000		

Accounting Policies and Basis of Presentation

The Company's significant accounting policies and future changes in accounting policies are presented in Note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2024.

Future Accounting Changes

The Company will be required to adopt the following standards and amendments issued by the IASB as described below:

IFRS 18, *Presentation and Disclosure in Financial Statements*

IFRS 18 is a new standard that will replace *IAS 1 Presentation of Financial Statements*, setting out a new presentation requirement for the statement of profit or loss, and providing new definitions and disclosures related to non-IFRS performance measures.

This standard will be effective for the Company's annual period beginning January 1, 2027 with early application permitted. The Company is currently assessing the impact of IFRS 18 on its consolidated financial statements.

Risks and Uncertainties

Exploration Stage Company

The Company's mineral properties are in the early stages of exploration and are without a known economic mineral resource reserve. Development of the properties are dependent upon obtaining satisfactory exploration results. The Company has no history of operations and is still in an early stage of development. There can be no assurance that the Company's existing or future exploration programs will result in the discovery of commercially viable mineral deposits. Further, there can be no assurance that even if a deposit of minerals is located, that it can be commercially mined.

Mineral Exploration and Development

The exploration and development of minerals is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time, during which even a combination of careful evaluation, experience and knowledge may not eliminate the risks involved. The proposed program on the Company's properties is an exploratory search for mineral deposits. While discovery of an ore body may result in significant rewards, few properties which are explored are ultimately developed into producing mines. Substantial expenses are required to establish ore reserves by drilling, sampling and other techniques and to design and construct mining and processing facilities. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, financing costs, the cyclical nature of commodity prices, and government regulations (including those related to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of mineral products, and environmental protection). The effect of these factors or a combination thereof, cannot be accurately predicted but could have an adverse impact on the Company. The Company's operations are also subject to all of the hazards and risks normally encountered in mineral exploration and development. These risks include unusual and unexpected geological formations, seismic activity, rock bursts, cave-ins, water inflows and other conditions involved in the drilling and removal of material, environmental hazards, industrial accidents, periodic interruptions due to adverse weather conditions, labour disputes,

political unrest, aboriginal band claims, and theft. The occurrence of any of the foregoing could result in damage to, or destruction of, mineral properties or interests, production facilities, personal injury, damage to life or property, environmental damage, delays or interruption of operations, increases in costs, monetary losses, legal liability and adverse government action.

Operating History and Financial Resources

The Company has no history of operations nor generating revenues and it is unlikely that the Company will generate any revenues from its current operations in the foreseeable future. The Company anticipates that its existing cash resources will not be sufficient to cover the Company's projected funding requirements for the ensuing year and as such will need to seek additional capital. If the Company's exploration program is successful, additional funds will be required for further exploration and development to determine if any deposits are economic and, if economic, to possibly bring such deposits to production. Additional funds will also be required for the Company to acquire and explore other mineral interests if it elects to do so. The Company has limited financial resources and there is no assurance that sufficient additional funding will be available to enable it to fulfill the Company's existing obligations or for further exploration and development on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of the Company's properties or to reduce or terminate the Company's operations. Additional funds raised by the Company from treasury share issuances may result in further dilution to its shareholders or result in a change of control.

Possible Loss of Interest in Mineral Properties

The Company's ability to maintain an interest in its properties will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to expend certain minimum amounts on the exploration of its properties. If the Company fails to incur such expenditures in a timely fashion, the Company may lose its properties.

Competition

The mineral exploration business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical, and other resources, in the search for and the acquisition of attractive mineral properties. The Company's ability to acquire properties in the future will depend not only on the Company's ability to develop its properties, but also on the Company's ability to select and acquire additional suitable prospects for mineral exploration or development if it elects to do so. In addition, the mining industry periodically faces a shortage of equipment and skilled personnel and there can be intense competition for experienced geologists, engineers, field personnel and other contractors. There is no assurance that the Company will be able to compete successfully with others in acquiring prospective properties, equipment, or personnel.

Dilution

Dilution per common share of the Company represents the amount by which the price per common share to be paid by a new investor will exceed the net tangible book value per common share immediately after an equity financing is completed. As a result, investors may incur a significant and immediate dilution of their investment if the Company completes an equity financing.

Environmental Risks and Hazards

All phases of the Company's operations are subject to extensive environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of these regulations may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which the Company holds its interests or on properties that will be acquired which are unknown to the Company at present and which have been caused by previous or existing owners or operators of those properties.

Environmental and Social Risks

The activities of the Company are subject to environmental regulations issued and enforced by government agencies.

Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present. Social risks are not considered significant in the Company's areas of operations.

Government Regulations

The Company's current or future operations, including exploration and development activities and the commencement and continuation of commercial production, require licenses, permits or other approvals from various federal, provincial, state, territorial and/or local governmental authorities. Such operations are or will be governed by laws and regulations relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, and other matters. The Company believes that it is in substantial compliance with all material laws and regulations which currently apply to the Company's activities. There can be no assurance, however, that the Company will obtain on reasonable terms or at all the permits and approvals, and the renewals thereof, which the Company may require for the conduct of the Company's current or future operations or that compliance with applicable laws, regulations, permits and approvals will not have an adverse effect on any mining project which the Company may undertake. Possible changes to mineral tax legislation and, regulations could cause additional expenses, capital expenditures, restrictions and delay on the Company's planned exploration and operations, the extent of which cannot be predicted. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Title Risks

While the Company has exercised the usual due diligence with respect to determining title to the Company's properties, there is no guarantee that title to such properties will not be challenged or impugned. The Company's properties have not been surveyed. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its rights, title, estate and interest in and to the properties, when and if earned, to which the title defects relate. In the event that the Company does not fulfill its minimum exploration obligations, as submitted to the Ministry of Mining (Serbia), it will lose its interest in its properties.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow. The negative operating cash flow is expected to continue for the foreseeable future as funds are expended on the exploration program on the Company's properties and administrative costs. The Company cannot predict when it will reach positive operating cash flow.

Commodity Prices

The price of the Company's securities, the Company's financial results and exploration, development and mining activities have previously been, and may in the future be, significantly adversely affected by declines in the price of precious or base metals. Precious or base metal prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of precious or base metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, the degree to which a dominant producer uses its market strength to bring supply into equilibrium with demand, and international political and economic trends, conditions and events. The prices of precious or base metals have fluctuated widely in recent years, and future price declines could cause continued development of the Company's properties to be impracticable.

Foreign exchange rate and Currency Risk

Foreign exchange risk refers to the risk that a business' financial performance or financial position will be affected by changes in the exchange rates between currencies. The three types of foreign exchange risk include transaction risk, economic risk, and translation risk. Foreign exchange risk is a major risk to consider for exporters/importers and businesses

that trade in international markets.

The risk occurs when a company engages in financial transactions or maintains consolidated financial statements in a currency other than where it is headquartered. For example, a company based in Canada that does business in Serbia – i.e., incurs financial transactions in the Serbian Dinar and reports the results of operations in Canadian dollars, is exposed to foreign exchange risk.

Foreign exchange risk can be caused by appreciation/depreciation of the base currency, appreciation/depreciation of the foreign currency, or a combination of the two.

In addition, the Company's equity financings are sourced in Canadian dollars but for the most part it incurs its exploration expenditures in Euros, US Dollars, British pounds, and Serbian dinars. At this time there are no currency hedges in place. Therefore, a weakening of the Canadian dollar against the Euro, US dollar, British pound, or Serbian dinar could have an adverse impact on the amount of exploration conducted.

Political and Regulatory Risk

The Company's mineral properties are located in economically stressed, but politically stable European countries and consequently may be subject to a higher level of risk compared to less economically stressed countries. Operations, the status of mineral property rights, title to the properties and the recoverability of amounts shown for mineral properties in such nations can be affected by changing economic, regulatory, and political situations.

Potential Increase Cost due to Rising Inflation

Inflation and other economic factors beyond the Company's control may cause an increase in costs and expenses, resulting in the Company being unable to complete its objectives with its currently available funds, if at all, which may have an adverse impact on the Company's operations.

Price Volatility

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies, particularly resource issuers, have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

Reliance on Management and Experts

The Company's success will be largely dependent, in part, on the services of the Company's senior management and directors. The Company has not purchased any "key man" insurance, nor has the Company entered into any non-competition or non-disclosure agreements with any of the Company's directors, officers or key employees and has no current plans to do so. The Company may hire consultants and others for geological and technical expertise but there is no guarantee that the Company will be able to retain personnel with sufficient technical expertise to carry out the future development of the Company's properties.

Conflicts of Interest

Certain of the Company's directors, officers and other members of management do, and may in the future, serve as directors, officers, promoters and members of management of other companies and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of the Company's management team and their duties as a director, officer, promoter or member of management of such other companies. The Company's directors and officers are aware of the laws governing the accountability of directors and officers for corporate opportunity and the requirement of directors to disclose conflicts of interest. The Company will rely upon these laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Insured and Uninsured Risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or

unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability. The Company does not currently carry insurance against these risks and there is no assurance that such insurance will be available in the future, or if available, at economically feasible premiums or upon acceptable terms. The potential costs associated with losses or liabilities not covered by insurance coverage may have a material adverse effect upon the Company's financial condition.