



(the “Company”)

MANAGEMENT’S DISCUSSION AND ANALYSIS

Year End Report – December 31, 2024

General

This Management’s Discussion and Analysis (“MD&A”) supplements, but does not form part of, the annual audited consolidated financial statements of the Company for the fiscal year ended December 31, 2024. The following information, prepared as of April 28, 2025, should be read in conjunction with the December 31, 2024 consolidated financial statements. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards. All amounts are expressed in Canadian dollars unless otherwise indicated.

The Company’s public filings, including its most recent unaudited and audited financial statements can be reviewed on SEDAR+ at (www.sedarplus.ca).

Forward Looking Information

This 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 MD&A include, without limitation, statements relating to:

- the Company’s planned exploration activities for its mineral properties;
- The Company’s equity investments;
- the suspension of receiving royalty payments from the Tambor Project;
- 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, if needed, 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:

- risks associated with mineral exploration activities, and investing in companies which conduct mineral exploration and development activities;
- due diligence investigations on potential investments not identifying all relevant facts;
- inability to dispose of illiquid securities;

- receipt of royalty payments from the Tambor Project;
- 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 and 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 MD&A.

Forward-looking Statements contained in this 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 labour, supply, power, damage to equipment or other matter;
- permitting, exploration and/or development activities proceeding on a basis consistent with the Company's current expectations;
- ability to sell our equity investments as needed;
- receipt of royalty payments from the Tambor Project will re-commence;
- due diligence investigations on potential investments will reveal all relevant facts;
- expected trends and specific assumptions regarding commodity prices and currency exchange rates; and
- prices for and availability of fuel, electricity, equipment and other key supplies remaining consistent with current levels.

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 has been exploring for precious metals in the Americas for over two decades, which has resulted in the discovery of several gold deposits in Central America. Management is constantly exploring new targets and evaluating opportunities in order to maintain a portfolio of compelling targets and a pipeline of projects in various stages of exploration and drilling. The Company explores projects with the goal of delivering value to the shareholders through exploration discovery, either 100% in the Company or via partnerships where appropriate.

On October 29, 2024, the Company closed a non-brokered private placement of 8,292,859 units at \$0.07 per unit for gross proceeds of \$580,500. Each unit consisted of one common share of the Company and one warrant entitling the holder to purchase one additional common share of the Company at \$0.10 for one year following the closing. The proceeds of this financing is being used to fund an exploration program on the Tierra Roja Project in Peru (see property description below), and for general working capital purposes.

A summary of the Company's investments, properties, and royalty interests is provided below:

Investments

For a description of the Company’s equity investments activity during the period from January 1, 2023 to December 31, 2024, please see Note 6 of the Company’s December 31, 2024 consolidated financial statements.

The Company’s current cash and cash equivalents on hand is approximately \$575,000 and its current investments consist of:

<p><i>Electrum Discovery Corp. (“Electrum”)</i> <i>(formerly Medgold Resources Corp.)</i> 632,906 shares Current market value: \$37,000</p>	<p>Electrum is a TSX-V listed Canadian-based mineral exploration and development company focused on the Western Tethyan Belt with activities in the Republic of Serbia. The Company has several copper–gold assets with significant exploration potential, including its flagship Timok East Project.</p>
<p><i>Rackla Metals Inc. (“Rackla”)</i> 3,009,775 shares Current market value: \$722,000</p>	<p>Rackla is a TSX-V listed mineral exploration company targeting Reduced Intrusion-Related Gold Systems (RIRGS) mineralization on its gold projects located in the Tombstone Gold Belt within the Selwyn Basin of the Yukon and Northwest Territories.</p>
<p><i>Volcanic Gold Mines Inc. (“Volcanic”)</i> 830,412 shares Current market value: \$107,000</p>	<p>Volcanic is a TSX-V listed company focused on building multi-million ounce gold and silver resources in underexplored countries. It owns a 60% interest in the Company’s Holly and Motagua Norte gold/silver properties located in eastern Guatemala, and has published an Inferred Mineral Resource for the Holly property.</p>

Property Interests

Regional Exploration

The Company is constantly prospecting and evaluating new properties, with geological field teams assessing new targets to maintain the Company’s pipeline of projects. The Company recently identified for acquisition the Tierra Roja copper property located in Peru and described below.

Peru – Tierra Roja Copper Project

In September 2024, the Company was granted the exclusive option to acquire the Tierra Roja exploration-stage copper project which is located in the Atacama Desert, southern Peru, at an elevation of 1,700 masl and 20 kilometres from the coast and Pan American highway. The project site is accessible by road and 4x4 tracks. Tierra Roja is at the northern end of the southern Peru coastal copper belt which hosts some of the largest copper mines in the world. Peru is the second largest copper producer globally. There has been no drilling or significant exploration conducted at Tierra Roja.

In December 2024, the property under option was increased to 1,870 hectares, and in early 2025, the Company signed an exclusivity agreement for a further 1,800 hectares adjoining the Tierra Roja concessions, which would increase the project total to 3,670 hectares. As well, the Company has the exclusive right to option an additional 4,500 hectares of exploration licenses within the broader district, covering three additional targets. With the Tierra Roja project and three new properties to explore, the Company has rapidly consolidated a compelling land position in one of the world’s top producing copper belts in southern Peru.

The core of Tierra Roja hosts an 800 metre diameter circular anomaly with wide-spread ferruginous, sulphate soil crust developed over strong clay, sericite and silica alteration. In arid climates sulphate crusts can indicate underlying porphyry

copper mineralization. The presence suggests that sulfide oxidation and leaching have occurred, which may point to deeper copper enrichment zones.

The rusty clay sulphate crust present at Tierra Roja is a few metres thick and largely hides the underlying copper oxide mineralization. The property optionor, Mr. Montoya, a Peruvian geologist with over 50 years field experience, including senior positions with copper companies: Asarco Inc (Central America, Chile), Lowell Mineral Exploration (Chile, Peru), TVX Gold (Peru, Mexico) and Minsur (Peru), recognized the remote colour anomaly and the significance of the sulphate crust and staked the project. Mr. Montoya cut road access with a bulldozer, breaking the ferruginous sulphate crust, and exposed widespread oxide copper mineralization covering an area of 800 x 600 metres.

A total of 663 original rock chip channels (2 to 3 metres) were sampled by Mr. Montoya from the road cuts, tracks and drainages. As part of the Company's due-diligence, 50 duplicates and control samples were collected. These 713 samples define a large-scale copper system that is hosted in a multiphase intrusive complex.

Copper mineralization occurs as copper oxides, predominately malachite, chrysocolla and brochantite both disseminated within the felsic intrusives and concentrated in wide structural zones. High grades above 3% copper (max 12.5%) have been sampled at multiple locations over the property. Relict sulphide halos indicate that the intrusive host is the likely source of the copper mineralization which has been leached, oxidized and remobilized.

Initial mapping indicates porphyry copper alteration zonation. The main felsic intrusive host is intensely silicified, with strong sericite clay alteration (phyllic) combined with intense leaching of sulphides and supergene secondary enrichment of copper oxides. Wide halos of epidote, chlorite (propylitic) alteration are observed on the distal margins of the system.

Exploration and Drilling Plans

The Company's geological team is conducting exploration work at Tierra Roja with local input and geological and operational staff provided by our project partners. Since optioning the property, the Company has been actively advancing exploration at Tierra Roja. Detailed geological mapping, geochemical sampling and ground based magnetic surveys have been completed and compelling drill targets defined. Drill permitting is well advanced and IP/Resistivity surveys are scheduled to commence promptly. Plans are in place for an upcoming drill program to test high-priority targets.

Option and Exclusivity Terms

The Company may acquire a 100% interest in the 1,870 hectare Tierra Roja Project by making cash payments to the property owners totalling US\$5.0 million over a five-year period which will commence upon issuance of initial drill permits. Of this total amount, US\$1.0 million is required to be paid in instalments over the first three years, and US\$2.0 million is payable on each of the fourth and fifth anniversaries of the drill permit date.

The Company has also signed a 6 month exclusivity agreement with a local landowner to option if it chooses any or all of nine exploration concessions totalling approximately 6,300 hectares. Two of the claims, called the Hidekel property, cover approximately 1,800 hectares and directly adjoin the Tierra Roja project. US\$2,500 has been paid on signing the exclusivity agreement. The agreement allows the Company to conduct prospecting and evaluation of the licences, and the exclusive right to enter into an option agreement for each property.

Mexico – Amalia Project

The Amalia Project was initially comprised of 9,794 hectares located in the Sierra Madre gold belt in the State of Chihuahua, Mexico, approximately 25 kilometres southwest of the historic Guadalupe y Calvo mining district.

In July 2018, the Company granted to Pan American Silver Corp. ("Pan American") an exclusive option to earn an initial 65% interest in the Amalia Project. In late 2019, the Company signed an agreement with a private family to option the 800-hectare Palmillas Property which adjoins the Amalia Project and covers the northeastern and southwestern strike extension of the Amalia fault zone. In November 2024, the Company exercised this option to acquire 100% ownership of the Palmillas Property. Pursuant to the Company's option agreement with Pan American, the Palmillas Property is included within the Amalia Project.

Pan American has exercised its option to earn the initial 65% interest in the combined Amalia Project and Palmillas Property, having made cash payments to the Company totaling US\$1.5 million and expending a minimum of US\$2 million on exploration and reimbursement of the Company's costs to maintain its option agreements with the owners of Amalia and Palmillas. Pan American may earn an additional 10% by advancing the property to preliminary feasibility by June 2025. Pan American, as the operator, is funding and managing the expanded project in accordance with its option agreement terms.

Drilling Completed at Amalia

67 drill holes totaling 23,058 metres have been completed at the Amalia project. 10,588 metres in 31 holes have been completed on the Amalia vein system, 3,814 metres in 14 holes completed in the California vein system, and 8,655 metres in 22 holes completed in the El Cuervo vein system. Significant high-grade gold-silver mineralization has been defined at each target.

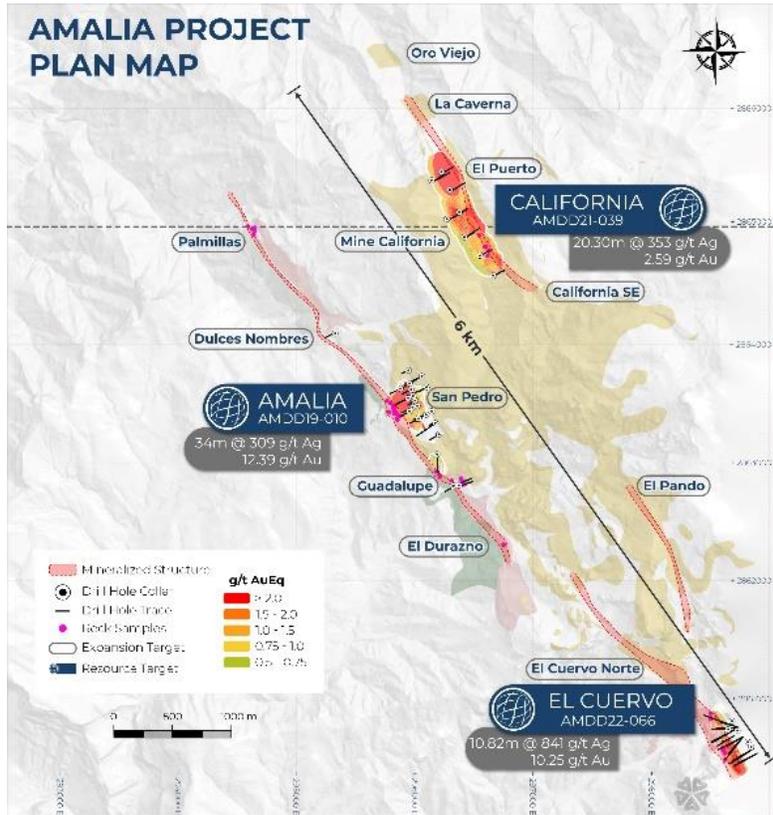
Since completion of drilling at El Cuervo in August 2022, geological mapping and surface sampling has further defined and extended drill targets across the property.

ZONE	# HOLES	# METRES DRILLED
Amalia	31	10,588.6
California	14	3,813.8
El Cuervo	22	8,655.6
TOTALS:	67	23,058.0

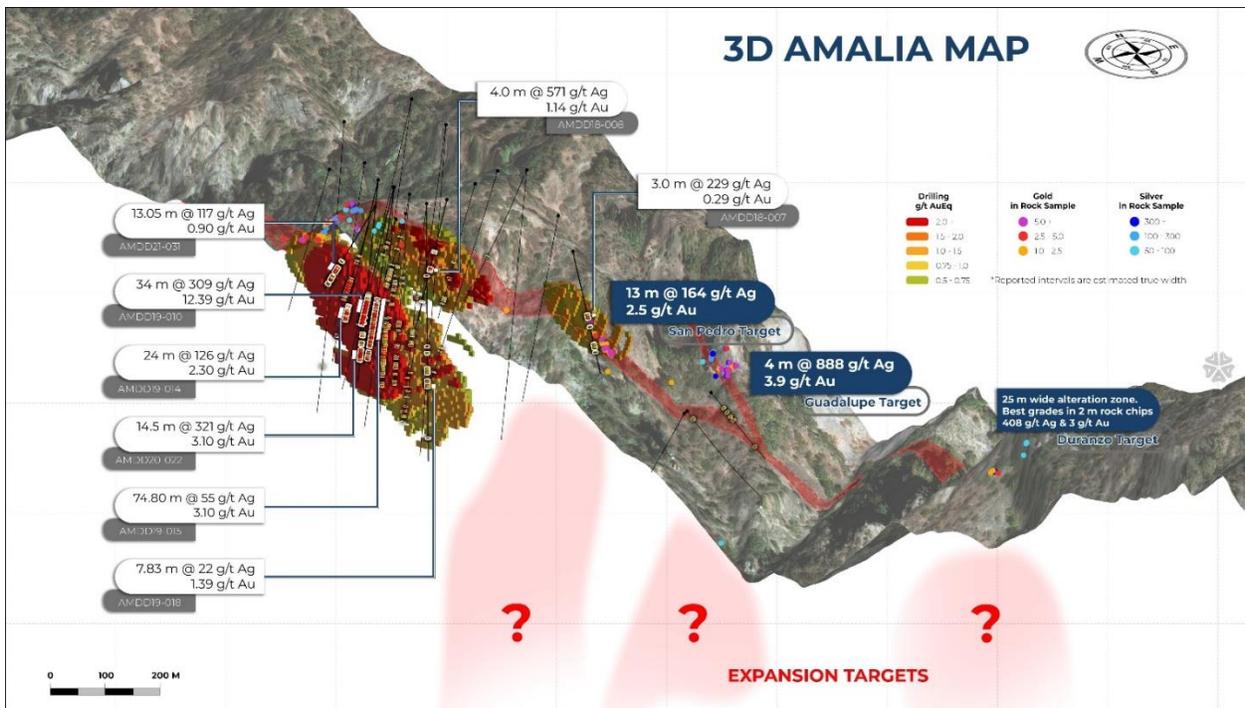
Detailed drill results, cross-sections, long-section, plan map and core photos are available on the Company's website (<http://www.radiusgold.com/s/amalia.asp>).

At Amalia, California and El Cuervo, impressive wide-width and high-grade gold and silver was intercepted at each of the three main targets drilled. A plan map and long sections from the main targets is included in the figures below.

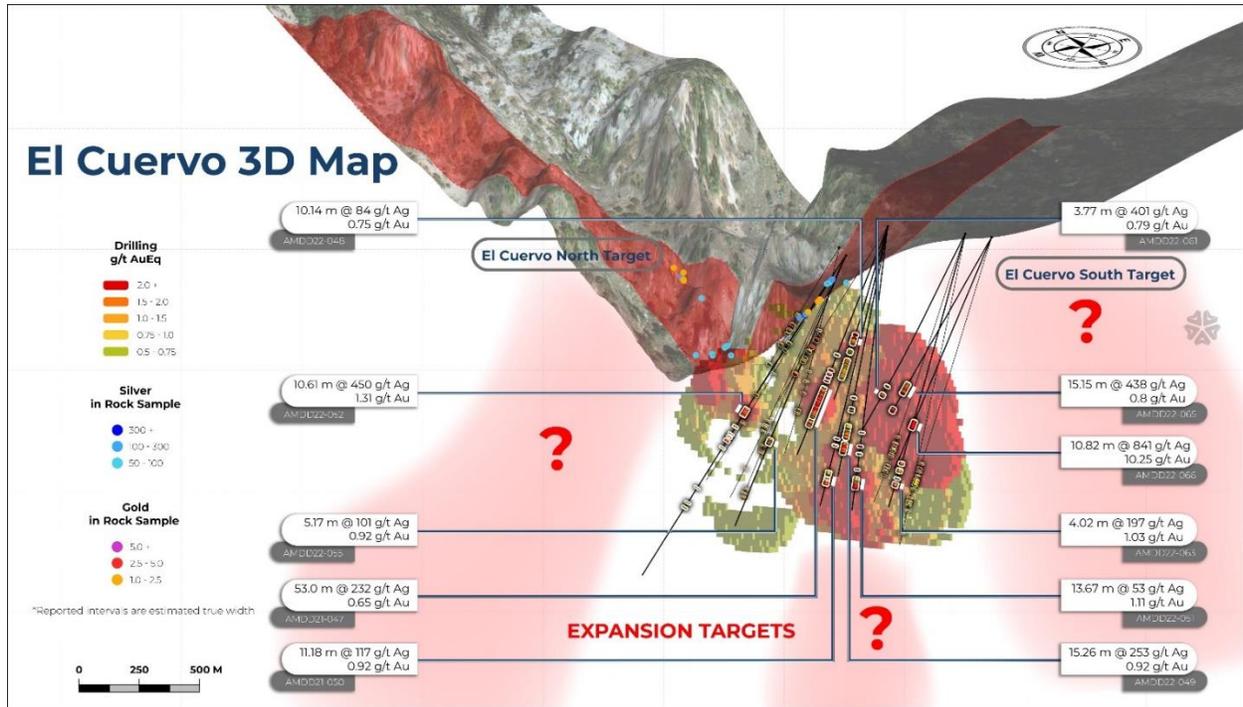
Amalia project plan map:



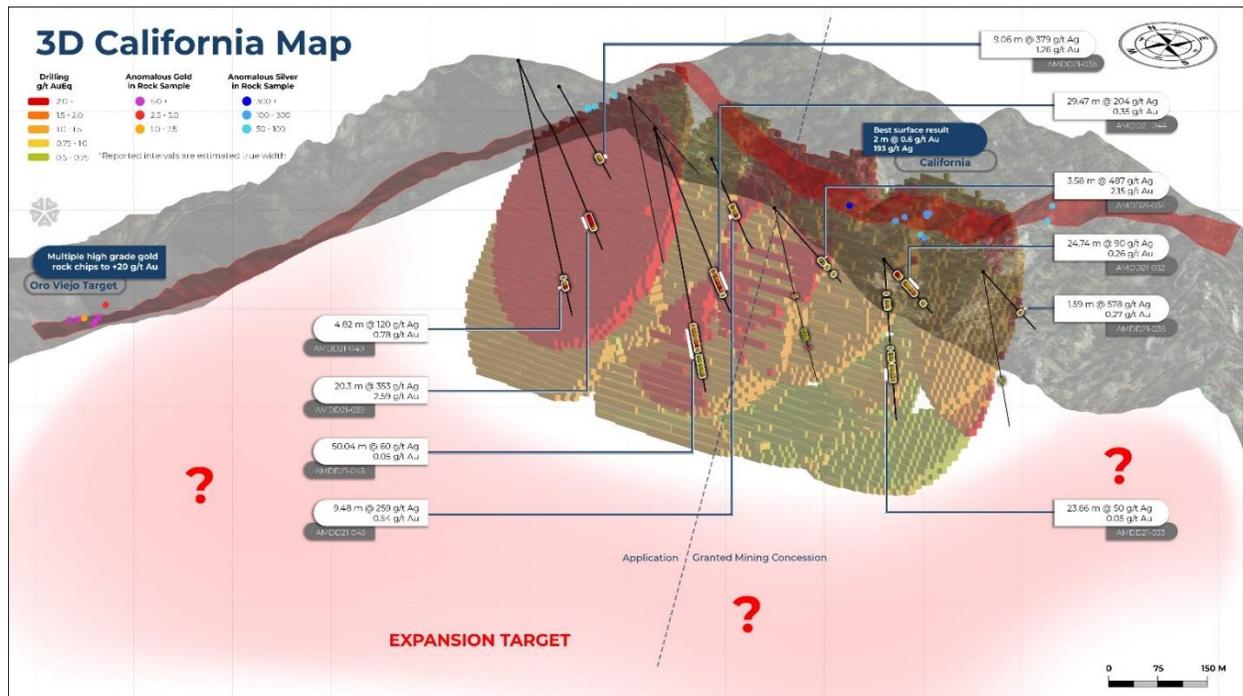
Amalia Central long section:



El Cuervo long section:



California long section:



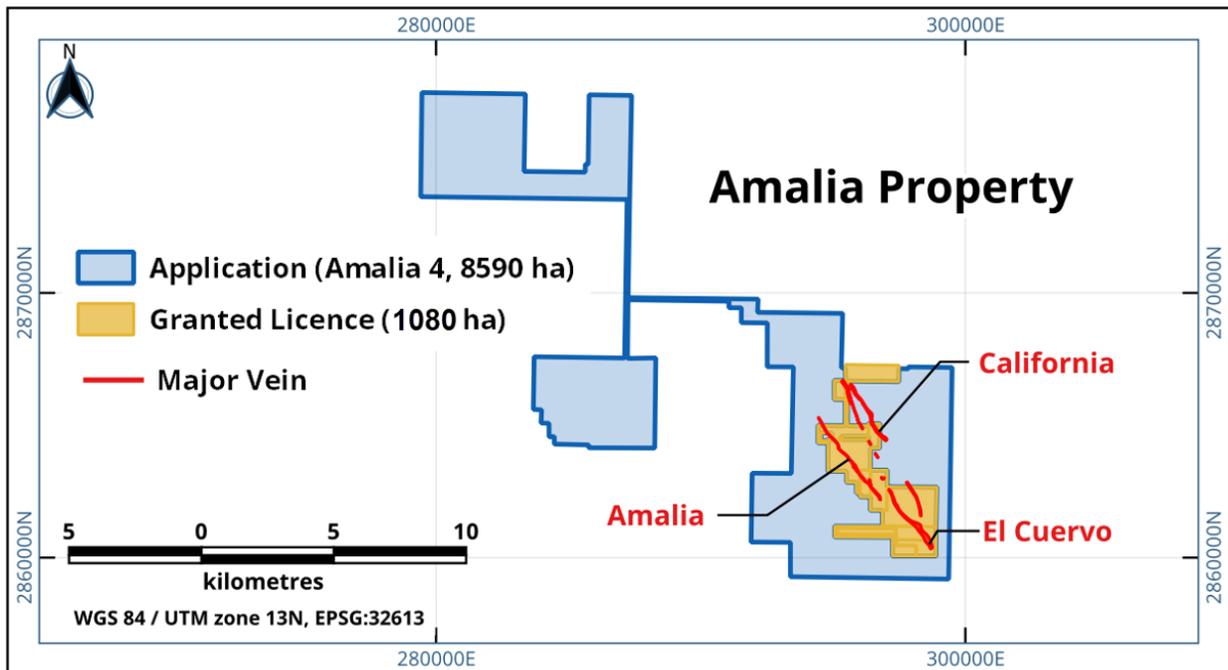
Quality Assurance / Quality Control

Reported drilling was carried out using NQ and HQ size tooling. Drill core was cut in half using a rock saw with one half of the core then taken as a sample for analysis. Sample intervals are generally 1 metre intervals, producing samples of between 2 to 9 kilograms. Half-core samples are delivered to the ALS Geochemistry laboratory facilities in Chihuahua, Mexico. The samples are fire assayed for Au and are analysed for Ag and multi-elements using method code ME-ICP61 following a four-acid digestion. Over-limits are analysed using an appropriate method. Multi-element geochemical standards and blanks are routinely entered into the drill core sample stream to monitor laboratory performance. Quality control samples submitted to ALS were returned within acceptable limits.

Concessions

The Amalia project (excluding the Palmillas concessions) consists of 378 hectares of core granted licenses and an 8,590 hectare Amalia 4 claim application. The Company and project JV partner Pan American have completed all the requirements, fee payments and surveys for the Amalia 4 application. The mining authority of Chihuahua has processed and approved the submission without fault and passed the license to the Mexico Mining Directorate proposing title issuance. The regulated time for the mining authority to comment and request revision has passed and granting of title is a legal requirement under the mining law. On May 4, 2023, the Company filed a legal demand to enforce the granting of title. Legal counsel believes the Company has clear legal right to the application and title.

The Mexico government's Mining Law Reform was published in the Federal Register on May 8, 2023, and includes changes to Mexico's Mining Law, National Waters Law, General Law of Ecological Equilibrium and Environmental Protection and General Law for the Prevention and Integral Handling of Wastes. The law reform was widely published and became effective on May 9, 2023, and certain provisions intend to restrict mineral exploration activities. It is unconstitutional to retroactively apply laws in Mexico, and the Company's management believes the new laws should not apply to the Companies' existing projects and licenses. As have almost all active exploration and mining companies in Mexico, the Company has filed legal challenges to the application of the reforms on all its properties and projects. The final status of those challenges has not been decided by the courts and the Company is still in appeal stages, including Amalia 4.



Property Outlook

The Amalia project is a large gold-silver epithermal system with an excess of 10 kilometres strike of vein systems, and mineralization extending over 1,000 vertical metres. Significant mineralization has been defined at the three main targets drilled to date (Amalia, California & El Cuervo). The targets are open at depth and along strike and many other targets remain to be drill tested including: Oro Viejo, La Caverna, California SE, El Durazno and Palmillas.

The Company's management is in discussion with Pan American to chart the best way forward for both companies.

Mexico – Plata Verde Project

In 2020, the Company entered into option agreements with local concession holders to acquire a 100% interest in the Plata Verde Project which consists of the 300 hectare Don Benja concession covering an historic silver mining camp located in Chihuahua, Mexico, and the 500 hectare Don Jose concession which surrounds Don Benja. The Plata Verde Project is located north of the Company's Amalia Gold-Silver project and east of the historic Batopilas silver mining district (1708 to 1920) which reputedly produced over 300 million ounces of silver from high-grade veins and structures.

At Plata Verde, the Company's geologists re-discovered a large scale underground bulk silver mining operation where in the late 1800's, historic miners hand excavated an extensive series of anastomosing caverns. The project was un-explored since the historic miners ceased their operations. Initial phases of rock chip sampling by the Company returned widespread silver mineralization between 5 and 1,070 g/t Ag over a large area within the historic mines.

In July 2022, the Company signed an exclusivity agreement with Minera San Julian, S.A. de C.V. ("Minera San Julian"), a wholly owned subsidiary of Fresnillo plc, whereby Minera San Julian had the exclusive right to negotiate with the Company the terms of an option to earn a 70% interest in the Plata Verde Project. In March 2024, the Company and Minera San Julian signed an option agreement which replaced the exclusivity agreement and pursuant to the option terms, Minera San Julian made cash payments to the Company of US\$250,000 to mobilize drilling and field teams, and a second payment of US\$250,000 when drilling commenced.

At Plata Verde, the Company's geological team completed several months of detailed underground mapping and sampling of the historic Mina Real and Mina Mojonera. Three distinct mineralization styles were defined within the basaltic andesite volcanic host rock:

1. Multiple large scale volcanic breccia zones up to 75 metre diameter and sampled on multiple mine levels. The breccias are cemented by massive to crustiform banded barite calcite with silver chlorides, sulphosalt minerals and native silver.
2. Fracture fill and stockwork silver mineralization occurs as massive to crustiform banded barite calcite with silver chlorides, sulphosalt minerals and native silver.
3. Disseminated style mineralization with fine silver sulphosalts disseminated within the volcanic host with little to no brecciation, veining or fracture fill.

Drill Program

On June 26, 2024, the Company announced the commencement of a diamond drill program at Plata Verde. A total of 13 holes for 2,400 metres of diamond drilling were completed. The drill holes cut several zones of low-grade silver mineralization, but unfortunately did not intersect zones of significant silver mineralization. Due to the limited potential, Minera San Julian has relinquished its option on the property.

Mexico – Rambler Project

In January 2019, the Company staked the 10,379 hectare Rambler Project located in the Sierra Madre Mountains of the State of Chihuahua, Mexico, approximately 20 kilometres northwest of the Company's Amalia Project. The project area is previously unexplored with only minor historic artisanal-scale pitting of surface outcrops known. The Company's geologists discovered the project during regional prospecting surveys. Epithermal silver/gold (plus significant copper, zinc and lead) mineralization

has been sampled by the Company in several veins, vein breccias and disseminated zones over a 9 kilometre north-west trend. The property will be further evaluated once the license application has been granted.

Guatemala Properties

In May 2020, the Company granted to Volcanic the exclusive option (the “Option”) to acquire a 60% interest in the Company’s Holly and Banderas gold-silver properties in Guatemala by spending US\$7.0 million on exploration of the properties within 48 months from the date drilling permits are granted.

In September 2023, the Option was modified to include the Motagua Norte project in substitution for the Banderas project. The original earn-in requirement to spend US\$7.0 million in exploration of the properties remained unchanged. Under the modified option agreement, expenditures made by Volcanic on exploration of the Banderas property were credited towards the US\$7.0 million expenditure requirement.

On August 19, 2024, the Company announced that Volcanic had exercised the Option and therefore has acquired a 60% interest in the Holly and Motagua Norte properties. As a result, the Company will form a standard 40/60 joint venture with Volcanic in order to further develop the properties.

Recent exploration activities conducted by Volcanic on the Holly and Motagua Norte Properties are summarized below.

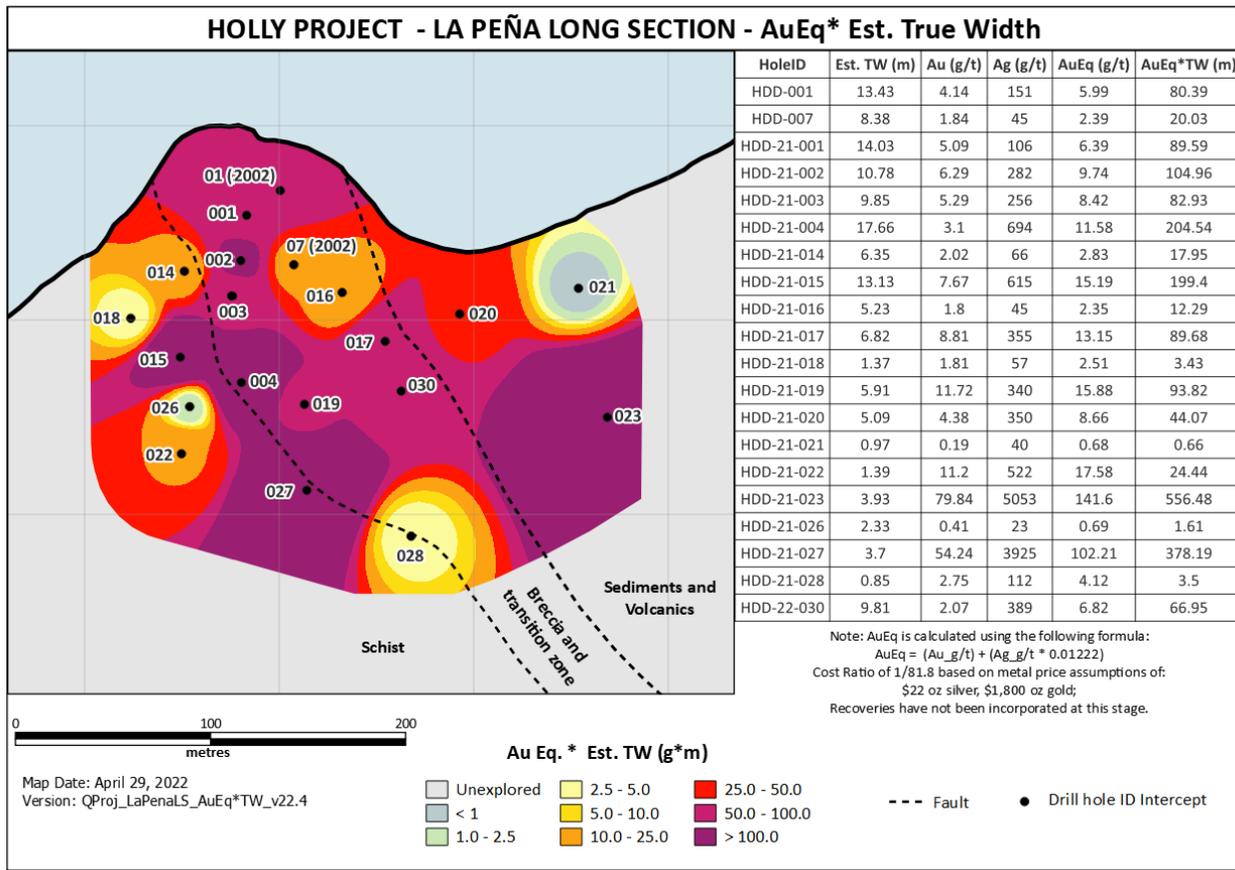
Holly Project

In 2021, Volcanic conducted a diamond core drilling program at the Holly Project to explore a series of high-grade northwest-striking veins cross-cutting a segment of the regional east-west trending Jocotan structure: La Peña, Amber, El Pino and Alpha veins. A total of 32 drill holes for 5,259 metres of drill core were completed, with the following highlights:

- Drilling successfully tested three distinct vein sets cutting the Jocotan fault zone.
- High-grade gold and silver intercepts confirmed and extended the La Peña vein system to at least 200 metres below surface.
- Exploratory drilling on the Amber, El Pino and Alpha veins confirmed mineralization.

The drilling successfully extended the high-grade La Peña vein to depth and along strike and improved understanding of the controls on high-grade mineralization, providing enough information for a maiden mineral resource estimation. The La Peña vein remains open in all directions. Several holes also cut high-grade gold in the Amber, Alpha and El Pino veins at a shallow depth, confirming that they all have significant potential which will be tested in future drill programs.

Figure 1: Holly Project: La Peña target long section with assay results table.



On June 9, 2022, the Company and joint venture partner, Volcanic, announced a maiden Inferred Mineral Resource Estimate for the La Peña vein system on the Holly property. The mineral resource estimate is reported in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards (2014) incorporated by reference in National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

Highlights

- A maiden inferred mineral resource has been estimated for the first target, La Peña vein at the Holly project, Guatemala.
- The high-grade La Peña vein remains open to expansion along strike and importantly at depth, where exceptionally high-grade results have been returned.
- Multiple other drill targets remain un-tested at Holly with potential for new discoveries.

Table 1: Holly, Peña Vein Resource Estimate (Effective date 7th June, 2022)

Category	Cut-off grade AuEq ⁽²⁾ (g/t)	Tonnes above cutoff (millions)	Gold (g/t)	Silver (g/t)	Gold (oz)	Silver (oz)	Gold Equivalent ⁽²⁾ (g/t)	Gold Equivalent ⁽²⁾ (oz)
Inferred	3.00	1.32	6.46	256	272,110	10,913,360	9.57	406,316

Notes:

1. Resources estimated using a 3.0 g/t Gold equivalent cut-off grade and a top cap grade of 100 g/t Gold and 2,000 g/t Silver and presented on a 100%-basis.
2. Gold Equivalent Au(eq) values based on Au US\$1800 per troy ounce and Ag US\$22 per troy ounce using formula $(\text{Au g/t} + (\text{Ag g/t} * 0.01222))$.
3. Mineral Resources which are not Mineral Reserves have not demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The mineral resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum standards on mineral resources and reserves, definitions, and guidelines prepared by the CIM standing committee on reserve definitions and adopted by the CIM council. Notwithstanding, to meet the requirement that the reported Mineral Resources show “reasonable prospects for eventual economic extraction”.
4. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource. It is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.
5. Contained metal and tonnes figures in totals may differ due to rounding.

The Mineral Resource Estimate is underpinned by data from 21 diamond drillholes totalling 3,707 metres of drilling. Drill spacing ranges between 20 and 100 metres. All sample data was composited to a 2D dataset (linear grade and true thickness values) prior to analysis and estimation. The sample database and the topographic survey were reviewed and validated by Bruce Smith, Ludvig Monroy and Shawn Rastad prior to being supplied to John Arthur, an independent UK based Resource Consultant. Geological domain modelling was completed by Bruce Smith and Dr John Arthur. Mineral Resource domain modelling, grade interpolation, Mineral Resource classification and reporting of the Mineral Resource statement, was performed by Dr John Arthur. Dr Arthur, Mr Smith, Mr Monroy and Mr Rastad are “qualified persons” within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”). Block modelling was carried out using cell dimensions of 32mE by 32mN by 8 mRL and was coded to reflect the surface topography and mineralised zones. Density values were globally assigned into two zones, an upper zone between 50 to 100 metres from surface had an average density of 2.33t/m³ and below this an average density of 2.52t/m³ was applied. The Mineral Resource Estimate has been classified based on data density, data quality, confidence in the geological interpretation and confidence in the robustness of the grade interpolation.

The technical report for the Mineral Resource Estimate was filed on July 27, 2022, and is available on SEDAR+ at www.sedarplus.ca.

Technical studies and permitting

The Company considers that the demonstrated high-grade and good access to a nearby mine development project means that the Holly Project has a good chance of being developed. Further drilling will determine whether Holly will support a stand-alone mill, or if the ore should be processed elsewhere. Based on this positive outlook the Volcanic/Radius team is in the process of applying to upgrade the Holly exploration license to an exploitation license.

The initial technical studies to support the application, including a civil engineering design for an underground mine to exploit the principal La Peña vein, were submitted to and reviewed by the competent authorities. The application has advanced to the second stage and the Company is now responding to requests for additional information. The study envisages using transverse and longitudinal longhole stoping with cemented cavity fill on eleven levels, 30 metres apart, to a depth of 300 metres below surface with access via a spiral decline. Processing would be off-site. The mine design is an early-stage concept for permitting purposes and does not meet the requirements of a preliminary economic assessment. The Holly deposit is currently at an inferred level of confidence and open in all directions and further drilling is required to improve the level of confidence in the mineral resource estimation as well as define the full lateral and depth extent of any future mining operation. This study is the principal requirement to support the current application to upgrade the Holly project licence from an exploration to exploitation licence.

Resumption of Exploration

On March 3, 2025, the Company and Volcanic announced the resumption of exploration activities on the Holly Property. Volcanic has drilling permits in place and is working with landowners, local authorities and the local community for a social

licence to operate. Additional drilling will aim to extend the depth and strike extent of mineralization and tighten drill spacing to upgrade the confidence level of the mineral resource.

Initial drilling will focus on: (1) defining the strike length and tracking the Peña vein down-dip where the mineral resource could potentially be expanded, and (2) additional drilling on the El Pino vein to bring the existing high-grade drill intercepts into the mineral resource.

Management of the Company is of the view that the message that foreign investment into metallic mining has the potential to create jobs and generate significant local and national revenue is beginning to be heard and feedback from the local community is positive. The next drilling campaign will be an opportunity to further support the existing mineral resource estimate and to start bringing some of the other veins in the Holly system into the resource envelope.

Motagua Norte Project

Volcanic conducted widespread exploration of the Company's large regional land position under the option agreement signed in May 2020 and identified Motagua Norte as an area with significant promise. Volcanic completed all the legal, environmental and community studies required to support four exploration licence applications comprising the Motagua Norte area and in September 2023 the first exploration licence, Cirilo 1, was granted. The Cirilo 1 exploration licence covers an area of 13.5 square kilometres (4.5 x 3 km) and includes the Mila gold anomaly. Volcanic is continuing to work with the permitting authorities towards granting the remaining three licences. To this end the area under application has been reduced from 72.68 to a 36.85 square kilometre area of interest by removing populated and low priority exploration areas where potential conflicts of interest with land users have been identified.

2024 drill program

Volcanic's initial prospecting on the Cirilo 1 licence returned exceptional gold grades at Mila anomaly, a surface concentration of bonanza-grade and visible gold in quartz boulders spread over a 250 x 570 metre area. Volcanic commenced a first-pass exploratory drilling program at the Mila prospect in February 2024 to look for the source of the gold-bearing quartz boulder float.

As reported on May 23, 2024, a total of 13 holes were drilled in this first pass program testing a range of targets. The drilling tested beneath the gold-bearing quartz boulder float and the area immediately uphill. Drillholes were scissored on two orientations to test for the possibility of mineralization both parallel or oblique to the principal east-west trending structures. Whilst wide zones of quartz veining and stockwork were intercepted in several drillholes, assay results did not support the hypothesis that the gold-bearing quartz boulders originated from these structures, and no cross-cutting mineralized quartz veins or stockwork zones were encountered.

Royalty Interests

Guatemala – Tambor Project Royalty

The Company holds a royalty interest in the Tambor gold project in Guatemala which is owned by Kappes, Cassiday & Associates ("KCA") The initial royalty payments due to the Company are to be based on the price of gold at the time and the number of ounces of gold produced, ranging from US\$100 per ounce when the gold price is below \$1,200 up to \$250 per ounce when the gold price is \$1,500 or greater, up to a maximum of US\$10.0 million. After the US\$10.0 million has been paid and cumulative gold production from the Tambor Project has exceeded 100,000 ounces, the cash payments will be based on the then price of gold and the number of ounces of gold produced, ranging from US\$25 per ounce when the gold price is below \$1,500 up to \$50 per ounce when gold price is \$1,500 or greater.

Commercial production commenced at the Tambor project in December 2014 and receipt of royalty payments by the Company commenced during the third quarter of 2015. To date, the Company has recognized net royalty income of \$1,530,555 of which \$746,375 has been received. In May 2016, KCA informed the Company that mining operations were suspended by the Supreme Court of Guatemala due to a lack of consultation by the Guatemalan Ministry of Mines with local indigenous people when the mine was permitted in 2011.

KCA initiated a Central America Free Trade Agreement Arbitration action against the Guatemalan government to overturn the suspension of operations and seek compensation from the Guatemalan authorities, from which the Company would benefit as well. The Arbitration hearing has been completed and a ruling is pending. Until these proceedings are concluded, the Company is allowing KCA to defer payment of the remaining balance owing to the Company. Due to these circumstances, for accounting purposes, a provision was recorded against the KCA receivable in the 2016 fiscal year.

Mexico - Tlacolula Property Royalty

In 2017, the Company completed the sale of its Tlacolula silver property, Mexico to Fortuna Silver Mines Inc. (now Fortuna Mining Corp.) in consideration for 239,385 common shares of Fortuna, a cash payment of US\$150,000, and a 2% NSR royalty on the property. Fortuna retained the right to purchase one-half of the royalty by paying the Company US\$1.5 million.

On April 14, 2025, Fortuna announced that it has sold its interest in the San Jose Mine properties in Mexico, including the Tlacolula property, to JRC Ingeniería y Construcción S.A.C. (“JRC”), a private Peruvian company. The new property owner will assume all of Fortuna’s rights and obligations regarding the Company’s royalty on the Tlacolula property.

Outlook

The Company is continuing its strategy of conducting property evaluations and grassroots exploration on properties in various jurisdictions with the aim of delineating minable resources and delivering value to shareholders. Management looks forward to the advancement of its JV funded Amalia Project, and the Tierra Roja copper property.

Qualified Person: Bruce A Smith, M.Sc., MAIG., a member of the Australian Institute of Geoscientists, is the Company’s Qualified Person as defined by National Instrument 43-101, and has approved the disclosure of the technical information in this MD&A.

Selected Annual Information

The following table sets forth selected annual financial information of the Company for, and as at, the end of each of the last three financial years ended December 31, 2024, 2023, and 2022:

	2024 (\$)	2023 (\$)	2022 (\$)
Investment and other income	7,816	13,502	9,954
Exploration expenditures	477,594	1,572,144	732,140
Net income (loss) for the year			
Total	(955,687)	(2,637,656)	1,076,154
Basic & fully diluted per share	(0.01)	(0.03)	0.01
Total assets	1,837,044	2,361,168	3,711,214
Total long-term liabilities	81,321	-	81,942
Cash dividends	-	-	-

Investment and other income was highest for the 2023 fiscal year due to the periodic rise of interest rates until mid-2023. The 2022 fiscal year resulted in a net income compared to net losses for the 2024 and 2023 fiscal years due to a \$1,350,913 gain on reclassification as an equity investment. The gain relates to the Company’s holding of Rackla shares that were previously treated as an investment in associate with a carrying cost of \$1 and their fair value being \$1,350,914 at the time of reclassification. This reclassification is also why total assets were higher for the 2022 fiscal year. The long-term liabilities presented for the 2024 and 2022 fiscal years are related to lease liabilities associated with office leases, one of which expired on December 31, 2024 and another that expires on December 31, 2029. The total lease liability for the 2023 fiscal year was \$81,942 and presented entirely as a short-term liability. The overall lease liability decreases each year as the remaining term of the office lease decreases.

Quarterly Information

The following table provides information for the eight fiscal quarters ended December 31, 2024:

Quarter ended	Dec. 31, 2024 (\$)	Sep. 30, 2024 (\$)	June 30, 2024 (\$)	Mar. 31, 2024 (\$)	Dec. 31, 2023 (\$)	Sep. 30, 2023 (\$)	June 30, 2023 (\$)	Mar. 31, 2023 (\$)
Investment and other income	714	2,225	2,491	2,386	2,363	2,276	3,550	5,313
Exploration expenditures	170,343	131,644	62,023	113,584	452,449	462,942	403,814	252,939
Net loss	(353,422)	(243,294)	(141,877)	(217,094)	(939,300)	(533,636)	(791,913)	(372,807)
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.00)

The net loss for the quarter ended December 31, 2023 was highest amongst all quarters presented due to a write-off of \$309,223 relating to former mineral property interests. The quarterly net losses for the 2024 fiscal year are lower than the quarterly net losses for the 2023 fiscal year due to less exploration activity.

Results of Operations

Quarter ended December 31, 2024

The quarter ended December 31, 2024 had a net loss of \$353,422 compared to \$939,300 for the quarter ended December 31, 2023, a decrease of \$585,878. This decrease was due to the current quarter exploration expenditures, net of cost recoveries, being \$170,343 compared to \$452,449 for the comparative quarter, a difference of \$282,106 and the comparative quarter recording a write-off of \$309,223 relating to the formerly held Tropico and Maricela properties.

General and administrative expenses for the quarter ended December 31, 2024 were \$178,435, compared to \$161,859 for the comparative quarter, an increase of \$16,576. This increase is due to office and administrative costs being \$19,666 higher for the current quarter and associated with increased insurance costs and expenses relating to the Company moving its shared corporate office to a new location. A notable cost increase for the current quarter was in salaries and benefits which was \$7,513 higher due to the Company's share of personnel resources increasing. The most notable cost decrease in the current quarter was in shareholder communications, which was \$8,399 less due to a reduction in promotional activities. Legal and audit fees and transfer agent and regulatory fees were also less in the current quarter by \$4,916 and \$4,066, respectively, due to the comparative quarter incurring more corporate activity.

Year ended December 31, 2024

The year ended December 31, 2024 had a net loss of \$955,687 compared to \$2,637,656 for the year ended December 31, 2023, a decrease of \$1,681,969. This decrease was due primarily to the current year exploration expenditures, net of cost recoveries, being \$477,594 compared to \$1,572,144 for the comparative period, a difference of \$1,094,550 and the comparative year recording a write-off of mineral property costs of \$309,223. Exploration expenditures were significantly lower for the current year as most exploration activity was paid for by companies which have or had options on the Company's properties in Mexico.

General and administrative expenses for the current year were \$490,273, compared to \$847,584 for the comparative year, a decrease of \$357,311. This decrease is primarily due to a share-based compensation expense of \$308,631 recorded in the comparative year compared to \$2,593 recorded in the current year. The share-based compensation expense for both years relates to the fair value of stock options that were granted and became fully vested during those periods, of which significantly more options were granted during the comparative year. Other notable cost decreases for the current year were in shareholder communications, travel costs, and management fees which were less by \$36,656, \$20,988, and \$12,500, respectively. As with the quarterly comparison, shareholder and communication costs were lower due to less promotional activities, and travel costs were lower for this reason as well. Management fees were less due to the CEO of the Company reducing his fees for most months since December 2023. Notable cost increases for the current year were in salaries and benefits which was \$17,104 higher due to the Company's share of personnel resources increasing and office and administration costs being \$11,600 higher for the same reasons as for the quarter comparison.

The net loss for the comparative year was reduced by a gain of \$106,202 from mineral property option agreements whereas there was no such gain for the current year.

For both the current and comparative quarterly and annual periods, the fees paid to Bruce Smith, a Director and CEO of the Company, and to Simon Ridgway, a Director and Executive Chairman of the Company, were allocated partly to exploration expenditures and partly to management fees. Office and administration costs relate mostly to an administrative cost sharing agreement with Gold Group Management Inc. (“Gold Group”), a private company controlled by Mr. Ridgway which is reimbursed by the Company for certain shared office and other corporate expenses paid by Gold Group on behalf of the Company. Salaries and benefits costs relate primarily to Gold Group which provides administrative personnel, including the Company’s Chief Financial Officer, Corporate Secretary, and former Vice President of Corporate Development throughout the current and comparative three-month and annual periods.

Mineral Properties Expenditures

A summary of the Company’s expenditure on its mineral properties during the year ended December 31, 2024 is as follows:

Mexico – A total of \$966,803, excluding cost recoveries, was incurred on exploration, property investigation, and miscellaneous administrative costs, of which \$758,737 was on the Plata Verde property, \$71,990 was on the Amalia property, \$15,598 was on the Tropic property, \$2,454 was on the Maricela property, and \$118,024 was on general exploration.

A total of \$246,483, excluding cost recoveries, was incurred on option payments and recorded as mineral property acquisition costs, of which \$60,905 was on the Plata Verde property and \$185,578 on the Amalia property.

Cost recoveries relating to funding from Fresnillo on the Plata Verde property totaled \$60,905 for the Company’s underlying option payments and \$803,051 for exploration costs. Cost recoveries relating to funding from Pan American on the Amalia property totaled \$185,578 for option payments and \$31,313 for exploration costs.

Guatemala – A total of \$100,971 was incurred, of which \$72,480 was the Company’s share of joint venture costs with Volcanic, and the remainder incurred on investigation of new opportunities and maintenance of the Company’s Guatemala properties.

Peru – A total of \$190,432 was incurred on exploration of the Company’s recently optioned Tierra Roja property.

Other – A total of \$53,752 was incurred on property investigation costs in regions other than Mexico, Guatemala, and Peru.

Further details regarding exploration expenditures for the years ended December 31, 2024 and 2023 are provided in the schedules at the end of this MD&A.

Liquidity and Capital Resources

The Company’s cash and cash equivalents were \$838,209 at December 31, 2024 compared to \$910,755 at December 31, 2023. As at December 31, 2024, working capital was \$1,119,711 compared to \$2,022,609 at December 31, 2023. Included in working capital is the fair value of the Company’s equity investments which as of December 31, 2024 was \$565,963 compared to \$1,009,900 as of December 31, 2023. During the year ended December 31, 2024, the Company received funds totaling \$652,120 (US\$500,000) from Fresnillo for an exploration program on the Plata Verde Project. Also during the year ended December 31, 2024, the Company completed an equity financing to raise gross proceeds of \$580,500, and sold equity investments for net proceeds of \$39,090. These funds are being used to provide working capital for corporate and exploration operations. During the 2023 fiscal year, the Company raised gross proceeds of \$1.95 million by way of equity financing that provided working capital for corporate and exploration operations.

The Company did not earn any royalty revenue from the Tambor Project during the current year as the operations at Tambor continue to be suspended.

The Company intends to use the proceeds from any equity financings, sales of its equity investments, option payments received, and royalty income payments received to fund its exploration programs, investment opportunities, and general working capital requirements. The Company does not expect its current capital resources to be sufficient to cover its corporate operating costs and potential mineral property acquisitions or significant exploration expenditures through the next twelve months. As such, the

Company will continue to seek to raise additional capital and believes it will be able to do so, but recognizes the uncertainty attached thereto.

Commitments

During the year ended December 31, 2024, the Company entered into a shared operating lease agreement with two other related publicly listed companies (the “Lessees”) for its office premises and each paid a security deposit of \$3,907. The term of the lease is five years, commencing January 1, 2025 and includes an early termination option whereby the Lessees can terminate the lease upon the third anniversary date with a payment equal to two months gross rent. The Company’s portion of annual commitments under the lease, if the early termination option is not exercised, are as follows:

2025	\$	40,798
2026		40,798
2027		51,053
2028		41,612
2029		44,648
	\$	211,616

The Company was a party to an operating lease agreement for office premises that expired on December 31, 2024. The Company also rented space to other companies related by common directors and officers on a month-to-month basis, the amounts of which were netted against the Company’s rental expense. For the year ended December 31, 2024, the Company received a total of \$92,474 (2023: \$96,775) from those companies which shared office space with the Company.

Financial Instruments and Risk Management

The Company is exposed to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This section describes the Company’s objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the accompanying consolidated financial statements.

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company’s risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company’s finance function. The Board of Directors receive periodic reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company’s competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: foreign currency risk, interest rate risk, and equity price risk.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to fluctuations in foreign currencies through its operations in foreign countries. The Company monitors this exposure but has no hedge positions. As at December 31, 2024 and 2023, the Company is exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

	December 31, 2024				December 31, 2023		
	US Dollar (CDN equivalent)	Mexican Peso (CDN equivalent)	Guatemala Quetzal (CDN equivalent)	Peruvian Sol (CDN equivalent)	US Dollar (CDN equivalent)	Mexican Peso (CDN equivalent)	Guatemala Quetzal (CDN equivalent)
Cash	\$ 273,535	\$ 4,188	\$ 10,647	\$ 7,982	\$ 49,619	\$ 3,836	\$ 11,142
Receivables	-	120,725	-	-	-	183,569	-
Current liabilities	(13,265)	(143,678)	(3,461)	(317)	(5,677)	-	(4,209)
	\$ 260,270	\$ (18,765)	\$ 7,186	\$ 7,665	\$ 43,942	\$ 187,405	\$ 6,933

Based on the above net exposures at December 31, 2024, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in approximately a \$24,600 (2023: \$23,800) increase or decrease in profit or loss, respectively.

Commodity Price Risk

The Company's royalty revenue has been derived from a royalty interest that is based on the extraction and sale of gold. Factors beyond the control of the Company may affect the marketability of gold discovered or extracted. Gold prices have historically fluctuated widely. Consequently, the economic viability of the Company's royalty interest cannot be accurately predicted and may be adversely affected by fluctuations in gold prices. The Company has not engaged in any hedging activities. The Company is not exposed to commodity price risk as the Company has not earned any royalty revenue during the years ended December 31, 2024 and 2023.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. The Company considers this risk to be limited as it holds no assets or liabilities subject to variable rates of interest.

Equity Price Risk

Equity price risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Company's equity investments consisting of common shares are exposed to significant equity price risk due to the potentially volatile and speculative nature of the businesses in which the investments are held. The Company's equity investments are monitored by the Board with decisions on sale or exercise taken by Management. A 10% (2023: 10%) decrease in fair value of the shares would result in an approximate \$57,000 (2023: \$101,000) decrease in comprehensive income and shareholders' equity.

b) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents, equity investments, and receivables. The Company limits exposure to credit risk by maintaining its cash and cash equivalents with large financial institutions. The Company does not have cash and cash equivalents or equity investments that are invested in asset based commercial paper. For other receivables, the Company estimates, on a continuing basis, the probable losses and provides a provision for losses based on the estimated realizable value.

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities.

Related Party Transactions

The Company had transactions during the years ended December 31, 2024 and 2023 with related parties who consisted of directors, officers and the following companies with common directors:

Related Party	Nature of Transactions
Mill Street Services Ltd. ("Mill Street")	Management fees
Gold Group Management Inc. ("Gold Group")	Shared general and administrative expenses
Rackla	Investment and shared office lease
Volcanic	Investment, property transactions, exploration support and shared office lease

The Company reimburses Gold Group, a company controlled by Simon Ridgway, a Director of the Company, for shared administrative costs and other business-related expenses paid by Gold Group on behalf of the Company. During the years ended December 31, 2024 and 2023, the Company reimbursed Gold Group the following:

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
General and administrative expenses:				
Office and miscellaneous	\$ 17,249	\$ 10,470	\$ 49,793	\$ 52,018
Shareholder communications	1,498	15,536	12,739	26,851
Salaries and benefits	48,906	41,393	177,891	160,787
Transfer agent and regulatory fees	-	2,626	2,454	7,309
Travel and accommodation	6,174	1,505	16,978	24,714
	\$ 73,827	\$ 71,530	\$ 259,855	\$ 271,679
Exploration expenditures	\$ 3,022	\$ -	\$ 12,933	\$ 4,062

Gold Group salaries and benefits costs for the years ended December 31, 2023 and 2024 include those for the Chief Financial Officer and Corporate Secretary, and formerly for the Vice President Corporate Development.

During the year ended December 31, 2024, Volcanic charged \$19,136 (2023: \$38,083) to the Company for shared exploration costs and \$72,480 (2023: \$Nil) for joint venture costs.

Receivables as of December 31, 2024 include an amount of \$4,074 (2023: \$Nil) owed from Gold Group for shared administrative costs.

Prepaid expenses and deposits as of December 31, 2024 include an amount of \$1,456 (2023: \$4,153) paid to Gold Group for shared office and administrative services.

Long-term deposits as of December 31, 2024 include an amount of \$60,000 (2023: \$60,000) paid to Gold Group as a deposit on the shared office and administrative services agreement.

Accounts payable and accrued liabilities as of December 31, 2024 include \$Nil (2023: \$9,546) payable to Gold Group for shared administrative costs, \$21,024 (2023: \$7,792) to Bruce Smith, the Chief Executive Officer of the Company, for

management fees and expense reimbursement, and \$108,868 (2023: \$9,594) payable to Volcanic for shared exploration and joint venture costs.

Key management compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Geological fees included in exploration expenditures	\$ 33,500	\$ 33,500	\$ 109,000	\$ 150,500
Management fees	16,000	14,500	51,500	64,000
Salaries, benefits and fees*	15,366	17,950	65,016	70,889
Share-based payments – fair value of stock options granted and vested	-	-	-	99,891
	\$ 64,866	\$ 65,950	\$ 225,516	\$ 385,280

*Included in reimbursements to Gold Group

Key management compensation includes management and geological fees paid to Mill Street, a company controlled by Simon Ridgway, a Director of the Company.

During the 2023 fiscal year, the Company issued 500,000 common shares with a value of \$120,625 to the Chief Executive Officer of the Company per the terms of a shares for services agreement dated January 1, 2021.

The Company incurred the following expenditures charged by non-key management officers and companies which have common directors with the Company in the years ended December 31, 2024 and 2023:

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
General and administrative expenses:				
Salaries and benefits	\$ 9,600	\$ 7,600	\$ 32,160	\$ 24,627
Exploration expenditures:				
Salaries and benefits	7,388	4,506	18,552	17,859
	\$ 16,988	\$ 12,106	\$ 50,712	\$ 42,486

Other Data

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

Share Position and Outstanding Warrants and Options

As at the date of this MD&A, the Company's outstanding share position is 107,554,250 common shares and the following incentive stock options are outstanding:

<u>WARRANTS</u>		
Number of warrants	Exercise price	Expiry date
11,376,425	\$0.35	May 28, 2025
8,150,001	\$0.10	October 28, 2025
19,526,426		

<u>STOCK OPTIONS</u>		
Number of options	Exercise price	Expiry date
1,180,000	\$0.15	October 18, 2026
1,235,000	\$0.15	May 21, 2028
75,000	\$0.15	November 4, 2028
850,000	\$0.25	October 7, 2029
280,000	\$0.15	March 15, 2030
50,000	\$0.27	December 8, 2030
50,000	\$0.34	February 10, 2031
50,000	\$0.24	March 3, 2031
300,000	\$0.34	October 25, 2031
1,875,000	\$0.18	June 6, 2033
50,000	\$0.23	September 18, 2033
25,000	\$0.15	March 26, 2034
6,020,000		

Accounting Policies and Basis of Presentation

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

Future Changes in Accounting Policies

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

Royalty revenue

The Company cannot predict future revenues from or operating results of mining activity. Management expects any future royalty revenues from the Tambor Project to fluctuate depending on the level of future production and the price of gold. The

owner of the Tambor Project is not obligated to re-start or continue production from the Tambor Project and the Company will not be entitled to any compensation if this mining operation does not meet its forecasted gold production targets or if the mine operations are discontinued on a temporary or permanent basis. Risks that could negatively affect a mine's operations include, but are not limited to economics, lack of financial capital, floods, fire, mechanical malfunctions, social unrest, expropriation, environmental regulations, and legal and/or political changes. The Tambor Project is currently subject to a suspension of operations imposed by the Supreme Court of Guatemala.

Competition

The Company faces competition from other capital providers, all of which compete with it for investment opportunities. These competitors may limit the Company's opportunities to acquire interests in investments that are attractive to the Company. The Company may be required to invest otherwise than in accordance with its Investment Policy and strategy in order to meet its investment objectives. If the Company is required to invest other than in accordance with its Investment Policy and strategy, its ability to achieve its desired rates of return on its investments may be adversely affected.

Inability to dispose of illiquid securities

There is a possibility that the Company will be unable to dispose of illiquid securities held in its portfolio and if the Company is unable to dispose of some or all of its investments at the appropriate time, a positive return on such investment may not be realized.

Due diligence

The due diligence process undertaken by the Company in connection with investments that it makes or wishes to make may not reveal all relevant facts in connection with an investment. Before making investments, the Company will conduct due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. The due diligence investigations that are carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful.

Mineral property exploration and mining

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing; and obtaining permits for drilling and other exploration activities.

If the Company does not satisfactorily complete its contribution requirements to any joint ventures it may be a party to, the Company's interest in a joint venture can be diluted to a point where all interest in the joint venture is forfeited.

Joint venture funding

The Company's strategy includes seeking partners through joint ventures to fund exploration and project development. The main risk of this strategy is that funding partners may not be able to raise sufficient capital in order to satisfy exploration and other expenditure terms in a particular joint venture agreement. As a result, exploration and development of one or more of the Company's property interests may be delayed depending on whether the Company can find another partner or has enough capital resources to fund the exploration and development on its own.

Commodity price

The Company is exposed to commodity price risk. Declines in the market price of gold, silver, base metals and other minerals may adversely affect the Company's ability to raise capital or attract joint venture partners in order to fund its ongoing operations. Commodity price declines could also reduce the amount the Company would receive on the disposition of one of its mineral properties to a third party. The Company's past royalty revenue was derived from a royalty interest that is based on

the extraction and sale of gold. Factors beyond the control of the Company may affect the marketability of precious and base metals discovered or extracted. Metal prices have historically fluctuated widely. Consequently, the economic viability of the Company's property and royalty interests cannot be accurately predicted and may be adversely affected by fluctuations in metal prices.

Financing and share price fluctuation

The Company had a limited source of operating cash flow in the form of royalty revenue from the Tambor property; however, that property is currently subject to suspension of operations. There is no assurance that additional funding from this or other sources will be available to the Company when needed for further exploration and development of its projects. Further exploration and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its projects which could result in the loss of one or more of its properties.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues or the value of the Company's equity and derivative investments and corresponding effect on the Company's financial position.

Political, regulatory and currency

Some of the Company's mineral property interests are located in emerging nations. Properties in emerging nations may be subject to a higher level of risk compared to developed countries. Operations, the status of mineral property rights, title to the properties and the recoverability of amounts shown for mineral properties in emerging nations can be affected by changing economic, regulatory and political situations. The Company's equity financings are sourced in Canadian dollars but for the most part it incurs its exploration and property maintenance expenditures in US dollars, Guatemalan quetzals, Mexican pesos, Peruvian soles. At this time there are no currency hedges in place. Therefore, a weakening of the Canadian dollar against the US dollar, Guatemalan quetzal, Mexican peso, or Peruvian sol could have an adverse impact on the amount of exploration conducted.

Insurance

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, earthquakes, and pandemics. 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.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and a decline in the value of the securities of the Company.

Environmental and social

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 fairly significant in some of the Company's areas of operations. Violence, kidnapping, theft and other criminal activities could disrupt supply chains and discourage qualified individuals from being involved with the Company's operations.

Mineral Properties Expenditure Detail

CONSOLIDATED SCHEDULE OF EXPLORATION EXPENDITURES For the year ended December 31, 2024

	Guatemala		Mexico		Peru	Other	Total
	General Exploration	Mineral Properties	General Exploration	Mineral Properties	Mineral Properties	General Exploration	
Administration	\$ 3,282	\$ 16,909	\$ 9,679	\$ 4,622	\$ 1,487	\$ -	\$ 35,979
Camp and exploration support	-	2,819	-	39,591	-	-	42,410
Drilling	-	-	-	499,177	-	-	499,177
Environmental	-	3,817	-	-	-	-	3,817
Geochemistry	-	-	519	46,204	454	-	47,177
Geological services	3,782	25,518	35,688	58,687	166,771	37,258	327,704
Legal and accounting	3,098	9,099	22,887	64,921	3,895	-	103,900
Licenses, rights and taxes	-	-	485	32,415	-	-	32,900
Salaries and wages	5,062	24,027	41,939	50,554	722	11,367	133,671
Travel and accommodation	-	3,558	6,827	52,608	17,103	5,127	85,223
	15,224	85,747	118,024	848,779	190,432	53,752	1,311,958
Expenditures recovered	-	-	-	(834,364)	-	-	(834,364)
	\$ 15,224	\$ 85,747	\$ 118,024	\$ 14,415	\$ 190,432	\$ 53,752	\$ 477,594

CONSOLIDATED SCHEDULE OF EXPLORATION EXPENDITURES For the year ended December 31, 2023

	Guatemala		Mexico		Other	Total
	General Exploration	Mineral Properties	General Exploration	Mineral Properties	General Exploration	
Administration	\$ 967	\$ 8,707	\$ 17,299	\$ 11,127	\$ -	\$ 38,100
Drilling	-	-	-	345,714	-	345,714
Environmental	-	-	-	60,926	-	60,926
Geochemistry	-	-	20,344	28,296	2,693	51,333
Geological services	1,490	13,405	82,845	272,577	34,307	404,624
Legal and accounting	-	454	17,705	153,264	-	171,423
Licenses, rights and taxes	-	2,109	69,046	63,123	-	134,278
Salaries and wages	2,515	22,632	36,934	100,619	-	162,700
Travel and accommodation	-	117	29,140	204,156	-	233,413
	4,972	47,424	273,313	1,239,802	37,000	1,602,511
Expenditures recovered	-	-	-	(30,367)	-	(30,367)
	\$ 4,972	\$ 47,424	\$ 273,313	\$1,209,435	\$ 37,000	\$ 1,572,144