LEGACY GOLD MINES

Management's Discussion and Analysis

For the three and six months ended June 30, 2026

Legacy Gold Mines Ltd.

ABOUT LEGACY GOLD

This management's discussion and analysis ("**MD&A**") is of the results and financial condition of Legacy Gold Mines Ltd. (the "**Company**" or "**Legacy Gold**") for the three and six months ended June 30, 2026, and includes events up to the date of this MD&A. This discussion should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2026 ("**Q2 2026**") and June 30, 2025 ("**Q2 2025**") and the related notes thereto ("**Interim Financial Statements**") and other corporate filings of the Company, including the Company's audited consolidated financial statements for the year ended December 31, 2025 which are available under the Company's profile on SEDAR+ at www.sedarplus.ca.

This MD&A was prepared by management and was approved by the Board of Directors of the Company on August 10, 2026. Unless otherwise specified, all financial information has been derived from the Company's Interim Financial Statements which have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board ("**IASB**") applicable to the preparation of interim financial statements including International Accounting Standard 34 - Interim Financial Reporting ("**IAS 34**"). All dollar figures stated herein are expressed in Canadian dollars, unless otherwise noted. This MD&A contains forward-looking information. Please see the section, "Note Regarding Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions used to develop the Company's forward-looking information.

The Company is a Canadian-based gold exploration and development company, incorporated under the *Business Corporations Act* (Alberta) on June 4, 2021, and maintains offices at 30^{th} Floor, 421 7^{th} Avenue SW, Calgary, Alberta T2P 4K9 and at 27^{th} floor 161 Bay St, TD Canada Trust Tower, Toronto Ontario, M5J 2S1, and its registered office at 1250, 639 - 5th Avenue SW., Calgary, Alberta, T2P 0M9. The Company's common shares (the "**Common Shares**") are listed and traded on the TSX Venture Exchange (the "**TSXV**") under the symbol "LEGY".

The Company's business strategy is to discover and develop low-cost gold production in politically safe jurisdictions. This vision can be achieved by strategically identifying, and acquiring former gold producing properties located in historic mining districts, or regions, where there is potential to discover high-grade gold resources. The Company utilizes a fiscally disciplined strategy to target and obtain options on such opportunities that permit capital to be allocated to exploration and development. The Company's Management and Board of Directors have extensive experience in the challenge of developing exploration and development assets into producing mines and restarting past producing mines.

The Company can give no assurance at this time that its current properties and interests will fulfil the Company's business development goals described herein. Trading in the securities of the Company should be considered highly speculative.

The Company was originally organized as a "Capital Pool Company" pursuant to the Policies of the TSXV. In 2024, the Company completed its "Qualifying Transaction" and became a Gold Exploration and Development Company, by acquiring an option (the "**Option**") from Champion Electric Metals Inc. ("**Champion**") to acquire a 100% undivided interest in the mineral claims comprising the Baner Gold Mine Property in Idaho County, Idaho, USA (the "**Baner Property**" or the "**Property**"). The Baner Property is comprised of 215 unpatented lode claims covering approximately 3,818 contiguous acres (1,545 hectares) within the historic Orogrande Gold Mining District in Idaho. At the same time the Company completed the Concurrent Financing (defined below) and changed its name to "**Legacy Gold Mines Ltd.**" (the "**Transaction**").

In connection with the Transaction, the Company completed a non-brokered private placement of 13,500,000 subscription receipts, for which it received gross proceeds of $2,700,000 (the "**Concurrent Financing**"). By acquiring the Option and completing the Transaction, the escrow conditions in place on the 13,500,000 subscription receipts issued were lifted. As a result, those 13,500,000 subscription receipts were converted into 13,500,000 Common Shares, and gross proceeds of $2,700,000 were released to the Company.

Q2 2026 HIGHLIGHTS AND KEY ACCOMPLISHMENTS THEREAFTER

$10 Million Non-Brokered Private Placement Completed in April 2026

On April 15, 2026, the Company completed its previously announced non-brokered private placement for aggregate gross proceeds of $10,000,000 (the "**2026 Private Placement**"). In connection with the 2026 Private Placement, the Company issued 33,333,333 Common Shares at a price of $0.30 per Common Share. The Company is using part of these proceeds to carry out its planned exploration campaign for summer 2026 on the Baner Property as described below, and for general corporate purposes.

The 2026 Exploration Program Launched Mid May

An exploration campaign of both drilling and prospecting commenced during the Company's second quarter. The drilling portion of the program is a combination of core and reverse circulation drilling targeted to achieve up to 40,000 feet drilled. The first phase of the program is the core drilling component of up to 10,000 feet (3,050 meters) across some 10-12 targeted holes which commenced mid-May and was completed mid-July.

To date eleven (11) planned core holes have been drilled totaling 9,660 feet (2,945 meters): one (1) exploration hole to the west; two (2) holes at the south end of the Main Zone and Baner Zones; three (3) holes up the hill in the western portion of the Main Zone; three (3) holes at the north end of the Main Zone; and two (2) holes in the west portion of the Northeast Zone.

The second phase of the Company's 2026 exploration campaign is the RC drill program that commenced in early July and is expected to continue through August and September. The RC phase of the program is planned to comprise up to 43 holes of which six holes have been completed to date totaling 3,500 feet (1,066 meters). Assay results have been received from the first hole and are expected to be received soon for the rest of the holes drilled to date.

Core Drilling Extends Zone 150M (492FT) South and Proves Mineralization in 150M (492FT) Gap in the North

Assay results from the first diamond drill hole, LG26-009, intersected five (5) mineralized zones and extended mineralization up to 150m (492ft) south of the nearest previous intersection. The 150m (492ft) offset intersection graded 2.9 g/t Au and 41.8 g/t Ag over 3.6m (11.8ft) and is thought to represent the north-south extension of mineralization in the Main Zone. The same hole also intersected 0.43 g/t Au over 16.9m (55.4ft) from 6.1m (20ft) downhole (2.5m or 8ft vertical), which is thought to represent the east-west trending Baner vein mineralization.

Results from the second core hole - LG26-015 - filled in a 150m (492ft) gap at the northern end of the Baner Main Zone and returned four (4) mineralized zones, with the two best zones, located mid-way among the four, grading 1.1 g/t Au over 12.4m (40.7ft) and 0.42 g/t Au over 14.5m (47.4ft). Of utmost importance, the oriented core from holes LG26-015 and LG26-010 (assays pending) proved the premise underlying the Exploration Target set out below – that the mineralization is flat and east-dipping. The holes were not drilled in numerical order because drilling was limited to pads permitted in 2025 until the 2026 drill permit was received. Assay results for the remaining holes are expected to be received over the next month or so.

RC Drilling Intersects 1.44 g/t over 25M (80FT) starting 2.1M (7FT) vertically below surface, including 15.8 g/t over 1.5M (5FT) Extending Main Zone 220M (720FT) North at the Baner Property

LG26-005 extended Main Zone gold mineralization 220m (720ft) north of the nearest previous drill intersection and returned substantial widths of near-surface mineralization, including **0.86 g/t Au over 45.7m (150ft) from 13.7m (45 ft) downhole, beginning only 2.1m (7ft) vertically below surface**. This included **1.44 g/t Au over 24.4 m (80 ft)**, one of Legacy Gold's widest intersections grading above 1.0 g/t Au at the Baner Property to date, including **15.8 g/t Au over 1.5 m (5 ft)**. Another intersection returned 0.42 g/t Au over 18.3m (60ft) from 80.8m (265ft) downhole, beginning 24.4m (80ft) vertically below surface.

The results from LG26-005 are consistent with the Company's 2025 drilling in demonstrating mineralization beginning at or near surface and extending over considerable widths, which management considers encouraging from a potential future development perspective. LG26-005 also extended known gold mineralization approximately 220 metres north of the nearest previous drill intersection and returned higher-grade mineralization within the broader mineralized intervals. Together with results from 2026 drilling that have extended mineralization to both the north and south, these results have expanded the known mineralized footprint well beyond the area contemplated by the Company's initial Exploration Target.

LG26-005 was drilled to the southwest from a historic access road ending near the historic Zenith Mine workings. The Company is evaluating whether the 15.8 g/t Au over 1.5 m interval may correspond to the mineralized vein historically followed at the Zenith Mine.

LG26-005 was originally planned to extend farther southwest to test the strongest gold-in-soil values. To manage the overall program budget, the hole was subsequently completed using RC drilling and ended before reaching the full extent of the planned target area. The strongest gold-in-soil values therefore remain beyond the end of the hole and untested, providing a priority target for follow-up drilling.

MT Geophysical Survey Flown During June 2026

The Company's geologic team concluded that it would be strategically beneficial to undertake an airborne geophysical survey during the second quarter and in June this survey was carried out. To date the Company has received only preliminary results but they have confirmed known drill targets, as well as delineated several other new targets. The biggest conductive target appears to be between the Northwest extension and the Northeast Zone. A map and 3D of the conductive anomalies will be released once the Company receives the final data from the survey.

Magnetotellurics is a passive electromagnetic system designed to measure resistivity/conductivity of the earth and is especially useful for penetrating to deeper levels than comparable geophysical methods. The survey was flown by Expert Geophysics Limited, with 100 m line spacing, using their MobileMT system, and included airborne magnetics.

OPERATIONAL AND CORPORATE UPDATE

Initial Exploration Target Dimensions

Results from the recent 2025 drilling and previous drilling and exploration indicate a potential exploration target at the Baner Property of between 50.3 million and 55.3 million tonnes, at average grades ranging from 0.72 g/t Au to 0.91 g/t Au (the "**Exploration Target**").

The potential quantity and grades of the Exploration Target are conceptual in nature. There has been insufficient exploration to define a mineral resource, and it is uncertain whether further exploration will result in the target being delineated as a mineral resource. The Exploration Target does not represent a mineral resource estimate and has not been prepared in accordance with NI 43-101 mineral resource categories. See "Basis for Initial Exploration Target" below and the Company's press release from March 17, 2026, for additional information.

Basis for Initial Exploration Target

The initial Exploration Target described above was estimated before the new assays reported on March 17, 2026, were received. It is limited to 1,000m for the Main Zone (plus 500m at Baner Mine trend), and 370m for the NW Zone within 1,370m of the Orogrande structure. The initial Exploration Target excludes the adjacent soil anomalies along strike which indicate significant room to grow. This preliminary target also excludes other targets on the Property that have overlapping geophysical magnetic and conductor/soil/structural anomalies similar to where the drilling has taken place to date. The anomalous soils extend another 600m in the immediate area, while other soil anomalies suggest a further 2,200m - if drilling in those areas intersects similar criteria, the Exploration Target would increase.

The conceptual volumetric calculations are derived from sectional interpretation and geological modelling. The geological information was collected from a total of 46 drill holes for 10,459m drilled over 2.3 kilometers of strike by Legacy Gold in 2025 (RC) and Idaho Champion (core) in 2018 and 2020.

The gold grade range of the Exploration Target has been calculated from the significant number of drill intercepts returned from the 46 holes completed to the end of 2025. There are 114 intersections which are above 0.2 g/t cut-off. A minimum width of 5m was used (5m benches). The volume range (tonnages) of the Exploration Target is defined by the drilling completed combined with the evidence up-dip given by similar grade soils to where drilling has taken place.

Intersections were weighted averaged for each of 10 sections, with strike lengths calculated from mid-point to midpoint between sections. There is an average of 3.8 zones per section. The dip lengths were measured up the hill where gold-in-soils suggests gold in the underlying rock. This evidence was proven in 2025 at the only set-up drilled up-hill (with gold intersections at surface and all the way down dip for at least 290m). Several smaller sections were created where RC returned significantly wider intersections but at lower grade to core drilling. The average dip length for the 10 sections is 230m. True widths were used where the interpretation suggested an obvious change was required- most drilling is thought to be close to true width otherwise. The weighted average sectional grade gives 0.72 g/t, with the two highest being 1.51 g/t and 1.07 g/t.

Using a simple weighted average of all 114 intersections gives 0.91 g/t over 12.8m. An assumed bulk density was used of 2.73 t/m3- consistent with quartzite-hosted gold systems. Initial metallurgical cyanide leach testing gave 87.1%-93.2%; at 4km north, Bema undertook open pit mining and heap leaching (fully permitted) at Buffalo Gulch in the early 1990’s which was close to being permitted again in 2023 by Endomines. The Company cautions that mineralization and metallurgical results at Buffalo Gulch may not be indicative of mineralization or metallurgical results at the Baner Property.

The Company is conducting additional drilling and technical studies to evaluate whether sufficient data may be obtained to support a future mineral resource estimate.

OUTLOOK

The three-year Option to explore the previously drilled Baner Property provides an opportunity to the Company to possibly find significant gold mineralization within an established mining jurisdiction. The historic production from the Orogrande district dates back to the late 1800s and the first Gold Rush in Idaho. Additionally, many companies have drilled various properties in the 30 kilometer long Orogrande district since the mid-1980s.

The 2025 exploration drill program undertaken by the Company at the Baner Property focused on testing for continuity of high-grade and wide low-grade zones of mineralization with a new flatter, east-dipping interpretation of zones that were previously drilled by Champion. This new interpretation is reflective of drilling on other deposits in the area, as opposed to the vertical dip assumed by previous operators. The program commenced in mid-August 2025, and 16 RC holes were completed for a total of 2,748m (9,068ft) of drilling, targeting the Main Zone of the Property along the Orogrande shear structure.

The Company's goals for the 2025 drill program were largely achieved as drilling intersected very wide zones such as 0.50 g/t Au over 108.2m (355ft), high-grade zones such as 6.7 g/t Au over 4.6m (15ft) within 1.2 g/t Au over 39.6m (130ft), expanded the gold system in multiple directions, identified strong evidence supporting the new interpretation of flatter dips, proved continuity of high-grade mineralization, and even intersected wide zones perpendicular to the main trend (at Baner Mine proper). See the Company's press release from February 19, 2026, for additional information.

Building on the results of its 2025 drill campaign and the financing completed in April 2026, the Company is continuing its 2026 program of infill, step-out and exploration drilling with the objective of generating sufficient data to support a maiden mineral resource estimate for the Baner Gold Mine Property in late Q4 2026 or early Q1 2027. To date, results from the 2026 drilling have extended known mineralization to both the north and south and expanded the known mineralized footprint well beyond the area contemplated by the Company's initial Exploration Target.

2026 Baner Drill Program and Targets

The 2026 drill program was designed to follow up on the successful 2025 drill results targeting the Main Zone and NE Zone at the Property, as well as new exploration targets indicated by large gold-in-soil anomalies coincident with geophysical conductors and magnetic highs similar to those associated with the Main Zone.

2026 Drill Targets

- Up-dip (up-hill) from previous drilling to find out the width of the system that to date has intersections covering 290m (951.4ft) down dip. One drill set-up from 2025 was located up-hill and intersected 5.26 g/t Au over 3.0m (10ft) starting at 7.6m (25ft).
- Baner East-West Zone which has numerous historical adits and shafts covering 1,000m; hole LG25-002 intersected 0.50 g/t Au over 108.2m (355ft).
- NE Zone where previous drilling intersected 1.6 g/t Au over 16.6m (54.5ft), and 0.7 g/t Au over 35.2m (115.5ft).
- NW Zone, characterized by anomalous large gold in soil anomalies coincident with geophysical conductors and similar magnetic highs as the Main Zone. A hole will also target soil anomalies approximately 230m NW of hole LG25-006 which intersected 0.57 g/t Au over 64.0m (210ft) starting from surface (0m), including 2.7 g/t Au over 6.1m (20ft) and 1.44 g/t Au over 1.5m (5ft).
- Angel Zone, a linear 555m gold in soil anomaly.

Drilling contractors were engaged for both Phases of the 2026 drill program, with the completion of the diamond drill program being achieved during July 2026, while core cutting, sample preparation, and assay work will continue over the next few months. The RC program is in progress and expected to be completed during Q3 2026. During April 2026, the Company entered into a Drilling and Technical Services Agreement in respect of its diamond drilling plans for 2026. Under the terms of that agreement, the Company advanced a refundable deposit of US$1,000,000 to the contractor. The remaining balance of the deposit will be returned to the Company during Q3 2026. During May 2026, the Company entered into a Drilling Agreement in respect of its RC drilling plans for 2026. Under the terms of that agreement, the Company advanced a refundable deposit of US$75,000 to the contractor.

The Company intends to conduct additional drilling and technical studies to evaluate whether sufficient data may be obtained to support a future mineral resource estimate. These studies may include metallurgical test work and deportment studies.

The Company is currently funded to execute the remainder of the 2026 drill program, having approximately $5.0 million in cash on hand and US$0.5M in refundable drilling deposits at the date of this MD&A. Market conditions, including the gold price averaging US$4,503 per ounce during Q1 2026 and reaching an all-time high of US$5,589 on January 28, 2026, may continue to provide the junior mining sector with slightly easier access to capital compared to the difficulties some junior companies have experienced in accessing capital over the past few years.

Key Economic Trends

The price of gold has an impact on the potential economic viability of the Company's mineral exploration projects. During Q2 2026, gold prices experienced a sharp decline, falling nearly 27% from record highs set in January 2026 to close at June 30, 2026, around $4,026 per ounce. The average price of gold during Q2 2026 was $4,330 per ounce.

During Q2 2026, gold prices continued to be impacted by economic and geopolitical concerns, related to geopolitical tensions in the Middle East, China's export restrictions on strategic minerals, U.S. Federal Reserve policy uncertainty and rate-cut / increase expectations. Gold continues to be seen as a reliable store of value and a safe-haven investment as demand for physical gold, gold futures, and gold ETF's have remained strong during Q2 2026. However, heavy trading and momentum-driven buying and selling amplified swings, with investors locking in profits after the initial surge in the gold price, resulting in price declines during Q2 2026. The US-Israel-Iran conflict, which escalated in late February, initially drove gold higher as investors sought safe-haven assets. However, the market later adjusted as the economic implications of the conflict became concerning. Despite the gold price reaching all-time highs during Q1 2026, central banks have continued to make gold purchases, along with retail investors who shied away from US treasuries in favor of a more tangible safe-haven asset class.

Alignment with a prolonged bullish market cycle for precious metals could provide easier access to capital for exploration companies. However, precious metals prices are subject to volatile price movements over short periods of time, affected by numerous factors, many of which are beyond the Company's control.

During the three months ended June 30, 2026, the average price of gold was US$4,330 per oz, with gold trading between US$3,944 and US$4,756 per oz based on the London Fix PM gold price. This compares to an average of US$3,280 per oz for the three months ended June 30, 2025, with a low of US$2,957 and a high of US$3,500 per oz.

The Company has exposure to foreign exchange rate differences between the Canadian and US Dollar as the Company finances itself in CAD but incurs a large portion of its costs in USD. The average foreign exchange rate during Q2 2026 was $1.383 Canadian dollars per U.S. dollar, with the Canadian dollar trading within a range of $1.358 to $1.423. This compares to an average of $1.384 with a range of $1.357 to $1.424 Canadian dollars per U.S. dollar for Q2 2025.

BACKGROUND TO PROPERTY AND INTERESTS

The Baner Property

The Baner Property is located in Idaho County, Idaho, approximately 6.2 miles (10 km) southwest of Elk City and is comprised of 215 unpatented lode claims covering approximately 3,818 contiguous acres (1,545 hectares). The Baner Property sits within the Orogrande district which hosts numerous former small gold mines along geologic structures that appear to have provided conduits for the gold fluids and that extend for significant distances.

On October 3, 2024, the Company completed the Transaction whereby the Company acquired the Option from Champion to acquire a 100% undivided interest in and to the mineral claims comprising the Baner Property, subject to the terms of the Option.

On completion of the Transaction, the Company paid or issued (as applicable) to Champion, $75,000, 1.1 million Common Shares and warrants to purchase up to 200,000 Common Shares at $0.30 per share for 2 years from the date of issuance. During Q1 2026, the Company made its second payment under the Option, where it paid $350,000 and issued 200,000 Common Shares and warrants to purchase up to 200,000 Common Shares at $0.405 for two years.

In order to exercise the Option and keep it in good standing, the Company will be required to make additional cash payments and issue securities as follows: paying or issuing (as applicable) to Champion on or before March 31, 2027: $500,000 and warrants to purchase up to 200,000 Common Shares at the last closing price for the Common Shares prior to the date of issuance, for two (2) years from the date of issuance.

Upon satisfaction of the payments and securities issuances above, the Option would be deemed to be exercised and a 100% undivided interest in the Baner Property would be transferred to the Company, free and clear of all encumbrances, subject to a 1% net smelter return royalty (the "**NSR**") in favour of Champion. The Company may buy back the NSR in consideration for payment of $7.5 million to Champion.

Geology and Mineralization

The Baner Property is situated within faulted rocks of the Orogrande Shear Zone which cuts Precambrian metamorphic rock, estimated to vary from 100m to 200m wide, and can be traced for over 45km. The Main Zone comprises two major north-south mineralized structures with likely crossover (shear) structures within. It is host to numerous small intrusive bodies, dikes, veins and numerous occurrences of breccia, lode, stockwork and disseminated style mineralized zones of precious metals.

The belt of mineralization that traces through the Elk City and Orogrande mining districts is known as the Orogrande Shear Zone. Gold mineralization occurs along this zone in numerous prospects and small historic mines. Most of the mineralization appears to be along Riedel shear structures that cross over between two bounding major north-south structures along the Orogrande Shear Zone. In general, higher grade historical mining was undertaken on narrow zones of strong sericite-silica-carbonate alteration and quartz veins. Intrusion-related structurally controlled mineralization has been suggested previously. At the Property, the predominant host rock is quartzite, with some biotite gneiss also present.

The geological environment is permissible for the formation of orogenic, shear zone hosted and/or intrusion related, precious metal deposits. The existence of carbonate and silica alteration and mineralization with strong precious metals grades in the recent exploration programs indicates the potential for the Baner Property to host deposits of economic interest. Accordingly, the Baner Property is considered a property of merit given its prospectivity for new discoveries.

Additional information about the Baner Property is available on SEDAR+ at www.sedarplus.ca under the Company's profile, including a technical report titled "NI 43-101 Technical Report on the Baner Project, Idaho County, Idaho, USA", dated effective August 1, 2024, prepared by Steven A. Osterberg, Ph.D., P.G.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2026

Summary of Quarterly Financial Results

	Q2 2026	Q1 2026	Q4 2025	Q3 2025
Net and comprehensive loss	**$4,049,325**	$406,301	$739,699	$760,406
Basic and diluted loss per share	**$0.07**	$0.02	$0.03	$0.03
Cash and cash equivalents	**$6,283,560**	$1,454,655	$494,039	$1,134,831
Total assets	**$8,458,701**	$2,433,941	$966,392	$1,603,050
Total current liabilities	**$1,258,621**	$641,397	$198,535	$128,396
Working capital	**$6,251,330**	$862,433	$339,670	$1,046,050
Total weighted average shares outstanding	**55,445,683**	26,552,600	26,020,696	25,841,446

	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Net and comprehensive loss	$437,949	$430,073	$501,327	$261,362
Basic and diluted loss per share	$0.02	$0.02	$0.07	$0.13
Cash and cash equivalents	$1,711,832	$2,212,011	$2,537,357	$245,075
Total assets	$2,200,374	$2,638,501	$2,936,922	$2,991,449
Total current liabilities	$110,787	$177,679	$128,439	$2,830,854
Working capital	$1,721,908	$2,093,143	$2,440,804	$160,595
Total weighted average shares outstanding	25,800,100	25,800,100	7,766,737	2,000,000

Q2 2026 Compared to Q2 2025

During the three-month period ended June 30, 2026, the Company had a net loss and comprehensive loss of $4,049,325 related to exploration and evaluation expenditures, regulatory and filing fees, professional fees, management fees, director and advisory fees, and administrative expenses compared to $437,949 for the same period in 2025.

Exploration and evaluation expenditures

During the three-month period ended June 30, 2026, exploration and evaluation expenditures of $2,947,273 (Q2 2025 – $76,515) were incurred for diamond drilling, geophysics, assaying, camp support and geological consulting, attributable to the 2026 Baner Drill Program. Drilling, assaying and field supply costs of $2,525,635 include all but one of the diamond drill holes and Geophysics costs of $258,860 include the cost of the airborne MT survey flown during June 2026. Additional costs were incurred during the quarter related to field activities completed at the Property for core sorting, historical assay and met testing reviews, and geological database preparation and review. During the three-month period ended June 30, 2025, costs were incurred for field activities completed at the Property for core sorting, soil sampling, geological database preparation and review, and investigations of other projects in the area close to the Baner Property. The 2026 drill program started during Q2 2026 while the 2025 drill program did not start until Q3 2025 which also resulted in higher exploration costs during Q2 2026 compared to Q2 2025.

Professional and advisory fees of $92,546 were incurred during the three-month period ended June 30, 2026, compared to $79,526 for the same period in 2025. These fees relate to costs incurred for legal, tax and accounting, and permitting work performed during the quarter which were higher than the costs incurred during Q2 2025 mainly due to the Company being more active and timing of invoices.

Share-based compensation of $782,457 for the three-month period ended June 30, 2026, increased compared to $66,714 in the same period of 2025 due to the vesting of the first tranche of options granted to directors, officers and consultants of the Company during Q2 2026.

Property investigation costs of $23,982 were incurred during the three-month period ended June 30, 2026 (June 30, 2025 - $nil). Travel costs of $59,243 during Q2 2026 increased compared to $11,857 of costs in Q2 2025 due to more trips made by management to site in preparation for the commencement and management of the 2026 drill program that began during May 2026.

H1 2026 Compared to H1 2025

During the six-month period ended June 30, 2026, the Company had a net loss and comprehensive loss of $4,455,626 related to exploration and evaluation expenditures, regulatory and filing fees, professional fees, management fees, director and advisory fees, and administrative expenses compared to $868,022 for the same period in 2025.

During the six-month period ended June 30, 2026, exploration and evaluation expenditures of $3,108,053 (H1 2025 – $198,624) were incurred for diamond drilling, geophysics, assaying, camp support and geological consulting, attributable to the 2026 Baner Drill Program. Drilling, assaying and field supply costs of $2,525,635 include all but one of the diamond drill holes and Geophysics costs of $258,860 include the cost of the airborne MT survey flown during June 2026. Additional costs were incurred during the quarter related to field activities completed at the Property for core sorting, historical assay and met testing reviews, and geological database preparation and review. During the six-month period ended June 30, 2025, costs were incurred for field activities completed at the Property for core sorting, soil sampling, geological database preparation and review, and investigations of other projects in the area close to the Baner Property. The 2026 drill program started during Q2 2026 while the 2025 drill program did not start until Q3 2025 which also resulted in higher exploration costs during H1 2026 compared to H1 2025.

Exploration and evaluation expenditures

For the six months ended	June 30, 2026	June 30, 2025
Baner Gold Mine Property		
Drilling, assaying and field supplies	$ 2,525,635	$ -
Geophysics	258,860	-
Geological consulting	128,836	182,144
Camp support	175,510	8,370
Site rental	9,712	8,110
Surveying	9,500	-
Total	$ 3,108,053	$ 198,624

Professional and advisory fees of $128,879 were incurred during the six-month period ended June 30, 2026, compared to $171,592 for the same period in 2025. These fees relate to costs incurred for legal, tax and accounting, and permitting work performed during the first half of the year which were lower than H1 2025 due to financial advisory fees incurred in 2025 not being incurred during 2026.

Share-based compensation of $809,092 for the six-month period ended June 30, 2026, increased compared to $149,126 in the same period of 2025 due to the vesting of the first tranche of options granted to directors, officers and consultants of the Company during H1 2026.

Property investigation costs of $69,092 were incurred during the six-month period ended June 30, 2026 (June 30, 2025 - $nil). Travel costs of $96,649 during H1 2026 increased compared to $20,503 of costs in H1 2025 due to more trips made by management to site in preparation for the commencement and management of the 2026 drill program that began during May 2026.

Director and advisory fees, management fees and regulatory and filing fees incurred during the six months ended June 30, 2026, were comparable with the same period of 2025.

LIQUIDITY, CAPITAL RESOURCES AND CASH FLOWS

As at June 30, 2026, the Company had cash of $6,283,560 and working capital of $6,251,330 compared to $494,039 of cash and $339,670 in working capital at December 31, 2025.

Net cash used in operations of $3,762,533 during the six months ended June 30, 2026, increased from $734,460 in the same period in 2025 mainly due to the higher exploration spend during Q2 2026 compared to Q2 2025, as well as changes in non-cash working capital items.

Net cash provided by financing activities of $9,931,170 during H1 2026 primarily reflected the $10,000,000 gross proceeds from the 2026 Private Placement, together with other financing cash flows described in the Interim Financial Statements.

Net cash used in investing activities during H1 2026 was $368,639, primarily consisting of the $350,000 Option payment made to Champion on March 31, 2026.

On April 15, 2026, the Company completed the 2026 Private Placement for aggregate gross proceeds of $10,000,000. In connection with that private placement, the Company issued 33,333,333 Common Shares at a price of $0.30 per share. The Company intends to use the proceeds from the 2026 Private Placement to advance drilling and project development activities at the Property, as well as for business development and general corporate purposes.

In connection with the 2026 Private Placement, the Company paid finder’s fees equal to 6% in cash to the following arm’s length parties: (i) Haywood Securities Inc. ($44,100); and (ii) Research Capital Corporation ($900), in respect of subscriptions introduced by them. In addition, the Company issued 825,490 Common Shares to John Tumazos of Florida, representing 3% of the Common Shares sold under the 2026 Private Placement to subscribers introduced by him, at a deemed price of $0.30 per share.

Management believes that the Company has sufficient funds on hand to meet its anticipated expenditures for 2026, which includes the 2026 Baner drill program which commenced during May 2026. Cash on hand at the date of this MD&A is approximately $5.0 million and the Company has a refundable deposit of US$0.5 million remaining with a drilling contractor which is expected to be received during Q3 2026.

Granting of Stock Options and Issuance of Warrants

On the closing of the Transaction, the Company granted Champion non-transferable common share purchase warrants to purchase 200,000 Common Shares at a price of $0.30 per share, with an expiry date of October 3, 2026.

In connection with the Concurrent Financing, the Company granted to finders, non-transferable common share purchase warrants to purchase 200,000 Common Shares at a price of $0.20 per share, with an expiry date of October 4, 2026.

On January 13, 2025, the Company granted incentive stock options to a director to acquire, in aggregate, 125,000 Common Shares at a price of $0.39 per share, with an expiry date of January 13, 2030, vesting one-half immediately and the remaining one-half on January 13, 2026.

On May 21, 2025, the Company granted incentive stock options to a consultant to acquire, in aggregate, 50,000 Common Shares at a price of $0.43 per share, with an expiry date of May 21, 2030, vesting one-half immediately and the remaining one-half on May 21, 2026.

On July 17, 2025, the Company granted incentive stock options to a consultant to acquire, in aggregate, 100,000 Common Shares at a price of $0.26 per share (being a 25% discount to the last closing price for the Company’s shares prior to the grant of these options, in accordance with the Policies of the TSXV and the Company’s stock option plan), with an expiry date of July 17, 2030, vesting one-half immediately and the remaining one-half on July 17, 2026.

On March 31, 2026, in connection with payments due under the Option, the Company issued Champion non-transferable common share purchase warrants to purchase 200,000 Common Shares at a price of $0.405 per common share, with an expiry date of March 31, 2028.

During April 2026, the Company granted incentive stock options to certain officers, directors and consultants to acquire, in aggregate, 2,100,000 Common Shares at a weighted average exercise price of $0.72 per share, with expiry dates in April 2031, vesting one-half immediately and the remaining one-half in April 2027, on the first anniversary of the dates of grant.

In April 2026, warrants were exercised for 200,000 common shares for cash proceeds of $40,000 and an allocation from share-based payment reserve of $26,955.

Capital Management

The Company defines capital as total equity which was $7,200,080 at June 30, 2026 (December 31, 2025 - $767,857). The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern and to have sufficient capital to achieve its ongoing business objectives including funding of future exploration and development activities.

The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company has 61,111,423 Common Shares outstanding.

As at the date of this MD&A, the Company has 3,671,250 stock options and 400,000 Common Share purchase warrants outstanding.

RELATED PARTY TRANSACTIONS

Key management personnel compensation	June 30, 2026	June 30, 2025
Management fees	$110,063	$ 109,357
Director fees	63,000	63,000
Geological consulting fees	62,031	52,000
Share-based compensation	525,018	103,257
	$ 760,112	$ 327,614

At June 30, 2026, $120,216 (December 31, 2025 - $156,960) is payable to related parties and is included in accounts payable and accrued liabilities.

CRITICAL ACCOUNTING ESTIMATES

Application of the Company’s accounting policies in compliance with IFRS requires the Company’s management to make certain judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Share-based payments

Share based payments to employees are measured at the fair value of the equity instruments granted and amortized over the vesting period. Share based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined that the fair value of the goods or services cannot be measured reliably and are recorded at the date the goods or services is received. The corresponding amount is recorded to an equity reserve. The Company estimates the fair value of stock options and share purchase warrants (the “convertible securities”) using the Black-Scholes option pricing model.

Several variables are used when determining the fair value of convertible securities using the Black-Scholes valuation model:

- The expected term: the Company used the expected term of the convertible securities of two or five years, whichever is the maximum term ascribed to these convertible securities, for the purpose of calculating their value. The Company chose the maximum term because it is difficult to determine with any reasonable degree of accuracy when these convertible securities will be exercised.

- Volatility: the Company used historical information for the market prices of its common shares and information from peer companies, to determine the degree of volatility at the date the convertible securities were granted. Therefore, depending on when the convertible securities were granted and the period of historical information examined, the degree of volatility can be different when calculating the value of different convertible securities.

- Risk-free interest rate: the Company used the interest rate available for Government of Canada securities of an equivalent expected term as at the date of the grant of the convertible securities. The risk-free interest rate would vary depending on the date of the grant of the convertible securities and their expected term.

- Dividend yield: the Company has not paid dividends in the past because it is in the exploration stage and has not yet earned any operating income. Therefore, a dividend rate of 0% was used for the purposes of the valuation of the convertible securities.

CRITICAL JUDGMENTS USED IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Impairment of Resource Property Costs

Management reviews the carrying values of exploration and evaluation assets whenever events or changes in circumstances indicate that their carrying values may not be recoverable. The recoverable amounts of cash-generating units for an exploration stage company require various subjective assumptions. These assumptions may change significantly over time when new information becomes available and may cause original estimates to change.

Income Taxes and Recovery of Deferred Tax Assets

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements. Judgment exists in relation to the eligibility of qualifying exploration and evaluation expenditures on properties. Deferred tax assets require management to assess the likelihood that the Company will generate taxable income in future periods to utilize recognized deferred tax assets. As at June 30, 2026, and December 31, 2025, no deferred tax assets were recognized, as the Company is still in the exploration stage, and management is uncertain when sufficient taxable income will be available to realize the deferred tax assets.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS

The Company's financial instruments consist of cash and accounts payable and accrued liabilities, which approximate their fair values due to their relatively short maturities. It is management's opinion that the Company is not exposed to significant interest, or credit risks arising from these instruments.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The ability to do this has historically relied on the Company raising funds through an equity financing in a timely manner, while maintaining sufficient cash on hand to fund current and future budgeted expenditures. Accounts payable generally have contractual maturities of less than thirty days and are subject to normal trade terms.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Company is exposed to currency risk on U.S. dollar denominated trade payables related to its U.S. exploration operations. The Company does not use derivative instruments to reduce its exposure to foreign currency risk, however exchange rates are continually monitored for any significant changes. A majority of the exploration and evaluation expenditures and a portion of the Company's other expenses are paid in USD. To reduce its currency risk related to the CAD, the Company has converted a portion of its CAD cash balances into USD. The Canadian dollar equivalent carrying amounts at June 30, 2026, of the Company's U.S. dollar denominated cash balance was $168,464 (December 31, 2025 - $390,137), and accounts payable and accrued liabilities was $1,258,089 (December 31, 2025 - $21,325).

OFF-BALANCE SHEET ARRANGEMENTS

As at June 30, 2026, and up to the date of this MD&A, the Company had no off-balance sheet arrangements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUES

See analysis on Q2 2026 vs Q2 2025 earlier in this MD&A, as well as refer to the Company's interim condensed consolidated financial statements for the three and six months ended June 30, 2026, and the annual consolidated financial statements for the year ended December 31, 2025.

ACCOUNTING STANDARDS ISSUED BUT NOT YET ADOPTED

IFRS 18 Presentation and disclosure in the financial statements (replacement of IAS 1)

This new standard maintains many of the current requirements for the presentation of financial statements and adds new requirements concerning the statement of profit or loss, management-defined performance measures, and the principles of aggregation and disaggregation of information. The new requirements concerning the statement of profit or loss include requiring entities to classify income and expenses included in the statement of profit or loss in one of five categories (operating, investing, financing, income taxes, discontinued operations), and prescribing that subtotals for operating profit or loss and profit or loss before financing and income taxes are presented. The new requirements concerning management-defined performance measures involve explanation of the purpose, calculation of, and reconciliation to the most closely related performance measure prescribed in an IFRS accounting standard, of performance measures used in public communications by entities outside of the financial statements that are not a measure specifically required to be presented or disclosed by an IFRS accounting standard.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier adoption permitted. The Company is assessing the impact of the new standard on its financial statements.

Other new accounting standards and amendments to existing standards that have been issued and that the Company will be required to adopt in future years are either not applicable or are not expected to have a significant impact on the Company's financial statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

- a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

QUALIFIED PERSON REVIEW

Mr. Mike Sutton, P.Geo., an officer and director of the Company, is the Qualified Person, as defined under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, who reviewed and approved scientific and technical disclosures in this MD&A.

RISKS AND UNCERTAINTIES

The following are certain factors relating to the business of the Company that investors should carefully consider when making an investment decision concerning the common shares of the Company. These risks and uncertainties are not the only ones facing the Company. If any such risks occur, the financial condition, liquidity, and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected.

The following is a description of certain risks and uncertainties that may affect the business of the Company.

Limited Business History

The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Exploration, Development and Operating Risks

The Company's mining and exploration activities will involve significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. Any figures presented for mineral resources, if any, are only estimates. The estimating of mineral resources is a subjective process, and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the estimates.

Estimated mineral resources may have to be re-estimated based on changes in mineral prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any mineral resources will ultimately be reclassified as proven or probable reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions.

Most exploration projects do not result in the discovery of commercially viable mineral deposits, and no assurance can be given that any particular level of recovery or mineral resources or reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially viable deposit which can be legally and economically exploited.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company's current and planned mineral exploration and development may be required. No assurance can be given that the Company will be able to raise the additional funding that may be required for such activities should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and pursue only those projects that can be funded through cash flows generated from its existing operations, if any.

Fluctuating Mineral Prices and Marketability of Minerals

The economics of mineral exploration are affected by many factors beyond the Company’s control, including commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, the Company may determine that it is impractical to continue a mineral exploration operation. Fluctuating mineral prices may also adversely affect the ability of the Company to obtain financing.

Mineral prices are prone to fluctuations, and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Property.

Regulatory, Permit and License Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the Property will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, 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 exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

Financing Risks and Dilution to Shareholders

The Company may have limited financial resources and operations without generating any revenues and have been able to successfully raise and deploy capital for its exploration programs. If the Company’s exploration program on the Property is successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to its shareholders.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the boundaries of mineral properties may be disputed. The Company cannot give assurance that title to the Property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that Champion or the Company, as the case may be, does not have title to the Property could cause the Company to lose any rights to explore, develop, and mine, any minerals on the Property without compensation for prior expenditures related to the Property.

Operations, Including Permitting, may be Subject to Legal Challenges

The Company's exploration, and any future development and mining operations, and the permits required for such activities, may be subject to legal challenges at the international, federal, state, and local level by various parties. Legal challenges may result in adverse impacts on the Company's planned operations. The Company may also be subject to more localized opposition, including efforts by environmental groups, which could attract negative publicity or have an adverse impact on its reputation.

Competition

The Company will compete for, among other things, the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can retain the service of its directors, officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Environmental Risks

The Company's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liabilities, and potentially increase capital expenditures and operating costs.

Local Resident Concerns

Apart from ordinary environmental issues, the exploration, development and mining of the Property could be subject to resistance from local residents and indigenous people that could either prevent, or delay, exploration and development of the Property.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The *Business Corporations Act* (Alberta) provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the *Business Corporations Act* (Alberta). To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the *Business Corporations Act* (Alberta).

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

Litigation

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

Foreign Operations

The Company operates the Baner Property through a Canadian company and its wholly owned US subsidiary and, as such, faces risks typical of foreign business activities. These risks include permit delays, opposition to projects, unreliable infrastructure, labor issues, equipment shortages, import/export regulations, inflation, currency fluctuations, biased dispute resolution, government abuse of power, enforcement difficulties, regulatory compliance challenges. Changes in mining or investment policies, or political shifts in operating jurisdictions may affect operations or profitability.

In late 2024, the incoming Trump administration in the United States signaled changes to US trade policies, including the introduction of new tariffs. In 2026 the administration made additional changes that impact the trade relationship between the US and Canada. The administration may also seek to roll back existing free trade agreements, which could have substantial impacts on global supply chains. Uncertainty over the degree to which the United States government will implement changes in policy or regulation may contribute to economic uncertainty.

FORWARD-LOOKING INFORMATION

Certain statements contained in this document constitute "forward-looking information". Words such as 'may,' 'would,' 'could,' 'will,' 'intend,' 'plan,' 'propose,' 'anticipate' and 'believe,' and similar expressions, are intended to identify forward-looking information. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's current views based on their experience and expertise with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments unless required by law.