SOUTH PACIFIC METALS CORP.

(formerly Kainantu Resources Ltd.)

MANAGMEMENT'S DISCUSSION AND ANALYSIS

(Presented in Canadian Dollars)

FOR THE NINE MONTHS ENDED DECEMBER 31, 2025

Introduction

The following Management Discussion and Analysis ("MD&A") of the operations, results, financial position and outlook of South Pacific Metals Corp. (the "Company") is the responsibility of management and has been prepared using information available up until February 27, 2026. This MD&A should be read in conjunction with the Company's financial statements for the nine months ended December 31, 2025 and the notes attached thereto, which have been prepared in accordance with IFRS Accounting Standards ("IFRS"). All financial results presented in this MD&A are expressed in Canadian Dollars unless otherwise indicated.

The Company was incorporated under the Business Corporations Act (British Columbia) on July 4, 2018, as a Capital Pool Company under the policies of the TSX Venture Exchange (the "TSX-V"). On December 3, 2020, the Company completed its Qualifying Transaction by completing a reverse take-over of an Kainantu Resources Ltd.

On February 6, 2024, the Company changed its name to South Pacific Metals Corp. The Company's shares trade on the TSX-V under the symbol SPMC, on the OTCQB under the symbol SPMEF and on the Frankfurt Stock Exchange under the symbol 6JO.

This MD&A contains forward-looking statements. Please refer to the "Note Regarding Forward-Looking Statements".

Description of Business

South Pacific Metals Corp. is an exploration company focused on developing gold-copper resources from its four highly prospective projects located in Papua New Guinea ("PNG"). The Company's core projects include: Anga, Osena, May River, and Kili Teke. All projects are located in premier mining regions within PNG.

Both Anga and Osena show potential to host high-grade epithermal and porphyry mineralization, as seen elsewhere in the high-grade Kainantu Gold District.

The May River project is in close proximity to the world-renowned Frieda River Copper-Gold Project, with historical drilling indicating the potential for significant copper-gold porphyry and epithermal gold discoveries along with volcanogenic massive sulphide (VMS) Cu-Au-Ag-Zn discoveries.

Kili Teke has an NI 43-101 inferred resource of 237Mt @0.62% CuEq* along with extensional high-grade Cu-Au-Ag-Zn skarn and alkalic epithermal gold potential.

The Company has a highly experienced board and management team with a proven track record of mineral exploration and operating in the region. The Company's strategy is to build shareholder value through exploration and development at its projects.

Effective July 1, 2025, the Company changed its presentation currency from United States dollars (USD) to Canadian dollars (CAD). The Company is incorporated in Canada and listed on the TSX-V and management determined that presenting the financial statements in CAD provides more relevant and reliable information to users.

Refer to "*Exploration Projects*" below for further details on the Company's projects.

Developments in and following the Quarter ended December 31, 2025

As at December 31, 2025, the Company has working capital of $8,329,792 (March 31, 2025- $4,623,048). As the Company has no source of revenue at this time, it will continue to deplete capital to operate potential drill programs, fieldwork, office and administrative expenses and continual investigations of new projects and opportunities. Accordingly, the Company will be required to obtain additional financing in the future.

On July 2, 2025, the Company announced the appointment of Timo Jauristo as Chief Executive Officer, effective June 30, 2025. See link for details.

On July 28, 2025, September 17, 2025 and October 6, 2025, the Company announced significant encouraging gold and copper assays from trenches and surface samples on its North East areas of its Osena Project. These areas are South West of, and adjacent to, the tenements which host K92 Mining's operating gold mine in Papua New Guinea, ("PNG"). The announced assays include numerous significant gold and copper grades within a 15 square Kilometre gold-in-soils anomaly. See links for details.

On July 30, 2025, the Company announced that it had engaged Triomphe Holdings Ltd., doing business as Capital Analytica, and 45 Degrees Inc., to provide, respectively, marketing services and advertising services to the Company. The Company also announced that it issued 575,000 Stock Options and awarded 175,000 Restricted Share Units to officers, directors, consultants and service providers. See link for details.

On September 16, 2025, the Company announced that its interim injunction against K92 Mining and the Mineral Resource Authority ("MRA") of PNG, enjoining the MRA from considering any application by K92 to take some of the Company's Anga Exploration Licence, EL 2558 for a Tailings Storage Facility, ("TSF"), had been upheld by the PNG courts. See link for details.

On September 18, 2025, K92 Mining announced the it had selected a site within its own Exploration Licences for its TSF and that it "…has no interest in purchasing …[the Company's]… EL 2558 or any other licence held by …[the Company]…", and that it "…no longer intends to apply for a LMP, …[Lease for Mining Purposes]… within the boundaries of …[the Company's]… EL 2558". See link for details.

On October 14, 2025, the Company announced that it had identified new mineralized zones at its Golkona South prospect within its Anga Project, which is North East of, and adjacent to, the tenements which host K92 Mining's operating gold mine. See link for details.

On October 30, 2025, the Company announced that drilling had commenced on its Ontenu North East prospect within its Osena Project to follow up high grade gold, silver and copper samples on this prospect. See link for details.

On November 11, 2025, the Company announced that it had received assays for rock chip samples from a zone on its Ontenu North East prospect within its Osena Project, with values up to 21.2% copper and high grades of silver, and, from a separate zone nearby, assays of 1.2% copper, 258 grams per tonne silver and 8.65% zinc. See link for details.

On November 25, 2025, the Company announced a marketing equity offering up to $8 million of units (the "Offering") consisting of one common share and one-half common share purchase warrant of the Company (a "Unit") at an indicative price of $0.54 per Unit. Each whole warrant entitles the holder to acquire one common share from the Company at a price of $0.90 per share for a period of 24 months following the closing date of the Offering. See link for details.

On December 8, 2025, the Company announced the closing of $9.2 million marketed equity offering consisting of 17,036,100 units with each unit consisting of one common share and one-half common share purchase warrant of the Company (a "Unit") at a price of $0.54 per Unit. Each whole warrant entitles the holder to acquire one common share from the Company at a price of $0.90 per share for a period of 24 months following the closing date of the Offering. See link for details.

On February 18, 2026, the Company announced the addition of a second drill rig to accelerate testing of multiple targets in the Ontenu Project area. See link for details.

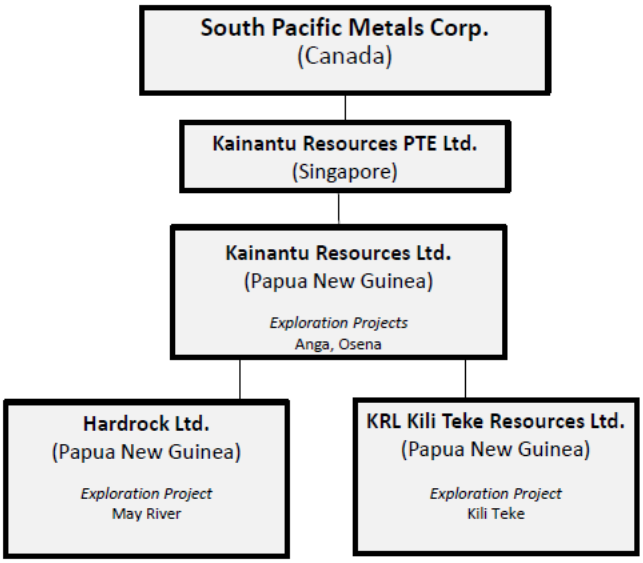
KRL and the Company initiated legal proceedings in Q1-2026 with the National Court against K92 Mining and the Mineral Resources Authority. The Company filed for declaratory relief to confirm that KRL is the exclusive registered holder of Exploration Licence EL 2558 under the PNG Mining Act 1992, and that it alone holds surface and subsurface mineral exploration rights within the licence boundaries.

The Company took this action following what it believes to be trespass and interference by K92 Mining on EL 2558. The Company's objective is to protect its legal rights, maintain the integrity of its exploration program, and ensure that the licence area remains free from unauthorized activity. EL2558 is a focus of the Company's exploration programs, and should the Company's exploration programs turn out to be economic, this area is a potential tailings facility for the Company. The Company will provide further updates as the proceedings develop.

On August 14, 2025, the Company's wholly-owned subsidiary, Kainantu Resources Limited ("KRL"), obtained an interim injunction from the National Court of Justice of Papua New Guinea ("National Court") restraining K92 Mining Limited ("K92 Mining") from interfering with or contravening KRL's exclusive exploration rights within its EL 2558 exploration licence area, including: restraining K92 Mining from entering into or interfering with the EL 2558 area, including conducting sterilization drilling, or undertaking infrastructure development on the EL 2558 area, including any proposed tailings storage facility and solar farm; and preventing the Mineral Resources Authority from accepting or processing any K92 Mining applications for leases or tenements over the EL 2558 area.

On September 18, 2025, K92 Mining announced that it had selected a site within its own exploration licenses for its tailings storage facility and that it has no interest in purchasing the Company's EL 2558 or any other license held by the Company. As a result, the Company's legal proceedings were terminated in November 2025.

Corporate Organizational Chart



Exploration Projects

Overview

The Company is focused on mineral exploration, discovery and future development in the world-class mineral provinces of Papua New Guinea. The Company holds multiple exploration licenses and applications around 4 core projects (Figure 1) namely:

- **Osena Project**: located 130km WNW of Lae and close to the town of Kainantu. This project adjoins K92 Mining Ltd's operations to the southwest. Osena has several identified drill-ready targets for **epithermal Au-Cu-Ag** deposits including Ontenu and Ontenu NE, and potential for porphyry copper-gold at depth.
- **Anga Project**: located 130km WNW of Lae and close to the town of Kainantu. This project adjoins K92 Mining Ltd's operations to the northeast. This project includes multiple targets for **epithermal Au-Cu-Ag** deposits.
- **Kili Teke Project**: located 40km west of the Porgera Gold Mine and includes a porphyry Cu-Au resource estimate, and multiple targets for **high-grade alkalic epithermal Au deposits** (Porgera Style).
- **May River Project**: located approximately 200km from the port of Wewak and adjoining PanAust Ltd's large scale Frieda River Copper-Gold project. The project includes large diatreme breccia/**epithermal Au targets, porphyry related Cu-Au** and high-grade **VMS style Au-Cu-Ag-Zn** targets.



Figure 1 Location of SPMC Projects in Papua New Guinea, with other major deposits by endowment and production (refer Company presentation October 2025 for full source details of compilation)

Glossary of Terms

Elements	Name
Ag	Silver
As	Arsenic
Au	Gold
Cu	Copper
Pb	Lead
S	Sulphur
Te	Tellurium
Zn	Zinc

Units	Description	Uses
ppb	Parts Per Billion by weight (1ppm = 1000ppb)	Au, Ag & Te in soils
ppm	Parts Per Million by weight (1ppm = 1g/t)	Au in pan concentrates, Cu in soils, A
g/t	Grams per tonne (1ppm = 1g/t)	Au & Ag in rocks, drill results & mineral resources
%	Percent (10000ppm = 1%)	Cu, Pb & Zn in rocks, drill results & mineral resources

Tenement Status

Table 1 Tenement Status

Project	Tenement	Grant Date	Expiry Date	Current Status	Current Blocks	Approx Area (km2)
Anga	EL 2558	29-Aug-2018	28-Aug-2026	Active	12	41
Anga	EL 2655	12-Nov-2020	11-Nov-2026	Active	26	88
Anga	EL 2755	31-Oct-2023	30-Oct-2025	Pending Renewal	75	255
Osena	EL 2559	29-Aug-2018	28-Aug-2026	Active	66	224
Osena	EL 2650	14-Aug-2020	13-Aug-2026	Active	42	143
Osena	EL 2652	14-Aug-2022	13-Aug-2026	Active	37	126
Osena	EL 2660	12-Nov-2020	11-Nov-2026	Active	30	102
Osena	ELA 2850	12-Jan-2026	11-Jan-2028	Active	33	112
May River	EL 2736	28-Jul-2022	27-Jul-2026	Active	15	51
May River	ELA 2756	12-Jan-2026	11-Jan-2028	Active	398	1353
May River	EL 2603	14-Jan-2020	13-Jan-2026	Pending Renewal	75	255
May River	EL 2623	14-Jan-2020	13-Jan-2026	Pending Renewal	75	255
Kili Teke	EL 2310	24-May-2022	23-May-2026	Active	74	252
				Total	958	3257

*Tenements classed as "pending renewal" are waiting on government documentation and are valid exploration licenses, with permissible exploration and on-going access. Projects in "Pending Grant" are 'first in time' with statutory requirements including Warden's court, land-owner and government approval prior to the commencement of exploration.

Osena Project

The Osena Project is located to the southwest and immediately adjoining K92 Mining Ltd's tenements (Figure 2). The project is located in the Kainantu Transfer Zone, a large NE-SW striking tectonic structure that is known to host multiple mineral deposits and styles (Figure 3). Project geology consists of volcanics and sediments intruded by mafic to felsic intrusives. The Elandora Porphyry suite, a key driver for epithermal Au-Cu-Ag deposits and porphyry related deposits throughout the region has been identified on the project area.

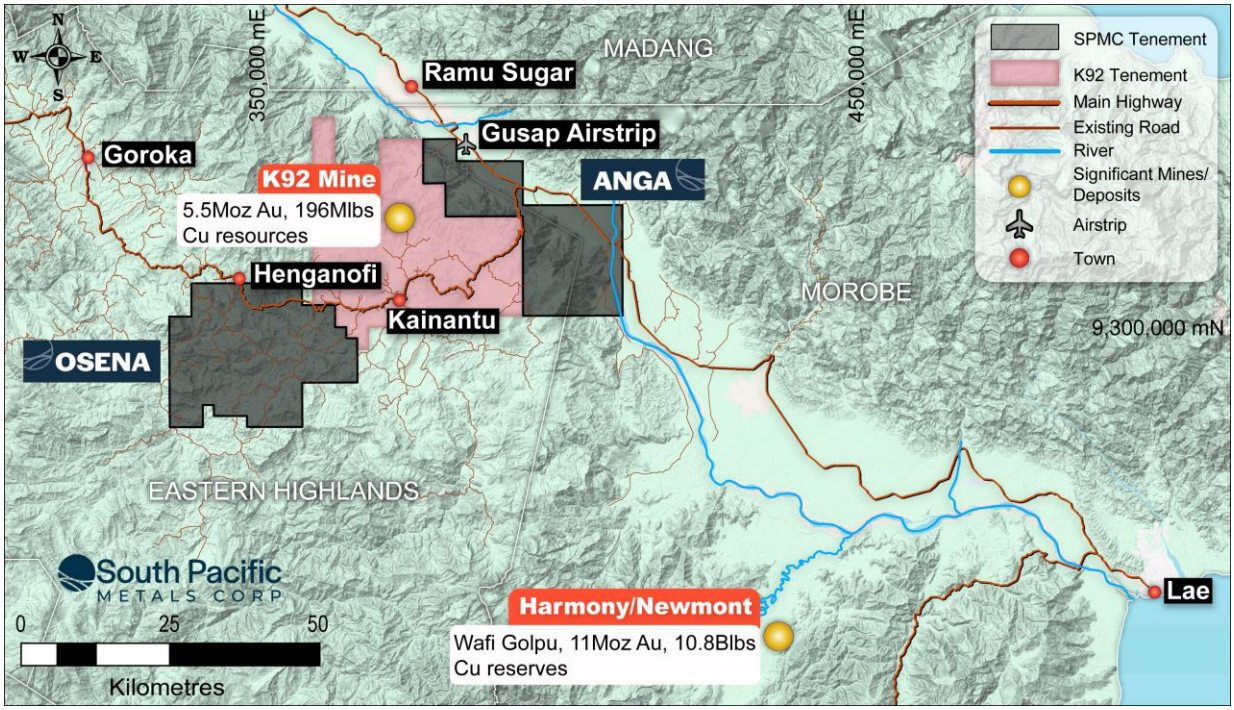


Figure 2 Location of Osena & Anga Projects

During the reporting period, the Company focused considerable exploration effort at the Osena Project, and particularly the Ontenu Central and Ontenu NE prospect areas where previous work has identified a **large scale epithermal and porphyry footprint over 5 x 3km area** (Figure 4).

The Company has a strong working relationship with the local landowners and the local employment and community relations programs continued during the reporting period. Principal field activity included trenching, reconnaissance mapping, surface sampling and drill pad selection/preparation for the upcoming drill program. Multiple targets and new mineralized structures were identified as noted in Company releases dated July 28, 2025; September 17, 2025; October 6, 2025, November 11, 2025 and February 18, 2026.

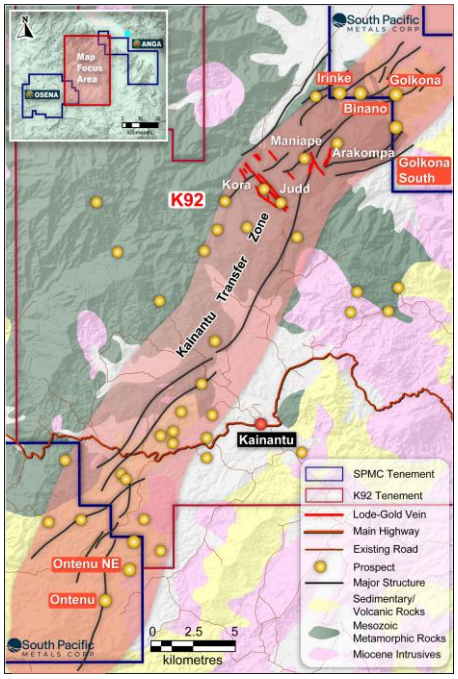


Figure 3 Location of Osena including Ontenu NE and Ontenu, and Anga including Irinke & and Golkona, in the Kainantu Transfer Zone.

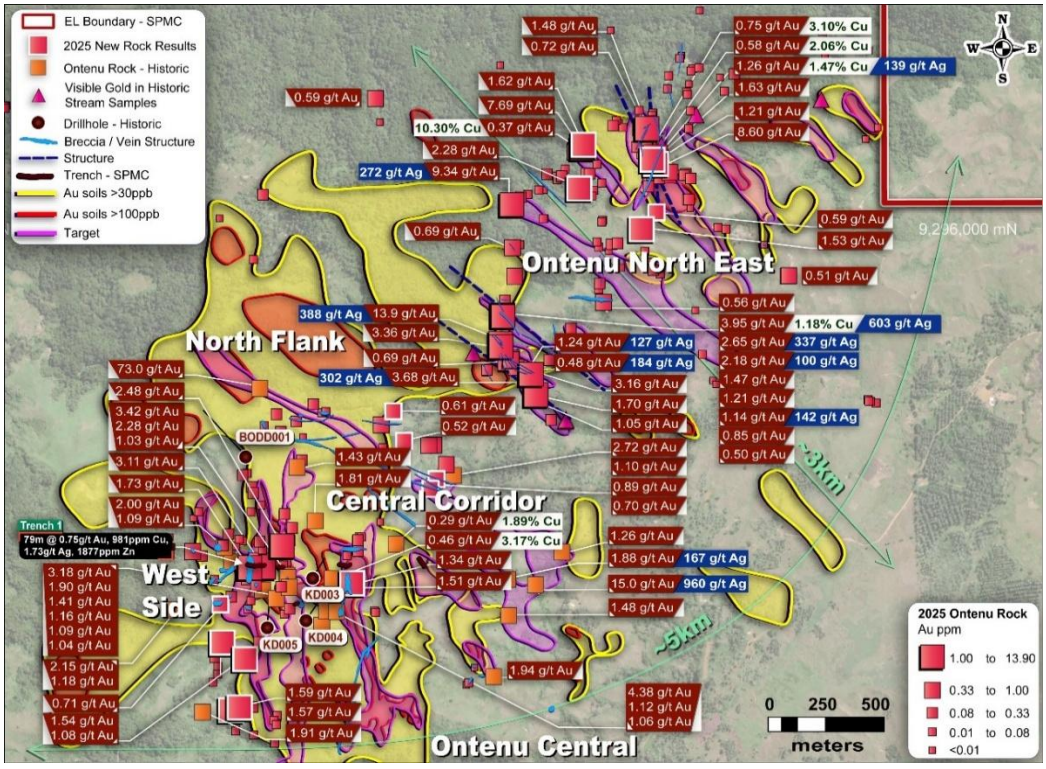


Figure 4 Wider Ontenu Area including Ontenu Central and Ontenu NE.

Ontenu NE

Exploration on the Ontenu NE project began at the beginning of the calendar year and during May, 2025, the Company announced the first high-grade surface rock sample results hosted

within large soil anomalies. The Company embarked on regional reconnaissance throughout the target area (Figure 5 & Figure 6) and has identified:

- At least ten mineralized structures up to 8m wide, and zones up to 20m wide and mapped out over several hundred metres of strike length
- Large scale gold, arsenic and copper anomalies **up to 1200m strike length**.
- Host rocks include shale and schist intruded by felsic to intermediate dykes (similar to K92 Mining's geological hosts)
- Dominant mineralized structures **strike NW-SE** (similar to K92 Mining's Kora-Judd deposits)
- Secondary mineralized structures **strike NNE-SSW** (similar to K92 Mining's Arakompa-Maniape deposits)
- Gold in rock samples including **25g/t Au 13.9g/t Au, 8.6g/t Au, 7.69g/t Au, 3.95g/t** Au,
- Silver in rock samples including **602g/t Ag, 388g/t Ag, 337g/t Ag**
- Copper in rock samples including **21.19% Cu, 18.4% Cu% Cu, 10.3% Cu, 3.2% Cu, 3.1% Cu, 2.1% Cu**

The very first hole in our planned multi-hole program was ONED 25-001, (see Figure 6, Ontenu NE target area, below). It targeted and successfully intersected the Jorkol breccia fault structure from 199 metres to 208 metres This intercept contained pyrite and minor patches of metasediments, exhibiting wide zones of fine-quartz-carbonate-pyrite veining and altered dioritic dykes. The mineralized section of this intercept ran **0.77 g/t Au and 0.14% Cu over 4.5 metres**, confirming our target model.

Our second hole in the program, ONED 26-001, (also shown in Figure 6), was drilled from the footwall side of the Jorkel structure because of topographic constraints. It deviated and did not intersect the structure.

Several additional holes are planned for the Jorkol structure, the next of which will be drilled from the hanging wall side of the structure at a location North West of ONED 26-001. As well, reconnaissance mapping and sampling is continuing at Ontenu NE and elsewhere on the Osena Project, and the second drill will soon begin to test additional targets on the Ontenu area.

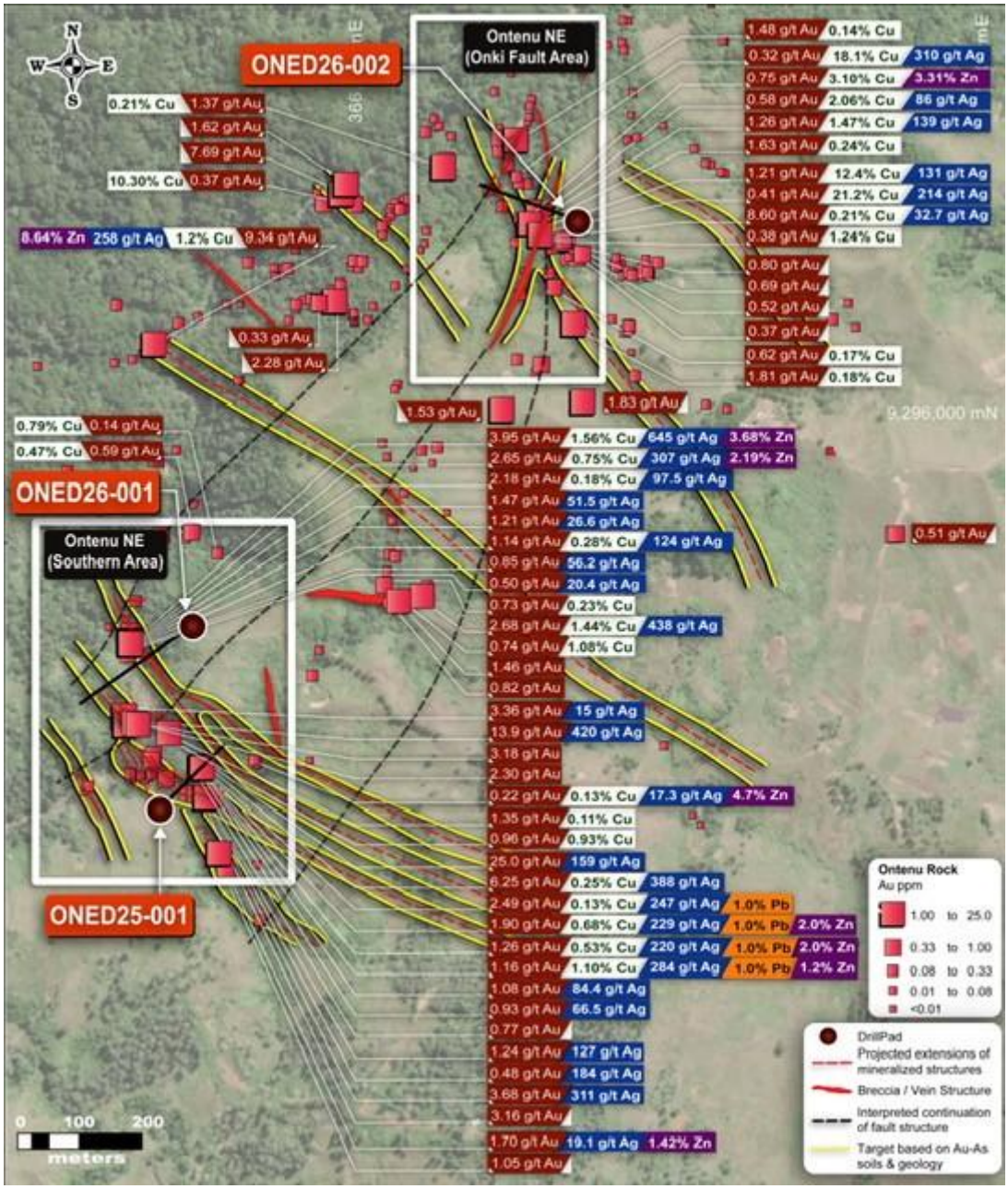


Figure 5 Ontenu NE target area with rock samples and soil anomalies

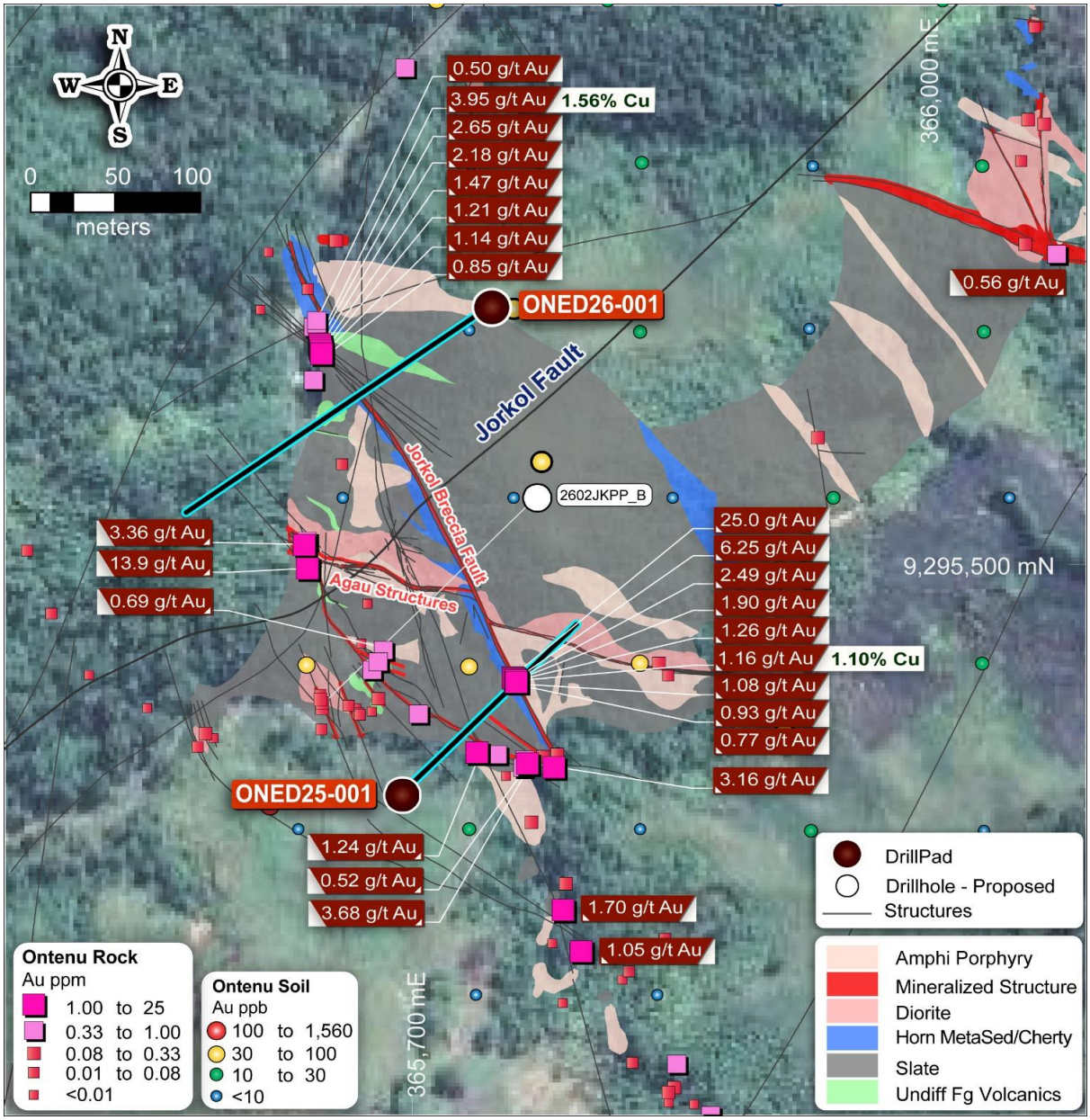


Figure 6 Ontenu NE target area (southern area and site of first planned drill hole)

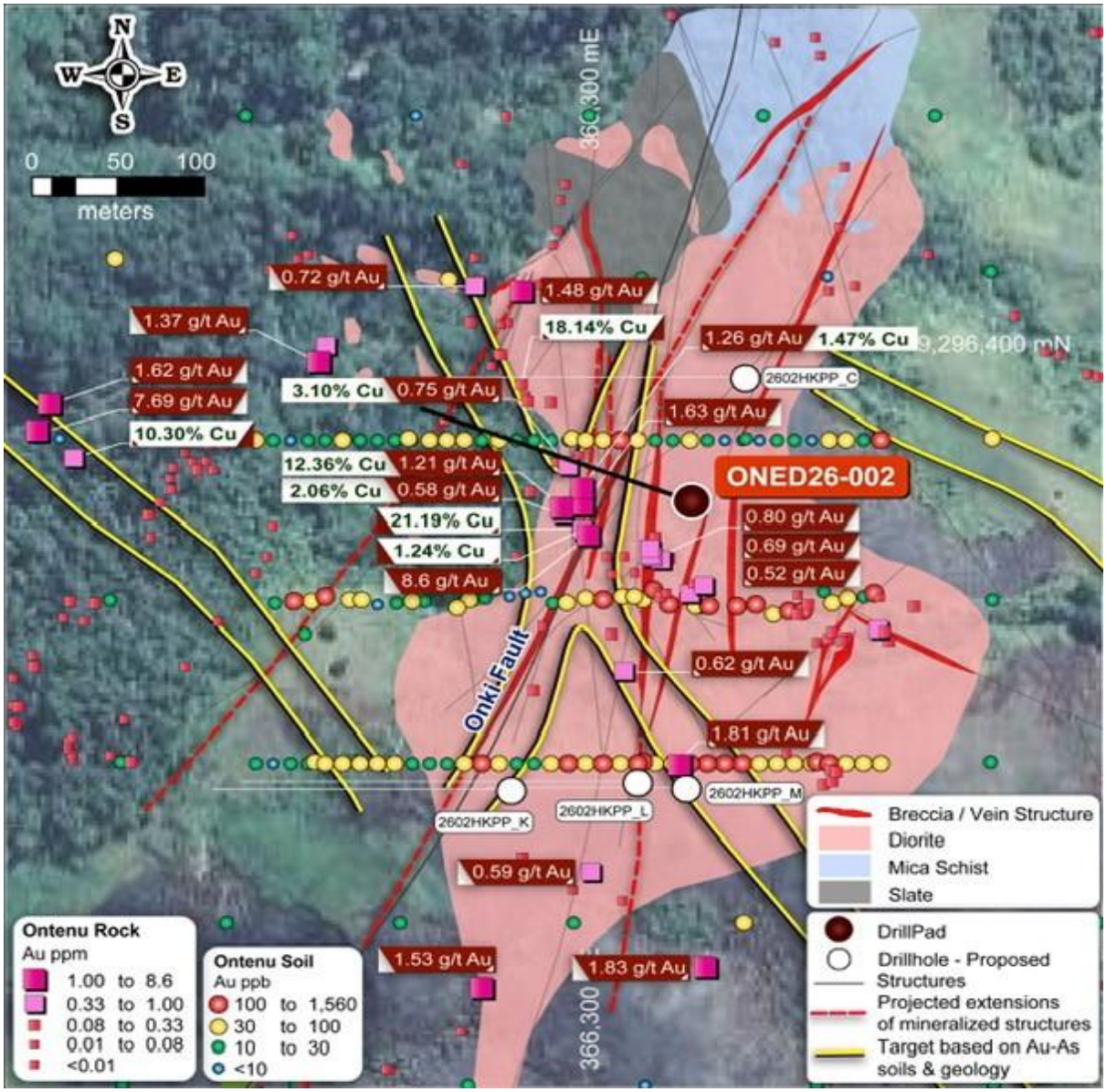


Figure 7 Onki Fault zone at Ontenu NE with geology and potential drill sites

Ontenu Central

During the reporting period, surface exploration work continued on the Ontenu Central Project area. Work included on-going trenching and reconnaissance. Ontenu Central consists of weathered intrusive rocks and narrow bands of sediments / volcanics at surface. Based on geochemical indicators and geophysics, the top several hundred metres of Ontenu Central is targeted for **epithermal Au-Cu**, with an **inferred porphyry Cu-Au target** at depth.

The Ontenu Central prospect area includes:

- **Two corridors** each **>1km** defined by **>100ppb Au** in soils
- Previous rock sample results including **73g/t Au** on the north flank, and multiple zones **>1g/t Au, up to 3.42g/t & 3.17% Cu** centrally.
- Trench results 4m @ 4.52g/t Au within 79m @ 0.75g/t Au

Reconnaissance trenching, mapping and sampling is continuing at Ontenu Central with samples pending assay.

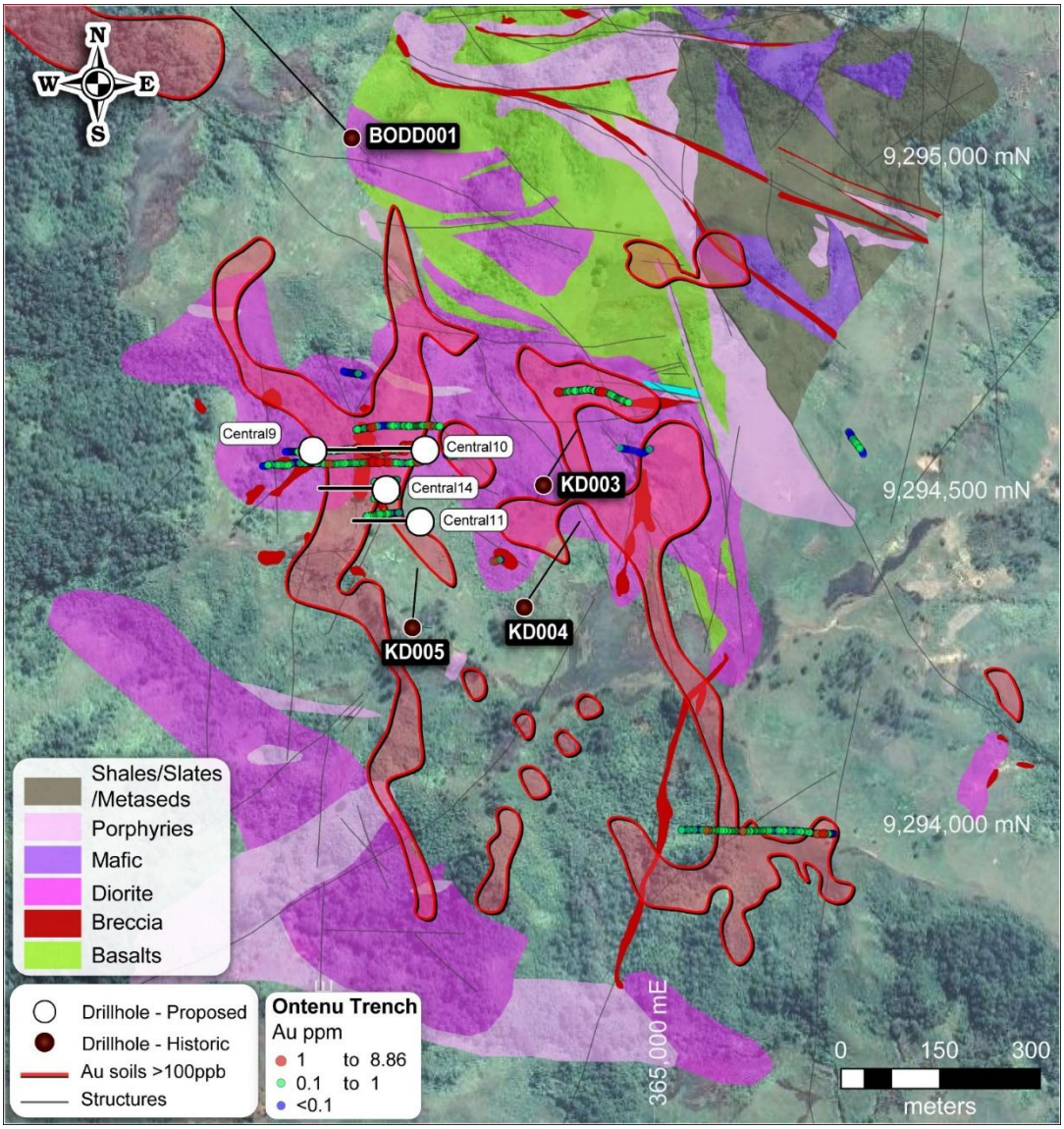


Figure 8 Ontenu Central, soil results and selected rock samples, with trench locations and potential drill sites



Figure 9 Ontenu Central (westside corridor) trenching

Other

Desktop work on the wider Osena Project area continued during the reporting period, including at the **6 x 3km** Tirokave Project area, located to the west of Ontenu, including rock samples up to 40g/t Au.

Anga Project

The Anga Project is located to the northeast and immediately adjoining K92 Mining Ltd's tenements (Figure 2). The project is located in the Kainantu Transfer Zone, a large NE-SW striking tectonic structure that is known to host multiple mineral deposits and styles (Figure 3). Project geology consists of volcanics and sediments intruded by mafic to felsic intrusives.

Multiple prospects and mineral occurrences have been identified at the Anga Project area, and geophysics / structural interpretations provides connectivity to the deposits currently being developed and mined by K92 Mining located approximately 2 to 8km to the southwest of Anga.

During the reporting period, the Company continued surface exploration work at the Anga Project including trenching, soil sampling and reconnaissance. The Company has a strong working relationship with the local landowners and the local employment and community relations programs continued during the reporting period. Refer news release dated October 14, 2025.

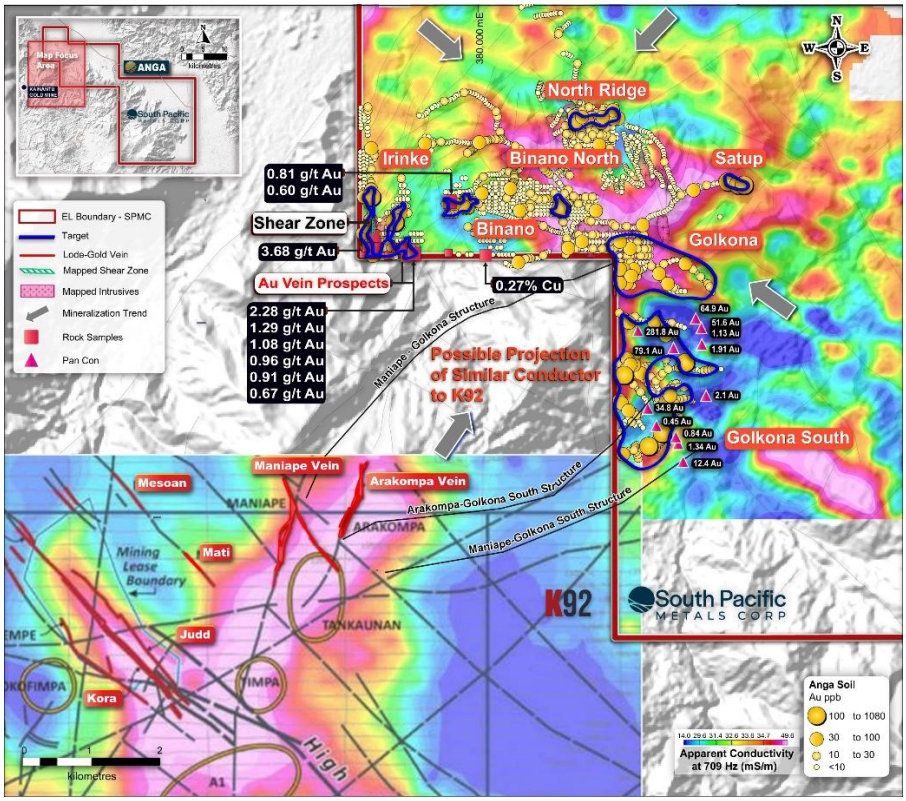


Figure 10 Western part of the Anga Project area showing structural interpretation. Underlying image is apparent conductivity

Golkona / Golkona South

The Golkona and Golkona South prospect areas are located on the western part of the Anga Project area and approximately 2 to 4 km along strike, within the Kainantu Transfer Zone, from the Arakompa and Maniape Deposits held by K92 Mining. During the reporting period the Company continued soil and stream sampling at Golkona, with results indicating the highest tenor target on the Anga project area identified to date. Results, including anomalism in Au-Cu-Ag-As (Figure 11 &

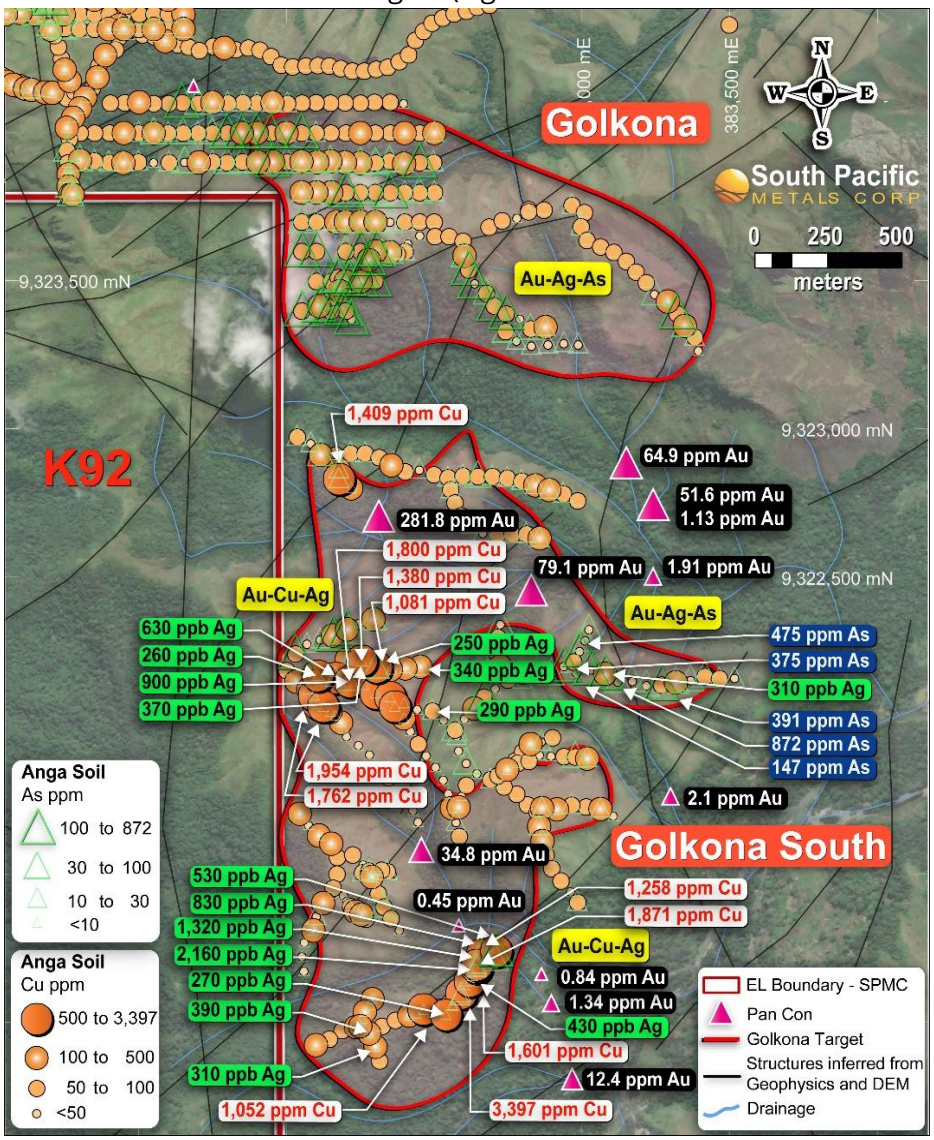


Figure 12), indicate the potential for high to intermediate sulphidation epithermal targets akin to those being mined by K92 Mining Ltd summarised as:

- **2.2 × 1.1 km gold in soil** anomaly identified, with high soil assays (peak value **1080 ppb Au**)
- Two zones of high copper (over **1000pm Cu**) and silver (over **250 ppb A**g) in soil samples with peak results up to **3,397 ppm Cu** and **2160 ppb Ag**
- Stream sediment samples (pan concentrates) up to **282ppm Au**

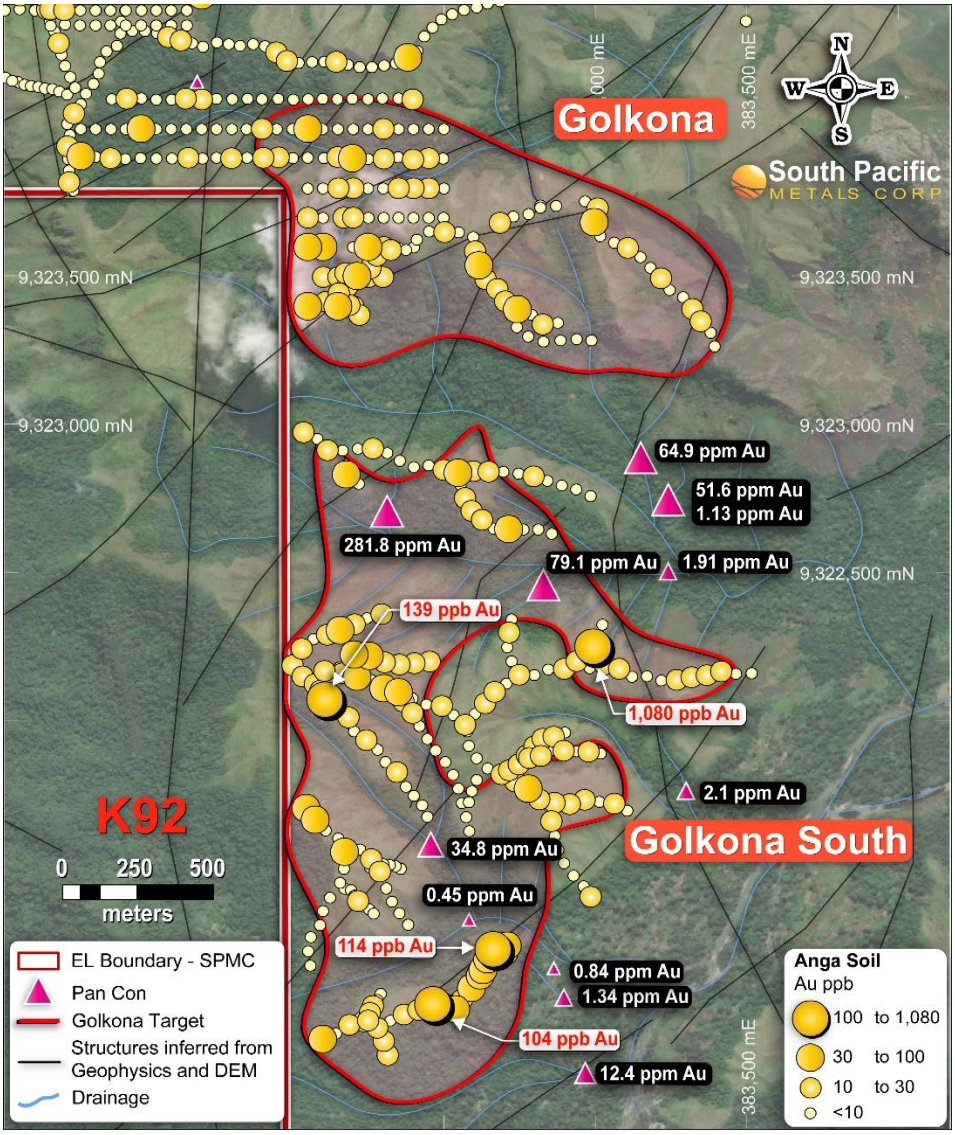


Figure 11 Gold in soil and stream sediment samples at Golkona

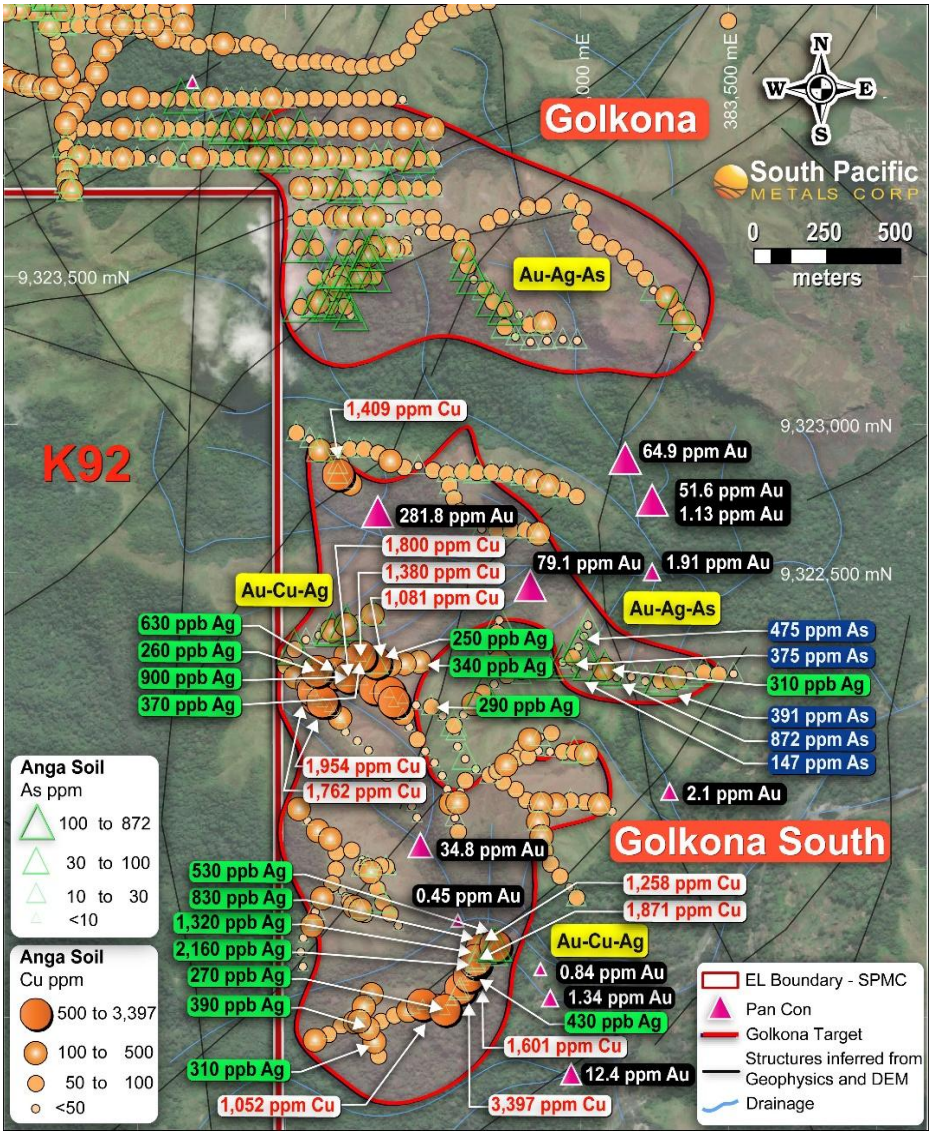


Figure 12 Cu-Ag-As in soils at Golkona and Golkona South

Irinke

The Irinke target area is located adjoining the mining leases held by K92 Mining Ltd. The prospect consists of broad gold in soil anomalies and rock chip samples up to **2.28g/t Au**.

During the reporting period, the Company commenced a trenching program at Irinke, which is on-going, with the first assay results expected shortly.

Other

The Anga project consists of other target areas including Binano North, North Ridge, Satup, Watarais and Young Creek. The Company recently completed two lines of close spaced soils at Satup to check previously returned coarse spaced soils >200ppb Au.

Kili Teke Project

The Kili Teke Project is located ~40km west of the Porgera Gold Mine (Figure 13), operated by Barrick Niugini Ltd. The Company purchased the project from Harmony Gold Ltd in 2023.

The project consists of diorite to monzo-diorite intrusions intruding into sediments and limestones in a similar setting to the giant Grasberg deposit located in West Papua. Several mineralization styles have been identified on the project including the **porphyry related Cu-Au**, skarn related **Cu-Au-Ag-Zn** and **alkalic epithermal Au**. A series of E-W structures have been mapped at Kili Teke and these are associated with strong surface anomalism in Au-Te-Bi-As (Figure 14). This metal association, in combination with alkalic rocks, is indicative of potential alkalic epithermal gold deposits such as Porgera, located to east of Kili Teke.

To date the Company conducted regional desktop targeting work, including working with consultants on specialist geochemical and geophysical techniques to prioritize targets.

The last technical update was presented in release on October 1, 2024. During the reporting period the Company conducted land-owner meetings with a view to establishing local employment opportunities and commencing on-ground work shortly.

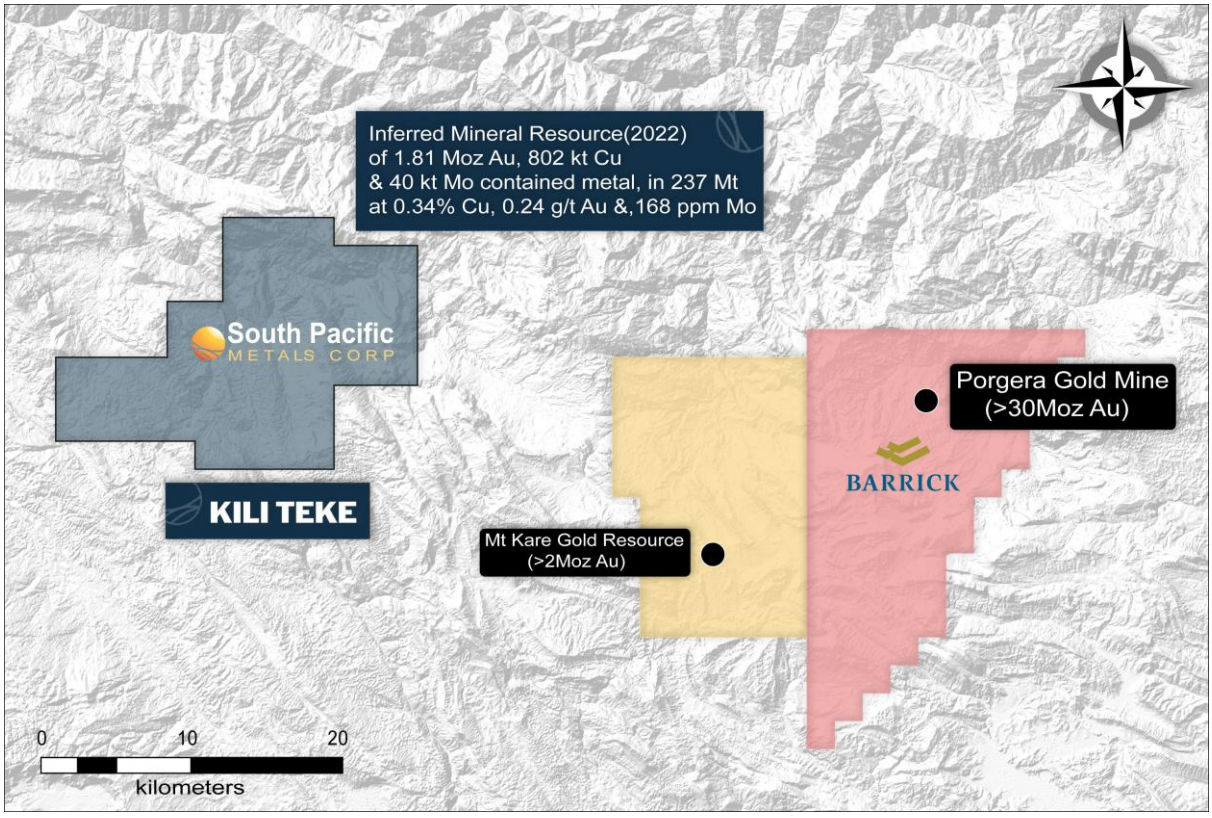


Figure 13 Kili Teke Project Location

Central Porphyry & Surrounds

The Central Porphyry consists of an inferred mineral resource estimate of:

- **237Mt averaging 0.24g/t Au, 0.34% Cu for 1.8Moz Au and 802Kt copper** (refer NI-43101 report filed January 12, 2023)

The contact halo and extensional targets include:

- **Increasing Cu:S ratio** with increasing depth indicating the potential for **higher grade Cu-Au** porphyry targets at depth.
- Skarn mineralization, not yet included in the mineral resource estimate, including:
    - **drilling with 2.98 % Cu, 11.75 g/t Au and 21.07 g/t Ag over 7.8 m** within 54 m @ 2.1% Cu, 1.82 g/t Au, 3.87 g/t Ag (from 878 m depth down hole)
    - Surface results up to 13g/t Au, 27% Cu, 3.3% Zn, 37g/t Silver

Ieru Cu-Au targets

The Ieru Target consists of porphyry with a potential late alkalic Au overprint:

- Two dykes modelled over **1000m strike length** and **~200m** wide
- Associated with extensive **Au-Cu-Te-As** surface anomalism.
- Trench results include 27m @ 0.97% Cu, 1.25g/t Au within 132 m at 0.55% Cu and 0.6 g/t Au

Ridge Gold targets

The Ridge Gold target is a sediment hosted alkalic (Porgera style) gold target:

- E-W structures with potential to host epithermal mineralization
- **900m x 500m gold** in soil anomaly **>120ppb Au** with assays up to **9000ppb Au**
- Strong Porgera style association with **>10000ppb Te** and >**100ppm As** coincident with gold anomalism

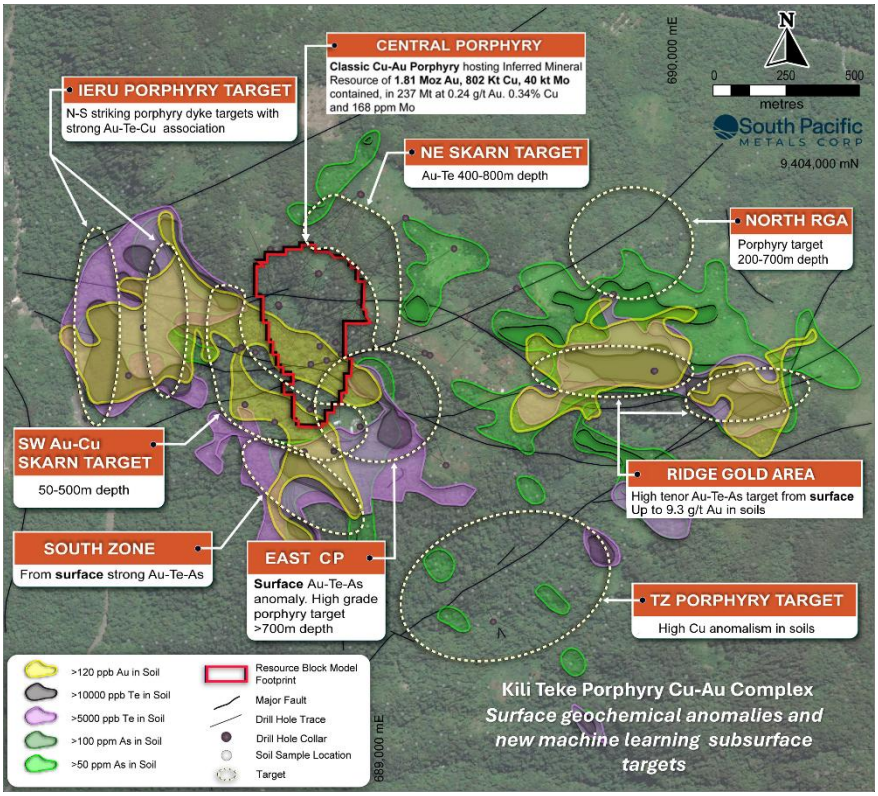


Figure 14 Targeting including for high-grade alkalic epithermal surrounding Kili Teke Mineral Resource Estimate

May River Project

The May River Project is located in the west of Papua New Guinea, and adjacent to the giant Frieda River Copper-Gold Project (>26Moz Au Equivalent, Pan Aust Ltd) (Figure 15). The project has varied geology and potential including porphyry and diatreme related epithermal targets in the south, to volcanogenic massive sulphide (VMS) targets in the north. The Company provided a targeting update on May River on October 30, 2024.

During the reporting period, the Company continued with desktop work on the May River Project.

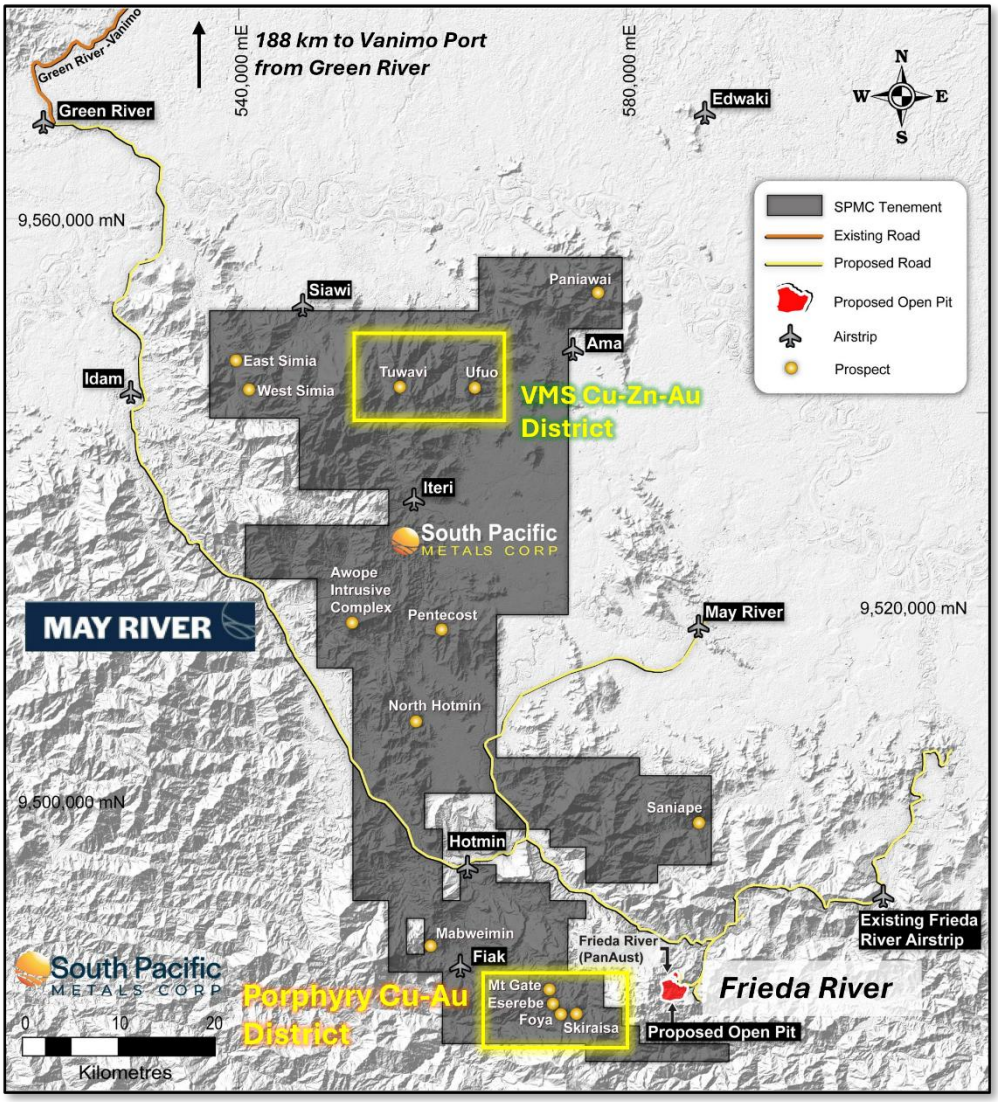


Figure 15 May River Project area and proximity to Frieda River

Skygate Trend

The Skygate Trend is a 7 km striking gold anomaly >100ppb Au. The project includes:

- Skiraisa Target
  - 1000 x 900m area 100 to 500ppb Au in soils with previous drilling including
  - **109m averaging 1.53g/t Au** from surface to end of hole
  - **54m averaging 1.83g/t Au** from 106m depth
  - Diatreme epithermal breccia with porphyry target modelled at depth

- Mountain Gate target
  - **2000 x 500m** soil anomaly >500ppb Au & 250ppm Cu
  - Rock results up to **3g/t Au & 0.3% Cu**
  - Hosted in the Frieda Intrusive Complex (same as Frieda River)

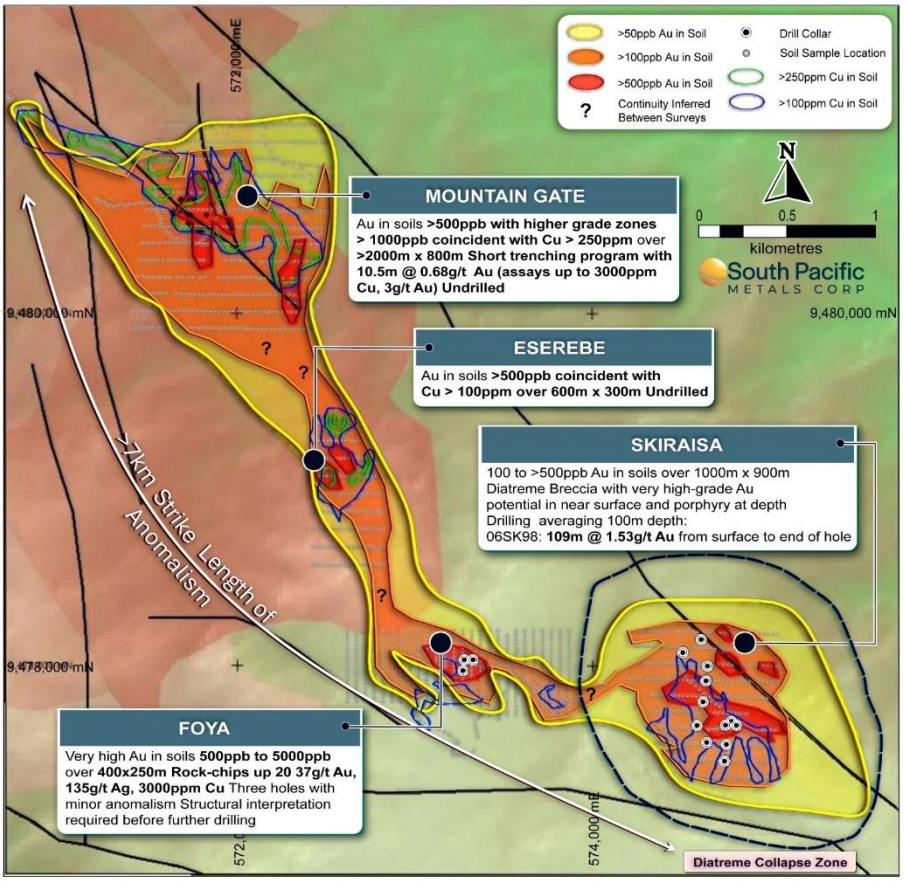


Figure 16 Skygate Trend at the May River Project.

Ufuo VMS targets

The Ufuo VMS targets are located in an exploration license application. The project has been targeted by previous explorers for high-grade gold-copper with previous near surface results including:

- **11m averaging 10.07% Cu, 2.03g/t Au,** 34.29g/t Ag from 13m downhole
- **19m averaging 11.47% Cu, 2.18g/t Au,** 39.22g/t Ag from 13m downhole
- **40m averaging 2.5g/t Au and 28m averaging 2.5% Cu,** 1.1g/t Au in surface trenching

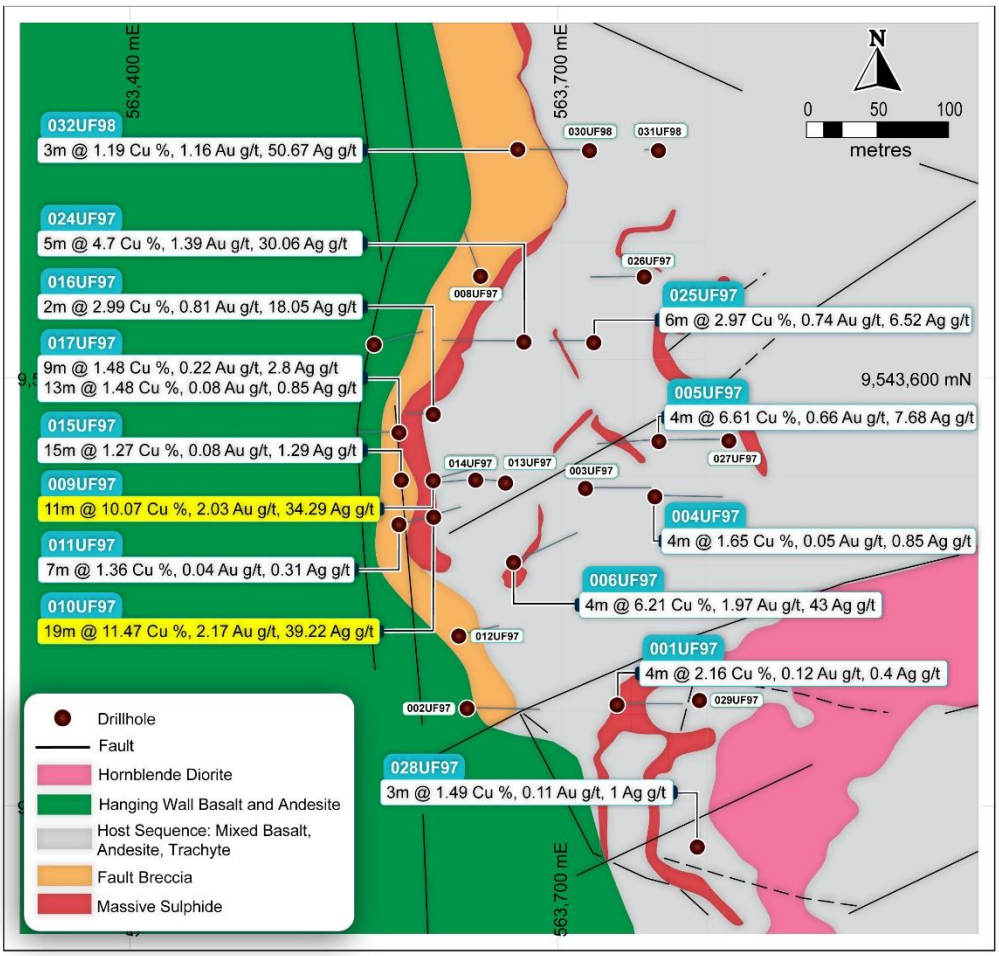


Figure 17 Ufuo VMS target area at May River

Environmental, Social & Governance

The Company is committed to ensuring a sustainable approach to project development across all the tenements, in consultation with the local communities and remains focused on maintaining a strong social license. The Company's community relations programs have proven to be very effective through proactive and ongoing consultative engagement with the local clans and stakeholders. Where practical the Company engages local labor and acquires supplies and produce from local communities we operate in.

The Community Relations team continues its focus on developing and maintaining good relationships within all the communities by:

- Establishing and maintaining positive community engagement through effective communication and consultation;
- Effectively managing community grievances; and
- Minimizing the adverse impact of the Company's work in the community and environment.

Results of Operations

The Company recorded a net loss of $688,420 for the three months ended December 31, 2025 (the "current quarter") compared to a net loss of $419,158 for the three months ended December 31, 2024 (the "prior quarter"), an increase of $169,262 as explained in the following paragraphs.

- Accounting and legal expenses were $5,302 lower in the current quarter ($11,291) when compared to the prior quarter ($16,593). The Company incurred less legal fees when compared to the prior quarter.
- Corporate and administrative expenses were $106,223 lower in the current quarter ($37,714) when compared to the prior quarter ($143,937). The Company incurred additional expenses in the prior quarter as result of a change in management and cleaning up the Company's balance sheet.
- Board and management fees were $67,642 higher in the current period ($186,567) when compared to the prior period ($118,925). The Company incurred additional consulting fees in the current period due to the engagement of additional consultants when compared to the prior quarter.
- Marketing and investor relations fees were $66,859 higher in the current quarter ($178,879) when compared to the prior quarter ($112,020). The Company incurred additional marketing and investor relations fees in the current quarter as a result of the Company increasing its shareholder engagement activities.
- Stock-based payments expense, a non-cash expense, was $258,470 higher in the current quarter ($280,603) when compared to the prior quarter ($22,133) because of the Company having more incentive stock options and restrictive stock units vesting in the current quarter.

The Company recorded a net loss of $2,010,270 for the nine months ended December 31, 2025 (the "current period") compared to a net loss of $1,401,974 for the nine months ended December 31, 2024 (the "prior period"), an increase of $608,296, as explained in the following paragraphs.

- Accounting and legal expenses were $126,920 higher in the current period ($191,935) when compared to the prior period ($65,015). The Company incurred additional legal in Papua New Guinea as result of getting an injunction against K92 Mining.
- Corporate and administrative expenses were $334,832 lower in the current period ($105,340) when compared to the prior period ($440,172). The Company incurred additional expenses in the prior period as result of a change in management and cleaning up the Company's balance sheet.
- Board and management fees were $13,926 lower in the current period ($525,497) when compared to the prior period ($539,423). The Company incurred additional consulting fees in the prior period.
- Marketing and investor relations fees were $98,340 higher in the current period ($435,908) when compared to the prior period ($337,568). The Company incurred additional marketing and investor relations fees in the current period as the Company increases its business activities and stakeholder engagement initiatives.

- Stock-based payments expense, a non-cash expense, was $30,696 higher in the current period ($785,843) when compared to the prior period ($755,147) because of the Company having more incentive stock options vest in the current period.
- Gain(Loss) on settlement of accounts payable were $676,886 lower in the current period ($nil) when compared to the prior period ($676,886) as a result of the Company working to settle outstanding liabilities incurred by previous management in the prior period. The Company continues to dispute certain accounts payable balances and will vigorously defend itself against any claims for payment that may arise from the associated vendors.

Summary of Quarterly Results

The following table summarizes selected information from the Company's unaudited condensed interim consolidated financial statements, prepared in accordance with IFRS, for the last eight quarters.

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Total revenues	-	-	-	-
Loss for the quarter	$688,420	$791,291	$530,559	$1,499,191
Loss per share	$0.01	$0.02	$0.01	$0.03

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Total revenues	-	-	-	-
Loss for the quarter	$419,158	$261,856	$720,960	$633,533
Loss per share	$0.01	$0.01	$0.01	$0.01

Liquidity and Capital Resources

The Company's working capital as at December 31, 2025 was $8,329,792 (March 31, 2025 - $4,623,048), including a cash and cash equivalent balance of $9,101,809 to settle accounts payable and accrued liabilities of $1,027,855. The Company is in a positive working capital position with sufficient funds to finance its exploration activities and to fund general administrative costs through fiscal 2026. The consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

While the Company currently has sufficient funds to complete the next phase of exploration activities, the Company does not have a source of income available to maintain liquidity indefinitely into the future. The Company will continue to seek capital. The Company has financed its operations to date primarily through the issuance of common shares. The Company continues to investigate additional financing opportunities and would consider raising capital via share issuances, debt facilities, joint venture arrangements, or a

combination of these options. The Company's continuing operations rely on the ability of the Company to continue to raise capital.

Operating Activities

During the nine months ended December 31, 2025, cash used in operating activities was $958,747.

Investing Activities

During the nine months ended December 31, 2025, cash used in investing activities was $3,651,181, including $2,910,708 in exploration expenditures on the Company's exploration and evaluation assets and $740,473 relating to the acquisition of a drill rig and related equipment.

Financing Activities

The Company raised net proceeds of $8,475,390 as a result of completing a private placement and received proceeds of $118,500 from the exercise of stock options during the nine months ended December 31, 2025.

Share Capital and Disclosure of Outstanding Share Data

At December 31, 2025, the authorized share capital was an unlimited number of common shares.

At December 31, 2025 there were 69,140,020 common shares issued and outstanding. As at the date of this MD&A the Company had 69,140,020 common shares issued and outstanding.

Outstanding share data

As at the date of this report, the Company's fully diluted shares outstanding is as follows:

Common shares	69,140,020
Options	3,420,000
Warrants	22,023,669
Restricted Share Units	1,175,000
Fully diluted shares outstanding	95,758,689

Related Party Transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

Key Management Compensation

Key management personnel compensation is comprised of fees paid and share-based compensation related to the fair value of the stock options granted to these key management personal.

Remuneration for key management personnel of the Company was as follows:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Consulting fees	$ 142,500	$ 133,500	$ 403,500	$ 472,000
Share-based compensation	221,935	100,887	625,559	165,881
	$ 364,435	$ 234,387	$ 1,029,059	$ 637,881

As at December 31, 2025, $nil (March 31, 2025- $5,585) was due to directors and officers of the Company.

Convertible Debentures

During the year ended December 31, 2023, the Company issued secured convertible debenture units with a fair value of $992,072. A company controlled by a director of the Company, and a director of the Company participated in the offering and subscribed for a combined fair value total of $560,859 (2,077,255 shares). On March 20, 2024, the Company completed a share-for-debt transaction to settle the outstanding principal and accrued interest owing to the secured convertible debenture holders. In total, the Company issued 6,748,631 common shares of the Company with a fair value of $1,822,139.

Off Balance Sheet Arrangements

There are no off balance sheet arrangements.

Contractual Obligations

Except as described herein, the Company had no material contractual obligations.

Proposed Transactions

Unless described elsewhere in this document, as at the date of this report the Company had no other proposed transactions under consideration.

Risk & Uncertainties

Liquidity Risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they become due. The Company has no revenue and will continue to seek capital to sustain operations. In the past the Company has raised capital through the issuance of common shares pursuant to private placements. All financial liabilities, including accounts payable and accrued liabilities and loans from related parties, are classified as current.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty is unable to fulfil its contractual payment obligations and arises primarily from the Company's financial assets. The Company is mainly exposed to credit risk on its cash and cash equivalents. Credit risk exposure is limited through depositing cash with high-credit quality financial institutions. The carrying value of these financial assets represents the maximum exposure to credit risk.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors and prices such as interest rates, foreign exchange rates, and commodity and equity prices. The Company is currently not exposed to any material market risks.

Foreign Currency Risk

Foreign currency risk is the risk that the Company's financial performance will be affected by fluctuations in the exchange rates between currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities in Canada, Singapore and PNG and is exposed to risk from changes in the USD, CAD, Singapore dollar and the PNG Kina. The Company manages this foreign currency risk by matching payments in the same currency where possible and monitoring movements in exchange rates.

Other Risk Factors

The Company is subject to a range of additional risk factors, including operational, geological, environmental, licensing and financing risks and risks related to fluctuations in commodities prices, each of which are outlined below.

Exploration and Operational Risks

The Company's operations are focused on mineral exploration and evaluation which involve a high degree of risk. To mitigate this risk the focus of the Company is on areas which are prospective for economic deposits and in the proximity of current mining operations, but no assurance can be given that the acquisition of and exploration of resource properties will result in the discovery of an economic mineral deposit which will be subsequently advanced to commercial production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may

result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration and any development activities will result in any discoveries of commercial bodies of ore.

Substantial expenditures are required to establish reserves and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of major mineralized deposits, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

The Company's operations are subject to hazards and risks normally associated with exploration, which include all the hazards and risks normally encountered in exploration, including: unusual and unexpected geologic formations; seismic activity; rock bursts; cave-ins or slides; flooding; periodic interruption due to inclement or hazardous weather conditions, any of which could result in risk of injury or death and damage to property or the environment or possible legal liability. Operations may also be subject to disruptions caused by physical geography, environmental, extreme weather and community interrelations which are outside the Company's control.

Risks of Operating in Papua New Guinea

The Company's exploration activities are conducted in Papua New Guinea and, as such, its operations are exposed to relatively high levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, the existence or possibility of political or economic instability; conflict; terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; war or civil unrest; expropriation and nationalization; uncertainty as to the outcome of any litigation in a foreign jurisdiction; uncertainty as to enforcement of local laws; uncertainty in relation to the impact of a new pandemic on mining operations and travel limitations on fly-in fly-out employees; the impact of any declared State of Emergency laws in Papua New Guinea on fly-in fly-out employees and on labour force generally; environmental controls and permitting; restrictions on the use of land and natural resources; renegotiation or nullification of existing concessions, licences, permits and contracts; illegal mining; changes in taxation laws or policies; restrictions on foreign exchange and repatriation; corruption; unstable legal systems; changing political conditions; changes in mining and social laws and policies; social unrest on account of poverty or unequal income distribution; local ownership legislation; currency controls and governmental regulations that favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, the foreign jurisdiction or require equity participation by local citizens; and other risks arising out of foreign sovereignty issues.

The Company's interests in exploration and development properties are located in Papua New Guinea, a developing country, and therefore its mineral exploration and mining activities may be affected by political instability and governmental legislation and regulations relating to foreign investment and the mining industry. Papua New Guinea can often experience periods of civil unrest and instability. Changes, if any, in mining or investment laws or policies, political attitude or the level of stability in Papua New Guinea may adversely affect the Company's operations or profitability.

Due to the potential for criminal activity and civil unrest in Papua New Guinea, the Company may need to maintain a minimum level of security to protect its assets and personnel;

however, there is no guarantee that such measures will provide an adequate level of protection for the Company or its assets and personnel.

Limited Operating History

The Company has a limited operating history and its mineral properties are exploration stage properties. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues.

The current state of the Company's mineral properties require significant additional expenditures before any cash flow may be generated. Although the Company possesses an experienced management team, there is no assurance that the Company will be successful in achieving a return on shareholders' investment and 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. 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.

Supply Chain Risks

Due to limited suppliers of equipment, materials, supplies and services available in Papua New Guinea, any disruption at supplier facilities could result in curtailment or suspension of activities. Any disruption in the transportation of or restriction in the flow of these goods or the imposition of customs clearance requirements may result in production delays.

The Company is also exposed to price volatility in respect of key inputs, such as fuel. Increases in global fuel prices can materially increase operating costs, erode operating margins and project investment returns. Conversely, a significant and sustained decline in world fuel prices may offset other costs and improve returns. The Company may also be exposed to worldwide political, economic or other risks and uncertainties, including a risk of war or civil unrest. In particular, the Company's business could be materially adversely affected by the conflict between Russia and Ukraine or any conflict involving China, which could in turn have potential impacts on commodity prices and negative implications on the financial markets. The effect of these factors cannot be predicted with any accuracy by the Company and its management.

Corruption and Compliance Risks

The Company is subject to certain Canadian and other anti-corruption laws and regulations (the "Anti-Corruption Legislation"). In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage.

According to Transparency International, Papua New Guinea is perceived as having fairly high levels of corruption relative to Canada. The Company relies, to a great extent, on the Company's local advisors in respect of legal, environmental compliance, banking, financing and tax matters in order to ensure compliance with material legal, regulatory and governmental developments as they pertain to and affect the Company's operations in Papua New Guinea. The Company cannot predict the nature, scope or effect of future regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted. The Company's operations in the Papua New Guinea may create the risk of unauthorized payments or offers of payments by the

Company's employees, consultants or agents. Failure by the Company or its predecessors to comply with the applicable legislation and other similar foreign laws could expose the Company and its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable Anti-Corruption Legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations.

Relationship with Stakeholders Risks

As a mining business, the Company comes under pressure in the jurisdictions in which it operates to demonstrate that other stakeholders (including employees, communities surrounding operations and the countries in which it operates) benefit and will continue to benefit from the Company's commercial activities, and/or that the Company operates in a manner that will minimize any potential damage or disruption to the interests of those stakeholders. The Company may face opposition with respect to its current and future development and exploration projects which could materially adversely affect the Company's business, results of operations and financial condition.

Governments in many jurisdictions must consult with aboriginal peoples and local communities with respect to grants of mineral rights and the issuance or amendment of project authorizations. Consultation and other rights of Aboriginal people and local communities frequently require accommodations, including undertakings regarding employment, royalty payments and other matters. This may affect the Company's ability to acquire within a reasonable time frame effective mineral titles, permits or licences in the jurisdictions in which it operates and may affect the timetable and costs of development of the Company's mineral properties.

Further, certain non-governmental organizations ("NGOs"), some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or the Company's operations specifically, could have an adverse effect on the Company's reputation and financial condition and may impact its relationship with the communities in which the Company operates. They may also attempt to disrupt the Company's operations.

Licenses Risks

The Company's mineral exploration activities are subject to the issue, renewal and maintaining licenses from appropriate government authorities. Failure to renew, transfer or the loss of a license may impact the Company's operations. The Company is also required to meet minimum expenditure amounts on the exploration licenses to maintain them in good standing.

Financing Risks

The Company will require additional funding with no revenues from operations and expects to incur operating losses in future periods on exploration projects, new business opportunities and working capital costs. The Company has relied upon equity subscriptions to date and will

likely continue to depend upon these sources to finance its activities, with finite financial resources the ability to advance its projects will depend upon the ability to secure near and long-term financing. The volatility of global capital markets over the past several years has generally made the raising of capital by equity or debt financing more difficult. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms. These financing requirements may result in dilution of existing shareholders and the inability to obtain financing may result in delay or postponement of operations.

Negative Cash Flow from Operating Activities

The Company has no history of earnings and had negative cash flow from operating activities since inception. The Company's mineral properties are in the exploration stage and there are no known mineral reserves and the proposed exploration programs on the Company's mineral properties are exploratory in nature. Significant capital investment will be required to achieve commercial production from the Company's existing projects. There is no assurance that any of the Company's mineral properties will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing in order to meet its future cash commitments.

Title Risks

The Company's ability to carry out successful mineral exploration and development activities and mining operations will depend on a number of factors including changes to laws, compliance with the Company's obligations with respect to acquiring and maintaining title to the Company's interest in its properties. The acquisition of title to mineral properties is a very detailed and time-consuming process. No guarantee can be given that the Company will be in a position to comply with all such conditions and obligations, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licences may be renewed, extended or transferred into other forms of licences appropriate for ongoing operations, no guarantee can be given that a renewal, extension or a transfer will be granted to the Company or, if they are granted, that the Company will be in a position to comply with all conditions that are imposed.

The interests in the Company's properties may not be free from defects or the material contracts between the Company and the entities owned or controlled by a foreign government may be unilaterally altered or revoked. There can be no assurances that the Company's rights and title interests will not be revoked or significantly altered to the Company's detriment. There can be no assurances that the Company's rights and title interests will not be challenged or impugned by third parties. The Company's interests in properties may be subject to prior unregistered liens, agreements, claims or transfers and title may be affected by, among other things, undetected defects or governmental actions.

Competition and Mineral Exploration

The mineral exploration industry is intensely competitive in all of its phases and the Company must compete in all aspects of its operations with a substantial number of large established mining companies with greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Company to withstand losses.

The Company's competitors may be able to respond more quickly to new laws or regulations or emerging technologies or devote greater resources to the expansion of their operations, than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Company's ability to acquire suitable new mineral properties or prospects for exploration in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

Metals Prices Risks

The value and price of the Company's common shares, the Company's financial results, and exploration, development and mining activities of the Company, if any, may be significantly adversely affected by declines in the price of metals. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Volatility of Share Price

The common shares are publicly traded and are subject to various factors that have historically made the common share price volatile. The market price of the common shares has experienced, and may continue to experience significant volatility, which may result in losses for investors. The market price of the common shares may increase or decrease in response to a number of events and factors, including as a result of the risk factors described in this MD&A.

In addition, the global stock markets and prices for mining company shares have experienced volatility that often has been unrelated to the operating performance of such companies. These market and industry fluctuations may adversely affect the market price of the common shares, regardless of the Company's operating performance.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's mineral properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Company's mineral properties will be commenced or completed on a timely basis, if at all.

Furthermore, unusual or infrequent weather phenomena, sabotage, terrorism, community, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Exploration operations depend on adequate infrastructure and equipment availability. In particular, reliable power sources, water supply, transportation, availability of drilling equipment and surface facilities are necessary to explore and develop mineral projects. Failure

to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Dependence on Management and Key Personnel

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that these efforts will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's operations and financial condition.

Skilled Personnel Risks

In Papua New Guinea, due to high levels of unemployment, it may be difficult for the Company to obtain skilled personnel that may be required in exploration. In addition, Papua New Guinea suffers from high levels of poverty. A significant proportion of the Papua New Guinea workforce can be classified as unskilled or semi-skilled labourers, as a result of which it may be difficult for the Company to find skilled personnel for specialized tasks. Shortages of suitably qualified personnel in Papua New Guinea could have a material adverse effect on the Company's business, financial condition and results of operations.

Claims and Legal Proceedings

The Company and/or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Company may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses.

Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition.

Climate Risks

Governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Company expects that this could result in increased costs at some of its operations in the future.

The Company and the mining industry are facing continued geotechnical challenges, which could adversely impact the Company's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as landslides, floods, seismic activity, droughts and pit wall failures, may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Company's control, such as severe weather and considerable rainfall. Geotechnical failures could result in limited or restricted access to exploration sites, government investigations, increased monitoring costs, remediation costs and other impacts, which could cause one or more of the Company's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Company's business results of operations and financial position.

Qualified Person

Project descriptions and disclosures regarding exploration have been reviewed and approved by Darren Holden, BSc (Hons), PhD, and Fellow of the Australasian Institute of Mining and Metallurgy. Dr. Holden is an employee of GeoSpy Pty Ltd, a geological advisory company and is a "qualified person" as defined under National Instrument 43-101, Standards of Disclosure for Mineral Projects.

Note Regarding Forward-Looking Statements

This MD&A contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. All statements, other than statements of historical fact, are forward-looking statements or information. These forward-looking statements can generally be identified as such because of the context of the statements, including such words as "believes", "anticipates", "expects", "plans", "may", "estimates", or words of a similar nature. Forward-looking statements or information in this MD&A relate to, among other things: formulation of plans for drill testing; and the success related to any future exploration or development programs. These forward-looking statements and information reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies.

These assumptions include; success of the Company's projects; prices for gold remaining as estimated; currency exchange rates remaining as estimated; availability of funds for the Company's projects; capital, decommissioning and reclamation estimates; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions; no unplanned delays or interruptions in scheduled construction and production; all necessary permits, licenses and regulatory approvals are received in a timely manner; and the ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

The Company cautions the reader that forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this news release and the Company has made

assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in gold prices; fluctuations in prices for energy inputs, labour, materials, supplies and services (including transportation); fluctuations in currency markets (such as the Canadian dollar versus the U.S. dollar); operational risks and hazards inherent with the business of mineral exploration; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; our ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner; changes in laws, regulations and government practices, including environmental, export and import laws and regulations; legal restrictions relating to mineral exploration; increased competition in the mining industry for equipment and qualified personnel; the availability of additional capital; title matters and the additional risks identified in our filings with Canadian securities regulators on SEDAR in Canada (available at www.sedar.com).

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described, or intended. Investors are cautioned against undue reliance on forward-looking statements or information. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. Mineralization hosted on adjacent and/or on nearby properties is not necessarily indicative of mineralization hosted on the Company's properties. The data disclosed in this release relating to drilling results is historical in nature. Neither the Company nor a qualified person has yet verified this data and therefore investors should not place undue reliance on such data, and no representation or warranty, express or implied, is made by the Company, its affiliated companies, or any other person as to its fairness, accuracy, completeness, or correctness.