



**ESGold Corp.**

**FORM 51-102F1  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE NINE-MONTH PERIOD ENDED MARH 31, 2025**

## **INTRODUCTION**

This management's discussion and analysis (MD&A) is the responsibility of management and covers the nine-month period ended March 31, 2025 of ESGold Corp. and compares the financial results for the nine-month period ended March 31, 2025 with those of the nine-month period ended March 31, 2024. The MD&A takes into account information available up to and including May 27, 2025 and should be read together with the consolidated audited financial statements and accompanying notes for the year ended June 30, 2024 which are available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

Throughout this document the terms *we*, *us*, *our*, *the Company* and *ESGold* refer to ESGold Corp. All financial information in this document is prepared in accordance with International Financial Reporting Standards ("IFRS") and presented in Canadian dollars unless otherwise indicated.

Additional information related to the Company is available for view on SEDAR at [www.sedar.com](http://www.sedar.com).

## **FORWARD-LOOKING STATEMENTS**

This MD&A contains certain forward-looking statements and information relating to ESGold Corp. and its operations that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "budget", "estimate", "expect", "intends", "plans", "potential", and similar expressions, as they relate to the Company or its management and operations, are intended to identify forward-looking statements.

These forward-looking statements or information relate to, among other things: the Company's future financial and operational performance; the sufficiency of the Company's current working capital, anticipated cash flow or its ability to raise necessary funds; the anticipated amount and timing of work programs; our expectations with respect to future exchange rates; the estimated cost of and availability of funding necessary for sustaining capital; forecast capital and non-operating spending; and the Company's plans and expectations for its property, exploration and community relations operations.

These forward-looking statements and information reflect the Company's current beliefs as well as assumptions made by, and information currently available to the Company and are necessarily based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic, competitive, political, regulatory, and social uncertainties and contingencies. These assumptions include cost estimates for exploration programs; cost of drilling programs; prices for base and precious metals remaining as estimated; currency exchange rates remaining as estimated; capital estimates; our expectation that work towards the establishment of mineral resource estimates and the assumptions upon which they are based will produce such estimates; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions at our operations;

no unplanned delays or interruptions in scheduled work; all necessary permits, licenses and regulatory approvals for our operations being received in a timely manner and can be maintained; and our ability to comply with environmental, health and safety laws, particularly given the potential for modifications and expansion of such laws. The foregoing list of assumptions is not exhaustive.

Forward-looking statements and information involve known and unknown risks, uncertainties, assumptions, and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those expressed or implied in the forward-looking statements (see "Risks and Uncertainties" in this MD&A), there may be other factors which could cause results not to be as anticipated, estimated, described, or intended. Investors are cautioned against attributing undue certainty or reliance on forward-looking statements or information.

Forward-looking statements and information contained herein are made as of the date of this MD&A. The Company does not intend and disclaims any obligation to update or revise forward-looking statements or information, whether as a result of new information, future events, or to reflect changes in assumptions or circumstances or any other events affecting such statements or information, other than as required by applicable law.

## RESERVES AND RESOURCES

National Instrument 43-101 ("43-101") of the Canadian Securities Administrators – Standards of Disclosure for Mineral Projects – requires that each category of mineral reserves and mineral resources be reported separately. Readers should refer to ESGold's continuous disclosure documents available at [www.sedar.com](http://www.sedar.com) for this detailed information, which is subject to the qualifications and notes therein set forth.

## DESCRIPTION OF BUSINESS

The Company is a Canadian environmentally aware resource exploration and processing company focused on building a strong asset base through exploration of undervalued projects in Canada. Management has demonstrated expertise in advancing gold exploration projects into acquisition targets, most notably in the province of Quebec. ESGold's principal restoration and recovery project is the Montauban property situated in Quebec, just 80 kilometers west of Quebec City. ESGold will use its expertise in early stage exploration to create shareholder value by attempting to prove out and develop the potential resource in these assets.

The Company is developing the Montauban Mine project to profitably extract significant residue minerals while restoring and returning the mine property to environmentally safe standards. The Montauban Mine Property comprises 265 mining claims or 13,116 hectares in the Notre-Dame-de-Montauban municipality, Quebec. The project is fully permitted to operate 1000m<sup>3</sup>/t per day Merrill-Crowe closed circuit process system for processing tailings at the Montauban Mine. The mill infrastructure in place includes a steel structure building (16,000 sq.ft.), Quebec Hydro power line and all access roads to the mill building and tailings piles. The mill engineering has been completed by Alphard Engineering in Montreal.

The drill hole database contains 352 valid drill hole collars, with a total meterage of 1,654.04m and 1,170 assay intervals totalling 1,498.05m. For the Montauban Mine tailings, a total of 35 test pits and trenches totalling 77.44m were excavated. A total of 112 samples (including Blanks and Standards) were collected and sent to SGS laboratory in Quebec City for Au, Ag and multi-element analysis.

The Company is also exploring turning tailings into green construction resources by using polymer to bond processed tailings into various building materials, such as bricks, cinder blocks, paving stones, patio tiles, parking columns and highway Jersey barriers for traffic lane demarcation.

The Company's shares are currently listed on the Canadian Securities Exchange with the trading symbol CSE: ESAU.CN and the OTC Markets OTCQB with the trading symbol ESAUF.

## QUALIFIED PERSON

Mr. Andre Gauthier, BSC in Geology Eng., MSC), of EvalMinerals, a Qualified Person under N.I. 43-101 and a senior consulting geoscientist, has reviewed and approved the technical disclosure in this MD&A.

## THE COMPANY

ESGold Corp. (the "Company") is an exploration stage company incorporated under the Canada Business Corporations Act on October 22, 2004. On November 29, 2021, the Company was continued to the governing jurisdiction of British Columbia and on July 14, 2022, it changed its name from Secova Metals Corp. to ESGold Corp.

The Company's registered office is 1500 - 1055 West Georgia Street, STN Royal Centre, Vancouver, British Columbia, Canada, V6E 4N7.

## Exploration Summary

	Ottawa River	Montauban	Eagle River	Total
<b>Balance, June 30, 2023</b>	<b>\$ -</b>	<b>\$ 6,702,534</b>	<b>\$ 2,257,025</b>	<b>\$ 8,959,559</b>
Acquisition of project	-	195,527	-	195,527
Acquisition of claims	-	-	-	-
Asset retirement obligation	-	(115,000)	-	115,000
	-	80,527	-	80,527
Exploration and evaluation expenditures				
Project management and travel	-	43,498	-	43,498
Acquisition of equipment	-	-	-	-
Legal	-	222	-	222
Engineering	-	-	-	-
Exploration	-	85,148	-	85,148
	-	128,869	-	128,869
Write-down of Eagle River project	-	-	(2,207,025)	(2,207,025)
<b>Balance, June 30, 2024</b>	<b>\$ -</b>	<b>\$ 6,911,930</b>	<b>\$ 50,000</b>	<b>\$ 6,961,930</b>
Acquisition of project	-	-	-	-
Acquisition of claims	-	-	-	-
Asset retirement obligation	-	-	-	-
	-	-	-	-
Exploration and evaluation expenditures				
Project management and travel	-	85,557	-	85,557
Acquisition of equipment	-	-	-	-
Legal	-	-	-	-
Engineering	-	-	-	-
Exploration	-	-	-	-
	-	85,557	-	85,557
<b>Balance, March 31, 2025</b>	<b>\$ -</b>	<b>\$ 6,997,486</b>	<b>\$ 50,000</b>	<b>\$ 7,047,486</b>

*Eagle River property, Quebec*

During the year ended June 30, 2017, the Company acquired 1084409 B.C. Ltd., 1106632 B.C. Ltd., 1107136 B.C. Ltd., and 1106541 B.C. Ltd. which owns the Eagle River project located in the Windfall Lake gold district, Quebec.

On December 15, 2020, the Company received an NI 43-101 Technical Report on the Eagle River Property and it is the Company's intention to execute Phase 1 of the proposed Exploration plan ("Phase 1"). The initial Phase 1 program with an expected budget of \$364,590. Phase 1 is expected to consist of a basal-till sampling program, general prospecting, and a rock outcrop sampling program; up to 200 samples are expected to be collected during a five-week field program. The work would be completed by a four-person field crew based in fly-in camps; it is likely helicopter assistance would be required to access portions of the Property. All basal-till samples for Phase 1 will be collected by a worker-portable drill rig to reach the basal till layer wherever possible. In November 2021, as part of Phase 1, the Company mobilized a Quebec based drill contractor to commence additional overburden drilling, a program intended to provide a preliminary characterization of the property overburden and test basal till for potentially gold anomalism.

In October 2021, the Company entered into a purchase agreement with 9093-6725 Quebec Inc. and Randon Ferderber to acquire a 100% interest in 10 claims totaling 565.3 hectares for cash consideration of \$25,000 and a 2% net smelter return. The Company may buy back 1% of the net smelter return for \$1 million and the remaining 1% net smelter return for \$2 million. The claims are adjacent to the Company's current Eagle River property holdings and would form part of the Company's Eagle River Property.

In November 2021, the Company also commissioned a revised NI 43-101 Technical Report on the Eagle River Property to update for the additional work that were completed, title changes and the new claims that were acquired in October 2021.

On June 30, 2024, the Company determined that the Eagle River property value was impaired and, as a result, was written down to its fair value of \$50,000. A write-off of \$2, 207,025 was taken on the property at June 30, 2024.

*Montauban and Chavigny Townships, Quebec*

On December 12, 2019, the Company and DNA Canada Inc. ("DNA") entered into a purchase agreement whereby the Company has agreed to acquire mining claims and concessions located in the Montauban and Chavigny townships, in the county of Portneuf, in the province of Quebec, as well as buildings, immovables, and other assets and operating permits located on, or with respect to, the property.

The consideration to be paid to DNA will consist of the issuance of common shares of the Company (the "Shares") in three tranches:

- (i) 1.5 million shares to be issued four months and one day following the closing;
- (ii) 1.5 million shares to be issued eight months following the closing; and
- (iii) 2.0 million shares to be issued one year following the closing of the acquisition.

The 5,000,000 shares were ultimately issued to DNA Canada Inc. in their entirety on May 24, 2023. On July 24, 2023, an additional 926,210 common shares were issued for debt related to the acquisition of Montauban, valued at \$0.50 per share for a total debt amount assumed of \$463,105.

As part of the purchase agreement, the Company will acquire some equipment and assumed liabilities totalling \$208,290, which has been entirely settled in cash. A nil balance of is included in accounts payable and accrued liabilities as at June 30, 2023 (2022 - \$22,591).

Completion of the acquisition is conditional upon, among other things, receipt of all necessary regulatory approvals, including approval of the TSX Venture Exchange. The Company submitted the acquisition to the TSX Venture Exchange for approval and the Company received approval on November 23, 2020. The transaction was completed in the month of September 2021.

In November 2021, the Company engaged JPL GeoService Inc., a Quebec based company, to produce a NI 43-101 Technical Report and Mineral Resource estimate on the Montauban project. The NI 43-101 Technical Report was completed in February 2022 and is available for view on SEDAR at [www.sedar.com](http://www.sedar.com).

As at June 30, 2024, the Company had incurred a total of \$6,911,930 (June 30, 2023 - \$6,702,534) which included the acquisition costs for the project, recording an asset retirement obligation, and engineering, legal, drilling program and project management and travel costs.

#### *Ottawa River Project, Ontario*

On May 30, 2022, the Company signed an option agreement with Nepean Bay Joint Venture Inc. ("NBJV"). Under the option agreement, NBJV grants the Company the right to earn 50% interests in the Ottawa River Project. NBJV is the legal and beneficial owner of the land use permit of 2.6 hectares within the bed of the Ottawa River and the owner of any salable residuals from the land use permit. The Company is required to pay \$50,000 to NBJV upon signing of the option agreement, which it made in June 2022. In order to maintain in force the Option granted, and to exercise the Option, the Company must incur any and all approved expenditures for two years to achieve commercial production (defined as when a minimum of 500 ounces of gold has been smelted in a Dore bar) and pay to NBJV \$100,000 during each twelve month period from the date of the option agreement for two years or until commercial production has been achieved. The parties agreed that the Company will be the operator of the Ottawa River Project.

Subsequent to the year-end, the Company announced it had elected to terminate the earn-in Joint Venture Agreement with Nepean Bay Joint Venture signed on May 30, 2022 for the purpose of jointly exploring and developing the Ottawa River Gold Project. As a result of the agreement termination, Nepean Bay Joint Venture will retain 100% ownership of its Ottawa River Gold property interests. Previously capitalized costs associated with the joint venture were written off at June 30, 2023, amounting to a total of \$241,923.

## **FINANCIAL**

The consolidated financial statements have been prepared on the assumption that the Company is a going concern that contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company has incurred a net loss of \$1,952,295 during the nine-month period ended March 31, 2025 (2024 - \$772,681). The Company has working capital of \$1,436,050 at March 31, 2025 (2024 working capital deficit - \$1,315,374). The ability of the Company to continue as a going concern is dependent on obtaining the financing necessary to continue operations and, ultimately, on attaining profitable operations. Funding for operations is raised primarily through share offerings. No provision has been made in these consolidated financial statements for any adjustments to the carrying value of exploration and evaluation and other assets should the Company not be able to continue as a going concern. Such adjustments could be material.

Although there is no certainty, management is of the opinion that additional funding for future projects and operations can be raised as needed. If the Company is unsuccessful in obtaining adequate financing in the future due to prolonged economic decline, exploration activities will be postponed until market conditions improve. The Company's continuation as a going concern is dependent upon the successful implementation of its strategy to extract gold and silver from its tailings and rock projects and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations and ongoing operations. These material uncertainties, circumstances and conditions may cast significant doubt about the Company's ability to continue as a going concern. There are many external factors that can adversely affect general workforces, economies and financial markets globally. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and its effect on the Company's business or ability to raise capital.

The Company has no significant source of operating cash flow and no revenues from operations as of March 31, 2025. The Company's Montauban project currently has identified reserves. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to assemble a production mill to extract gold and silver.

Future revenue could be generated by the internal development of one or more of the projects, should this prove feasible. In the meantime, the Company intends to continue to rely upon the issuance of securities to finance its future activities. Still, there can be no assurance that such financing will be available on a timely basis or on terms acceptable to the Company.

## Results of Operations

### Summary of Quarterly Results

	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Total assets	9,786,297	7,052,377	7,603,036	7,114,533
Working capital (deficit)	1,436,050	(1,212,989)	(712,701)	(1,012,257)
Shareholders' equity	5,962,937	3,236,388	3,730,230	3,427,673
Loss and comprehensive loss	(791,373)	(749,525)	(411,396)	(2,914,823)
Loss per share	(0.02)	(0.16)	(0.01)	(0.09)

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Total assets	9,567,679	9,562,621	9,623,456	9,104,932
Working capital (deficit)	(1,315,374)	(1,146,704)	(893,734)	(611,055)
Shareholders' equity	5,586,007	5,751,617	5,998,833	5,711,504
Comprehensive (loss)	(202,134)	(320,467)	(250,079)	(1,864,400)
Loss per share	(0.01)	(0.01)	(0.01)	(0.07)

### Three-month period ended March 31, 2025 compared to March 31, 2024:

The Company had a net loss and comprehensive loss of \$791,373 versus \$202,134 in the comparative period, representing an increase of \$589,239 or 291.5%. During the three-month period ended March 31, 2025, the Company had increases in Consulting fees of \$104,655, Marketing expenses of \$435,890 and Filing fees and transfer agent of \$24,765.

The following expenses increased during the three-month period ended March 31, 2025: Consulting fees (2025: \$234,182, 2024: \$129,527), Marketing expenses (2025: \$435,890, 2024: \$Nil), Office and miscellaneous (2025: \$7,615, 2024: \$Nil) Filing fees and transfer agent (2025: \$36,493, 2024: \$11,728) and Professional fees (2025: \$53,114, 2024: \$43,560).

The following expenses decreased during the three-month period ended March 31, 2025: Insurance expenses (2025: \$14,824, 2024: \$15,829).

**Nine-month period ended March 31, 2025 compared to March 31, 2024:**

The Company had a net loss and comprehensive loss of \$1,952,295 versus \$772,681 in the comparative period, representing an increase of \$1,179,614 or 152.7%. During the nine-month period ended March 31, 2025, the Company had increases in Consulting fees of \$230,400, Filing fees and transfer agent of \$61,746 and Marketing expenses of \$794,654.

The following expenses increased during the nine-month period ended March 31, 2025: Consulting fees (2025: \$618,131, 2024: \$387,731), Marketing expenses (2025: \$794,654, 2024: \$Nil), Office and miscellaneous (2025: \$50,887, 2024: \$5,026), Filing fees and transfer agent (2025: \$95,241, 2024: \$33,495), Interest expense and bank charges (2025: \$18,004, 2024: \$10,589), Travel (2025: \$15,418, 2024: \$764) and Share-based payments (2025: \$199,704, 2024: \$149,434).

The following expenses decreased during the nine-month period ended March 31, 2025: Insurance expenses (2025: \$39,328, 2024: \$41,088) and Professional fees (2025: \$126,374, 2024: \$143,044).

Other than noted above, there were no other significant transactions during the nine-month period ended March 31, 2025.

**Selected Annual Information**

The financial information as at and for the years ended June 30, 2024, June 30, 2023 and June 30, 2022 have been prepared in accordance with IFRS.

	Year Ended		
	June 30. 2024	June 30. 2023	June 30. 2022
Total income	-	-	-
Loss and comprehensive loss for the year	(3,687,503)	(3,710,234)	(4,824,835)
Basic and diluted loss per share	(0.11)	(0.15)	(0.32)
Total assets	7,114,533	9,104,932	8,765,711
Working capital (deficiency)	(1,012,257)	(611,055)	(659,542)

**Year ended June 30, 2024 compared to June 30, 2023**

The Company had a net loss and comprehensive loss of \$3,687,503 versus \$3,710,234 in the comparative year, representing a decrease of \$22,731 or 0.6%. The decrease in the net loss and comprehensive loss during the year ended June 30, 2024 is mainly attributable to lower consulting fees, lower share-based payments expense, lower professional fees expenses, higher exploration expenses, lower Indemnity and Part XII.6 taxes on flow-through expenses and a decrease in the amortization of the flow-through premium liability, offset by higher marketing expenses, insurance costs and interest expense.

The following expenses increased during the year ended June 30, 2024: Exploration expenses (2024 - \$2,207,025 vs. 2023 - \$246,928), Marketing expenses (2024 - \$242,917 vs. 2023 - \$96,561), Insurance costs (2024 - \$64,308 vs. 2023 - \$23,808), Interest expense (2024 - \$22,182 vs. 2023 - \$141) and Loss on settlement of accounts payable (2024 - \$5,324 vs. 2023 - \$Nil).

The following expenses decreased during the year ended June 30, 2024: Consulting fees (2024 - \$516,405 vs. 2023 - \$875,754), Filing fees and transfer agent (2024 - \$34,336 vs. 2023 - \$49,296), Investor relations (2024 - (\$137) vs. 2023 - \$30,000), Loss on write-off loans receivable (2024 - \$nil vs. 2023 - \$184,955), Professional fees (2024 - \$147,658 vs. 2023 - \$186,796), Office and sundry (2024 - \$7,094 vs. 2023 - \$8,581), Travel (2024 - \$1,211 vs. 2023 - \$5,429), Share-based payments (2024 - 437,470 vs. 2023 - \$1,179,408) Indemnity and Part XII.6 taxes on flow-through expenses (2024 - \$nil vs. 2023 - \$929,782) and Amortization of flow-through premium liability (2024 - \$nil vs. 2023 - (\$112,797)).

Other than as noted above, there were no other significant transactions during the year ended June 30, 2024.

## Liquidity and Capital Resources

ESGold's exploration and evaluation asset activities do not provide a source of income and the Company therefore has a history of losses and an accumulated deficit. However, given the nature of our business, the results of operations as reflected in the net losses and losses per share do not provide meaningful interpretation of our valuation.

The Company has financed its operations to date primarily through the issuance of common shares. The Company will continue to seek capital through the issuance of common shares.

*Operating activities:* The Company does not generate any revenues and generally does not receive any cash from operating activities. Net cash used in operating activities during the nine-month period ended March 31, 2025 was \$1,780,123 compared to net cash used in operating activities of \$134,710 during the comparative period ended March 31, 2024. The increase in cash used in operating activities is primarily due to a higher loss for the nine-month period and a decrease in working capital from sales tax receivable, prepaid expenses and accounts payables and accrued liabilities.

*Investing activities:* Net cash used in investing activities during the nine-month period ended March 31, 2025 was \$48,660 compared to \$113,024 during the comparative nine-month period ended March 31, 2024. This is entirely due to lower exploration costs incurred on the Company's mineral projects.

*Financing activities:* Cash inflow provided from financing activities during the nine-month period ended March 31, 2025 was \$4,277,854 compared to a cash inflow of \$203,895 during the comparative nine-month period ended March 31, 2024. The cash increase during the nine-month period ended March 31, 2025 was mainly from net proceeds from the exercise of warrants and stock options of \$2,103,740 and from subscriptions received from non-brokered private placements that closed in September 2024 and April 2025.

The consolidated financial statements do not reflect adjustments, which could be material, to the carrying value of assets and liabilities, which may be required should the Company be unable to continue as a going concern.



## Stock Options

Stock option transactions are summarized as follows:

	Number	Weighted Average Exercise Price
<b>Outstanding as at June 30, 2022</b>	<u>1,655,000</u>	0.91
Granted, September 13, 2022	175,000	0.85
Granted, January 13, 2023	200,000	0.60
Granted, January 18, 2023	290,000	0.70
Expired/Forfeited	<u>(330,000)</u>	(1.42)
<b>Outstanding as at June 30, 2023</b>	<u>1,990,000</u>	0.76
Granted	560,000	0.17
Expired/Forfeited	<u>(70,000)</u>	1.50
<b>Outstanding as at June 30, 2024</b>	<u>2,480,000</u>	0.60
Granted	2,200,000	0.16
Expired/Forfeited	(1,160,000)	(0.72)
Exercised	<u>(470,000)</u>	(0.15)
<b>Outstanding as at December 31, 2024</b>	<u><u>3,050,000</u></u>	0.31

There were 3,050,000 stock options outstanding as at March 31, 2025 (2024 – 2,030,000). A total of 3,050,000 stock options are exercisable as at March 31, 2025 (2024 – 2,030,000).

The details of stock options outstanding at March 31, 2025 are summarized as follows:

Number of Shares			
Number of Shares	Exercisable	Exercise Price	Expiry Date
1,180,000	1,180,000	0.125	October 15, 2025
300,000	300,000	0.24	November 21, 2025
250,000	250,000	0.24	May 26, 2026
150,000	150,000	1.50	October 5, 2026
60,000	60,000	0.50	May 3, 2027
330,000	330,000	0.50	May 30, 2027
200,000	200,000	0.60	January 12, 2026
80,000	80,000	0.70	January 17, 2028
500,000	500,000	0.135	March 1, 2026
<u>3,050,000</u>	<u>3,050,000</u>		

## Warrants

Warrant transactions are summarized as follows:

	<b>Number</b>	<b>Weighted Average Exercise Price</b>
<b>Outstanding at June 30, 2023</b>	<u>2,204,060</u>	0.93
Granted, March 2024 - Private Placement Warrants	137,037	0.20
Expired	<u>(2,204,060)</u>	0.93
<b>Outstanding at June 30, 2024</b>	<u>137,037</u>	0.20
Granted, September 2024 - Private Placement Warrants	6,304,134	0.15
Granted, November 2024 - Private Placement Warrants	111,111	0.27
Exercised	<u>(6,246,050)</u>	(0.00)
<b>Outstanding at March 31, 2025</b>	<u>306,232</u>	0.19

A total of 6,167,161 share purchase warrants were outstanding at December 31, 2024 (2024 – Nil). 137,037 warrants were issued on March 6, 2024 as part of a private placement financing, and expire on March 6, 2025. 6,304,134 warrants were issued on September 27, 2024 as part of a non-brokered private placement financing, which included 195,121 of broker warrants, and expire on September 27, 2025. 111,111 warrants were issued on November 6, 2024 as part of a private placement financing, and expire on May 6, 2026.

The details of share purchase warrants outstanding at March 31, 2025 are summarized as follows:

<b>Number of warrants</b>	<b>Exercise price</b>	<b>Expiry date</b>	<b>Remaining life (Years)</b>
195,121	0.15	September 27, 2025	0.49
111,111	0.27	May 6, 2026	1.10
<u>306,232</u>	<u>0.19</u>		<u>0.71</u>

## Contractual Obligations

Except as described herein or in the Company's consolidated financial statements as at March 31, 2025, the Company had no material financial commitments.

## Off Statement of Financial Position Arrangements

At March 31, 2025, the Company had no material off statement of financial position arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

## Capital Resources

The Company will continue to seek capital through public markets by issuing common shares pursuant to private placements. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

## Outstanding Share Data

During the year ended June 30, 2024, the Company completed a share consolidation of ten (10) old common shares for one new common share. All common share and per share amounts have been retroactively restated to present the share consolidation.

As at the date of this report, the Company had 74,348,387 common shares issued and outstanding, 16,371,071 Share Purchase Warrants, 3,050,000 share options and nil restricted shares units that are convertible into common shares. See Note 5 Share Capital and Reserves in the Consolidated Financial Statements.

## Related Party Transactions

Key management personnel comprise of the Chief Executive Officer, the President, the Chief Financial Officer and the Directors of the Company.

A total of \$529,850 was included in the financial statements as earned by the Chief Executive Officer, the President and the Chief Financial Officer during the nine-month period ended March 31, 2025 (2024 - \$378,500). Amounts included in accounts payable from these officers at March 31, 2025 was \$Nil (2024 - \$269,132).

## Financial Risk Factors

The Company is exposed to varying degrees to a variety of financial instrument related risks:

### *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash, receivables and advances. The Company's cash is held at a large Canadian financial institution in interest bearing accounts for which management believes the risk of loss to be minimal. Receivables consist of GST receivable from the government of Canada.

### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach at managing liquidity risk is have sufficient liquidity to meet liabilities when due.

As at March 31, 2025, the Company had working capital of \$1,436,050 (2024 working capital deficit – \$1,315,374) and current liabilities of \$1,301,360 (2024 - \$1,344,672). While the Company has been successful in obtaining its required funding in the past there is no assurance that this financing will be extended or that any additional future financing will be available. The Company continues to investigate financing options, including private placements.

The Company manages liquidity risk through its capital management as outlined below. Accounts payable and accrued liabilities are due within one year.

*Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

c) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through the Company's subsidiary located in the USA. Through this, the Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities that are denominated in U.S. dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

## **Risk Factors**

Companies in the exploration stage face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, commodities prices and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions.

## **Amendments to existing standards and new amendments not yet effective**

The Company adopted the following amendments to accounting standards, which are effective for annual reporting periods beginning on or after January 1, 2023:

*Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)* – the amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.

The amendment was applied effective July 1, 2023 and did not have a material impact on the Company's consolidated financial statements.

*IFRS 18 Presentation and Disclosure in Financial Statements* – IFRS 18 will replace IAS 1, Presentation of Financial Statements which aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from 1 January 2027. Companies are permitted to apply IFRS 18 before that date.

The Company is not yet able to determine the impact to the consolidated financial statements from the adoption of this standard.

Certain pronouncements were issued by the IASB but are not yet effective as at March 31, 2025. The Company intends to adopt these standards when they become effective but does not expect these amendments to have a material effect on the consolidated financial statements of the Company.

## Critical Accounting Policies and Estimates

The Company's accounting policies are described in Notes 2 and 3 of its consolidated financial statements for the year ended June 30, 2024. Management considers the following policies to be the most critical in understanding the judgments that are involved in the preparation of the consolidated financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows:

### Use of estimates and significant judgments

The preparation of these consolidated 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 the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, 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:

The Company uses significant judgement in assessing for signs of impairment on the exploration and evaluation assets. Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the good or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

The determination of deferred income tax assets and liabilities is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

Share-based payments is subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

The Company utilizes significant judgement in assessing its compliance with relevant flow through financing tax requirements including the determination of qualified eligible expenditures to reduce flow through spending obligations.

**Share-based payments**

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital. Upon expiry or forfeiture, the recorded value is transferred to deficit.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

**Subsequent event**

On April 11, 2025, the Company, pursuant to a non-brokered private placement, issued 16,064,839 units at a price of \$0.215 per unit, for aggregate gross proceeds of \$3,453,940. Each unit consisted of one common share and one common share purchase warrant. Each warrant will entitle the holder to acquire one additional common share at an exercise price of \$0.30 per common share for a period of twenty-four (24) months from the closing date. In connection with the private placement, the Company paid a cash finder's fee of \$165,241 and issued 768,561 finder's warrants. The finder's Warrants will be exercisable into common shares for a period of twenty-four (24) months at an exercise price of \$0.30 per common share.