



ELECTRUM DISCOVERY

(the “Company”)

(formerly Medgold Resources Corp.)

MANAGEMENT’S DISCUSSION AND ANALYSIS

Year End Report – December 31, 2024

Highlights

- Completion of the acquisition of Balkan Metals Corp. (“**Balkan Metals**”) (the “**Acquisition**”) and resumption of trading on the TSX Venture Exchange (“**TSX-V**”).
- As a part of the Acquisition, the name of the Company was changed to “Electrum Discovery Corp.” and trading symbol to “ELY”.
- Completion of the capital raise of \$2,160,000 by way of a private placement of 21,600,000 units at a price of \$0.10 per unit.
- Following the Acquisition, with close to 1,000 square kilometres, the Company became the largest holder of exploration ground in Serbia, including mineral licenses in a vicinity of the renown Bor Mining Complex and world-class operating copper-gold mines.
- The Company resumed exploration work on the Timok East Project in March 2024, which led to discovery of a cluster of new and consistent copper-gold anomalies, the largest being the Bambino Anomaly.
- Bambino features 1.8 kilometre copper-gold anomaly, with copper in soils ranging from 100 – 8238 ppm copper and rock chip samples returning grades of 2.85% and 0.32% copper.
- Completion of 300-metre trenching program at Bambino, successfully identifying significant consistent copper grades and potential distinct gold phase in the underlying bedrock at Bambino.
- Mapping at Bambino confirmed high grade copper and gold mineralization in float rock-chip samples to the north and south of Bambino over at least 1.5 strike kilometres.
- Completion of a capital raise of \$2,281,850 by way of a private placement of 32,597,854 units at a price of \$0.07 per unit.
- High-Resolution Resistivity and Induced Polarization Survey was completed and identified chargeability anomaly directly beneath surface copper anomaly at Bambino Central and resistivity high anomaly as potential deep intrusive or zone of silicification.
- Phase One diamond drill program complete at Bambino Central, including two holes for a total of 704.4 metres, skarn replacement identified associated with elevated copper, silver and gold grades in narrow intervals.
- Audio-Magnetotelluric survey was completed at Bambino, identifying significant westerly dipping conductive anomaly above deep egg-shaped resistive body.
- The Company was selected as one of eight exploration companies to participate in BHP’s 2025 Xplor Accelerator Program.

General

This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the annual audited consolidated financial statements of the Company for the fiscal year ended December 31, 2024. The following information, prepared as of April 30, 2025, should be read in conjunction with the December 31, 2024 consolidated financial statements. The Company reports its financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. All amounts are expressed in Canadian dollars unless otherwise indicated.

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

Forward Looking Information

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

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

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

Forward-looking Statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by the Forward-looking Statements. Such uncertainties and factors include, among others:

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

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

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

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

These Forward-looking Statements are made as of the date hereof and the Company disclaims any obligation to update any Forward-looking Statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that Forward-looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on Forward-looking Statements.

Business of the Company

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

Acquisition of Balkan Metals Corp.

The Company entered into a non-binding arm's length letter of intent dated November 23, 2022, and then an amalgamation agreement dated January 27, 2023, and as amended April 30, 2023, to acquire all of the issued and outstanding common shares of Balkan Metals, a private British Columbia company which held a portfolio of exploration licenses in Serbia, some of which are contiguous to the Company's existing Serbian exploration permits.

The Acquisition was completed on January 15, 2024, with the following steps conducted concurrently on January 15, 2024:

- The Company completed a consolidation of the issued shares, warrants, stock options, and convertible debentures outstanding at January 15, 2024 on a one new for sixteen old basis. As a result, the Company's issued shares immediately prior to the Acquisition were reduced to 8,424,301. **All references to common shares, warrants, stock options, and per share amounts in this MD&A have been updated to reflect the share consolidation.**
- The Company settled \$330,000 in accounts payable by issuing 1,650,000 post-consolidation common shares of the Company at a deemed price of \$0.20 per share.
- Balkan Metals settled \$250,000 in accounts payable by issuing 1,666,667 common shares of Balkan Metals at a deemed price of \$0.15 per share.
- Balkan Metals completed a private placement consisting of the sale of 21,600,000 units at a price of \$0.10 per unit for gross proceeds of \$2,160,000. Each unit consisted of one Balkan Metals share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.20 per share for a period of two years. Balkan Metals paid cash finders' fees totaling \$78,150 and issued 413,000 share purchase warrants having an exercise price of \$0.20 per share for a period of twelve months. As a result of the amalgamation, the holders of Balkan Metal common shares and share purchase warrants received pursuant to this financing were exchanged for common shares and share purchase warrants of the Company on a one for one basis.

- In consideration for the transfer to the Company of 100% of the issued shares of Balkan Metals, the Company issued an aggregate of 53,238,763 post-consolidation common shares to the shareholders of Balkan Metals, being one Company share for each Balkan Metals share.
- The name of the Company was changed to "Electrum Discovery Corp".

As a result of the Acquisition, the shareholders of Balkan Metals acquired 84.1% of the outstanding shares of the Company and Balkan Metals gained control of the Company's Board of Directors. For accounting purposes, the Acquisition is considered to be outside the scope of IFRS 3 *Business Combinations* since the Company's activities prior to the Acquisition were limited to the management of cash resources and the maintenance of its listing and mineral property licenses and did not constitute a business. The Acquisition is accounted for consistent with IFRS 2 *Share-based Payment* whereby Balkan Metals is deemed to have issued shares in exchange for the net assets of the Company together with its listing status at the fair value of the consideration received by Balkan Metals. As a result, the acquisition is accounted for as a capital transaction, with Balkan Metals being identified as the accounting acquirer and the equity consideration being measured at fair value. **The resulting consolidated statement of financial position is presented as a continuance of Balkan Metals and comparative figures presented in the consolidated financial statements after the acquisition and in this MD&A are those of Balkan Metals.**

See Note 2 of the consolidated financial statements for the year ended December 31, 2024 for further details on the accounting treatment for the Acquisition.

Upon completion of the Acquisition, Ralph Rushton remained on the Board of Directors and Kevin Bales continued on as CFO of the Resulting Issuer. Dr. Elena Clarici was appointed as Director, Executive Chair and CEO of the Resulting Issuer, and Michael Thomsen and Eric Rasmussen were appointed as directors. Subsequent to the completion of the Acquisition, R. Michael Jones was appointed as a fifth director.

The Company's Mineral Properties

Following the acquisition, the Company controlled over 960 square kilometres of mineral rights spanning two of the most prospective metallogenic provinces in the Tethyan Metallogenic Belt, crossing the Republic of Serbia, so called West Tethyan Belt (the "**West Tethyan**"): (1) the Timok Magmatic Complex (the "**TMC**"), host of world class Cu- Au porphyry style deposits; and (2) the Serbo-Macedonian Massif (the "**SMM**"), located to the west of TMC, and continues to northern Greece (see Figure 1).

During 2024, the Company rationalized its exploration portfolio, which at the end of reporting period was composed of 6 mineral permits and 8 mineral permit applications. Certain mineral permits and applications are grouped in two principal projects:

1. **Timok East Project** (Luka, Makovište and Bukova Glava permits) situated on the eastern fringe of Timok Magmatic Complex; and
2. **Novo Tlamino Project** (Surlica Dukat and Donje Tlamino permits and Radovnica, Ljubata, and Crnoštica permit applications) located in the SMM Tertiary metallogenic province in the southern Serbia.

BHP Xplor Accelerator Program

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

As a part of this program, BHP Xplor will provide the Company with up to US\$500,000 (US\$400,00 received to-date) in non-dilutive grant funding to support and accelerate its exploration activities at Timok East during the 6-month period of the Program. Additionally, being part of this program provides the Company with access to BHP's global expertise, networks and partnerships.



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

Timok East Copper-Gold Project

The Timok East Copper-Gold Project is situated along the eastern boundary of the Cretaceous-aged Timok Magmatic Complex, within the prolific Western Tethyan Metallogenic Belt in the Republic of Serbia. The project comprises three contiguous mineral exploration permits—Luka, Makovište, and Bukova Glava—covering a total area of 123 square kilometres (see Figure 2).

Current exploration efforts are concentrated on the Luka and Makovište licenses, where two principal copper-gold anomalies have been identified: Northern Skarn and Bambino. At the Northern Skarn Target, copper, gold, and silver mineralization has been confirmed through rock chip sampling. At the Bambino anomaly, copper-gold-silver mineralization has been validated through both trenching and diamond drill core sampling. The Bambino target lies approximately five kilometres east of the Bor porphyry trend, a major mineralized corridor that hosts world-class porphyry copper-gold deposits including Bor, Veliki Krivelj, and Čukaru Peki, all operated by Zijin Mining Ltd.

In addition to these targets, a significant magnetic high anomaly, named the Western Mag Target has been identified in the western portion of the project area. The Western Mag Target was identified through a combination of historical data compilation, detailed literature review, and the integration of newly acquired Audio-Magnetotelluric (AMT) survey data.

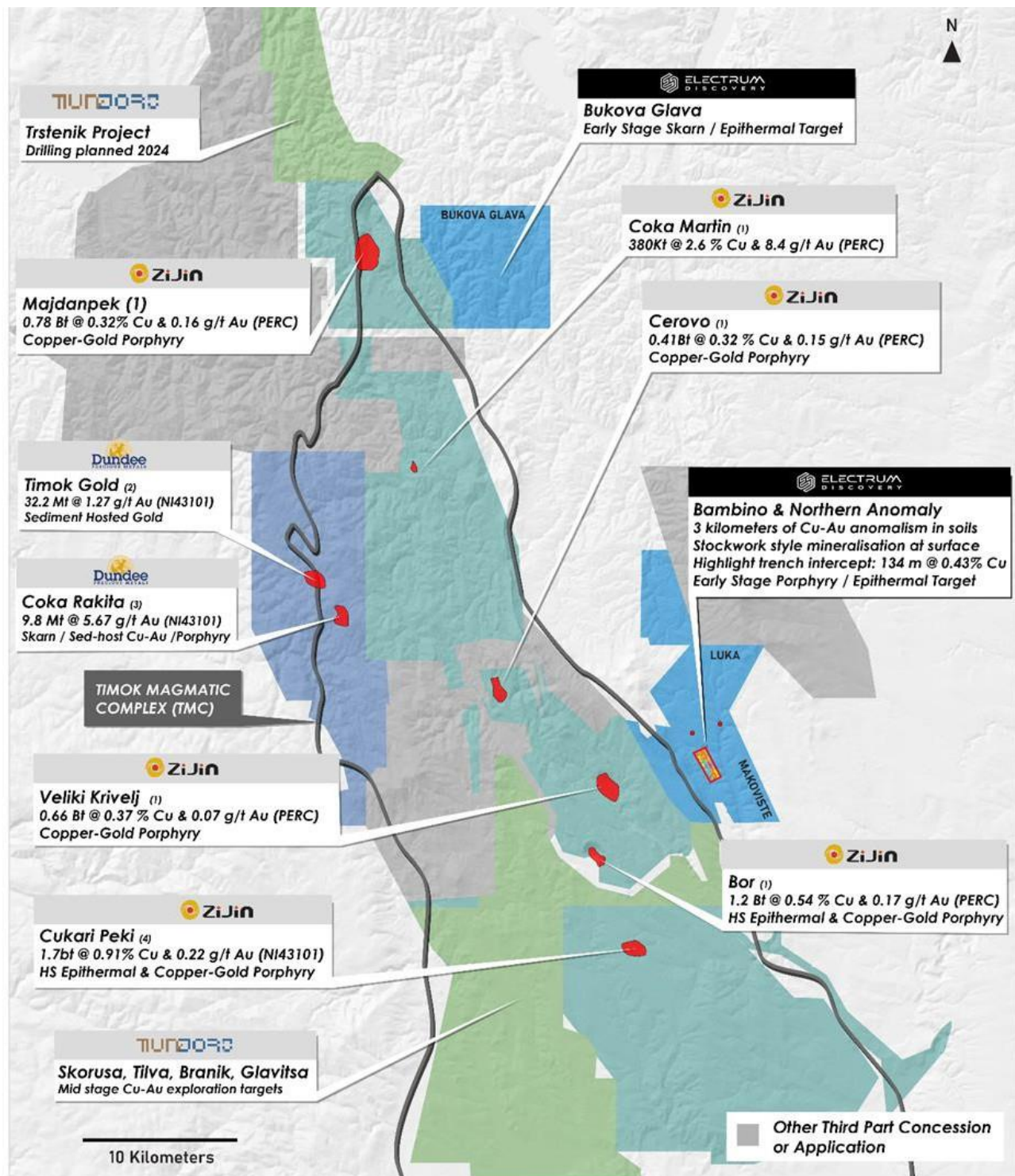


Figure 2: Map showing the Company's and major third-party mineral exploration and mining companies' properties in the Bor region. Third-party resource figures sourced from Jelenkovic, Rade & Milovanović, Dragan & Koželj, Dejan & Banješević, Miodrag. (2016). The Mineral Resources of the Bor Metallogenic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

At the beginning of the year, the company completed initial data review, desktop research and field-based prospecting on the Timok East project. This resulted in the identification of several prospective targets across the Luka and Makovište licenses. In Q2 of 2024 the Company completed a successful surface geochemical sampling campaign at Timok East. This program focused on four targets identified from initial prospecting in Q1 2024, which identified hydrothermal quartz limonite stockwork material in a series of Lower Paleozoic-age schists and marbles.

A total of 733 Soil samples were collected from the B-C horizon over two phases across Timok East, outlining a 1.8 kilometre strike copper anomaly in soils and 1 kilometre strike gold anomaly in soils at Bambino and copper anomalies in soils at the Northern Anomaly and Northwestern Anomaly targets (Results reported in [News Release July 3rd 2024](#)).

Following the identification of copper-gold anomalies in soils, the Company executed a rock chip sampling campaign at Timok East, with the aim of further defining mineralization style and the grade of underlying rocks at the Bambino Anomaly.

In total, 128 rock float and outcrop samples have been collected across Bambino (See Figures 3,4 & 5). Rock-chip sampling results confirmed high-grade copper-gold and gold mineralization in rocks across several structurally offset, hydrothermally altered zones north and south of the central Bambino target, aligning with surface copper-gold anomalism in soils. Mineralized rocks, typified by quartz-limonite stockwork veining and gossan textures, have now been identified over four distinct ridges, extending 1.5 kilometres along the same geological unit and structural regime (See Figure 6).

In addition to the sampling at Bambino, three rock-chip samples were taken from gossan altered rocks with secondary copper minerals from the Northern Anomaly. Rock-chip assays returned between 10 – 205 g/t silver, 1.12 – 2.14% copper, and 0.15 – 0.87 g/t gold, confirming high-grade copper-gold mineralization, with previously un-identified silver potential 3 kilometres north of Bambino along same geological structure (Results reported in [News Release October 30th 2024](#)). Over 1.3 kilometres of on-structure strike remains un- explored between Bambino and the Northern Anomaly (see Figure 3)

Table 1: Showing copper categorized results from the 131 rock chip samples from Timok East

	>5 % Cu	1-5 % Cu	0.5-1 % Cu	0.1-0.5 % Cu	0 – 0.1 % Cu
No. Samples	3	18	52	52	50

Table 1a: Showing gold categorized results from the 131 rock chip samples from Timok East

	>5 g/t Au	2-5 g/t Au	0.5-2 g/t Au	0.1-0.5 g/t Au	0 – 0.1 g/t Au
No. Samples	1	4	4	11	111

Table 1b: Showing silver categorized results from the 131 rock chip samples from Timok East

	>50 g/t Ag	10-50 g/t Ag	0 -10 g/t Ag
No. Samples	3	30	98

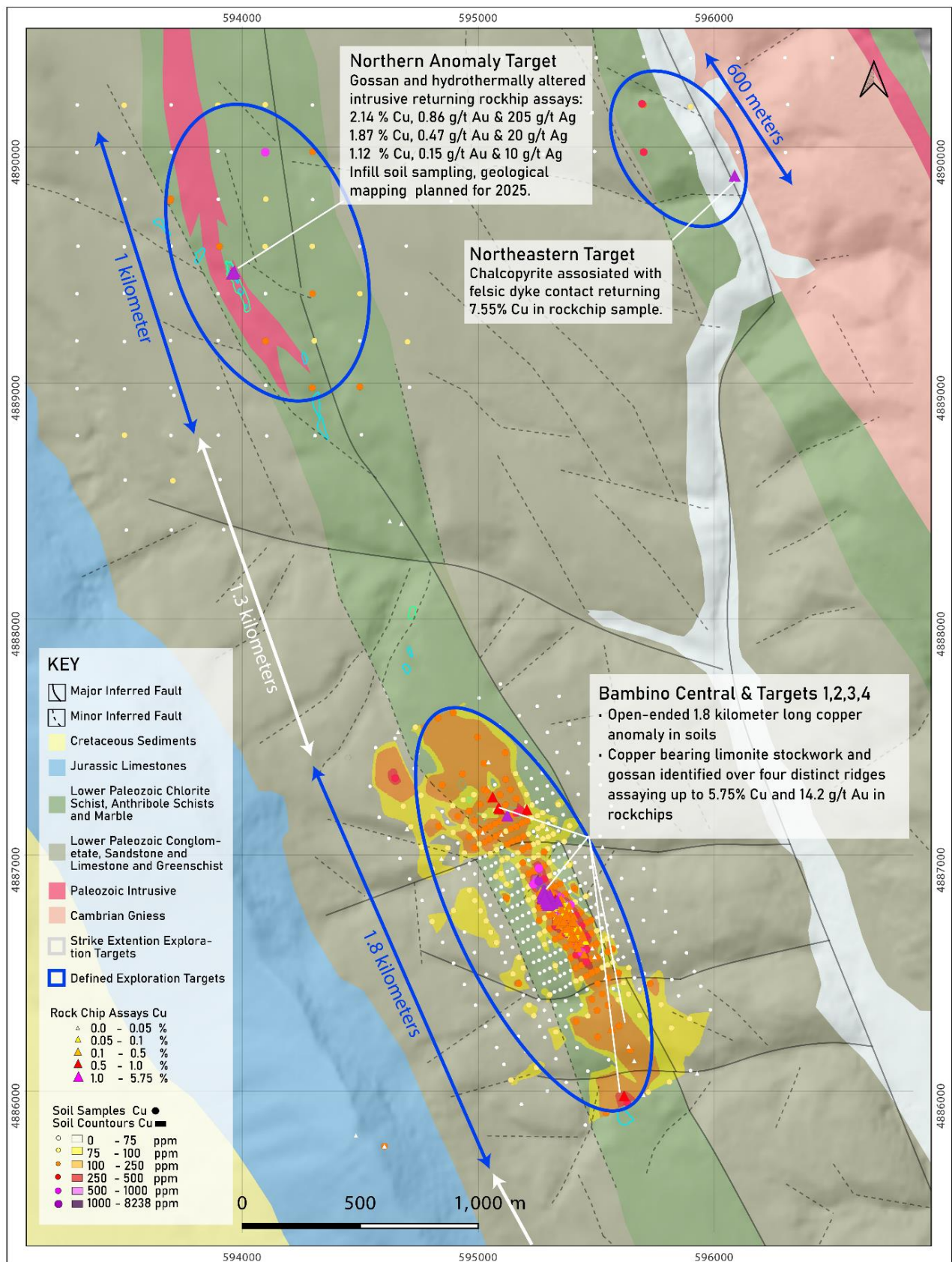


Figure 3: Geology map showing the locations of the three main anomalies and extent of surface geochemical sampling completed from April – June 2024 (Rock and soil results from News Releases [30th October 2024](#), [4th September 2024](#), and [3rd July 2024](#)) (EPSG:32634).

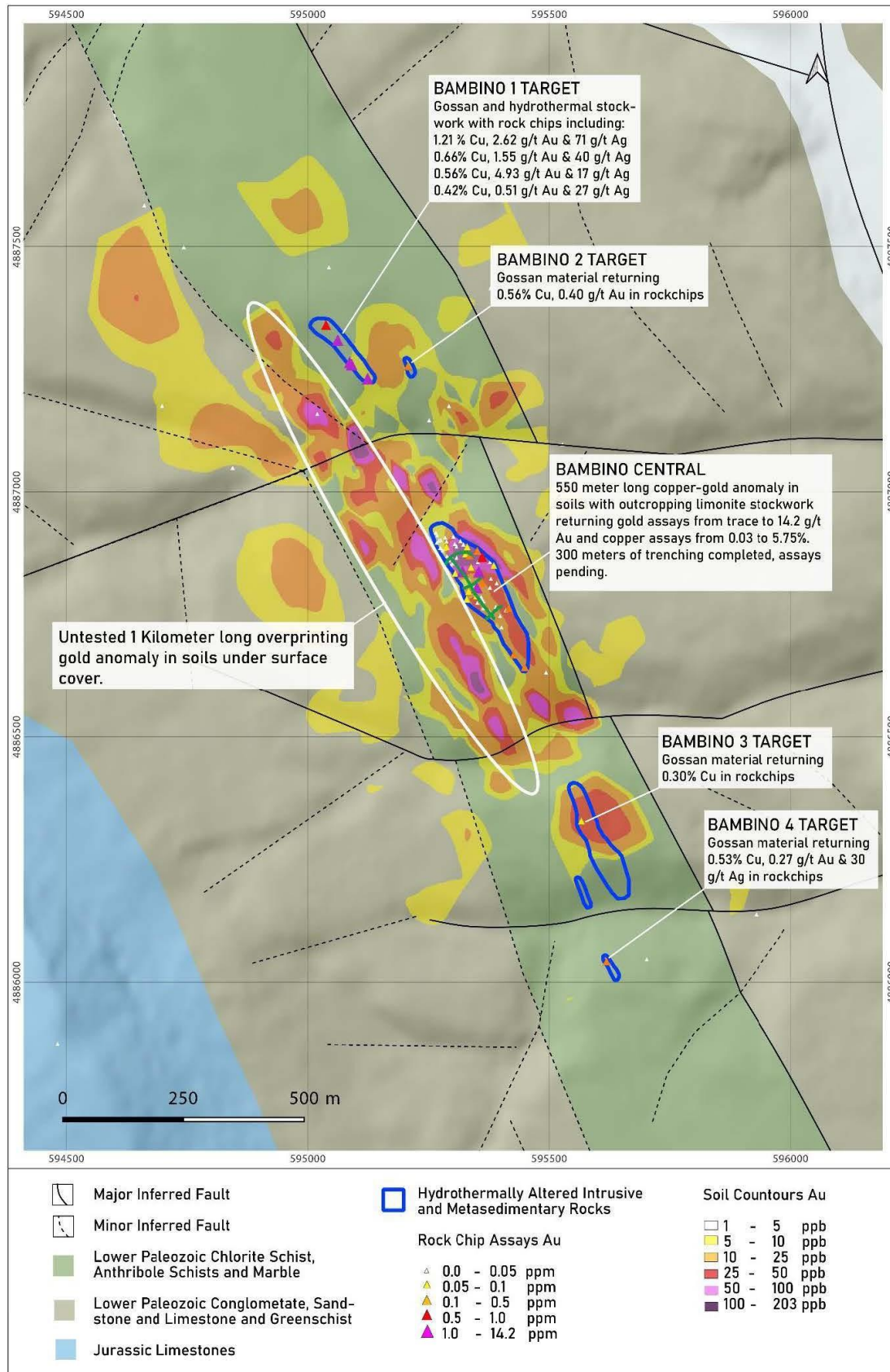


Figure 4: Map showing the Bambino gold soil and rock chip assay results from April – June 2024 (Rock and soil results from News Releases [30th October 2024](#), [4th September 2024](#), and [3rd July 2024](#)) (EPSG:32634).

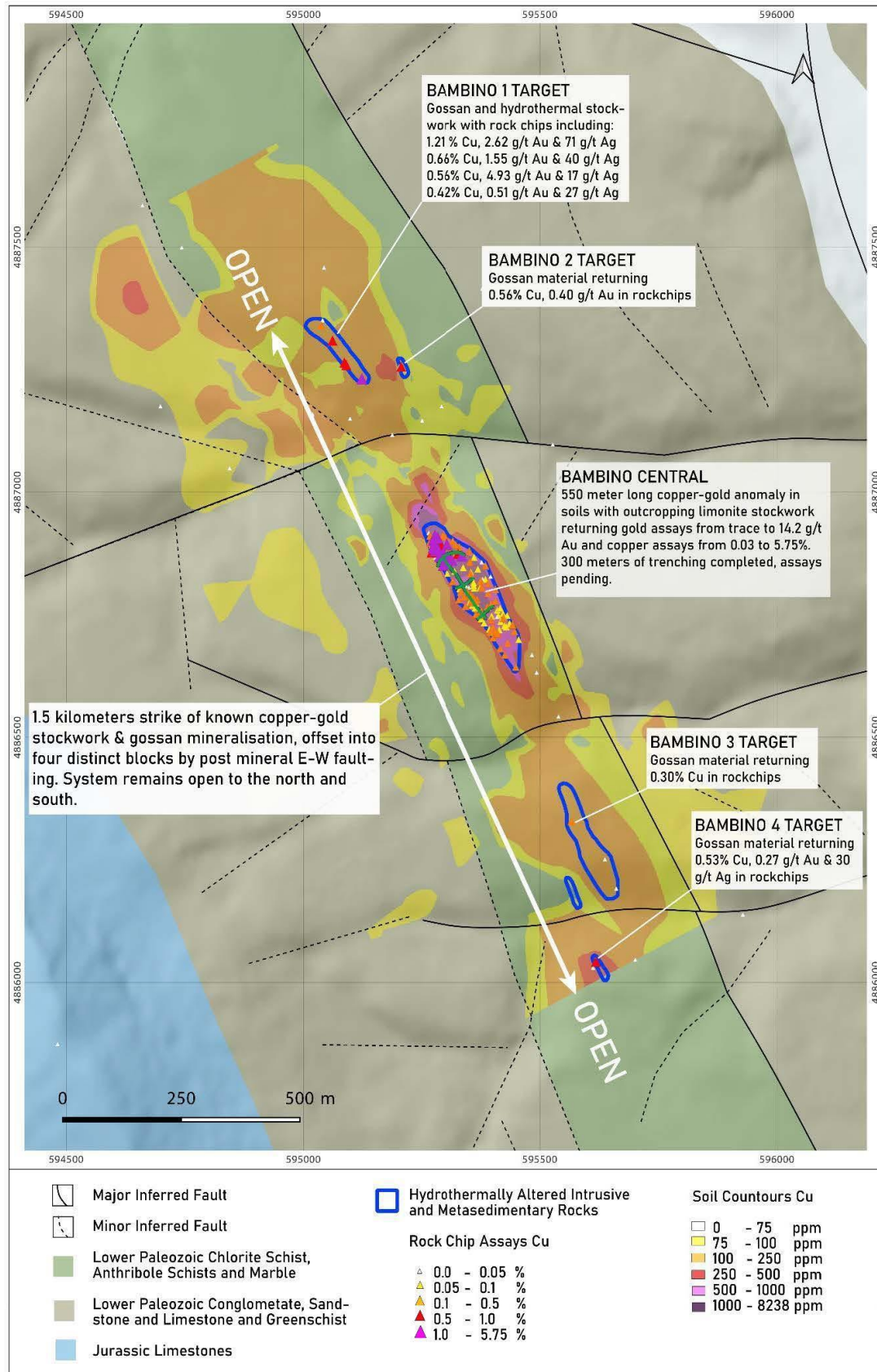


Figure 5: Map showing the Bambino copper soil and rock chip assay results from April – June 2024 on geology map (Rock and soil results from News Releases [30th October 2024](#), [4th September 2024](#), and [3rd July 2024](#)) (EPSG:32634).

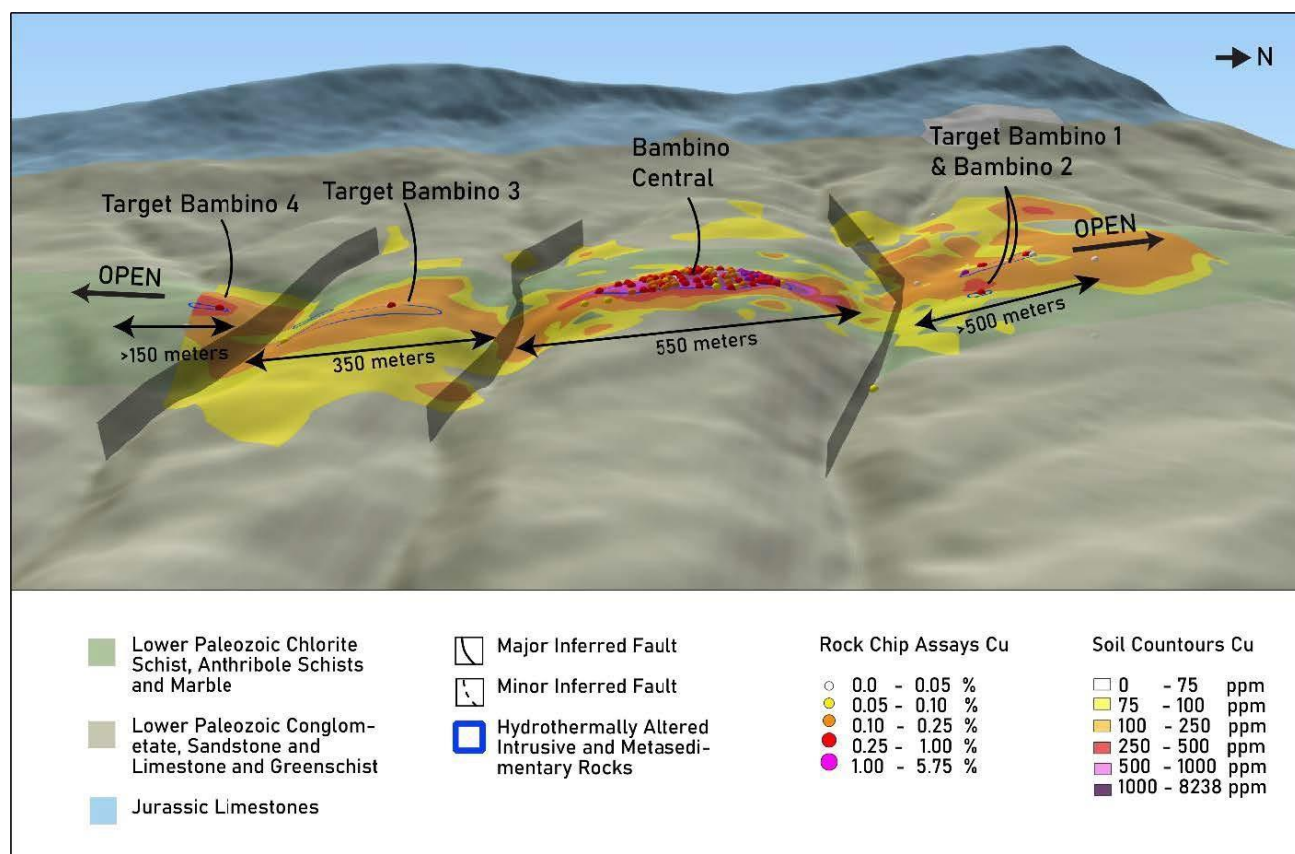


Figure 6: Map showing the Bambino copper soil and rock chip assay results from April – June 2024 on 3D geology map (Rock and soil results from News Releases [30th October 2024](#), [4th September 2024](#), and [3rd July 2024](#)).

In Q3 of 2024, the Company completed a 300-metre trench program across the Bambino Central Target. This trench program aimed to provide further insights into mineralization style, continuity and grade across an extended outcrop exposure at Bambino Central.

Four trenches of varying lengths and orientations were opened for a total of 300 metres at Bambino Central. Trenching was successful in providing critical information on the grade, geometry, alteration and mineralization style at Bambino with all trenches encountering copper-bearing quartz-limonite stockwork in hydrothermally altered host rocks.

Trenching along the strike of the Bambino Central anomaly exposed a north-northwest striking zone of limonite-stockwork mineralization within argillic-silicic altered intrusive and metasedimentary rocks over 146.0 metres in trench TR02, indicative of the high-level oxidized portion of a significant hydrothermal system.

Assay results from TR02 confirmed significant copper mineralization within the system. Including a weighted average interval of 133.5 metres @ 0.43% Cu and 6.9 g/t Ag in TR02. Several narrower, gold-dominant zones were also encountered, including 1.5 metres @ 2.9 g/t Au, 0.06 % Cu and 20 g/t Ag, suggesting potential overprinting by a secondary gold system (See Figures 7, 8 & 9) (Trench results reported in [News Release November 5th 2024](#)).

Three additional cross cutting trenches were opened east-northeast, all intercepting significant copper and gold mineralization, including 24.0 metres @ 0.21% Cu and 4.2 g/t Ag in TR01, 13.5 metres @ 1.72% Cu and 1.6 g/t Ag in TR04 and 22.5 metres @ 0.26% Cu and 2.6 g/t Ag in TR03. Trenches TR01 and TR03 ended to the east in hydrothermally altered metasediments and stockwork, indicating the system is open to the east (See Figures 7, 8 & 9) (Trench results reported in [News Release November 5th 2024](#)).

Table 2: Table reporting significant copper, silver and gold intercepts from the recent trench sampling at Central Bambino.

Trench ID	From (m)	To (m)	Interval (m)	Cu %	Ag g/t	Au g/t
TR01	12.0	36.0	24.0	0.21	4.2	-
*Including	24.0	25.5	1.5	0.21	18.0	0.13
TR02	0.0	133.5	133.5	0.43	6.9	-
Including	0.0	64.5	64.5	0.76	5.3	-
*Also Including	64.5	66.0	1.5	0.06	20	2.90
*Also Including	73.5	75.0	1.5	0.04	14	0.93
*Also Including	96.0	102.0	6.0	0.35	13.3	0.18
And	142.5	153.0	10.5	0.21	5.3	-
TR03	0.0	22.5	22.5	0.26	2.6	-
*Including	13	17.5	4.5	0.16	6.9	1.49
TR04	30.0	31.5	1.5	0.51	6.3	0.16
And	39.0	52.5	13.5	1.72	1.6	-

*Highlights overprinting gold dominant intervals.

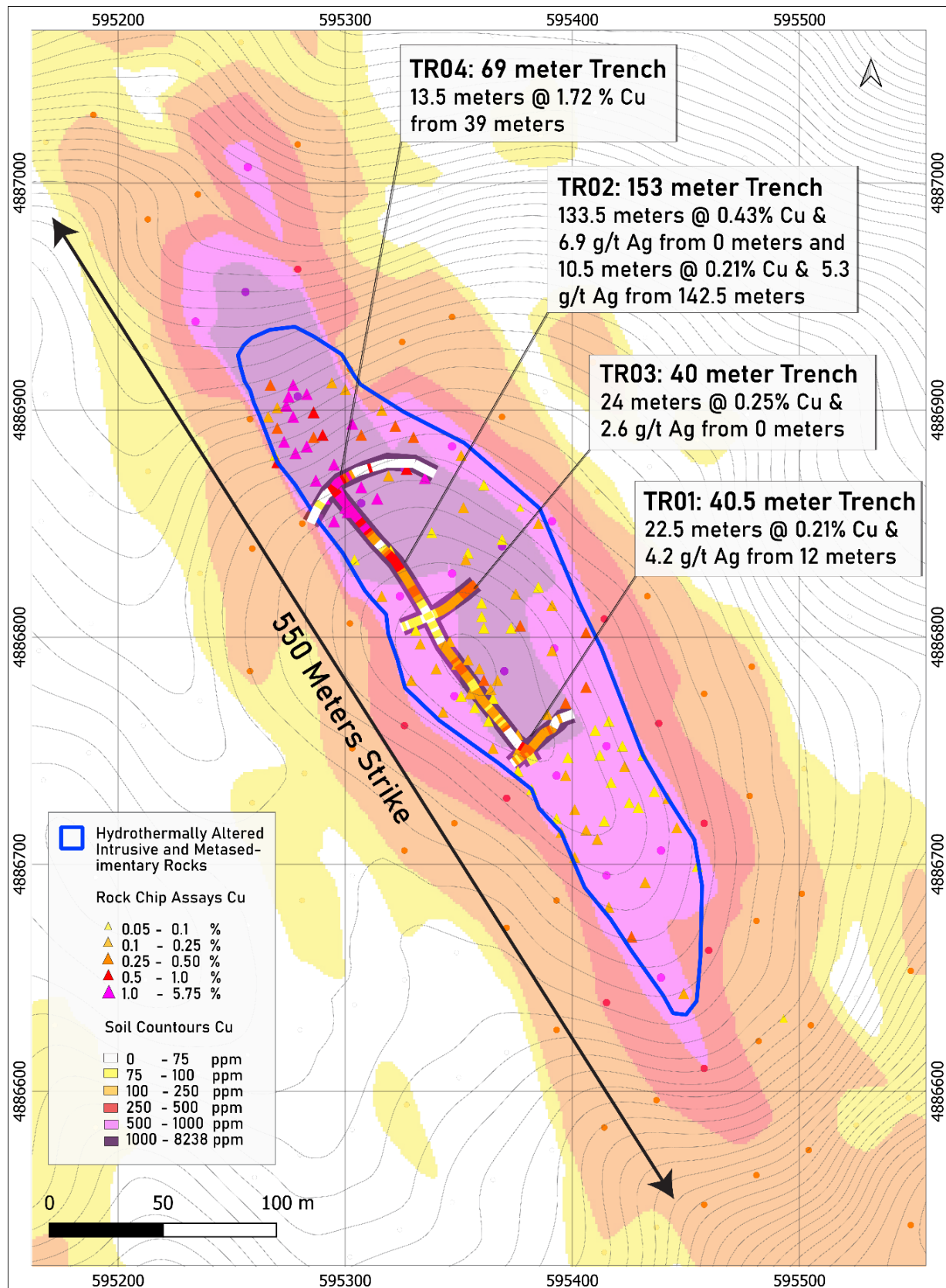


Figure 7: Map showing soil, rockchip and trench sample copper assay results (Rock and soil results from News Releases [30th October 2024](#), [4th September 2024](#), and [3rd July 2024](#)) (Trench results from [News Release November 5th 2024](#)) (EPSG:32634).

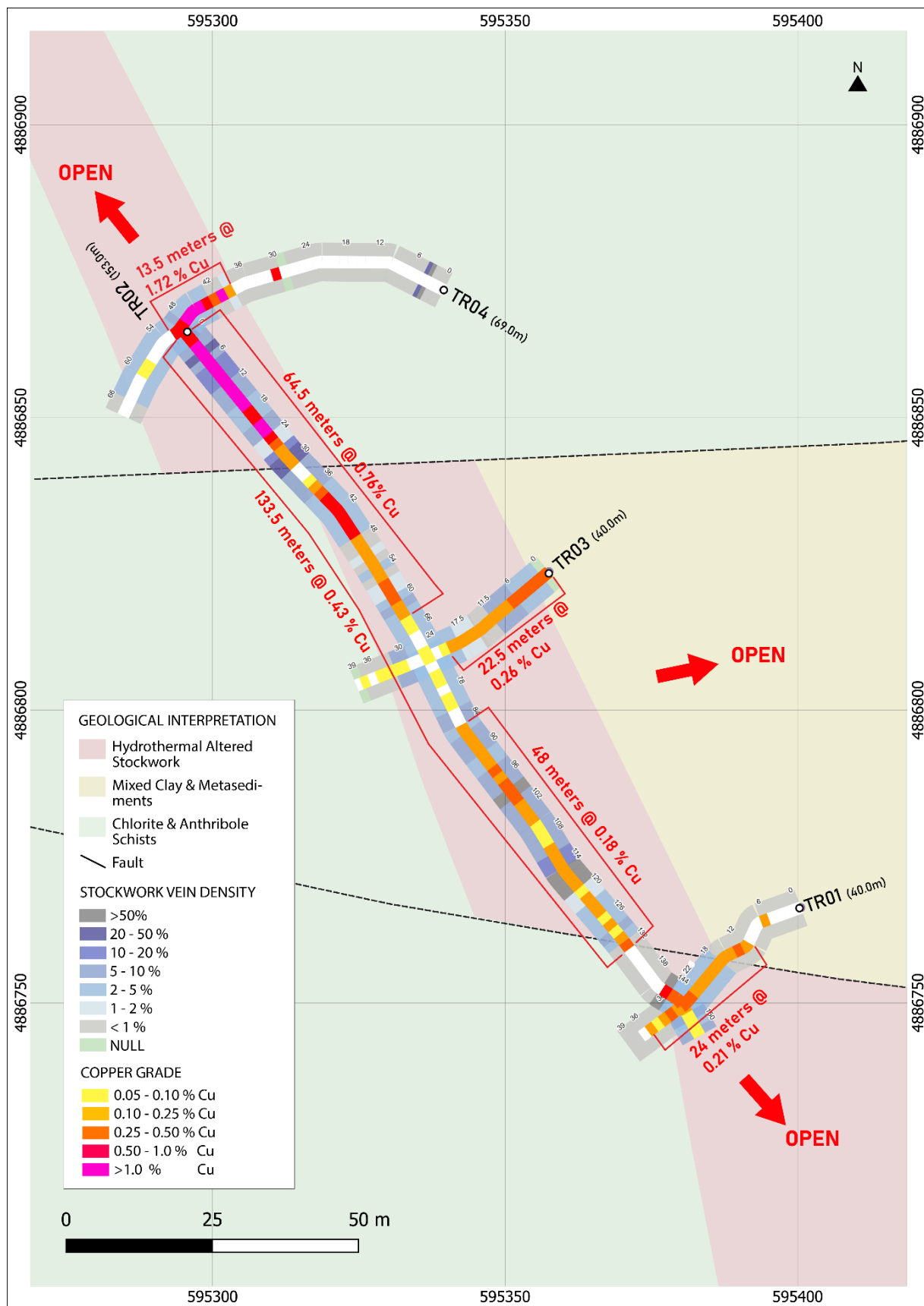


Figure 8: Plan-view of the trenching copper assay results, with mapped trench stockwork vein density and geological interpretation (Trench results from [News Release November 5th 2024](#)) (EPSG:32634).

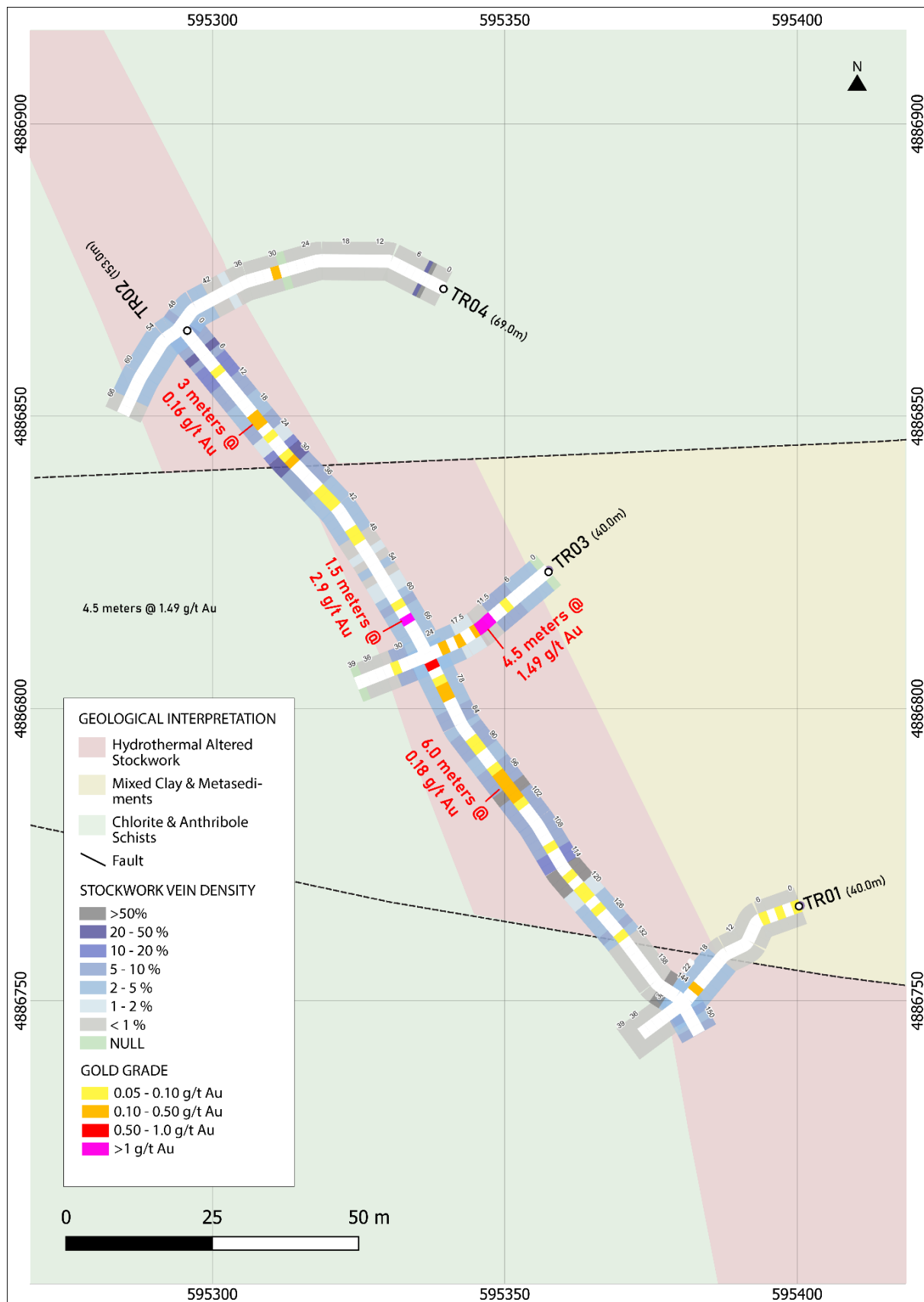


Figure 9: Plan view of the trenching gold assay results, with mapped trench stockwork vein density and geological interpretation (Trench results from [News Release November 5th 2024](#)) (EPSG:32634).

Following the successful completion of mapping and trenching at the Bambino target, the Company continued its exploration efforts with a High-Resolution Resistivity and Induced Polarization (“**HIRIP**”) survey, which was executed in two phases. This geophysical program aimed to refine the understanding of the subsurface geology, particularly the orientation and depth of potential hypogene mineralization zones across Bambino Central.

The Phase 1 HIRIP survey conducted by Terratec Geophysical Services of Germany consisted of three 950-metre survey lines using a 10-metre electrode spacing. This high-resolution methodology produced approximately 1,100 data points per section, providing detailed 2D models of the subsurface chargeability and resistivity beneath Bambino Central (see Figure 10).

Chargeability Anomalies:

Significant zones of elevated chargeability, measuring up to 100 metres in width and extending to depths of up to 180 metres, were detected directly beneath surface copper anomalism across all three HIRIP profiles at Bambino Central. These anomalies generally exhibit a steep easterly dip and display an increase in size and intensity compared to their surface expression. Chargeability highs are commonly associated with sulphide mineralization and are interpreted as corresponding to a subsurface extension of the copper-bearing quartz-limonite stockwork mapped and sampled at surface. The increase in chargeability with depth potentially marks the transition from oxide to hypogene mineralization and an increasing sulphide mineral content. The results reinforce the geological model of a near-surface mineralized system beneath Bambino Central, represent robust drill targets, and provide critical insights for efficient drill targeting (see Figure 12).

Additional zones of high chargeability were also identified in the flanking Palaeozoic sedimentary and metasedimentary units to the east and west of Bambino Central, these geophysical anomalies are not associated with surface geochemical anomalism and are likely due to graphite or pyrite of the local lithologies.

Resistivity Anomalies:

Resistivity highs, located beneath and adjacent to the chargeability anomaly at Bambino Central, were detected in all three profiles. These features are interpreted as potential quartz-rich intrusive bodies or zones of silicification. Such zones may represent the upper sections of a deeper porphyry target or conduits for mineralized fluids along its margins (see Figure 11).

Concurrently, in December 2024, the Company commenced logistical preparations, including the landowner contracts and construction of drill roads, drill pads and securing appropriate core-handling facilities. Drill targets were prioritized based on a comprehensive analysis of trench mapping and sampling, surface geochemistry (soil and rock-chip data), and the results from the HIRIP survey.

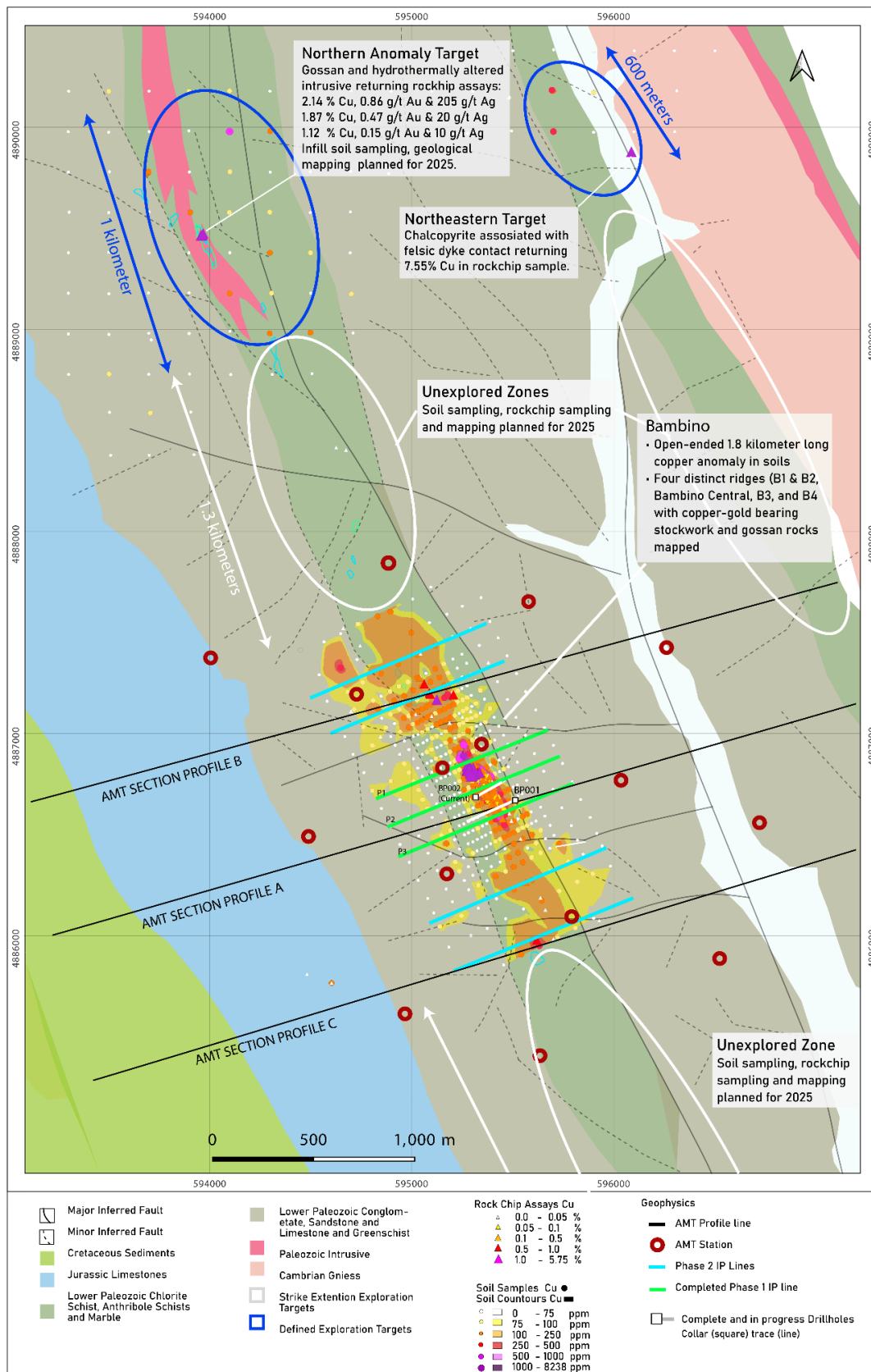


Figure 10: Geology and surface geochemistry map showing the location of the Bambino and Bambino Central anomalies within the broader target area (rock and soil results from News Release [30th October 2024](#), [4th September 2024](#), and [3rd July 2024](#)) with AMT survey stations, profile lines corresponding to figure 2. and phase 1 & 2 IP lines (EPSG 32634).

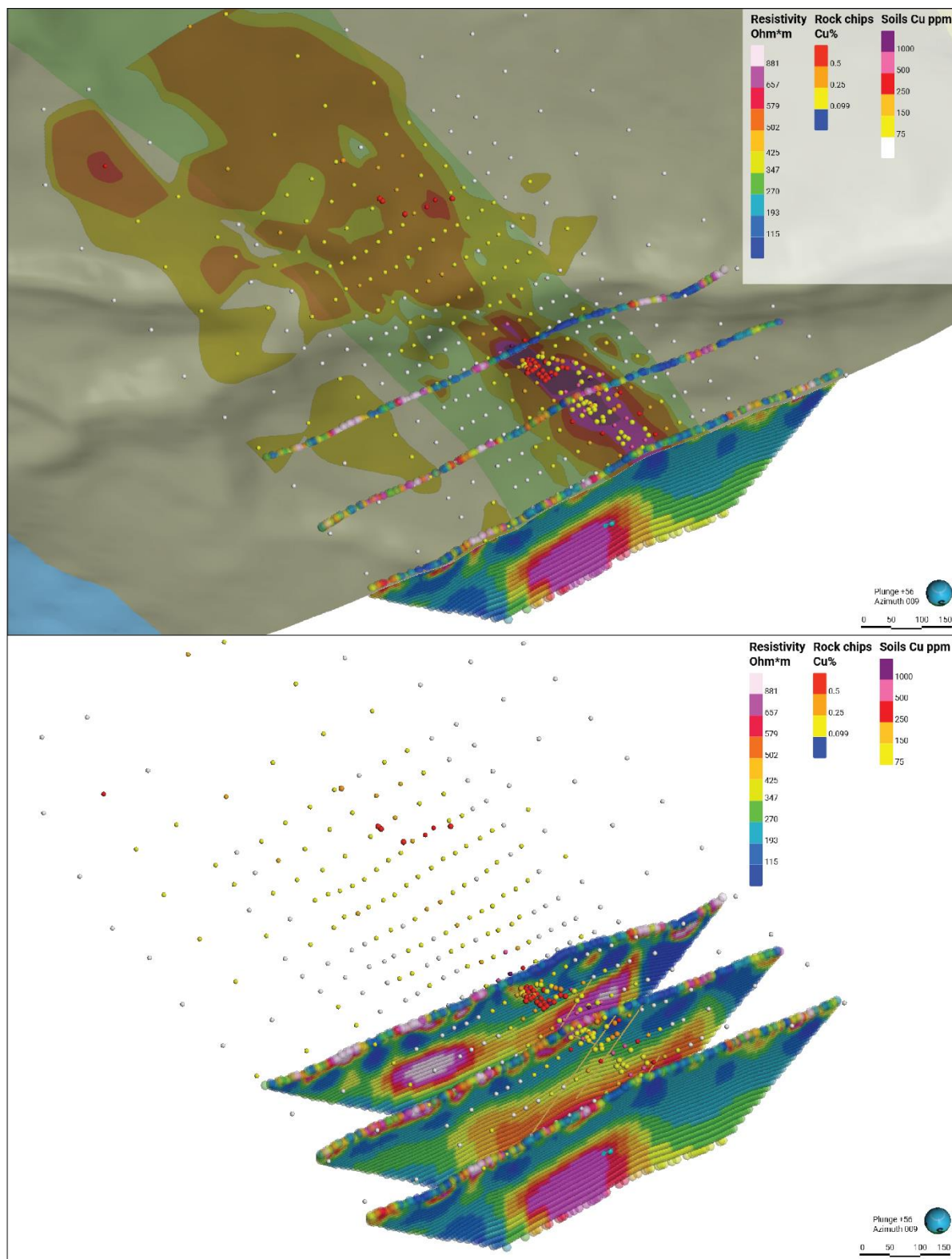


Figure 11: Oblique 3D view downwards to the northeast with resistivity results from the HIRIP lines showing zones of high resistivity adjacent to surface copper anomalism of the Bambino Central geochemical anomaly (IP results from [News Release December 19th 2024](#))

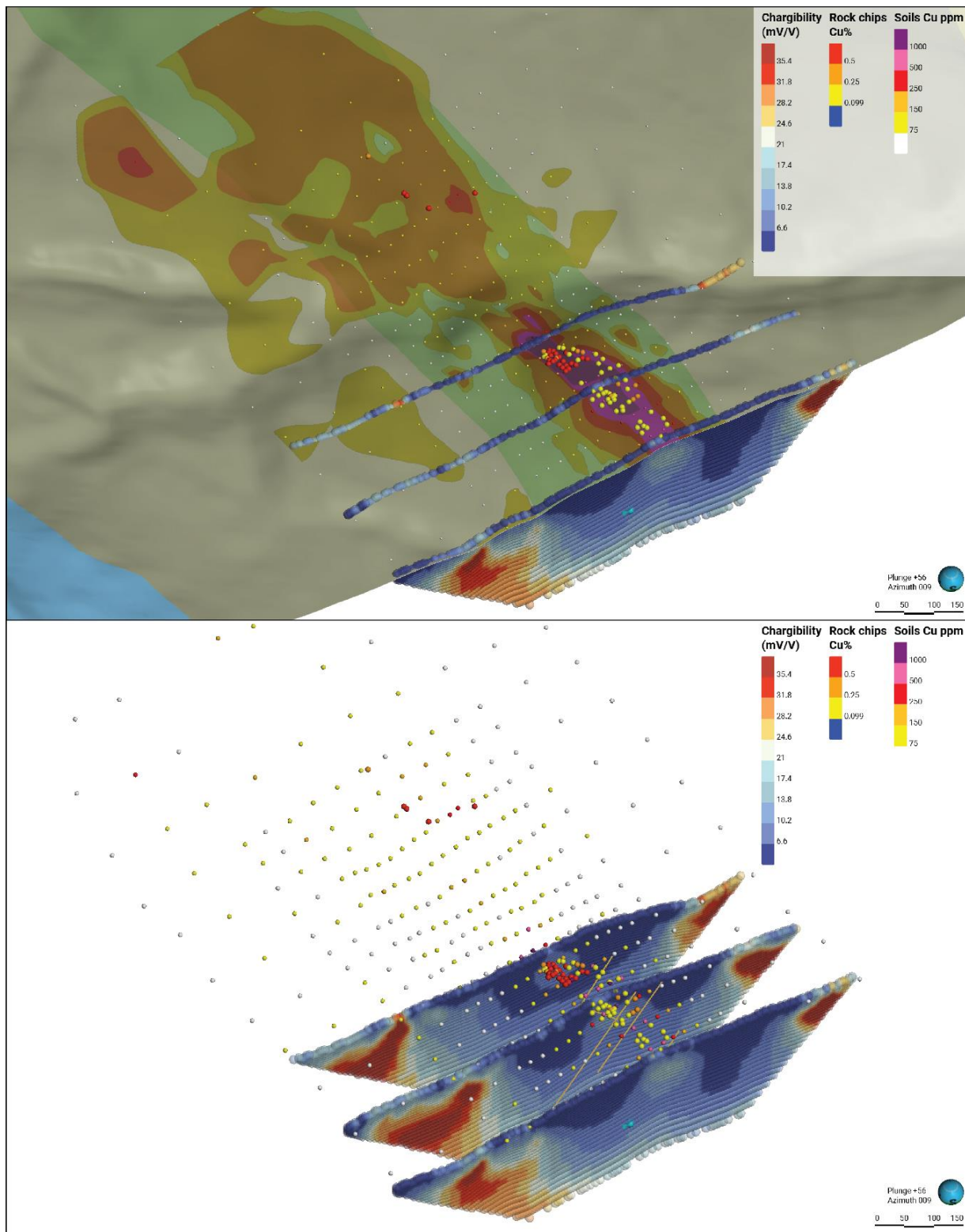


Figure 12: Oblique 3D view downwards to the northeast with chargeability results from the HIRIP lines showing a chargeability high directly beneath surface copper anomalism of the Bambino Central geochemical anomaly. (IP results from [News Release December 19th 2024](#))

Subsequent to the period end, the Company completed an Audio-Magnetotelluric survey across the Bambino area (see [News Release February 19th 2025](#)), phase two HIRIP survey across Bambino and two scout diamond drill holes at Bambino Central for a total of 704.4 metres (see [News Release April 2nd 2025](#)).

In January 2025, the Company engaged 3D Consulting-Geo GmbH to conduct a broadband Audio-Magnetotelluric (AMT) survey over the Bambino area of Timok East. The survey consisted of 14 stations spaced on a nominal 750-metre grid pattern (see Figure 10).

The survey identified a significant westerly-dipping conductivity high beneath the Bambino target at depths of 500–800 metres. This zone continues with increasing depth to the west into the TMC. Additionally, it continues eastward toward the surface, aligning with an unexplored ridgeline approximately 1.5 kilometres east of Bambino. This area presents a compelling target for follow-up mapping and surface geochemical analysis (see Figure 13).

This conductive anomaly potentially highlights a deep-seated regional structure that may have provided a pathway for mineralizing fluids to move laterally out of the TMC and could be linked to a large mineralized system. Directly beneath this conductive feature, the AMT survey identified a substantial zone of higher resistivity, which may correspond to a deep-seated intrusive body, potentially acting as a separate or additional driver of hydrothermal activity in the area (AMT results from News Release [14th of February 2025](#)).

These findings reinforce the geological prospectivity for deep-seated hydrothermal systems beneath Bambino and in the Company's Timok East licenses, providing potential evidence for structural links to the TMC magmatism and potential hydrothermal drivers and migration pathways needed for significant porphyry, epithermal or skarn style mineralization.

In January 2025, the Company completed Phase 2 of the HIRIP survey at Bambino. This survey consisted of four additional survey lines, 950 metres in length, traversing the northern and southern Bambino extensions (Bambino 1, 2, 3 & 4), (see Figure 10) areas identified through previous mapping and surface geochemical analysis completed in February 2025. Together, both phases covered approximately 1.6 kilometres of strike length across the Bambino anomaly, depth penetration of approximately 300 metres across each profile. Results from the Phase 2 survey confirmed a similar chargeability high anomaly beneath surface copper soil anomalism at the B1, B2, B3, and B4 targets as identified at Bambino Central.

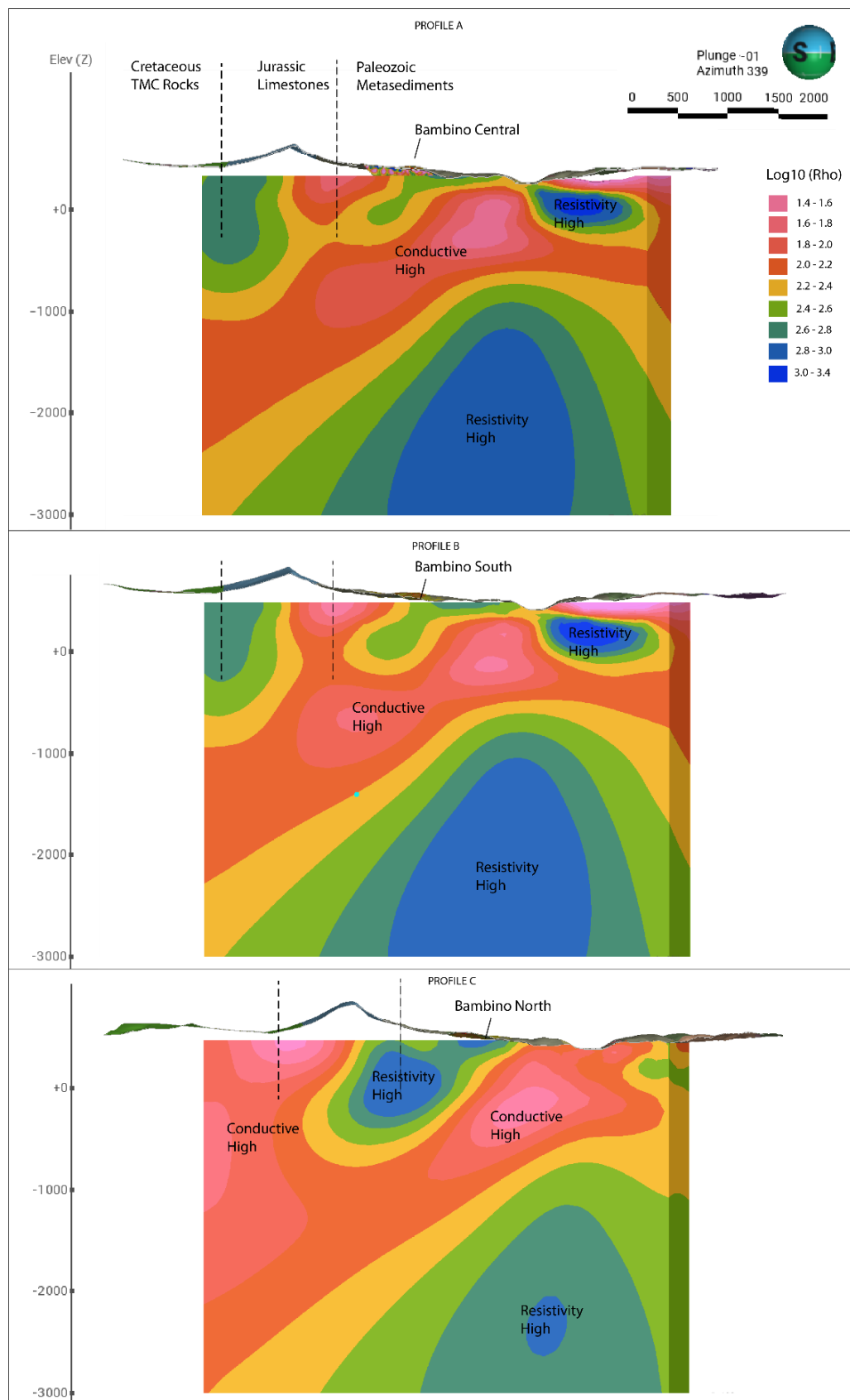


Figure 13: Cross-section profiles through a 3D inversion resistivity model from the AMT survey showing the location of Bambino targets areas in relation to the conductivity and resistivity anomalies, and locations of two drill holes (BC001 and BC002) on the Profile B. See figure 11 for section lines (AMT results from News Release [14th of February 2025](#)).

In March 2025, the Company completed its phase 1 scout diamond drill program at Timok East, focusing on the Bambino Central target.

The Phase 1 drill program consisted of two diamond drill holes BC001 and BC002, for a total of 704.4 metres (see figure 14), designed to test chargeability and resistivity anomalies identified beneath surface copper-gold mineralization in the late-2024 HIRIP survey. Both drill holes encountered isolated intervals of gold, silver, and copper mineralization (Drill results from News Release [April 2nd 2025](#)).

- **Gold:** Assay results included 20 samples returning values between 0.1 to 0.5 g/t Au and three samples returning values from 0.5 to 1.65 g/t Au. Gold mineralization was primarily associated with quartz-arsenic-rich shear zones and pyrite bearing stockwork zones surrounding intervals of skarn.
- **Silver:** Assay results included three samples returning between 10 to 109 g/t Ag. Silver mineralization was associated with anomalous copper values in both holes and correlated with intervals of skarn replacement.
- **Copper:** Assay results ranged from BDL (<1 ppm) to 3,090 ppm Cu. Mineralization was linked to chalcopyrite-bearing skarn intervals and showed an association with magnetite (see Figure 15 & 16).

Table 3: Drill Collar coordinates and orientations of complete diamond drillholes (EPSG:32634).

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

Both drill holes intersected zones of pervasive chlorite–epidote–hematite alteration, interlayered with zones of skarn replacement featuring fine to coarse-grained garnet, amphibole, and localized magnetite (Figures 15,16 & 17). These features are characteristic of a distal skarn environment, possibly linked to a primary hydrothermal source. Late-stage overprinting by quartz–calcite stockwork veining with minor pyrite indicates ongoing hydrothermal fluid activity beyond the primary skarn-forming phase, suggesting a prolonged, multi-phase hydrothermal system.

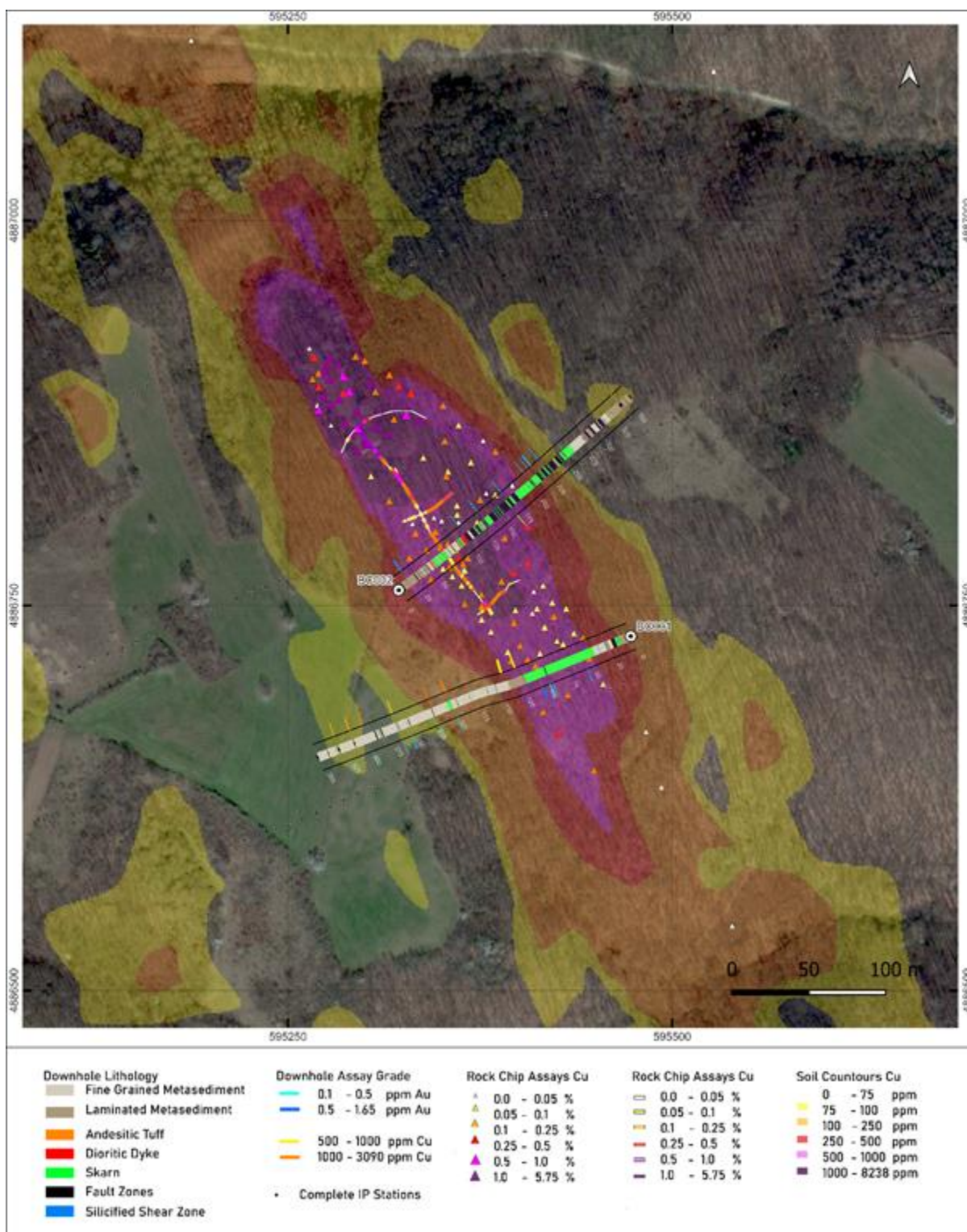


Figure 14: Planview map showing the locations of BC001 and BC002, with downhole lithology logging in relation to surface copper anomalism (Rock and soil results from News Release [30th October 2024](#), [4th September 2024](#), and [3rd July 2024](#), Trench results from News Release [November 5th 2024](#), Drill Results from News Release [April 2nd 2025](#)) (EPSG:32634).



Figure 15: BC001. Quartz-calcite stockwork veins in metasedimentary rock adjacent to low-grade gold mineralization (198.0 – 192.2 m at 0.13 g/t Au), and skarn magnetite replacement of metavolcanic rock with disseminated pyrite-chalcopyrite 199.2m – 200.0m at 0.31% Cu).



Figure 16: Skarn replacement of metavolcanic rock, with prominent magnetite and disseminated pyrite-chalcopyrite. BC001, 199.2-200 m at 0.31% Cu.

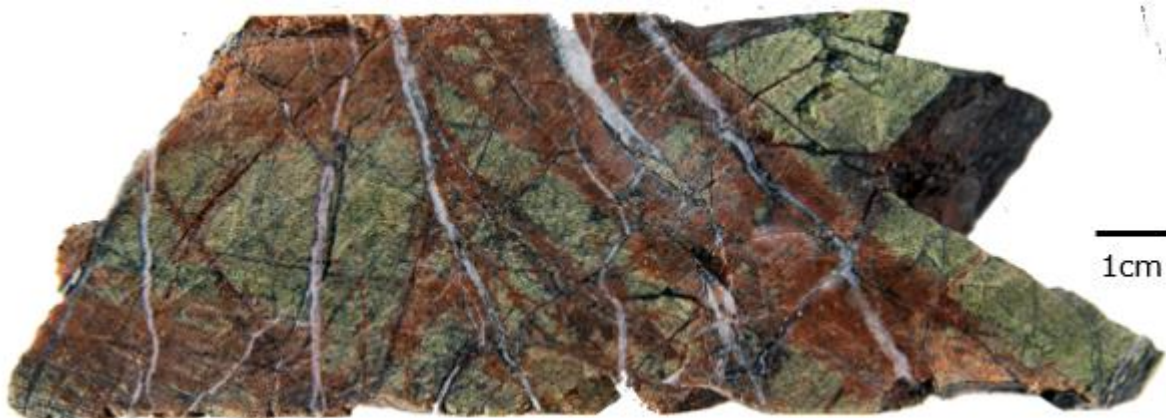


Figure 17: Quartz-calcite stockwork veining with hematite alteration selvage within Chlorite-epidote altered metavolcanic unit. Minor fine-grained magnetite on vein margins; minor chalcopyrite within veinlets. Pyrite dissemination and pyrite veinlets (<1mm) present throughout. BC001, 161.1 – 161.9 m, at 0.05% Cu.

In March 2025, as part of the BHP Xplor work-program, The Company focused on an extensive literature review and compilation of data, resulting in the identification of a prominent magnetic high anomaly (see Figure 20) in the western part of the Makovište license, coinciding with Phase 1 andesitic intrusive rocks at surface, shares geological and magnetic characteristics with known porphyry systems in the region. This Western Mag target, alongside the Eastern Conductive and deep resistive anomaly identified in the Initial AMT survey (see Figure 18), represent compelling targets for further exploration targeting hydrothermal centres within the Broader Bambino Area. Literature review also placed past exploration results within the context of the regional geological architecture, enabling more efficient future targeting (see Figure 19).

During this period the company has also completed follow-up mapping across the northern portion of the license, identifying Skarn mineralization across the 'northern anomaly', re-named the Northern Skarn target (see Figure 18). During this mapping, 14 Rock chip samples were taken for assay.

Assay results confirmed the extension of copper mineralization at surface over a 1.7-kilometre strike length at the Northern Skarn target. Mineralization was encountered within sulphide bearing skarn alteration and gossanous quartz breccia material), particularly around the contact zone between a mapped granodiorite intrusion and the surrounding Palaeozoic metasedimentary units (see Figure 19) (Rock chip results from [News Release April 16th 2025](#)).

This style of mineralization is consistent with surface expressions observed at the Bambino prospect, with elevated gold and silver values present in most samples, reinforcing the exploration model and highlighting the potential for laterally extensive skarn replacement and structurally controlled vein hosted mineralization along the central Bambino trend. The next phase of exploration across this trend will expand surface mapping coverage between the Bambino prospect and the Northern Skarn zone with targeted petrological studies and ground magnetics aiming to vector towards potential higher-grade zones within the system.

Key rock chip sampling of the Northern Skarn target include:

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

The combination of Cu-Au, skarn assemblages, overprinting vein systems, mineralization in rock chips and drill holes at the Bambino and Northern Skarn targets, magnetic high anomalies with overlying phase one andesites to the west and deep conductive and resistive AMT anomalies identified in the area, supports the potential presence of a larger, concealed mineral system at Timok East.

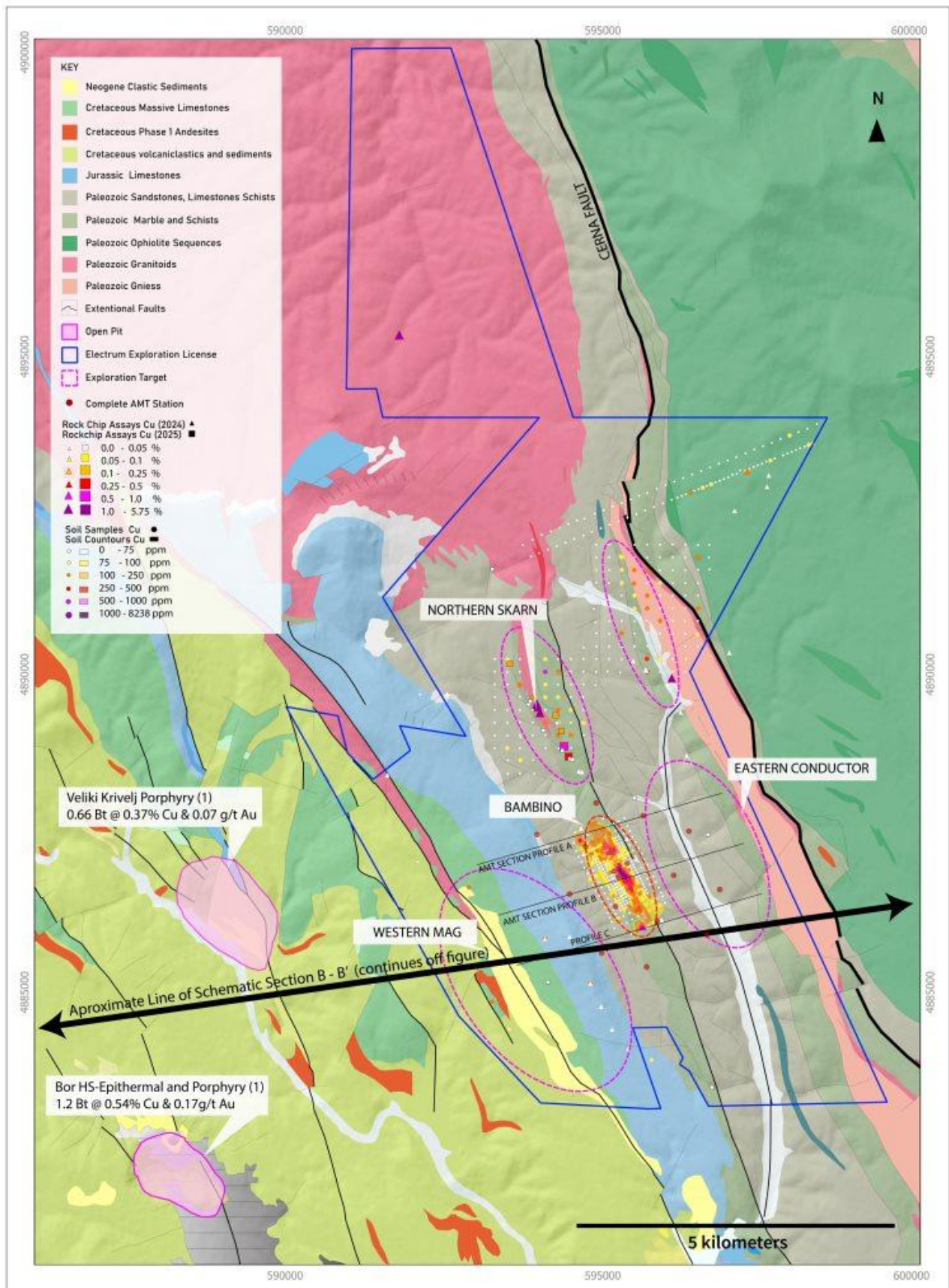


Figure 18: Map of targets on 100k geology background, highlighting new targets identified from regional targeting work and the location of newly reported assay samples (2025) (2024 Rock and soil results from News Releases [30th October 2024](#), [4th September 2024](#)) (EPSG:32634)

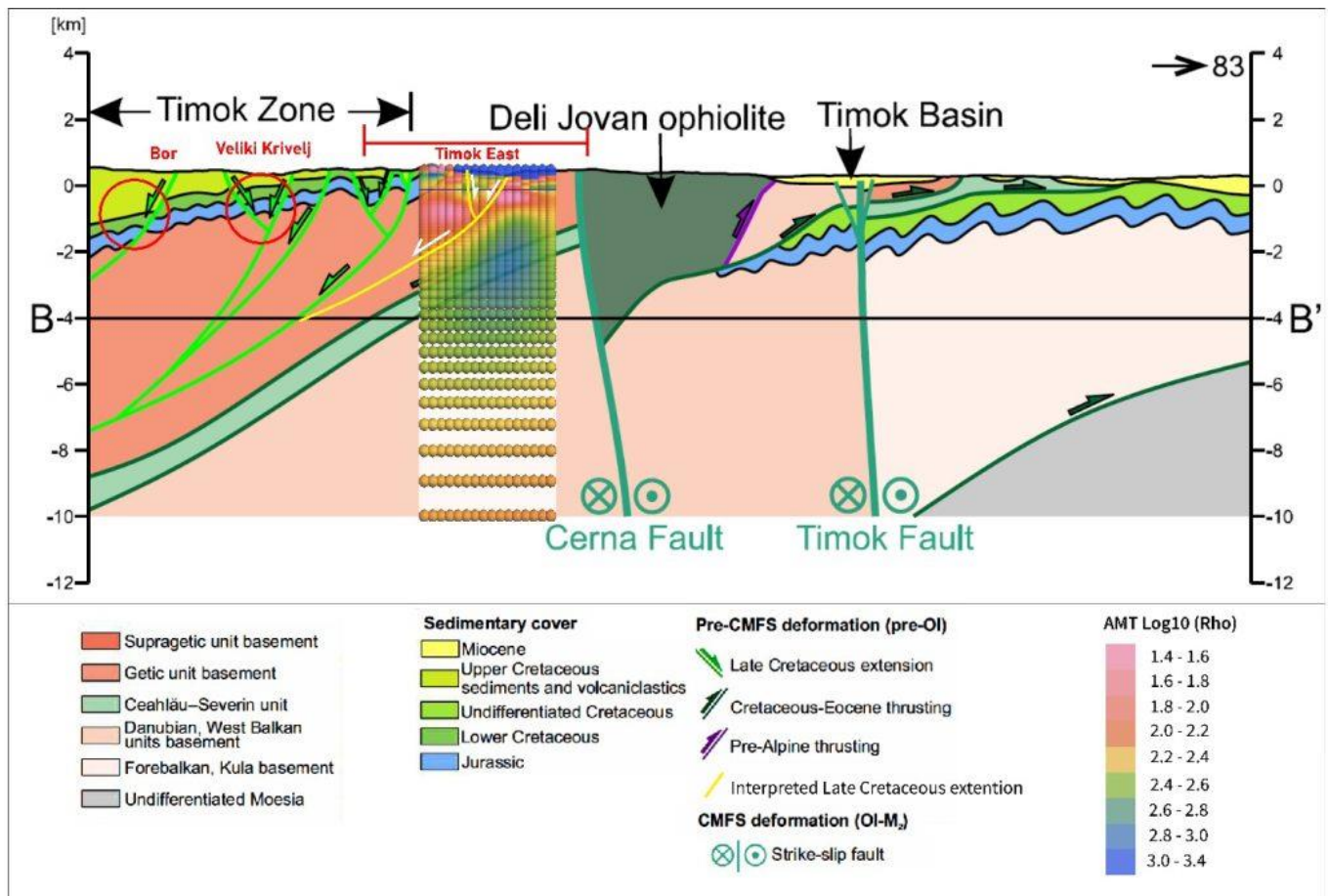


Figure 19: Schematic cross-section of the eastern boundary of the Timok Magmatic Complex and Deli Jovan Ophiolite showing results from the AMT survey ([see release February 19th 2025](#)) with the Company's interpretations of extensional fault sets across Timok East. The approximate structural context and locations of the Bor and Veliki Krivelj porphyry copper deposits are also shown. Line of section displayed on figure Circum-Mos Modified from Krstekanić et al. (2022)¹. [3rd July 2024](#)).

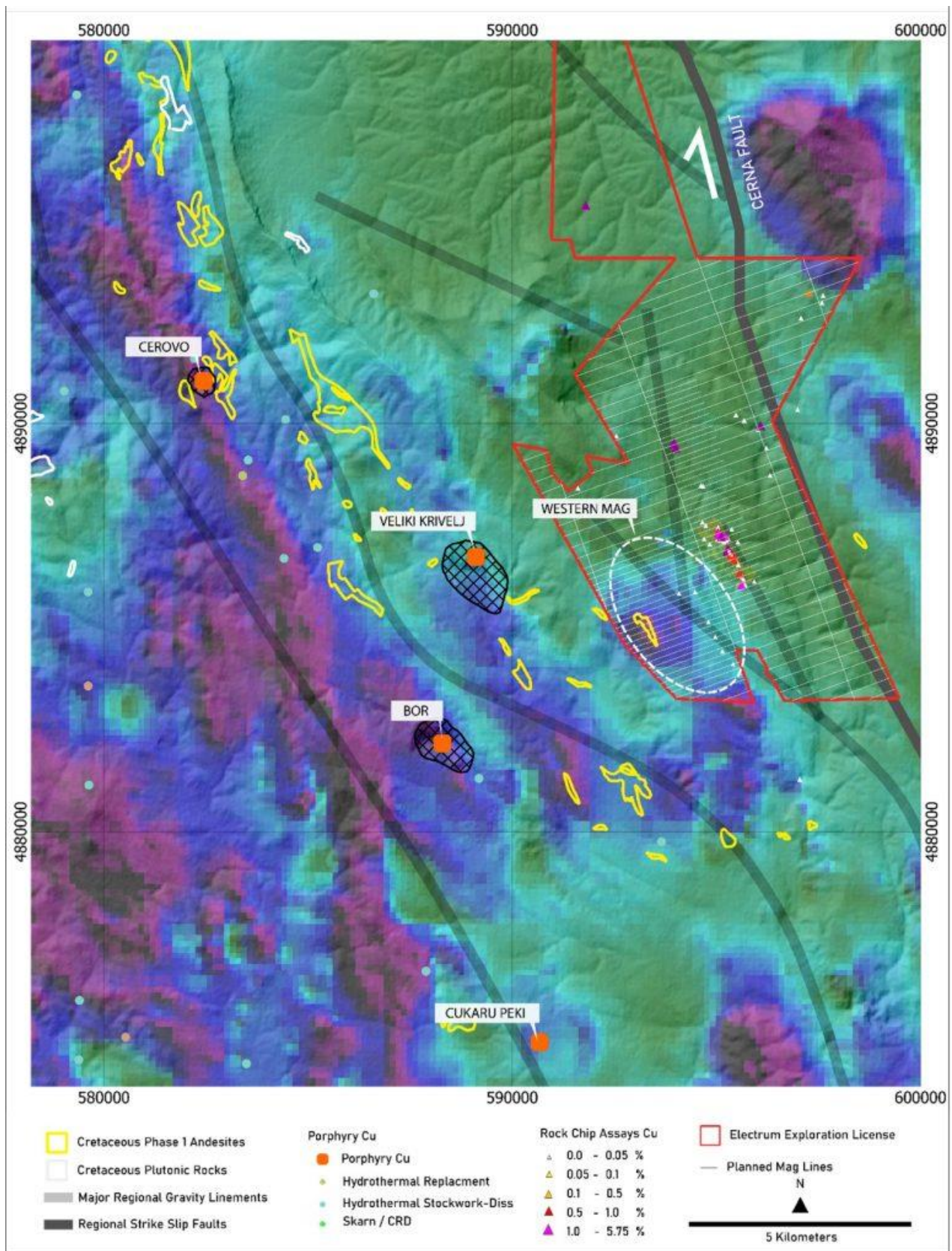


Figure 20: Location of planned magnetic lines across Luka and Makovište on Historical magnetic data (analytical signal) covering the Bor Mining complex and Luka and Makovište licenses, showing Phase 1 andesites from State geological maps, commonly associated with porphyry mineralization. (EPSG:32634). Meta data for the magnetic analytic signal map layer is unknown and the map layer has not been verified.

Novo Tlamino Project

As a result of the Acquisition, the Company expanded its Tlamino Gold Project, located in southern Serbia which is now renamed to the Novo Tlamino Project (“**Novo Tlamino**”). Originally the Company held two exploration licenses: the Donje Tlamino and Surlica-Dukat licenses which comprised the Tlamino Gold Project. Following the Acquisition, the Company added further 307 square kilometres of exploration ground across four further licenses (Radovnica, Ljubata, Crnoštica and Brod), some contiguous with the Tlamino Gold Project that are deemed to be of exploration potential, which together with original Tlamino Gold Project covered an area of 522 square kilometres and form the Novo Tlamino Project.

In October 2020, the Serbian Ministry of Mining and Energy issued exploration licenses for Donje Tlamino and Surlica Dukat for the period of 3 years, which expired in October 2023. In October 2023, the Company submitted progress reports and renewal application for the second three- year exploration cycle for the Donje Tlamino and Surlica Dukat properties. During the period ended December 31, 2024, the Company received the three-year extensions for the Surlica Dukat and Donje Tlamino exploration licenses.

During the period ended December 31, 2024, licenses Radovnica, Ljubata and Crnoštica, expired and the Company's subsidiary Medgold Istraživanja DOO has submitted new applications for all three licenses. Additionally, during the period ended December 31, 2024, due to its lack of prospectivity, the Company decided to return mineral exploration license Brod to the Ministry of Mining. As a result of these changes, at present the Novo Tlamino Project consist of two valid licenses: Donje Tlamino and Surlica Dukat, covering a total of 192.63 km², and three mineral exploration license applications: Radovnica, Ljubata and Crnoštica, covering a total of 226.65 km² (see Table 4).

Table 4: The Novo Tlamino Project

The Novo Tlamino Project: Constituent licenses			
License Name	Area (km ²)	Award date	Years remaining
Donje Tlamino	97.51	10 Dec 2024	2 + 2 years
Surlica Dukat	95.12	7 May 2024	2 + 2 years
Radovnica	98.30	<i>In application</i>	
Ljubata	60.19	<i>In application</i>	
Crnoštica	68.16	<i>In application</i>	
Total	419.28 km²		

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

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

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

The Tlamino Gold Project

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

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

The Novo Tlamino Project: Exploration Targets

Following extensive data review and filed work, the Company has confirmed key exploration targets at the Novo Tlamino Project (see Figure 21), namely Karamanica, Jube Jube and Liska- Barje.

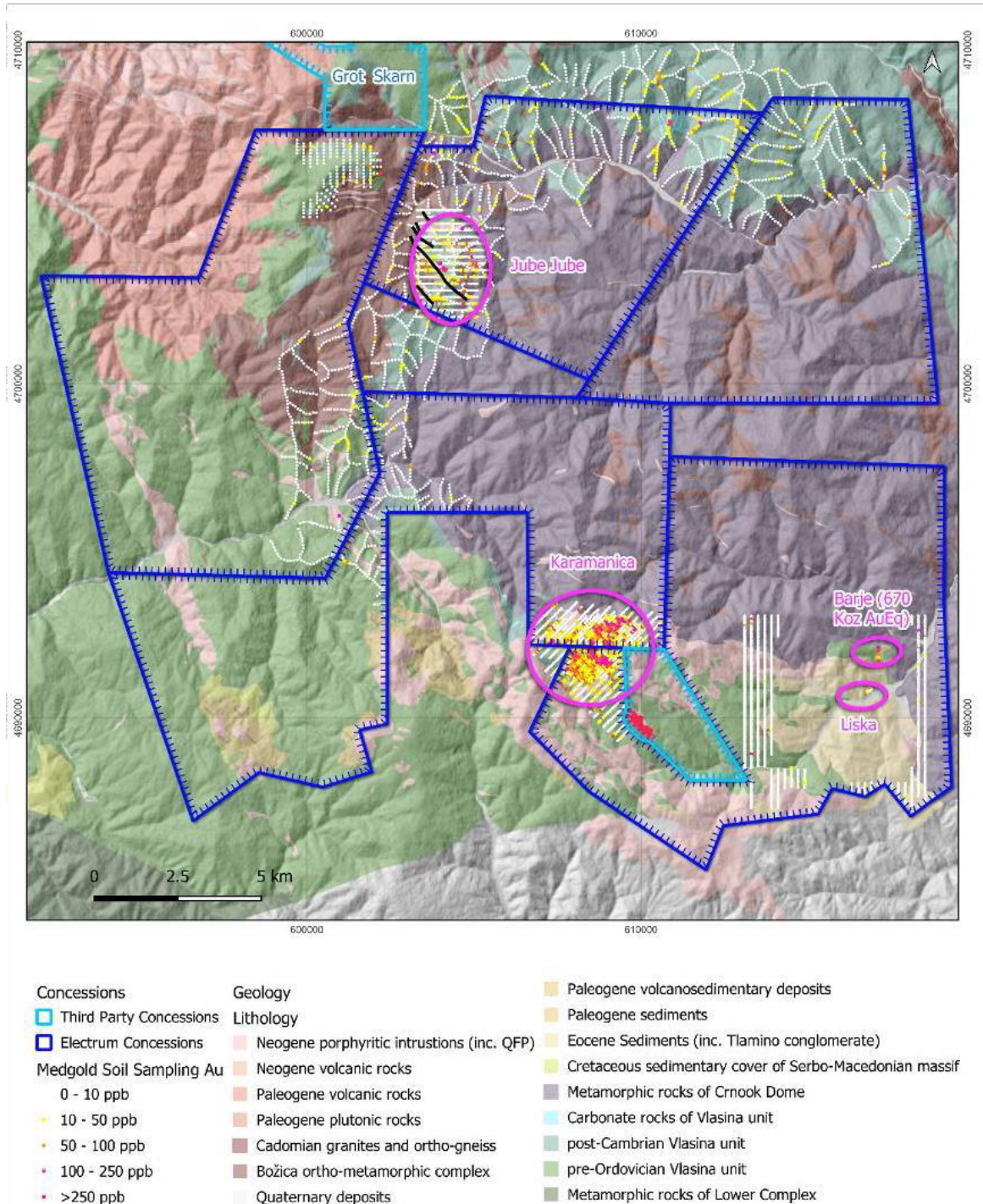


Figure 21: Geology map highlighting the three main Novo Tlamino targets with surface soil geochemistry.

Karamanica Target

The Karamanica Target is located approximately 5 kilometres west from Barje. Soil sampling has defined a 2.5 x 2.5 Au-Cu-Ag anomaly at surface (see Figure 22) within which individual rock-chip samples returned assays up to 11.1 g/t Au, 911 g/t Ag, and 4.7% Cu. Current fieldwork by the Company has identified sulphide-mineralized vuggy silica in historical mine dumps within a broad silicified zone in the south of the anomaly. Sulphide-mineralized vuggy silica is typically associated with high sulphidation epithermal systems, a potential target that was previously unrecognized at Karamanica.

Past exploration focused on the western strike extension of the privately owned Bosilegrad Pb-Zn mine, a subvertical vein-hosted deposit southeast of the main anomalous zone. At Karamanica, eight holes were drilled, totaling 1,996.5 metres targeting the Bosilegrad mine extension and gold anomalism over limestone in the north. This drilling intercepted varying degrees of gold mineralization, including 2.0 metres at 0.9 g/t Au from 241 metres in hole KAR002.

Karamanica Reconnaissance Work

In October 2024, the Company completed limited new rock chip sampling. Furthermore, petrology studies are being undertaken to support this campaign.

- **Rock Chip Sampling:** Six samples were collected across prospective geological contacts and outcrops, four samples returned assays of between 0.29 and 2.57 g/t gold from brecciated and gossanous rocks along contacts between limestone and graphitic schist units in the centre and northeast of the concession (see Figure 22).
- **Petrology Sampling:** Five additional samples were collected for petrological studies to characterize the mineralogy and style of mineralization in vuggy silica material observed in historic mine dumps in the southwest target area.

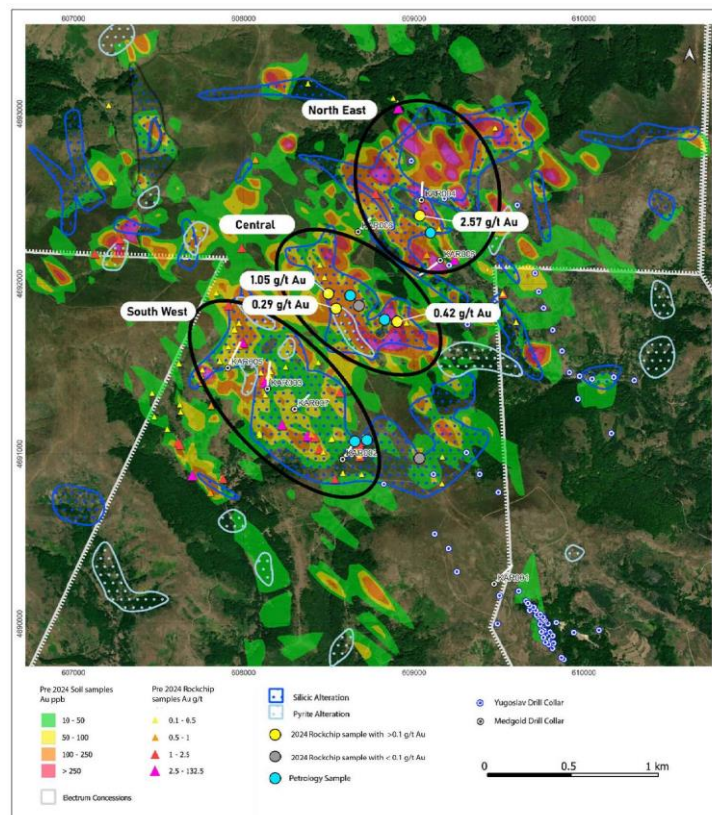


Figure 22. Map showing alteration and surface soil gold geochemistry and reconnaissance rock chip sample results at the Karamanica target.

The next phase of exploration will focus on detailed mapping of the alteration assemblages across the Karamanica Target, including delineation and sampling of vuggy silica, ahead of drill targeting. This work focuses on understanding

mineralization styles and alteration assemblages associated with specific surface geochemical anomalies generated from previous soil and rock samples.



Figure 23: *Example of vuggy silica material taken from Karamanica.*

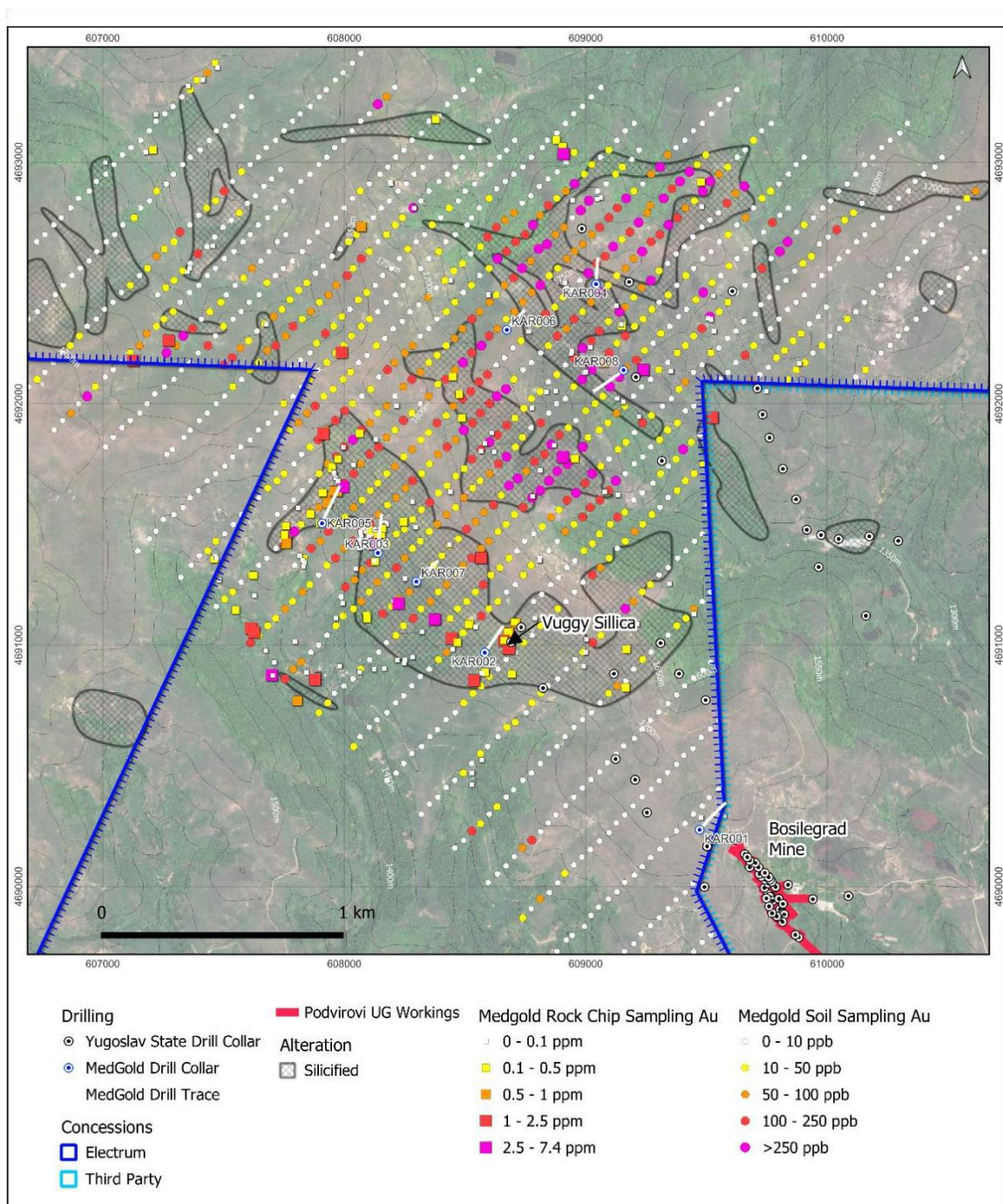


Figure 24: Surface soil gold anomalies, rockchip samples and silicification mapped zones across the Karamanica exploration target.

Jube Jube Target

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

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

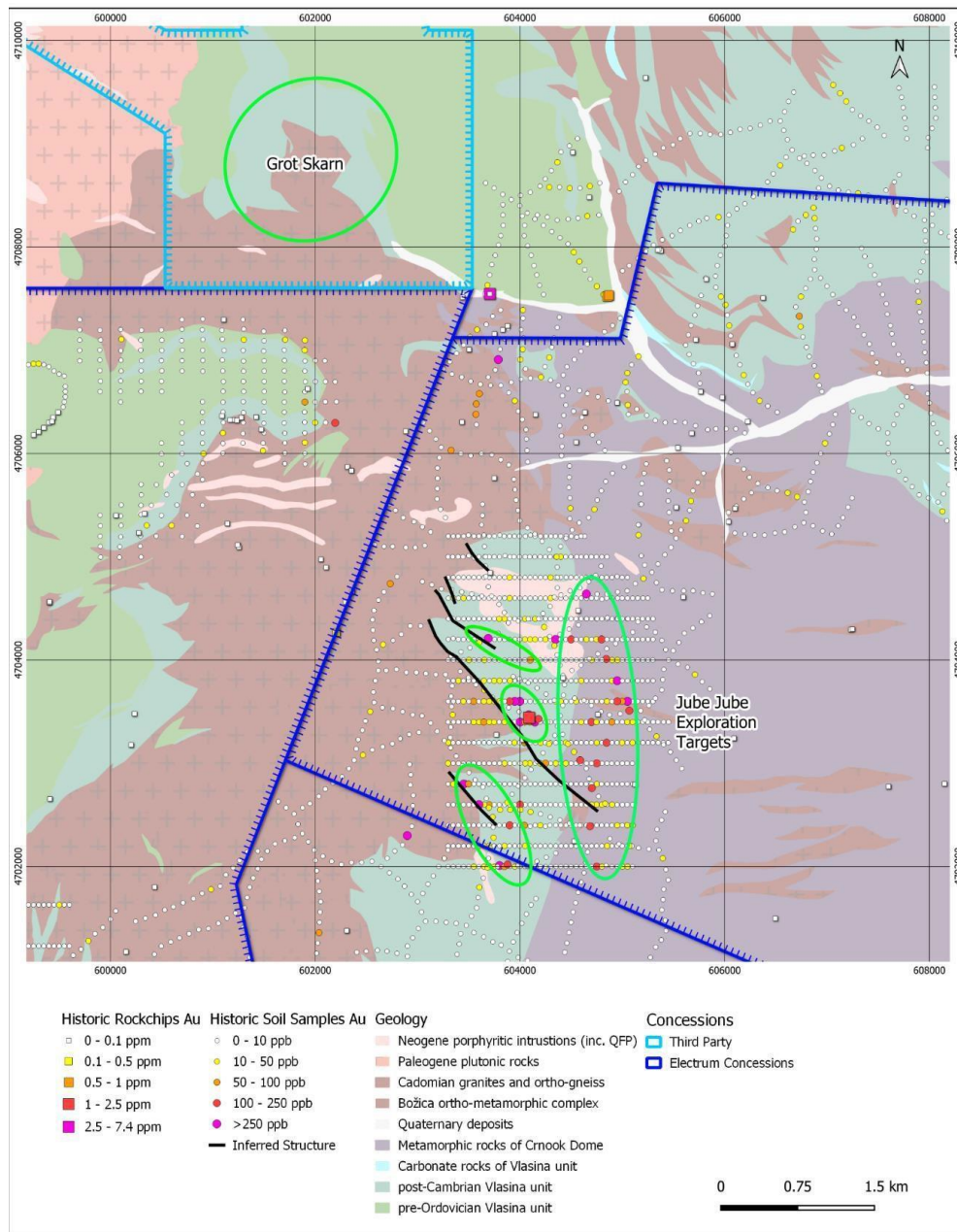


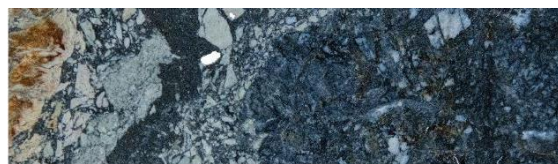
Figure 25: Surface gold anomalism within the Jube Jube target area in relation to Grot mine in the north.

Liska-Barje Target

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



Photograph of core from Liska Hole LIS006, from 137 – 138 meters and assaying 0.38 g/t Au, 12 g/t Ag, 2 % Pb and 4.4% Zn



Photograph of core from Barje Hole BAR013, 84 - 85 meters and assaying 13.15 g/t Au, 78 g/t Ag 1.4% Pb and 2.7 % Zn

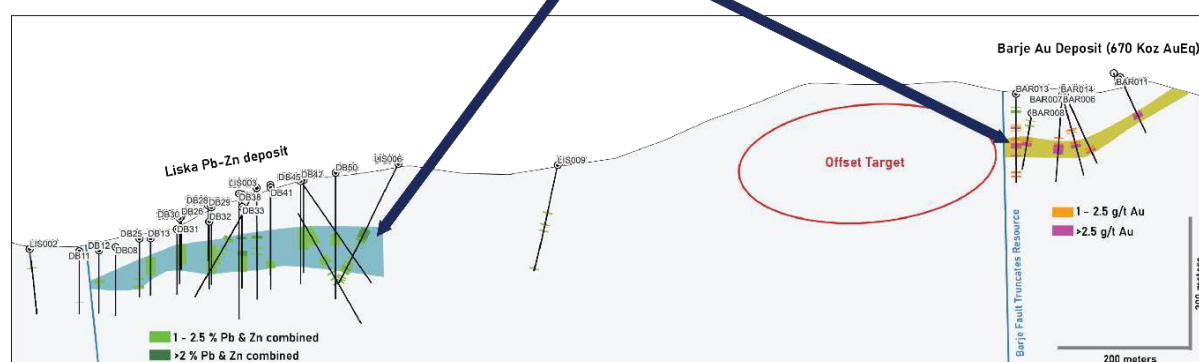


Figure 26: Cross section through the Barje and Liska deposits, with tagged core photographs showing similarities in mineralization styles between the two deposits.

Preliminary Economic Assessment

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

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

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

The key financial metrics of the Project are summarized in Table 5.

Table 5: Barje PEA Key Financial Metrics

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

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

Basis of Preliminary Economic Assessment

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

Mining via open pit methods using a conventional truck and shovel fleet is contemplated, delivering approximately 600,000 tpa of two Run of Mine (“**ROM**”) material types - High-Grade Breccia (“**HG_BX**”) and Low-Grade Schist (“**LG_Sch**”) - to stockpile for processing, with a life-of-mine stripping ratio of approximately 4:1. On site mineral processing is via grinding and flotation to a bulk Au-Ag bearing sulphide concentrate for sale to potential offtake customers. Preliminary economic analysis has been performed in accordance with the preliminary mine design and schedule, metallurgical testing, and concentrate payability analysis developed in the study, and the estimates and analyses therein have been prepared to scoping level (+/-30%). Oxidized material from the Mineral Resource was not considered by the PEA, and the nearby prospects at Liska and Karamanica were similarly omitted. A preliminary site layout, subject to further study, permitting and land access is shown in Figure 12. Key project parameters are presented in Table 6.

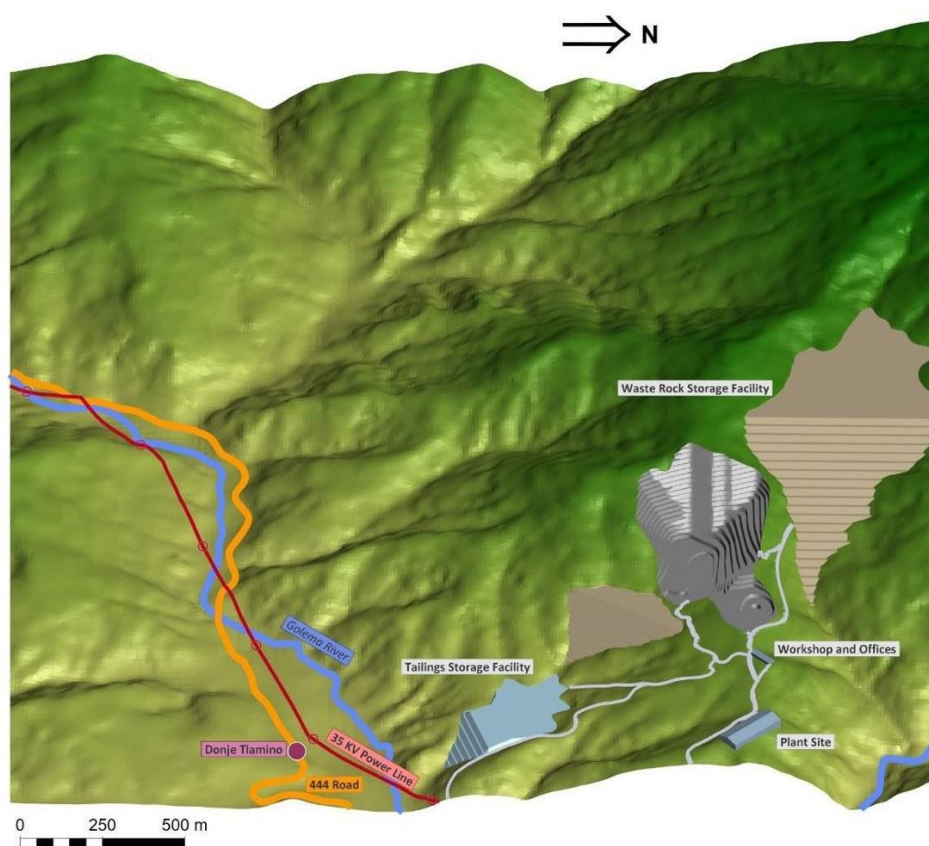


Figure 27: Preliminary Site Layout, Barje (looking west)

Table 6: Summary of Project Parameters

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

Mining

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

Mining is expected to be completed over four pit stages with an active life of mine (“**LOM**”) of approximately eight years, followed by a further two years of production from stockpile reclamation. Pit and schedule optimizations prioritize mining and processing of HG_BX material where possible, with LG_Sch material stockpiled and processed periodically throughout the LOM. Mining parameters are summarized in Table 7.

Table 7: Summary of Mining Parameters

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

Processing

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

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

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

Tailings are densified in a high-rate thickener before final dewatering by means of a pressure filter before storage in a dry-stack type Tailings Storage Facility (“**TSF**”), thus improving the geotechnical properties of the TSF and maximizing recycling of process water. Key processing parameters are presented in Table 8.

Table 8: Summary of Mineral Processing Parameters

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

Capital Costs

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

Plant capital provides for the design and construction of a 600,000 tpa flotation plant including crushing, grinding, froth flotation, concentrate and tailings handling facilities including filtration of tailings for dry stacking. Infrastructure includes for mine support infrastructure, plant infrastructure, dry stack tailings storage facility, power (including backup 35 kV line), water and internal roads. A summary is presented in Table 9. Estimates for closure were also assessed during the ESIA review process.

Table 9: Capital Cost Estimates

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

Operating Costs

A high-level breakdown of operating costs was developed based on current designs and quotes from recent similar projects by Bara Consulting. Mine operating costs include ore mining and waste mining at US\$2.30/t, plus a stockpile reclaim cost for LG material of US\$1/t equating to US\$0.50/ROM tonne. Process costs include crushing, grinding, flotation, concentrate handling and tailings handling (including filtration) for 600,000 tpa flotation feed. G&A includes on-mine administration and general costs. Concentrate transport is costed for delivery of concentrate CIF to customers in China. Details are presented in Table 10 below.

Table 10: Operating Cost Estimates

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

Economics and Sensitivities

The post-tax NPV of the Project, at a discount rate of 8%, is US\$86M, with an IRR of 46%, and an operating margin of 61%. Up-front capital is US\$74M with payback achieved in two years. Life of mine C1 cash costs are US\$464/oz Au, and life of mine AISC are US\$522/oz Au. Sensitivity analysis of key capital and operating cost parameters, and gold price indicates significant upside potential to the project are shown in Figure 8. The Project was demonstrated to be most sensitive to variance in gold price, and least sensitive to variances in capital cost. Specific post-tax NPV and IRR sensitivity ranges are presented in Table 11.

Table 11: NPV and IRR sensitivities, Barje Prospect

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



Figure 28: Post-Tax NPV and IRR Sensitivity, Barje Deposit

Mineral Resources

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

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

The updated Mineral Resource Estimate has an effective date of January 7, 2021 and supersedes the previous initial Mineral Resource Estimate announced on January 30, 2020; there has, however, been no material change to the estimate in terms of tonnage, grade and contained metal. See Table 12 for further information relating to the updated Mineral Resource Estimate. A north-south cross-section illustrating the optimized Barje pit and block model is shown in Figure 29.

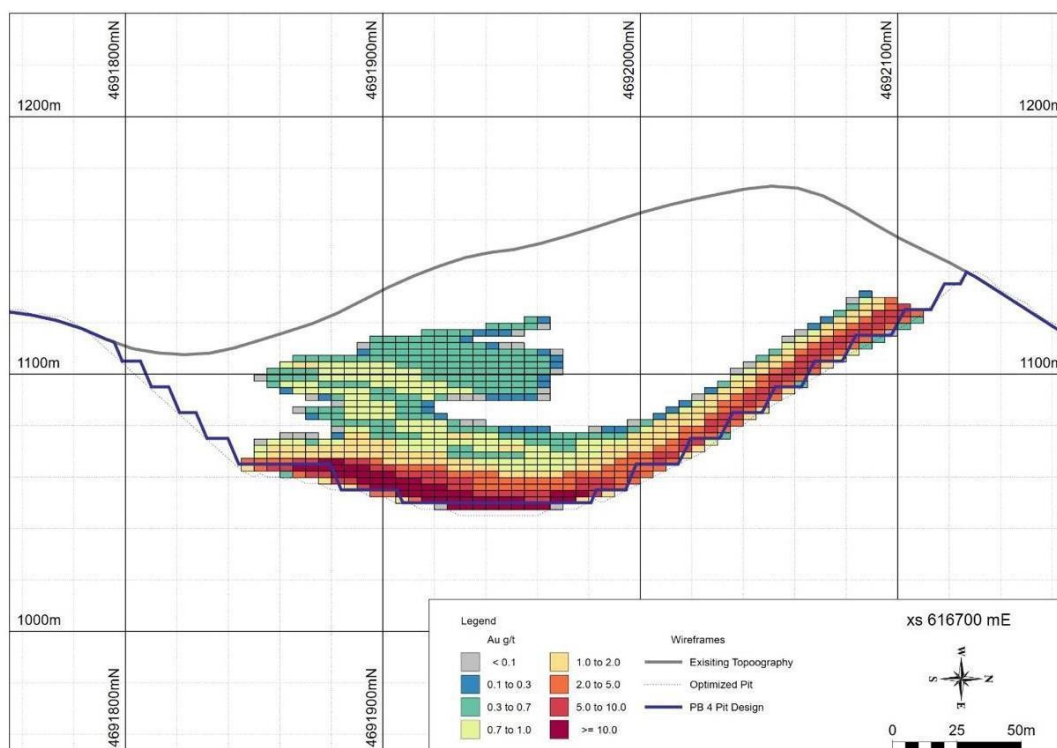


Figure 29: North-south cross-section illustrating the optimized Barje pit and block model

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

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

Table 12: Mineral Resource Estimate, Barje Prospect

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

Notes to the Mineral Resource Estimate:

1. The independent Qualified Person for the Mineral Resource Estimate, as defined by NI 43-101, is Mr. Richard Siddle, MSc, MAIG, of Addison Mining Services Ltd since November 2014. The effective date of the Mineral Resource Estimate is January 07 2021.
2. These Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred Resources in this Mineral Resource Estimate are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as Indicated or Measured, however it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. Additional drilling is however required to increase the confidence in the Mineral Resource; increased levels of information brought about by further drilling may serve to either increase or decrease the Mineral Resources.
3. Mineral Resources reported in the above table are presented as undiluted and in-situ for an open-pit scenario and are considered to have reasonable prospects for economic extraction. The Mineral Resources constrained by open pit optimization.
4. Break even cut-off grades were estimated for each material type of 0.6 g/t, 0.8g/t and 0.5 g/t AuEq for the High Grade Breccia, Low Grade Schist and Partially Oxidized materials respectively, these cut-off grades were used in Resource Reporting. The cut-off grades were calculated on the basis of the following assumptions: a gold price of US\$1500/oz, a silver price of US\$16.5/oz, mining costs of US\$2.3/t, processing costs including tailings disposal of US\$10/t for sulphide rock and US\$12/t for oxide, G&A costs of US\$4/ROMt and transport costs of US\$2/ROMt.
5. Per metallurgical test work completed to date, recovery to concentrate after flotation of 85.8% for gold and 84.3% for silver were used for the High Grade Breccia material with 75% payability. For the Low Grade Schist recoveries used were 76.5% for gold and 82.7% for silver with 60% payability. For the Partially Oxidized material 80% recovery via leaching for gold and silver was assumed with 98% payability. 5% gross royalty was applied to both metals.
6. Geological and block models for the Mineral Resource Estimate used data from 33 surface drillholes performed by Medgold in 2018 and 2019; data from four drillholes completed by Avala Resources Ltd., a prior operator, were used to constrain the model though they did not intercept significant mineralization. The drill database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Medgold and by comparison of umpire assays performed at a second laboratory. No QA/QC was possible on the data relating to the drilling by Avala.
7. The geological model as applied to the Mineral Resource Estimate comprises two mineralized domains, a shallowly inclined high-grade hydrothermal breccia unit and a lower-grade schist unit immediately overlying the hydrothermal breccia. Individual wireframes were created for each domain. Weathering domains of fresh and partially oxidized material were defined within the two mineralized domains.
8. The block model was prepared using Micromine version 2020, Services Pack 1, A 10 m x 10 m x 4 m block model was created with sub-blocks of minimum 2 m x 2 m x 2 m on domain boundaries. Grade estimation from drillhole data was carried out for Au, Ag, As, Cu, Pb, Zn, Fe, S using Ordinary Kriging and was validated by comparison of input and output statistics, kriging neighborhood analysis and by inspection of the assay data and block model in cross section. A gold equivalent (AuEq) grade was calculated for each block using the formula $AuEq = ((Ag \text{ g/t} \times 0.011)) + (Au \text{ g/t})$ for the High Grade Breccia and Partially Oxidized materials and $AuEq = ((Ag \text{ g/t} \times 0.012)) + (Au \text{ g/t})$ for the Low Grade Schist.
9. Bulk density values were calculated for each block of the model based on a broad linear relationship observed between 152 measured bulk density values within the mineralized domains and the assayed values of As, Cu, Fe, S, Pb and Zn. Blocks within the partially oxidized material were assigned a single bulk density value of 2.54 g/cm³.
10. Estimates in the above table have been rounded to two significant figures.
11. CIM Definition Standards for Mineral Resources have been followed.
12. The independent Qualified Person for Resources is not aware of any additional known environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues that could materially affect the Mineral Resource Estimate.

Qualified Persons

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

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

Quality Control and Assurance

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

Selected Annual Information

The following table provides financial results for the years ended December 31, 2024, 2023 and 2022:

	2024 (\$)	2023 (\$)	2022 (\$)
General and administrative expenses	1,817,731	539,018	492,542
Interest and other income	18,961	2,167	145
Loss for the year	1,786,837	1,558,963	466,944
Basic and diluted loss per share	0.03	0.06	0.02
Total assets	4,913,738	1,495,347	1,060,626
Total liabilities	795,138	1,508,924	414,568
Cash dividends	-	-	-

General and administrative expenses were significantly higher in the 2024 fiscal year following the completion the Acquisition in January 2024 and increase in corporate and exploration activity. Total assets were also significantly higher for the 2024 fiscal year due to a value of \$1,520,257 being capitalized upon the Acquisition for Medgold's Tlamino property and equity financings following the Acquisition. Total liabilities were significantly higher for the 2023 fiscal year as there were significant costs incurred throughout that year regarding the Acquisition. Total liabilities had decreased significantly from the 2023 fiscal year to the 2024 fiscal year due to the Company settling some debt with funds from equity financings and the issuance of common shares.

Quarterly Information

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

	Dec. 31, 2024 (\$)	Sep. 30, 2024 (\$)	June 30, 2024 (\$)	Mar. 31, 2024 (\$)	Dec. 31, 2023 (\$)	Sep. 30, 2023 (\$)	June 30, 2023 (\$)	Mar. 31, 2023 (\$)
General and administrative expenses	648,987	332,978	427,922	407,844	148,243	167,781	89,706	133,288
Interest and other income	10,431	3,019	5,485	26	184	2	-	16
Foreign exchange gain (loss)	(20,906)	2,790	(4,324)	(7,515)	7,008	1,056	2,671	(1,068)
Loss for the period	(730,982)	(297,094)	(426,761)	(332,000)	(274,319)	(395,732)	(739,075)	(149,837)
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.03)	(0.01)

General and administrative expenses and reported losses for the fiscal 2024 quarterly periods were significantly higher than the 2023 fiscal quarterly periods due to the increase in corporate and exploration activity following the Acquisition. The loss for the quarter ended December 31, 2024 was higher than all other quarters presented due in part to a write-off of exploration and evaluation assets costs of \$173,921 whereas there was no such charge for any of the other quarters presented. Reported losses for the quarters ended June 30, 2023, September 30, 2023, and December 31, 2023 were significantly impacted by listing expenses of \$669,661, \$230,738, and \$67,522, respectively that related to the Acquisition.

Results of Operations*Quarter ended December 31, 2024*

For the quarter ended December 31, 2024, the Company had a net loss of \$730,982 compared to a net loss of \$274,319 for the quarter ended December 31, 2023, an increase of \$456,663. Contributing to the higher net loss for the current quarter was a loss of \$46,256 on extinguishment of debt by way of issuing shares and a \$173,921 write-off of Lece West Project exploration and evaluation asset costs compared to no such costs recorded in the comparative quarter.

General and administrative expenses totaled \$648,987 for the current quarter compared to \$148,243 for the comparative quarter, an increase of \$500,744. The current quarter expenses are significantly higher as there were numerous expenses either not incurred in the comparative quarter or relating to an increase in corporate activity after the Acquisition. Such notable costs were a share-based payments expense of \$197,133, salaries and benefits of \$11,423, long-term payable accretion expense of \$9,92, and transfer agent and regulatory fees of \$2,732. The share-based payments expense relates to the fair value of the vested portion of options granted during the first and fourth quarters of the 2024 fiscal year and fair value of deferred share units awarded during the current quarter. Whereas the fair value of options granted during the current year is being charged to operations over vesting periods of eighteen and twenty-four months, the entire fair value

of the deferred shared units is expensed immediately. Salaries and benefits include costs for administrative and marketing support personnel, including the Chief Financial Officer. Other notable cost increases for the current quarter included increases of \$106,089 in consulting fees, \$103,200 in marketing and investor relations fees, \$57,860 in legal fees, \$39,961 in office and administration, and \$27,750 in management and director fees. Consulting fees include business development, financial advisory, and Corporate Secretary services. Marketing and investor relations fees include service agreements and promotional activities. Legal fees were higher due to more business activities post-Acquisition in Canada and Serbia that required legal services. Office and administrative costs were higher due to these costs including those for both the Company and Balkan Metals whereas the comparative quarter expense was just that for Balkan Metals before the Acquisition. Management fees were higher due to the compensation for the Chief Executive Officer increasing during the current quarter in addition to more directors' fees following the restructuring of the Board upon the Acquisition. A notable cost decrease for the current quarter was in audit and accounting fees which were minimal in the current quarter compared to \$74,833 in the comparative quarter. Audit and accounting fees were higher in the comparative quarter due to the timing of Balkan Metals' auditor requirements and the use of a consultant for accounting services prior to the Acquisition.

Year ended December 31, 2024

For the year ended December 31, 2024, the Company had a net loss of \$1,786,837 compared to a net loss of \$1,558,963 for the year ended December 31, 2023, an increase of \$227,874. The net loss for the current year included the same \$173,921 write-off of exploration and evaluation asset costs as in the quarterly comparison whereas there was no such charge for the comparative year. The net loss for the comparative year was significantly impacted by a listing expense of \$967,921 relating to the Acquisition compared to no such expense for the current year. The current year net loss was lessened with a \$79,311 gain on discount of long-term payables, a \$37,077 gain on the extinguishment of debt by way of issuing shares, and a \$30,075 gain from the write-off of debt relating to Medgold legal fees that were incurred in 2023 and waived during the current year. There were no such gains in the comparative year.

General and administrative expenses totaled \$1,817,731 for the current year compared to \$539,018 for the comparative year, an increase of \$1,278,713. Similar to the quarterly comparison, the current year expenses are significantly higher as there was a share-based payments expense of \$389,606, salaries and benefits of \$74,026, and transfer agent and regulatory fees of \$51,111, costs of which were not incurred in the comparative year. As with the quarterly comparison, the share-based payments expense relates to the fair value of the vested portion of options granted and fair value of deferred share units awarded during the current year. Other notable cost increases for the current year included increases of \$266,659 in marketing and investor relations fees, \$198,873 in consulting fees, \$168,042 in legal fees, \$124,136 in office and administration, \$65,250 in management and director fees, and \$28,036 in travel expenses. These costs were higher for the same reasons provided in the quarterly comparison. The only notable cost decrease for the current year was \$98,904 in audit and accounting fees and for the same reason as for the quarterly comparison.

Exploration and Evaluation Assets

A summary of the Company's capitalized acquisition costs and exploration expenditures on its mineral properties during the year ended December 31, 2024 is as follows:

	December 31, 2023	Additions	Write-offs	December 31, 2024
Timok East Project				
Acquisition costs	\$ 503,695	\$ -	\$ -	\$ 503,695
Property holding fees and taxes	13,256	63,174	-	76,430
Assaying	-	91,498	-	91,498
Field work	267,230	306,109	-	573,339
43-101 report	33,490	-	-	33,490
Others	66,297	135,925	-	202,222
	883,968	596,706	-	1,480,674
Lece West Project				
Acquisition costs	88,932	-	(88,932)	-
Property holding fees and taxes	12,769	10,129	(22,898)	-
Field work	12,776	15,760	(28,536)	-
Others	4,231	29,324	(33,555)	-
	118,708	55,213	(173,921)	-
Novo Tlamino Project				
Acquisition costs	100,287	-	-	100,287
Recognition on reverse acquisition (Note 2)	-	1,520,257	-	1,520,257
Property fees, data acquisition and reporting	31,594	42,535	-	74,129
Assaying	-	2,072	-	2,072
Field work	-	97,637	-	97,637
Others	3,192	43,849	-	47,041
	135,073	1,706,350	-	1,841,423
Total exploration and evaluation assets	\$ 1,137,749	\$ 2,358,269	\$ (173,921)	\$ 3,322,097

Liquidity and Capital Resources

The Company's cash as at December 31, 2024 were \$1,183,341 compared to \$52,815 as at December 31, 2023. As at December 31, 2024, the Company had current assets totaling \$1,450,309 and current liabilities totaling \$291,613, for working capital of \$1,158,696. The Company's current cash position is approximately \$650,000.

Concurrently with the completion of the Acquisition, a private placement financing for gross proceeds of \$2,160,000 was closed. Cash finders' fees and other cash transaction costs for this financing totaled \$171,310. The proceeds of this financing were used for exploration activities and general working capital requirements. In October 2024, the Company closed a private placement financing consisting of two tranches for gross proceeds of \$2,281,850. Cash finders' fees and other cash transaction costs for this financing totaled \$100,183. The proceeds of this financing are expected to be used for exploration activities and general working capital requirements. Subsequent to December 31, 2024, the Company received exploration grants totaling US\$400,000 from BHP which must be spent on exploration expenditures on the Timok East Project.

Upon closing of the Acquisition, a total of \$250,000 in debt was settled with the issuance of 1,666,667 common shares at a deemed price of \$.015. In November 2024, the Company settled a total of \$514,700 in current and long-term debt, of which \$246,700 was settled with the issuance of 3,083,750 common shares of the Company and \$268,000 was settled in cash.

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

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its properties and to maintain flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity. There were no changes in the Company's capital management approach during the year ended December 31, 2024.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents. Management reviews the capital structure on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements.

Financial Instruments and Risk Management

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

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

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies, and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the notes to the consolidated financial statements.

General Objectives, Policies and Processes:

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

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

a) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market prices are comprised of three types of risk: foreign currency risk, interest rate risk, and equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As at December 31, 2024, the Company is exposed to foreign currency risk and interest rate risk.

Foreign Currency Risk

As at December 31, 2024 and 2023, the Company is exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

As at	December 31, 2024			
	US Dollars (CAD equivalent)	British Pound Sterling (CAD equivalent)	Euros (CAD equivalent)	Serbian Dinars (CAD equivalent)
Cash	\$ 9,850	\$ -	\$ -	\$ 3,755
Accounts payable and accrued liabilities	(54,146)	(11,672)	(72,964)	(11,474)
Net exposure	\$ (44,296)	\$ (11,672)	\$ (72,964)	\$ (7,719)

As at	December 31, 2023	
	US Dollars (CDN equivalent)	Serbian Dinars (CDN equivalent)
Cash	\$ 38,758	\$ 956
Accounts payable and accrued liabilities	(25,836)	(33,039)
Net exposure	\$ 12,922	\$ (32,083)

Based on the above net exposures at December 31, 2024, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in approximately a \$13,700 (2023: \$1,900) increase or decrease in profit or loss, respectively.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at December 31, 2024, the Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with Canadian and Serbian financial institutions. The Company considers this risk to be limited.

b) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company's receivables consist of sales tax receivable from the governments of Canada and Serbia. The Company considers credit risk with respect to these amounts to be low.

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to seek additional capital resources when needed in an effort to have sufficient funds to meet its liabilities. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. As at December 31, 2024, the Company's accounts payables and accrued liabilities and due to related party balances had contractual maturities of less than 45 days and were subject to normal trade terms. During the year ended December 31, 2024, certain accounts payables totaling \$494,794 were converted to long-term payables with payment due dates ranging from June 30, 2026 and January 31, 2027. At the time of conversion, the long-term payable amount was discounted using a discount rate of 9.8%, resulting in a present value of \$415,483 and a gain of \$79,311 charged to profit or loss.

Related Party Transactions

The Company's related parties with transactions during the years ended December 31, 2024 and 2023 consist of directors, officers, and the following companies controlled by current and/or former directors and officers:

Related party	Nature of transactions
Commodity Energy Capital Limited ("CECL")	Management and administrative services
Virv International Inc. ("Virv")	Management and geological services

CECL is a private company controlled by Dr. Elena Clarici, a Director and the Chief Executive Officer of the Company that provides management and administrative services. Virv is a private company controlled by Jeremy Crozier, the former

Chief Executive Officer and Director and of the Company that provided management and geological services prior to the Acquisition.

Balances and transactions with related parties not disclosed elsewhere in this MD&A are as follows:

- i) The CEO and director of the Company charged \$168,750 (2023: \$150,000) in management fees.
- ii) General and administrative fees of \$13,557 (2023: \$12,714) were charged by CECL.
- iii) The directors of the Company charged \$70,500 (2023: \$24,000) in director fees and a director of the Company charged \$22,000 (2023: \$Nil) in consulting fees.
- iv) The former General Manager and director of the wholly owned subsidiary charged \$2,023 and the Company accrued an additional \$23,700 (2023: \$8,824) in wages and salaries and during the year ended December 31, 2023, was issued 192,000 Milestone Shares with a deemed value of \$28,800, pursuant to a mineral property acquisition during the 2022 fiscal year.
- v) A total of \$153,250 in debt to directors of the company was settled with the issuance of 1,021,667 common shares of Balkan Metals concurrently with the Acquisition.
- vi) As of December 31, 2024, prepaid expenses and deposits include an amount of \$19,950 (2023: \$Nil) paid to CECL for management and administrative services fees.
- vii) As of December 31, 2024, the Company had \$43,081 (2023: \$284,730) due to related parties. The balances due are unsecured, non-interest bearing and due on demand.
- viii) As of December 31, 2024, the Company had a long-term payable of \$63,500 (2023: short-term payable of \$284,484) due to Virv for past management fees and expenses. During the year ended December 31, 2024, upon completion of the Acquisition, \$128,280 of the debt to Virv was settled with the issuance of 641,400 common shares at a deemed price of \$0.20 per share and a further \$63,500 was settled with the issuance of 793,750 common shares of the Company at a deemed price of \$0.08 per share. With the completion of the Acquisition, Virv also agreed to waive a total of \$47,500 in management fees charged during the 2023 fiscal year. The long-term payable balance is due January 31, 2027.

Key Management Compensation

The Company has identified certain of its directors and senior officers as its key management personnel. Included for the years ended December 31, 2024 and 2023 at their exchange amounts are the following items paid or accrued to key management personnel and/or companies with common directors. These transactions are in the normal course of operations.

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Management fees	\$ 56,250	\$ 37,500	\$ 168,750	\$ 150,000
Salaries and benefits – exploration and evaluation assets	23,700	2,205	25,723	8,824
Salaries and benefits – general and administrative	8,667	-	34,667	-
Value of stock option grants recorded as share-based payments	52,915	-	104,494	-
	\$ 141,532	\$ 39,705	\$ 333,634	\$ 158,824

Key management compensation includes management fees paid to CECL for services of the Chief Executive Officer.

Other Data

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

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

As at the date of this MD&A, the Company's outstanding share position is 98,994,668 common shares and the following share purchase warrants, stock options and deferred share units ("DSU's") are outstanding:

No. of unit warrants	Exercise price	Expiry date
833,333	\$0.20	July 12, 2025
1,760,239	\$0.20	October 12, 2025
21,600,000	\$0.20	January 15, 2026
10,700,284	\$0.15	October 1, 2027
21,897,570	\$0.15	October 9, 2027
56,791,426		
No. of finders' warrants	Exercise price	Expiry date
849,599	\$0.15	October 9, 2026
No. of options	Exercise price	Expiry date
75,000	\$0.20	February 18, 2029
3,898,785	\$0.20	March 18, 2029
3,610,000	\$0.13	November 13, 2029
240,626	\$1.60	March 1, 2031
7,824,411		
No. of DSU's	Exercise price	Award date
480,000	\$0.09	March 19, 2024
300,000	\$0.15	November 14, 2024
780,000		

Accounting Policies and Basis of Presentation

With the exception of a material accounting policy change described below, the Company's material accounting policies are presented in the audited consolidated financial statements for the year ended December 31, 2024.

Material Accounting Policy Change - Exploration and Evaluation Assets

Prior to the Acquisition, the Company capitalized the acquisition cost of mineral properties and expensed all other exploration expenditures. Acquisition costs included the cash consideration paid and the fair value of common shares issued on acquisition, based on the date of issuance of the shares if the fair value of the mineral property was not reliably measurable.

Upon completion of the Acquisition, the Company adopted Balkan Metals' existing accounting policy of capitalizing mineral property acquisition costs and exploration expenditures. Accordingly, once a right to explore an area has been obtained, the Company follows the practice of capitalizing all costs relating to the acquisition of, exploration for, and development of exploration and evaluation assets. Such costs, include, but are not limited to, geological and geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable resources. The aggregate costs, related to abandoned exploration and evaluation assets are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment.

In accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*, a change in accounting policy is to be applied retrospectively. However, with the Acquisition being a reverse asset acquisition and the resulting comparative information being presented in these consolidated financial statements being that of Balkan Metals, there are no adjustments to the comparative balances in the Company's consolidation financial statements for the year ended December 31, 2024.

Future Accounting Changes

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

IFRS 18, Presentation and Disclosure in Financial Statements

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

This standard will be effective for the Company's annual period beginning January 1, 2027 with early application permitted. The Company has assessed that the impact of IFRS 18 on its consolidated financial statements would not be significant.

Risks and Uncertainties

Exploration Stage Company

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

Mineral Exploration and Development

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

Operating History and Financial Resources

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

postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of the Company's properties or to reduce or terminate the Company's operations. Additional funds raised by the Company from treasury share issuances may result in further dilution to its shareholders or result in a change of control.

Possible Loss of Interest in Mineral Properties

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

Competition

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

Dilution

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

Environmental Risks and Hazards

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

Environmental and Social Risks

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

Government Regulations

The Company's current or future operations, including exploration and development activities and the commencement and continuation of commercial production, require licenses, permits or other approvals from various federal, provincial, state, territorial and/or local governmental authorities. Such operations are or will be governed by laws and regulations relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, and other matters. The Company believes that it is in substantial compliance with all material laws and regulations which currently apply to the Company's

activities. There can be no assurance, however, that the Company will obtain on reasonable terms or at all the permits and approvals, and the renewals thereof, which the Company may require for the conduct of the Company's current or future operations or that compliance with applicable laws, regulations, permits and approvals will not have an adverse effect on any mining project which the Company may undertake. Possible changes to mineral tax legislation and, regulations could cause additional expenses, capital expenditures, restrictions and delay on the Company's planned exploration and operations, the extent of which cannot be predicted. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Title Risks

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

Negative Operating Cash Flow

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

Commodity Prices

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

Foreign exchange rate and Currency Risk

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

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

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

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

Political and Regulatory Risk

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

Potential Increase Cost due to Rising Inflation

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

Price Volatility

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

Reliance on Management and Experts

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

Conflicts of Interest

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

Litigation

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

Insured and Uninsured Risks

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