ELECTRUM DISCOVERY

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2025

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 of the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2025. These condensed interim consolidated financial statements have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company.

Electrum Discovery Corp.

(Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

(Expressed in Canadian Dollars)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash	$ 717,286	$ 1,183,341
Prepaid expenses and deposits (Notes 4 and 9)	57,119	196,727
Sales tax receivables	103,525	70,241
Total current assets	877,930	1,450,309
Non-current assets		
Long-term deposits (Note 4)	72,500	61,000
Equipment (Note 5)	51,346	1,582
Exploration and evaluation assets (Note 6)	3,517,717	3,322,097
Total non-current assets	3,641,563	3,384,679
	$ 4,519,493	**$ 4,834,988**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 311,538	$ 248,532
Due to related parties (Note 9)	33,655	43,081
Total current liabilities	345,193	291,613
Non-current liabilities		
Long-term payables (Notes 9 and 10)	434,681	424,775
Total liabilities	779,874	716,388
Shareholders' equity		
Share capital (Note 7)	7,546,654	7,546,654
Other equity reserves (Note 7)	507,517	454,855
Deficit	(4,301,349)	(3,869,706)
Accumulated other comprehensive loss	(13,203)	(13,203)
Total shareholders' equity	3,739,619	4,118,600
	$ 4,519,493	**$ 4,834,988**

Nature of Operations and Going Concern (Note 1)

APPROVED ON BEHALF OF THE BOARD ON MAY 28, 2025:

"Dr. Elena Clarici" (Signed)	*"Michael Thomsen" (Signed)*
Dr. Elena Clarici, Director	Michael Thomsen, Director

The accompanying notes form an integral part of these condensed interim consolidated financial statements

Electrum Discovery Corp.

(Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (UNAUDITED)

(Expressed in Canadian Dollars)

	Three months ended March 31, 2025	2024
General and administrative expenses		
Accretion expense	$ 9,906	$ -
Audit and accounting fees	17,122	36,516
Consulting fees	53,000	15,382
Depreciation (Note 5)	1,839	942
Legal fees	30,539	102,195
Management and director fees (Note 9)	74,250	54,000
Marketing and investor relation fees	102,555	43,948
Office and administration (Note 9)	50,706	45,382
Salaries and benefits (Note 9)	11,220	33,832
Share-based payments (Notes 8 and 9)	52,662	53,343
Transfer agent and regulatory fees	12,066	12,785
Travel expenses	11,155	9,519
	(427,020)	(407,844)
Interest income	4,265	26
Foreign exchange loss	(4,534)	(7,515)
Write-off of exploration and evaluation assets (Note 6)	(4,354)	-
Gain on extinguishment of debt (Note 7)	-	83,333
Net loss and comprehensive loss for the period	**$ (431,643)**	**$ (332,000)**
Loss per share, basic and diluted	$(0.00)	$(0.01)
Weighted average number of shares outstanding	98,994,668	59,477,899

The accompanying notes form an integral part of these condensed interim consolidated financial statements

Electrum Discovery Corp.

(Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY) (UNAUDITED)

For the three months ended March 31, 2025 and 2024

(Expressed in Canadian Dollars)

				Other equity reserves				
	Number of common shares	**Share capital**	**Share subscriptions received**	**Warrants reserve**	**Share-based payment reserve**	**Accumulated other comprehensive loss**	**Deficit**	**Total shareholders' equity (deficiency)**
Balance, December 31, 2023	29,972,096	$ 1,943,350	$ 124,965	$ 14,180	$ -	$ (13,203)	$ (2,082,869)	$ (13,577)
Loss for the period	-	-	-	-	-	-	(332,000)	(332,000)
Shares issued for private placement	21,600,000	2,160,000	(124,965)	-	-	-	-	2,035,035
Shares issued for debt settlement	1,666,667	166,667	-	-	-	-	-	166,667
Share issuance costs	-	(180,757)	-	9,447	-	-	-	(171,310)
Elimination of Balkan Metals share capital	(53,238,763	-	-	-	-	-	-	-
Issuance of common shares on reverse acquisition	53,238,763	1,007,432	-	-	-	-	-	1,007,432
Outstanding common shares of Electrum brought forward	10,074,301	-	-	-	-	-	-	-
Recognition of replacement options	-	-	-	-	16,961	-	-	16,961
Transfer of other equity reserve on expiry of warrants	-	4,050	-	(4,050)	-	-	-	-
Share-based payments	-	-	-	-	53,343	-	-	53,343
Balance, March 31, 2024	63,313,064	5,100,742	-	19,577	70,304	(13,203)	(2,414,869)	2,762,551
Loss for the period	-	-	-	-	-	-	(1,454,837)	(1,454,837)
Shares issued for private placement	32,597,854	2,281,850	-	-	-	-	-	2,281,850
Shares issued for debt settlement	3,083,750	292,956	-	-	-	-	-	292,956
Share issuance costs	-	(124,844)	-	24,661	-	-	-	(100,183)
Transfer of other equity reserve on expiry of warrants	-	(4,050)	-	4,050	-	-	-	-
Share-based payments	-	-	-	-	336,263	-	-	336,263
Balance, December 31, 2024	98,994,668	7,546,654	-	48,288	406,567	(13,203)	(3,869,706)	4,118,600
Loss for the period	-	-	-	-	-	-	(431,643)	(431,643)
Share-based payments	-	-	-	-	52,662	-	-	52,662
Balance, March 31, 2025	**98,994,668**	**$ 7,546,654**	**$ -**	**$ 48,288**	**$ 459,229**	**$ (13,203)**	**$ (4,301,349)**	**$ 3,739,619**

The accompanying notes form an integral part of these condensed interim consolidated financial statements

Electrum Discovery Corp.
(Exploration Stage Company)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(Expressed in Canadian Dollars)

	Three months ended March 31, 2025	2024
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the period	$ (431,643)	$ (332,000)
Items not involving cash:		
Depreciation	1,839	942
Interest accretion on long-term payables	9,906	-
Share-based payments	52,662	53,343
Write-off of exploration and evaluation assets	4,354	-
Gain on extinguishment of debt	-	(83,333)
	(362,882)	(361,048)
Changes in non-cash working capital balances:		
Prepaid expenses and deposits	139,608	(53,818)
Sales tax receivables	(33,284)	(21,569)
Accounts payable and accrued liabilities	63,006	(51,228)
Due to related parties	(9,426)	(178,592)
Net cash used by operating activities	(202,978)	(666,255)
FINANCING ACTIVITIES		
Net proceeds on share issuances	-	1,863,725
Net cash provided by financing activities	-	1,863,725
INVESTING ACTIVITIES		
Purchase of equipment	(51,603)	-
Long-term deposit	(11,500)	-
Deferred acquisition costs	-	(9,215)
Exploration and evaluation asset costs, net	(199,974)	(126,228)
Cash acquired from reverse acquisition	-	13,702
Net cash used by investing activities	(263,077)	(121,741)
Increase (decrease) in cash	(466,055)	1,075,729
Cash, beginning of period	1,183,341	52,815
Cash, end of period	**$ 717,286**	**$ 1,128,544**

The accompanying notes form an integral part of these condensed interim consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Electrum Discovery Corp (the "Company") is a public company incorporated and domiciled in British Columbia. The address of the Company's head office and principal place of business is 1000 – 1111 Melville Street, Vancouver, BC, Canada V6E 3V6. The Company's principal business activity is the acquisition and exploration of mineral properties in the natural resource sector.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material. During the period ended March 31, 2025, the Company incurred a net loss of $431,643 (2024: $332,000) and as of that date, has accumulated deficit of $4,301,349 (December 31, 2024: $3,869,706) and expects to incur further losses in the development of its business.

The Company has been financed primarily through the issuance of equity instruments, the most recent being a non-brokered private placement that closed in October 2024 and raised gross proceeds of $2,281,850. During the period ended March 31, 2025, the Company also received an exploration grant of $357,375 (US$250,000) and subsequently another grant of $210,225 (US$150,000) from BHP Metals Exploration Pty Ltd ("BHP") (Note 6). Management cannot be certain it will continue to be able to obtain such funding. All of these conditions may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management continues to investigate and pursue opportunities to raise financing for the Company.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim consolidated financial statements are prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* under IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements follow the same accounting policies and methods of application as the most recent annual consolidated financial statements of the Company. These condensed interim consolidated financial statements do not contain all of the information required for full annual financial statements. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company's most recent annual consolidated financial statements, which were prepared in accordance with IFRS as issued by the IASB.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed interim consolidated financial statements are presented in Canadian dollars.

The preparation of condensed interim consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the condensed interim consolidated financial statements are disclosed in Note 3.

2. BASIS OF PREPARATION (continued)

Basis of Consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. A subsidiary is an entity in which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. All material intercompany transactions and balances have been eliminated on consolidation.

Details of the Company's principal subsidiaries as at March 31, 2025 are as follows:

Name	Place of incorporation	Ownership %	Principal activity
Electrum Discovery d.o.o.	Serbia	100%	Exploration company
Medgold Istrazivanja d.o.o.	Serbia	100%	Exploration company
Balkan Metals Corp.	Canada	100%	Holding company
MGold International Ltd.	Malta	100%	Holding company
Tlamino Mining Ltd.	Malta	100%	Holding company

Foreign Currency Translation

The functional and presentation currency of the Company is the Canadian dollar. The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The functional currency of the subsidiaries is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange gains and losses on translation are included in profit and loss.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The key areas of judgment applied in the preparation of the condensed interim consolidated financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

a) The determination of the Company's and its subsidiaries' functional currency are determined based on management's assessment of the currency of the primary economic environment in which the entities operate.

b) The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company.

   Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

   In respect of costs incurred for its investment in exploration and evaluation assets, management has determined the acquisition and exploration costs that have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit, including geologic and metallurgic information, economics assessment/ studies, accessible facilities and existing permits.

c) The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The key estimate applied in the preparation of the condensed interim consolidated financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities is as follows:

a) In estimating the fair value of share-based payments, using the Black-Scholes option pricing model, management is required to make certain assumptions and estimates. Changes in assumptions used to estimate fair value could result in materially different results.

(Expressed in Canadian Dollars)

4. PREPAID EXPENSES AND DEPOSITS

Current prepaid expenses and deposits as of December 31,	March 31, 2025	December 31, 2024
Administrative	$ 6,752	$ 25,762
Consulting	-	22,500
Marketing and investor relations	48,750	85,583
Exploration	1,617	62,882
	$ 57,119	**$ 196,727**

As of March 31, 2025, long-term deposits totaling $72,500 consisted of $61,000 in deposits pertaining to a shared office, administrative, and personnel services agreement and $11,500 for security on a banking facility (December 31, 2024: $61,000 for shared administrative cost agreement). Upon termination of the shared office agreement, the deposits, less any outstanding amounts owing, are to be refunded to the Company.

5. EQUIPMENT

	Analytical equipment	Computer equipment	Furniture and equipment	Total
Cost				
Balance, December 31, 2023	$ -	$ -	$ -	$ -
Recognition on reverse acquisition	-	-	2,458	2,458
Additions	-	1,710	-	1,710
Balance, December 31, 2024	-	1,710	2,458	4,168
Additions	51,603	-	-	51,603
Balance, March 31, 2025	**$ 51,603**	**$ 1,710**	**$ 2,458**	**$ 55,771**
Accumulated amortization				
Balance, December 31, 2023	$ -	$ -	$ -	$ -
Charge for the year	-	128	2,458	2,586
Balance, December 31, 2024	-	128	2,458	2,586
Charge for the period	1,720	119	-	1,839
Balance, March 31, 2025	**$ 1,720**	**$ 247**	**$ 2,458**	**$ 4,425**
Carrying amounts				
At December 31, 2024	$ -	$ 1,582	$ -	$ 1,582
At March 31, 2025	**$ 49,883**	**$ 1,463**	**$ -**	**$ 51,346**

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

The Company has capitalized the following exploration and evaluation asset acquisition and exploration costs of its Serbian mineral property interests during the periods ended March 31, 2025 and December 31, 2024:

	December 31, 2024	Additions	Write-offs	March 31, 2025
Timok East Project				
Acquisition costs	$ 503,695	$ -	$ -	$ 503,695
Property holding fees and taxes	76,430	41,088	-	117,518
Assaying	91,498	39,758	-	131,256
Drilling	-	122,005	-	122,005
Field work	573,339	249,610	-	822,949
43-101 report	33,490	-	-	33,490
Others	202,222	42,595	-	244,817
Expense recoveries	-	(357,375)	-	(357,375)
	1,480,674	137,681	-	1,618,355
Lece West Project				
Property holding fees and taxes	-	4,354	(4,354)	-
	-	4,354	(4,354)	-
Novo Tlamino Project				
Acquisition costs	100,287	-	-	100,287
Recognition on reverse acquisition	1,520,257	-	-	1,520,257
Property holding fees and taxes	74,129	33,933	-	108,062
Assaying	2,072	-	-	2,072
Field work	97,637	13,572	-	111,209
Others	47,041	10,434	-	57,475
	1,841,423	57,939	-	1,899,362
Total exploration and evaluation assets	**$ 3,322,097**	**$ 199,974**	**$ (4,354)**	**$ 3,517,717**

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

	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	-	1,520,257	-	1,520,257
Property holding fees and taxes	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**

Timok East Project

The Timok East Project is comprised of three mineral exploration permits, Luka and Makovište which are contiguous, and Bukova Glava, all of which the Company has a 100% interest in.

During the period ended March 31, 2025, the Company was selected by BHP to participate in their 2025 Xplor Accelerator program. The program provides for a funding grant of up to US$500,000 during the 2025 fiscal year, of which the funding is to be spent on the Timok East Project. During the period ended March 31, 2025, the Company has received $357,375 (US$250,000) of this funding from BHP and a further $210,225 (US$150,000) subsequent to March 31, 2025.

Novo Tlamino Project

The Novo Tlamino Project is comprised of two mineral exploration permits, Donje Tlamino and Surlica-Dukat, and three mineral exploration permit applications for the Radovnica, Ljubata, and Crnostica properties, all of which the Company has a 100% interest in. During the period ended March 31, 2025, the Company relinquished the permit for the Brod property.

The Donje Tlamino and Surlica-Dukat properties are subject to a 1% net smelter return royalty (the "**Royalty**") in favour of a third party. The Royalty may be purchased at any time by the Company for a cash consideration of $3.0 million.

6. EXPLORATION AND EVALUATION ASSETS (continued)

Lece West Project

The Lece West Project was comprised of three mineral exploration permits, Satra, Zuta Bara, and Djake Sever, all of which the Company had a 100% interest in. During the 2024 fiscal year, the Company allowed the permits for Satra and Djake Sever to expire. The Company intends to dispose of the Zuta Bara property and as such, carrying costs totaling $178,275 for the Lece West Project were written off as of March 31, 2025, of which $4,354 was written off during the period ended March 31, 2025.

7. SHARE CAPITAL AND RESERVES

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

As at March 31, 2025, there is 98,994,668 common shares outstanding and issued share capital of $7,546,654.

There was no share capital activity during the period ended March 31, 2025.

On January 15, 2024, the Company completed a reverse asset acquisition transaction (the "**Acquisition**"). As a result of the Acquisition, Balkan Metals ("**Balkan Metals**"), became a direct, wholly owned subsidiary of the Company. The Acquisition was treated as an issuance of common shares by the continuing entity, Balkan Metals. Share capital transactions associated with the Acquisition that occurred during the period ended March 31, 2024 were the following:

i) 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.

ii) the Company issued 53,238,763 post-consolidation common shares to the shareholders of Balkan Metals, a private company incorporated under the Business Corporations Act (British Columbia).

iii) The Company settled $250,000 in Balkan Metals accounts payables by issuing 1,666,667 common shares of Balkan Metals at a price of $0.15 per share. The fair value of the 1,666,667 common shares at time of issuance was $166,667, resulting in a gain on settlement of debt totaling $83,333 being charged to the condensed interim consolidated statement of loss.

iv) 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. Of the total gross proceeds, $2,160,000 was allocated to share capital and nil to warrants. 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. The fair value of the finders' fee warrants was $9,447 and was recorded as share issuance costs and an offset to other equity reserve. The fair value of each finders' fee warrant was estimated as of the date of the issuance using the Black-Scholes pricing model with the following assumptions: risk-free interest rate of 4.71%, dividend yield of 0%, volatility of 107% and expected life of one year. Other share issuance costs associated with this financing totalled $93,160. As a result of the Acquisition, 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.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES (continued)

Nature of Equity Reserves

The reserves recorded in equity include Other Reserves and Accumulated Other Comprehensive Loss. Other Reserves is used to recognize the fair value of warrants issued and share-based payments such as stock options and deferred share units granted. Accumulated Other Comprehensive Loss is used to record the foreign exchange translation adjustments for subsidiaries that have a different functional currency than the Company.

Escrow Shares

As at March 31, 2025, there were 8,118,318 common shares relating to the Acquisition held in escrow (December 31, 2024: 10,148,116).

Finders' Warrants

As at March 31, 2025, there were 849,599 (December 31, 2024: 1,262,599) finders' warrants outstanding and the fair value of the finders' warrants granted was estimated at the date of grant using Black-Scholes option pricing model with following assumptions:

Date of Issuance	**January 15, 2024**	**October 9, 2024**
Number of finder warrants	413,000	849,599
Dividend yield	0%	0%
Expected volatility	107%	105%
Risk-free interest rate	4.71%	1.04%
Forfeiture rate	0%	0%
Share price – on issuance	$0.10	$0.075
Exercise price	$0.20	$0.15
Term	1 year	2 years
Fair value per warrant	$0.02	$0.03
Fair value of warrants	$9,447	$24,661

During the period ended March 31, 2024, the Company recorded a fair value of $9,447 for finders' warrants.

The following is a summary of finders' warrants transactions for the period from January 1, 2024 to March 31, 2025:

	Number of warrants	**Weighted average exercise price**
Balance, December 31, 2023	223,670	$0.15
Issued	1,262,599	$0.17
Expired	(223,670)	$0.15
Balance, December 31, 2024	1,262,599	$0.17
Expired	(413,000)	$0.20
Balance, March 31, 2025	**849,599**	**$0.15**

(Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES (continued)

Finders' Warrants (continued)

As at March 31, 2025, the following finders' warrants were outstanding:

Expiry date	Number of warrants	Exercise price
October 9, 2026	849,599	$0.15

The weighted average remaining contractual life of the finders' warrants outstanding at March 31, 2025 is 1.53 (December 31, 2024: 1.21) years.

Unit Warrants

The following is a summary of private placement unit warrants transactions for the period from January 1, 2024 to March 31, 2025:

	Number of warrants	Weighted average exercise price
Balance, December 31, 2023	4,628,730	$0.20
Issued	54,197,854	$0.17
Balance, December 31, 2024	58,826,584	$0.17
Expired	(1,201,825)	$0.20
Balance, March 31, 2025	**57,624,759**	**$0.17**

As at March 31, 2025, the following private placement unit warrants were outstanding:

Expiry date	Number of warrants	Original exercise price first year	Original exercise price second year	Amended exercise price
April 24, 2025[(1)]	833,333	$0.25	$0.30	$0.20
July 12, 2025[(1)]	833,333	$0.25	$0.30	$0.20
October 12, 2025[(1)]	1,760,239	$0.25	$0.30	$0.20
January 15, 2026[(2)]	21,600,000	$0.20	$0.20	$0.20
October 1, 2027	10,700,284	$0.15	$0.15	$0.15
October 9, 2027	21,897,570	$0.15	$0.15	$0.15
	57,624,759			

[(1)]The exercise price of these warrants was amended to $0.20 during the 2023 fiscal year.

[(2)] If at any time following closing of the Acquisition the daily volume weighted average trading price of the Company's common shares on the TSXV is greater than $0.50 per share for the preceding 10 consecutive trading days, the Company may accelerate the expiry date these warrants by written notice (which may be provided in a form of a news release) to the holders thereof and in such case, the warrants will expire on the 30th day after the date of such notice.

The fair value of the warrants granted above was estimated at $Nil using the residual method.

The weighted average remaining contractual life of the private placement unit warrants outstanding at March 31, 2025 is 1.74 (December 31, 2024: 1.95) years.

(Expressed in Canadian Dollars)

8. SHARE-BASED PAYMENTS

Option Plan Details

The Company has in place a stock option plan (the "Plan"), which allows the Board of Directors to grant incentive stock options to the Company's officers, directors, employees, and consultants. The exercise price of stock options granted is determined by the Board of Directors at the time of the grant in accordance with the terms of the Plan and the policies of the TSX Venture Exchange ("TSX-V"). Options vest on the date of granting unless stated otherwise. Options granted to investor relations consultants vest in accordance with TSX-V policies. The options are for a maximum term of ten years.

The following is a summary of changes in options for the period ended March 31, 2025:

			During the period				
Expiry date	**Exercise price**	**Opening balance**	**Granted**	**Exercised**	**Expired / forfeited**	**Closing balance**	**Vested and exercisable**
June 28, 2026	$2.40	1,875	-	-	(1,875)	-	-
February 19, 2029	$0.20	75,000	-	-	-	75,000	37,500
March 18, 2029	$0.20	3,898,785	-	-	-	3,898,785	2,924,087
November 13, 2029	$0.13	3,610,000	-	-	-	3,610,000	902,500
March 1, 2031	$1.60	309,376	-	-	(68,750)	240,626	240,626
		7,895,036	**-**	**-**	**(70,625)**	**7,824,411**	**4,104,713**
Weighted average exercise price		$0.22	-	-	$1.62	$0.21	$0.27

The following is a summary of changes in options for the period ended March 31, 2024:

			During the period				
Expiry date	**Exercise price**	**Opening balance**	**Granted**	**Exercised**	**Expired / forfeited**	**Closing balance**	**Vested and exercisable**
February 23, 2024	$2.40	5,000	-	-	(5,000)	-	-
June 18, 2024	$1.76	31,250	-	-	-	31,250	31,250
June 28, 2026	$2.40	3,750	-	-	(1,875)	1,875	1,875
February 19, 2029	$0.20	-	75,000	-	-	75,000	-
March 18, 2029	$0.20	-	3,898,785	-	-	3,898,785	974,693
March 1, 2031	$1.60	403,126	-	-	-	403,126	403,126
		443,126	**3,973,785**	**-**	**(6,875)**	**4,410,036**	**1,410,944**
Weighted average exercise price		$1.60	$0.20	-	$2.40	$0.34	$0.64

Fair Value of Options Issued During the Period

No options were granted during the period ended March 31, 2025. The weighted average fair value at grant date of options granted during the period ended March 31, 2024 was $0.07 per option.

The weighted average remaining contractual life of the options outstanding at March 31, 2025 is 4.33 (December 31, 2024: 4.59) years.

(Expressed in Canadian Dollars)

8. SHARE-BASED PAYMENTS (continued)

Fair Value of Options Issued During the Period (continued)

Options Issued to Employees

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Options Issued to Non-Employees

Options issued to non-employees are measured based on the fair value of the goods or services received, at the date of receiving those goods or services. If the fair value of the goods or services received cannot be estimated reliably, the options are measured by determining the fair value of the options granted using the Black-Scholes option pricing model.

The model inputs for options granted during the period ended March 31, 2024 included:

Grant date	Expiry date	Share price at grant date	Exercise price	Risk-free interest rate	Expected life	Volatility factor	Dividend yield
Feb 19, 2024	Feb 19, 2029	$0.075	$0.20	3.60%	5 years	117%	0%
Mar 18, 2024	Mar 18, 2029	$0.090	$0.20	3.58%	5 years	117%	0%

The expected volatility is based on the historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. The risk-free rate of return is the yield on a zero-coupon Canadian Treasury Bill of a term consistent with the assumed option life. The expected average option term is the average expected period to exercise, based on the historical activity patterns for each individually vesting tranche.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate.

Expenses Arising from Share-based Payment Transactions

Total expenses arising from the share-based payment transactions related to the granting of stock options and recognized as part of share-based compensation during the period ended March 31, 2025 were $52,662 (2024: $10,143).

Deferred Share Units

No deferred share units (“DSU’s”) were issued during the period ended March 31, 2025. During the period ended March 31, 2024, a total of 480,000 DSU’s were awarded to certain directors of the Company. The DSU’s vest at the time of retirement, termination, or death.

The share price of the Company’s common shares at the award date was $0.09, of which the fair value of each DSU was based on. Total expenses arising from the awarding of the DSU’s and recognized as part of share-based compensation during the period ended March 31, 2024 was $43,200.

DSU’s outstanding as of March 31, 2025 totaled 780,000 (December 31, 2024: 780,000).

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS AND BALANCES

The Company's related parties with transactions during the periods ended March 31, 2025 and 2024 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 these consolidated financial statements are as follows:

i) The CEO and director of the Company charged $56,250 (2024: $37,500) in management fees.

ii) General and administrative fees of $3,600 (2024: $3,178) were charged by CECL.

iii) The directors of the Company charged $18,000 (2024: $16,500) in director fees.

iv) The former General Manager and director of the wholly owned subsidiary charged $Nil (2024: $2,023) in wages and salaries.

v) During the period ended March 31, 2024, 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 March 31, 2025, prepaid expenses and deposits include an amount of $Nil (December 31, 2024: $18,750) paid to CECL for management and administrative services fees.

vii) As of March 31, 2025, the Company had $33,655 (December 31, 2024: $43,081) due to related parties. The balances due are unsecured, non-interest bearing and due on demand.

viii) As of March 31, 2025, the Company had a long-term payable of $63,500 (December 31, 2024: $63,500) due to Virv for past management fees and expenses. 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 periods ended March 31, 2025 and 2024 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 March 31, 2025	2024
Management fees	$ 56,250	$ 37,500
Salaries and benefits – exploration and evaluation assets	-	2,023
Salaries and benefits – general and administrative	8,450	8,125
Value of stock option grants recorded as share-based payments expense	16,118	3,420
	$ 80,818	**$ 51,068**

(Expressed in Canadian Dollars)

10. 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 other businesses, 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 these condensed interim 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 note.

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 March 31, 2025, the Company is exposed to foreign currency risk and interest rate risk.

Foreign Currency Risk

The Company is exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

As at	**March 31, 2025**			
	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)**

(Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

a) Market Risk (continued)

Foreign Currency Risk (continued)

As at	December 31, 2024			
	US Dollars (CAD equivalent)	British Pound Sterling (CAD equivalent)	Euros (CAD equivalent)	Serbian Dinars (CAD equivalent)
Cash	$ 338,960	$ -	$ -	$ 8,798
Accounts payable and accrued liabilities	(56,177)	(49,770)	(6,780)	(78,621)
Net exposure	**$ 282,783**	**$ (49,770)**	**$ (6,780)**	**$ (69,823)**

Based on the above net exposures at March 31, 2025, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in approximately a $15,600 (December 31, 2024: $13,700) 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 March 31, 2025, 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. At March 31, 2025, the Company had cash of $717,286 (December 31, 2024: $1,183,341), current liabilities of $345,193 (December 31, 2024: $291,613) and working capital of $532,737 (December 31, 2024: $1,158,696). 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 2024 fiscal year, 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. The present value of the long-term payable amount as of March 31, 2025 is $434,681 (December 31, 2024: $424,775).

(Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The condensed interim consolidated statements of financial position carrying amounts for cash, amounts receivable, accounts payable and accrued liabilities, and due to related parties, approximate fair values due to their short-term nature.

Fair Value Hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are categorized in Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2	Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of the Company's financial assets measured at fair value on a recurring basis as of March 31, 2025 were calculated as follows:

	Balance at March 31, 2025	Level 1	Level 2	Level 3
Financial Asset:				
Cash	$ 717,286	$ 717,286	$ -	$ -

11. 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 period ended March 31, 2025.

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. 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. The Company does not expect its capital resources as of March 31, 2025 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 to raise 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.

12. SEGMENTED REPORTING

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company operates in a single reportable operating segment, being the exploration and evaluation of mineral properties. The mineral property interests and substantially all property and equipment are located in Serbia and substantially all of the exploration expenditures are incurred in Serbia. Substantially all of the Company's other assets and expenditures are located and incurred in Canada.

13. EVENTS AFTER THE REPORTING DATE

Subsequent to March 31, 2025, the following events which have not been disclosed elsewhere in these condensed interim consolidated financial statements have occurred:

A total of 833,333 unit warrants with an exercise price of $0.20 per share expired unexercised.

(the "Company")

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

For the Three Months Ended March 31, 2025

Highlights

- Exploration continues to focus on two main targets: Bambino and Western Mag Target.
- 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.
- The Western Mag target is defined by a prominent magnetic high anomaly coinciding with Phase 1 andesitic rocks of the Timok Magmatic Complex, indicative of an intrusive center, with porphyry potential.
- The Company was selected as one of eight exploration companies to participate in BHP's 2025 Xplor Accelerator Program.
- 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.
- Regional targeting, intrusive prospecting and architectural study ongoing as part of the BHP Xplor Program.
- Phase 2 High-Resolution Resistivity and Induced Polarization Survey was completed and identified chargeability anomaly directly beneath surface copper anomalism at Bambino Central and resistivity high anomaly as potential deep intrusive or zone of silicification.
- Completion of 280-line kilometer ground magnetic survey across Luka and Makoviste, results expected at the end of May 2025.

General

This interim Management's Discussion and Analysis ("**Interim MD&A**") supplements, but does not form part of, the unaudited condensed interim consolidated financial statements of the Company for the three months ended March 31, 2025. The following information, prepared as of May 28, 2025, should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for three months ended March 31, 2025 and the related notes contained therein. The Company reports its financial position, results of operations and cash flows in accordance with IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board. In addition, the following should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended December 31, 2024 and the related Interim MD&A. All amounts are expressed in Canadian dollars unless otherwise indicated. The March 31, 2025 condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

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

Forward Looking Information

This Interim 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 Interim 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 Interim MD&A.

Forward-looking Statements contained in this Interim 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.

The Company's Mineral Properties

The Company controls over 550 square kilometers 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).

The Company's exploration portfolio is composed of 5 mineral permits and 3 applications for mineral permit extensions. 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, of which US$400,000 has been 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.

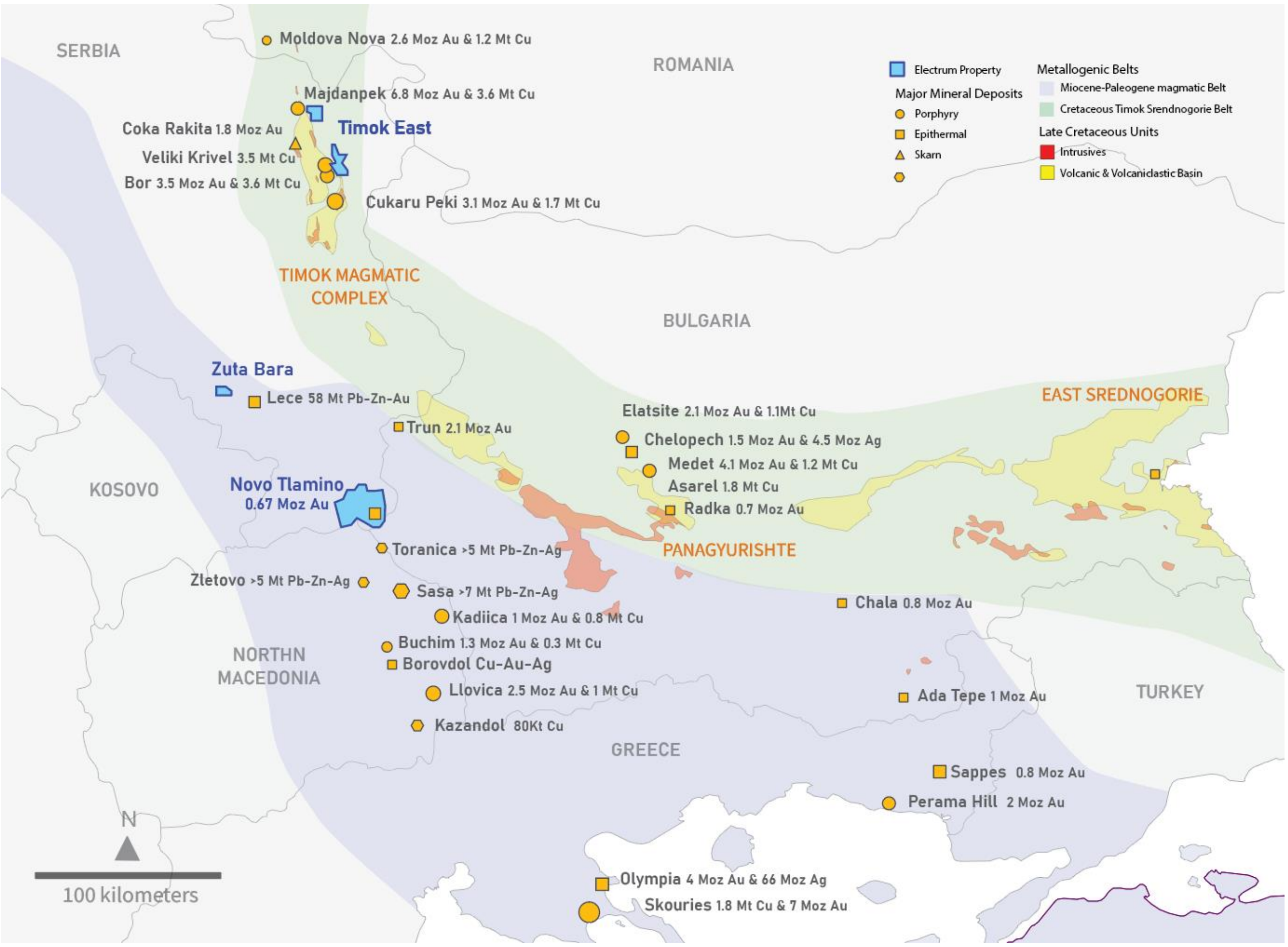

Figure 1: *Location of the Company's properties in relation the various metallogenic belts and regions of the Western Tethyan Belt in southern Europe.*

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 Čukari 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.

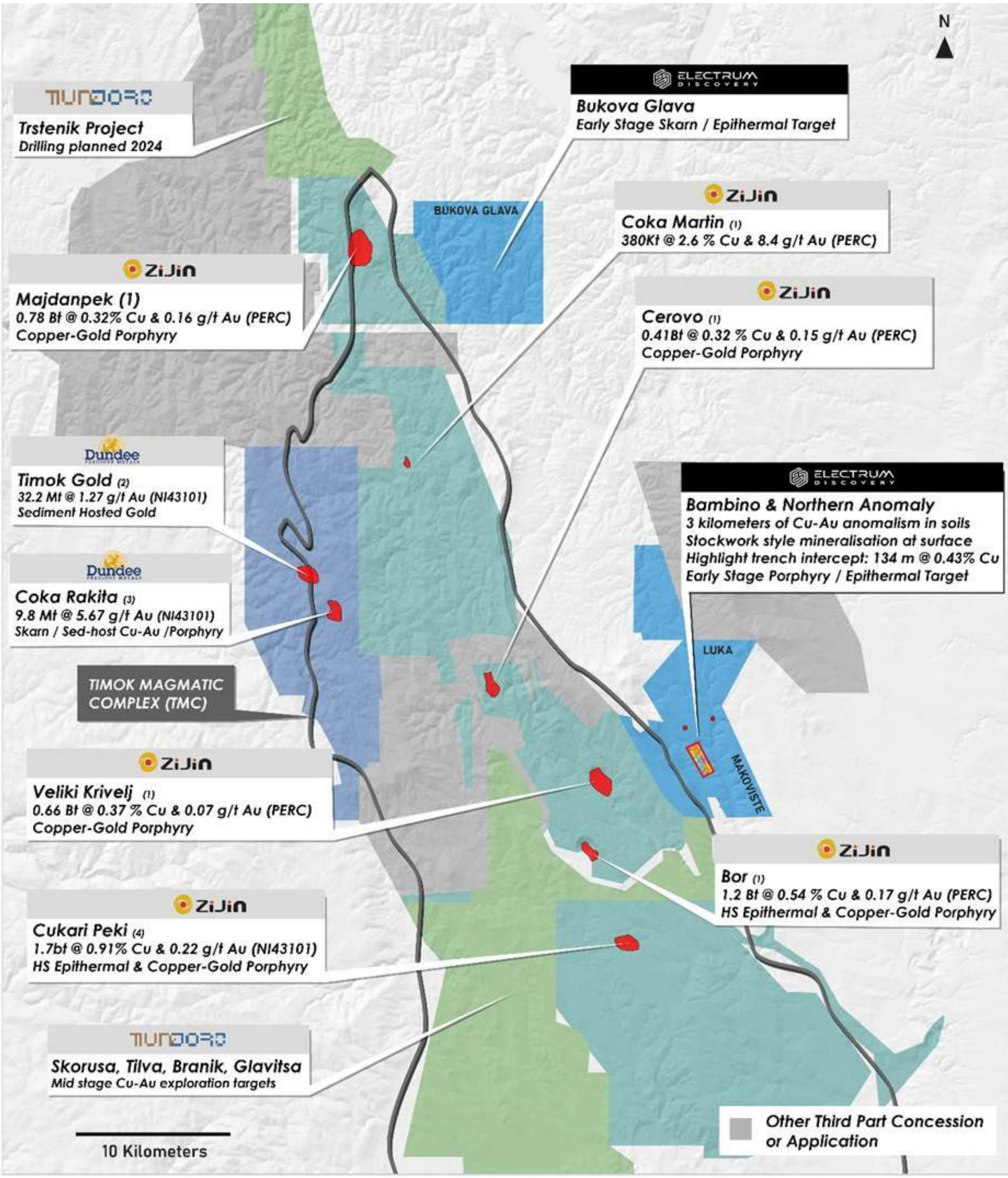

Figure 2: *Map showing the Company's and major third-party mineral exploration and mining companies' properties in the Bor region. Third-party resource figures sourced from Jelenkovic, Rade & Milovanović, Dragan & Koželj, Dejan & Banješević, Miodrag. (2016). The Mineral Resources of the Bor Metallogenic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

During 2024, the Company initiated field-based prospecting and desktop targeting across the Timok East Project, leading to the identification of several high-priority targets across the Luka and Makovište licenses. This groundwork was followed by a two-phase surface geochemical soil sampling program, which included the collection of 733 B-C horizon soil samples. Results outlined a 1.8 km copper anomaly and 1 km gold anomaly at the Bambino target, as well as additional copper anomalies at the Northern and Northwestern Anomaly areas (Results reported in News Release July 3rd 2024).

Subsequent rock-chip sampling (128 samples) across Bambino confirmed high-grade copper-gold mineralization in quartz-limonite stockworks and gossans over a 1.5 km strike, with additional high-grade samples (up to 2.14% Cu, 205 g/t Ag) from the Northern Anomaly (Results reported in News Release October 30th 2024). Later in 2024, a 300-meter trenching program was completed at the Bambino Central Target. All four trenches intersected significant copper-bearing stockwork, with TR02 returning 133.5 metres @ 0.43% Cu and 6.9 g/t Ag. Additional gold-rich intervals were encountered, suggesting possible overprinting by a secondary gold system. Trenches also confirmed mineralization remains open to the east (Trench results reported in News Release November 5th 2024).

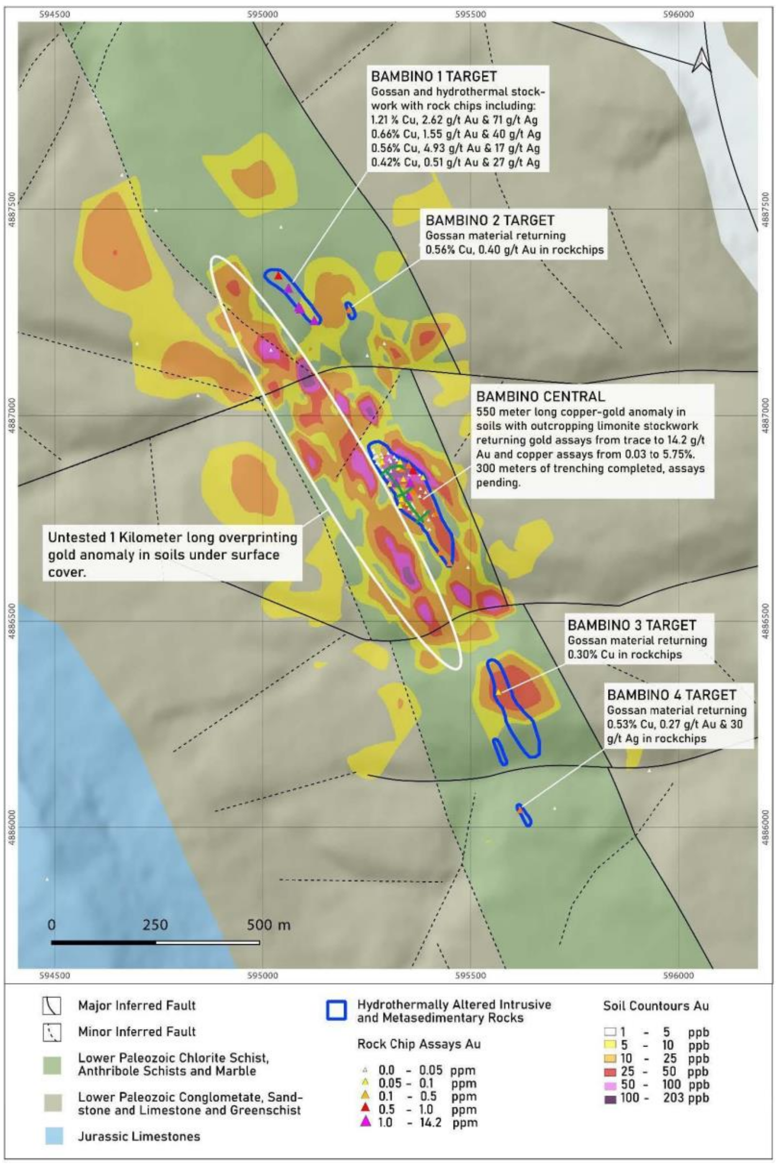

Figure 3: *Map showing the Bambino gold soil and rock chip assay results from April – June 2024 (Rock and soil results from News Releases 30th October 2024, 4th September 2024, and 3rd July 2024) (EPSG:32634).*

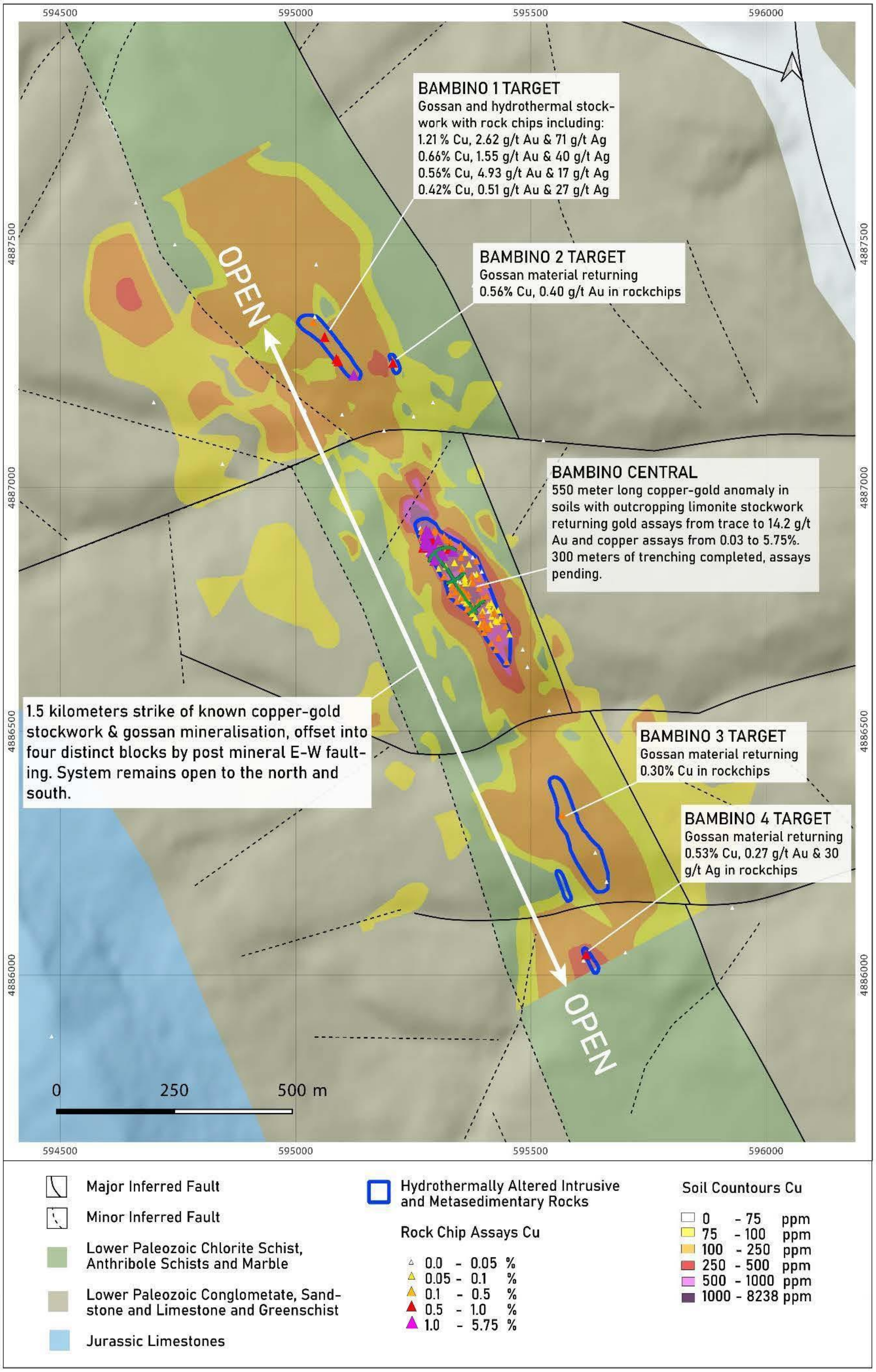

Figure 4: *Map showing the Bambino copper soil and rock chip assay results from April – June 2024 on geology map (Rock and soil results from News Releases [30th October 2024], [4th September 2024], and [3rd July 2024]) (EPSG:32634).*

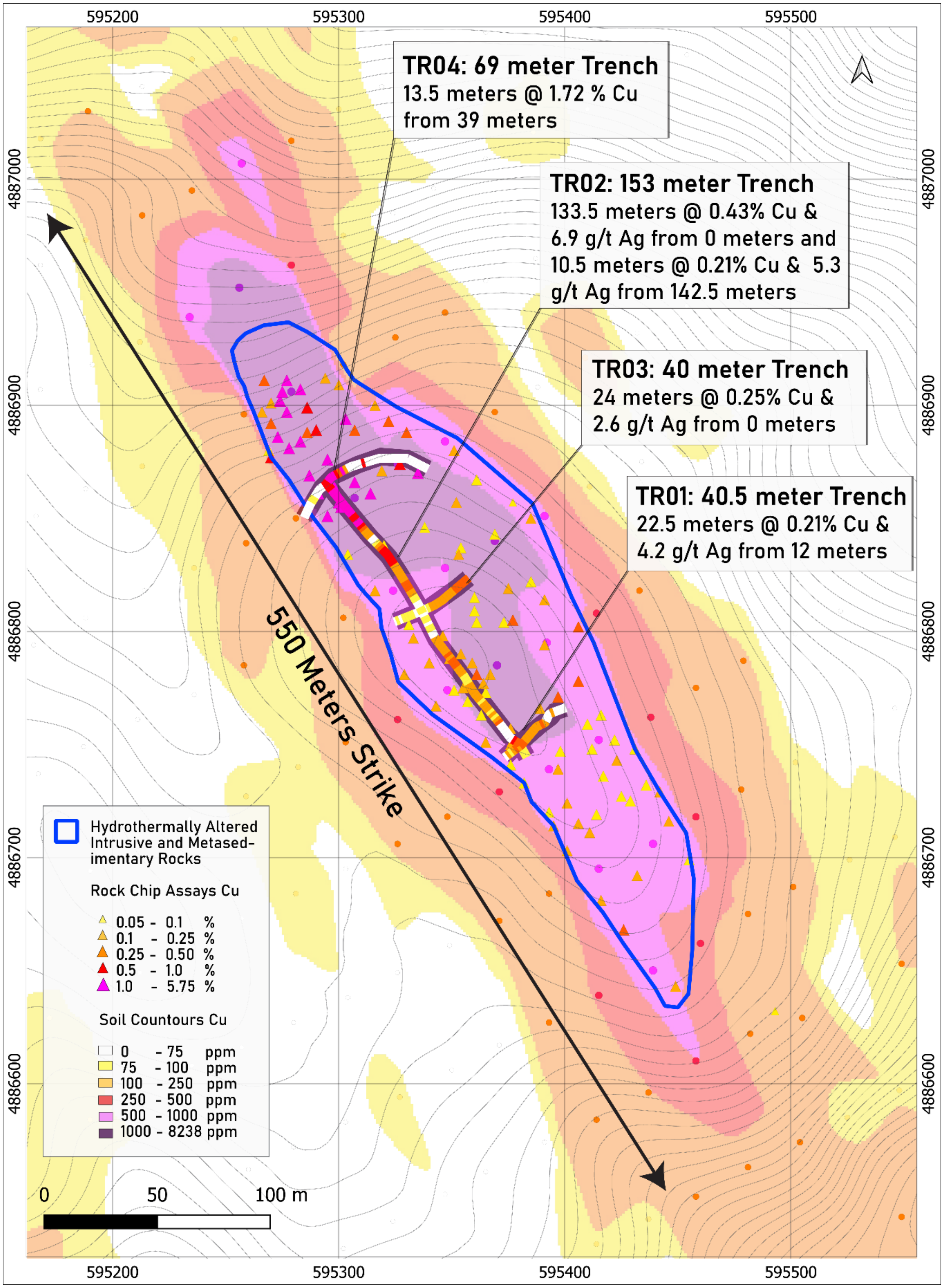

Figure 5: *Map showing soil, rockchip and trench sample copper assay results (Rock and soil results from News Releases 30th October 2024, 4th September 2024, and 3rd July 2024) (Trench results from News Release November 5th 2024) (EPSG:32634).*

To better resolve subsurface targeting, a High-Resolution Resistivity and Induced Polarization (HIRIP) survey was conducted in two phases by Terratec Geophysical Services. Results revealed chargeability anomalies beneath Bambino Central, extending up to 180 metres depth and interpreted as subsurface extensions of the stockwork system. Resistivity highs were interpreted as quartz-rich intrusions or silicification zones. *(IP results from News Release December 19th 2024)*.

In Q1 2025, the Company significantly advanced exploration at its Timok East Project through geophysical surveying, initial diamond drilling, and detailed surface mapping. A localized AMT survey identified a large, deep-seated conductivity anomaly beneath Bambino, interpreted as a potential deep-seated structure potentially linked to hydrothermal activity. Additional HIRIP surveying confirmed chargeability highs aligned with surface copper anomalies to the north and south of the Bambino central target. The Company completed its first drill program at Bambino, intersecting narrow intervals of skarn alteration and confirming minor gold, silver, and copper mineralization. Follow-up mapping and rock-chip sampling extended surface mineralization over 1.7 km at the Northern Skarn target, reinforcing the potential for a significant, Cu-Au skarn system across the broader Bambino trend.

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 6).

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 7).
The 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 (see News Release February 19th 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 also completed Phase 2 of the HIRIP survey at Bambino. This survey consisted of four additional survey lines, 950 meters in length, traversing the northern and southern Bambino extensions (Bambino 1, 2, 3 & 4), (see Figure 6) areas identified through previous mapping and surface geochemical analysis completed in February 2025. Together, both phases covered approximately 1.6 kilometers of strike length across the Bambino anomaly, depth penetration of approximately 300 meters 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.

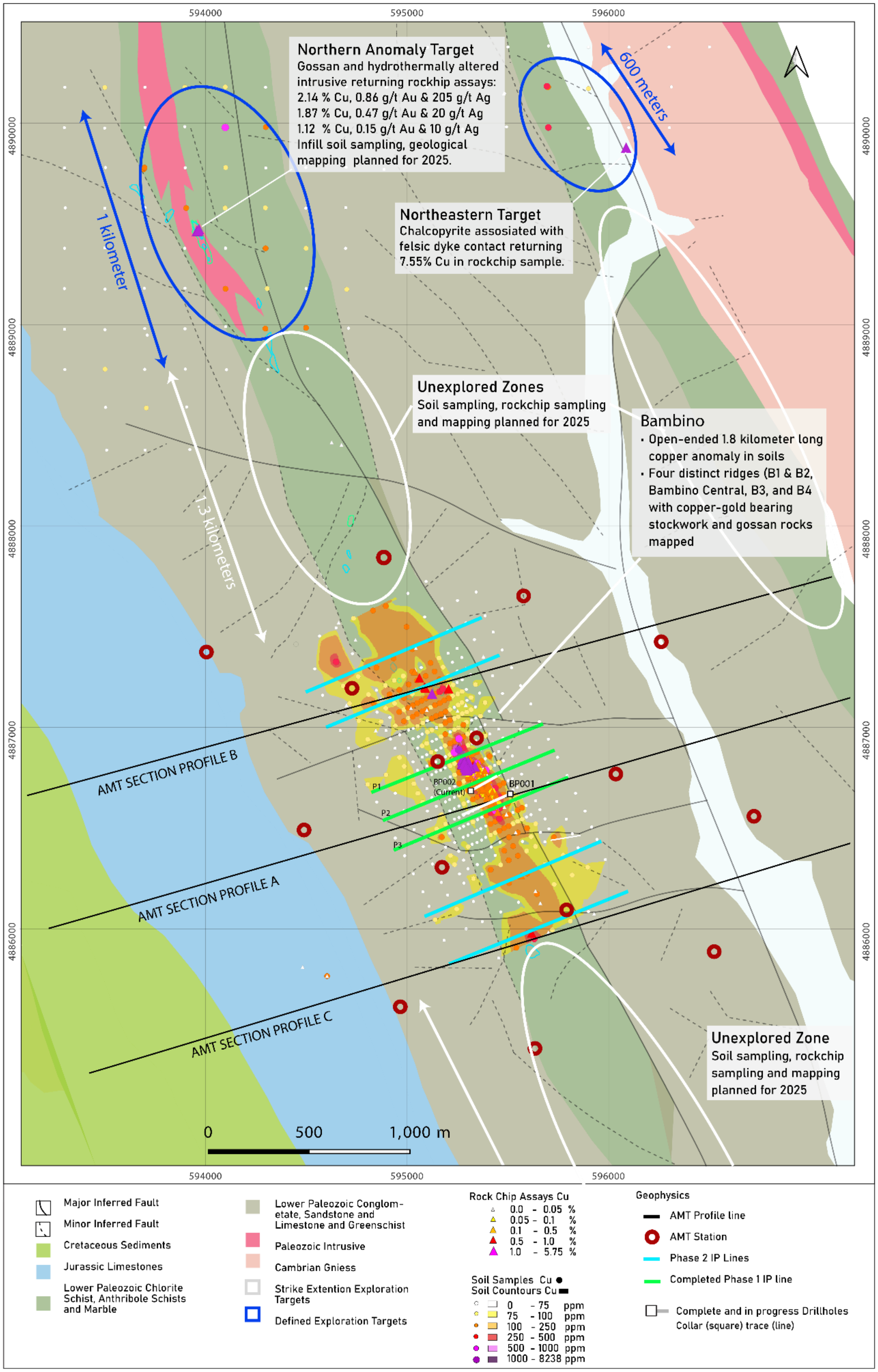

Figure 6: *Geology and surface geochemistry map showing the location of the Bambino and Bambino Central anomalies within the broader target area (rock and soil results from News Release 30th October 2024, 4th September 2024, and 3rd July 2024) with AMT survey stations, profile lines corresponding to figure 2. and phase 1 & 2 IP lines(EPSG:32634).*

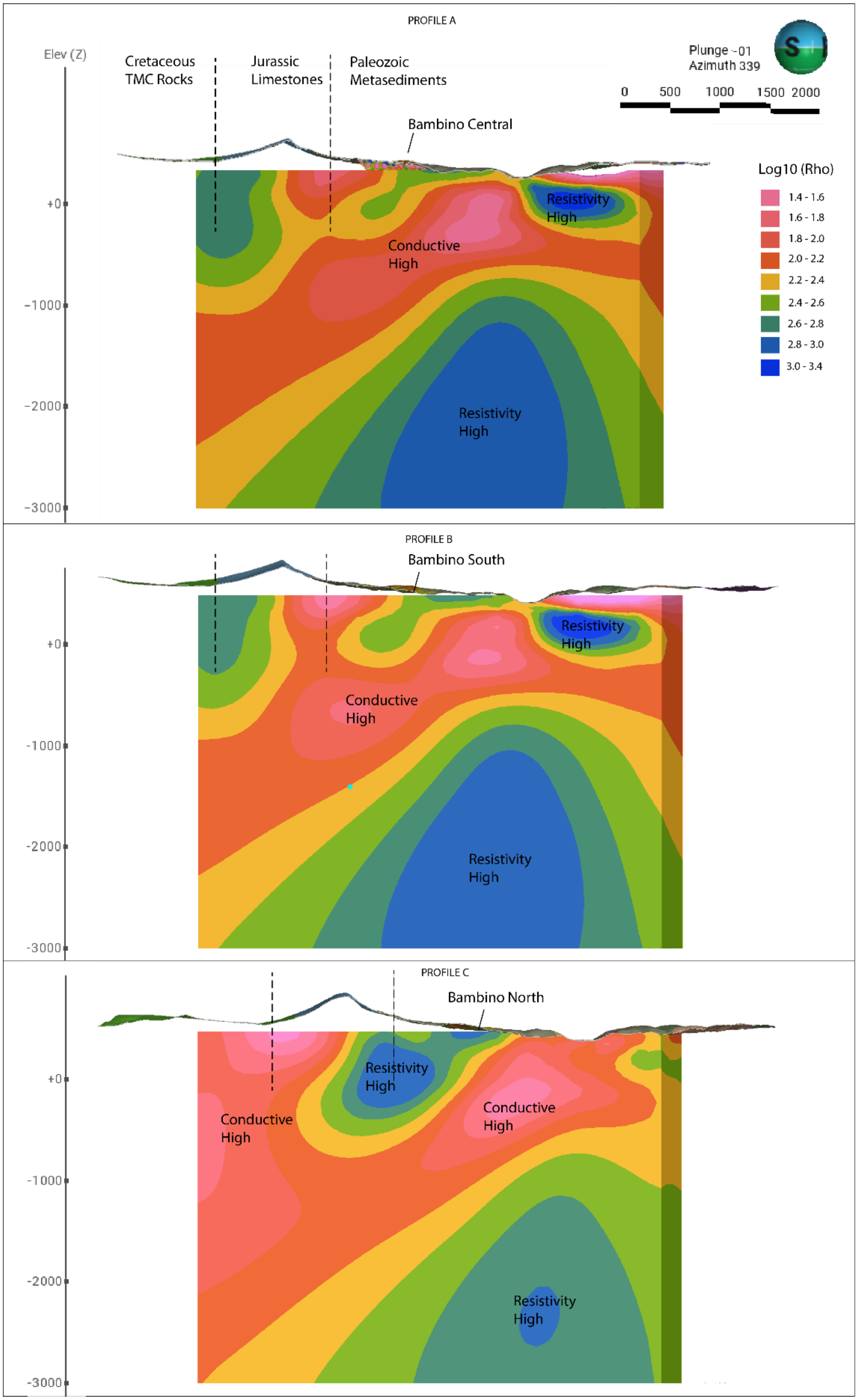

Figure 7*: Cross-section profiles through a 3D inversion resistivity model from the AMT survey showing the location of Bambino targets areas in relation to the conductivity and resistivity anomalies, and locations of two drill holes (BC001 and BC002) on the Profile B. See figure 11 for section lines (AMT results from News Release 14th of February 2025).*

In February 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, was completed in early March 2025 (see figure 8). The program was 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 9 & 10).

Table 1: 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 (Figure 10 & 11). 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.

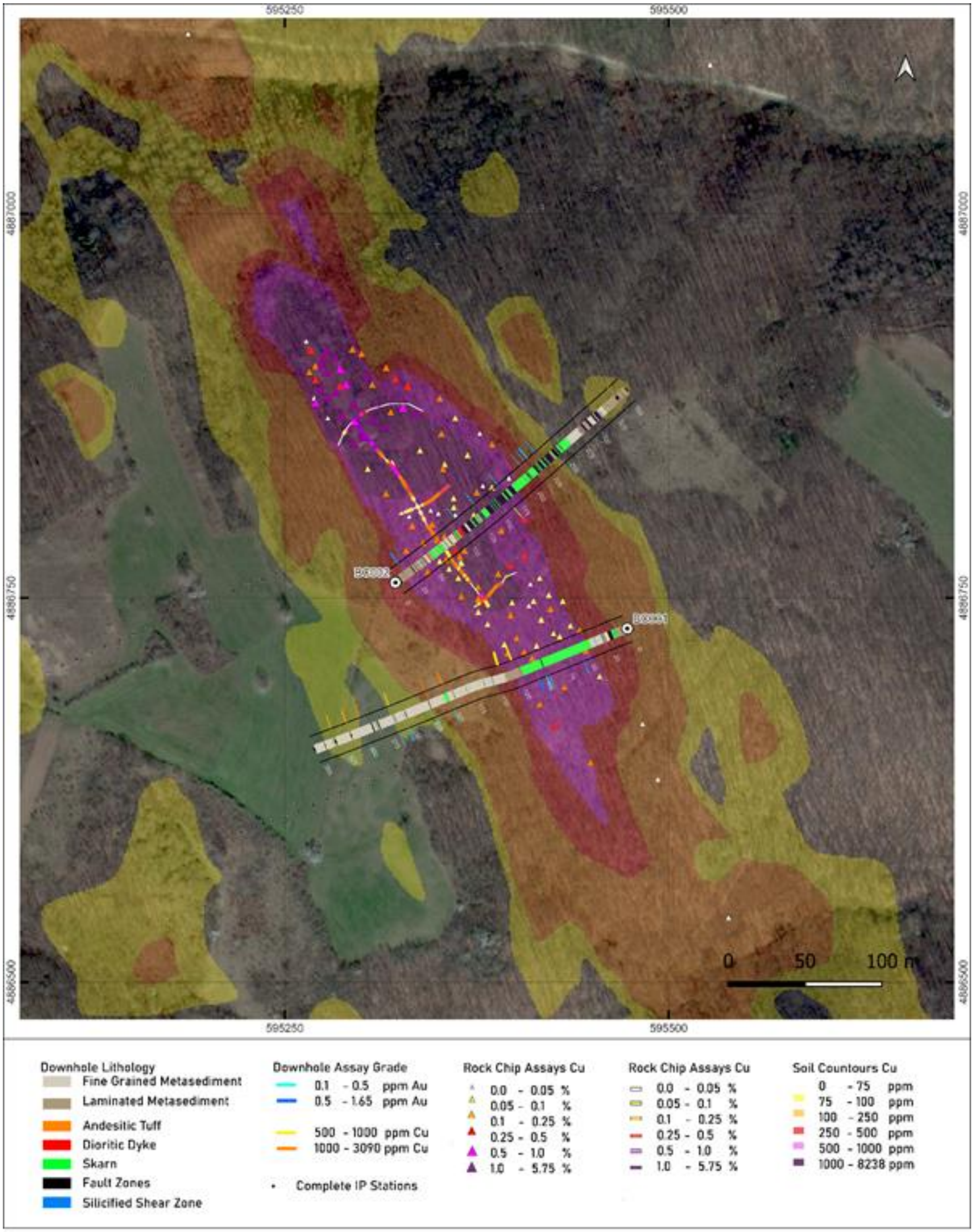

Figure 8: *Planview map showing the locations of BC001 and BC002, with downhole lithology logging in relation to surface copper anomalism (Rock and soil results from News Release 30th October 2024, 4th September 2024, and 3rd July 2024, Trench results from News Release November 5th 2024, Drill Results from News Release April 2nd 2025) (EPSG:32634).*

Figure 9*: 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 10*: Skarn replacement of metavolcanic rock, with prominent magnetite and disseminated pyrite-chalcopyrite. BC001, 199.2-200 m at 0.31% Cu.*

Figure 11*: Quartz-calcite stockwork veining with hematite alteration selvedge 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.*

During Q1 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 a prominent magnetic high anomaly (see Figure 14) 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 7), 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 13) (See News Release April 16th 2025)..

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 12). 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 12) (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.

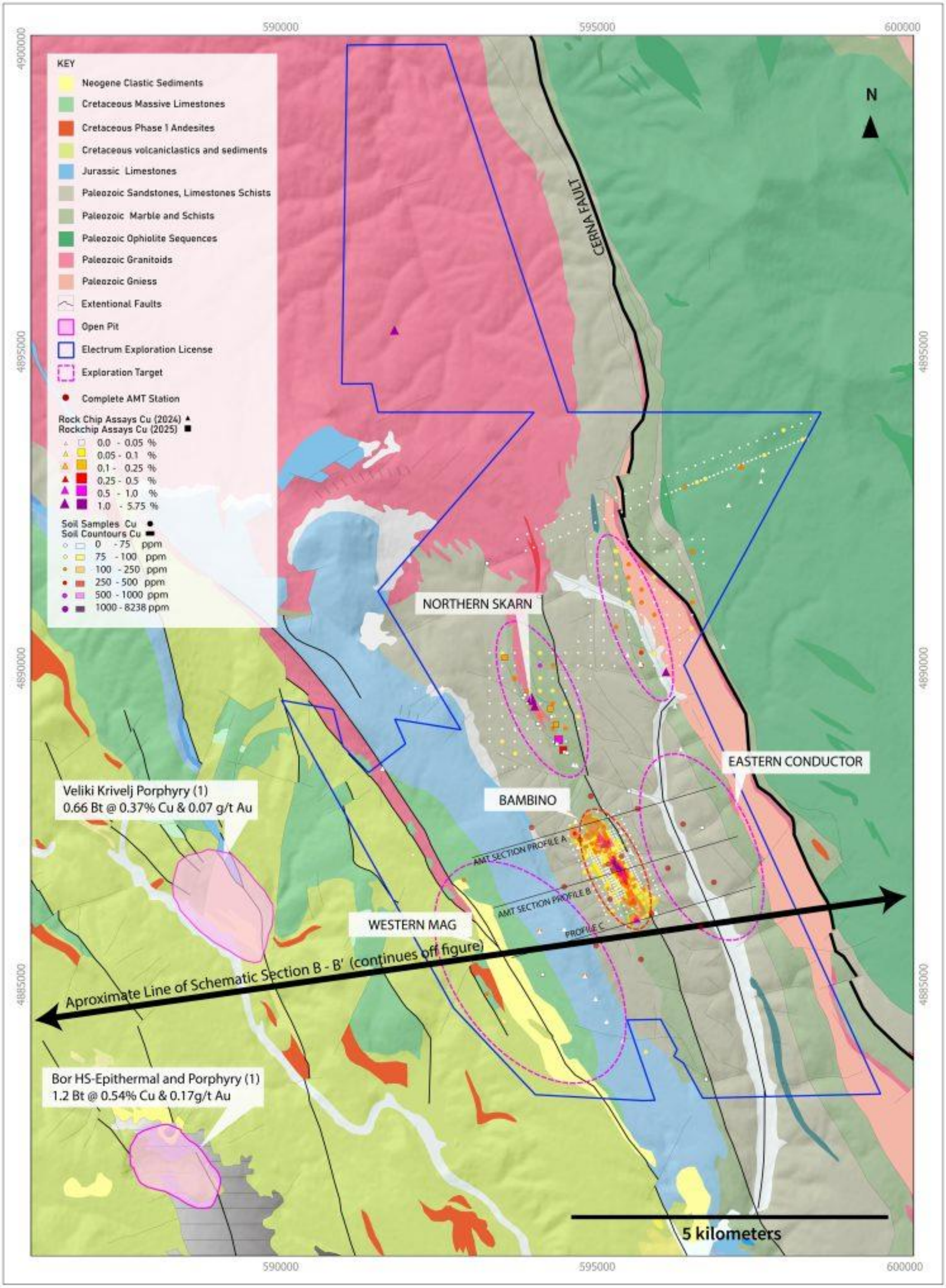

Figure 12: *Map of targets on 100k geology background, highlighting new targets identified from regional targeting work and the location of newly reported assay samples (2025) (2024 Rock and soil results from News Releases [30th October 2024](), [4th September 2024]()) (EPSG:32634)*

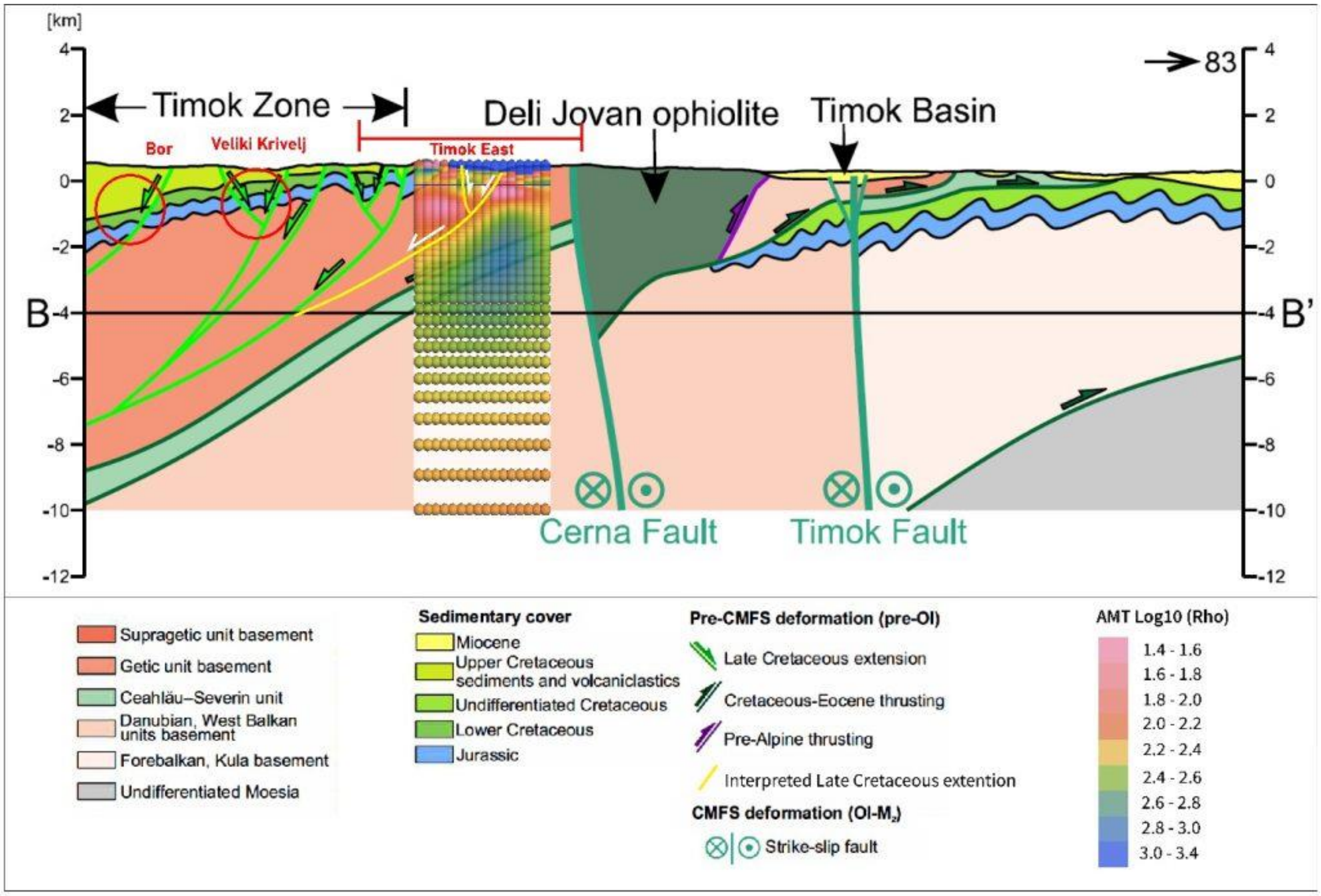

Figure 13: *Schematic cross-section of the eastern boundary of the Timok Magmatic Complex and Deli Jovan Ophiolite showing results from the AMT survey (see release February 19th 2025) with the Company's interpretations of extensional fault sets across Timok East. The approximate structural context and 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].).*

Since the end of reporting period, the Company engaged Terra Scout EOOD for a 280 line-kilometer ground magnetic survey across the Makovište and southern Luka licenses. The survey covers approximately 59 km^2 using a base line spacing of 300 meters, tightened to 150 meters over key target areas identified through prior mapping, geochemical sampling, and geophysical data (see Figure 14).

The survey was designed to enhance the understanding of structural and lithological features across the project area, identify magnetic responses potentially linked with porphyry deposit alteration at the Western Mag Target (see Figure 14) and identify magnetite-rich zones within skarn systems along the Bambino and Northern Skarn trend and refine structural interpretations. The magnetic data will be integrated with existing geophysical, geochemical and geological data to guide the next phase of drill targeting. Field work has been completed, and the processed results are expected by the end of May 2025.

Additionally, between April and May 2025, the Company carried out an extensive prospecting campaign across the Luka, Makovište, and Bukova Glava licenses (see Figure 16), aimed at classifying intrusive phases, alteration styles, and mineralization potentially related to Cretaceous magmatism at Timok East. A total of 86 rock samples were collected and added to the Company's growing physical and digital rock library. From these samples and select drill core, 27 samples were selected and submitted for petrological and ore microscopy analysis at the University of Belgrade to further characterize potentially mineralizing intrusive, associated alteration and skarn mineralization (see Figures 18, 19 & 20).

An additional 12 samples were submitted for TESCAN Integrated Mineral Analysis (TIMA) at the Natural History Museum in London (see Figures 16 & 17). Upon completion of TIMA, appropriate samples will undergo geochronological analysis at Portsmouth University for in situ zircon, garnet, and calcite stockwork age dating. Three samples will be sent to Bristol University for alteration related sericite and K-feldspar geochronology. These integrated studies aim to link identified intrusive and alteration assemblages to Cretaceous magmatic events, which are associated with porphyry, epithermal, and skarn systems within the Timok Magmatic Complex. Results from petrology and TIMA analyses are expected in Q3 2025 and will support geological understanding and ongoing target refinement.

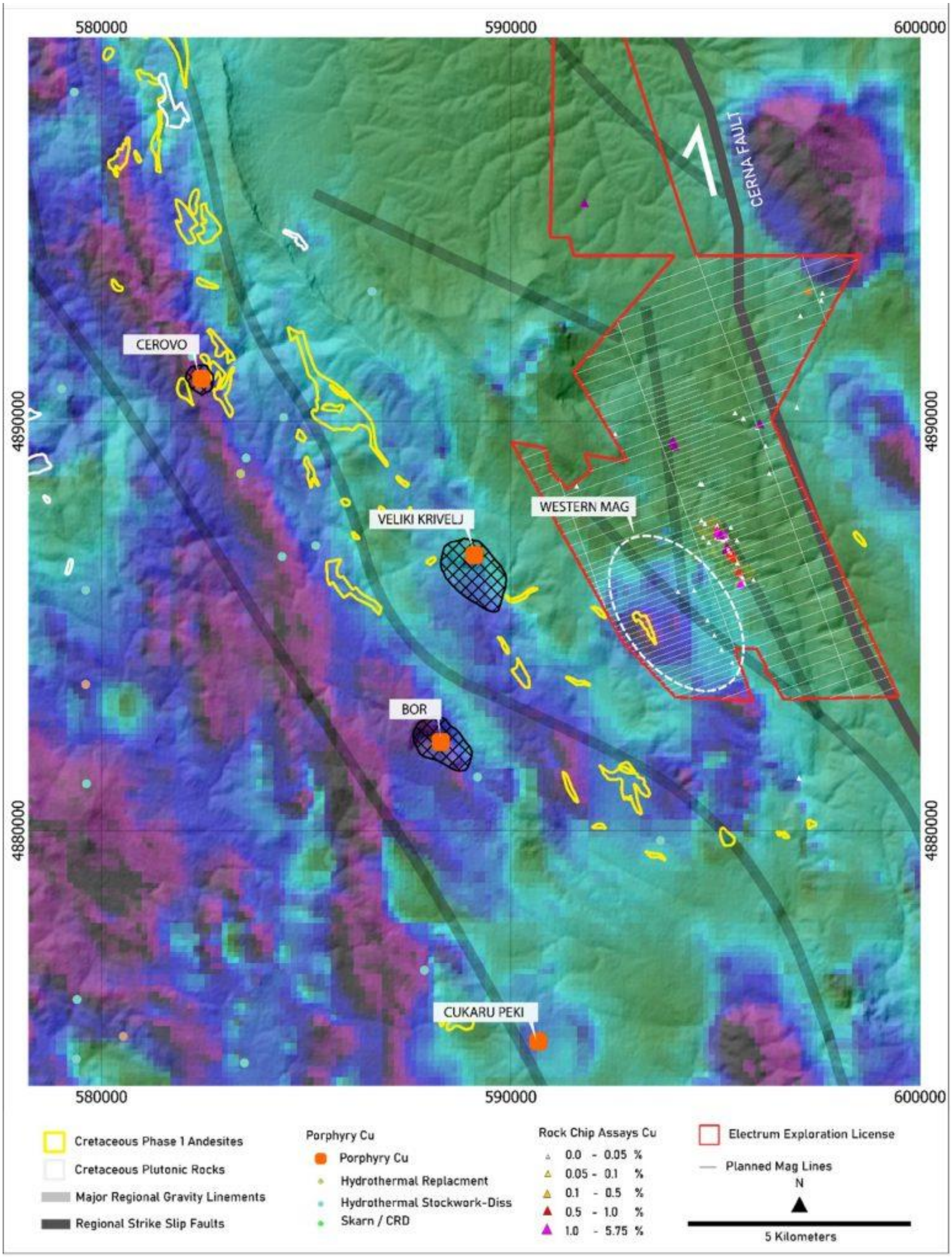

Figure 14: *Location of magnetic lines across Luka and Makovište on Historical magnetic data (analytical signal) covering the Bor Mining complex and Luka and Makovište licenses, showing Phase 1 andesites from State geological maps, commonly associated with porphyry mineralization. (EPSG:32634). Meta data for the magnetic analytic signal map layer is unknown and the map layer has not been verified.*

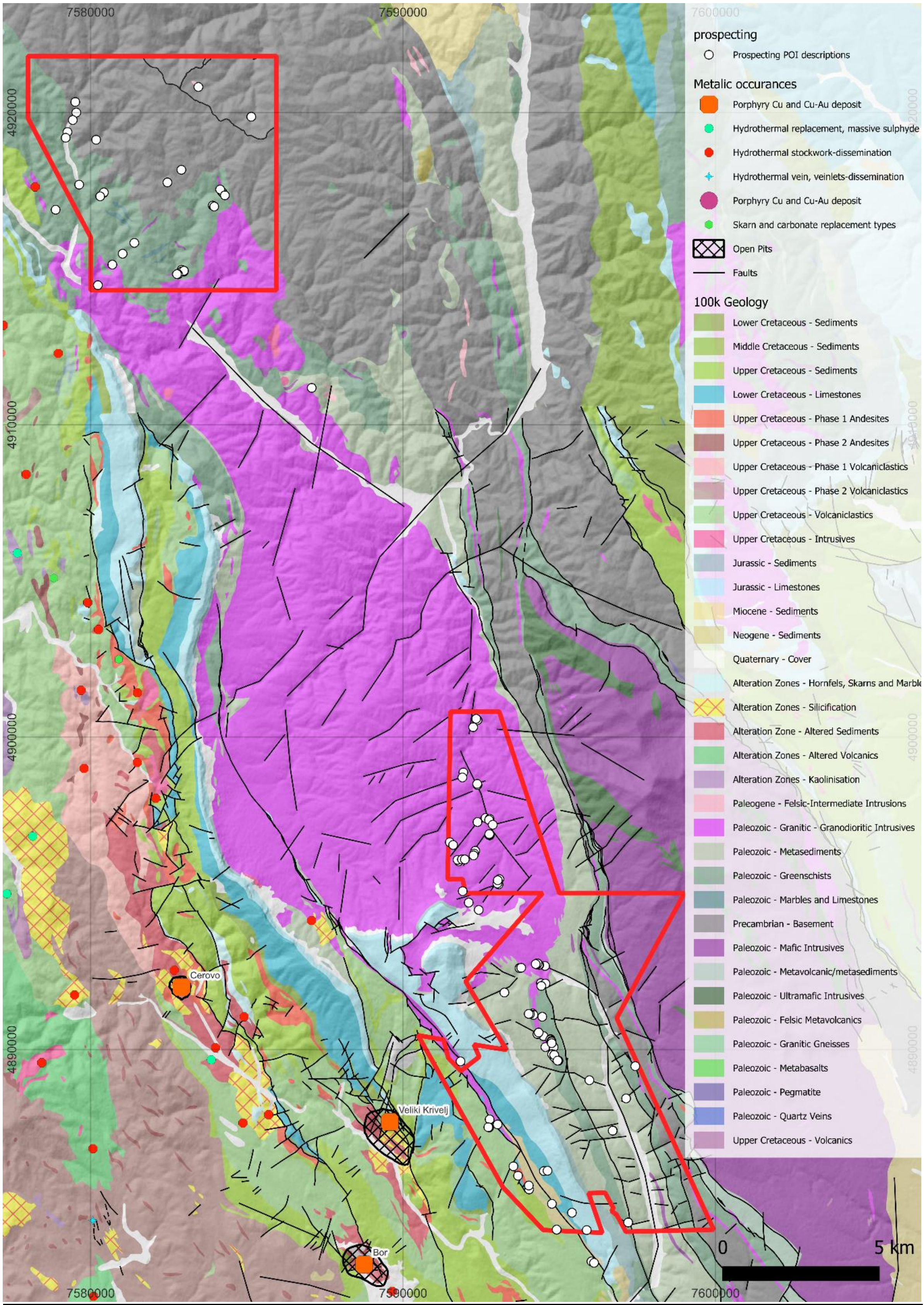

Figure 15: *Geology map of the Timok east license, showing the localities of rocks collected during prospecting for petrological and geochronological evaluations. (EPSG:32634).*

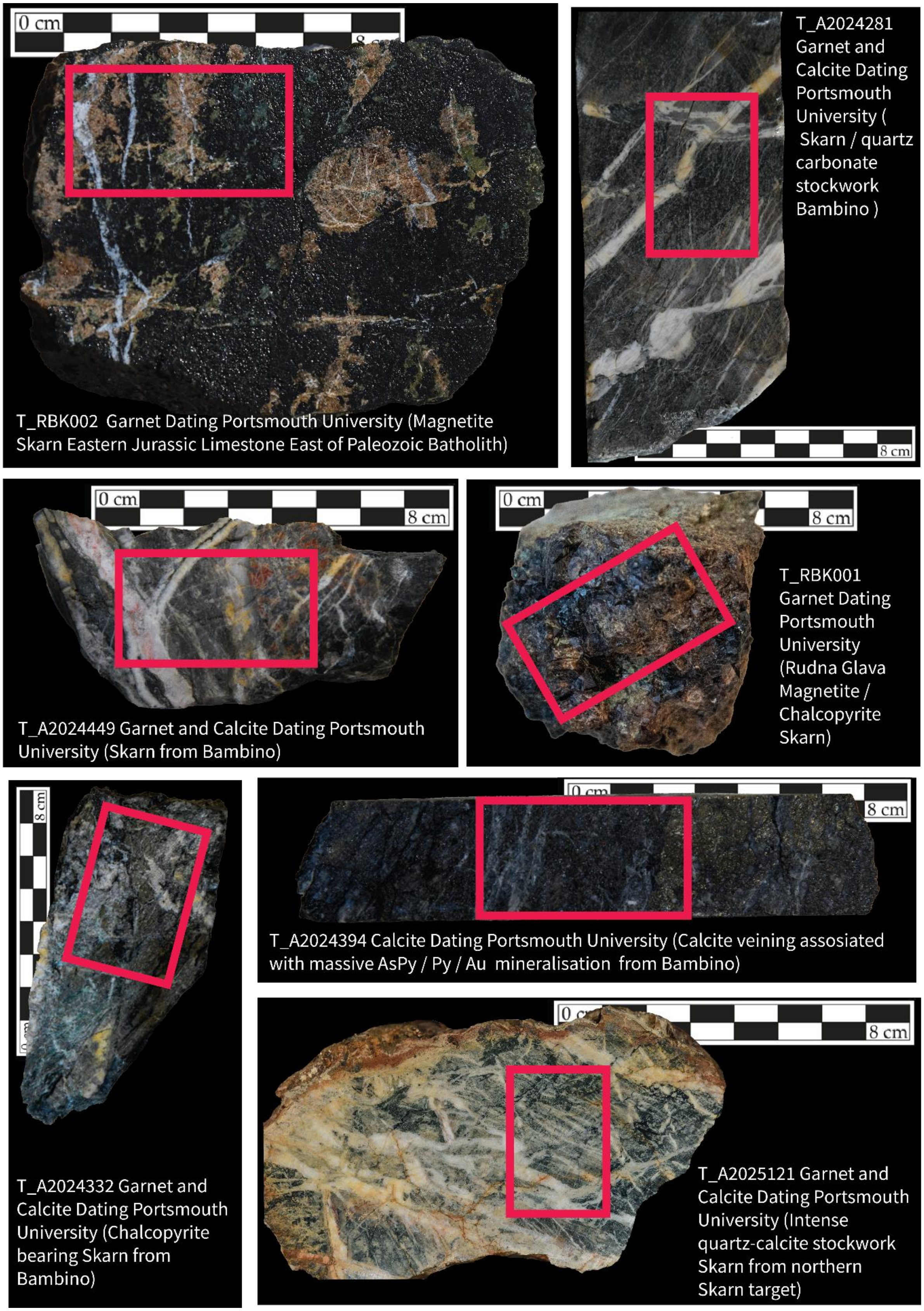

Figure 16: *Photographs of samples sent for TIMA analysis ahead of various methods of age dating.*

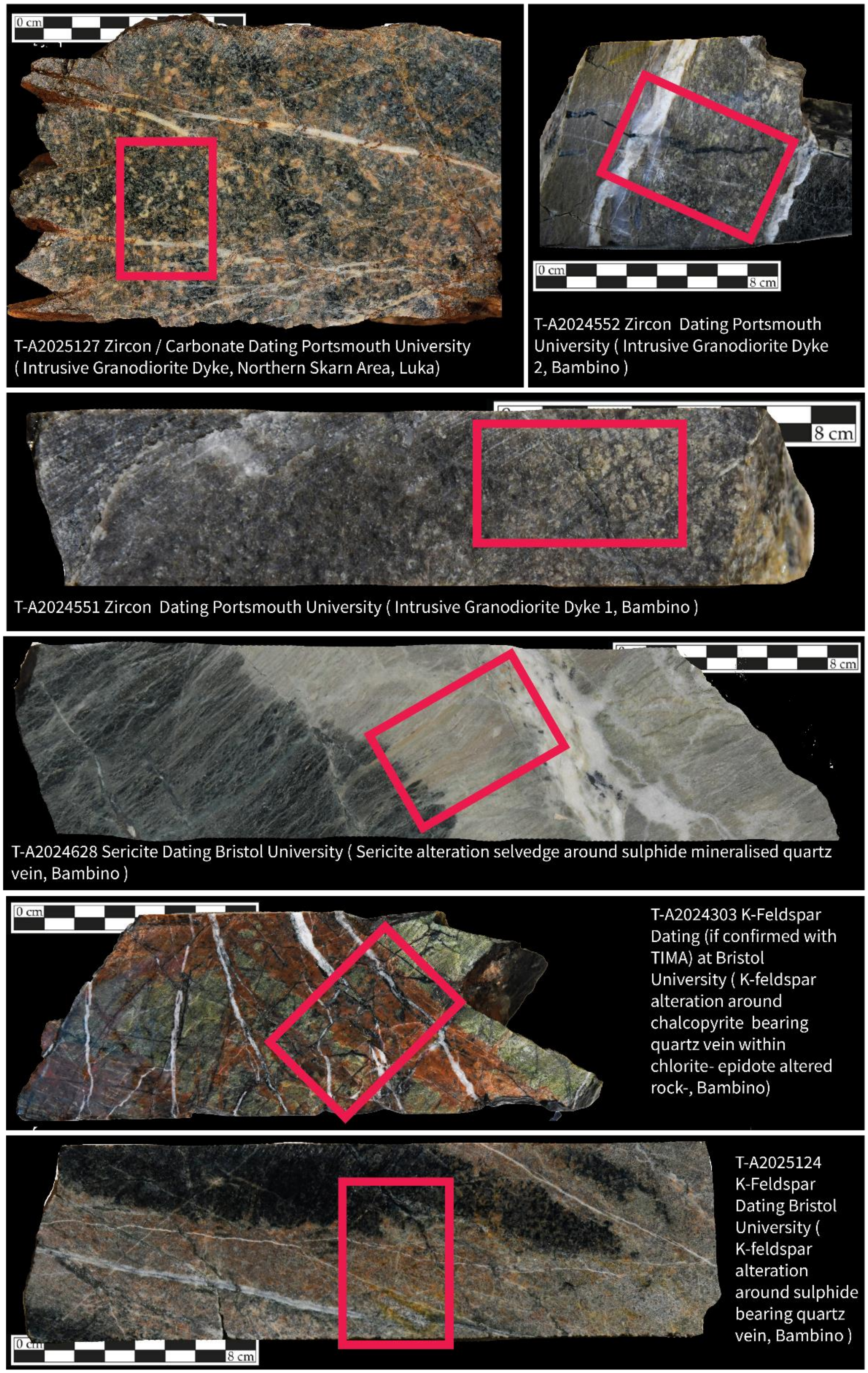

Figure 17: *Photographs of samples sent for TIMA analysis ahead of various methods of age dating.*

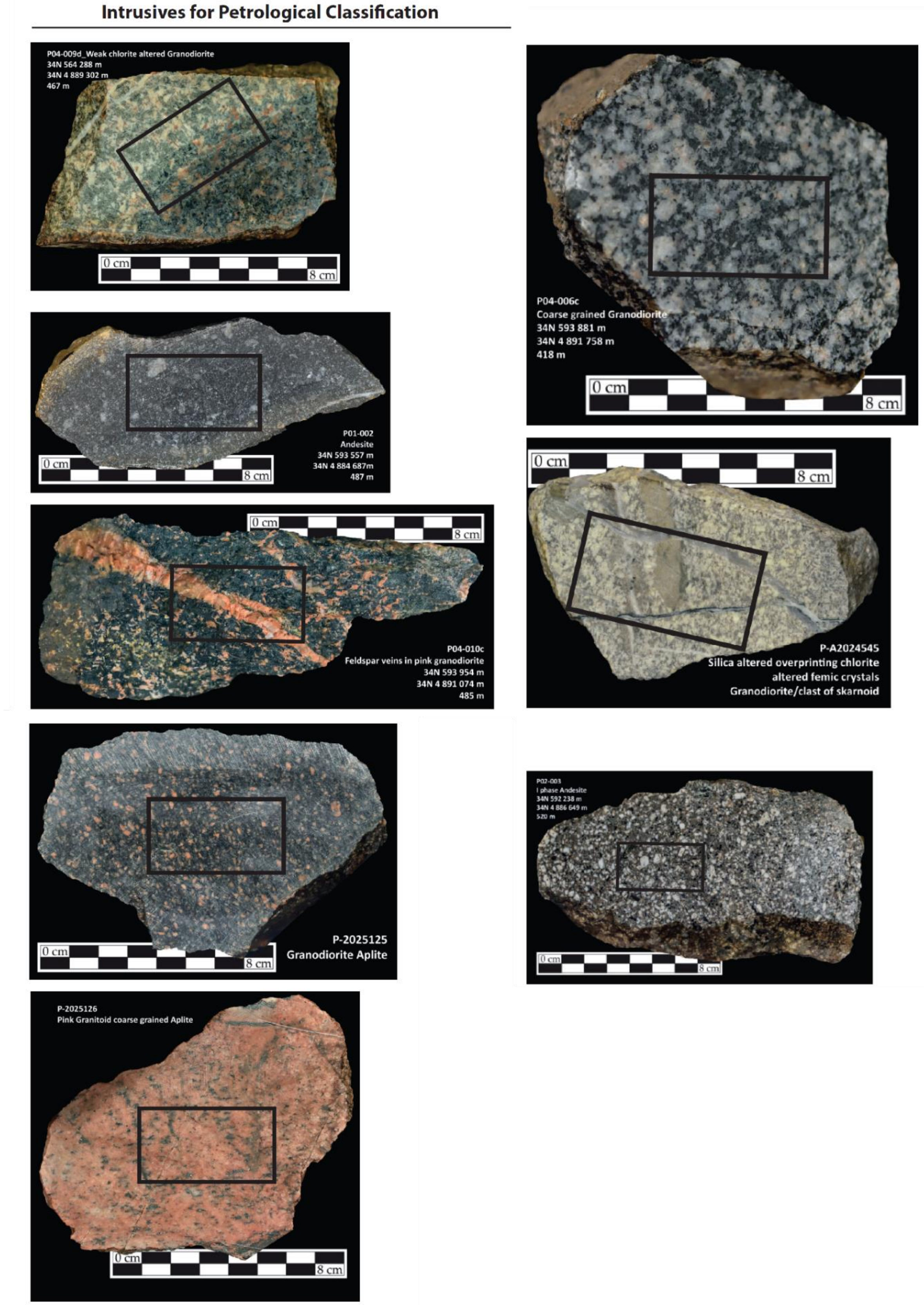

Figure 18: *Section locations on rock slabs for ore microscopy and sedimentary / metamorphic rock petrological classification at Belgrade University.*

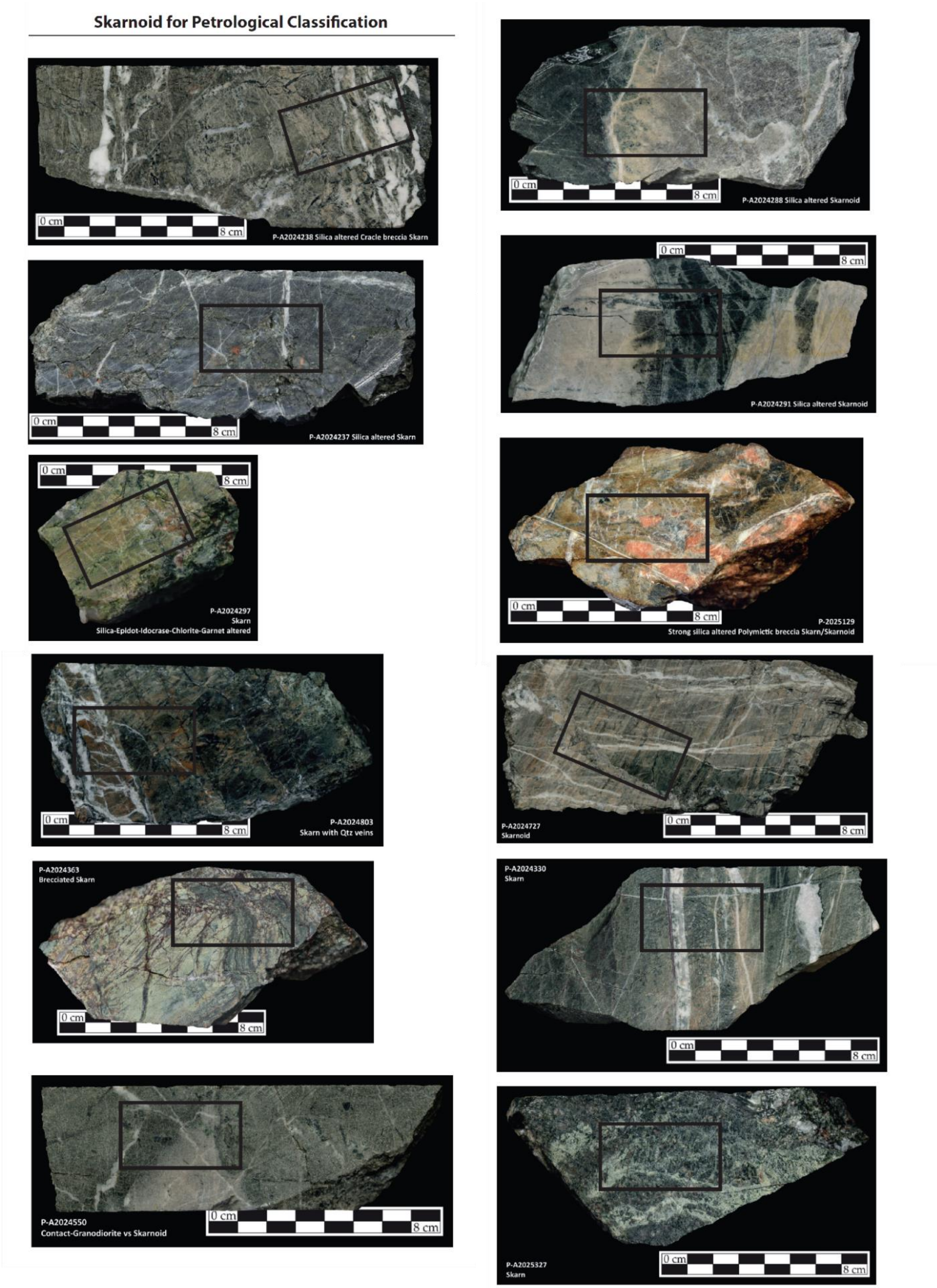

Figure 19: *Section locations on rock slabs for ore microscopy and sedimentary / metamorphic rock petrological classification at Belgrade University.*

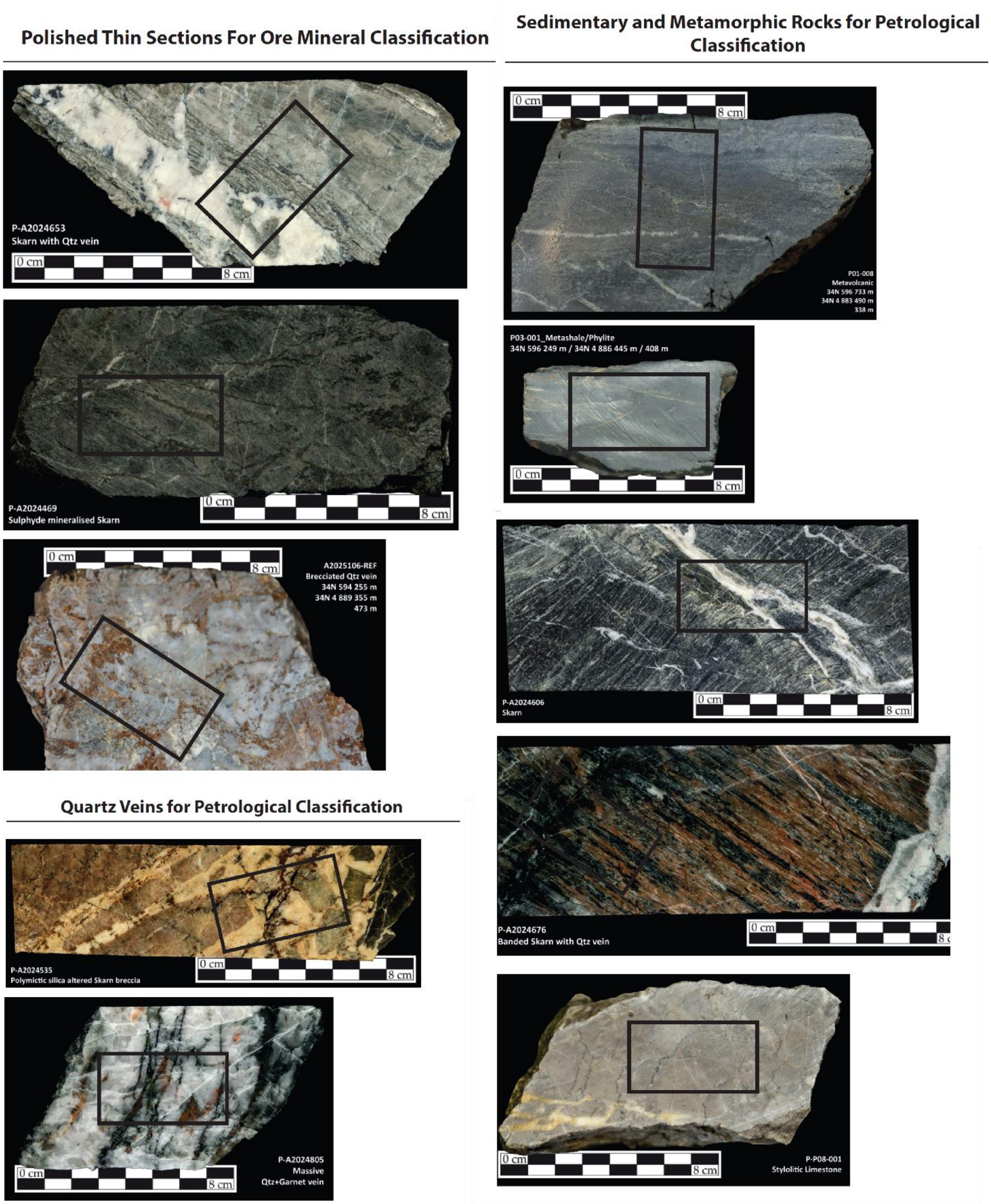

Figure 20: *Section locations on rock slabs for ore microscopy and sedimentary / metamorphic rock petrological classification at Belgrade University.*

Novo Tlamino Project

As a result of a reverse take-over transaction completed in January 2024, the Company expanded its Tlamino Gold Project, located in southern Serbia which was 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 reverse take-over transaction, 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 2024 fiscal year, the Company received the three-year extensions for the Surlica Dukat and Donje Tlamino exploration licenses.

During the 2024 fiscal year, 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 2024 fiscal year, 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 km^2, and three mineral exploration license applications: Radovnica, Ljubata and Crnoštica, covering a total of 226.65 km^2 (see Table 2).

Table 2: 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	*In application*	
Ljubata	60.19	*In application*	
Crnoštica	68.16	*In application*	
Total	**419.28 km^2**		

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.

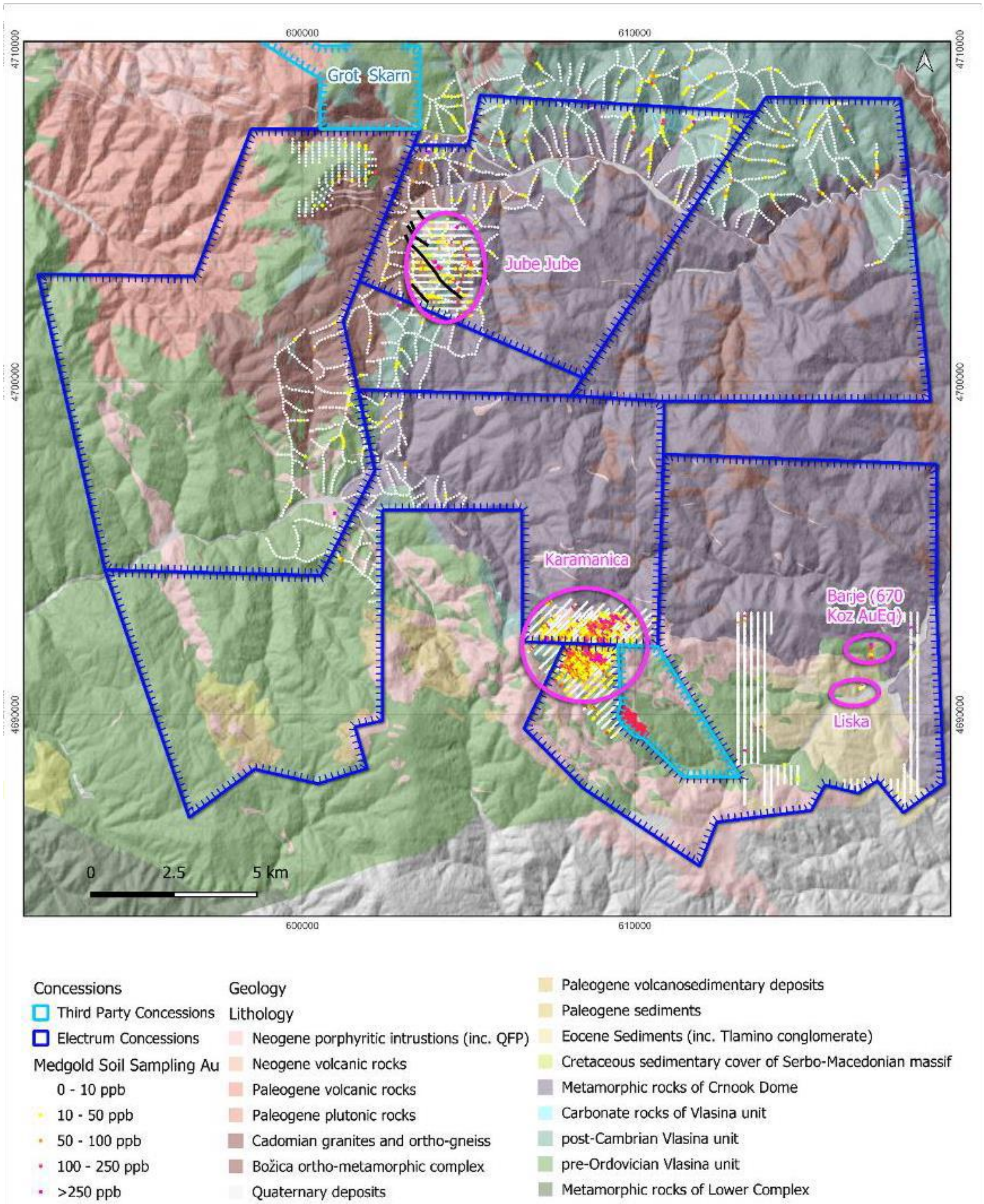

Figure 21: *Geology map highlighting the three main Novo Tlamino targets with surface soil geochemistry.*

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 21) 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.

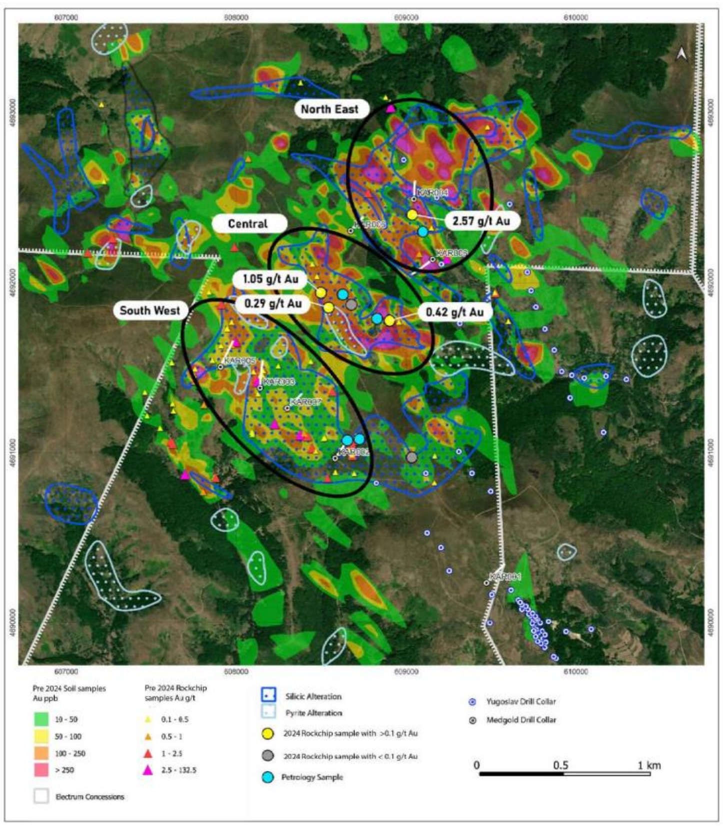

Figure 22. Map showing alteration and surface soil gold geochemistry and reconnaissance rock chip sample results at the Karamanica target.

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.

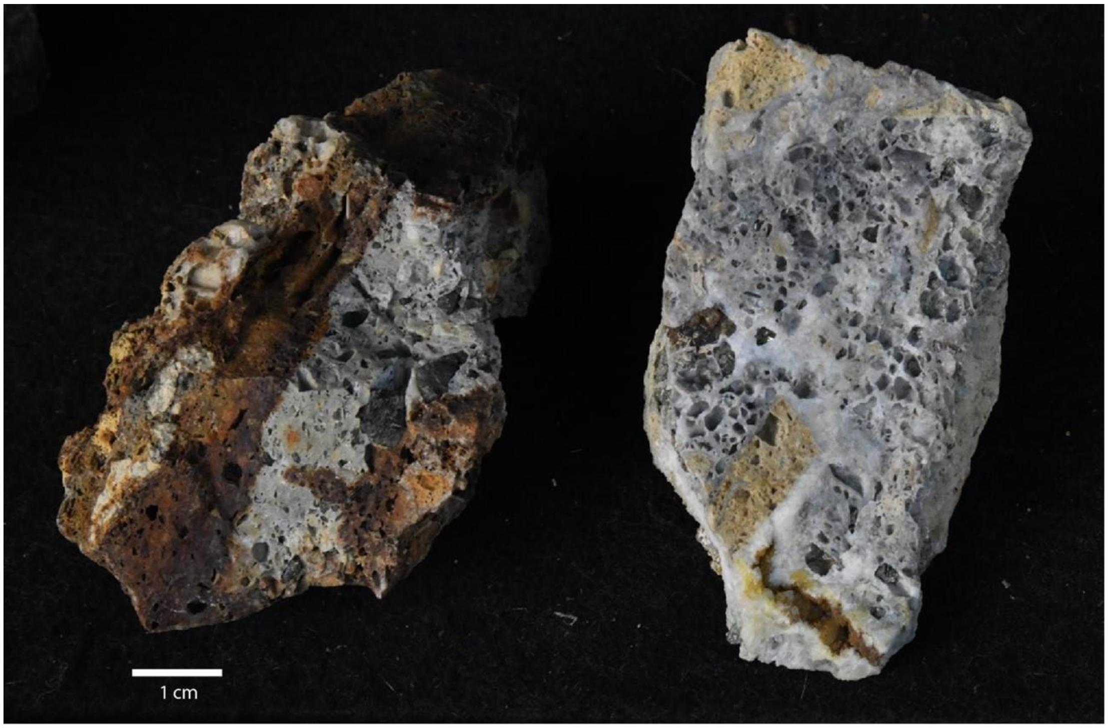

Figure 23: *Example of vuggy silica material taken from Karamanica.*

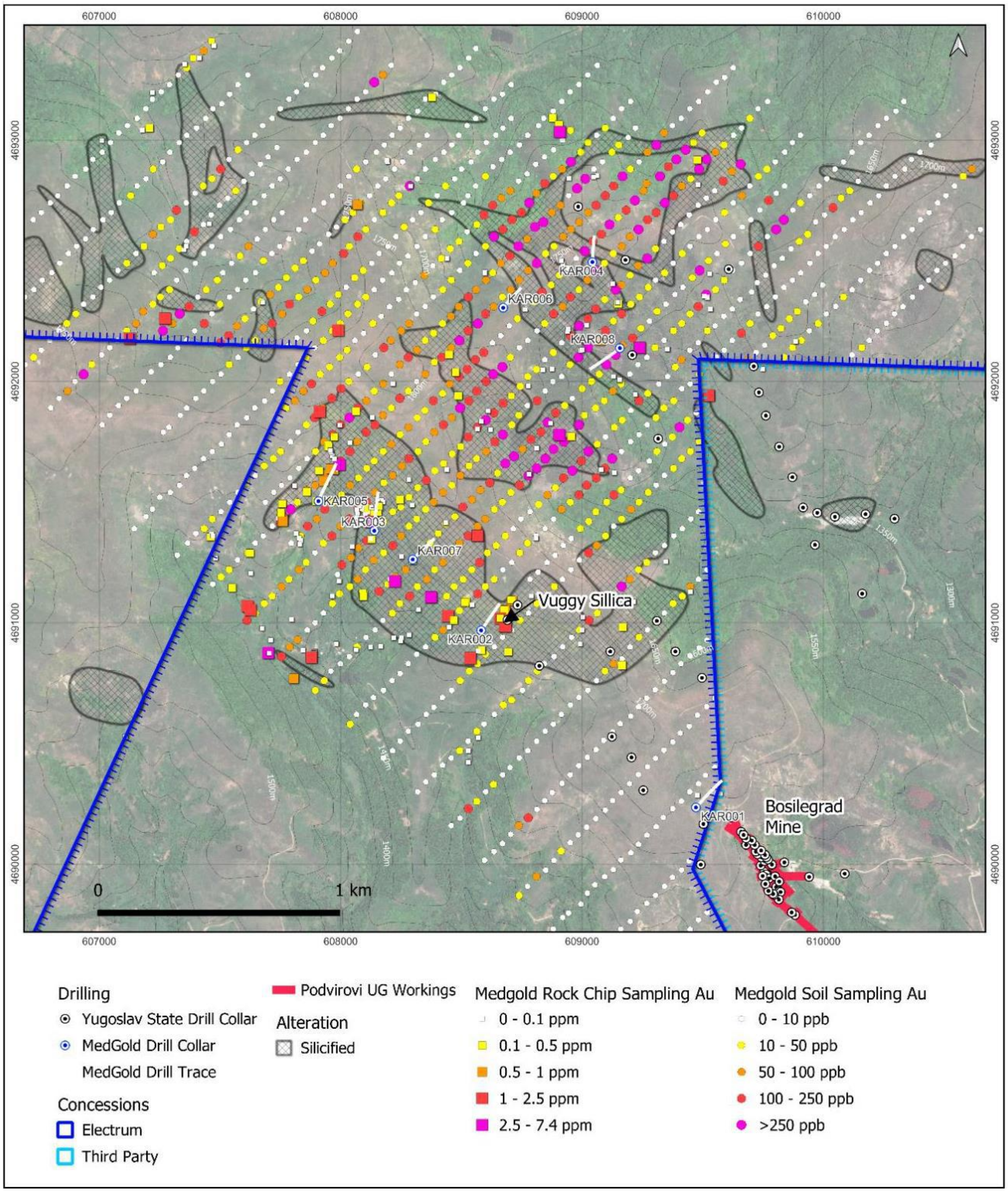

***Figure 24:** Surface soil gold anomalies, rockchip samples and silicification mapped zones across the Karamanica exploration target.*

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.

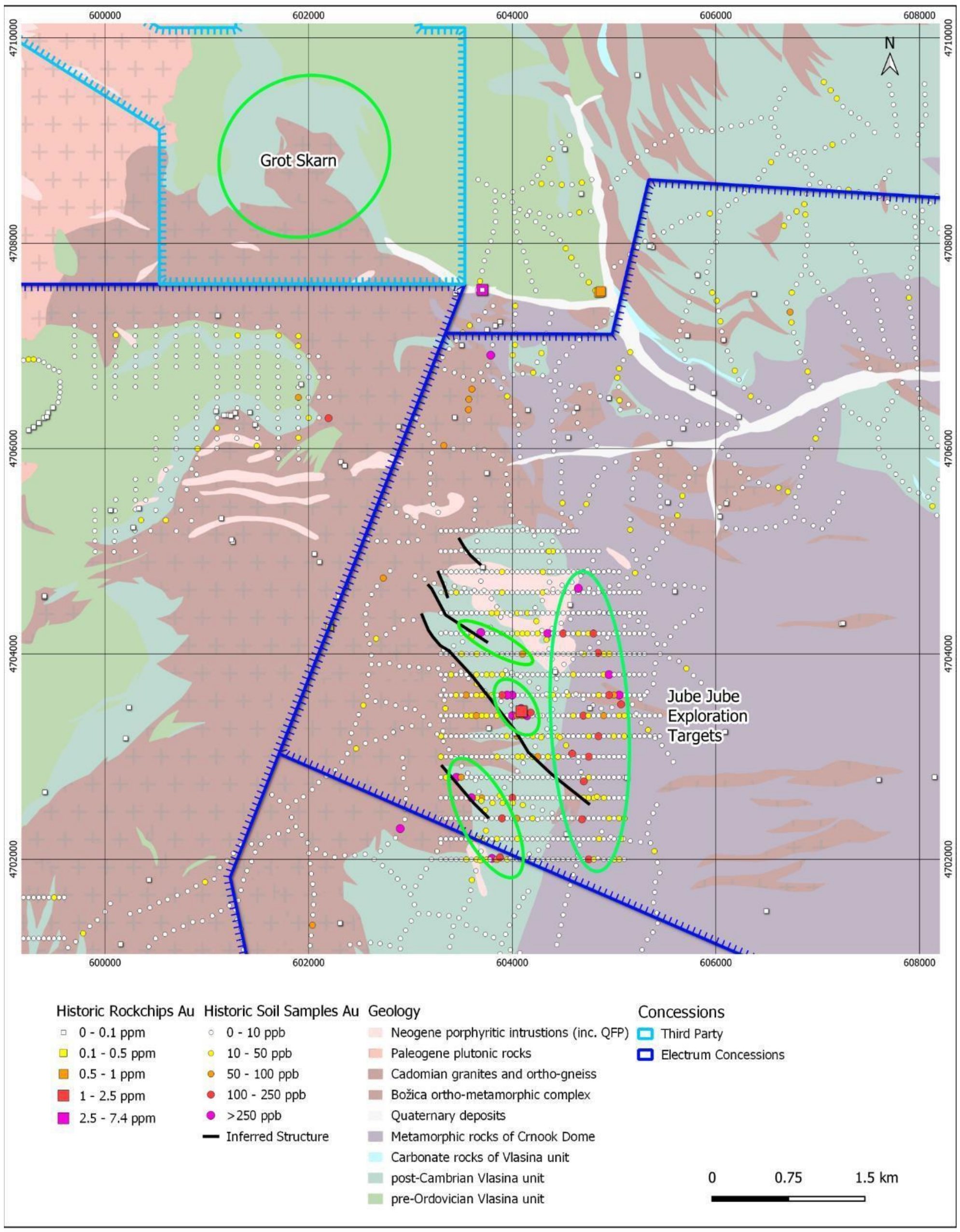

Figure 25: *Surface gold anomalism within the Jube Jube target area in relation to Grot mine in the north.*

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 a offset continuation of the Barje mineralization, between previous drilling at Barje and Liska, has been identified as a high priority exploration target.

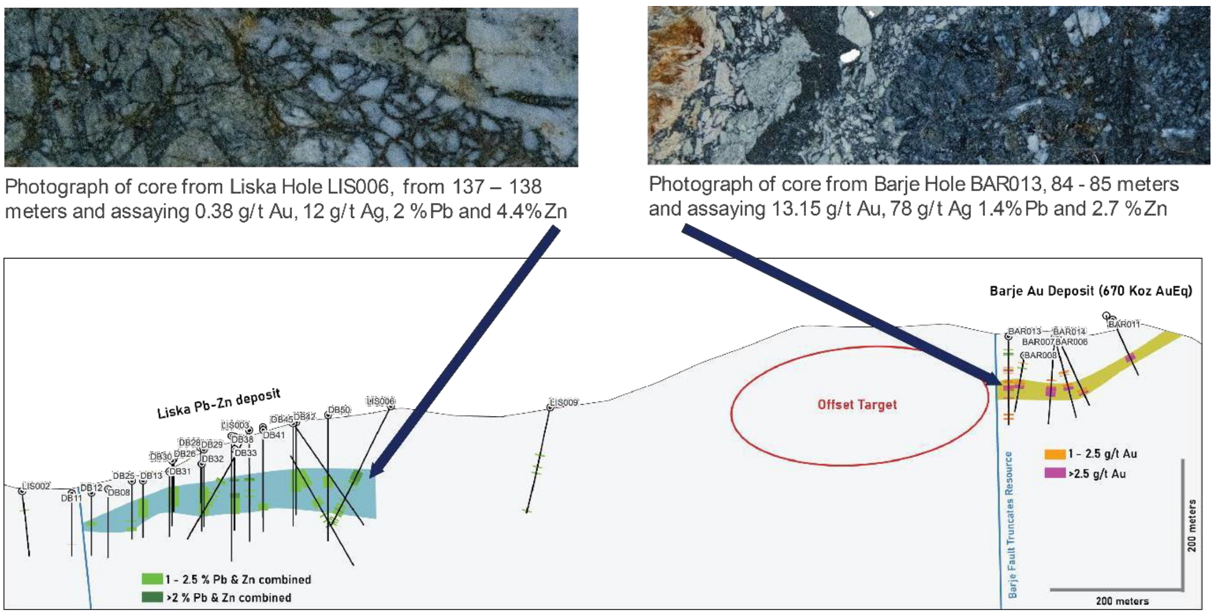

***Figure 26:** Cross section through the Barje and Liska deposits, with tagged core photographs showing similarities in mineralization styles between the two deposits.*

<u>Preliminary Economic Assessment</u>

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 3.

Table 3: 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 27. Key project parameters are presented in Table 4.

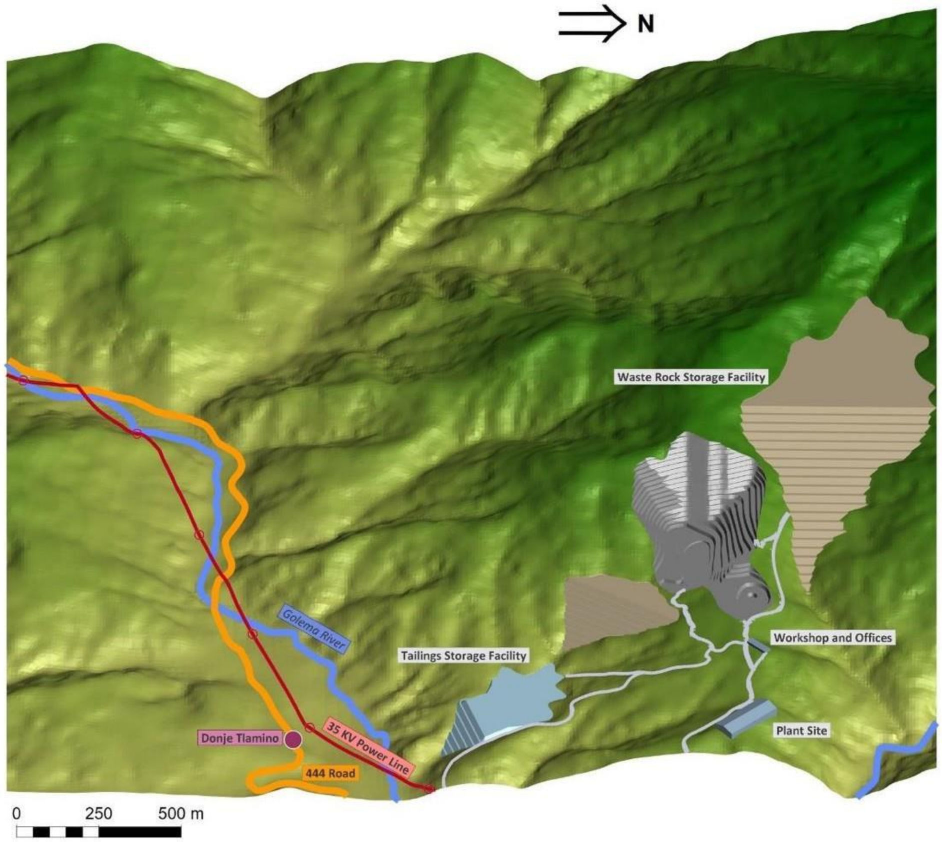

Figure 27: *Preliminary Site Layout, Barje (looking west)*

Table 4: 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 5.

Table 5: 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 6.

Table 6: 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 7. Estimates for closure were also assessed during the ESIA review process.

Table 7: 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 8 below.

Table 8: Operating Cost Estimates

Description	Units	Cost/Unit
Mining		
Mining Cost - ROM	t	US$2.80
Mining Cost - Waste	t	US$2.30
Processing		
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. 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 9.

Table 9: 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 10 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.

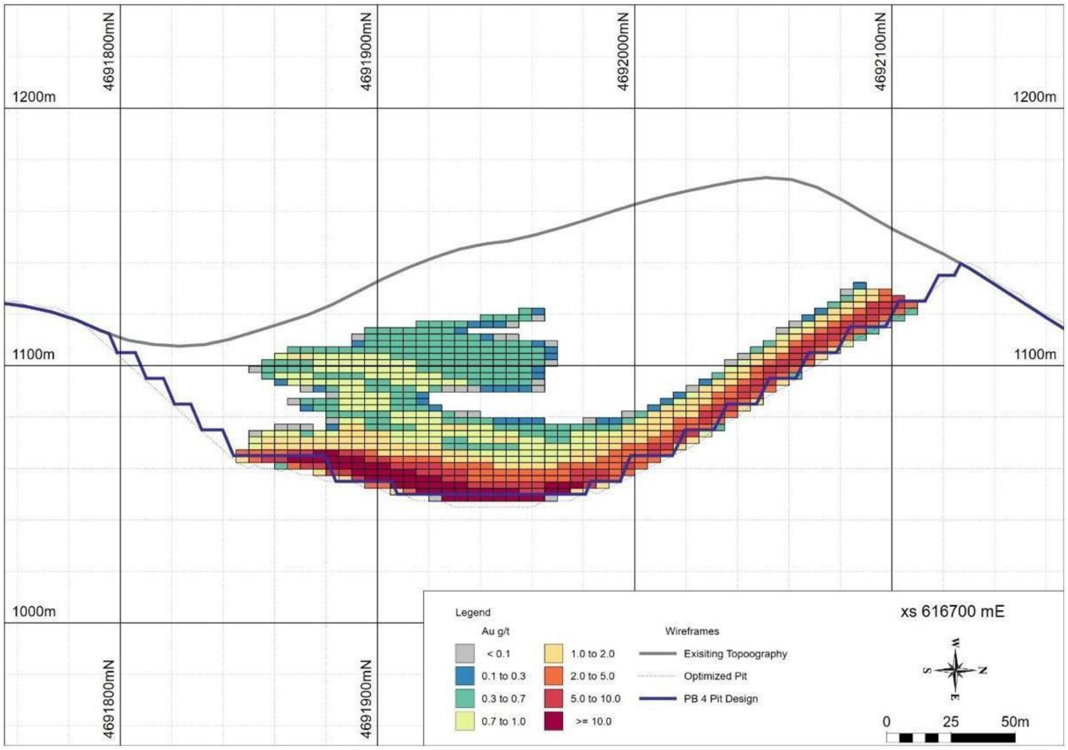

Figure 29: *North-south cross-section illustrating the optimized Barje pit and block model*

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 10: Mineral Resource Estimate, Barje Prospect

		AuEq		**Au**		**Ag**	
Tonnes	**Density**	**g/t**	**Contained oz**	**g/t**	**Contained oz**	**g/t**	**Contained oz**
			Total Inferred Resources				
7,100,000	2.7	2.9	670,000	2.5	570,000	38	8,800,000
			Including				
			High Grade Breccia				
3,200,000	2.8	4.7	470,000	3.9	400,000	65	6,700,000
			Low Grade Schist				
2,400,000	2.7	1.2	96,000	1.1	88,000	8.4	650,000
			Partially Oxidized Material				
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 AuEg 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 g/t) x 0.011)) + (Au g/t) for the High Grade Breccia and Partially Oxidized materials and AuEq = ((Ag g/t) x 0.012)) + (Au 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/cm^3.
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.

In January 2025, the Company received preliminary results from a structural interpretation study of the Barje-Liska target area, led by Dr. Paul Pearson. Based on a six-day field visit and detailed core review, the study focused on identifying potential resource extensions around the Barje deposit and assessing the structural complexity along its southern fault-offset boundary. Preliminary findings outlined several near-resource targets west of the current resource as prospective zones for expansion and provided new insights into the syn- and post-mineral structural regime. The final report is expected in June 2025.

Qualified Persons

The scientific and technical contents of this Interim 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 Interim 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.

Quarterly Information

The following table provides information for the eight fiscal quarters ended March 31, 2025:

	Mar. 31, 2025 ($)	**Dec. 31, 2024 ($)**	**Sep. 30, 2024 ($)**	**June 30, 2024 ($)**	**Mar. 31, 2024 ($)**	**Dec. 31, 2023 ($)**	**Sep. 30, 2023 ($)**	**June 30, 2023 ($)**
General and administrative expenses	427,020	648,987	332,978	427,922	407,844	148,243	167,781	89,706
Interest and other income	4,265	10,431	3,019	5,485	26	184	2	-
Foreign exchange gain (loss)	(4,534)	(20,906)	2,790	(4,324)	(7,515)	7,008	1,056	2,671
Loss for the period	(431,643)	(730,982)	(297,094)	(426,761)	(332,000)	(274,319)	(395,732)	(739,075)
Basic and diluted loss per share	(0.00)	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.03)

General and administrative expenses and reported losses for the quarterly periods after 2023 were significantly higher than the previous quarterly periods due to the increase in corporate and exploration activity following the Company's acquisition of Balkan Metals Corp by way of a reverse take-over transaction in January 2024 (the "**Acquisition**"). The loss for the quarter ended December 31, 2024 was higher than all but one of the 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 March 31, 2025

For the quarter ended March 31, 2025, the Company had a net loss of $431,643 compared to a net loss of $332,000 for the quarter ended March 31, 2024, an increase of $99,643. Contributing to the higher net loss for the current quarter was a $4,354 write-off of Lece West Project exploration and evaluation asset costs compared to no such costs recorded in the comparative quarter. The comparative quarters' net loss was also reduced by $83,333 due to a gain on extinguishment of debt being recorded during that period. This comparative quarter gain was the result of certain payables being settled with the issuance of common shares, the price of which was lower at the time of issuance compared to the deemed price to reduce the debt.

General and administrative expenses totaled $427,020 for the current quarter compared to $407,844 for the comparative quarter, an increase of $19,176. An expense that was recorded in the current quarter but not the comparative quarter was an accretion expense of $9,906 relating to long-term payables. Notable cost increases for the current quarter were in marketing and investor relation fees, consulting fees, and management and directors' fees as they increased by $58,607, $37,618, and $20,250, respectively. Marketing and investor relations fees include service agreements and promotional activities. Consulting fees for the current quarter include business development, financial advisory, and Corporate Secretary services whereas the comparative quarter included only business development and financial advisory services. Management fees were higher due to the Chief Executive Officer's compensation increasing in the latter part of the 2024 fiscal year in addition to more directors' fees following the restructuring of the Board upon the Acquisition. Notable cost decreases for the current quarter were $71,656 in legal fees, $22,612 in salaries and benefits, and $19,394 in audit and accounting fees. Legal fees were significantly higher in the comparative quarter due to more corporate activity that required legal services following the Acquisition and legal counsel providing Corporate Secretary services until the Company contracted a consultant to provide this service subsequent to the comparative quarter. Salaries and benefits for the current quarter include costs for administrative support personnel, including the Chief Financial Officer, whereas the comparative quarter also included costs for marketing support personnel. Audit and accounting fees were higher in the comparative quarter due primarily to accounting services being provided by a consultant and discontinued subsequent to the comparative period. Significant costs for both the current and comparative quarters were a share-based payments expense of $52,662 and $53,343, respectively, and office and administration costs of $50,706 and $45,382 respectively. 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 comparative quarter. The fair value of options granted during the 2024 fiscal year is being charged to operations over vesting periods of eighteen and twenty-four months, whereas the entire fair value of the deferred shared units is expensed immediately.

Exploration and Evaluation Assets

A summary of the Company's capitalized acquisition costs and exploration expenditures on its mineral properties during the period ended March 31, 2025 is as follows:

	December 31, 2024	Additions	Write-offs	March 31, 2025
Timok East Project				
Acquisition costs	$ 503,695	$ -	$ -	$ 503,695
Property holding fees and taxes	76,430	41,088	-	117,518
Assaying	91,498	39,758	-	131,256
Drilling	-	122,005	-	122,005
Field work	573,339	249,610	-	822,949
43-101 report	33,490	-	-	33,490
Others	202,222	42,595	-	244,817
Expense recoveries	-	(357,375)	-	(357,375)
	1,480,674	137,681	-	1,618,355
Lece West Project				
Property holding fees and taxes	-	4,354	(4,354)	-
	-	4,354	(4,354)	-
Novo Tlamino Project				
Acquisition costs	100,287	-	-	100,287
Recognition on reverse acquisition	1,520,257	-	-	1,520,257
Property holding fees and taxes	74,129	33,933	-	108,062
Assaying	2,072	-	-	2,072
Field work	97,637	13,572	-	111,209
Others	47,041	10,434	-	57,475
	1,841,423	57,939	-	1,899,362
Total exploration and evaluation assets	**$ 3,322,097**	**$ 199,974**	**$ (4,354)**	**$ 3,517,717**

BHP funding of $357,375 (US$250,000) that was received during the period ended March 31, 2025 was recorded as a cost recovery against Timok East Project costs incurred during that period. The Company intends to dispose of the Lece West Project and as a result, a total of $4,354 in costs incurred during the current period were written off.

Liquidity and Capital Resources

The Company's cash as at March 31, 2025 were $717,286 compared to $1,183,341 as at December 31, 2024. As at March 31, 2025, the Company had current assets totaling $877,930 and current liabilities totaling $345,193, for working capital of $532,737. During the 2024 fiscal year, 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. The Company's current cash position is approximately $490,000.

The Company's most recent equity financing was in October 2024 whereby 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 is being used for exploration activities and general working capital requirements, including the settlement of $268,000 in debt in 2024. During the period ended March 31, 2025, the Company received $357,375 (US$250,000) in funding from BHP and a further $210,225 (US$150,000) subsequent to March 31, 2025. The BHP funding must be spent on exploration activity on the Timok East Project.

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.

Related Party Transactions

See Note 9 of the condensed interim consolidated financial statements for the three months ended March 31, 2025 for details of other related party transactions which occurred in the normal course of business.

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 Interim 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	Share price	Award date
480,000	$0.090	March 19, 2024
300,000	$0.095	November 14, 2024
780,000		

Accounting Policies and Basis of Presentation

The Company's significant accounting policies and future changes in accounting policies are presented in Note 3 of the Company's audited consolidated 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 is currently assessing the impact of IFRS 18 on its consolidated financial statements.

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, US Dollars, British pounds, and Serbian dinars. At this time there are no currency hedges in place. Therefore, a weakening of the Canadian dollar against the Euro, US dollar, British pound, 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.