



HAYASA METALS INC.

**Hayasa Metals Inc.**

(formerly Fremont Gold Ltd.)

An Exploration Stage Company

MANAGEMENT DISCUSSION AND ANALYSIS

YEAR ENDED MARCH 31, 2025

Dated: July 18, 2025

# Hayasa Metals Inc.

Management Discussion and Analysis  
For the year ended March 31, 2025

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## Management Discussion and Analysis

The following Management Discussion and Analysis (“**MD&A**”) of Hayasa Metals Inc. (“**Hayasa**” or the “**Company**”) has been prepared as at July 18, 2025. It is intended to be read in conjunction with the audited consolidated financial statements of the Company as at and for the year ended March 31, 2025.

All of the financial information presented in this MD&A has been prepared in accordance with IFRS Accounting Standards (“**IFRS**”) unless otherwise noted.

All monetary amounts, including comparatives, are expressed in Canadian dollars unless otherwise noted.

The Company’s year-end is March 31. Accordingly, references to Q4 2025 herein refer to the three months ended March 31, 2025.

Dennis Moore, P.G., President of the Company and a Qualified Person as defined by National Instrument 43-101, has reviewed and approved the technical information presented in this MD&A.

## Overview

In November 2024, the Company announced that it had changed its name from Fremont Gold Ltd. to Hayasa Metals Inc.

Over the past three years, Hayasa has been actively seeking project development opportunities in the central Tethyan Mineral Belt focussing on Armenia where the Company currently holds interests in two properties. The Company has an option to acquire up to 100% of an Armenian corporation that holds the exploration license over the Vardenis copper-gold project in central Armenia. The Company also holds an exploration license relating to Urasar, a copper-gold property located in northern Armenia. The Company is investigating other opportunities in Armenia and Georgia.

The Company had historically been focussed on gold assets in Nevada, and in Q4 2023 and Q1 2024, had staked and filed lithium claims in Nevada. Following the sale of Intermont Exploration Corp. (“**Intermont**”) in March 2024 and Lithaur Inc. (“**Lithaur**”) in November 2023 and the termination of the lease agreement relating to the Hurricane property in May 2024, the Company no longer holds any mineral properties outside of Armenia.

The option to acquire the corporation holding the Vardenis exploration license is held directly by Hayasa. Hayasa’s wholly owned subsidiary, Hayasa Resources Corp. (“**HRC**”), administers the Company’s activities in Armenia and holds the license to the Urasar property.

## Highlights

The year ended March 31, 2025 and the period ended July 18, 2025 were highlighted by the following activities and initiatives:

## ***Finance***

- The balance of cash and cash equivalents as at March 31, 2025 was \$1,074,738 (March 31, 2024: \$298,594) and the net working capital balance as at this date was \$841,677 (March 31, 2023: net working capital deficit of \$84,329)
- In February 2025, the Company received \$194,825 in connection with the March 2024 sale of Intermont (see Sale of Intermont')
- In January 2025, the Company closed the sale of a 1.25% Net Smelter Return ("NSR") royalty covering all minerals produced from the Urasar copper-gold project in northern Armenia to Franco-Nevada Corporation ("Franco-Nevada") and EMX Royalty Corporation ("EMX"), for total cash proceeds of US\$1,000,000 (see 'Liquidity and going concern – NSR transaction')
- In 2022, management agreed to defer payment of remuneration and reimbursement of expenses. In October 2024, the Company announced a debt settlement arrangement relating to \$499,333 of this debt. The terms of the arrangement were approved by the TSX Venture Exchange ("TSXV") in January 2025 (see 'Liquidity and going concern – Management debt settlement')
- In July 2024, the Company closed a non-brokered private placement, which included the introduction of Teck Resources Limited ("Teck") as a significant shareholder, for gross proceeds of \$2,015,000 (see 'Liquidity and going concern – July 2024 private placement')

## ***Exploration and evaluation***

- Fiscal 2025 exploration activity at the Company's Urasar copper-gold project included a 2,142 m, nine-hole diamond drill program within four target areas that was completed in Q3 2025; results were announced in Q4 2025. A second diamond drill program comprising approximately 2,000 m over nine holes commenced in June 2025 and is expected to be completed within nine weeks. Soil sampling, a ground magnetic survey and geological mapping was also undertaken in fiscal 2025 (see 'Urasar')
- Fiscal 2025 exploration activity at the Company's Vardenis copper-gold project included the completion of a ground magnetic survey; results were announced in Q4 2025. Channel sampling and a high-resolution IP survey was also undertaken in fiscal 2025 (see 'Vardenis')

## ***Project generation and portfolio management***

- The Company began focussing its efforts in Armenia in early fiscal 2023 following the identification of a number of opportunities that had materialised in the preceding six months
- In October 2023, the Company was granted an exploration permit comprising 33.8 km<sup>2</sup> over the Urasar Mineral District in northern Armenia (see 'Urasar')
- In May 2023, the Company entered into a letter of intent to acquire up to a 100% interest in Mendia Resources Corp. ("Mendia"), an Armenian corporation. Mendia holds the exploration license over the Vardenis copper-gold project in central Armenia. The definitive option agreement was executed in June 2023 and amended in September 2024 and March 2025 (see 'Vardenis')
- The Company is currently investigating other opportunities in Armenia and Georgia

## ***Other***

- In August 2024, the Company announced that Joel Sutherland had been appointed the Company's new Chief Executive Officer and a director of the Company replacing Dennis Moore who remains the Company's President and a director. Mr. Sutherland has over 20 years of experience in capital markets, having excelled as an Equity Research Analyst and in Institutional Sales at prominent firms including Merrill Lynch in Toronto and New York City, BMO Capital Markets, and CIBC World Markets in New York City. In recent years, Mr. Sutherland has also played pivotal roles in corporate development and communications for various companies, with a focus on leading successful financing initiatives

- In November 2024, the Company announced the following changes to Hayasa’s Board of Directors with immediate effect:
  - Appointment of Robert Furse: Mr. Furse is a serial entrepreneur and investor having founded and built companies in several industries including information technology and wealth management. He has been involved in wealth management and capital markets since joining Integral Wealth Securities in 2006 as an investment banker and one of the founding members of the capital markets group. He is co-founder, past President and former Chairman of Echelon Wealth Partners Inc. (now Venum Financial Corp.). Mr. Furse graduated from Queen’s University in 1994
  - Appointment of Derek White: Mr. White has over 35 years of experience in the mining and metals industry. He holds an undergraduate degree in Geological Engineering from the University of British Columbia and is also a Chartered Accountant. He is the former President and CEO of Ascot Resources Ltd. Prior to joining Ascot Resources Ltd., he was the Principal of Traxys Capital Partners LLP, a private equity firm specializing in the mining and minerals sectors. He was President and CEO of KGHM International Ltd. from 2012 to 2015, and also held the positions of Executive Vice President, Business Development and Chief Financial Officer of Quadra FNX Mining Ltd. from 2004 to 2012. Mr. White has also held executive positions with International Vision Direct Ltd., BHP-Billiton Plc, Billiton International Metals BV and Impala Platinum Ltd.
  - Jason Libenson and Michael Williams both resigned from the Board.
- An omnibus equity compensation plan (“**Omnibus Plan**”) was approved by shareholders at the Company’s 2024 annual general meeting in October 2024. The Omnibus Plan includes the ability to issue stock options, restricted share units, performance share units and deferred share units. The Omnibus Plan replaced the Company’s previous stock option plan. In January 2025, the Company granted a total of 4,800,000 performance share units to certain directors, officers, and employees. (see ‘Outstanding share data - Omnibus equity compensation plan’).

## Corporate outlook for fiscal 2026

Management’s focus in fiscal 2026 will be directed to the following:

- Completion of the Phase 2 diamond drill program at Urasar of approximately 2,000 m and nine drill holes
- Expand the land package at Urasar south of the river that will add significant acreage
- Enter into a joint venture with a major mining company relating to Vardenis
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- Complete a Phase 2 drill diamond drill program at Vardenis of at least 4,300 m
- Secure a third property in the Tethyan Mineral Belt in Armenia or another nearby jurisdiction.

## Armenia, overview

Each of the Vardenis and Urasar properties are discussed below. Urasar was first investigated by Hayasa management in September 2021, while Vardenis was evaluated in the spring of 2022. The two properties were included in a total of fifteen Armenian prospects that were sampled and evaluated. The Company is currently pursuing other exploration opportunities in the Tethyan Mineral Belt in Armenia and Georgia.

In May 2024, the Company signed a memorandum of understanding between HRC and Yerevan State University, pursuant to which the university will provide office space and the use of certain geophysical equipment to the Company, while the Company will train and mentor enrolled geology students in field exploration techniques and practices.

## Urasar

In October 2023, the Company was granted an exploration permit for the Urasar copper-gold mineral district in northern Armenia comprising 33.8 km<sup>2</sup>.

Urasar was ranked the highest priority of the 15 Armenian prospects initially reviewed by the Company due to wide-spread surface alteration/mineralization and encouraging geochemical results that comprised eight surface rock chip and channel samples, ranging from a minimum of 0.123 g/t gold to a maximum of 12.5 g/t gold, and averaging 2.65 g/t gold. Thirty follow-up rock chip samples were collected in November 2022 from other parts of the license area and returned an average of 0.75 g/t gold and 0.63% copper.

Historical Soviet data reveals a series of more than 16 exploration adits and several drill holes, the best of which returned 25 m containing 1.67% copper from 205 to 231 m. Underground copper assays were recently recovered from a 1960 Soviet report showing multiple zones containing grades of >1% copper from adits in the Yellow River area. A qualified person has not done sufficient work to classify any of this historical work as current mineral resources.

### ***2025 (fiscal) exploration activity***

In October 2024, the Company announced the commencement of a maiden 1,600 m diamond drill program at Urasar. In early November 2024, the Company announced the addition of a second drill rig and the expansion of the program to 2,000 m. A total of 2,142 m were completed in nine diamond drill holes during October and November. The Company tested five separate target areas within the 15 km long mineralized corridor: Copper Creek, Oxide Basin and Golden Vein in the western part of the exploration permit, and Black River and Brick House prospects in the eastern part of the 33.8 km<sup>2</sup> license area. Strongly altered, brecciated sulfide-bearing volcanic lithologies were encountered in all holes, but the assays and geochemical results and geochemical results announced in Q4 2025 were sub-economic.

In September 2024, the Company announced the completion of a ground magnetic survey over the Urasar mineral district exploration permit. The survey comprised 74 north-south lines, spaced 200 m apart, totaling 240 line km. Data collection was conducted by Hayasa personnel over a fifteen-week period, with quality control and processing overseen by Campbell & Walker Geophysics Ltd. (“**Campbell & Walker**”), based in Edinburgh, Scotland. The survey clearly delineated underlying geological domains and the structural framework as anticipated. The surface mineralised zones identified to date are located within embayments on the northern margin of a continuous, 14 km long, magnetic low. This information along with surface mapping and soil geochemistry was used for drill targeting in the Q3 2025 drill campaign.

The Company also took advantage of the in-country presence of staff and equipment of Terratec Geophysical Services GmbH & Co. (“**Terratec**”) based in Heitersheim, Germany following their completion of a larger IP survey at Vardenis and undertook a small trial IP survey at Urasar in September 2024. The survey comprised two 1,300 m lines in the Oxide Basin-Copper Creek area and one 1,300 m line at Black River.

In September 2024, the Company also announced the results of detailed geological and structural mapping, as well as an expanded geochemical soil survey at Urasar. The results from this work were utilized in drill targeting for the Q3 2025 drill campaign.

### ***Planned 2026 (fiscal) exploration activity***

Geological consultant, Simon Meldrum, a specialist in porphyry-epithermal mineralizing systems, spent 12 days at Urasar in May 2025 advising management on overall system architecture, integration of historic underground assays and resultant drill targeting for 2025. A draft of his report was received in June, and his insights were utilized in designing the drill targeting for the current diamond drill program.

The primary exploration initiative planned for Urasar in fiscal 2026 is a Phase 2 diamond drill program comprising approximately 2,000 m over nine holes. The program commenced in early June 2025 and is expected to be completed within nine weeks.

A re-evaluation of the Q3 2025 drill program, supported by Mr. Meldrum's work and greatly aided by the recovery of a 1960 Soviet-era report, revealed that the initial drill holes had targeted the mineralized zone too far south, intersecting mostly unmineralized footwall rocks. The historic Soviet data included the following:

- Partial Soviet drill logs and assays
- Channel samples from underground adits (Golden Vein area)
- Historic underground plans and cross-sections.

The review of the fiscal 2025 drill program in conjunction with the integration of the Soviet underground adit data, led to a new focus for the fiscal 2026 diamond drill program which commenced in Q1 2026.

The current drill program will be directed to the following:

- Western targets (Copper Creek, Golden Vein, Oxide Basin):
  - At least six holes
  - More Northerly-sited, topographically elevated collar positions
  - Mostly south directed to intercept steeply dipping mineralized structures
- Black River target:
  - Two holes
  - Steep angle, north and northwest-directed

In addition, similar to fiscal 2024, a small magneto-telluric geophysical survey is being planned at Urasar as an add-on to a larger magneto-telluric survey organized for Vardenis. This survey will cover only the western end of the license. Magneto-telluric surveys are 'passive' surveys using the earth's electrical storms (basically lightning) to measure the natural resistance/conductance of the earth at depth. The survey is intended to look for deep conductors which are often associated with porphyry-style mineralization. Current drilling reveals significant amounts of potassic and actinolite alteration associated with porphyry copper deposits, indicating a possible larger porphyry system at depth. The Company plans to test this for this possibility with several deep holes in 2026.

## Vardenis

In April 2023, the Company entered into a letter of intent to acquire up to a 100% interest in Mendia, an Armenian corporation, with Mendia's sole shareholder (the "**Optionor**"). Mendia holds the exploration license over the Vardenis copper-gold project in central Armenia.

In June 2023, the Company executed a definitive option agreement with the Optionor. The agreement provides the Company with the exclusive option to acquire up to 100% of Mendia via staged option payments over 4.5 years. The terms of the definitive agreement were amended in September 2024 (see description of terms below).

The Vardenis copper-gold property is a high-sulfidation, possible Cu-porphyry mineralized system formerly held by Dundee Precious Metals Inc. ("**DPMC**") between 2015 and 2018. It occurs 25 km along strike and in the same Eocene volcanic sequences which host the 4.8 million ounce Amulsar gold deposit currently being developed by Orion Mine Finance, Osisko Gold Royalties and Resource Capital Fund (following the closing of sovereign backed financing in May 2025, the first pour at Amulsar is expected in 2026).

Historic exploration work on the Vardenis copper-gold property comprised early Soviet-era trenching, pits and limited drilling from the 1960s followed by more recent exploration undertaken by Canadian-based companies during the past decade. This recent work includes 1,246 m of diamond drilling in seven holes, over 6,000 geochemical samples (both soils and streams), alteration mapping and trenching (two of the seven drill holes are located within Mendia's license; the other five are located on the license boundary and are directed toward/into the Mendia license). This work has defined a NW-SE arcuate-shaped, gold-in-soil

anomaly approximately seven km in length, as well as a separate 3.5 x 2.4-km copper anomaly located 1.4 km to the south of the gold anomaly.

The project's attributes include the following:

- A large-scale altered and mineralized system
- Hosted in Armenia's most prospective Tertiary volcanic belt
- At-surface copper-gold mineralization within widespread high-sulfidation-style alteration
- Historical drilling limited to 1,246 m within one small area.

See further information regarding Vardenis in the Company's news release of May 9, 2023.

### ***2025 (fiscal) exploration activity***

In January 2025, the Company announced the results from a 23 line-km high resolution induced polarisation ("HRIP") survey conducted over the Vardenis Project in August and September 2024. The survey was executed by Terratec in order to define subsurface geophysical and geological characteristics that will help define drill targets for the Vardenis Phase 2 drilling campaign planned for the summer of calendar 2025.

Exploration activity at Vardenis since the Company acquired its interest, includes the continuation of an initial ground based magnetic survey over the 3.5 km x 2.4 km annular copper-molybdenum soil anomaly that had commenced in late 2023. The purpose of the 130 line km survey was to better understand the subsurface geology and guide further drilling at Vardenis. The survey was completed in October 2024 and processed by a geophysical consultant, Campbell & Walker. The final report was delivered in January 2025. Initial results reflect the underlying geology, highlighting a basaltic lava flow that cuts the Vardenis prospect as a magnetic 'high' and, more importantly, reveals magnetic susceptibility lows that correspond to the HRIP chargeability anomalies. The two geophysical surveys in conjunction with surface mapping will guide the drill targeting for the Phase 2 drill program.

2025 exploration activity at Vardenis also included additional mapping and trenching of areas displaying surface molybdenum mineralization.

### ***Planned 2026 (fiscal) exploration activity***

Geological consultant, Simon Meldrum, a specialist in porphyry-epithermal mineralizing systems, spent five days at Vardenis conducting an overview in May 2025. Mr. Meldrum is preparing a report detailing his insights into the Vardenis area which is expected in late July 2025.

The Company plans to undertake a Phase 2 diamond drill program at Vardenis commencing in Q2 2026. The program is expected to comprise approximately 3,400 m over a minimum of eight holes. Drill targeting is ongoing. Initial insights gained to date have resulted in the expected focus of drilling being directed to the 'Moly zone' (formerly referred to as the 'Soviet zone' by DPMC) where the highest molybdenum soil geochemical results were obtained and where surface rocks displaying advanced argillic alteration are indicative of an overlying 'lithic cap'.

In anticipation of a Phase 2 diamond drill program, the Company has retained Terratec to conduct a minimum 50-point magneto-telluric survey designed to look for deep conductors associated with porphyry copper mineralization as described in the previous section. The survey is planned for mid-July 2025 and will be carried out immediately following the completion of a smaller survey at Urasar.

### ***Option terms***

A summary of the current terms of the Vardenis option agreement is as follows:

- 51% equity ownership interest in Mendia:

- June 2023: US\$ 100,000 in cash (paid) and 500,000 Hayasa common shares (issued)
- October 2025: complete specified exploration work (including 2,500 m of diamond drilling of which 770 m have been completed)
- A further 29% stake (total 80% equity ownership) in Mendia:
  - December 2024: US\$75,000 in cash (paid) and 700,000 Hayasa common shares (issued)
  - March 2025 (not later than): US\$ 75,000 in cash (paid)
  - October 2025: complete total of 3,500 m of diamond drilling since June 2023, the inception of the option (of which 770 m have been completed)
  - June 2026: complete specified exploration work (including total of 5,000 m of diamond drilling since June 2023, the inception of the option, of which 770 m have been completed))
- A further 10% stake (total 90% equity ownership) in Mendia:
  - December 2027: US\$ 100,000 in cash and 1,000,000 Hayasa common shares
- Upon earning a 90% equity interest, Hayasa has the option to acquire the remaining 10% interest for US\$ 3,500,000 in cash, common shares of Hayasa or a combination thereof (at Hayasa's option). If Hayasa elects not to acquire the remaining 10% interest, the Optionor has the right to contribute to the funding of Mendia's expenditures on a pro-rata to retain its 10% interest. If the Optionor elects not to contribute, its interest in Mendia is diluted accordingly. The remaining interest reverts to a 1% net smelter return royalty once the Optionor is diluted below a 5% ownership threshold

## Sale of Intermont

With the exception of its interest in the Hurricane property, the Company's interest in all of its Nevada properties were held by its former wholly owned subsidiary, Intermont Exploration Corp. ("**Intermont**"), a company incorporated under the laws of Nevada. The Company's interest in the Hurricane property was held by Hayasa Metals Inc. directly.

In March 2024, the Company entered into an agreement to sell Intermont for a purchase price of US\$ 300,000 which is to be paid over two years.

As at March 31, 2025, the outstanding balance owing was US\$ 50,000 (\$71,880) which is due on February 28, 2026.

Certain debts of Intermont owing to Hayasa's former Vice President of Exploration were transferred to Hayasa pursuant to the terms of the agreement; these amounts were addressed in full through the management debt settlement arrangement finalised in January 2025 (see 'Liquidity and going concern - Management debt settlement'). The buyer has assumed all ongoing costs of Intermont including option and BLM payments post closing.

## Sale of Lithaur

Lithaur is a company incorporated under the laws of the State of Nevada which was established by a member of management for the purpose of holding lithium claims in Nevada. Lithaur was formally acquired by Hayasa Metals Inc. for nominal consideration in July 2023.

In November 2023, the Company completed the sale of Lithaur to a private Australian-based group. The terms of the transaction were as follows:

- A one-time payment to Hayasa of US\$ 100,000 (received)
- A 2.0% royalty granted in favour of Hayasa on each of four projects
- Buyer's assumption of up to US\$ 125,000 of debt owed by Lithaur and assumption of all ongoing Nevada-based lithium costs effective September 1, 2023



- A ‘best efforts’ commitment to take the Lithaur assets public via an initial public offering or reverse take over transaction or similar transaction on an Australian or Canadian stock market by October 31, 2024, with the possibility to extend to April 30, 2025 for a payment of US\$ 100,000
- Hayasa to receive 30% of the new company post listing and the right to appoint one director to Lithaur’s (or surviving listed entity’s) board of directions upon completion of such listing, and
- In the case of a sale of Lithaur or its assets being sold to a third party in lieu of a go-public transaction, 30% of the net proceeds of such sale will be paid to Hayasa.

Net proceeds received on the sale totalled \$135,539 and net assets of Lithaur as at the date of sale totalled \$77,375 resulting in a gain on sale of \$58,164.

Subsequent to the closing of the transaction, the Company was informed by the buyer that the staked lithium claims had not been restaked or registered. Further, the 133 registered claims were not renewed in August 2024. Accordingly, the royalty on these claims will not be enforceable unless and until the claims are restaked and registered by the buyer.

The buyer was unsuccessful in taking the Lithaur assets public via an initial public offering or reverse take over. The buyer did not extend the applicable deadline to April 30, 2025 by paying US\$ 100,000.

## **Proposed transactions**

As at March 31, 2025 and July 18, 2025, there were no announced asset or business acquisitions or dispositions other than as described herein. The Company is, however, pursuing other opportunities in Armenia and Georgia.

## **Selected financial information**

A summary of annual results in respect of the years ended March 31, 2023, March 31, 2024 and March 31, 2025 is as follows. This summary information has been derived from the audited consolidated financial statements of the Company.

*Consolidated statements of income and loss*

	Year ended 31-Mar-2025	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Exploration and evaluation	1,512,202	746,103	29,884
Management	358,677	212,467	183,183
Marketing	220,936	55,242	11,151
Professional fees	131,734	176,676	50,349
Travel	70,418	25,602	27,304
General and administration	45,985	101,342	80,463
Listing and transfer agent	42,413	40,247	36,402
Project development	19,775	54,564	124,473
Reclamation (net)	16,058	3,372	26,979
	2,418,198	1,415,615	570,188
Stock-based compensation	163,706	128,847	23,543
Depreciation	1,540	4,546	7,307
	165,246	133,393	30,850
Net proceeds on the sale of NSR	(1,353,257)	-	-
Loss on sale of Intermont	1,595	682,752	-
Gain on sale of Lithaur	-	(58,164)	-
Write-off of mineral properties	-	1,739,674	228,124
Loss (gain) on sale of marketable securities	-	34,500	(42,000)
Loss on sale of mineral property	-	-	244,065
Other net expense (income) items	(1,300)	(4,460)	(42,699)
<b>Net loss</b>	<b>1,230,482</b>	<b>3,943,310</b>	<b>988,528</b>
Net loss per share	\$ 0.02	\$ 0.13	\$ 0.04
Weighted average shares outstanding	52,324,545	30,958,627	22,036,091

- Exploration and evaluation: Limited exploration spend was incurred in fiscal 2023 with management's attention being directed to project development initiatives. The significant increase in exploration spend in fiscal 2025 related primarily to the preliminary diamond drill program and other exploration initiatives undertaken at Urasar (total of \$1,133,527) as described above. The increase in exploration spend in fiscal 2024 related primarily to the preliminary diamond drill program and other exploration initiatives undertaken at Vardenis (total of \$571,483); remaining fiscal 2024 exploration spend was split approximately equally between Urasar and Nevada (both gold and lithium properties)
- Management costs comprise remuneration of the Company's President, CEO and CFO. Remuneration of the Company's former VP Exploration is included in exploration and evaluation spend in fiscal 2023 and 2024 through January 2024 when he resigned; the President has filled the role of VP Exploration since January 2024. The increase in fiscal 2025 management spend was attributable to the hiring of a new CEO in August 2024. The increase in fiscal 2024 management spend was attributable to an increase in the President's remuneration introduced in fiscal 2023
- Marketing spend includes costs of conferences, road shows and various advisory fees. Such expenditures were significantly reduced during COVID-19 and did not increase until fiscal 2024 with the marketing of the Armenian opportunities including attendance at industry conferences. Fiscal 2025 spend includes costs related to various initiatives undertaken in advance of the successful non-brokered private placement that closed in July 2024
- Professional fees include recurring audit and legal fees. The significant increase in fiscal 2024 was attributable to legal fees associated with legacy assets of Fremont Gold Ltd. (including the acquisition

of Lithaur, and the sale of both Lithaur and Intermont), the Vardenis transaction (option to acquire Mendia) and the licencing of the Urasar property

- Travel: The significant increase in travel costs in fiscal 2025 relates to increased travel to Armenia by both management and third party consultants and increased attendance at industry conferences and other marketing events
- General and administration expense comprises the cost of maintaining corporate offices in each of Vancouver and Nevada (the latter through Q4 2024). The decrease in fiscal 2025 spend was attributable to the sale of Intermont in March 2024
- Listing and transfer agent fees relate to fees associated with the Company's listing on both the TSXV and the OTCQB exchange
- Project development: Project development spend relates to various costs, including preliminary geological evaluation but excluding travel costs, associated with the investigation of various mineral properties in the Tethyan Mineral Belt in Armenia and Georgia
- Fiscal 2024 and 2025 reclamation costs relate to provisions established in respect of both Vardenis and Urasar; fiscal 2024 costs are net of the release of provisions previously established in respect of Nevada gold properties. 2023 reclamation charges relate to work undertaken on North Carlin prior to its sale to Westward Gold Inc. ("**Westward**") in Q3 and Q4 2023
- Net proceeds on the sale of NSR relate to the January 2025 sale of a 1.25% NSR royalty covering all minerals produced from the Urasar copper-gold project to Franco-Nevada and EMX for total cash proceeds of US\$1,000,000 (see 'Liquidity and going concern – NSR transaction')
- The loss on the sale of Intermont relates to the sale of Intermont in Q4 2024 (see 'Intermont')
- The gain on the sale of Lithaur relates to the sale of Lithaur in Q3 2024 (see 'Lithium assets')
- The write off of mineral properties in fiscal 2024 relates to the dropping of the Griffon and Hurricane properties (the termination of the Hurricane lease agreement took place in May 2024). The 2023 write off related to the partial write off of North Carlin and nominal secondary gold properties in Nevada
- The gains and losses on marketable securities relate to realised and unrealized gains and losses on Westward shares acquired in connection with the sale of the North Carlin properties in fiscal 2023
- The loss on the sale of mineral property in fiscal 2023 relates to the sale of the Coyote and Rossi claims (two of the three components of North Carlin) to Westward
- Other net income and expense items include foreign exchange gains and losses and interest income.

## Consolidated statements of financial position

	31-Mar-2025	31-Mar-2024	31-Mar-2023
Cash and cash equivalents	1,074,738	298,594	523,948
Other current assets	171,472	366,693	149,524
Mineral properties	628,509	218,658	2,545,572
Fixed assets	4,766	4,013	3,061
Reclamation bonds	30,107	12,782	72,139
Long-term receivable	-	67,750	-
<b>Total assets</b>	<b>1,909,592</b>	<b>968,490</b>	<b>3,294,244</b>
Accounts payable and accrued liabilities	101,109	125,873	68,110
Due to related parties	303,424	623,743	370,721
Long-term liabilities	31,309	13,816	-
<b>Total liabilities</b>	<b>435,842</b>	<b>763,432</b>	<b>438,831</b>
Equity:			
Share capital	21,213,260	18,952,598	17,788,002
Reserves	2,269,414	2,082,208	1,953,361
Other comprehensive income	229,988	178,682	179,170
Accumulated deficit	(22,238,912)	(21,008,430)	(17,065,120)
<b>Total equity</b>	<b>1,473,750</b>	<b>205,058</b>	<b>2,855,413</b>

- Other current assets relate to various receivables (including GST), prepaid marketing expenditures and marketable securities relating to the sale of North Carlin in fiscal 2023. The significant balance as at March 31, 2024 included \$203,250 in respect of the current portion of transaction consideration due in respect of the sale of Intermont
- The carrying value of mineral properties includes claim acquisition (option payments, value of common shares issued to optionors in connection with property transactions, costs of staking, etc.) and the costs of maintaining property claims in good standing (including land rental costs). Costs of both exploration and indirect costs associated with claim acquisition (such as legal expenses) are expensed as incurred. The fiscal 2025 increase related primarily to cash and common share payments made pursuant to the Vardenis option agreement. The significant reduction in fiscal 2024 was attributable to the write-off and sale of various Nevada gold and lithium properties including via the sale of Intermont and Lithaur
- The balance of reclamation bonds as at both March 31, 2024 and 2025 relates entirely to refundable deposits paid to the Armenian government in connection with both Urasar and Vardenis. The decrease in fiscal 2024 related to the disposal of the Nevada gold assets
- The long-term receivable balance relates to the non-current part of transaction consideration in respect of the sale of Intermont
- Accounts payable and accrued liabilities comprise amounts due to third parties including accrued audit fees and recurring liabilities relating to ongoing operations in both Armenia and Vancouver (prior to fiscal 2025 in Nevada as well). The increase in fiscal 2024 relates to the commencement of operations in Armenia and an advance of US\$ 12,730 that had been provided by the third party that had acquired Intermont
- The relatively high balances due to related parties as at all dates relate to the ongoing deferral of certain management costs and advances provided by the President and CEO. In January 2025, the previously announced proposed terms of a debt restructuring agreement were approved by the TSXV (see 'Transactions with related parties')
- Long-term liabilities relate to the estimated cost of reclamation relating to both the Urasar and Vardenis mineral properties
- Changes in equity during fiscal 2025 include the July 2024 private placement (20,150,000 units at \$0.10 per share for gross proceeds of \$2,015,000 with each unit comprised of a common share and one half

of one common share purchase warrant), 700,000 common shares issued in connection with the Vardenis property (see ‘Vardenis), 232,000 shares issued to the Company’s new CEO, the ongoing amortisation of the estimated value of stock options issued in fiscal 2025 and previous fiscal years, the amortisation of the estimated value of PSUs issued in fiscal 2025 and net losses. See ‘Liquidity and going concern’.

## Summary of quarterly results

A summary of quarterly results in respect of the two years ended March 31, 2025 is as follows. This summary information has been derived from the audited consolidated financial statements and condensed interim consolidated financial statements (unaudited) of the Company.

	<b>Q1 2025</b>	<b>Q2 2025</b>	<b>Q3 2025</b>	<b>Q4 2025</b>
	<i>June 30, 2024</i>	<i>Sept. 30, 2024</i>	<i>Dec. 31, 2024</i>	<i>March 31, 2025</i>
Revenues	-	-	-	-
Net proceeds on the sale of NSR	-	-	-	(1,353,257)
Exploration	182,034	469,973	744,111	116,084
Operating costs	186,409	266,825	332,626	285,382
Loss (gain) on marketable securities	-	1,595	-	-
Net loss (income)	370,368	904,704	904,678	(949,268)
Net working capital (deficit)	(137,898)	644,330	(366,339)	841,677
Claim acquisition and maintenance	14,389	49,212	197,333	126,072
Total assets	984,087	1,708,004	940,491	1,909,592
Total liabilities	(812,625)	(743,240)	(735,369)	(435,842)

	<b>Q1 2024</b>	<b>Q2 2024</b>	<b>Q3 2024</b>	<b>Q4 2024</b>
	<i>June 30, 2023</i>	<i>Sept. 30, 2023</i>	<i>Dec. 31, 2023</i>	<i>March 31, 2024</i>
Revenues	-	-	-	-
Exploration	10,515	228,937	401,915	104,736
Operating costs	203,489	210,918	162,367	226,131
Write-off of mineral properties	-	853,688	6,466	879,520
Loss (gain) on marketable securities	18,000	6,500	(4,000)	14,000
Net loss	237,861	1,293,675	513,762	1,898,012
Net working capital (deficit)	(199,860)	(447,823)	(68,353)	(84,329)
Claim acquisition and maintenance	162,401	437,839	44,879	4,309
Total assets	3,078,957	3,059,768	2,845,105	968,490
Total liabilities	(474,647)	(1,144,097)	(825,031)	(763,432)

Exploration activity increased significantly in Q2 2024 and Q3 2024 with the commencement of exploration activity in Armenia including the Phase 1 diamond drill program at Vardenis and a soil sampling program at Urasar. Q2 2025 and Q3 2025 exploration spend relates to the Phase 1 diamond drill program at Urasar as well as various other exploration initiatives, including third party studies, at both Urasar and Vardenis. Exploration spend tends to reduce significantly in Q4 of each year due to seasonal conditions particularly at the higher elevation Vardenis property.

The Company did not realise any revenues in the two years ended March 31, 2025, but did realise net proceeds on the sale of a 1.25% NSR royalty covering all minerals produced from the Urasar copper-gold project for US\$ 1,000,000 cash (see ‘NSR transaction’).

The volatility in operating costs during the two-year period under consideration were attributable to the issues discussed above (see ‘Consolidated statements of income and loss’) including the following:

- Retention of a new CEO in Q2 2025
- A general increase in marketing initiatives and related travel in fiscal 2025
- Increased legal fees in Q2 2025 and Q3 2025 attributable to costs associated with various initiatives including the settlement of management debts, the hiring of a new CEO, the corporate name change and the 2024 AGM
- The issuance of stock options in Q3 2025.

#### *Fourth quarter*

	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Revenue	-	-	-	-	-
Net proceeds on the sale of NSR	-	-	-	-	(1,353,257)
<b>Exploration and evaluation</b>	<b>104,736</b>	<b>182,034</b>	<b>469,973</b>	<b>744,111</b>	<b>116,084</b>
Administration (cash):					
Management	51,963	53,193	89,105	101,948	114,431
Marketing	26,379	70,975	47,930	68,949	33,082
Listing fees	29,677	1,797	3,404	5,687	31,525
Professional fees	19,228	17,242	43,989	41,843	28,660
Travel	6,654	8,877	22,892	17,649	21,000
General and administration	22,344	7,647	10,744	13,488	14,106
Project development	8,424	2,665	13,466	1,681	1,963
Reclamation (net)	18,594	-	-	15,955	103
	<b>183,263</b>	<b>162,396</b>	<b>231,530</b>	<b>267,200</b>	<b>244,870</b>
Administration and other (non-cash):					
Stock-based compensation	42,745	23,697	34,978	64,974	40,057
Loss (gain) on securities	14,000	-	1,595	-	-
Depreciation	123	316	317	452	455
Write-off of mineral properties	879,520	-	-	-	-
	<b>936,388</b>	<b>24,013</b>	<b>36,890</b>	<b>65,426</b>	<b>40,512</b>
Provision on Intermont receivable	-	-	126,388	(126,388)	-
Foreign exchange loss (gain)	(6,275)	2,662	47,877	(39,003)	6,043
Interest income	(2,852)	(737)	(7,954)	(6,668)	(3,520)
Loss on sale of Intermont	682,752	-	-	-	-
Gain on sale of Lithaur	-	-	-	-	-
<b>Net loss (income)</b>	<b>1,898,012</b>	<b>370,368</b>	<b>904,704</b>	<b>904,678</b>	<b>(949,268)</b>

Net income for Q4 2025 was \$942,268 (\$403,989 excluding the net proceeds on the sale of NSR) (Q4 2024: net loss of \$1,898,012).

Fluctuations in the Company’s results of Q4 2025 relative to Q4 2024 were attributable to the following factors:

- Net proceeds on the sale of NSR: see ‘NSR transaction’
- Exploration: Exploration spend was comparable for both quarters but significantly less than Q1, Q2 and Q3 2025 reflecting seasonal conditions particularly at the higher elevation Vardenis property
- Management: Management costs increased significantly in Q4 2025 relative to Q4 2024 due to the addition of a new CEO to the management team in Q2 2025
- Marketing: Marketing spend was comparable for both quarters but significantly less than Q1, Q2 and Q3 2025 reflecting a ramp up in marketing initiatives in advance of the successful non-brokered private

placement that closed in July 2024 and a general increase in marketing particularly attendance at industry conferences

- Listing fees: Listing fees were comparable for both quarters but significantly more than Q1, Q2 and Q3 2025 reflecting the timing of annual fees for both the TSXV and OTCQB listings
- Professional fees: Professional fees were higher in Q4 2025 relative to Q4 2024 due to costs incurred in connection with Canadian tax compliance. The relatively high level of fees in Q2 2025 and Q3 2025 was attributable to costs associated with various initiatives including the settlement of management debts, the hiring of the new CEO, the corporate name change and the 2024 AGM
- Travel: Travel costs were higher in Q4 2025 relative to Q4 2024 due primarily to travel by third party consultants to undertake studies in advance of the exploration season and, to a lesser extent, attendance at conferences and other marketing events
- General and administration: General and administration costs were lower in Q4 2025 relative to Q4 2024 due to the costs of the Nevada office (which were no longer incurred following the sale of Intermont in late Q1 2024)
- Project development: Project development costs were lower in Q4 2025 relative to Q4 2024 due to the costs of investigating a specific opportunity
- Reclamation: Net reclamation costs were significantly lower in Q4 2025 relative to Q4 2024 as the Q4 2024 costs relate to the increase in the reclamation provision following the completion of the Phase 1 diamond drill program at Vardenis in late Q3 2024
- The Q4 2024 write off of mineral properties relates to the write off in full of the carrying value of the Hurricane property; the lease on this property was divested in Q1 2025
- The loss on the sale of Intermont relates to the sale of Intermont in Q4 2024 (see 'Sale of Intermont')

## **Liquidity and going concern**

As at March 31, 2025, the Company had a cash balance of \$1,074,738 (March 31, 2024: \$298,594), and a net working capital balance of \$841,677 (March 31, 2024: net working capital deficit of \$84,329).

### ***Going concern***

The nature of the Company's operations results in significant expenditures for the acquisition, maintenance and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations as it is considered to be in the exploration stage.

Given the Company's liquidity situation in recent years, management took a number of steps to preserve cash which resulted in the accumulation of a large balance owing to management (see 'Debt settlement agreements', below).

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from equity financings provided by the Company's existing shareholders and/or new shareholders or through other arrangements.

The following should be noted:

- In February 2025, the Company received \$194,825 in connection with the March 2024 sale of Intermont (see 'Sale of Intermont')
- In January 2025, the Company sold a 1.25% NSR royalty covering all minerals produced from the Urasar copper-gold project for US\$ 1,000,000 cash (see 'NSR transaction', below)
- In January 2025, the Company received TSXV approval to proceed with the execution of previously announced debt settlement agreements relating to amounts owing to two current and one former member of its management team totalling \$499,333. The settlements involve the issuance of common shares, immediate cash payments, deferred cash payments and the forgiveness of part of the debt (see 'Management debt settlement', below)

- In July 2024, the Company closed a non-brokered private placement raising gross proceeds of \$2,015,000 (see 'July 2024 private placement', below)

There is no assurance that the Company will continue to be successful in raising capital through private placements or other means.

The recoverability of the carrying value of mineral properties and deferred expenditures is dependent upon a number of factors including the existence of recoverable reserves, the ability of the Company to obtain financing to maintain properties in good standing and continue exploration and the discovery of economically recoverable reserves.

The Company's financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

In the event the Company is unable to arrange appropriate financing, the carrying value of its assets and liabilities could be subject to material adjustment and the Company may not be able to meet its obligations as they become due in the normal course of business. Furthermore, these conditions indicate the existence of a material uncertainty that raises significant doubt as to the Company's ability to continue as a going concern.

### ***Management debt settlement***

Given the Company's liquidity situation in recent years, management took the following steps to preserve cash in Q1 2022:

- Reduction in all marketing spend
- Reduction in office and administrative spend
- The President and CEO began working without remuneration when starting in this combined role in May 2021, but accrual of his remuneration commenced effective June 1, 2021. Payment of remuneration was deferred from this date through September 30, 2022 and then again commencing July 1, 2023 through May 31, 2024
- The payment of the CFO's remuneration was deferred from May 1, 2021 through June 30, 2022
- The payment of part of the former VP Exploration's remuneration was deferred from May 1, 2021 through June 30, 2022
- The reimbursement of certain expenses incurred by members of management on behalf of the Company was deferred since May 1, 2021

In addition to the foregoing, the Company's President and CEO advanced a total of \$200,000 to the Company during Q2 2024 for various purposes of which \$100,000 was repaid in Q3 2024 with the proceeds of the October 2023 non-brokered private placement.

A liability due to the President, CFO and former VP Exploration totalling \$539,515 (excluding the \$100,000 due to the President) had accumulated through June 30, 2024 as a result of the aforementioned deferrals. Certain of this balance was repaid subsequent to June 30, 2024 leaving a remaining liability of \$499,333. In October 2024, the Company agreed the terms of a restructuring arrangement with the three individuals which was submitted to the TSXV for approval. This proposed debt settlement arrangement provided for the following:

- Issuance by the Company to the debtors of a total of 2,097,760 common shares at a deemed price of \$0.10 per share (being the unit price of the non-brokered private placement that closed in July 2024) having a total deemed value of \$209,776
- Immediate payment of a total of \$100,000



- Deferred payment of a total of \$109,777 to take place following the closing of the Company's next equity financing, and
- The two current members of the management team agreed to forgive a total of \$79,780 in debt (being 20% of the total amount owing to each).

In January 2025, the Company received TSXV approval to proceed with the execution of the debt settlement agreements at which time the 2,097,760 common shares were issued and the balance of the immediate payment of \$100,000 was made.

The common shares issued are subject to a four-month hold period in accordance with applicable securities laws.

As at March 31, 2025 and July 18, 2025, \$189,557 of the debt settlement amount - being the deferred payment amount of \$109,777 and the amount to be forgiven of \$79,780 - was outstanding. The latter balance will be recognised upon payment of the former balance.

### ***NSR transaction***

In January 2025, the Company sold a 1.25% NSR royalty covering all minerals produced from the Urasar copper-gold project to Franco-Nevada and EMX for total cash proceeds of US\$ 1,000,000.

Franco-Nevada and EMX paid the Company a combined US\$ 1,000,000 with Franco-Nevada contributing US\$ 550,000 and EMX contributing US\$ 450,000. Each company will retain a 0.625% NSR royalty interest. The Urasar NSR royalty acquisition represented the first co-investment between Franco-Nevada and EMX pursuant to their Joint Acquisition Agreement entered into between the two companies in August 2023.

In addition, each of Franco-Nevada and EMX were issued 250,000 share purchase warrants, which may be exercised on a one-for-one basis for common shares of the Company within 18 months following issuance at an exercise price of \$0.22.

As part of the transaction, Franco-Nevada and EMX will have a right of first refusal in respect of any future royalty, stream or similar interest on Urasar.

### ***July 2024 private placement***

In July 2024, the Company announced the closing of a non-brokered private placement consisting of a total of 20,150,000 units at a price of \$0.10 per unit for gross proceeds of \$2,015,000.

Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share at a price of \$0.17 per share for a period of 18 months following closing of the private placement.

The net proceeds of the private placement will be used for ongoing exploration work at Vardenis and Urasar and general working capital purposes.

Subscribers to the private placement included Teck Resources Limited whose interest in the Company as at July 29, 2024 was 9.9% on a partially diluted basis.

Current directors and officers of the Company participated in the private placement subscribing for an aggregate of 600,000 units for gross proceeds of \$60,000.

### ***Dividends***

The Company has neither declared nor paid any dividends on its common shares to date. The Company does not anticipate paying any dividends on its common shares in the foreseeable future.

### ***Contractual commitments***

The Company is responsible for remediating ground on its Urasar property on which it undertook a soil sampling program in Q3 2024 and a diamond drill program in Q3 2025. The Company provided a refundable deposit to a ministry of the Armenian government amounting to the Armenian dram equivalent of approximately \$13,104. The Company has estimated the cost of reclamation of the Urasar property as at March 31, 2025 to be \$16,575.

The Company is responsible for remediating ground on its Vardenis property on which it undertook a diamond drill program in Q3 2024. The Company provided a refundable deposit to a ministry of the Armenian government amounting to the Armenian dram equivalent of approximately \$17,003. The Company has estimated the cost of reclamation of the Vardenis property as at March 31, 2025 to be approximately \$14,734.

In order to maintain the option agreement associated with the Vardenis property in good standing, the Company is required to make option payments (including the issuance of common shares) and complete certain exploration work (see 'Vardenis').

The Company entered into an agreement dated April 22, 2025 with an Armenian entity related to Mendia and the Optionor to provide a minimum of 2,000 m of diamond drilling services in connection with the Phase 2 Urasar diamond drill program which was in progress as at July 18, 2025.

In addition to the foregoing, the Company has entered into agreements with local communities in connection with both the Urasar and Vardenis mineral properties pursuant to which it is required to make periodic payments to the local communities for specific purposes including surface access payments.

Other than as described above, the Company had no significant medium- or long-term contractual commitments as at March 31, 2025 or July 18, 2025 beyond its stated liabilities.

### ***Legal proceedings***

The Company was not involved in any legal proceedings as at either March 31, 2025 or July 18, 2025.

### ***Off-balance sheet arrangements***

The Company is not a party to any off-balance sheet arrangements.

## **Transactions with related parties**

The Company incurred the following expenses resulting from transactions with related parties including officers and directors, a former officer and companies that are controlled by a current and former officer of the Company:

	Year ended March 31, 2025	Year ended March 31, 2024
Remuneration of officers of the Company (1)	\$ 357,605	\$ 290,589
Recharge of exploration, claim and local administrative expenditures	-	139,384
Stock-based compensation relating to stock options and PSUs issued to officers and directors of the Company (3)	124,763	89,871
	<b>\$ 482,368</b>	<b>\$ 519,844</b>

- (1) Includes the value of 116,000 common shares issued to the CEO in each of September 2024 and March 2025 pursuant to the terms of his compensation package (see 'Outstanding share data, Securities issued to new CEO')

Officers of the Company include its President, CEO, CFO and the former VP Exploration. The above schedule includes fees charged by companies controlled by an officer and former officer of the Company. See discussion in 'Debt settlement agreements' regarding the deferrals of management remuneration and reimbursement of expenditures that were introduced in fiscal 2022.

Certain exploration, local administrative and claim acquisition expenditures relating to the previous operations in Nevada were charged to the Company (both Intermont and Lithaur) by Tectonex, a company owned by the Company's former VP Exploration. Such charges totalled \$nil in the year ended March 31, 2025 (year ended March 31, 2024: US\$ 103,355 (\$139,384)). All such expenditures were recharged to the Company without margin or discount at the actual cost incurred by Tectonex

Certain directors and officers of the Company participated in the July 2024 private placement subscribing for an aggregate of 600,000 common shares for proceeds of \$60,000.

The Company owed the following amounts to related parties including officers and directors, a former officer and companies that are controlled by a current and former officer of the Company:

	March 31, 2025	March 31, 2024
Amounts owing to directors and officers relating to deferred remuneration and the reimbursement of expenses	\$ 203,424	\$ 378,278
Advance provided by the President and CEO	100,000	100,000
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures	-	145,465
	<b>\$ 303,424</b>	<b>\$ 623,743</b>

In August 2023, the President and CEO loaned \$200,000 to the Company of which \$100,000 was repaid with the proceeds of the October 2023 private placement. The Company expects to repay the remaining \$100,000 of the loan with proceeds of the next equity financing.

Amounts due to related parties as at March 31, 2025 (including the advance from the President and CEO) were unsecured and non-interest bearing and had no set terms of repayment. Amounts due to related parties totalling \$209,777 as at March 31, 2025 are expected to be repaid with proceeds of the next equity financing. See discussion above regarding the terms of a debt repayment arrangement under 'Management debt settlement'.

## Outstanding share data

The Company has authorized capital of an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares without nominal or par value.

### *Capital structure*

The Company had the following common shares, warrants and stock options outstanding as at March 31, 2025 or July 18, 2025:

	July 18, 2025	Mar. 31, 2025
Issued and outstanding common shares	61,101,857	61,101,857
Fully diluted	87,538,357	86,963,357
Share purchase warrants:		
October 27, 2025 (\$0.17)	5,776,500	5,776,500
January 23, 2026 (\$0.17)	10,075,000	10,075,000
July 21, 2026 (\$0.22)	500,000	500,000
	16,351,500	16,351,500
Stock options	5,285,000	4,710,000
Performance share units	4,800,000	4,800,000

Changes in the Company's capital structure during the year ended March 31, 2025 were as follows:

- July 5, 2024: issuance of 150,000 stock options to a contractor
- July 23, 2024 private placement: 20,150,000 common shares and 10,075,000 share purchase warrants
- August 21, 2024: issuance of 600,000 stock options to the Company's new CEO
- September 5, 2024: 116,000 common shares issued to the Company's new CEO
- November 5, 2024: forfeiture of 40,000 stock options held by two directors upon their resignation
- November 8, 2024: issuance of 600,000 stock options (550,000 to three non-executive directors and 50,000 to a contractor)
- December 27, 2024: Issuance of 700,000 common shares to the Vardenis optionor pursuant to the Vardenis option agreement
- January 1, 2025: Establishment of PSU program that contemplates the issuance of up to 4,800,000 PSUs to management upon completion of certain milestones
- January 21, 2025: Issuance of 500,000 share purchase warrants to Franco Nevada and EMX
- February 7, 2025: Issuance of 2,097,760 common shares to the President, CFO and former VP Exploration in connection with the management debt settlement arrangement
- March 28, 2025: 116,000 common shares issued to the Company's new CEO.

### *Securities issued to new CEO*

The Company appointed a new Chief Executive Officer in late August 2024. As part of his compensation package, the new CEO will receive an aggregate of 580,000 common shares of the Company to be issued as follows:

- 116,000 common shares upon TSXV approval (the "**Initial Issuance**"; issued)
- 116,000 common shares on the six-month anniversary of the Initial Issuance (issued)
- 116,000 common shares on the 12-month anniversary of the Initial Issuance
- 116,000 common shares on the 18-month anniversary of the Initial Issuance, and

- 116,000 common shares on the 24-month anniversary of the Initial Issuance.

The common shares associated with the Initial Issuance were issued on September 5, 2024.

The common shares will be issued at a deemed price equal to the market price of the Company's shares on the day preceding each issuance.

The new CEO also received 600,000 stock options that were issued on August 21, 2024.

### ***Omnibus equity compensation plan***

The Company's omnibus equity compensation plan (the "**Omnibus Plan**") was approved by the Company's shareholders at its 2024 annual general meeting in October 2024. The Omnibus Plan includes the ability to issue stock options, restricted share units ("**RSUs**"), performance share units ("**PSUs**"), and deferred share units ("**DSUs**"), and together with stock options, RSUs and PSUs, the "**Awards**"). The aggregate number of common shares reserved for issuance in respect of stock options may not exceed 10% of the total number of issued common shares (calculated on a non-diluted basis) at the time a stock option is granted. The aggregate number of common shares issuable in respect of RSUs, PSUs and DSUs may not exceed 5,818,809 common shares. The Omnibus Plan replaced the Company's previous 10% rolling stock option plan with any stock options issued and outstanding pursuant to the Company's previous stock option plan continuing to be exercisable but governed by the Omnibus Plan.

In January 2025, the Company granted a total of 4,800,000 PSUs pursuant to the Omnibus Plan to certain directors, officers, and employees. The PSUs will expire if certain performance criteria have not been met within three years following the grant date. If the performance conditions are met, each vested PSU entitles the holder to receive one common share of the Company or, at the discretion of the board of directors of the Company, the obligation may be settled in cash.

Otherwise, the Company did not have any RSUs, PSUs or DSUs issued and outstanding as at March 31, 2025 or July 18, 2025.

## **Cautionary Statement on Forward-Looking Information and Risk Factors**

This MD&A document contains 'forward-looking information' and 'forward-looking statements' (together, the "forward-looking statements") within the meaning of applicable securities laws. Such forward-looking statements concern the Company's anticipated operations in future periods, planned exploration and evaluation of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. These forward-looking statements are made as of July 18, 2025.

Users of forward-looking statements are cautioned that actual results may vary from the forward-looking statements contained herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to:

- Risks related to the exploration and evaluation of natural resource properties
- Risks related to the uncertainty of mineral resource calculations and the inclusion of inferred mineral resources in economic estimations
- Risks related to fluctuations in future metal prices (particularly gold and copper prices)

- Risks related to market events and conditions
- Risks related to governmental regulations, including without limitation, environmental laws and regulations
- Risks related to delays in obtaining governmental or regulatory approvals, licenses or permits
- Risks related to the Company's mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title
- Risks related to uncertainty associated with the Company's ability to obtain funding in the future
- Risks related to the Company's inability to meet its financial obligations under agreements to which it is a party (see 'Liquidity and going concern')
- Risks related to competition from larger companies with greater financial and technical resources, and
- Risks related to the Company's directors and officers becoming associated with other natural resource companies which may give rise to conflicts of interest.

Other risk factors associated with the Company are identified in the document entitled 'Filing Statement of Palisades Ventures Inc.' dated as at May 29, 2017 which is available on [www.sedar.com](http://www.sedar.com).

The Company is also subject to possible political and/or military risk associated with Armenia's proximity to the disputed region of Nagorno Karabakh, also known as Artsakh. Nagorno Karabakh is a mountainous area located between Armenia and Azerbaijan that has been in dispute since the break-up of the Soviet Union in 1991. Military actions directed against the ethnic Armenian majority in Nagorno Karabakh have recently been undertaken by Azerbaijan.

Although the forward-looking statements contained in this document are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this document, and the Company assumes no obligation to update or revise them to reflect new events or circumstances except as may be required under applicable securities laws. There can be no assurance that forward-looking statements, or the material factors or assumptions used to develop such forward-looking statements, will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements.