MANAGEMENT'S DISCUSSION AND ANALYSIS

(Presented in Canadian Dollars)

FOR THE THREE MONTHS ENDED JUNE 30, 2026 AND 2025

The following Management Discussion and Analysis ("MD&A") of the operations, results, financial position and outlook of South Pacific Metals Corp. (the "Company" or "SPMC") is the responsibility of management and has been prepared using information available up until August 31, 2026. This MD&A should be read in conjunction with the Company's condensed interim consolidated financial statements for the three months ended June 30, 2026 and the Company's audited consolidated financial statements for the year ended March 31, 2026 and the notes attached thereto, which have been prepared in accordance with IFRS Accounting Standards ("IFRS"). All financial results presented in this MD&A are expressed in Canadian Dollars unless otherwise indicated.

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

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

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

Description of Business

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

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

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

Kili Teke has an NI 43-101 inferred resource of 237Mt @ 0.55g/t AuEq or 0.6% CuEq* along with extensional high-grade Cu-Au-Ag-Zn skarn and alkalic epithermal gold potential.

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

Effective July 1, 2025, the Company changed its presentation currency from United States dollars (USD) to Canadian dollars (CAD). On April 1, 2026 the Company reassessed the functional currency for the Papua New Guinea subsidiaires from USD to CAD. The Company is incorporated in Canada and listed on the TSX-V and management determined that presenting the financial statements in CAD provides more relevant and reliable information to users.

**Cu Eq and Au Eq based on equal co-recovery of gold and copper, $3,300 per ounce gold and $4.45 per lb*

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

Recent Highlights and Developments

On August 24, 2026 the Company announced assay results from five drill holes at its Osena Project. These holes were shallow step out drilling along strike by 100 to 200m on the Megabe structure, and followed on from the announcement on July 6, 2026. All holes intersected the mineralised structures, albeit at lower grade than in the previously announced results from ONED26-009 (July 6, 2026). A new structure, zone 4, was however intersected in hole ONED26-011 and sits footwall to the high-grade structures in ONED26-009. Structural and alteration vectors indicate that this drilling was above the high-grade zone, and follow up work, with drilling commencing imminently, is targeting beneath and to the SE of the previously reported high-grade hole at Megabe.

On July 29, 2026, the Company announced the first phase of field work by its technical team at the Kili Teke Copper-Gold Project. Kili Teke hosts a large 4.2 Moz Au Eq resource (refer below) in a porphyry system, along with a series of alkalic epithermal (Porgera Style) and skarn targets. Initial work is focused on exploration outside of the current mineral resource, and involves initial mapping, rock sampling and soil work ahead of drill targeting.

On July 6, 2026, the Company announced outstanding assay results from drill hole ONED26-009 at its Ontenu Project. The results represent a significant step forward to confirming the Company's hypothesis that Ontenu hosts high-grade epithermal gold-copper veins. Drill hole ONED26-009 successfully targeted the Megabe structure, a NW-trending mineralised corridor located between the Jorkol and Onki zones in the Ontenu NE prospect, and intersected multiple gold-bearing veins across a wide zone of mineralisation. Results included 12 m at 12.46g/t Au (from 160 m downhole) including 2 m at 27.45g/t Au, and 12.2 m at 4.93g/t Au and 0.5% Cu (from 324 m down hole).

On June 25, 2026 announced the recommencement of exploration activity at Kili Teke copper-gold project. Following community awareness meetings concluded in Tari in late April and early May 2026, the Company has secured the support of landowners, the Hela Provincial Government, the Koroba-Kopiago District and the Awi-Logayu Local Level Government to return to the ground at Kili Teke.

On June 16, 2026, the Company announced drilled discovery at the Megabe structure in Ontenu NE including 1m @ 18.1g/t Au. Drill hole ONED26-007, the first hole testing the new Megabe target at Ontenu NE, returned 12 m at 3.1 g/t Au, including 1 m at 18.1 g/t Au. The Company has two diamond drills turning at Ontenu NE, within the Osena Project on the southwest border of K92 Mining Inc.'s Kainantu Gold Mine, while drill targeting is being finalised at the adjacent Ontenu Central prospect; surface exploration and drill targeting are underway at the Anga Project (northeast of, and adjacent to, K92); and field work is restarting at May River following a recent reconnaissance visit that secured community consent and confirmed site access.

On May 20, 2026, the Company announced results from its drill program at its Ontenu Project. To date seven holds for 2,266m have been completed with assays received for six holes with the seventh pending. Gold mineralization has been confirmed in five of the seven holes.

On April 1, 2026, the Company announced the appointment of Simon Jackson to its Board of Directors. Simon is an experienced resource industry executive with a broad range of senior management experience through al facets of the mining cycle from exploration, discovery, feasibility, financing, construction, operations and divestment. He has extensive Board and executive level experience from positions held at a number of Toronto Stock Exchange, TSX Venture Exchange and Australian Stock Exchange listed public companies

February 18, 2026, the Company announces the addition of a second drill rig to accelerate testing of multiple targets in the Ontenu Project.

Exploration Projects

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

- **Osena Project**: located 130km WNW of Lae and close to the town of Kainantu. This project adjoins K92 Mining Ltd's operations to the southwest. Osena has several identified drill-ready targets for **epithermal Au-Cu-Ag** targets including multiple structures at Ontenu and Ontenu NE, and potential for porphyry copper-gold at depth.

- **Anga Project**: located 130km WNW of Lae and close to the town of Kainantu. This project adjoins K92 Mining Ltd's operations to the northeast. This project includes multiple targets for **epithermal Au-Cu-Ag** targets.

- **Kili Teke Project**: located 40km west of the Porgera Gold Mine and includes a porphyry Cu-Au resource estimate, and multiple targets for **high-grade alkalic epithermal Au deposits** (Porgera Style).

- **May River Project**: located approximately 200km from the port of Wewak and adjoining PanAust Ltd's large scale Frieda River Copper-Gold project. The project includes large diatreme breccia/**epithermal Au targets, porphyry related Cu-Au** and high-grade **VMS style Au-Cu-Ag-Zn** targets.

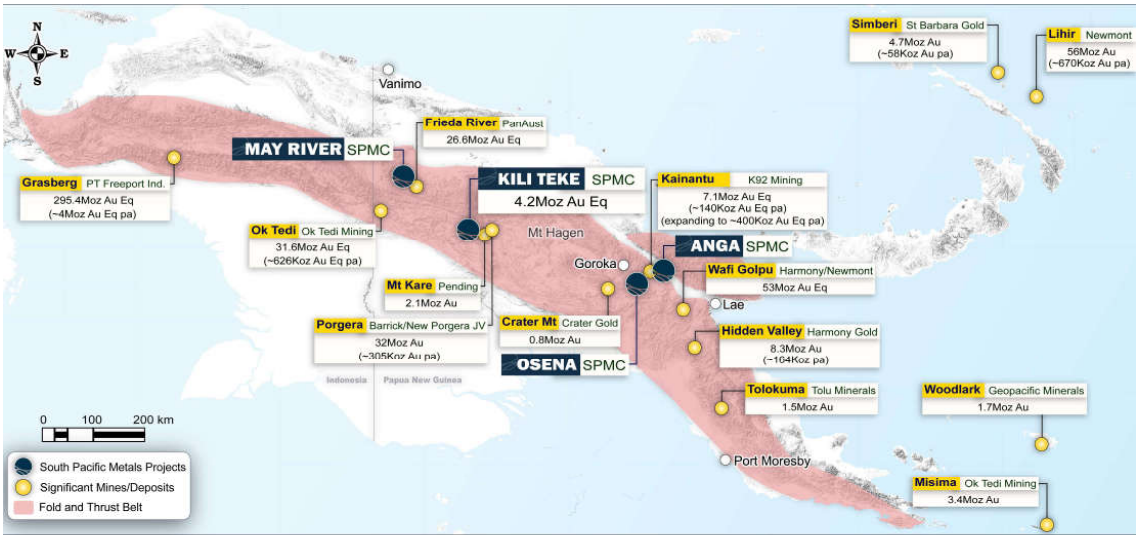


Figure 1 Location of SPMC Projects in Papua New Guinea, with other major deposits by endowment and production (refer Company presentation October 2025 for full source details of compilation)

Glossary of Terms

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

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

Tenement Status

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

* Table 1 Tenement Status - Tenements classed as "pending renewal" are waiting on government documentation and are valid exploration licenses, with permissible exploration and on-going access. Projects in "Pending Grant" are 'first in time' with statutory requirements including Warden's court, land-owner and government approval prior to the commencement of exploration

Osena Project

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

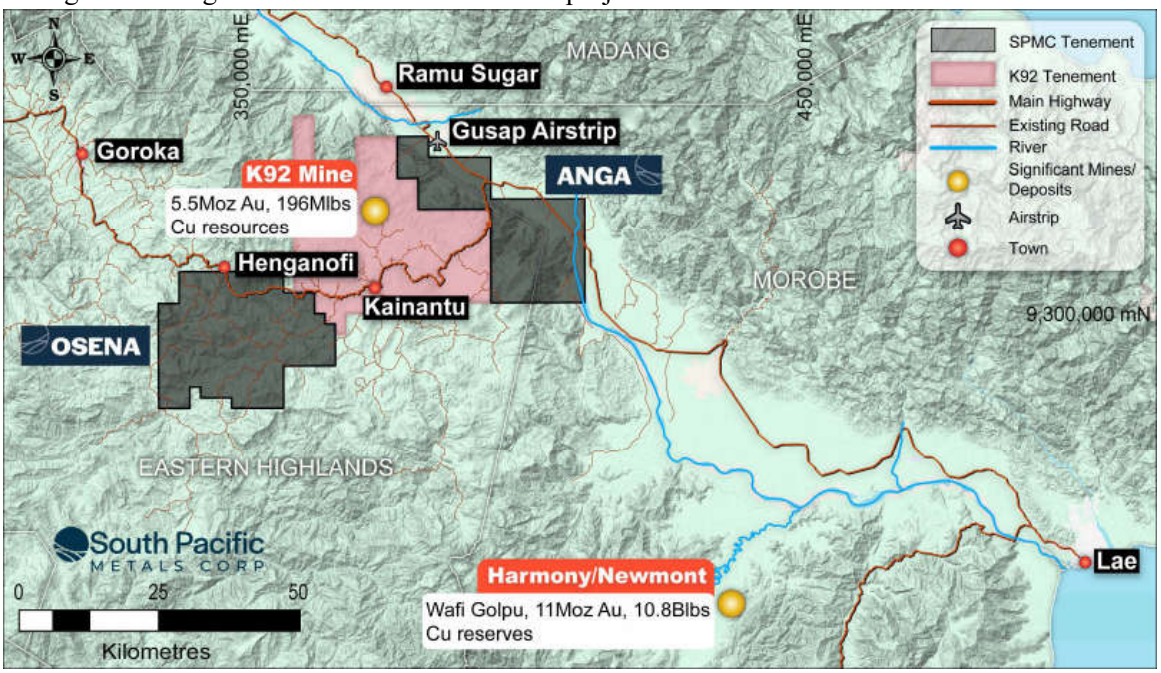


Figure 2 Location of Osena & Anga Projects

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

The Company has a strong working relationship with the local landowners and the local employment and community relations programs continued during the reporting period. Principal field activity included trenching, reconnaissance mapping, surface sampling and drill pad selection/preparation for the upcoming drill program. Multiple targets and new mineralized structures were identified as noted in Company releases dated July 28, 2025; September 17, 2025; October 6, 2025, November 11, 2025, February 18, 2026, May 20, 2026, June 16, 2026 and subsequent to the reporting period on July 6, 2026.

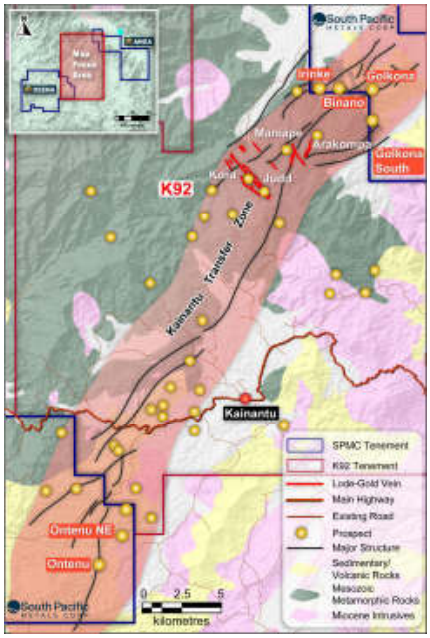


Figure 3 Location of Osena including Ontenu NE and Ontenu, and Anga including Irinke & and Golkona, in the Kainantu Transfer Zone.

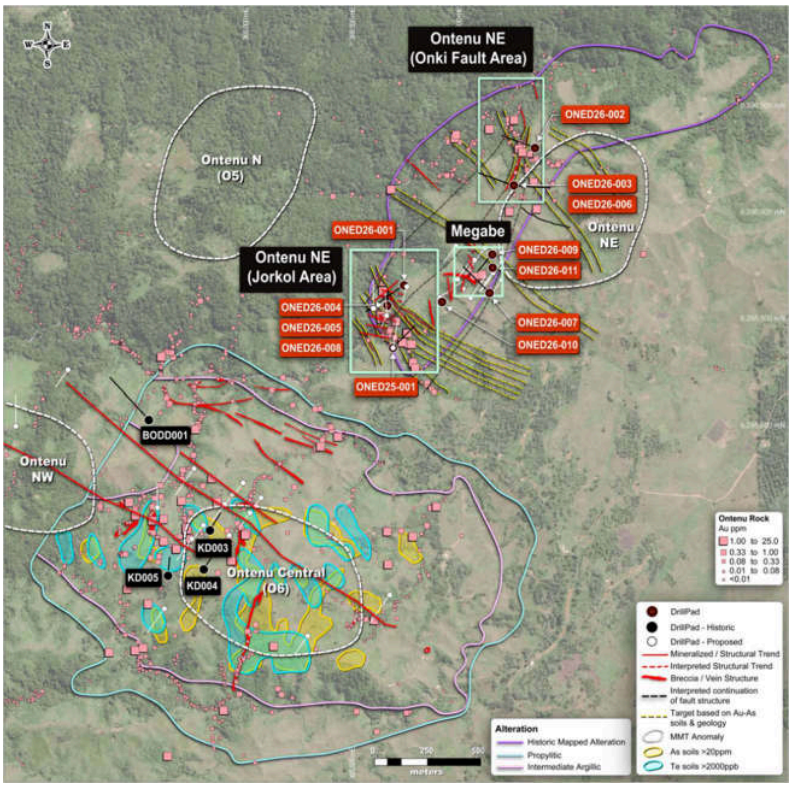


Figure 4 Wider Ontenu Area including Ontenu Central and Ontenu NE.

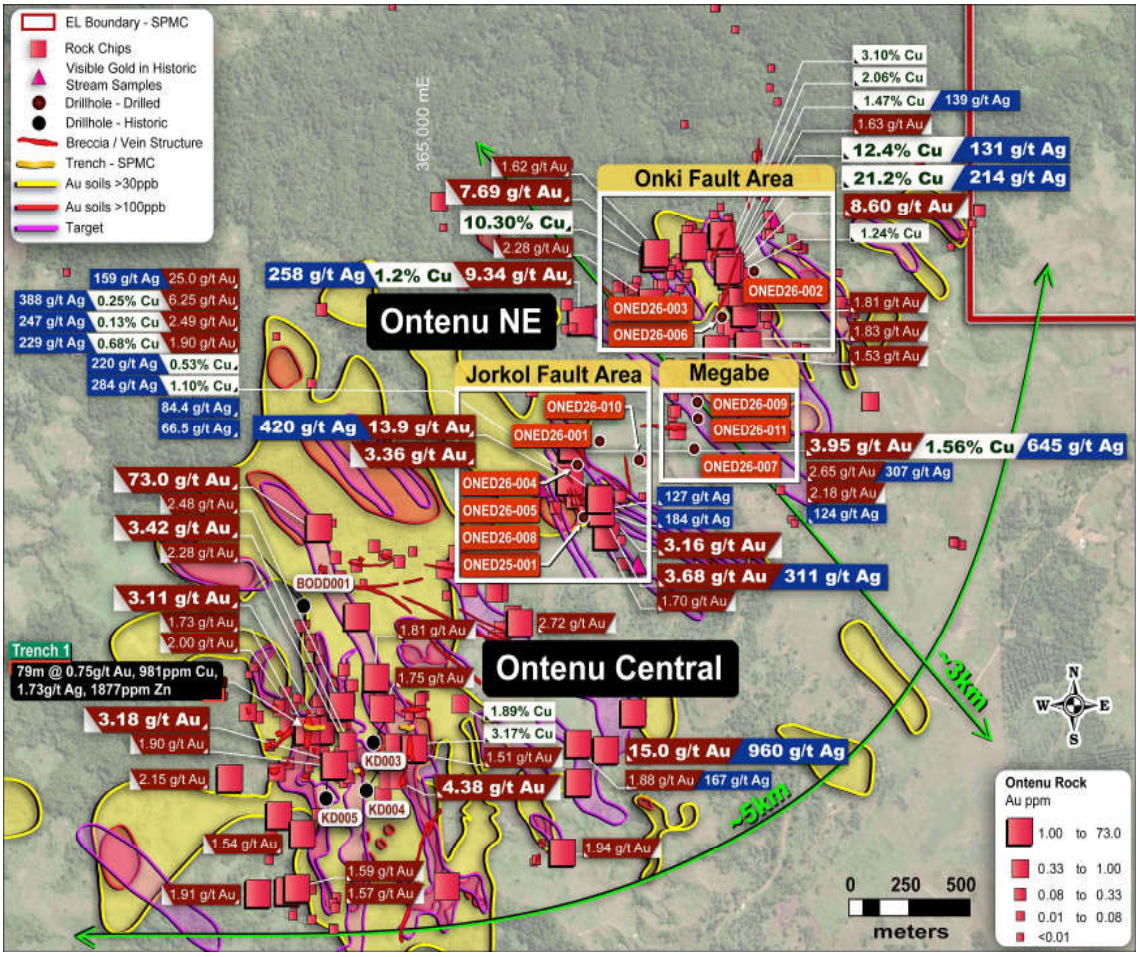


Figure 5 Wider Ontenu Project area showing surface sampling results highlights

Ontenu NE

Exploration on the Ontenu NE project began at the beginning of the calendar year 2025 and during May, 2025, the Company announced the first high-grade surface rock sample results hosted within large soil anomalies. The Company embarked on regional reconnaissance throughout the target area (Figure 6 & Figure 8) and has identified:

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

The first hole in the planned multi-hole program was ONED 25-001 was completed in late 2025, (Ontenu NE target area, below). It targeted and successfully intersected the Jorkol breccia fault structure from 199 metres to 208 metres This intercept contained pyrite and minor patches of metasediments, exhibiting wide zones of fine-quartz-carbonate-pyrite veining and altered dioritic dykes. The mineralized section of this intercept ran **0.77 g/t Au and 0.14% Cu over 4.5 metres**, confirming the target model (Figure 7).

On going work continued to prioritize different structures and mineralization styles. The Company subsequently announced drill results from the **Onki** prospect area including widespread anomalism with results including **92m grading 0.34g/t Au** including **2m grading 5.74g/t** gold with peak assay of **9.92g/t Au and 2.35% copper** (Figure 8). Multi-element vectors suggest that Onki drill results represent the upper parts of an intrusive related system.

The recently recognised **Megabe** structures, at Ontenu NE, yielded exceptional first drill results including **12m grading 3.1g/t Au**, including **1m grading 18.1g/t Au** in ONED26-007. Subsequent to the end of the reporting period, follow up drilling confirmed this discovery with standout results from hole ONED26-009 including **5m grading 12.84g/t AuEq** (12.46g/t Au, 1221ppm Cu, 17g/t Ag) including **2m grading 28g/t AuEq** (27.45g/t Au, 2131ppm Cu, 27g/t Ag) and **12.2m** grading **6.24g/t AuEq** (4.93g/t Au, 4952ppm Cu, (0.5%), 55g/t Ag) including **2m grading 16.65g/t AuEq** (12.31g/t Au, 12554ppm Cu (1.26%), 206g/t Ag) (Figure 9).

(Au Eq at Megabe is based on 100% equal co-recoveries of Au, Ag & Cu using Au price of US$4,180 per ounce, Ag price of US$62 per ounce and Cu price of $6.20 per lb. Intervals are reported as downhole length. True widths have not yet been determined pending further structural interpretation.)

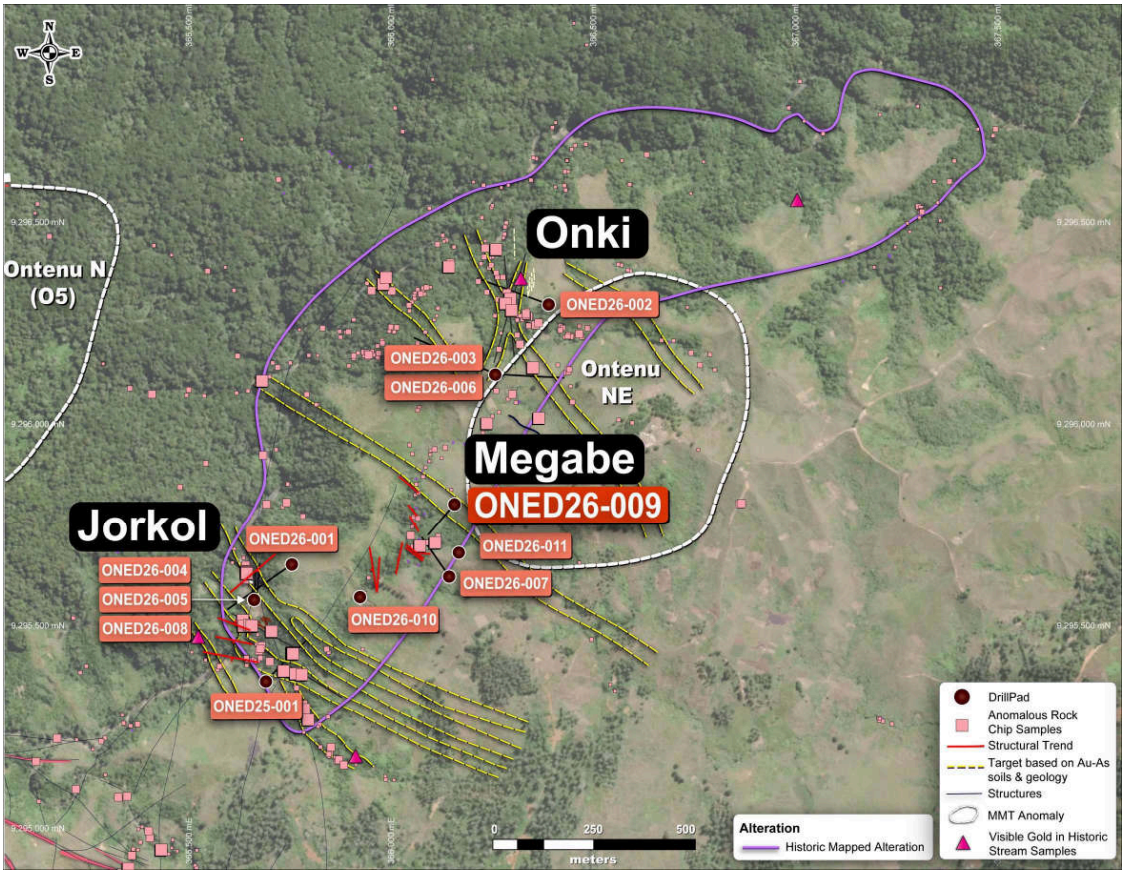


Figure 6 Ontenu NE target area

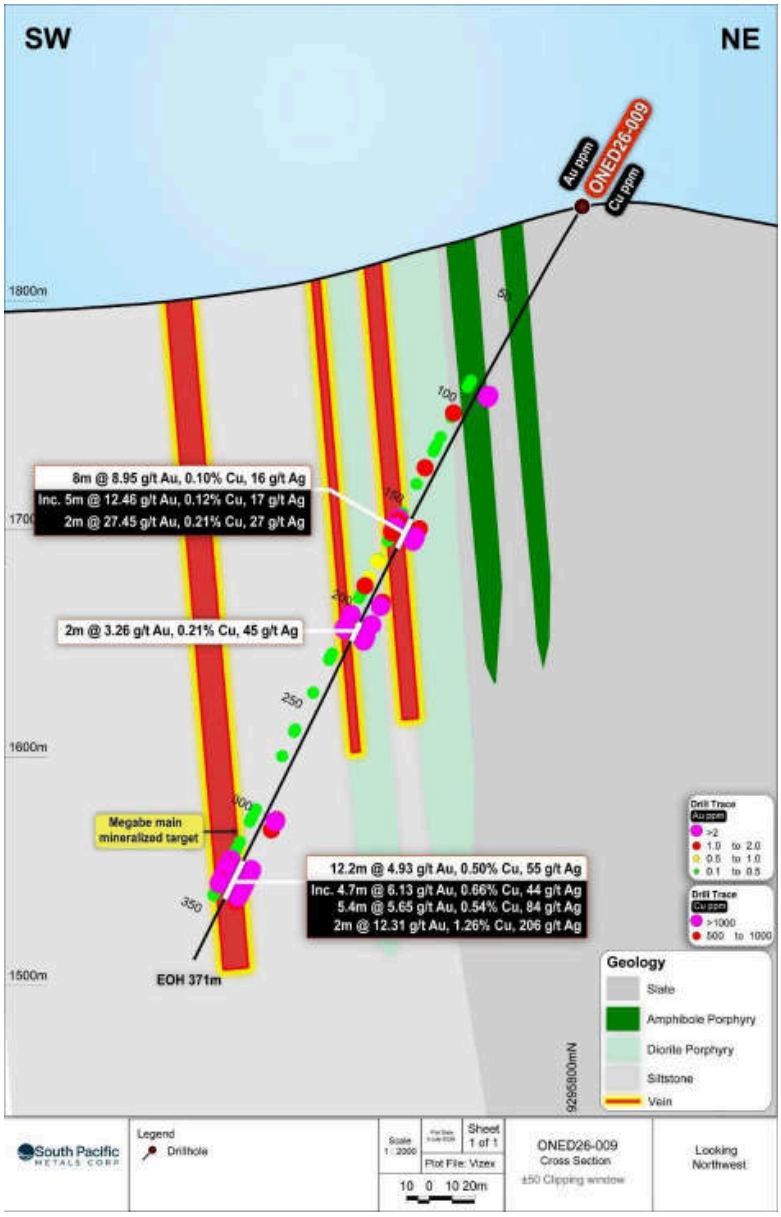


Figure 7 Drilling at ONED26-002 at Megabe in the Ontenu NE area

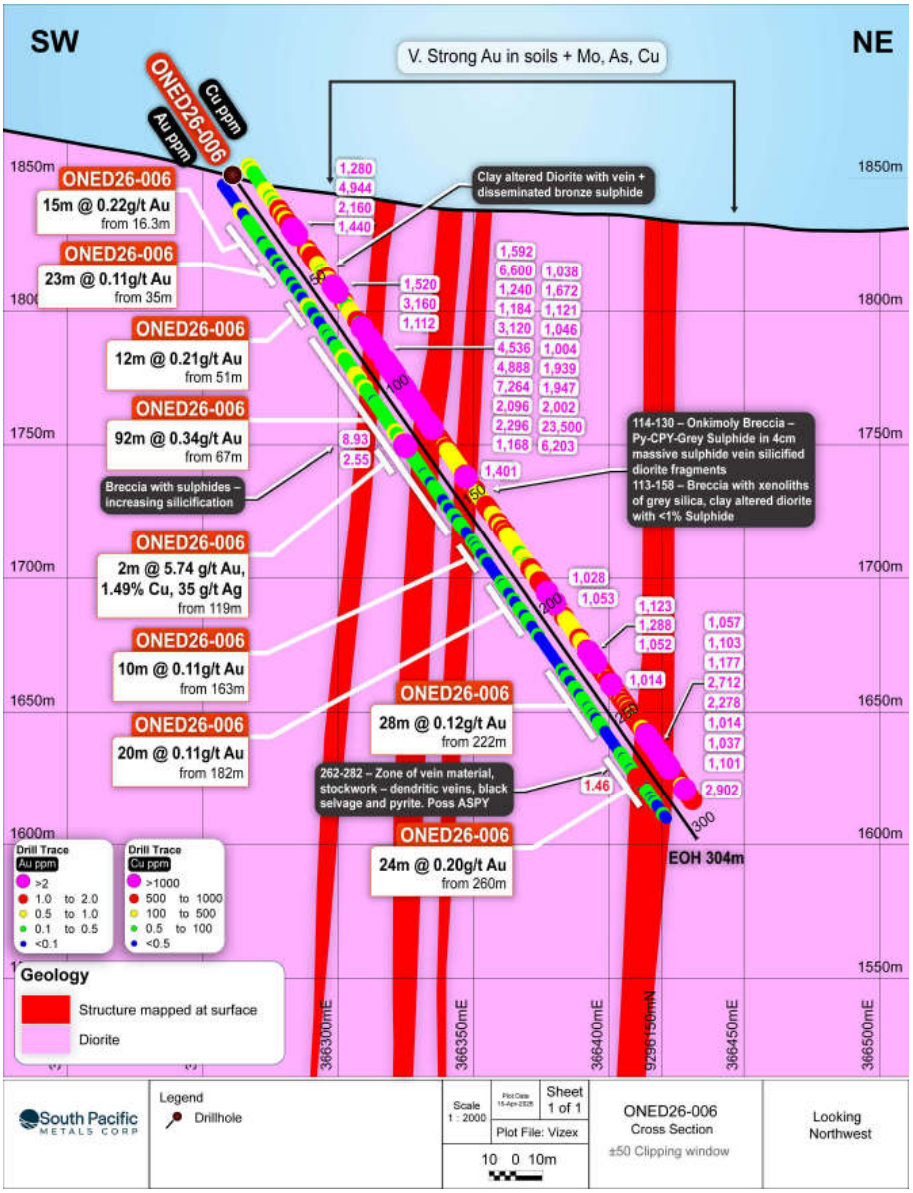


Figure 8 Onki Prospect area, drilling from ONED26-006

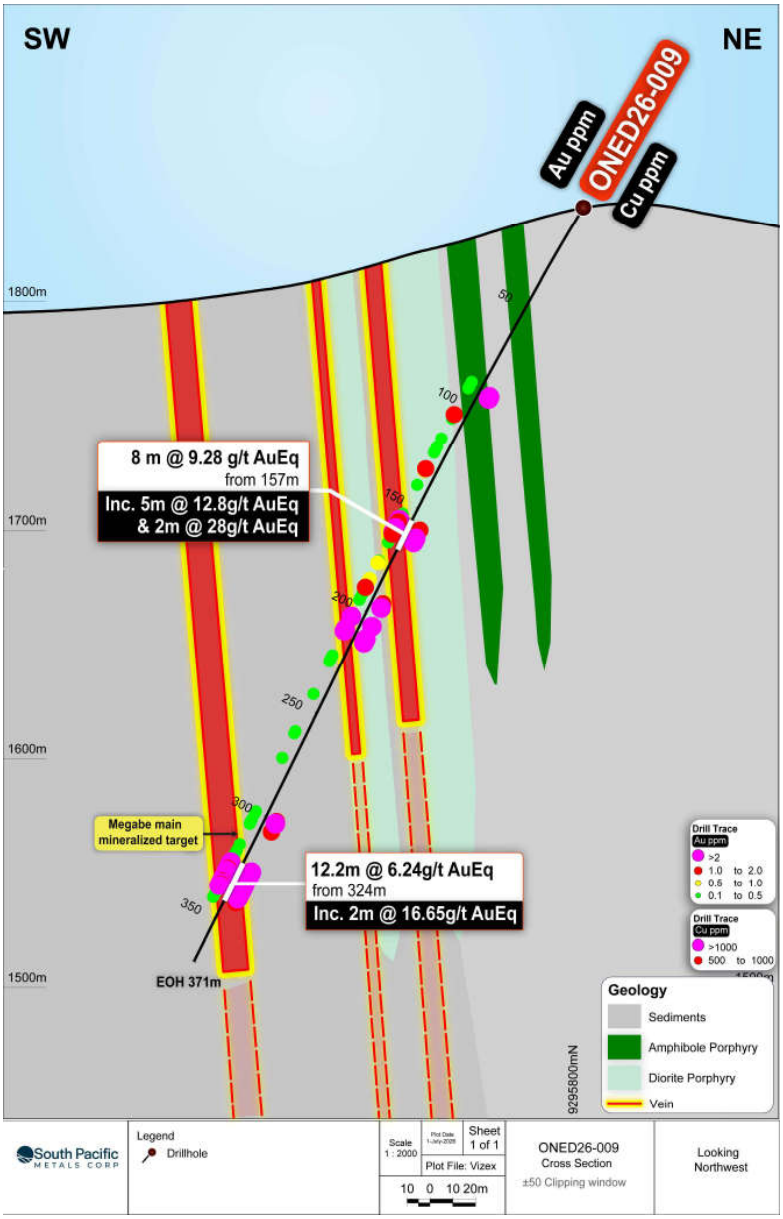


Figure 9 Drill discovery at Megabe Area in Ontenu NE in ONED26-009

Ontenu Central

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

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

- Trench results 4m @ 4.52g/t Au within 79m @ 0.75g/t Au (Figure 10)

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

The Ontenu Central prospect area includes:

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

As well as the N-S geochemical soil anomalism, recent mapping has identified as series of NW-SE striking structures as being the main control (Figure 4).

Drill hole planning and clearing of pads is well advanced, and drilling is expected to commence shortly.



Figure 10 Ontenu Central (westside corridor) trenching

Ontenu Other

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

Anga Project

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

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

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

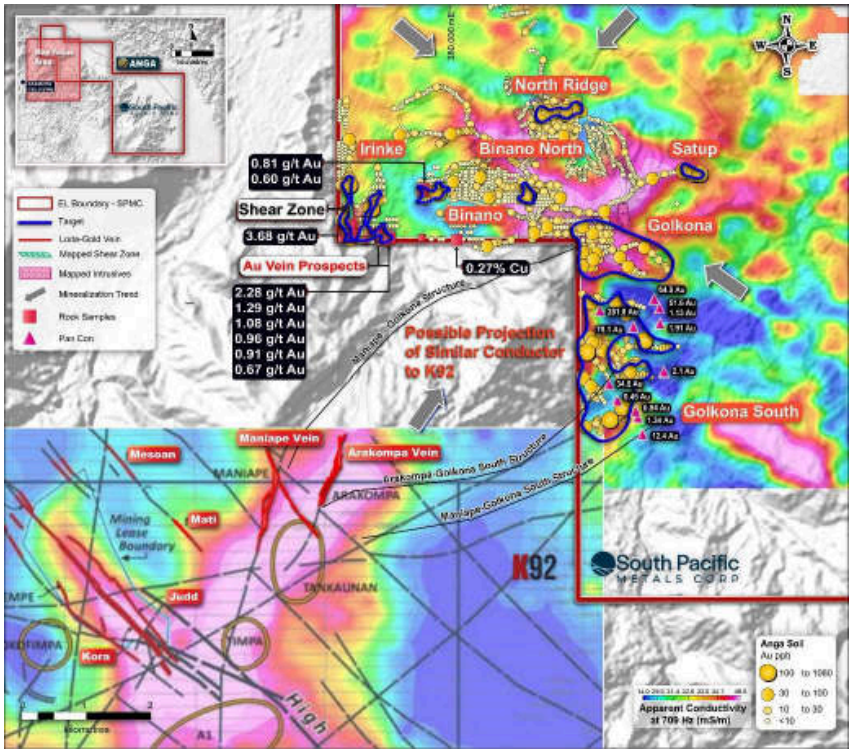


Figure 11 Western part of the Anga Project area showing structural interpretation. Underlying image is apparent conductivity

Golkona / Golkona South

The Golkona and Golkona South prospect areas are located on the western part of the Anga Project area and approximately 2 to 4 km along strike, within the Kainantu Transfer Zone, from the Arakompa and Maniape Deposits held by K92 Mining. During the reporting period the Company continued soil and stream sampling at Golkona, with results indicating the highest tenor target on the Anga project area identified to date. Results, including anomalism in Au-Cu-Ag-As (Figure 12 and 12) indicate the potential for high to intermediate sulphidation epithermal targets akin to those being mined by K92 Mining Ltd summarised as:

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

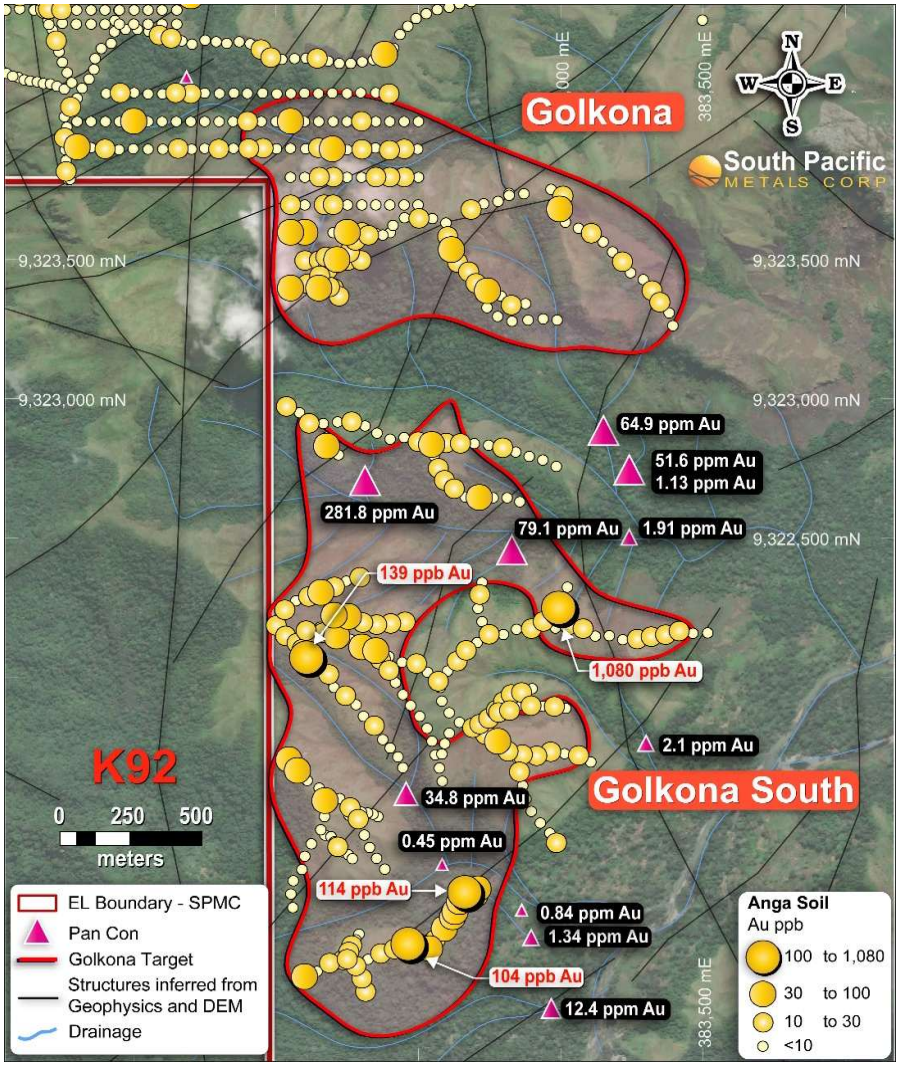


Figure 12 Gold in soil and stream sediment samples at Golkona

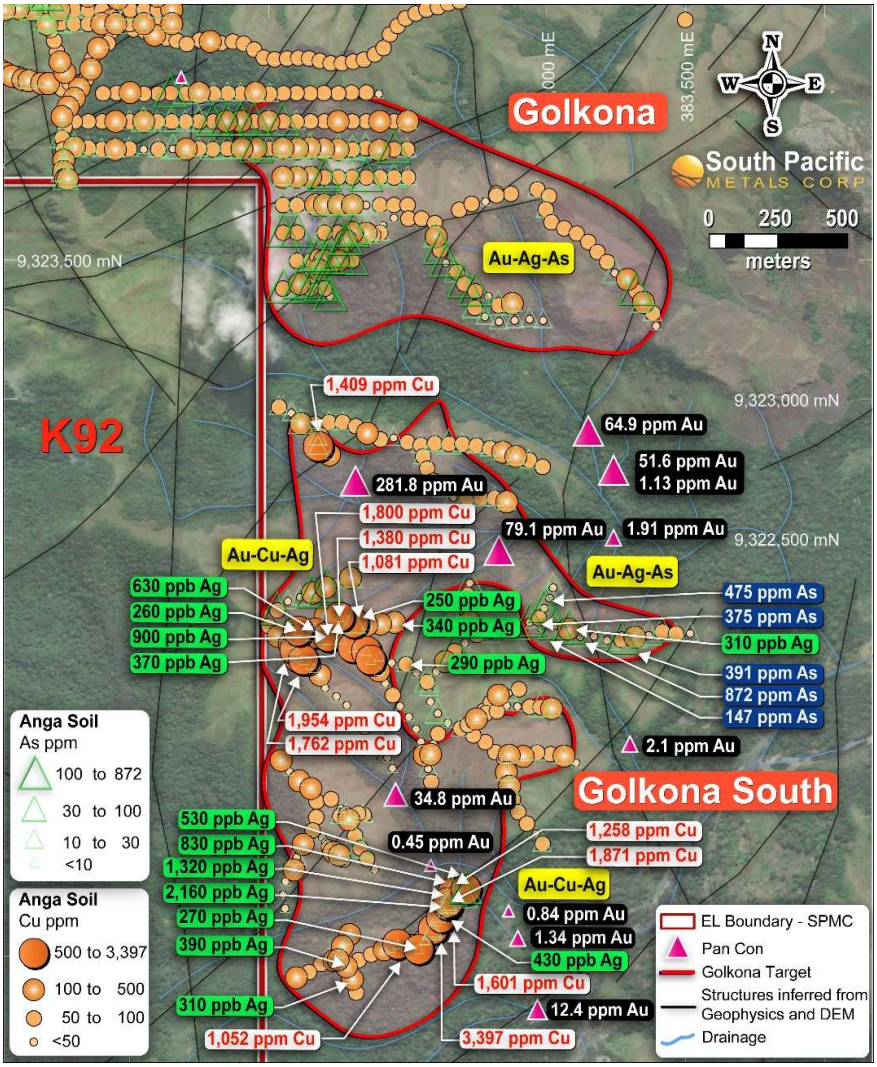


Figure 13 Cu-Ag-As in soils at Golkona and Golkona South

Initial reconnaissance at Golkona / Golkona South focused on exposures in streams, with only weakly mineralized structures identified. Planning is underway to focus further effort on the ridges, coincident with the high gold and base-metals in soils.

Irinke

The Irinke target area is located adjoining the mining leases held by K92 Mining Ltd. The prospect consists of broad gold in soil anomalies and rock chip samples up to **2.28g/t Au**.
During the reporting period, the Company commenced a trenching program at Irinke, which is on-going, with the first assay results expected shortly.

Anga Other

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

Kili Teke Project

The Kili Teke Project is located ~40km west of the Porgera Gold Mine (Figure 14), operated by Barrick Niugini Ltd. The Company purchased the project from Harmony Gold Ltd in 2023.

The project consists of diorite to monzo-diorite intrusions intruding into sediments and limestones in a similar setting to the giant Grasberg deposit located in West Papua. Several mineralization styles have been identified on the project including the **porphyry related Cu-Au**, skarn related **Cu-Au-Ag-Zn** and **alkalic epithermal Au**. A series of E-W structures have been mapped at Kili Teke and these are associated with strong surface anomalism in Au-Te-Bi-As (Figure 15). This metal association, in combination with alkalic rocks, is indicative of potential alkalic epithermal gold deposits such as Porgera, located to east of Kili Teke.

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

The last technical update was presented in release on October 1, 2024. During the reporting period the Company conducted land-owner meetings with a view to establishing local employment opportunities. On June 25, 2026 the Company announced a commencement of on-ground activity. The Camp has been re-established and geologists are expected on site shortly. On-ground activity to initially include structural mapping to establish key drill targets and drill orientations, followed by drilling.

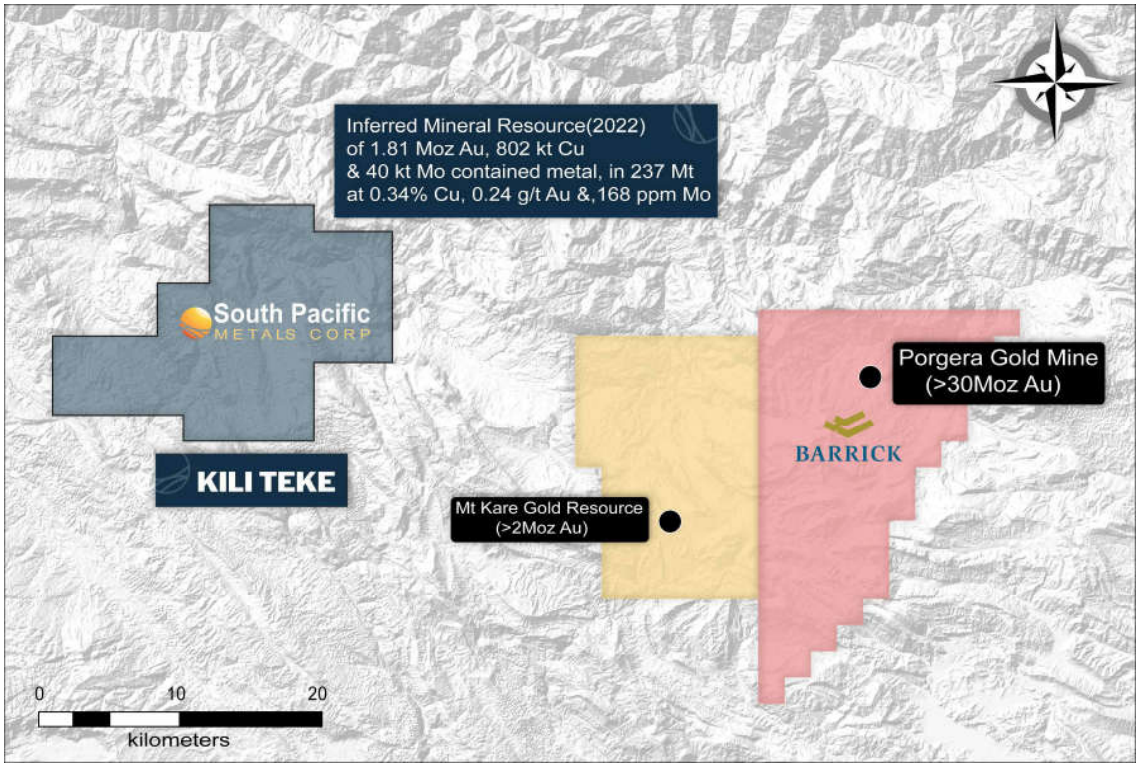


Figure 14 Kili Teke Project Location

Central Porphyry & Surrounds

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

- **237Mt averaging 0.24g/t Au, 0.34% Cu for 1.8Moz Au and 802Kt copper** (refer NI-43101 report filed January 12, 2023); or,
- 237Mt averaging 0.55g/t AuEq or 0.6% Cu Eq for 4.2Moz AuEq contained metal.

(Kili Teke Au/CuEq based on metallurgical testwork indicating gold reporting to chalcopyrite concentrate with assumed equal co-recoveries and pricing of $3300 per ounce Au and $4.45per lb Cu. Mo and Ag not factored).

The contact halo and extensional targets include:

- **Increasing Cu:S ratio** with increasing depth indicating the potential for **higher grade Cu-Au** porphyry targets at depth.

- Skarn mineralization, not yet included in the mineral resource estimate, including:
  - **drilling with 2.98 % Cu, 11.75 g/t Au and 21.07 g/t Ag over 7.8 m** within 54 m @ 2.1% Cu, 1.82 g/t Au, 3.87 g/t Ag (from 878 m depth down hole)

  - Surface results up to 13g/t Au, 27% Cu, 3.3% Zn, 37g/t Silver

Ieru Cu-Au targets

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

- Two dykes modelled over **1000m strike length** and **~200m** wide

- Associated with extensive **Au-Cu-Te-As** surface anomalism.

- Trench results include **27m @ 0.97% Cu, 1.25g/t Au within 132 m at 0.55% Cu and 0.6 g/t Au**

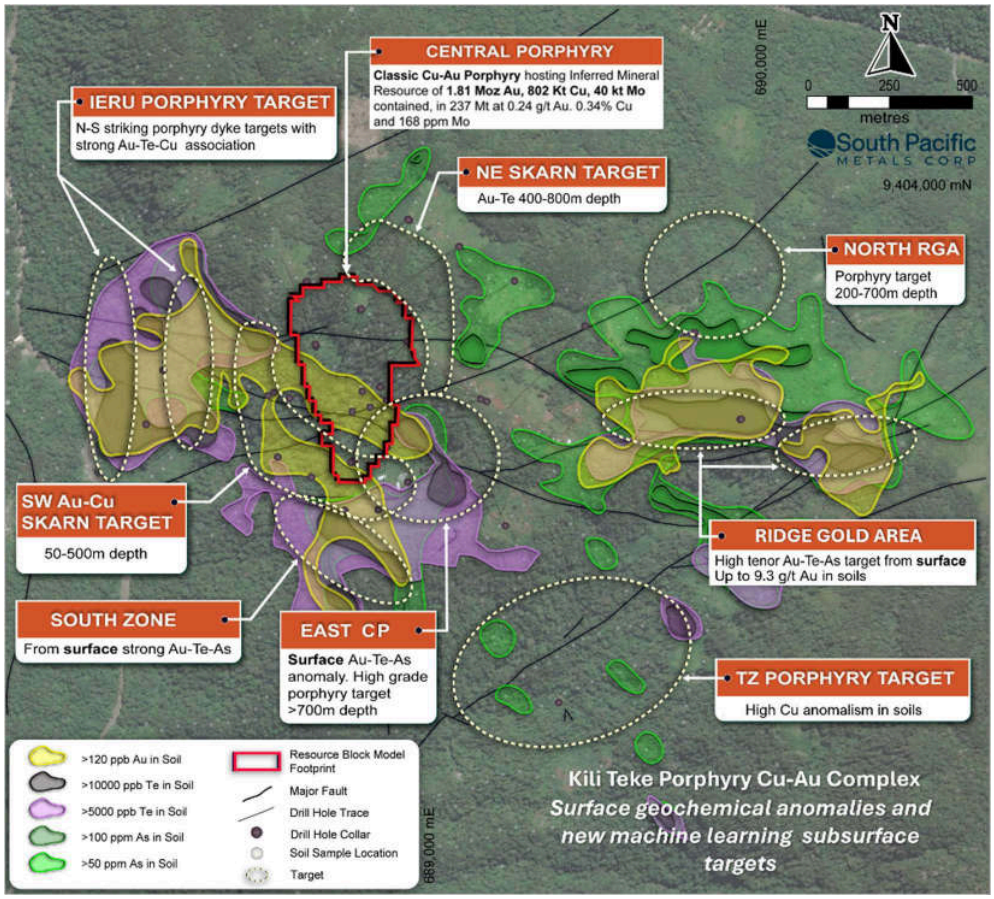


Figure 15 Targeting including for high-grade alkalic epithermal surrounding Kili Teke Mineral Resource Estimate

Ridge Gold targets

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

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

May River Project

The May River Project is located in the west of Papua New Guinea, and adjacent to the giant Frieda River Copper-Gold Project (>26Moz Au Equivalent, Pan Aust Ltd) (Figure 16). The project has varied geology and potential including porphyry and diatreme related epithermal targets in the south, to volcanogenic massive sulphide (VMS) targets in the north. The Company provided a targeting update on May River on October 30, 2024.

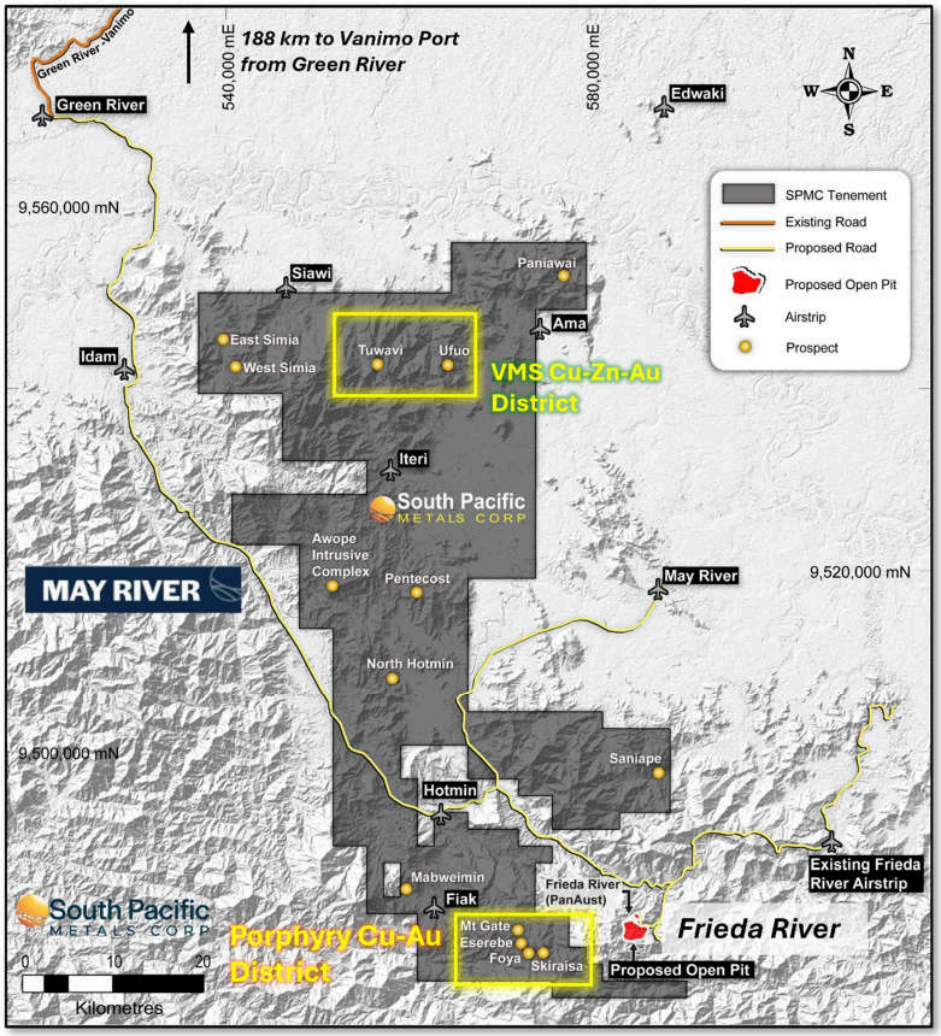


Figure 16 May River Project area and proximity to Frieda River

Skygate Trend

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

- Skiraisa Target
    - 1000 x 900m area 100 to 500ppb Au in soils with previous drilling including
    - **109m averaging 1.53g/t Au** from surface to end of hole
    - **54m averaging 1.83g/t Au** from 106m depth
    - Diatreme epithermal breccia with porphyry target modelled at depth
- Mountain Gate target
    - **2000 x 500m** soil anomaly >500ppb Au & 250ppm Cu
    - Rock results up to **3g/t Au & 0.3% Cu**
    - Hosted in the Frieda Intrusive Complex (same as Frieda River)

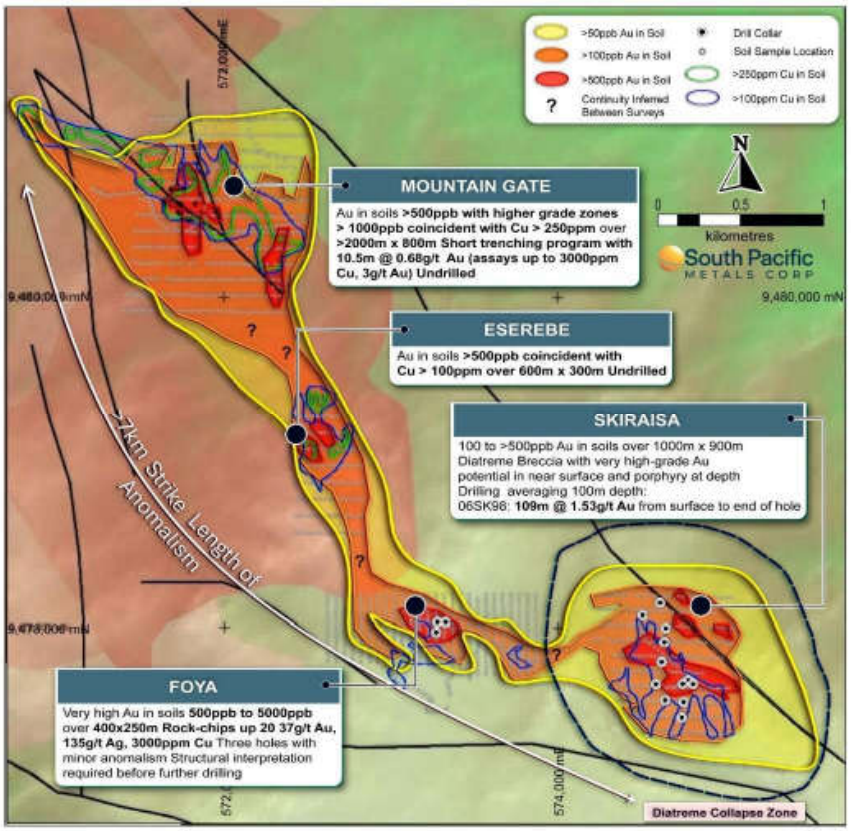


Figure 17 Skygate Trend at the May River Project.

Ufuo VMS targets

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

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

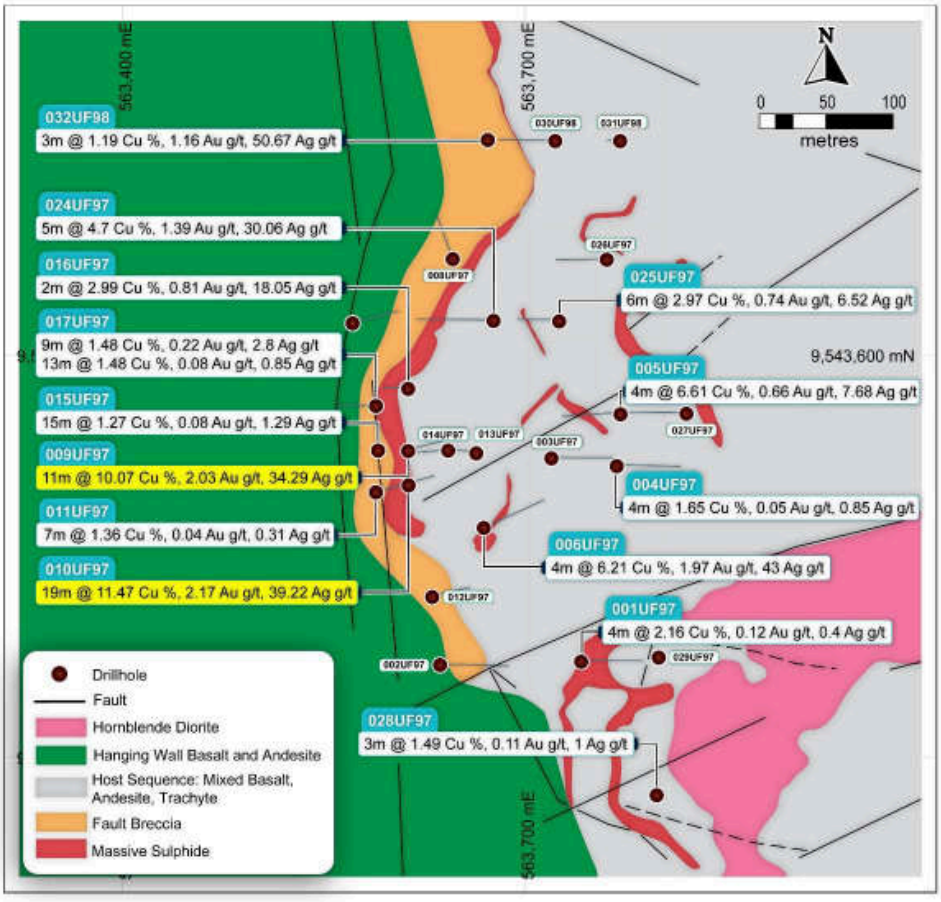


Figure 18 Ufuo VMS target area at May River

Environmental, Social & Governance

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

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

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

Results of Operations

The Company recorded a net loss of $1,061,284 for the three months ended June 30, 2026 ("current period") compared to a net loss of $531,002 for the three months ended June 30, 2025 ("prior period"). The material variations are explained below:

- Board and management expenses were $221,840 in the current period compared to the prior period of $159,583. The increase is related to the change in Management from previous periods.
- Marketing and investor relations expenses were $277,509 in the current period compared to prior period of $141,116. The Company incurred higher travel and marketing fees in the current period .
- Stock-based payments expense, a non-cash expense, was $446,531 in the current period compared to the prior period of $162,211 as the Company granted more stock options in the current period and the vesting of previously granted stock options and RSUs.

Summary of Quarterly Results

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

	June 30, 2026	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Total revenues	-	-	-	-
Loss for the quarter	1,061,284	332,705	688,420	791,291
Loss per share	0.02	0.00	$0.01	$0.02

	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Total revenues	-	-	-	-
Loss for the quarter	531,002	1,555,906	423,801	258,299
Loss per share	$0.01	$0.04	$0.01	$0.01

Liquidity and Capital Resources

The Company's working capital as at June 30, 2026 was $2,974,787 (June 30, 2026 - $5,888,007), including a cash and cash equivalent balance of $3,761,724 to settle accounts payable and accrued liabilities of $1,514,823. The condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

As the Company is in the exploration stage, the Company's ability to continue as a going concern and fund its exploration activity is dependent on the Company being able to draw down on its current cash, maintain cost control measures and raise additional capital. The ability to continue as a going concern remains dependent on the Company's capacity to obtain the additional financing necessary to continue to fund its mineral properties, the realization of future profitable production, proceeds from the disposition of its mineral interests, and/or other sources. The Company has been successful raising capital in the past and expects to have access to the resources to continue its operations for the foreseeable future but there can be no assurance that Company will have access to the capital markets.

Cash Flows

For the three months ended June 30, 2026, cash decreased by $3,177,958, from $6,939,682 at March 31, 2026 to $3,761,724 at June 30, 2026. The decrease was a result of cash used in operating activities of $949,808, cash used in investing activities of $2,209,886 and cash used in financing activities of $18,264.

During the three months ended June 30, 2026, cash used in investing activities was $2,209,886 in exploration expenditures on the Company's exploration and evaluation assets.

Share Capital and Disclosure of Outstanding Share Data

The authorized share capital was an unlimited number of common shares.

Outstanding share data

As at the date of this MD&A, the Company's fully diluted shares outstanding are as follows:

Common shares	69,846,855
Options	3,750,000
Warrants	16,898,775
Restricted Share Units	2,364,167
Fully diluted shares outstanding	92,859,797

Related Party Transactions

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

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

Key Management Compensation

Key management personnel compensation is comprised of fees paid and share-based compensation related to the fair value of the stock options granted to these key management personal.
Remuneration for key management personnel of the Company was as follows:

	June 30, 2026	June 30, 2025
	$	$
Board and management fees	144,729	118,518
Share-based compensation	314,002	144,867
	458,731	263,385

As at June 30, 2026 a total of $nil (March 31, 2026 - $843) was due to directors and officers of the Company and a total of $14,459 (March 31, 2026 - $25,819) was due from directors and officers of the Company.

Off Balance Sheet Arrangements

There are no off balance sheet arrangements.

Contractual Obligations

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

Proposed Transactions

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

Disclosure Controls and Procedures

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS. In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the

consolidated financial statements for the three months ended June 30, 2026 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim and Annual Filings on SEDAR + at www.sedarplus.ca.

Additional Disclosure for Venture Issuers Without Significant Revenue

The Company provides disclosure related to capitalized or expensed exploration and acquisition costs in the notes to the consolidated financial statements and disclosure related to general and administration expenses in the statements of operations and comprehensive loss. The Company has no expensed research and development costs nor deferred development costs.

Other Risk Factors

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

Exploration and Operational Risks

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

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

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

Risks of Operating in Papua New Guinea

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

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

Due to the potential for criminal activity and civil unrest in Papua New Guinea, the Company may need to maintain a minimum level of security to protect its assets and personnel; however, there is no guarantee that such measures will provide an adequate level of protection for the Company or its assets and personnel.

Limited Operating History

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

The current state of the Company's mineral properties require significant additional expenditures before any cash flow may be generated. Although the Company possesses an experienced management team, there is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Supply Chain Risks

Due to limited suppliers of equipment, materials, supplies and services available in Papua New Guinea, any disruption at supplier facilities could result in curtailment or suspension of activities.

Any disruption in the transportation of or restriction in the flow of these goods or the imposition of customs clearance requirements may result in production delays.

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

Corruption and Compliance Risks

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

According to Transparency International, Papua New Guinea is perceived as having fairly high levels of corruption relative to Canada. The Company relies, to a great extent, on the Company's local advisors in respect of legal, environmental compliance, banking, financing and tax matters in order to ensure compliance with material legal, regulatory and governmental developments as they pertain to and affect the Company's operations in Papua New Guinea. The Company cannot predict the nature, scope or effect of future regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted. The Company's operations in the Papua New Guinea may create the risk of unauthorized payments or offers of payments by the Company's employees, consultants or agents. Failure by the Company or its predecessors to comply with the applicable legislation and other similar foreign laws could expose the Company and its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable Anti-Corruption Legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations.

Relationship with Stakeholders Risks

As a mining business, the Company comes under pressure in the jurisdictions in which it operates to demonstrate that other stakeholders (including employees, communities surrounding operations and the countries in which it operates) benefit and will continue to benefit from the Company's commercial activities, and/or that the Company operates in a manner that will minimize any potential damage or disruption to the interests of those stakeholders. The Company may face opposition with respect to its current and future development and exploration projects which could materially adversely affect the Company's business, results of operations and financial condition. Governments in many jurisdictions must consult with aboriginal peoples and local communities with respect to grants of mineral rights and the issuance or amendment of project authorizations. Consultation and other rights of Aboriginal people and local communities frequently require accommodations, including undertakings regarding employment, royalty payments and other matters. This may affect the Company's ability to acquire within a reasonable time frame effective mineral titles, permits or licences in the jurisdictions in which it operates and may affect the timetable and costs of development of the Company's mineral properties.

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

Licenses Risks

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

Financing Risks

The Company will require additional funding with no revenues from operations and expects to incur operating losses in future periods on exploration projects, new business opportunities and working capital costs. The Company has relied upon equity subscriptions to date and will likely continue to depend upon these sources to finance its activities, with finite financial resources the ability to advance its projects will depend upon the ability to secure near and long-term financing. The volatility of global capital markets over the past several years has generally made the raising of capital by equity or debt financing more difficult. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms. These financing requirements may result in dilution of existing shareholders and the inability to obtain financing may result in delay or postponement of operations.

Negative Cash Flow from Operating Activities

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

Title Risks

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

The interests in the Company's properties may not be free from defects or the material contracts between the Company and the entities owned or controlled by a foreign government may be

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

Competition and Mineral Exploration

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

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

Metals Prices Risks

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

Volatility of Share Price

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

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

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's mineral properties. If adequate infrastructure

is not available in a timely manner, there can be no assurance that the exploration or development of the Company's mineral properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, terrorism, community, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Exploration operations depend on adequate infrastructure and equipment availability. In particular, reliable power sources, water supply, transportation, availability of drilling equipment and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Dependence on Management and Key Personnel

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

Skilled Personnel Risks

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

Claims and Legal Proceedings

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

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

Climate Risks

Governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated

with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Company expects that this could result in increased costs at some of its operations in the future.

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

Qualified Person

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

Note Regarding Forward-Looking Statements

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

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

The Company cautions the reader that forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this news release and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in gold prices; fluctuations in prices for energy inputs, labour, materials, supplies and services (including transportation); fluctuations in currency markets (such as the Canadian dollar versus the

U.S. dollar); operational risks and hazards inherent with the business of mineral exploration; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; our ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner; changes in laws, regulations and government practices, including environmental, export and import laws and regulations; legal restrictions relating to mineral exploration; increased competition in the mining industry for equipment and qualified personnel; the availability of additional capital; title matters and the additional risks identified in our filings with Canadian securities regulators on SEDAR in Canada (available at www.sedarplus.ca).

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