



# Mundoro Capital Inc.

## Consolidated Financial Statements

For the Year Ended December 31, 2025



# Independent auditor's report

To the Shareholders of Mundoro Capital Inc.

---

## Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Mundoro Capital Inc. and its subsidiaries (together, the Company) as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

## What we have audited

The Company's consolidated financial statements comprise:

- the consolidated balance sheets as at December 31, 2025 and 2024;
- the consolidated statements of income (loss) and comprehensive income (loss) for the years then ended;
- the consolidated statements of cash flows for the years then ended;
- the consolidated statements of changes in equity for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

---

## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

PricewaterhouseCoopers LLP  
PwC Place, 250 Howe Street, Suite 1400  
Vancouver, British Columbia, Canada V6C 3S7  
T.: +1 604 806 7000, F.: +1 604 806 7806  
Fax to mail: ca\_vancouver\_main\_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

---

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Valuation of investment</b></p> <p>Refer to note 2 – Material accounting policies and basis of preparation, note 6 – Investments and note 15 – Financial instruments to the consolidated financial statements.</p> <p>The Company holds a 2.9% equity interest in Galenit AD, a privately held company (the investment). The investment is classified as fair value through profit or loss. As at December 31, 2025, management estimated the fair value of the investment to be \$407,469. Management applied judgment in determining the fair value of the investment, which was based on the estimated market value of mineral resources held by Galenit AD. The market value of mineral resources held by Galenit AD was estimated by management using an enterprise value per measured, indicated, and inferred resource ounces based on comparable gold mining companies' public information adjusted for certain factors such as jurisdictional risk and private company liquidity of the investment.</p>	<p>Our approach to addressing the matter included the following procedures, among others:</p> <ul style="list-style-type: none"><li>• Tested how management determined the fair value of the investment, which included the following:<ul style="list-style-type: none"><li>– Professionals with specialized skill and knowledge in the field of valuation assisted in evaluating the appropriateness of the fair value calculation used by management and the reasonableness of the enterprise value per measured, indicated, and inferred resource ounces;</li><li>– Tested the underlying data used by management in the fair value calculation.</li></ul></li><li>• Tested the disclosures made in the consolidated financial statements in relation to the investment.</li></ul>

We considered this a key audit matter due to (i) the significance of the investment balance; (ii) the judgment by management in determining the fair value of the investment, including developing the enterprise value per measured, indicated, and inferred resource ounces; (iii) a high degree of auditor judgment and subjectivity in performing procedures relating to the valuation of the investment; and (iv) the audit effort involved the use of professionals with specialized skill and knowledge in the field of valuation.

---

## **Other information**

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

---

## **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

---

## **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Lana Kirk.

**/s/PricewaterhouseCoopers LLP**

Chartered Professional Accountants

Vancouver, British Columbia

April 28, 2026

**TABLE OF CONTENTS**

<b>INDEPENDENT AUDITOR’S REPORT .....</b>	<b>1</b>
<b>TABLE OF CONTENTS .....</b>	<b>2</b>
<b>CONSOLIDATED BALANCE SHEETS .....</b>	<b>3</b>
<b>CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS).....</b>	<b>4</b>
<b>CONSOLIDATED STATEMENTS OF CASH FLOWS.....</b>	<b>5</b>
<b>CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY .....</b>	<b>6</b>
<b>NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....</b>	<b>7</b>
<b>1. NATURE OF OPERATIONS AND LIQUIDITY RISK.....</b>	<b>7</b>
<b>2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION .....</b>	<b>7</b>
<b>3. THIRD PARTY FUNDED EXPLORATION PROGRAMS .....</b>	<b>11</b>
<b>4. AMOUNTS RECEIVABLE.....</b>	<b>12</b>
<b>5. GOVERNMENT DEPOSITS .....</b>	<b>12</b>
<b>6. INVESTMENTS .....</b>	<b>12</b>
<b>7. PROPERTY, PLANT AND EQUIPMENT.....</b>	<b>12</b>
<b>8. MINERAL INTERESTS.....</b>	<b>13</b>
<b>9. EXPLORATION AND PROJECT GENERATION .....</b>	<b>15</b>
<b>10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES.....</b>	<b>15</b>
<b>11. SHARE CAPITAL.....</b>	<b>16</b>
<b>12. RELATED PARTY TRANSACTIONS AND BALANCES .....</b>	<b>17</b>
<b>13. SEGMENTED INFORMATION .....</b>	<b>18</b>
<b>14. CAPITAL MANAGEMENT .....</b>	<b>18</b>
<b>15. FINANCIAL INSTRUMENTS.....</b>	<b>18</b>
<b>16. INCOME TAXES .....</b>	<b>19</b>
<b>17. SUBSEQUENT EVENTS.....</b>	<b>20</b>

CONSOLIDATED BALANCE SHEETS

<i>As at</i>		Note	December 31, 2025	December 31, 2024
<b>ASSETS</b>				
<b>Current assets</b>				
	Cash and cash equivalents		\$ 5,217,157	\$ 6,324,470
	Short-term investments	<a href="#">6</a>	200,000	-
	Amounts receivable from partners	<a href="#">3</a>	87,094	-
	Amounts receivable	<a href="#">4</a>	579,138	445,665
	Prepaid expenses		176,406	655,006
			<b>6,259,795</b>	<b>7,425,141</b>
<b>Non-current assets</b>				
	Government Deposits	<a href="#">5</a>	204,614	239,962
	Investments	<a href="#">6</a>	407,469	217,337
	Equipment and vehicles	<a href="#">7</a>	430,670	475,853
	Mineral interests	<a href="#">8</a>	862,527	507,328
			<b>1,905,280</b>	<b>1,440,480</b>
<b>TOTAL ASSETS</b>			<b>\$ 8,165,075</b>	<b>\$ 8,865,621</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
	Accounts payable and accrued liabilities	<a href="#">10, 2</a>	\$ 872,953	\$ 899,640
	Advances from partners	<a href="#">3</a>	3,702,378	4,564,503
<b>TOTAL LIABILITIES</b>			<b>4,575,331</b>	<b>5,464,143</b>
<b>EQUITY</b>				
	Share capital	<a href="#">11</a>	55,743,805	54,157,715
	Contributed surplus		9,144,724	9,123,526
	Stock options reserve		1,759,414	1,659,234
	Accumulated other comprehensive income		236,847	149,471
	Deficit		(63,295,046)	(61,688,468)
<b>TOTAL EQUITY</b>			<b>3,589,744</b>	<b>3,401,478</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>\$ 8,165,075</b>	<b>\$ 8,865,621</b>

The accompanying notes are an integral part of these consolidated financial statements.

Signed on behalf of the Board of Directors

*/s/ Mark Platt, Director*

*/s/ Teodora Dechev, Director*

**CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**

	Note	For the year ended	
		December 31, 2025	December 31, 2024
<b>Fees earned</b>			
Fees earned and net option payments received		1,631,738	1,058,161
Interest and other income		6,153	47,487
		<b>1,637,891</b>	<b>1,105,648</b>
<b>Exploration and Project Generation</b>			
	<a href="#">2</a>	\$ (6,926,420)	\$ (6,914,506)
Less: recoveries		5,154,753	6,010,260
		<b>(1,771,667)</b>	<b>(904,246)</b>
<b>Corporate Expenses</b>			
Accounting and audit		(478,078)	(448,053)
Corporate communication		(305,400)	(331,737)
Corporate governance		(413,703)	(302,526)
General and administrative		(137,099)	(176,865)
		<b>(1,334,280)</b>	<b>(1,259,181)</b>
<b>INCOME/(LOSS) BEFORE OTHER EXPENSES</b>		<b>(1,468,056)</b>	<b>(1,057,779)</b>
<b>OTHER INCOME (EXPENSES)</b>			
Share-based payments		(203,663)	(49,123)
Depreciation	<a href="#">7</a>	(122,018)	(130,486)
Increase (decrease) in fair value of investments	<a href="#">6</a>	190,132	50,699
Write-down of mineral interests	<a href="#">8</a>	(1,783)	-
Foreign exchange gain (loss)		(114,880)	97,476
Disposition of assets gain (loss)		3,605	-
		<b>(248,607)</b>	<b>(31,434)</b>
<b>NET INCOME (LOSS) FOR THE YEAR BEFORE TAX</b>		<b>\$ (1,716,663)</b>	<b>\$ (1,089,213)</b>
Income tax (expense) recovery	<a href="#">16</a>	<b>110,085</b>	<b>53,064</b>
<b>NET INCOME (LOSS) FOR THE YEAR AFTER TAX</b>		<b>\$ (1,606,578)</b>	<b>\$ (1,036,149)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS) WHICH MAY BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT YEARS</b>			
Foreign currency translation differences for foreign operations		87,376	106,226
<b>COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</b>		<b>\$ (1,519,202)</b>	<b>\$ (929,923)</b>
<b>BASIC AND DILUTED INCOME (LOSS) PER SHARE</b>		<b>\$ (0.01)</b>	<b>\$ (0.01)</b>

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

			For the year ended	
		Note	December 31, 2025	December 31, 2024
<b>Cash Flows Provided by (Used in) Operating Activities</b>				
	Net income (loss) for the year	\$	(1,606,578)	(1,036,149)
	Adjustments for items not affecting cash:			
	Depreciation	7	122,018	130,486
	Share-based payments		203,663	49,123
	Change in fair value of investments	6	(190,132)	(50,699)
	Gain (Loss) on disposal of fixed assets		(3,605)	1,681
	Write-down of mineral interests	8	1,783	-
	Unrealized foreign exchange (gain) loss		90,780	(171,074)
			<b>(1,382,070)</b>	<b>(1,076,632)</b>
	Net change in non-cash working capital balances related to operations:			
	Option payments in excess of property carrying values		(1,010,475)	(511,640)
	Amounts receivable		(133,473)	(51,487)
	Amounts receivable from partners		(87,094)	292,773
	Prepaid expenses		478,600	(267,574)
	Accounts payable and accrued liabilities		(26,687)	(1,569,905)
	Advances from partners		(694,784)	2,902,308
	<b>Net cash flows provided by (used in) operating activities</b>		<b>(2,855,983)</b>	<b>(282,157)</b>
<b>Cash flows Provided by Financing Activities</b>				
	Issuance of common shares for cash	11	1,517,500	-
	Share issuance costs	11	(12,752)	-
	Issuance of common shares for cash, stock option exercise		-	62,663
	Repurchase of common shares		(943)	(45,572)
	<b>Net cash flows provided by (used in) financing activities</b>		<b>1,503,805</b>	<b>17,092</b>
<b>Cash flows Provided by Investing Activities</b>				
	Expenditures on mineral interests	8	(429,615)	(439,177)
	Purchase of short-term investments	6	(200,000)	-
	Security deposit for mineral interests exploration		35,349	(27,904)
	Purchase of equipment	7	(61,002)	(188,901)
	Option payments received		1,050,913	520,010
	<b>Net cash flows provided by (used in) investing activities</b>		<b>395,645</b>	<b>(135,972)</b>
	<b>Effects of exchange rate changes on cash and cash equivalents</b>		<b>(150,780)</b>	<b>246,000</b>
	<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(1,107,313)</b>	<b>(155,038)</b>
	Cash and cash equivalents, beginning of year		6,324,470	6,479,508
	Cash and cash equivalents, end of year		5,217,157	6,324,470
<b>Cash and cash equivalents consist of:</b>				
<b>From Operations:</b>				
	Cash		5,217,157	6,093,662
	Cash equivalents		-	230,808
			<b>5,217,157</b>	<b>6,324,470</b>

The accompanying notes are an integral part of these consolidated financial statement

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital		Reserves			Accum. Other Comprehensive Income and loss	Deficit	Total
	Number of shares	Amount	Contributed Surplus	Stock options reserve				
<b>Balance at December 31, 2023</b>	<b>104,484,680</b>	<b>\$ 54,022,118</b>	<b>\$ 9,094,652</b>	<b>\$ 1,757,490</b>	<b>\$ 43,245</b>	<b>\$ (60,652,318)</b>	<b>\$ 4,265,187</b>	
Common Shares issued for cash-stock option	905,304	181,169	28,874	(147,379)	-	-	62,663	
Share buyback	(241,500)	(45,572)	-	-	-	-	(45,572)	
Share-based payments (Note 12 (b))	-	-	-	49,123	-	-	49,123	
Net comprehensive income (loss) for the year	-	-	-	-	106,226	(1,036,149)	(929,923)	
<b>Balance at December 31, 2024</b>	<b>105,148,484</b>	<b>\$ 54,157,715</b>	<b>\$ 9,123,526</b>	<b>\$ 1,659,234</b>	<b>\$ 149,471</b>	<b>\$ (61,688,468)</b>	<b>\$ 3,401,478</b>	
<b>Balance at December 31, 2024</b>	<b>105,148,484</b>	<b>\$ 54,157,715</b>	<b>\$ 9,123,526</b>	<b>\$ 1,659,234</b>	<b>\$ 149,471</b>	<b>\$ (61,688,468)</b>	<b>\$ 3,401,478</b>	
Common Shares issued for non-cash stock options	408,690	82,285	-	(82,285)	-	-	-	
Share buyback	(5,000)	(943)	-	-	-	-	(943)	
Share-based payments (Note 12 (b))	-	-	-	203,663	-	-	203,663	
Vested forfeitures reclassified to contributed surplus	-	-	21,198	(21,198)	-	-	-	
Issuance Common shares for cash (net)	5,836,540	1,504,748	-	-	-	-	1,504,748	
Net comprehensive income (loss) for the year	-	-	-	-	87,376	(1,606,578)	(1,519,202)	
<b>Balance at December 31, 2025</b>	<b>111,388,714</b>	<b>\$ 55,743,805</b>	<b>\$ 9,144,724</b>	<b>\$ 1,759,414</b>	<b>\$ 236,847</b>	<b>(63,295,046)</b>	<b>3,589,744</b>	

The accompanying notes are an integral part of these consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. NATURE OF OPERATIONS AND LIQUIDITY RISK

Mundoro Capital Inc. (“**Company**”, or “**Mundoro**”) is a mineral exploration and royalty generation company with a diverse portfolio of copper and gold exploration projects in Serbia, United States of America, and Bulgaria. The Company has two business segments – mineral exploration operations and project generation operations. The objective of the project generation part of our business is to generate new properties for optioning or selling to third parties in order to retain exposure for the Company to new mineral resources from discoveries on those properties. Mundoro identifies, stakes, and acquires properties and performs early-stage work to demonstrate potential for discovery of mineral resources. The Company then seeks partners who bring the capital and additional technical expertise to delineate a mineral resource and advance the project. Mundoro retains exposure to the property through option payments, royalties, advance royalty payments, milestone payments, and equity consideration. The business of exploration and development involves a high degree of risk and there can be no assurance that current exploration and development programs will result in discovery of mineral resources or future profitable operations.

Mundoro was incorporated on March 6, 2008, under the Business Corporations Act of the Province of British Columbia and is a Canadian based mineral acquisition, exploration and development company. The Company’s common stock is quoted on the TSX Venture Exchange (“TSXV”) under the symbol MUN. The Company’s head office and principal address is 14th floor - 1040 West Georgia Street, Vancouver, British Columbia, Canada V6E 4H1.

These consolidated financial statements have been prepared using International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS accounting standards”) applicable to a going concern, which assumes that the Company will be able to continue its operations and will be able to realize its assets, discharge its liabilities, and continue in operation for at least twelve months from December 31, 2025. As at December 31, 2025, the Company has an accumulated deficit of \$63,295,046 (December 31, 2024 - \$61,688,468) and working capital (current assets less current liabilities) of \$1,684,464 (December 31, 2024 - \$1,960,998). Management expects that its cash balance and the property option payment received subsequent to year-end will be sufficient to fund the operations of the Company for at least twelve months from December 31, 2025. Management has the ability to reduce discretionary expenditures as necessary to manage cash flows. To the extent circumstances change or actual results differ significantly from forecast, the Company may be required to source additional financing and there is no guarantee such initiatives would be successful.

These consolidated financial statements were authorized for issue by the Board of Directors on April 27, 2026.

### 2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

#### a) *Statement of compliance with International Financial Reporting Standards*

These consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards.

#### b) *Basis of preparation*

These consolidated financial statements have been prepared on a historical cost basis, except for the Company’s investments which are recognized at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

#### c) *Basis of consolidation*

These consolidated financial statements include the accounts of the Company and its subsidiaries. Intercompany balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

#### d) *Foreign currency translation*

These consolidated financial statements are presented in Canadian dollars. The functional currency of the Company and its controlled entities are measured using the currency of the primary economic environment in which each entity operates. The functional currency of the Canadian entities, Mexican entity, Bulgarian entity, Serbian entity, Dutch entities and US entities are the Canadian dollar (CAD\$), Mexican peso (MXN), Bulgarian Lev (BGN), Serbian dinar (RSD) Euro (EUR), and US Dollar (USD) respectively.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of loss and comprehensive loss in the period in which they arise.

The financial results and financial position of the entities whose functional currency is different from the presentation currency are translated as follows:

- assets and liabilities are translated at period-end exchange rates prevailing at that reporting date; and
- income and expenses are translated at average exchange rates for the period.

**e) Equipment and vehicles**

Equipment and vehicles are initially recognized at cost. All items of equipment and vehicles are subsequently carried at cost less accumulated depreciation and impairment losses, if any.

Depreciation is provided on all items of equipment and vehicles to write off the carrying value of items over their expected useful economic lives. Depreciation is provided at the following annual rates:

Computers	30% declining balance
Furniture and fixtures	20% declining balance
Office equipment	20% - 10% declining balance
Field equipment	30% - 20% declining balance
Vehicles	30% declining balance

Residual value estimates and estimates of useful life are updated as required, but at least annually.

**f) Mineral interests**

**Exploration Assets**

Exploration assets comprise the acquisition costs of mineral rights for mineral properties held by the Company. The fair value of consideration paid for mineral rights is capitalized. The amounts shown for exploration assets represent costs of acquisition incurred to date, less recoveries and option payments, and do not necessarily reflect present or future values. These costs will be amortized against future production or written off if the exploration assets are abandoned or sold.

**Exploration and Project Evaluation Costs**

Exploration and project evaluation costs, other than acquisition costs, are expensed as incurred until such time as proven and probable reserves are established. Following confirmation of mineral reserves on a project, the project is considered to have demonstrated technical feasibility and commercial viability, and the related exploration and evaluation expenditures are capitalized as deferred development assets, after first being tested for impairment.

**g) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any impairment indicators exist, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or a cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the asset is tested as part of a larger CGU. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future pre-

tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in net loss for the relevant period.

***h) Share-based payments***

The Company's share option plan allows directors, officers, employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payments expense with a corresponding increase in equity.

The fair value of a share-based award is measured at the grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Restricted share units ("RSUs") granted to employees and key management are measured at the fair value of the underlying shares at the grant date and recognized as a share-based payments expense over the vesting period, with a corresponding increase in equity. Where RSUs may be settled in cash or shares at the Company's discretion, they are classified as equity instruments. At each reporting date, the cumulative expense is adjusted to reflect the number of RSUs expected to vest.

***i) Share Capital***

When the Company issues private placement units, the shares and warrants, if any, are valued using the residual method. This method allocates value first to the more easily measurable component based on fair value and the residual to the less easily measurable component. The Company considers the fair value of its shares to be the more easily measurable component, and they are valued with reference to the market price. The residual value attributed to warrants, if any, is recorded as a separate component of equity.

***j) Financial instruments***

The Company recognizes a financial asset or financial liability on the balance sheet when it becomes a party to the contractual provisions of the financial instrument. The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets and financial liabilities at initial recognition. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

***k) Financial assets and liabilities***

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. The Company's equity instruments are designated as FVTPL and have been initially recognized at fair value. Subsequently they are measured at fair value, with both realized and unrealized gains and losses recognized in the profit and loss in the period in which they arise.

***l) Taxation***

Tax expense comprises the sum of deferred tax and current tax not recognized directly in equity.

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realization or settlement, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a legally enforceable right to set off current tax assets and liabilities, and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of tax recovery or expense in comprehensive loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

***m) Cash, cash equivalents***

Cash and cash equivalents comprise cash on hand and deposits held on call with banks with original maturity of no more than 90 days.

***n) Provisions for future obligations***

Provisions for future obligations, including environmental restoration, restructuring costs and legal claims, are recognised when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

***o) Accounting policy judgements and key sources of estimation uncertainty***

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Estimates and other judgments are regularly evaluated and are based on management's experience and other factors including expectations about future events that are believed to be reasonable under the circumstances.

The following discusses the most significant accounting judgement that the Company has made in the preparation of the financial statements.

**Impairment**

The application of the Company's accounting policy for impairment of non-financial assets requires judgment to determine whether indicators of impairment exist including factors such as: the period for which the Company has the right to explore; expected renewals of exploration rights; whether substantive expenditures or further exploration and project evaluation of resource properties are budgeted, and results of exploration and project evaluation activities on the exploration assets.

**Assessments of fair value**

The assessment of fair value is principally used in accounting for business combinations, impairment testing and the valuation of certain financial assets and liabilities.

Where the fair value of equity instruments cannot be derived from transactions in active markets, they are determined using appropriate valuation techniques for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Fair value for the Company's investment in private entity Galenit AD is determined based on the estimated market value of mineral resources held by Galenit AD. The market value of mineral resources was estimated using enterprise value per measured, indicated, and inferred resource ounces based on

comparable gold mining companies' public information and then adjusting for certain factors such as jurisdictional risk and private company liquidity of investment, where assumptions considered to be reasonable and consistent with those that would be applied by a market participant. Management applied judgment in determining the fair value of the Company's investment which was based on the estimated market value of mineral resources held by Galenit AD.

### **Liquidity**

The Company expects that its available liquidity as at December 31, 2025, together with the option payment received subsequent to year-end, will be sufficient to meet its operating requirements and contractual obligations for at least the next 12 months. Management exercised judgement with respect to evaluating the Company's ability to continue as a going concern and to ensure that disclosures relating to liquidity are appropriate.

### **Taxation**

The Company is subject to income taxes in multiple jurisdictions. The determination of income tax provisions requires significant judgment, particularly where tax legislation is complex and subject to interpretation. Management exercises judgment in assessing uncertain tax positions and in estimating the probability and amount of potential liabilities.

#### ***(p) Amendments to IFRS 9 — Derecognition of Financial Liabilities (effective January 1, 2026)***

The Company has assessed these amendments, which clarify the derecognition of financial liabilities settled through electronic payment systems. The Company is continuing to assess the implications of the amendments on our financial statements.

#### ***(q) IFRS 18: Presentation and Disclosure in Financial Statements***

In April 2024, the IASB issued IFRS 18: Presentation and Disclosure of Financial Statements ("IFRS 18"), which replaces IAS 1: Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified.

### **3. THIRD PARTY FUNDED EXPLORATION PROGRAMS**

Option payments received from third parties earning into a license(s) are netted firstly against the capitalized exploration expenditures on the applicable licenses and thereafter are recognized in the Company's Consolidated Statement of Income/(Loss). Any advances received for budgeted exploration work program expenditures, or any reimbursable funds expended by the Company are recognized separately in the balance sheet. Fees earned include operator fees earned as the designated operator of the projects and option payments earned during the option period while the third party is earning in, all of which are recognized in the Company's Consolidated Statement of Income/(Loss).

Where Mundoro is contractually entitled to Cash Call Deposits in respect of a future budgeted exploration work program period, and/or for expenditures incurred but not yet reimbursed by partners, those amounts are included in Amounts Receivable from Partners. The balance of this account at December 31, 2025, was \$87,094 (December 31, 2024 - \$nil).

When Mundoro cash calls a partner in advance of the budgeted exploration work program being performed, the funds are shown as Advances from Partners. The balance of this account at December 31, 2025, was \$3,702,378 (December 31, 2024 - \$4,564,503). These funds are required to be used for exploration expenditures for partner programs.

#### 4. AMOUNTS RECEIVABLE

	December 31, 2025	December 31, 2024
VAT/GST receivable	\$ 536,570	\$ 393,980
Other receivables	42,568	51,685
	<b>\$ 579,138</b>	<b>\$ 445,665</b>

#### 5. GOVERNMENT DEPOSITS

Deposits include deposits made to governments as required by local laws, primarily representing reclamation bonds in the USA and mineral program deposits in Bulgaria. The balance at December 31, 2025, was \$204,614 (December 31, 2024 - \$239,962).

#### 6. INVESTMENTS

At December 31, 2025, short-term investments consist of a Guaranteed Investment Certificate ("GIC") of \$200,000 (December 31, 2024 - \$nil) held at a Canadian Financial Institution, bearing interest at a variable rate, maturing December 16, 2026.

In 2013, the Company, through a 100%-owned subsidiary, acquired at a cost of \$280,853, a 2.9% equity interest in Galenit AD, a privately held company in Bulgaria with interest in gold and silver deposits in Bulgaria, including the Chala Mine. As at December 31, 2025, the fair value of such equity investment was estimated to be \$407,469 (December 31, 2024 - \$217,337), resulting in an increase in fair value of this investment of \$190,132 in the Company's statement of income and loss.

#### 7. PROPERTY, PLANT AND EQUIPMENT

Cost		Office equipment		Field equipment		Total
<b>As at December 31, 2023</b>	<b>\$</b>	<b>119,341</b>	<b>\$</b>	<b>733,160</b>	<b>\$</b>	<b>852,501</b>
Additions		5,116		183,785		188,901
Disposals and adjustments				(8,458)		(8,458)
Effect of movements in exchange rates		915		21,084		21,999
<b>As at December 31, 2024</b>	<b>\$</b>	<b>125,372</b>	<b>\$</b>	<b>929,571</b>	<b>\$</b>	<b>1,054,943</b>
Additions		2,940		58,062		61,002
Disposals and adjustments		-		(45,630)		(45,630)
Effect of movements in exchange rates		2,915		46,620		49,535
As at December 31, 2025		<b>131,227</b>		<b>988,623</b>		<b>1,119,850</b>
<b>Accumulated depreciation</b>						
<b>As at December 31, 2023</b>	<b>\$</b>	<b>(82,985)</b>	<b>\$</b>	<b>(359,500)</b>	<b>\$</b>	<b>(442,485)</b>
Depreciation for the year		(9,888)		(120,598)		(130,486)
Disposals and adjustments		9,295		(2,518)		6,777
Effect of movements in exchange rates		(417)		(12,479)		(12,896)
<b>As at December 31, 2024</b>	<b>\$</b>	<b>(83,995)</b>	<b>\$</b>	<b>(495,095)</b>	<b>\$</b>	<b>(579,090)</b>
Depreciation for the year		(12,570)		(109,448)		(122,018)
Disposals and adjustments		-		44,317		44,317
Effect of movements in exchange rates		(732)		(31,657)		(32,389)
As at December 31, 2025		<b>(97,297)</b>		<b>(591,883)</b>		<b>(689,180)</b>
<b>Net book amount</b>						
As at December 31, 2024	\$	41,377	\$	434,476	\$	475,853
<b>As at December 31, 2025</b>	<b>\$</b>	<b>33,930</b>	<b>\$</b>	<b>396,740</b>	<b>\$</b>	<b>430,670</b>

## 8. MINERAL INTERESTS

Details of the Company's exploration and evaluation assets, including acquisition costs related to its projects, are as follows:

	Europe	North America	Total
<b>Balance at December 31, 2023</b>	<b>\$ 43,430</b>	<b>\$ 10,890</b>	<b>\$ 54,320</b>
Acquisition costs	15,080	424,097	439,177
Write-down and adjustments	10,890	(10,890)	-
Allocation of option payments	(8,370)	-	(8,370)
Effect of movements in exchange rates	1,498	20,703	22,201
<b>Balance at December 31, 2024</b>	<b>\$ 62,528</b>	<b>\$ 444,800</b>	<b>\$ 507,328</b>
Acquisition costs	15,595	414,020	429,615
Write-down and adjustments	(1,783)	-	(1,783)
Allocation of option payments	(44,308)	-	(44,308)
Effect of movements in exchange rates	79	(28,404)	(28,325)
<b>Balance at December 31, 2025</b>	<b>32,111</b>	<b>830,416</b>	<b>862,527</b>

During the period, the Company wrote down \$1,783 (2024 - \$nil) in mineral interests acquisition costs related to exploration licenses where the decision was made not to renew or pursue the applications further.

### Serbian Properties

#### *BHP-Mundoro Projects*

In Q1-2023, the Company entered into an agreement with BHP Group Limited ("BHP") whereby BHP can earn-in to five (5) of the Company's licenses which are divided into three exploration project Options. Since then the licenses have increased to 7 and are now comprised of: Trstenik, Crvena Zemlja, Ruzana, Orlovac, Ponor, Vitanovac, and Lipovica. Each of the three Options provides BHP with the right to earn a 100% interest in the relevant Project by making (i) annual cash payments and operator payments ("Payments") to Mundoro, with the aggregate amount of Payments for the three properties over three years amounting to approximately US\$1,700,020, and (ii) incurring exploration expenditures within three years on the three Options amounting to US\$7,500,000. BHP may exercise each Option independently or elect to extend each Option by one year by making additional Payments and incurring additional exploration expenditures. Upon exercise of each Option, Mundoro will retain a 2% net smelter return ("NSR") royalty that includes development milestone payments for a total up to US\$9,000,000 and annual cash payments until commercial production commences. Mundoro is appointed as the initial operator under the Options. In December 2025, the Option Periods were extended across all three Exploration Project Options: Zeleznik to October 2026 and Borsko to February 2027, and South Timok to January 2027 pursuant to the terms of the agreement.

In Q4-2025, the Company entered into a definitive option agreement with a wholly owned subsidiary of BHP whereby BHP can earn-in to seven (7) of the Company's exploration licenses, Branik, Bobot, Odej, Odej South, Gramada, Oblez, and Skorusa located within the Timok Magmatic Complex in Serbia (the "BHP-Mundoro Central Timok Project"). The agreement provides BHP with the right to earn a 100% interest in the Project over a 10-year Option Period by making (i) annual option payments to Mundoro starting at US\$323,000 and increasing by 2% per year, and (ii) incurring cumulative exploration expenditures over the 10 years amounting to US\$35,000,000. In addition, BHP is required to make milestone payments of US\$2,000,000 each when certain resource estimates are declared, up to a total of US\$10,000,000, or a single payment of US\$10,000,000 upon exercise of the option if no resource is declared. Upon exercise of the option, Mundoro will retain a 2% net smelter return ("NSR") royalty and begin receiving annual advanced royalty payments that increase by 2% per year. BHP retains the right to purchase 50% of the NSR royalty before production commences. Mundoro is appointed as the initial operator of the Project and will receive operating fees; however, BHP may elect to replace Mundoro as operator once it has funded at least US\$20,000,000 in exploration expenditures or completed 40,000 meters of cumulative drilling.

## Bulgarian Properties

### *JOGMEC-Mundoro Property*

In Q1 2019, Mundoro entered into a Generative Program Agreement (“Generative Agreement”) in the Republic of Bulgaria (“Bulgaria”) with Japan Organization for Metals and Energy Security (“JOGMEC”). JOGMEC has designated a few properties as Designated Projects to proceed to the next stage of the Generative Agreement (“JOGMEC Designated Project”). Mundoro has a number of applications at the Bulgarian Ministry of Energy (“BMoE”) for areas of exploration that are the selected JOGMEC Designated Projects. In Q4-2021, a contract was signed with the BMoE for one of the JOGMEC Designated Projects located in western Bulgaria, the “EE1 Project”. Mundoro and JOGMEC entered into an Earn-In and Joint Venture Agreement on March 17, 2022 (EI and JV Agreement) for the exploration of the EE1 project. The EI and JV Agreement provides a stage one earn-in option granted to JOGMEC for a 51% interest following contributions of certain expenses. JOGMEC has completed the stage one earn-in. The stage two additional earn-in option allows JOGMEC to acquire an additional 24%, for a total of 75% interest in the EE1 project by completing a Preliminary Economic Assessment over six years from May 1, 2022. On the completion of stage two, JOGMEC will have the right to purchase an additional 5% interest from Mundoro for a total interest in the EE1 project of 80%. Mundoro would then be free carried to Commercial Production.

## USA Properties

The Company holds through its USA subsidiaries, the following 100%-owned properties: Dos Cabezas, Picacho and Copperopolis.

### *Dos Cabezas Property*

Mundoro and Vale had an option agreement between 2021 and 2024, granting Vale an earn-in option for the Dos Cabezas project, a copper focused property in Arizona. Until April 2024, exploration activity under the option agreement was sole-funded by Vale. This Option Agreement was terminated in April 2024. As of December 31, 2025, the Dos Cabezas Project is held 100% by Mundoro.

### *Picacho Property*

Mundoro and Vale had an option agreement between 2022 and 2024, granting Vale an earn-in option for the Picacho project, a copper focused property in Arizona. Until April 2024, exploration activity under the option agreement was sole-funded by Vale. This Option Agreement was terminated in April 2024. As of December 31, 2025, the Picacho Project is held 100% by Mundoro.

### *Copperopolis Property*

The Copperopolis Property is located northwest Arizona in Yuvapi County and was acquired by staking and applying for Arizona State Claims in Q4-2023 and Q3-2024 (the “Copperopolis Property”). In May 2025, Mundoro entered into the Copperopolis Property Agreement (the “Agreement”) with RCM International (“RCM”). Under the Agreement, RCM has the right to participate in exploration expenditures on the Copperopolis Property on a cost-sharing basis, with Mundoro holding a 73.09% interest and RCM holding a 26.91% interest.

## 9. EXPLORATION AND PROJECT GENERATION

The following is a summary of expenditures incurred on the Company's projects during the periods:

For the year ended December 31, 2025	Serbia	Bulgaria	USA	Other	Total
Project Administration <sup>1</sup>	(373,403)	(48,252)	(32,704)	(2,243)	(456,602)
Land holding <sup>2</sup>	(100,961)	(41,201)	(61,918)	-	(204,080)
Government and community relations <sup>3</sup>	(4,801)	(15,267)	-	-	(20,068)
Field related <sup>4</sup>	(485,594)	(16,818)	(129,491)	(12,147)	(644,050)
Personnel <sup>5</sup>	(1,859,461)	(47,595)	(356,314)	-	(2,263,370)
Technical services <sup>6</sup>	(2,819,390)	-	(11,802)	-	(2,831,192)
Project Generation <sup>7</sup>	-	-	(75,768)	(431,290)	(507,058)
<b>Total expenditures</b>	<b>(5,643,610)</b>	<b>(169,133)</b>	<b>(667,997)</b>	<b>(445,680)</b>	<b>(6,926,420)</b>
Less: recoveries	4,937,246	103,968	113,539	-	5,154,753
<b>Net Exploration &amp; Project Generation Expenditures</b>	<b>(706,364)</b>	<b>(65,165)</b>	<b>(554,458)</b>	<b>(445,680)</b>	<b>(1,771,667)</b>

For the year ended December 31, 2024	Serbia	Bulgaria	USA	Other	Total
Project Administration <sup>1</sup>	\$ (266,602)	\$ (79,539)	\$ (70,153)	\$ (7,777)	\$ (424,071)
Land holding <sup>2</sup>	(104,395)	(12,869)	(58,084)	-	(175,348)
Government and community relations <sup>3</sup>	(12,038)	(35,646)	-	-	(47,684)
Field related <sup>4</sup>	(241,219)	(42,642)	(223,170)	(25,406)	(532,437)
Personnel <sup>5</sup>	(1,596,857)	(241,490)	(519,871)	-	(2,358,217)
Technical services <sup>6</sup>	(2,353,082)	(61,754)	(439,618)	-	(2,854,454)
Project Generation <sup>7</sup>	(95,633)	(54,791)	(215,450)	(156,421)	(522,295)
<b>Total expenditures</b>	<b>(4,669,826)</b>	<b>(528,731)</b>	<b>(1,526,345)</b>	<b>(189,604)</b>	<b>(6,914,506)</b>
Less: recoveries	4,160,721	503,990	1,345,549	-	6,010,260
<b>Net Exploration &amp; Project Generation Expenditures</b>	<b>\$ (509,105)</b>	<b>\$ (24,741)</b>	<b>\$ (180,796)</b>	<b>\$ (189,604)</b>	<b>\$ (904,246)</b>

Notes:

<sup>1</sup> Project Administration expenses include administrative, accounting, contract services, project logistics, permitting, and legal costs related to the projects.

<sup>2</sup> Land holding costs include property taxes and related costs associated with holding the properties.

<sup>3</sup> Community engagement relates to the costs of communicating with governing bodies in the local jurisdictions.

<sup>4</sup> Field related expenses include items such as field equipment, lodging and meals for field personnel.

<sup>5</sup> Personnel costs for conducting exploration work include consultants and employees.

<sup>6</sup> Technical Services expenditures include activities such as geochemical assaying, geophysical surveys, drilling and other exploration related activities.

<sup>7</sup> Project Generation expenditures capture those costs incurred in analysis of mineral properties and targets in preparation for seeking partners and generating and evaluating new mineral project opportunities.

## 10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2025	December 31, 2024
Accounts payable	\$ 748,485	\$ 523,020
Income taxes payable	-	145,805
Accrued liabilities	124,468	230,815
	<b>\$ 872,953</b>	<b>\$ 899,640</b>

## 11. SHARE CAPITAL

### Authorized share capital

Unlimited number of common shares without par value.

### Issued share capital

At December 31, 2025, there were 111,388,714 issued and fully paid common shares (December 31, 2024 – 105,148,484).

**Stock Options:** During the period ended December 31, 2025, a total of 344,334 options were forfeited, 3,280,000 options were granted, and 979,166 options were exercised. All exercised options were settled on a non-cash basis, under which holders do not pay the full exercise price in cash but instead receive a reduced number of shares equal to the intrinsic value of the options at the time of exercise. A total of 408,690 shares were issued from the option exercises.

**Normal Course Issuer Buyback:** A total of 5,000 shares were cancelled on August 12, 2025, under the Normal Course Issuer Buyback (NCIB) program. From time to time, the Company purchases and cancels common shares pursuant to NCIB Program, which allow for the purchase of up to a specified maximum number of shares over a one-year period. The NCIB program expired on January 30, 2025.

**Private Placement:** During the year ended December 31, 2025, the Company completed a non-brokered private placement, issuing 5,836,540 common shares at a price of \$0.26 per share for gross proceeds of approximately \$1,517,500. Share issuance costs directly attributable to the private placement, totaling \$12,752, were deducted from share capital. The shares issued were subject to a four-month hold period under applicable securities laws which expired on March 13, 2026.

**Warrants:** The Company had no warrants outstanding as of December 31, 2025, and 2024.

### Stock options

The continuity of stock options during the year ended December 31, 2025 and the year ended December 31, 2024 was as follows:

	<u>December 31, 2025</u>		<u>December 31, 2024</u>	
	<u>Number outstanding</u>	<u>Weighted average exercise price</u>	<u>Number outstanding</u>	<u>Weighted average exercise price</u>
<b>Opening Balance</b>	<b>5,646,333</b>	<b>\$0.181</b>	<b>7,874,000</b>	<b>\$ 0.170</b>
Granted	3,280,000	\$0.178	-	-
Exercises	(979,166)	\$0.125	(1,444,667)	0.121
Forfeitures	(344,334)	\$0.193	(783,000)	0.180
<b>Closing Balance</b>	<b>7,602,833</b>	<b>\$0.192</b>	<b>5,646,333</b>	<b>\$ 0.181</b>

The following summarizes information about stock options outstanding and exercisable at December 31, 2025:

Grant date	Options outstanding	Expiry Date	Unvested Options	Options Exercisable	Remaining Life	Exercise price (\$)
May 04, 2021	1,635,000	May 04, 2026	-	1,635,000	0.34	0.23
Feb 15, 2022	1,242,833	Feb 15, 2027	-	1,242,833	1.13	0.175
Feb 17, 2023	1,535,000	Feb 17, 2028	511,667	1,023,333	2.13	0.195
Jan 31, 2025	2,990,000	Jan 31, 2030	2,990,000	-	4.09	0.175
Aug 28, 2025	200,000	Aug 28, 2030	200,000	-	4.66	0.23
	<b>7,602,833</b>		<b>3,701,667</b>	<b>3,901,166</b>	<b>2.42</b>	<b>0.192</b>

On January 31, 2025, the Company granted stock options to directors, officers, employees, and contractors to purchase up to 3,080,000 common shares of the Company at an exercise price of \$0.175 per share over a five-year term, with the following vesting schedule: one-third vesting on January 31, 2026, one-third on January 31, 2027, and one-third on January 31, 2028. The fair value was calculated using the Black-Scholes option pricing model based on a risk-free annual interest rate of 3.03%, an expected life up to 5 years, an expected volatility of up to 83%, and no assumed dividend yield.

On January 31, 2025, the Company granted 500,000 restricted share units ("RSUs") to a key management member under the Company's Equity Incentive Plan. The RSUs vest in equal annual instalments of one-third on each of January 31, 2026, January 31, 2027, and January 31, 2028. RSUs are settled in common shares, cash, or a combination thereof. Shares underlying unvested RSUs are not included in issued and outstanding share capital until settlement.

On August 28, 2025, the Company granted 200,000 stock options to a director of the Company at an exercise price of \$0.23 per share. The options have a term of 5 years and vest in three equal annual installments, beginning one year from the grant date.

## 12. RELATED PARTY TRANSACTIONS AND BALANCES

### Related party balances

The balances due to related parties included in accounts payables and accrued liabilities were \$53,103 as of December 31, 2025 (December 31, 2024 – \$16,632). These amounts relate to board fees and reimbursement for business expenses to key management personnel. They were recorded at exchange amounts.

### Related party transactions

Key management includes members of the Board, Chief Executive Officer, and the Chief Financial Officer. The aggregate total compensation paid, or payable to key management is shown below:

	For the year ended	
	December 31, 2025	December 31, 2024
Directors' fees	\$ 161,816	\$ 127,500
Management salaries and benefits	\$ 524,409	555,480
Share based payments – Directors	\$ 47,688	21,782
Share based payments – Officers	\$ 91,032	14,150
	<b>\$ 824,945</b>	<b>\$ 718,912</b>

### 13. SEGMENTED INFORMATION

The Company's total assets and net losses by geographic segment are as follows:

	North America	Europe	Total
Assets			
As at December 31, 2025			
Non-current	\$ 1,550,708	\$ 354,572	\$ 1,905,280
Current	2,194,704	4,065,091	6,259,795
Total assets	\$ 3,745,412	\$ 4,419,663	\$ 8,165,075
As at December 31, 2024			
Non-current	\$ 997,082	\$ 443,398	\$ 1,440,480
Current	1,010,179	6,414,962	7,425,141
Total assets	\$ 2,007,261	\$ 6,858,360	\$ 8,865,621
Net income (loss):			
For the year ended December 31, 2025	(753,457)	(853,121)	(1,606,578)
For the year ended December 31, 2024	\$ (786,302)	\$ (249,848)	\$ (1,036,149)

### 14. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the generation and advancement of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company continuously reviews the shareholders' equity and cash and cash equivalents. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including but not limited to source and use of capital, changes in work programs and general industry conditions.

### 15. FINANCIAL INSTRUMENTS

The Company's financial instruments as at December 31, 2025, consist of cash and cash equivalents, receivables, advances, deposits, investments, and accounts payable. Cash and cash equivalents, receivables and accounts payable are classified as amortized cost. Investments are designated as FVTPL.

#### Fair Value of Financial Instruments

The Company classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

The Company's equity investment in private companies is measured at fair value using Level 3 inputs. Management applied judgment in determining the fair value of the Company's investment which was based on the estimated market value of mineral resources held by Galenit AD. The market value of mineral resources was estimated using enterprise value per measured,

indicated, and inferred resource ounces based on comparable gold mining companies' public information and then adjusting for certain factors such as jurisdictional risk and private company liquidity of investment.

The Company is exposed to various financial risks, including foreign currency risk, interest rate risk, credit risk, and liquidity risk.

### **Foreign Currency Risk**

The Company incurs expenses in currencies other than the Canadian dollar, making it susceptible to exchange rate fluctuations. To manage this risk, the Company maintains bank accounts primarily in US dollars and Canadian dollars. The Company converts funds to other currencies, such as Bulgarian leva and Serbian dinars, as needed to fulfill its obligations. The Company does not engage in currency hedging activities. The effect on earnings before taxes on December 31, 2025, of a 10% appreciation or depreciation in foreign currencies against the Canadian dollar on the Company's net financial instruments is estimated to be \$62,000 (2024 - \$93,000).

### **Interest Rate Risk**

Cash and cash equivalents are held in bank accounts or GICs with fixed interest rates. Future interest income will be impacted by declining cash balances. The Company manages interest rate risk by investing in short-term fixed-rate instruments with staggered maturity periods to maintain liquidity. A 25 basis-point change in interest rates would have an immaterial effect on comprehensive income based on current balances.

### **Credit Risk**

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk on its cash and cash equivalents and amounts receivable from JV partners. At December 31, 2025, the Company's short-term money market instruments were invested in GICs earning annual interest rates of 3.30% (December 31, 2024 -3.45%). All accounts receivables were current, and outstanding balances were received subsequent to the year end.

### **Liquidity Risk**

Liquidity risk is the possibility that the Company may not meet its financial obligations as they become due. A detailed planning and budgeting process is in place to forecast funding needs and ensure adequate resources for operations, including exploration activities. The Company invests excess cash in highly liquid, bank-sponsored instruments and staggers investment maturities to balance liquidity and returns. Advances from joint venture partners are aligned with planned exploration budgets and reduced monthly as exploration costs are recovered. Management expects that its cash balance and property option payment received subsequent to year-end will be sufficient to fund the operations of the Company for at least twelve months from December 31, 2025.

The Company has no supplier finance arrangements in place as at December 31, 2025 (December 31, 2024 – nil).

### **Commodity Price Risk**

The ability of the Company to explore and market its exploration assets as well as the future profitability of the Company are directly related to the price of copper and gold and the marketability of these metals. The Company monitors metals prices to determine the appropriate course of action to be taken.

### **Market Risk**

The Company holds securities of a private company. The value of these securities is at risk of fluctuation, and it is driven by security specific and market specific risks. The Company has no control over the volatility of its value and does not hedge its investment.

## **16. INCOME TAXES**

### **a) *Income tax expense***

The provision for income taxes differs from the amount calculated using the Canadian federal and provincial statutory income tax rates of 27% (2024 – 27%) as follows:

	2025		2024
Expected tax (recovery) expense	(463,505)	\$	(294,088)
Share based compensation	54,989		24,246
Foreign tax rate differences	(88,816)		89,316
Adjustment to prior year provisions	(119,740)		-
Change in tax assets which have not been recognized	506,987		127,462
<b>Income tax (recovery) expense</b>	<b>\$ (110,085)</b>	<b>\$</b>	<b>(53,064)</b>

**b) Deferred income tax assets**

As at December 31, 2025, no deferred tax assets are recognized on temporary differences as it is not probable that sufficient future taxable profit will be available to realize such assets.

As at December 31, the unrecognized amount of deferred tax asset arising from the deductible temporary differences are as follows:

	December 31, 2025		December 31, 2024
Tax loss carry forwards	9,000,000	\$	5,600,000

The Company has tax losses in Canada of approximately \$18,900,000 expiring in various amounts from 2029 to 2046. The Company also has tax losses in Serbia of approximately \$19,700,000 expiring from 2026 to 2030, tax losses in Bulgaria of approximately \$3,000,000 expiring from 2026 to 2030, and tax losses in the US of approximately \$2,300,000 that carry forward indefinitely.

**17. SUBSEQUENT EVENTS**

Subsequent to December 31, 2025, the Company received option payments from BHP in respect of the Serbian exploration projects.