



St. Augustine Gold and Copper Limited

Management's Discussion and Analysis

Nine months ended September 30, 2025,
Expressed in U.S. dollars

Dated as of November 11, 2025

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The following discussion and analysis should be read in conjunction with the Technical Report with an effective date of July 10, 2025 and filed on www.sedar.com ("Sedar") on July 31, 2025, entitled "King-king Copper-Gold Project NI-43-101 Technical Report Preliminary Feasibility Study" (the "Technical Report"), and the unaudited interim financial statements for the nine months ended September 30, 2025, and all of the notes, risk factors and information contained therein. These are all available at www.sedar.com.

Introduction

This Management's Discussion and Analysis ("MD&A") is dated November 11, 2025, and is in respect of the nine months ended September 30, 2025. All dollar amounts referenced, unless otherwise indicated, are expressed in United States dollars. References to "CDN\$" mean Canadian dollars and "P" refers to Philippine pesos.

This document contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those described in forward-looking statements because of various factors, including those described under "Forward-Looking Information."

Forward-looking Information

This report contains "forward-looking statements" that were based on St. Augustine Gold & Copper Ltd.'s expectations, estimates and projections as of the dates which those statements were made. These forward-looking statements include, among other things, statements with respect to St. Augustine Gold & Copper Ltd.'s business strategy, plans, outlook and shareholder value, projections, targets, and expectations as to reserves, resources, results of exploration (including targets) and related expenses, mine development, mine operations, mine production costs, drilling activity, sampling and other data, recovery improvements, future production levels, capital costs, cost savings, cash and total costs of production of copper and gold, expenditures for environmental matters, reclamation and other post closure obligations and estimated future expenditures for those matters, completion dates for the various development stages of projects, future gold prices (including the long-term estimated prices used in calculating mineral reserves), and currency exchange rates. Generally, these forward-looking statements can be identified using forward-looking terminology such as "outlook," "anticipate," "project," "target," "believe," "estimate," "expect," "intend," "forecast," "should," and similar expressions. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are inherently subject to known and unknown risks, uncertainties, and other factors that may cause St. Augustine Gold & Copper Ltd.'s actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking statements.

An updated Preliminary Feasibility NI 43-101 Technical Report has been prepared by M3 Engineering and Technology with assistance from other companies with respect to the Kingking project. This document was made public on SEDAR on July 31, 2025. Therefore, the Kingking deposit is now considered a Mineral Reserve. A Mineral Reserve is defined as those parts of Mineral Resources which, after the application of all mining factors, result in an estimated tonnage and grade which, in the opinion of the Qualified Person(s) making the estimates, is the basis of an economically viable project after taking account of all relevant processing, metallurgical, economic, marketing, legal, environment, socio-economic and government factors. This Technical Report contains numerous estimates and assumptions that the authors believe to be reasonable but are still subject to all the risks referred to above. This report does not constitute or form part of, and should not be construed as, an offer, invitation, or inducement to purchase or subscribe for any securities nor shall it or any part of it form the basis of, or be relied upon regarding, any contract or commitment whatsoever.

Please also note that references to project quantities and economics contained in this presentation are on a 100% project basis. At present, St. Augustine Gold & Copper Limited has an indirect and direct equity interest of 50% (through local shareholdings) in the project with a 50% economic interest. References to economic interests should be interpreted from a whole of project value chain perspective since such interests will encompass a package of direct minority equity interests in entities subject to nationality laws, a fully owned processing subsidiary which is not so subject and contractual rights and benefits under associated Project agreements. The current equity and economic interests are expected to substantially increase upon fulfilment of all obligations under the existing

restructuring/consolidation agreements. Please refer to our previous press releases and financial disclosures in the Investors section of our website for further information.

Overview

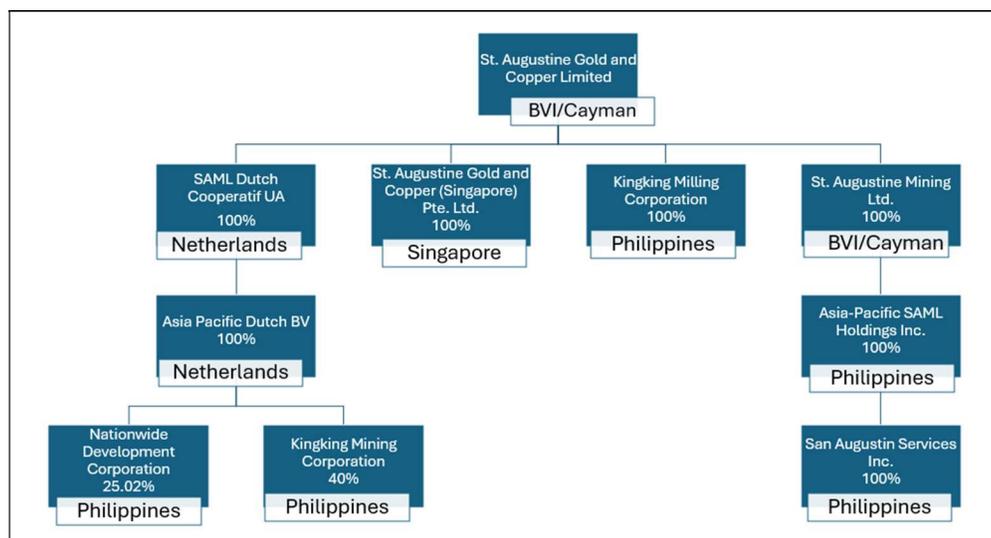
Background

St. Augustine Gold and Copper Limited (“SAGC” or “the Company”) was incorporated in the British Virgin Islands on January 27, 2010. The Company is engaged in the business of mineral property exploration; currently, its only activity is the continued evaluation of the Kingking copper-gold property (“Kingking” or the “Project”). The Company is in the process of earning an economic interest in the Project from Nationwide Development Corporation (“NADECOR”) through a Memorandum of Understanding (“MOU”); however, if the terms of the Project Framework Agreement (“PFA”), as amended in August 2014, are completed, the PFA will supersede this earn-in process. The PFA is envisaged to consolidate partner interests into one corporate vehicle, which is the Company. The amended PFA’s purpose is to restructure and align NADECOR and the Company’s financial interests in the Project. Upon completion of the amended PFA’s terms, it will supersede the Memorandum of Understanding and related agreements.

The Company’s operating subsidiaries were formed for advancing the Project’s large proven and probable mineral reserves containing copper and gold (5.4 billion pounds of contained copper and 9.8 million troy ounces of contained gold, as documented in the Company’s NI 43-101 compliant Technical Report). The Company’s objective is to bring the Project into commercial production in a timely and cost-effective fashion. The costs of financing are being optimized by de-risking and adding value to the Project. The management believes that due to the past and expected strength in the markets for gold and copper, the Project represents an opportunity to generate a superior return on investment for the Company’s shareholders.

Corporate Structure

(As of 30 September 2025)



Financial Condition

On September 30, 2025, the Company reported cash of approximately \$13.2 million. Short-term funding needs beyond the Company's cash position are expected to be made primarily through either the issuance of equity or debt. As of September 30, 2025, the Company's working capital is approximately \$ 11.2 million.

While the Company holds notes receivable of approximately \$19.8 million, these notes do not generate material interest income and were issued to support overall Project development. The Company invests in joint ventures and in its partner, NADECOR; these investments have historically increased the Company's net loss, which is expected to continue, at a minimum, until commercial operation of the Project.

As at and for the six and nine months ended September 30, 2025, the Company's lack of revenue, accumulated deficit and limited free working capital together represented a material uncertainty that cast doubt about the Company's ability to continue as a going concern. As additional funds will be required to continue Project development, management will need to secure sources of debt, equity or partner financing.

The Company has no material long-term debt or other restrictive covenants with respect to its liabilities.

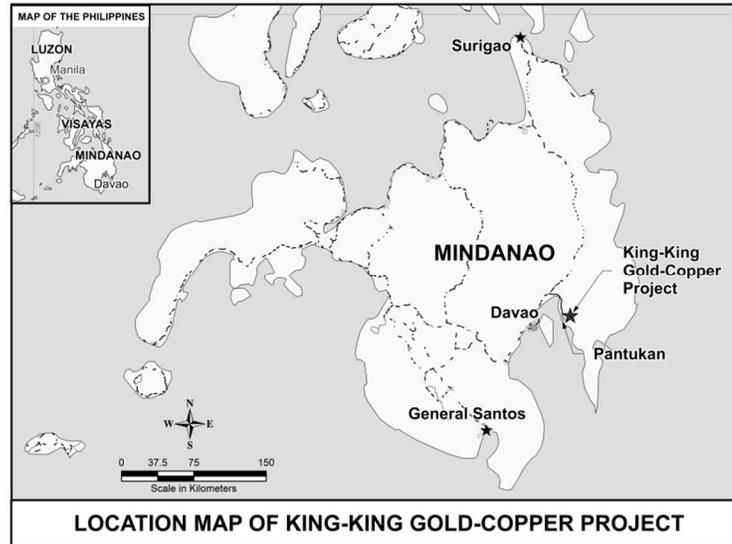
Qualified Person

Disclosure of a scientific or technical nature in this MD&A with respect to the Project was prepared and approved by, or under the supervision of James Moore, P.E., Consulting Engineer. Mr. Moore is a "qualified person" for the purposes of National Instrument 43-101 of the Canadian securities administrators ("NI 43-101").

Project

The Kingking property is centered at approximate geographical coordinates 7°11'31"N Latitude and 125°58'24"E Longitude on the Philippine Island of Mindanao. The mineral reserve is located at Sitio Gumayan, Barangay Kingking, Municipality of Pantukan, Davao de Oro, in Mindanao.

The Kingking property is a large copper-gold proven and probable mineral reserve. The proven mill mineral reserves are 142 million tonnes at 0.33% total copper, 0.12% soluble copper and 0.49 grams per tonne (g/t) gold. The probable mill mineral reserves include 707 million tonnes at 0.24% total copper, 0.04% soluble copper, and 0.33 grams per tonne (g/t) gold. The mill proven and probable mineral reserve consists of 4.8 billion pounds (2.2 million tonnes) of contained copper and 9.8 million troy ounces (304 tonnes) of contained gold. The proven heap leach mineral reserves are 50 million tonnes at 0.25% total copper and 0.16% soluble copper. The probable heap leach mineral reserves include 60 million tonnes at 0.21% total copper and 0.12% soluble copper. The heap leach proven and probable mineral reserve consists of 555 million pounds (252 thousand tonnes) of contained copper. (See Table X below for additional details).



History and current developments of the Kingking property

The Kingking tenement comprises 184 mining claims that are owned by NADECOR under Mineral Production Sharing Agreement #009-92-XI (the "MPSA"), which was approved by the Government of the Philippines on May 27, 1992, amended December 11, 2002, and was renewed for another 25 years on May 23, 2016. The MPSA grants NADECOR the exclusive right to explore, develop and exploit minerals within the area comprising the Kingking tenement. The Kingking mineralized material was originally discovered in 1966.

In April 2010, NADECOR, Russell Mining and Minerals, ULC, ("RMMU"; formerly Russell Mining and Minerals Inc. "RMMI"), the Company and shareholders of NADECOR entered into an MOU, which was subsequently amended, (inclusive of amendments) to develop the Kingking property. The MOU addresses the formation of a joint venture to develop the Kingking property.

During 2010 and 2011, the Company settled with other parties which held an interest in the Project, such that only the Company and NADECOR have rights to develop and place the Project into production. Benguet Corp. divested itself all rights under its previous operating agreement with respect to the Project.

The project framework agreement (PFA), as amended in August 2014 (the "Amended PFA"), which assures the Company's 50% economic interest in the Project and set out the structure for the future mining and milling operations of the Project. The Amended PFA also established commitments to acquire lands and consolidate Project stakeholders' interests into the Company. The Amended PFA is described in detail in the Current Highlights.

The Company announced in a press release (dated September 18, 2013) the results of its NI 43-101 compliant Preliminary Feasibility Technical Report (effective date of the report February 25, 2013). This Technical report was filed on SEDAR on November 1, 2013. The level of information provided in this report permits the Company to report the Kingking deposit as a mineral reserve.

On July 31, 2025, the company announced the results of the updated Preliminary Feasibility Study ("PFS") of the Kingking Copper-Gold Project located in Pantukan, Davao de Oro, Philippines. The updated Pre-Feasibility Study

allows the Company to initiate work on the Definitive Feasibility Study and expedite the start of construction. The results of the PFS demonstrate extremely robust economics, declaring reserve estimates of:

- Mill: 142 million tonnes of proven reserves and 707 million tonnes of probable reserves
- Heap Leach: 50 million tonnes of proven reserves and 60 million tonnes of probable reserves

See Table below for more reserve information.

Mineral Reserve (updated)

Mineral Reserve (Milling):	Tonnes Mt	NSR (\$/t)	Tot Cu (%)	Sol Cu (%)	Gold (g/t)	Copper (Mlbs)	Gold (Koz)
Proven Mineral Reserve:	142.3	37.83	0.33	0.12	0.49	1,037	2,253
Oxide Mill Ore	45.4	58.56	0.52	0.30	0.71	516	1,033
Sulfide Mill Ore	76.5	31.90	0.26	0.04	0.45	444	1,117
Low Grade Stockpile	20.4	13.93	0.17	0.02	0.16	78	103
Probable Mineral Reserve:	706.5	25.51	0.24	0.04	0.33	3,803	7,519
Oxide Mill Ore	52.0	43.46	0.36	0.21	0.59	412	986
Sulfide Mill Ore	499.7	27.08	0.25	0.03	0.36	2,776	5,751
Low Grade Stockpile	154.9	14.43	0.18	0.02	0.16	615	782
Proven/Probable Reserve:	848.9	27.57	0.26	0.06	0.36	4,840	9,771
Oxide Mill Ore	97.4	50.50	0.43	0.25	0.64	928	2,018
Sulfide Mill Ore	576.2	27.72	0.25	0.03	0.37	3,220	6,868
Low Grade Stockpile	175.3	14.37	0.18	0.02	0.16	692	885
Mineral Reserve (Leaching):	Tonnes Mt	NSR (\$/t)	Tot Cu (%)	Sol Cu (%)	Gold (g/t)	Copper (Mlbs)	Gold (Koz)
Proven Mineral Reserve	50.2	14.97	0.25	0.16	N.A.	275	N.A.
Probable Mineral Reserve	60.4	12.22	0.21	0.12	N.A.	280	N.A.
Prov/Prob Leach Reserve	110.5	13.47	0.23	0.14	N.A.	555	N.A.
Copper Mineral Reserve Milling and Leaching	Tonnes Mt	NSR (\$/t)	Tot Cu (%)	Sol Cu (%)	Gold (g/t)	Copper (Mlbs)	Gold (Koz)
Proven/Probable Reserve	959.4	25.95	0.26	0.06	N.A.	5,396	N.A.
Proven Mineral Reserve	192.5	31.87	0.31	0.13	N.A.	1,312	N.A.
Probable Mineral Reserve	766.9	24.46	0.24	0.05	N.A.	4,083	N.A.

The Company revised its major permitting documents — the Environmental Impact Statement (EIS) and the Declaration of Mine Project Feasibility (DMPF) during 2013 and 2014 to address comments received from the Department of Environment and Natural Resources (DENR) on earlier submissions made in 2012. The updated EIS was submitted to the DENR in May 2014, and the revised DMPF followed in December 2014. After review, the DENR approved the EIS in February 2015, issuing the Environmental Compliance Certificate (ECC) for the King-kong Copper-Gold Project. Subsequently, the DMPF was approved in December 2015, and the Company received the DENR's Order to Proceed to the development and operating stages of the Project in January 2016.

The coastal complex land position was purchased (~100 Hectares) in August 2014. This land area is important for the future project regarding port and power plant development that will support the mining project.

In July 2015, the Company announced the execution of a Memorandum of Agreement ("MOA") executed between NADECOR, the Mansaka Indigenous Cultural Communities/Indigenous Peoples ("IPs") and the National Commission on Indigenous Peoples ("NCIP") in May 2015. The MOA is effective for a period of twenty-five (25) years. Key features of the agreement are the commitment by NADECOR to pay a royalty fee of one percent of the Project's gross revenues and to provide employment priority to members of the IPs, and the IPs will provide their Free and Prior Informed Consent certificate with respect to the MPSA. The MOA was approved at the Central Office of the NCIP and it issued a Certification Precondition ("CP") to NADECOR in January 2016.

The Declaration of Mine Project Feasibility (DMPF), a major project permit approved by the Department of Environment and Natural Resources (DENR) in December 2015, was further amended through the Integrated Kingking Copper-Gold Project document submitted in March 2016. The amended DMPF was subsequently approved by the DENR in May 2016. This amendment refined the original project concept into a two-stage development plan within the same permitted area and utilizing the same facilities. Stage 1 involves the mining and processing of approximately 1.1 million tonnes per year (TPY) of high-grade mixed copper oxide-sulfide ore using sulfide flotation and agitation tailings leach-SXEW technology. Stage 2 mirrors the larger-scale configuration described in the December 2015 DMPF, representing full-scale expansion following the successful implementation of Stage 1.

In April 2016, the Supreme Court of the Philippines issued a Notice of Judgment dated March 9, 2016 on the intra-corporate dispute involving the Company's joint venture partner, NADECOR, and dismissing the petition filed by the Ricafort group which was questioning the legitimacy of the NADECOR Board headed by Mr. Conrado T. Calalang and upholding the decision of the Court of Appeals in finding that the Calalang Board is the legitimate Board. A Motion of Reconsideration dated May 31, 2016 was lodged by Ricafort group. On March 8, 2017, the Supreme Court issued a Resolution denying the Motion for Reconsideration filed with finality. In view thereof, all subsisting contracts between the Company and NADECOR continue to be valid and binding.

In June 2016, the Mines and Geosciences Bureau ("MGB") issued an order approving the assignment of the MPSA to Kingking Mining Corporation ("KMC") pursuant to the deeds of assignment dated October 22, 2010 and November 25, 2013. A Mineral Processing Permit (MPP) for the Project was also issued by the MGB and the application for the area expansion involving consolidation of APSA No. 026-XI and MPSA No. 009-92-XI AMD was approved.

The Kingking project lands were approved for re-classification to heavy industrial use by the Municipal Planning and Development Office (MPDO) in August 2016. These are lands that will have project facilities on them, some examples are the processing and tailing-storage sites.

On August 8, 2016, the Company announced that the DENR through MGB has approved the renewal of the amended MPSA for another 25-year term.

On February 22, 2017, KMC received show cause order from the DENR directing KMC to explain why the MPSA should not be cancelled for being located within a protected watershed area.

On February 27, 2017, management of KMC responded to the show cause order stating that there are no valid grounds to cancel, terminate or suspend the MPSA. The DENR has yet to render a resolution on the matter, as with other mining companies that received similar show-cause orders.

On April 27, 2017, the DENR issued Administrative Order No. 2017-10 ("DAO No. 2017-10"), banning the open pit method of mining for copper, gold, silver and complex ores in the country. With the change in the leadership of the DENR, all actions of the previous DENR Secretary are being reviewed by the Mining Industry Coordinating Council ("MICC") which is co-chaired by the Secretary of Finance and the DENR Secretary. Subsequently, a joint letter from numerous mining companies, including KMC, requested for the suspension of the implementation pending the review on the legality of DAO 2017-10. In October 2017, the new DENR Secretary, Roy A. Cimatu, announced that during the last meeting of the MICC, a Resolution was issued, whereby a majority of the members thereof voted to recommend changes to DAO No. 2017-10, to the effect that the DENR lifts the ban on open-pit mining.

However, by December 2017, the Company received information that President Duterte wanted a thorough review of mining policies, despite the recommendation of the MICC, and thus did not agree to remove the ban on open pit mining. Eventually, the DENR sent out notices to all mining companies that a forum will be conducted by Secretary

St. Augustine Gold and Copper Limited

Management's Discussion and Analysis

For the nine months ended September 30, 2025

Financial information is presented in U.S. dollars

Cimatu beginning January 2018, to discuss revisions to existing mining policies. Thus far, four (4) meetings have been held about the proposed revisions, the last of which was in July 2018. Another meeting with the DENR Secretary was scheduled last October 2018, where mining companies, including KMC, provided their inputs to the proposed revisions. KMC continued to participate in such meetings/forums.

On December 23, 2021, then Secretary Roy Cimatu signed an administrative order (DAO No. 2021-40), effectively lifting the 4-year nationwide ban. The government pitched this as a move to “revitalize the mineral resource industry” and help the COVID-ravaged economy rebound.

In subsequent meetings, the DENR informed the mining companies about new policies regarding the need for rehabilitation of areas that were disrupted by mining operations, i.e. the need to commence the planting of trees on those areas that, based on the Company's assessment, has no more potential for the extraction of ores. As the Company has not started operations due to the ban, the Company will not be covered by those new policies just yet, as there are no disrupted areas to speak of. However, the Company continues to engage the DENR, through the MGB in discussions regarding this policy.

In December 2017, President Rodrigo R. Duterte signed into law Republic Act No. 10963, also known as the TRAIN Law or the Tax Reform for Acceleration and Inclusion Law. This law took effect on January 1, 2018. Pursuant to Section 48 of the TRAIN law, excise tax for metallic and non-metallic minerals was raised from the previous 2% to 4%. The Bureau of Internal Revenue (BIR) then issued Revenue Regulation No. 1, s. 2018, (effective January 15, 2018), whereby it was stated that the 4% excise tax will be based "on the actual market value of the gross output at the time of removal". A new fiscal regime for the mining industry was discussed in the 17th Congress, which was to be included in the proposed TRAIN 2 law. However, TRAIN 2 also failed to pass, considering the irreconcilable differences between the Senate and House versions of the bill.

On September 4, 2025, Republic Act No. 12253, also known as the *Enhanced Fiscal Regime for Large-Scale Metallic Mining Act*, was passed into law. This reforms the Philippines' mining tax system to ensure a fairer government share of revenues while maintaining investor stability. It introduces a unified fiscal framework for all large-scale metallic mining operations, replacing fragmented arrangements. Key features include a five-tier, margin-based royalty system (1%–5%) for operations outside mineral reservations and a fixed 5% royalty within reservations, plus a windfall profits tax of 1%–10% on margins exceeding 30%. The law enforces ring-fencing, treating each mining project as a separate taxable entity, and imposes a 2:1 debt-to-equity ratio to curb tax avoidance. It guarantees fiscal stability for existing agreements, mandates transparency and public disclosure, and allocates 40% of national mining revenues to local governments. Environmental accountability is strengthened through rehabilitation plans and stricter compliance monitoring, aligning fiscal reforms with sustainability and community welfare goals.

Market Trends

Average annual prices as well as the 2025 average price through the date of this document for copper and gold are summarized in the table below:

Year	Copper (lb)	Gold (oz)
2008	3.11	880
2009	2.41	981
2010	3.45	1,233
2011	4.02	1,568
2012	3.63	1,681
2013	3.22	1,394
2014	3.10	1,255
2015	2.50	1,160
2016	2.21	1,248
2017	2.79	1,257
2018	2.96	1,269
2019	2.72	1,394
2020	2.80	1,770
2021	4.23	1,800
2022	4.00	1,794
2023	3.85	1,941
2024	4.15	2,389
2025*	4.77	3,520

Source: Monthly spot prices per London PM Fix – KITCO (Gold) and London Metal Exchange (Copper).

* Data available through the date of this MD&A.

Current Highlights

The Company remains to be International Organization for Standardization ("ISO")-certified to-date, having again passed the ISO Re-certification Audit which certification is valid until March 12, 2026.

On May 19, 2025, the Company entered into an agreement with its co-venture partner Nationwide Development Corporation ("**NADECOR**") to restructure the ownership interests in the Kingking Copper Gold Project (the "**Project**") located in the Philippines. The Company issued a convertible note to NADECOR in the amount of \$9,120,500, convertible into 185,000,000 million Company shares at a deemed price of \$0.0493. In return St. Augustine acquired all the outstanding shares of NADECOR's subsidiary Kingking Milling Corporation, which holds the development rights to the Project.

The note bears no interest and is assignable by NADECOR, including to its shareholders, at its discretion. Conversion must take place within 6 months.

The exploration and development permits issued by the Philippine government for the Project are held by Kingking Mining Corporation, which is owned 40% by the Company, 40% by Nadecor and 20% by Queensberry Mining and Development Corp., the largest shareholder of the Company.

On May 21, 2025, Kingking Mining Corporation has entered into Ore Sales and Royalty Agreements with Kingking Milling Corporation which has given Kingking Milling Corporation the rights to, process, mill and market all ore recovered from the Project. In return Kingking Mining Corporation receives a 7% royalty on net income and certain payments for ore delivered for milling.

On June 18, 2025, the Company announced the completion of the debt settlement (the "Debt Settlement") transaction with Queensberry Mining and Development Corp. (the "Creditor"). Pursuant to the Debt Settlement, the Company issued an aggregate of 25,306,166 common shares in the capital of the Company, at a deemed price of \$0.066 per common share, in consideration for the settlement of a total of CAD \$1,670,207 in connection with certain funds advanced to the Company by the Creditor.

On July 7, 2025, the Company announced that the convertible note issued on May 19, 2025, to its co-venture partner, NADECOR, in connection with the restructuring of ownership interests in the Kingking Copper-Gold Project, was fully converted into equity in accordance with its terms. The total principal amount of CAD \$9,120,500 was converted into 185,000,000 common shares of the Company at a deemed price of \$0.0493 per share. NADECOR assigned portions of the note to 16 parties, all of whom are at arm's length to the Company, prior to conversion.

On July 24, 2025, the Company announced the closing of its previously disclosed non-brokered private placement, which was initially announced on June 9, 2025. The financing involved the issuance of 341,038,196 common shares at a price of \$0.073 per share, generating gross proceeds of CAD \$24,895,379. The net proceeds of the placement will be used for general corporate purposes, including the completion of a feasibility study and organizing financing for the King-king Copper-Gold Project. No insiders participated in the offering.

On July 24, 2025, the Company also announced the appointment of Nicolaos Paraskevas as Executive Director, Andrew J. Russell as Project Director and Love D. Manigsaca as Chief Financial Officer.

On July 31, 2025, the company announced the results of the updated Preliminary Feasibility Study ("PFS") of the Kingking Copper-Gold Project located in Pantukan, Davao de Oro, Philippines. The updated Pre-Feasibility Study allows the Company to initiate work on the Definitive Feasibility Study and expedite the start of construction. The results of the PFS demonstrate extremely robust economics, generating an estimated post-tax net present value ("NPV") of \$4.18 billion and internal rate of return ("IRR") of 34.2%. The benefit-cost ratio (BCR) is 1.81

On August 8, 2025, the company announced the appointment of Mr. Michael G. Regino to its Board of Directors effectively immediately. Mr. Regino replaces Mr. Johnny Aurelio C. Felizardo, who recently passed away.

On October 9, 2025, the company announced the engagement of Stantec Consulting Ltd. ("Stantec") and Independent Mining Consultants, Inc. ("IMC") to complete a Definitive Feasibility Study (DFS) for the Kingking Copper-Gold Project in Pantukan, Davao de Oro, Philippines. This follows the highly positive results of the Pre-Feasibility Study (PFS) released on July 31, 2025, which delineated the project's world-class economic potential and supports an expedited path to production.

Results of Operations

The selected financial information below has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee and is expressed in U.S. dollars unless otherwise noted.

The Company's operations and business are not driven by seasonal trends, but by efforts to achieve project milestones. These milestones include various technical, environmental, socio-economic and legal objectives, including obtaining the necessary permits; completion and publishing of a Bankable Feasibility Study ("BFS"); and preparation of engineering designs.

Selected Financial Information

Balance	September 30, 2025	December 31, 2024	December 31, 2023
Total assets	\$ 133,476,503	\$ 111,800,910	\$ 113,420,245
Total liabilities	2,508,040	3,162,349	2,056,383
Total Equity	130,968,463	108,638,561	111,363,862

Total assets increased as at September 30, 2025, from December 31, 2024 by \$21.7million, due primarily to the additional funds coming from private placement, recognition of goodwill as a result of the transaction from the acquisition of MillingCo, effect of foreign exchange effect in investment in NADECOR and notes receivable in NADECOR. The Company's total liabilities and equity position decreased and increased during the nine months ended September 30, 2025, by approximately \$650 thousand and \$22.3 million, respectively. Comprehensive loss of approximately \$1.2 million for the nine months ended September 30, 2025, composed of loss during the nine months ended September 30, 2025, of \$840 thousand and \$380 thousand was attributable to foreign exchange translation loss. Foreign exchange translation gains and losses are impacted significantly by changes in the exchange rate between the U.S. dollar (the Company's reporting currency) and the Philippine peso which is driven mainly by the material activity of the Company's Philippine subsidiary which has a functional currency in Philippine peso and the Company's translation in investment in NADECOR which is also denominated in the Philippine peso (₱1.8 billion).

Changes to Investment in Mineral Assets (approximations)

	Nine months ended September 30,	
	2025	2024
General and administrative and labor	\$ 280,000	\$ 440,000
Total	\$ 280,000	\$ 440,000

The focus of activities during the period of 2025 was mainly care and maintenance.

Summary of Selected Quarterly Information

	September 30,	June 30,	March 31,	December 31,	September 30,	June 30,	March 31,	December 31,
Quarterly Result	2025	2025	2025	2024	2024	2024	2023	2023
Total Assets	\$ 133,476,503	\$ 114,071,801	\$ 112,101,567	\$ 111,800,910	\$ 113,586,636	\$ 113,292,333	\$ 114,362,616	\$ 113,420,245
Operating Expenses	480,272	204,256	364,641	309,210	44,848	186,870	93,501	293,404
Income (loss)	(543,064)	(5,923)	(288,102)	(1,152,952)	368,519	(1,355,675)	1,134,708	344,768
Earnings (loss) per share (i)	(0.00)	(0.00)	(0.00)	(0.00)	0.00	(0.00)	0.00	0.00

i. Per common share, basic and diluted losses per share were equal in all periods presented

Historical Trends and Changes in Quarterly Results

Operating expenses are attributable primarily to wages and share-based payments and general and administrative costs. For the six months ending September 30, 2025, general and administrative costs are the primary components of net loss. The largest portion of total cash outlay is capitalized into the Company's investment in mineral property. Professional fees and the costs of marketing can also significantly impact operating expenses and net loss; these costs are generally incurred as needed or as management's operating strategies change, and do not follow a cyclical pattern.

Three and Nine Months Ended September 30, 2025, and 2024

General and administrative and wages expenses were the primary drivers of expense for the three and nine months ended September 30, 2025, and 2024.

General and administrative costs increased during the nine months ended September 30, 2025 (approximately \$880,000) as compared to the nine months ended September 30, 2024 (approximately \$250,000).

Wages expenses during the nine months ended September 30, 2025, and 2024 were unchanged at \$165,000.

Capital Resources and Liquidity

As at September 30, 2025, the Company had cash of approximately \$13.2 million (December 31, 2024 – approximately \$150,000) and a working capital of approximately \$11.2 million (December 31, 2024 – \$2.9 million).

The Company manages liquidity risk through maintaining sufficient cash or credit terms with its suppliers to meet the operating requirements of the business and investing excess funds in highly liquid short-term cash deposits.

Approximately \$280,000 of the cash flows used by investing activities during the nine months ended September 30, 2025, was attributable to the Company's investment in mining property (2024 – approximately \$440,000). The amount reflects the limitation on outflows to community development activities.

The Company had no long-term debt as at September 30, 2025, and December 31, 2024.

The Company has raised funds primarily through equity issuances, though management will consider all sources of financing reasonably available, including but not limited to issuance of new capital, issuance of new debt and the sale of assets in whole or in part, including mineral property interests, royalties and future production. There can be no assurance of continued access to financing in the future, and an inability to secure such financing may require the Company to substantially curtail and defer its planned exploration and development activities. Management will continue to manage cash outlay carefully to optimize the timing of completion of permitting, a BFS and executing the terms of the PFA.

Contractual Obligations

NADECOR Memorandum of Understanding

Under the terms of the Memorandum of Understanding ("MOU") between the Company and NADECOR—which is expected to be superseded by the Amended Partnership and Funding Agreement ("Amended PFA") (see *Current Highlights*)—the Company may earn up to a 60% economic interest in the King-king Project through a combination of staged expenditures and interim payments totaling a minimum of USD 83,000,000.

The Company has committed to fund USD 43,500,000 to complete a Bankable Feasibility Study ("BFS"), which would entitle it to an initial 45% interest in the Project. This interest accrues progressively as expenditures are made, in accordance with agreed milestones and earn-in conditions.

An additional 6% interest may be earned through interim payments to NADECOR, and a further 9% interest by funding a minimum of USD 32,000,000 in capital development expenditures ("CapEx"), subject to adjustment based on project parameters, including throughput assumptions, as contemplated in the MOU.

Accordingly, the full 60% potential interest is earned through a combination of CapEx and direct payments to NADECOR, totaling not less than USD 83,000,000. Any increase in the planned tonnage throughput may raise the minimum CapEx requirement, in which case both parties will share the economic benefit of cost savings (against actual CapEx) in proportion to their respective earn-in interests.

It should be noted that certain expenditures incurred by the Company in connection with the Project may not qualify as part of the earn-in. A summary of the expenditure requirements and actual progress made to date is presented below:

Item	Earn-in amount	September 30, 2025	December 31, 2024
Exclusivity payment to NADECOR (i)	\$ 400,000	\$ 400,000	\$ 400,000
Initial payment to NADECOR (ii)	3,100,000	3,100,000	3,100,000
Initial BFS funding (iii)	30,000,000	30,000,000	30,000,000
Incremental BFS funding (iv)	5,000,000	5,000,000	5,000,000
Incremental BFS funding (iv)	8,500,000	8,500,000	8,500,000
Payments to NADECOR (v)	4,000,000	1,231,000	1,231,000
CapEx funding (vi)	32,000,000	24,404,269	23,947,450
Totals	\$ 83,000,000	\$ 72,635,269	\$ 72,178,450

- i. Direct payment to NADECOR made in 2009;
- ii. \$3,000,000 was paid in 2010. The remaining \$100,000 was paid in 2012;
- iii. Direct project expenditures made by the Company pursuant to the Preferred Shares Investment Agreement ("PSIA"). The full amount has been expended.
- iv. Direct project expenditures after the fulfillment of \$30,000,000 required to be expended following the PSIA;
- v. The timing of direct payments to NADECOR is contingent on events contemplated in the MOU. During 2011, \$981,000 was paid, \$250,000 was paid during 2013, and the balance is expected to be paid if the terms of the PFA are not fulfilled; and
- vi. Total CapEx based on planned mine throughput. The minimum commitment is \$32,000,000 and is subject to adjustment depending on the planned throughput of the mine. PFS results indicate that throughput would increase the Company's CapEx commitment should the terms of the PFA not be completed.

The terms of the Amended PFA reaffirm the Company's 50% economic interest in the Project, irrespective of whether all provisions of the Amended PFA are fulfilled. The Company has committed to providing a loan facility of up to US\$11.0 million to KMC, the Project joint venture company in which the Company holds a 40% equity interest. As of September 30, 2025, the Company had advanced US\$7.5 million under this facility. The loan bears interest at the one-year LIBOR rate per annum until the commencement of commercial production, after which the rate increases to one-year LIBOR plus 2%. The facility is repayable in a single lump-sum payment due August 2024, may be prepaid at any time without penalty, and includes an option for KMC to extend the term by up to 15

years. KMC has entered into binding agreements that will fully utilize the facility, primarily to secure land access and significantly advance Project permitting activities.

Transactions with Related Parties

Legal services

For the nine months ended September 30, 2025, the Company receives advice from Dentons Canada LLP which is considered a related party because of a partner of that firm acting as corporate secretary to the Company. Services rendered during the nine months ended September 30, 2025, totaled approximately \$125,000 (2024 – approximately \$20,000) and \$50,000 was outstanding at September 30, 2025 (December 31, 2024 – \$nil).

Officers, directors and employees

The aggregate value of transactions with officers and directors during the nine months ended September 30, 2025, including salaries, benefits and other compensation, totaled approximately \$520,000 (2024 – approximately \$500,000).

Entities with common management

The Company and Queensberry Management and Development Corp. ("Queensberry") are party to the amended PFA. The Company's Chief Executive Officer ("CEO") and Chairman of the Board, Manuel Paolo A. Villar, controls the new parent company of Queensberry, Faithful Holdings, Inc. (FHI). During 2014, the Company paid Queensberry approximately \$2.4 million to settle a debt payable by NADECOR to Queensberry. Over the course of the company's relationship, the Company has issued approximately 291,000,000 shares to Queensberry, making it the Company's largest shareholder. During 2015, Queensberry entered into a management service agreement with the Company. During 2016, Queensberry assigned the management service agreement to Prime Asset Ventures Inc. (PAVI), a company controlled by the CEO and the former parent company of Queensberry. The Company has an employment agreement with Mr. Villar pursuant to which he is compensated \$36,667 per month. The same agreement includes bonuses should the Company execute a material sale of the Company or its interest in the Project and calls for stock options to be issued to Mr. Villar in the future.

In March 2018, the Company entered a contract for services with Agata Mining Ventures, Inc. ("AMVI") and TVI Resource Development Phils., Inc. ("TVIRD"), affiliates, wherein the Company shall render technical services, legal consultancy and administration services to AMVI and TVIRD for a monthly fee of ₱525,000 and ₱100,000, respectively.

As at September 30, 2025, Queensberry advanced \$174,421 to the Company (December 31, 2024 - \$661,460) for operational requirements.

On June 18, 2025, the Company announced the completion of the debt settlement (the "Debt Settlement") transaction with Queensberry Mining and Development Corp. (the "Creditor"). Pursuant to the Debt Settlement, the Company issued an aggregate of 25,306,166 common shares in the capital of the Company, at a deemed price of \$0.066 per common share, in consideration for the settlement of a total of CAD \$1,670,207 in connection with certain funds advanced to the Company by the Creditor.

Off Balance Sheet Arrangements

As at September 30, 2025, the Company had no material off balance sheet arrangements (December 31, 2024 – none).

Other MD&A requirements

Outstanding Share Data

At the date of this document, the Company’s outstanding equity securities are described as follows:

Capital Activity Details - 1 Jul 2025 - 30 Sep 2025

DATE	REFERENCE	SHARES/UNITS	APPROVED CAPITAL
2025-07-01	Balance as at Opening of Business on 01 Jul 2025	0	1,036,710,933
2025-07-07	TREASURY DIRECTION- VARIOUS	185,000,000	1,221,710,933
2025-07-24	TREASURY DIRECTION - VARIOUS	341,038,196	1,562,749,129
2025-09-30	Balance as at Close of Business on 30 Sep 2025	0	1,562,749,129

There were no securities convertible or exercisable into voting equity securities.

Historical Share Price



Source: Investing.com

Internal Controls Over Financial Reporting and Disclosure Controls and Procedures

Multilateral Instrument 52-109 – Certification of Disclosure in Issuers’ Annual and Interim Filings, requires an evaluation of the effectiveness of the Company’s disclosure controls and procedures (“DC&P”) and its internal control over financial reporting (“ICFR”). The CEO and the Chief Financial Officer have overseen the process of designing and implementing DC&P and ICFR. Their conclusions with respect to ICFR and DC&P are described below.

Internal controls over financial reporting

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting. Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

An effective ICFR design provides reasonable assurance that the Company's financial information is reliable and that its financial statements have been prepared, for the purpose of publishing financial information, in accordance with applicable reporting requirements. Management believes its system of internal controls over financial reporting was effective as at September 30, 2025.

Disclosure controls and procedures

An effective DC&P system provides reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized and reported within the applicable time periods and to ensure that required information is gathered and communicated to the Company's management so that decisions can be made about timely disclosure of that information. Management believes its disclosure procedures in place at September 30, 2025, were effective.

Corporate Governance Policies

Policies regarding the representation of women on the board

The Company has not adopted a written policy relating to the identification and nomination of directors, including women directors. The number of women directors on the Board is a factor that the Nominating and Corporate Governance Committee considers when selecting new nominees for the Board. The Board feels that having written policies governing the selection of board nominees could unduly restrict the Board's ability to select the most capable nominees.

Consideration of the representation of women in the director identification and selection process

When considering director nominations, the Nominating and Corporate Governance Committee considers the number of women currently on the Board. The Board includes the gender of a potential candidate as one component in the overall list of factors it considers when selecting candidates.

Consideration given to the representation of women in executive officer appointments

When considering executive officer appointments, the Nominating and Corporate Governance Committee considers the number of women currently employed in senior executive positions. The Chief Executive Officer, when considering the appointment of senior executives, also considers the number of women currently in senior executive positions. As in the director selection process, the gender of a potential candidate is one component in the overall list of factors that the Nominating and Corporate Governance Committee and the Chief Executive Officer consider when selecting candidates.

Issuer's targets regarding the representation of women on the board and in executive officer positions

The Board has not adopted a target regarding women on the Board or in senior executive positions. The Board feels that adopting such a target could unduly restrict Company's ability to select the most capable nominees. The Board and the Chief Executive Officer do consider the number of women on the Board and in senior executive positions when identifying candidates.

Number of women on the board and in executive officer positions

	# of Women	Total # of Board/Officers	%
Board Positions	1	5	20%
Executive Officer Positions	1	3	33%

Risks and Uncertainties

In addition to the risk factors listed below, please see the risk factors listed in the Company's AIF (available at www.sedar.com).

Adverse fluctuations in currency exchange rates

The Company will be subject to fluctuations in the rates of currency exchange between the Canadian dollar, United States dollar, and the Philippine peso, and these fluctuations could materially and adversely affect the Company's financial position and results of operations. The costs of goods and services could increase due to changes in the value of these currencies. Consequently, operation and development of the Company's properties might be costlier than the Company anticipates.

Competition

The mining industry is highly competitive in all its phases. The Company faces competition from other mining and exploration companies that possess greater financial, technical, and operational resources. Competition in the base and precious metals sector is primarily for mineral-rich properties that can be economically explored, developed, and produced, as well as for qualified personnel, contractors, and access to capital. Such competition may adversely affect the Company's ability to acquire or develop suitable properties, attract and retain skilled employees, or obtain financing on favorable terms, any of which could have a material impact on its business and prospects.

Conflicts of interest

Certain directors and officers of the Company will and may continue to be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise regarding potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and follow procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Current global economic conditions

Unfavorable global economic conditions, including disruptions in international credit markets, inflationary pressures, or deterioration in financial systems, could limit the Company's access to capital or increase its cost of financing. Inability to raise sufficient funds when required, or to do so on reasonable terms, could have a material adverse effect on the Company's business, financial condition, and results of operations. The Company is also subject to sovereign and political risks, including potential changes in government policy or the nationalization of assets in jurisdictions where it operates. While management has no reason to believe that the Philippine government will take full or partial control of the King-king Project, such actions—if they were to occur—are beyond the Company's control and could have a material adverse impact on its operations and asset value.

Dependence on directors and officers

The Company is largely dependent on the performance of its directors and officers. There is no assurance the Company will be able to maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of these people could have a material adverse effect on the Company and its prospects.

Dividends

The Company has never paid dividend on its common shares. It is not anticipated that the Company will pay any dividends to its common shareholders in the foreseeable future.

Environmental risks, health and safety regulations, permits and licenses and other regulatory requirements

Operations will be subject to health, safety and environmental regulations and legislation. The Company must comply with current, new and upcoming laws. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of

responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company's operations, including development activities and commencement of production on its properties, require permits from various federal, provincial or territorial and local governmental authorities, and such operations are and will be governed by laws, and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require that the Company obtains permits from various governmental agencies. There can be no assurance, however, that all permits that the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which it might undertake.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

As discussed above, on February 22, 2017, KMC received show cause order from the DENR directing KMC to explain why the MPSA should not be cancelled for being located within watershed areas.

On February 27, 2017, management of KMC responded to the show cause order stating that there are no grounds to validly cancel, terminate or suspend the MPSA. The DENR has yet to render a resolution on the matter, as with other mining companies that received similar show-cause orders.

In subsequent meetings, the Department of Environment and Natural Resources (DENR) advised mining companies of new policies requiring the rehabilitation and reforestation of areas disturbed by mining activities, including the immediate planting of trees in zones that, based on assessment, no longer have potential for further ore extraction. As the Company has not yet commenced operations, these policies do not currently apply, as there are no disturbed areas within the Project site. Nevertheless, the Company continues to engage proactively with the DENR and the Mines and Geosciences Bureau (MGB) to remain informed of and compliant with evolving environmental and rehabilitation requirements.

Mine development

Mine development of mineral reserves is a highly speculative business activity, characterized by several significant risks. The marketability of minerals the Company may mine may be affected by numerous factors that are beyond its control and that cannot be accurately predicted, such as market fluctuations, mineral markets, and such other factors as taxation, government regulations, including regulations relating to royalties, allowable production, the import and export of minerals and environmental protection, the combination of such factors may result in the Company not receiving an adequate return of investment capital.

The King-king property has advanced to the preliminary feasibility stage, as first demonstrated in the Company's July 31, 2013, press release and accompanying NI 43-101 Technical Report, which confirmed the deposit's potential economic viability. Building upon that foundation, the Company released on July 31, 2025, an updated NI 43-101 Preliminary Feasibility Study (PFS), reflecting significant enhancements in mine design, metallurgical performance, and project economics.

There is no assurance that the Company can complete additional work that may be needed to develop the mineral reserve into an economically operating mine until sufficient capital is raised to perform this work.

Substantial expenditure is required to develop the mining and processing facilities and infrastructure at the sites chosen for mining. No assurance can be given that funds required for development can be obtained on a timely basis.

The Company is required to obtain required permits from various government departments to carry out its additional permitting and engineering work and to begin construction. There is no guarantee all required permits will be granted on terms satisfactory to the Company, or at all. If such permits are not received, the Company may not be able to carry out or complete its business objectives.

Fluctuating mineral prices

The mining industry is heavily dependent upon the market price of metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist at the time of sale. Factors beyond the Company's control may affect the marketability of metals or minerals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, and the Company will be affected by numerous factors beyond the control of the Company. The effect of these factors on the Company's operations cannot be predicted. If mineral prices decline significantly, it could affect the Company's decision to proceed with further exploration and development of its property.

Foreign operations and joint venture risk

The Company's operations are in the Philippines, and it is subject to operational and economic risks, such as the effects of local unrest due to small-scale mining, corruption, demands for improper payments and physical security. Consequently, the Company's exploration, development and production activities may be substantially affected by factors beyond the Company's control, any of which could have a material adverse effect on the Company's financial condition or results of operations.

The Company's interest in the Project is held in part by way of agreement and through a direct interest in NADECOR and KMC. With respect to the Company's interest by way of agreement, the Company is relying upon its joint venture partner to fulfill its obligations under these agreements. If it should fail to do so, the Company's first level of recourse is through arbitration in Singapore. One of the Company's other recourse options is to the Philippine courts, which may not operate in the same manner as those in Canada and the United States.

Social and community

The Company's operations and the development of the project will impact local communities, and a portion of communities will need to be resettled, or local infrastructure moved. The Project could be delayed without broad local community support, impacting future profit and development costs. There may also be local opposition to mining activities, although formal letters of endorsement have been received by local government units and a memorandum of agreement was approved in May 2015 with the indigenous peoples in the project area (and also approved by the NCIP in January 2016). The Resettlement Action Plan ("RAP") was accepted by the MGB. There is no assurance, regarding the RAP, that an agreement will be reached with the local people to be affected during the future Project development and who will be affected as the mine facilities develop during operation.

Security of energy supplies

Increasing global demand and limited new supplies impacts the price and availability of energy. Many factors that reduce the reliability of energy supply or increase energy prices are beyond the Company's control. These include strong demand from the Asia Pacific region; political, regulatory and economic uncertainties; and costs associated with emissions from fossil fuels. While it will enter into long term supply contracts when beneficial to the Company, the availability of energy supplies may have a material impact to the Company's operations.

Emissions and climate change regulations

The Company operates in a jurisdiction in which legislation to limit or reduce emissions is being considered. Climate change-related legislation could lead to increased costs for fossil fuels, electricity and transmission, restricted industrial emissions, the imposition of charges for emissions and increased expenditures on monitoring, reporting and accounting.

Future acquisitions

As part of the Company's business strategy, it may seek to grow by acquiring companies or assets, or establishing joint ventures that it believes will complement its current or future business. The Company may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for its business. The Company cannot guarantee that it can complete any acquisition it pursues on favorable terms, or that any acquisitions completed will ultimately benefit its business.

Future financing

The Company's continued operation will be dependent upon its ability to procure additional financing and eventually generate revenues. There can be no assurance that any such revenues can be generated or that other financing can be obtained on acceptable terms to the Company, if at all. Failure to obtain additional financing on a timely basis may result in delay or indefinite postponement of further exploration and development or forfeiture of some rights in some or all of the Company's properties. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to further explore and develop the Project, take advantage of other opportunities, or otherwise remain in business. Events in the equity market may impact the Company's ability to raise additional capital in the future.

No history of earnings

The Company has no history of earnings. Additional external financing will be required to develop the Project further. There can be no assurances that the Project will ever produce revenues from mining and milling operations.

Operating hazards and risks

Mineral exploration and development involve risks which even a combination of experience, knowledge and careful examination may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. Damage to Company property (or contractors' property for which the Company may be financially responsible) due to local insurgents is possible. The nature of these risks is such that liabilities might exceed insurance policy limits, the liabilities and hazards might not be insurable, or the Company may elect not to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Philippine tax incentives

The Philippine government offers tax incentives, including periods of tax-free operations early in the life of mines, to mining businesses to encourage economic development. These incentives have a significant impact on the financial metrics used to evaluate the Project. Should these incentives be withdrawn or reduced, material changes in Project economics could occur. As of the date of this document, the Philippine government is evaluating its current tax incentive regulations. However, with the passage of new tax laws (Republic Act No. 10963, or the TRAIN law and RA 12253), the Company, considering that it has not commenced operations yet, continues to monitor its effects and consequences on the mining industry.

Reliability of historical information

The Company has relied, and the Technical Report is based upon historical data compiled by previous parties involved with the Project. To the extent that any of such historical data is inaccurate or incomplete, the Company's development plans may be adversely affected.

Title risks

Although the Company has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interest may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects. Until competing interests, if any, in the mineral lands have been determined, the Company can give no assurance as to the validity of title to those lands or the size of such mineral lands.

Uninsured or uninsurable risks

Exploration, development and production of mineral properties is subject to certain risks, and unexpected or unusual operating conditions including open pit slope failures, fires, flooding and earthquakes may occur. It is not always possible to insure fully against such risks and the Company may decide not to take out insurance against such risks because of high premiums or for other reasons. Should such liabilities arise, they could have a materially adverse impact on the Company's operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Volatility of share price

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Critical Accounting Policies and Estimates

The Company's significant accounting policies, including critical accounting policies and estimates, are presented in Note 2 to the annual consolidated financial statements for the year ended December 31, 2024. An analysis of the Company's critical accounting policies and estimates follows.

Statement of compliance

The Company's financial statements for the nine-month ended September 30, 2025, including comparatives, have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34").

Statement of compliance analysis

Management has implemented internal controls over financial reporting and disclosure controls and procedures which management believe operate effectively. In addition to performing a rigorous period end review of the close and financial reporting process, management analyzes its financial statements and related disclosures in relation to IFRS guidance effective for the reporting year. As at September 30, 2025, management determined that the financial statements, notes to the financial statements, and this MD&A are in compliance with IFRS and applicable regulations.

Investment in Mineral Property

The Company's directed purpose is to develop the Project under an agreement with NADECOR and will ultimately receive up to an aggregate 60% economic interest in a joint venture based upon required expenditure and completion of certain milestones. Those expenditures which are directly allowed under the MOU are included in the investment in mineral property accounts. Amounts not allowed to earn-in, following NADECOR's audit, are either reported in the investment in mineral property under IFRS 6 – Exploration for and Evaluation of Mineral Resources, or expensed, depending on the character of the expenditure. Under the terms of the MOU, accrued amounts earn-in upon cash settlement and NADECOR has a limited right to audit the underlying expenditure. The MOU will be superseded by the PFA upon fulfillment of the terms of the PFA.

Following the establishment of economic viability by the PFS filed on SEDAR on November 1, 2013, qualifying expenditures will be capitalized in accordance with relevant standards until production commences. Management periodically reviews the recoverability of the capitalized value of the Project, taking into consideration the results of exploration activities, estimated mineral market prices, reports of experts and other relevant information. If the Project is to be abandoned or is determined to be impaired, the investment will be reduced to fair value.

Analysis of investment in mineral property

Management has performed a rigorous review of its contractual commitments and rights and IFRS 6 - *Exploration for and Evaluation of Mineral Resources*. The Company's expenditures included in the Company's investment in mineral property are those which have directly benefited the Project and which management has determined, based on an assessment of whether impairment indicators exist, to be recoverable, and expenses which qualify for shares in its joint venture partner's capital accounts under its contractual arrangements.

The impact of the Company's treatment of capitalized expenses in respect of the Company's financial statements has been to increase the Company's assets and decrease net losses, as compared to a policy which expensed a higher proportion of Project expenditures.

Investments in Other Entities

The Company accounts for investments below the threshold of having significant influence either at fair value or at amortized cost, depending on the nature of the investment.

If the Company has significant influence over an investee as defined under IAS 28 – Investments in Associates and Joint Ventures, the investment is initially recognized at cost and is adjusted periodically to reflect the Company's portion of the investees' profit or loss.

Analysis of Investments in other entities

The Company's investments in other entities include its investment in NADECOR, Kingking Gold and Copper Mines Inc. ("KGCMI") and KMC.

The investments in NADECOR, KGCMI and KMC were accounted for using the equity method at September 30, 2025. Certain agreements of the Company contain clauses, which if met, could cause the Company's investment in KMC to change to proportionate consolidation.

Impairment of Non-financial Assets

The carrying amounts of the Company's non-financial assets or a cash-generating unit are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to dispose. Cash generating units are identified at the smallest group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. This value is held through the Company's investment in mineral property, investment in NADECOR and investments in joint ventures.

In assessing value in use, the estimated future 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. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Analysis of impairment of non-financial assets

The Company's non-financial assets or a cash-generating unit include investment in mineral property (described above) and property and equipment. Management's policy is to analyze its investment in mineral property and property and equipment for impairment at each reporting period and as circumstances and events warrant. Management has recognized no impairment losses against property and equipment or investment in mineral property since significant activity began in 2011.

Financial Instruments

Financial assets are recognized when the Company becomes a party to the contractual terms of the financial instrument. For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria of IAS 32, *Financial Instruments: Presentation*. All other non-derivative financial instruments are treated as debt instruments.

Classification, measurement and reclassification of financial assets in accordance with IFRS 9

Under IFRS 9, the classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the Company's business model whose objective is to hold financial assets in order to collect contractual cash flows ("hold to collect"); and,
- the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

All of the Company's financial assets meet these criteria and are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less any impairment in value.

The Company's financial assets at amortized cost are presented in the statement of financial position as cash, note receivable from NADECOR, advances to joint ventures, and note receivable from joint venture.

For purposes of cash flows reporting and presentation, cash in banks generally earn interest based on daily bank deposit rates. These are unrestricted and readily available for use in the Company's operations and are subject to insignificant risks of changes in value.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for those that are subsequently identified as credit impaired. For credit-impaired financial assets at amortized cost, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction

of the loss allowance). The interest earned is recognized in the statement of comprehensive income as part of interest income.

Impairment of financial assets under IFRS 9

The Company assesses its expected credit loss (ECL) on a forward-looking basis associated with its financial assets carried at amortized cost. Recognition of credit losses is no longer dependent on the Company's identification of a credit loss event. Instead, the Company considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets.

The Company applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for all receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Company uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. The Company also assesses impairment of receivables on a collective basis as they possess shared credit risk characteristics, and have been grouped based on the days past due.

The key elements used in the calculation of ECL are as follows:

- *Probability of default* – It is an estimate of likelihood of default over a given time horizon.
- *Loss given default* – It is an estimate of loss arising in case where a default occurs at a given time. It is based on the difference between the contractual cash flows of a financial instrument due from a counterparty and those that the Company would expect to receive, including the realization of any collateral.
- *Exposure at default* – It represents the gross carrying amount of the financial instruments subject to the impairment calculation.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Derecognition of financial assets

The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Equity and Financial Liabilities

Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the appropriate reporting standard.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities include contractual obligations to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities under potentially unfavorable conditions. Financial liabilities also include contracts which may be settled in an entity's equity instruments.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the corresponding period. The effective interest rate is the rate that discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company has classified accounts payable and accrued wages and due to related parties as other financial liabilities.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when the Company's obligations are discharged, cancelled or they expire.

Significant Accounting Estimates, Judgments and Assumptions

The preparation of consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates relate to the share-based payments, impairment assessment of investment in mineral property and associates, and depreciation and impairment of property and equipment.

The most significant judgments relate to recoverability of capitalized amounts, accounting for long-term investments, accounting for investments in joint ventures and associates and the determination of the economic viability of a project.

Analysis of accounting estimates and judgments

The useful lives of assets are generally determined by a categorical assignment of fixed asset purchases. In general, management uses a 3, 5, or 10-year depreciation life for vehicles and equipment purchased. Its judgments in analyzing fixed assets for impairment include whether events and circumstances are significant enough to warrant an impairment analysis and its selection of financial data used in calculating the effects of external variables.

Management's judgment as to the recoverability of capitalized amounts is closely tied to management's impairment analysis. A significant difference arises in determining the economic viability of a project, in which case management relies on internal and contracted experts. As of the date of this MD&A, the economic viability of the Company's only mineral asset has been determined by way of a PFS, however, a BFS has not been completed.

Management valued its investment in NADECOR at fair value at September 30, 2013. In August 2013, the Company obtained board representation, requiring the Company to account for its investment in NADECOR using the equity method. Accordingly, the Company recorded its pro-rata share of comprehensive loss for the periods thereafter. The value of the investment will be affected by the future financial performance of NADECOR, which owns 60% of the Project's joint venture mining entity, as well as by changes in the exchange rate of the U.S. dollar and Philippine peso. This value of the investment is the same as the cash-generating unit as Company's investment in mineral property (described above).

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