LAKE VICTORIA GOLD LTD.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2025 AND 2024

(Expressed in Canadian Dollars)

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Independent Auditor's Report

To the Shareholders of Lake Victoria Gold Ltd.

Opinion

We have audited the consolidated financial statements of Lake Victoria Gold Ltd. (the “Company”), which comprise the consolidated statements of financial position as at December 31, 2025 and December 31, 2024, and the consolidated statements of comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and December 31, 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards.

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. 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets

Description

Management assesses whether there are indicators of impairment to exploration and evaluation assets when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed the recoverable amount. Management applies judgement in assessing whether impairment indicators are present. No impairment indicators were identified by management as of December 31, 2025.

This matter was significant to our audit because the carrying value of the Company’s exploration and evaluation assets at December 31, 2025, was $ 13,423,530, which represents a significant portion of the Company’s total assets and management applies significant judgement in assessing whether impairment indicators are present. See Note 3 and Note 5 to the consolidated financial statements.

How the Key Audit Matter Was Addressed in the Audit

Our approach to addressing the matter included the following procedures, among others:

Evaluated management's assessment as to whether there were any indicators of impairment to exploration and evaluation assets, which included the following:

- Obtained all mineral claim and permit listings held by the Company and confirmed the mineral claims held with the related mining authorities.
- Considered the Company's intentions to carry out future exploration and evaluation expenditures which included reading Board of Directors' meeting minutes and enquiring as to the intentions and strategy of the Company.
- Considered the Company's assessment of whether the commercial viability of extracting mineral resources had been demonstrated and whether it was appropriate to continue to classify the costs as capitalized exploration and evaluation assets.
- Assessed whether there were other changes in circumstances indicating that the exploration and evaluation expenditures may not be recoverable, based on the evidence obtained in other areas of the audit.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company had a working capital $ 137,391 and an accumulated deficit of $ 69,468,991 as at December 31, 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in 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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.

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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 Gordon Cummings.

"D&H Group LLP"

Vancouver, B.C.
April 23, 2026

Chartered Professional Accountants

LAKE VICTORIA GOLD LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Notes	December 31, 2025 $	December 31, 2024 $
ASSETS			
Current assets			
Cash		1,869,793	31,393
GST receivable		106,489	49,015
Prepaid expenses		259,430	112,186
Total current assets		2,235,712	192,594
Non-current assets			
Plant and equipment	4	118,110	144,194
Exploration and evaluation assets	5	13,423,530	7,082,226
Deposits	6	2,724,374	1,468,777
Deferred share issue costs	10(b)(i)	-	10,472
Total non-current assets		16,266,014	8,705,669
TOTAL ASSETS		18,501,726	8,898,263
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11	968,954	2,394,928
Advances payable	7	-	301,362
Interest payable	7, 8, 9	104,787	141,013
Promissory note payable	8	357,727	375,553
Convertible debentures	9	666,853	-
Total current liabilities		2,098,321	3,212,856
Non-current liability			
Convertible debentures	9	-	625,081
TOTAL LIABILITIES		2,098,321	3,837,937
SHAREHOLDERS' EQUITY			
Share capital	10	62,524,777	45,640,038
Share subscriptions received	5(b)(ii)	-	2,227,069
Share-based payments reserve	10	16,939,113	16,465,226
Equity component convertible debentures	9	115,258	115,258
Foreign currency translation reserve		6,293,248	6,644,963
Deficit		(69,468,991)	(66,032,228)
TOTAL SHAREHOLDERS' EQUITY		16,403,405	5,060,326
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		18,501,726	8,898,263

Nature of Operations and Going Concern - See Note 1

Events after the Reporting Period - See Note 16

These consolidated financial statements were approved for issue by the Board of Directors on April 23, 2026 and are signed on its behalf by:

/s/ ***Marc Cernovitch***	/s/ ***Simon Benstead***
Marc Cernovitch	Simon Benstead
Director	Director

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

LAKE VICTORIA GOLD LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Note	Year Ended December 31 2025 $	2024 $
Expenses			
Accounting and administration	11(b)	108,032	94,042
Accretion on convertible debentures	9	59,772	27,146
Audit		79,631	72,976
Corporate development		438,683	62,174
Depreciation	4	22,413	33,353
Executive management compensation	11(a)	840,608	775,877
General exploration		-	55,337
Interest expense	8, 9	125,907	73,108
Investor relations		157,000	-
Legal		132,603	122,295
Office		66,138	38,980
Office rent		5,702	22,867
Professional fees		689,906	349,294
Regulatory		71,475	35,075
Share-based compensation	10	648,288	1,287,957
Shareholder costs		21,746	10,429
Transfer agent		19,013	9,455
Travel		102,634	81,885
Website updating and maintenance		45,000	60,000
		3,634,551	3,212,250
Loss before other items		(3,634,551)	(3,212,250)
Other items			
Interest income		11,046	11,312
Reversal of accounts payable and accrued liabilities		178,707	-
Foreign exchange		8,035	(46,290)
		197,788	(34,978)
Net loss for the year		(3,436,763)	(3,247,228)
Other comprehensive (loss) income			
Change in currency translation of foreign subsidiary		(351,715)	543,199
Comprehensive loss for the year		(3,788,478)	(2,704,029)
Basic and diluted loss per common share		$(0.02)	$(0.03)
Weighted average number of common shares outstanding		154,773,016	106,429,756

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

LAKE VICTORIA GOLD LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Year Ended December 31, 2025							
	Share Capital							
	Number of Shares	Amount $	Share-Based Payments Reserve $	Share Subscriptions Received $	Convertible Debentures $	Foreign Currency Translation Reserve $	Deficit $	Total Shareholders' Equity $
Balance at December 31, 2024	107,076,679	45,640,038	16,465,226	2,227,069	115,258	6,644,963	(66,032,228)	5,060,326
Common shares issued for:								
- private placements	61,714,286	11,520,000	-	(2,227,069)	-	-	-	9,292,931
- exercise of share options	750,000	135,000	-	-	-	-	-	135,000
- exercise of RSUs	1,000,000	180,000	-	-	-	-	-	180,000
- settlement of convertible debenture interest	452,635	84,908	-	-	-	-	-	84,908
- property acquisition	24,064,723	5,294,239	-	-		-	-	5,294,239
- debenture conversion	100,000	18,000	-	-	-	-	-	18,000
Share issue costs	-	(429,908)	88,099	-	-	-	-	(341,809)
Transfer on exercise of share options	-	82,500	(82,500)	-	-	-	-	-
Transfer on exercise of RSUs	-	-	(180,000)	-	-	-	-	(180,000)
Share-based compensation - RSUs	-	-	648,288	-	-	-	-	648,288
Currency translation adjustment	-	-	-	-	-	(351,715)	-	(351,715)
Net loss for the year	-	-	-	-	-	-	(3,436,763)	(3,436,763)
Balance at December 31, 2025	195,158,323	62,524,777	16,939,113	-	115,258	6,293,248	(69,468,991)	16,403,405

	Year Ended December 31, 2024							
	Share Capital							
	Number of Shares	Amount $	Share-Based Payments Reserve $	Share Subscriptions Received $	Convertible Debentures $	Foreign Currency Translation Reserve $	Deficit $	Total Shareholders' Equity $
Balance at December 31, 2023	105,380,345	45,258,326	15,455,171	2,227,069	-	6,101,764	(62,785,000)	6,257,330
Common shares issued for:								
- exercise of share options	646,334	103,810	-	-	-	-	-	103,810
- exercise of RSUs	1,050,000	190,250	-	-	-	-	-	190,250
Convertible debentures issued	-	-	-	-	115,258	-	-	115,258
Transfer on exercise of share options	-	87,652	(87,652)	-	-	-	-	-
Transfer on exercise of RSUs	-		(190,250)	-	-	-	-	(190,250)
Share-based compensation - RSUs	-	-	1,287,957	-	-	-	-	1,287,957
Currency translation adjustment	-	-	-	-	-	543,199	-	543,199
Net loss for the year	-	-	-	-	-	-	(3,247,228)	(3,247,228)
Balance at December 31, 2024	107,076,679	45,640,038	16,465,226	2,227,069	115,258	6,644,963	(66,032,228)	5,060,326

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

LAKE VICTORIA GOLD LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year Ended December 31	
	2025 $	2024 $
Operating activities		
Net loss for the year	(3,436,763)	(3,247,228)
Adjustments for:		
Depreciation	22,413	33,353
Share-based compensation	648,288	1,287,957
Foreign exchange	(88,670)	5,324
Accretion on convertible debentures	59,772	27,146
Changes in non-cash working capital items:		
GST receivable	(57,474)	18,579
Prepaid expenses and deposits	(150,182)	121,797
Accounts payable and accrued liabilities	(1,296,250)	890,947
Interest payable	81,241	86,161
Net cash used in operating activities	(4,217,625)	(775,964)
Investing activities		
Expenditures on exploration and evaluation assets	(1,818,295)	(745,476)
Disposition of exploration and evaluation assets	421,365	-
Deposit	-	(132,077)
Additions to plant and equipment	(2,790)	(6,528)
Net cash used in investing activities	(1,399,720)	(884,081)
Financing activities		
Issuance of common shares	7,894,220	103,810
Share issue costs	(331,337)	-
Convertible debenture proceeds	-	750,000
Convertible debenture issue costs	-	(36,807)
Deferred share issue costs	-	(10,472)
Advances received	223,428	654,689
Advances repaid	(330,790)	(402,651)
Net cash provided by financing activities	7,455,521	1,058,569
Effect of exchange rate changes on cash	224	5,760
Net change in cash	1,838,400	(595,716)
Cash at beginning of year	31,393	627,109
Cash at end of year	1,869,793	31,393

Supplemental cash flow information - See Note 14

1. Nature of Operations and Going Concern

The Company is a public company incorporated on March 3, 1937 pursuant to the laws of the Province of Ontario, Canada and continued into British Columbia on October 14, 2020. The Company's common shares are listed and trade on the TSX Venture Exchange ("TSXV") under the symbol "LVG", the OTCQB under the symbol "LVGLF" and the Frankfurt Exchange under the symbol "T23".

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of mineral properties located in Tanzania. On the basis of information to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the exploration and evaluation assets is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. Exploration and evaluation assets represent costs incurred to date, less amounts depreciated and/or written off, and do not necessarily represent present or future values.

The Company's material mineral properties are located in Tanzania and consequently the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and governmental regulations relating to the mining industry.

These consolidated financial statements have been prepared on a going concern basis. As at December 31, 2025 the Company had working capital of $137,391 and an accumulated deficit of $69,468,991. The Company has not yet produced any revenues from its mineral interests and further funds will be required to fund existing levels of overhead and planned exploration expenditures over the course of the next twelve months. In addition to its operations in the Tembo Project, the Company has entered into an agreement to the acquisition of the Imwelo Gold Project, as described in Note 5(b). The Company will need to raise additional capital from the sale of common shares or other equity or debt instruments. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its operations or obtain financing at unfavourable terms. The material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

2. Basis of Preparation

Statement of Compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRI Committee ("IFRIC").

Basis of Measurement

The Company's consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. These consolidated financial statements are presented in Canadian Dollars unless otherwise stated.

2. Basis of Preparation (continued)

Details of the Group

In addition to the Company, the consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are deconsolidated from the date that control by the Company ceases.

As at December 31, 2025 the subsidiaries of the Company are:

Company	Location of Incorporation	Ownership Interest
Tembo Gold (T) Ltd.	Tanzania	100%
Mineral Industry Promotion & Consulting Company Ltd.	Tanzania	100%

3. Material Accounting Policies

Critical Judgments and Sources of Estimation Uncertainty

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

(i) The determination of a subsidiary's functional currency often requires significant judgment when the primary economic environment in which they operate may not be clear. This can have a significant impact on the consolidated results of the Company based on the foreign currency translation methods used.

(ii) Management is required to assess impairment in respect of intangible exploration and evaluation assets. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a proportion of projects are ultimately successful and some assets are likely to become impaired in future periods.

(iii) The assessment of the probability of future taxable income in which deferred tax assets can be utilized is based on the Company's estimate of future profits or losses adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the jurisdictions in which the Company operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

3. Material Accounting Policies (continued)

Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(i) Depreciation expense is allocated based on assumed useful life of property, plant and equipment. Should the useful life differ from the initial estimate, an adjustment would be made in the statement of operations.

(ii) The calculation of share-based compensation requires estimates of volatility, interest rates, forfeiture rates and market prices surrounding the issuance of share options. These estimates impact share-based compensation expense and share-based compensation reserve.

(iii) The assessment of any impairment of plant and equipment and exploration and evaluation assets is dependent upon estimates of the recoverable amounts that take into account factors such as reserves, economic and market conditions and the useful lives of assets. In fiscal 2025 and 2024 management concluded there were no impairment indicators and no impairment charge was required.

Exploration and Evaluation Assets

Pre-exploration costs incurred prior to acquiring the legal rights to explore are expensed in general exploration in the period in which they are incurred. Subsequent to obtaining the legal right to explore, the Company follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral properties. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment, or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farm out of the property result in a revised estimate of the recoverable amount, but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company credits all proceeds received against the cost of the related mineral properties. To the extent that the amounts received or receivable are in excess of the carrying amount, the Company will recognize the excess recovered amount in income.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditures are not expected to be recovered, they are charged to the results of operations.

3. Material Accounting Policies (continued)

Plant and Equipment

Plant and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Plant and equipment are depreciated annually on a straight-line basis over the estimated useful lives of the assets with annual rates from 5% to 25%.

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the consolidated statement of comprehensive income or loss.

Where an item of plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of plant and equipment. Expenditures incurred to replace a component of an item of plant and equipment that is accounted for separately, including major inspection and overhaul expenditures are capitalized.

The Company compares the carrying value of plant and equipment to estimated net recoverable amounts, based on estimated future cash flows, to determine whether there is any indication of impairment whenever events or circumstances warrant.

Impairment of Non-financial Assets

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is determined as the price that would be received to sell an asset in an orderly transaction between market participants. 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. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Decommissioning Provision

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral interest by or on behalf of the Company. Costs for restoration of site damage which is created on an ongoing basis during exploration and evaluation are provided for at their net present values and charged against profits in the period such exploration and evaluation occurs. Discount rates using a risk-free rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. As at December 31, 2025 and 2024 the Company does not have any decommissioning obligations.

3. Material Accounting Policies (continued)

Financial Instruments

The Company classifies its financial assets and financial liabilities in the following measurement categories: (i) those to be measured subsequently at fair value through profit or loss ("FVTPL"); (ii) those to be measured subsequently at fair value through other comprehensive income ("FVOCI"); and (iii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition). For financial liabilities measured subsequently at FVTPL, changes in fair value due to credit risk are recorded in other comprehensive income.

Under the expected credit loss ("ECL") model, the measurement options are lifetime expected credit losses and 12 month expected credit losses. The Company adopted the practical expedient to determine ECL on trade and other receivables using a provision matrix based on historical credit loss experiences adjusted for forward-looking factors specific to the debtors and to the economic environment to estimate lifetime ECL.

Share Capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

Share-Based Payment Transactions

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of share options granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

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

Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

3. Material Accounting Policies (continued)

Current and Deferred Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in the statement of comprehensive loss, except to the extent that it relates to items recognized in other comprehensive loss or directly in equity. In this case the income tax is also recognized in other comprehensive loss or directly in equity, respectively.

Current Income Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Income Tax

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Loss Per Share

Basic loss per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

Foreign Currency Translation

Functional and Presentation Currency

The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the parent Company. The functional currency of the Company's Tanzanian subsidiaries is US dollars.

Foreign currency transactions are translated into the functional currency of the respective entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognized in profit or loss.

3. Material Accounting Policies (continued)

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Company's financial statements, all assets, liabilities and transactions of the Company's entities with a functional currency other than the Canadian dollars are translated into Canadian dollars upon consolidation. The functional currency of the entities in the Company have remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into Canadian dollars at the closing rate at the reporting date. Income and expenses have been translated into Canadian dollars at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognized in equity are reclassified to profit or loss and recognized as part of the gain or loss on disposal.

Accounting Standards and Interpretations Issued but Not Yet Effective

IFRS 18, *Presentation and Disclosure in Financial Statements*, which will replace IAS 1, *Presentation of Financial Statements* aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 *Statement of Cash Flows*. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company is assessing the impact of the adoption of IFRS 18 and working to identify all impacts the changes will have on the Company's consolidated financial statements.

(Expressed in Canadian Dollars)

4. Plant and Equipment

Cost:	**Exploration Equipment and Camp Facility $**	**Vehicles $**	**Total $**
Balance at December 31, 2023	509,222	47,729	556,951
Additions	6,528	-	6,528
Foreign exchange movement	44,653	4,197	48,850
Balance at December 31, 2024	560,403	51,926	612,329
Additions	2,790	-	2,790
Foreign exchange movement	(26,168)	(2,465)	(28,633)
Balance at December 31, 2025	537,025	49,461	586,486
Accumulated Depreciation:			
Balance at December 31, 2023	(362,106)	(36,461)	(398,567)
Depreciation	(30,848)	(2,505)	(33,353)
Foreign exchange movement	(31,215)	(5,000)	(36,215)
Balance at December 31, 2024	(424,169)	(43,966)	(468,135)
Depreciation	(16,150)	(6,263)	(22,413)
Foreign exchange movement	19,963	2,209	22,172
Balance at December 31, 2025	(420,356)	(48,020)	(468,376)
Carrying Value:			
Balance at December 31, 2024	136,234	7,960	144,194
Balance at December 31, 2025	116,669	1,441	118,110

5. Exploration and Evaluation Assets

	Tembo Project $	**Imwelo Project $**	**Total $**
Balance at December 31, 2023	4,904,640	761,520	5,666,160
Exploration costs	345,402	532,067	877,469
Foreign exchange movement	444,877	93,720	538,597
Balance at December 31, 2024	5,694,919	1,387,307	7,082,226
Acquisition costs	-	5,500,000	5,500,000
Exploration costs	275,029	1,332,272	1,607,301
Disposition	-	(421,365)	(421,365)
Foreign exchange movement	(148,192)	(196,440)	(344,632)
Balance at December 31, 2025	5,821,756	7,601,774	13,423,530

5. Exploration and Evaluation Assets (continued)

(a) ***Tembo Project***

The Tembo Project originally consisted of seven prospecting licences located in northwest Tanzania. On December 7, 2021 the Company and Barrick Gold Corporation and Bulyanhulu Gold Mine Limited (collectively "Barrick") entered into an asset purchase agreement (the "Sale Transaction") whereby the Company agreed to sell to Barrick six of its non-core prospecting licences (the "Non-core Licences") in the Tembo Gold Project for an agreed amount of US $6,000,000. On April 22, 2022 (the "Closing") the Company closed on the Sale Transaction and received $7,508,280 (US $6,000,000) and paid legal and filing costs totalling $38,279 and an advisory fee of $300,000 associated with the Sale Transaction and, accordingly, recorded a gain on disposal of exploration and evaluation assets of $1,115,959. The Company also paid $2,241,074 (US $1,790,882) for capital gains tax remitted to the Tanzanian government.

Barrick has also agreed to conduct minimum exploration expenditures totalling US $9,000,000 (the "Expenditure Commitment") on the Non-core Licences over the next four years. Any underfunded exploration work commitment may be made up in the following years. In the event that the Expenditure Commitment is not funded by April 22, 2026, then Barrick must pay the Company the deficiency. In March 2026 Barrick advised the Company that it had completed the Expenditure Commitment, subject to the Company's final review.

Barrick also agreed to pay the Company contingent payments ("Contingent Payments") totalling a maximum aggregate of US $45,000,000, calculated based on the inferred, indicated and measured gold mineral resources ("Mineral Resources") identified on the Non-core Licences, as follows:

(i) US $20 per ounce for the initial 1,000,000 ounces of Mineral Resources;
(ii) US $10 per ounce for the second 1,000,000 ounces of Mineral Resources; and
(iii) US $5 per ounce for the remaining ounces of Mineral Resources.

See also Note 6(a).

(b) ***Imwelo Gold Project***

On February 28, 2025 the Company closed on a licence purchase agreement (the "Imwelo LP Agreement") dated August 9, 2023, with Lake Victoria Gold Ltd. ("Old LVG"), a private Australian company, and its Tanzanian subsidiary, Tanzoz Mineral Limited ("Tanzoz") (collectively the "Vendors"), pursuant to which the Company acquired (the "Imwelo Acquisition") the Vendors' interest in a mining license ML 538/2015 (the "Imwelo Gold Project") located in Tanzania. The Company also entered into a binding letter of intent, dated August 8, 2023, for financings by the Company totalling $11,520,000 (the "Financings") with Taifa Mining and Civils Limited ("Taifa"), a private Tanzanian mining contracting firm.

(i) Under the terms of the Imwelo LP Agreement the Company acquired the Imwelo Gold Project for consideration of $5,500,000 by issuing 24,064,723 common shares in the capital of the Company to the Vendors at a deemed issue price of $0.22 per share and $205,761 (US $150,938) for costs paid by the Company.

Old LVG is required to hold the common shares of the Company ("Company Shares") issued from the Financings in escrow in accordance with the share release conditions outlined below:

- one third of the Company Shares released from escrow upon commercial production being achieved on the Imwelo Gold Project;
- one third of the Company Shares released six months after commercial production; and
- one third of the Company Shares released twelve months after commercial production.

If commercial production is not achieved within three years of closing of the Imwelo LP Agreement, the escrow shares will be released to Old LVG. During the escrow period the Company will retain voting rights over the escrowed shares.

5. Exploration and Evaluation Assets (continued)

(ii) The Financings will be conducted in the following tranches;

- Prior to completion of the Imwelo Acquisition, Taifa, or its affiliates, will initially subscribe for 16,000,000 shares of the Company at $0.22 per share for gross proceeds of $3,520,000 (the "First Private Placement"). On September 12, 2023 the Company received conditional approval to complete the First Private Placement. On November 7, 2023 the Company received an initial $2,227,069 (US $1,630,000) towards the First Private Placement and on February 28, 2025 the Company received the remaining $1,292,931 and issued the 16,000,000 shares, thereby closing the First Private Placement.
- Upon completion of final engineering Taifa will have twenty days to complete a second private placement of 16,000,000 units (the "Units") at a price of $0.24 per Unit (subject to TSXV pricing rules) for gross proceeds of $3,840,000. Each Unit will consist of one common share of the Company and one warrant ("Warrant") exercisable to purchase one additional common share of the Company for two years at a price of $0.26 per share (subject to TSXV pricing rules).
- On the date that is six months after the Company breaks ground on the Imwelo Gold Project, Taifa will have twenty days to exercise the Warrants which will result in the issuance of an additional 16,000,000 shares of the Company for gross proceeds to the Company of $4,160,000.

Upon closing of the First Private Placement, the Company entered into an investor rights agreement with Taifa in which it will have the right, as long as it maintains ownership of, or control or direction over, more than 10% of the outstanding common shares, to participate in subsequent financings of the Company to maintain its ownership position and to nominate one member to the Company's board of directors.

In September 2025 the Company reached an agreement in principle in which the Government of Tanzania will be entitled to a minimum of a 16% non-dilutable free carried interest in the Imwelo Project, subject to finalization of formal documentation.

On December 7, 2023 the Company entered into a license purchase agreement with an arm's length private Tanzanian citizen, pursuant to which the Company purchased a prospecting license (the "Dora License") located in Tanzania, for $132,260 (US $100,000). The Dora License is contiguous to the Imwelo Gold Project. In February 2025 the Company agreed to terminate the license purchase agreement to the Dora License and received a settlement amount of $421,365 (US $293,000).

6. Deposits

As at December 31, 2025 the Company has recorded deposits totalling $2,724,374 (2024 - $1,468,777) as follows:

(a) The Company has deposited US $522,865 in escrow in respect of taxes which may be payable in respect of any Contingent Payments received. On April 16, 2025 the Company filed the application for refund of the deposit. On July 27, 2025 the Tanzanian Government informed the Company that the deposit will not be refunded to the Company until a formal cancellation is made with respect to the Contingent Payments on the Tembo Project. As at December 31, 2025 the Company is assessing its filing position.

(b) The Company entered into an agreement to purchase a refurbished mill for a contracted priced of approximately $920,000 (South African Rand 12,113,256). As at December 31, 2025 the vendor has completed approximately 80% of the refurbishment and the Company has recorded an amount of $750,895 of which $551,586 has been paid and the remaining $199,309 has been recorded in accounts payable and accrued liabilities.

(c) The Company made an initial retainer payment of US $917,000 for further exploration work programs to be conducted on the Imwelo Gold Project.

(Expressed in Canadian Dollars)

7. Advances Payable

	Advance 5%	Advances 12%	Advances $	Total $
Balance December 31, 2023	44,000	-	-	44,000
Advances received	-	150,000	504,689	654,689
Advances repaid	-	-	(402,651)	(402,651)
Foreign exchange movement	-	-	5,324	5,324
Balance December 31, 2024	44,000	150,000	107,362	301,362
Advances received	-	18,750	223,428	242,178
Advances repaid	-	-	(330,790)	(330,790)
Advances settled	(44,000)	(168,750)	-	(212,750)
Balance December 31, 2025	-	-	-	-

(a) The Company has received an advance from a shareholder of the Company. This advance initially bore interest at 5% per annum until December 31, 2019. Effective January 1, 2020 the advance was determined to be non-interest bearing and is without fixed terms of repayment. On October 17, 2025 the Company issued 326,023 common shares in settlement of advances received and accrued interest payable.

(b) The 12% advances bear interest at a rate of 12% per annum and have no fixed terms of repayment. During fiscal 2025 the Company recognized $12,987 (2024- $1,989) of interest expense. On October 17, 2025 the Company issued 1,038,497 common shares in settlement of advances received and accrued interest payable.

(c) The Company had received ongoing advances from private companies controlled by an officer of the Company. The advances were non-interest bearing and were due on demand.

8. Promissory Note Payable

On April 20, 2022 the Company issued a promissory note (the "Promissory Note") for US $261,000 for advances made by Barrick. The Promissory Note bears interest at the variable rate per annum equal to the Royal Bank of Canada base rate for US dollar loans. Interest accrued will be due and payable on December 31st of each year and on the date of repayment of the Promissory Note. The maturity date of the Promissory Note is dependent upon the refund of the deposit made as described in Note 5(a).

During fiscal 2025 the Company recorded interest expense of $23,624 (2024 - $30,840). No payments on interest has been made and, as at December 31, 2025 $104,787 (2024 - $85,692) of accrued interest was outstanding and has been included in interest payable.

9. Convertible Debentures

	Liability Component $	Equity Component $	Total $
Gross proceeds	628,587	121,413	750,000
Legal costs	(30,652)	(6,155)	(36,807)
Accretion on Debentures	27,146	-	27,146
December 31, 2024	625,081	115,258	740,339
Accretion on Debentures	59,772	-	59,772
Conversion of Debentures	(18,000)	-	(18,000)
December 31, 2025	551,595	115,258	666,853

9. Convertible Debentures (continued)

During fiscal 2024 the Company completed a $750,000 unsecured convertible debenture financing (the "Debentures"). Each Debenture matures July 25, 2026 (the "Maturity Date") and bears interest at 12% per annum payable quarterly, which interest, may at the option of the Company be settled in cash or in common shares of the Company at a conversion price based on the market price of the common shares of the Company.

The outstanding principal amount of each Debenture is convertible, at the option of the holder, at any time prior to the Maturity Date, into common shares of the Company at a conversion price of $0.18 per common share (the "Conversion Price"). The Debentures are subject to a forced conversion provision whereby the Company may, in its sole discretion, convert the outstanding principal amount of the Debentures into common shares of the Company at the Conversion Price if, at any time after the first year following the date of issuance of the Debentures and prior to the Maturity Date, the Company's common shares trade at a closing price above $0.275 for a period of 20 consecutive trading days on the TSXV.

During fiscal 2025 the Company:

(i) issued 100,000 common shares, at a price of $0.18 per share, on the conversion of $18,000 principal of the Debentures;
(ii) issued 223,763 common shares, at a price of $0.18 per share, for settlement of the $40,277 accrued interest incurred to December 31, 2024;
(iii) issued 228,872 common shares, at a price of $0.195 per share, for settlement of $44,630 of accrued interest incurred to June 30, 2025;
(iv) recognized $89,296 (2024 - $40,278) of interest expense, of which $44,666 was unpaid as at December 31, 2025 and is included in interest payable; and
(v) recognized $59,772 (2024 - $27,146) of accretion expense.

As at December 31, 2025 $37,000 (2024 - $37,000) of the Debentures were held by private companies controlled by directors and officers of the Company.

See also Note 16.

10. Share Capital

(a) ***Authorized Share Capital***

The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares. All issued common shares are fully paid.

(b) ***Equity Financings***

Fiscal 2025

(i) In February 2025 the Company completed the Imwelo LP Agreement in consideration for $5,500,000, consisting in the issuance of 24,064,723 common shares in the capital of the Company to the Vendors at a deemed issue price of $0.22 per share and $205,761 (US $150,938) for costs paid by the Company, of which $177,407 (US $130,000) was paid in fiscal 2024.

The Company also closed the First Private Placement of 16,000,000 shares with Taifa as described in Note 5(b)(ii).

The Company incurred $29,086 for legal services and filing costs associated with the First Private Placement of which $10,472 was incurred at December 31, 2024.

(Expressed in Canadian Dollars)

10. Share Capital (continued)

(ii) On September 16, 2025 the Company completed a non-brokered private placement and issued 34,285,715 units of the Company at a price of $0.175 per unit for gross proceeds of $6,000,000. Each unit comprised one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable by the holder to acquire one additional common share at an exercise price of $0.27 per share, expiring September 16, 2028.

The Company paid total cash finders' fees of $215,340 and issued a total of 1,218,515 warrants (the Finders' Warrants"). Each Finders' Warrant entitles the holder to purchase an additional common share at a price of $0.175 per share until September 16, 2028. The value assigned to the Finders' Warrants was $85,296. The weighted average fair value of the Finders' Warrants issued was $0.07 per warrant. The fair value of the Finders' Warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: a risk-free interest rate of 2.53%; expected volatility of 57%; an expected life of 3 years; a dividend yield of 0%; and an expected forfeiture rate of 0%.

The Company incurred $90,376 for legal services and filing costs associated with this private placement.

(iii) In October 2025 the Company completed a non-brokered private placement and issued a total of 11,428,571 common shares of the Company at a price of $0.175 per share for gross proceeds to the Company of $2,000,000**.** The Company paid a finder's fees of $7,007 cash and issued 40,040 warrants (the "Finder's Warrants") on a portion of this private placement. Each Finder's Warrant is exercisable to acquire one common share at a price of $0.175 per share until October 17, 2028. The value assigned to the Finder's Warrants was $2,803. The weighted average fair value of the Finder's Warrants issued was $0.07 per warrant. The fair value of the Finder's Warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: a risk-free interest rate of 2.45%; expected volatility of 57.5%; an expected life of 3 years; a dividend yield of 0%; and an expected forfeiture rate of 0%.

Directors of the Company, close family members and associated corporations purchased in aggregate 6,109,800 common shares for a total of $1,069,215.

Fiscal 2024

No equity financings were completed during fiscal 2024.

(c) ***Warrants***

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants December 30, 2025 and 2024 and the changes for the years ended on those dates, is as follows:

	2025		2024	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance, beginning of year	-	-	-	-
Warrants issued	18,401,411	0.26	-	-
Balance, end of year	18,401,411	0.26	-	-

(Expressed in Canadian Dollars)

10. Share Capital (continued)

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at December 31, 2025:

Number	Exercise Price $	Expiry Date
17,142,856	0.27	September 16, 2028
1,218,515	0.175	September 16, 2028
40,040	0.175	October 17, 2028
18,401,411		

(d) ***Equity Incentive Plan***

On March 20, 2025 the Company established a new 10% rolling omnibus equity incentive plan (the "Equity Incentive Plan"). The Equity Incentive Plan allows for the issuance of incentive stock options, deferred share units, performance share units, restricted share units, stock appreciation rights and stock purchase rights (collectively the "Awards"). The maximum number of shares reserved for issuance on exercise of all the Awards granted under the Equity Incentive Plan shall not exceed 10% of the issued and outstanding common shares as at the date of grant of any Award.

Share Option Plan

No share options were granted by the Company during fiscal 2025 or 2024.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide a reliable measure of the fair value of the Company's share options.

A summary of the Company's share options at December 31, 2025 and 2024 and the changes for the years ended on those dates, is as follows:

	2025		2024	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of year	750,000	0.18	3,272,334	0.17
Exercised	(750,000)	0.18	(646,334)	0.16
Expired	-	-	(1,876,000)	0.17
Balance, end of year	-	-	750,000	0.18

As at December 31, 2025 the Company had no share options outstanding.

Restricted Share Units

During fiscal 2025 the Company awarded 6,500,000 RSUs which will vest as to 100% on July 18, 2026 and recorded share-based compensation of $648,288 on the vesting of these RSUs. During fiscal 2024 the Company granted 250,000 RSUs and recorded share-based compensation of $46,250 on the vesting of these RSUs and $1,287,957 relating to the vesting of RSUs previously awarded in fiscal 2023.

(Expressed in Canadian Dollars)

10. Share Capital (continued)

A summary of the Company's RSUs at December 31, 2025 and 2024 and the changes for the years ended on those dates, is as follows:

	2025 Number of RSUs	**2024 Number of RSUs**
Balance, beginning of year	8,800,000	9,600,000
Awarded	6,500,000	250,000
Exercised	(1,000,000)	(1,050,000)
Balance, end of year	14,300,000	8,800,000

See also Note 16.

11. Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. Transactions made with related parties are made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Transactions with Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and executive officers.

(a) During fiscal 2025 the Company incurred $924,482 (2024 - $858,077) for executive management compensation which have been allocated based on the nature of the services provided: expensed $840,608 (2024 - $775,877) to executive management compensation and capitalized $83,874 (2024 - $82,200) to exploration and evaluation assets. As at December 31, 2025 $170,957 (2024 - $861,023) remained unpaid and has been included in accounts payable and accrued liabilities.

During fiscal 2025 the Company also recorded share-based compensation of $373,624 (2024 - $955,159) on RSUs granted to key management personnel.

(b) During fiscal 2025 the Company incurred $57,250 (2024 - $53,750) for accounting and administration services provided by a private corporation owned by the Corporate Secretary of the Company. As at December 31, 2025 $1,000 (2024 - $nil) remained unpaid and has been included in accounts payable and accrued liabilities.

During fiscal 2025 the Company also recorded share-based compensation of $37,309 (2024 - $nil) on RSUs granted to Chase.

(c) See also Notes 7 and 9.

(Expressed in Canadian Dollars)

12. Income Taxes

The Company's provision for income taxes differs from the amounts computed by applying the basic current rate of 27% (2024 - 27%) to the loss for the year before taxes as shown in the following table:

	For the Year Ended December 31, 2025 $	2024 $
Income (loss) before taxes	(3,436,763)	(3,247,228)
Expected income tax benefit based on statutory rate	(927,926)	(876,752)
Non-deductible share-based compensation	175,038	347,748
Other	(7,077)	7,329
Effect of higher tax rate in foreign jurisdiction	(16,545)	(17,804)
True up of prior year balances	-	860,808
Increase (decrease) in unrecognized portion of deferred tax assets	776,510	(321,329)
Income tax benefit (expense) recorded	-	-

The following temporary differences and non-capital losses have not been recognized in the consolidated financial statements:

	2025 $	2024 $
Non-capital losses carried forward	7,547,336	6,770,825
Exploration and evaluation assets	387,478	387,478
Other	92,860	-
Total deductible temporary differences	8,027,674	7,158,303

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

The Company has non-capital losses in Canada of approximately $22,010,859 (2024 - $19,747,689) which expire through 2026-2045. The benefit of these losses has not been recognized for financial statements purposes. During fiscal 2025 the Company paid $nil (2024 - $nil) in respect of income taxes.

13. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: FVTPL; amortized cost; and FVOCI. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	December 31, 2025 $	December 31, 2024 $
Cash	Amortized cost	1,869,793	31,393
Accounts payable and accrued liabilities	Amortized cost	(968,954)	(2,394,928)
Advances payable	Amortized cost	-	(301,362)
Interest payable	Amortized cost	(104,787)	(141,013)
Promissory note payable	Amortized cost	(357,727)	(375,553)
Convertible debentures	Amortized cost	(666,853)	(625,081)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

(Expressed in Canadian Dollars)

13. Financial Instruments and Risk Management (continued)

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities and time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash, accounts payable and accrued liabilities, advances payable and interest payable approximate their fair value due to their short-term nature. The promissory note payable approximates its fair value due to the instrument being due on demand. The recorded amounts for convertible debentures (including the equity portion) approximate fair value and have interest at market rates for similar debt.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Management believes that the potential loss related to the credit risk included in cash is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. The following table is based on the contractual maturity dates of financial assets and liabilities and the earliest date on which the Company can be required to settle financial liabilities.

	Contractual Maturity Analysis at December 31, 2025				
	Carrying Amount $	**Contractual Cash Flows $**	**Less than 3 Months $**	**3 -12 Months $**	**1 - 5 Years $**
Cash	1,869,793	1,869,793	1,869,793	-	-
Accounts payable and accrued liabilities	(968,954)	(968,954)	(968,954)	-	-
Interest payable	(104,787)	(104,787)		(104,787)	-
Promissory note payable	(357,727)	(357,727)	-	(357,727)	-
Convertible debentures	(666,853)	(732,000)	-	-	(732,000)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. There is no interest rate risk associated with the advances payable as they are non-interest bearing. The interest rate risk on cash and on the Company's obligations are not considered significant.

13. Financial Instruments and Risk Management (continued)

(b) Foreign Currency Risk

The Company's significant subsidiaries are located in Tanzania and have considered the US Dollar as their functional currency. The Company also maintains cash deposits in US Dollars with its Canadian bank. As such, the fluctuation of the Canadian Dollar in relation to the US Dollar will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks. At December 31, 2025, 1 Canadian Dollar was equal to 0.73 US Dollar (2024 - 0.69 US Dollar) and 12.16 South African Rand (2024 -13.12).

Balances are as follows:

	December 31, 2025			December 31, 2024		
	South African Rand	**US $**	**CDN $ Equivalent**	**South African Rand**	**US $**	**CDN $ Equivalent**
Cash	-	181,066	248,036	-	8,599	12,463
Deposits	9,690,605	1,439,865	2,724,284	9,690,605	522,865	1,468,777
Accounts payable	(2,422,651)	(411,729)	(763,321)	(7,873,617)	(994,655)	(2,041,653)
Advances payable	-	-	-	-	(35,000)	(50,725)
Interest payable	-	(76,453)	(104,731)	-	(59,554)	(86,310)
Promissory note payable	-	(261,000)	(357,727)	-	(261,000)	(375,553)
	7,267,954	871,749	1,746,541	1,816,988	(818,745)	(1,073,001)

Based on the net exposures as of December 31, 2025 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the US Dollar and South African Rand would result in the Company's net income or loss being approximately $225,500 (2024 - $70,500) higher (or lower).

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital and cash. As at December 31, 2025 total amount of capital was $64,394,570 (2024 - $45,671,431). The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

(Expressed in Canadian Dollars)

14. Supplemental Cash Flow Information

During the fiscal 2025 and 2024 non-cash activities were conducted by the Company as follows:

	2025 $	2024 $
Operating activities		
Accounts payable and accrued liabilities	(18,750)	415,357
Interest payable	(84,908)	-
	(103,658)	415,357
Investing activity		
Exploration and evaluation assets	(5,294,239)	131,993
Deposits	(1,292,921)	(584,350)
	(6,587,170)	(452,357)
Financing activities		
Issuance of share capital	9,420,427	277,902
Share-based payments reserve	(350,599)	(277,902)
Convertible debenture proceeds	-	37,000
Conversion of convertible debenture	(18,000)	-
Advances received	18,750	-
Advances repaid	(240,780)	-
Share issue costs	98,571	-
Deferred share issue costs	(10,472)	-
Share subscriptions	(2,227,069)	-
	6,690,828	37,000

15. Segmented Information

The Company operates in one reportable segment, the exploration and development of unproven exploration and evaluation assets. The Company's exploration and evaluation assets are located in Tanzania and its corporate assets are located in Canada.

The Company's total assets are segmented geographically as follows:

	As at December 31, 2025		
	Canada $	Tanzania $	Total $
Current assets	2,070,535	165,177	2,235,712
Plant and equipment	-	118,110	118,110
Exploration and evaluation assets	-	13,423,530	13,423,530
Deposits	-	2,724,374	2,724,374
	2,070,535	16,431,191	18,501,726

	As at December 31, 2024		
	Canada $	Tanzania $	Total $
Current assets	89,644	102,950	192,594
Plant and equipment	-	144,194	144,194
Exploration and evaluation assets	-	7,082,226	7,082,226
Deposits	-	1,468,777	1,468,777
Deferred share issue costs	10,472	-	10,472
	100,116	8,798,147	8,898,263

16. Events after the Reporting Period

Subsequent to December 31, 2025 the Company:

(i) issued 148,885 common shares, at a price of $0.185 per share, and paid $17,122 cash, for settlement of $44,666 of accrued interest on the Debentures;

(ii) issued 121,510 common share on the exercise of warrants for $31,857 cash;

(iii) issued 972,222 common shares, at a price of $0.18 per share, on conversion of $175,000 principal of the Debentures;

(iv) granted share options to purchase 300,000 common shares of the Company, at an exercise price of $0.27 per share, expiring September 15, 2028; and

(v) granted share options to purchase 2,250,000 common shares of the Company, at an exercise price of $0.20 per share, expiring January 21, 2029.