

# **HANNAN METALS LTD.**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED MAY 31, 2025**

This discussion and analysis of financial position and results of operation is prepared as at September 25, 2025 and should be read in conjunction with the audited consolidated financial statements and the accompanying notes for the years ended May 31, 2025 and 2024 of Hannan Metals Ltd. ("Hannan" or the "Company"). The following disclosure and associated financial statements are presented in accordance with IFRS Accounting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

### **Forward-looking Statements**

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated exploration programs and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to identify one or more economic deposits on its properties, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, that the political environment in which the Company operates will continue to support the development and operation of mining projects, the threat associated with outbreaks of viruses and infectious diseases, risks related to negative publicity with respect to the Company or the mining industry in general, unexpected geological conditions, local community relations, dealings with non-governmental organizations, delays in operations due to permit grants, environmental and safety risks. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. In particular, the current state of global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via [www.sedarplus.ca](http://www.sedarplus.ca) or the Company's website [www.hannanmetals.com](http://www.hannanmetals.com) and readers are urged to review these materials.

### **Company Overview**

The Company is a reporting issuer in British Columbia and Alberta and listed on the TSX Venture Exchange ("TSXV") under the symbol "HAN". Hannan holds a significant tenure position in Peru, where the Company is focused on two new frontier areas in the sub-Andean zone: the Valiente copper-gold project (the "Valiente Project") and the San Martin copper-silver project (the "San Martin Project").

At San Martin, discovered in 2019, the Company signed a US \$35,000,000 earn-in and Joint Venture agreement with JOGMEC in 2020. The San Martin Project covers a basin-scale high-grade sediment-hosted copper-silver system extending over 200 km x 100 km. The Valiente Project, located 300 km south of San Martin, targets Miocene-age porphyry copper-gold deposits in a back-arc setting. With discoveries spanning from 2021 through 2025, the Valiente Project represents a potential new metallogenic province of Peru.

## Directors and Officers

As of the date of this MD&A the directors and officers of the Company are as follows:

Michael Hudson	Director, CEO, Executive Chairman
Georgina Carnegie	Director
Nick DeMare	Director
David Henstridge	Director
Katty Vargas	Director
Harvey Lim	CFO
Mariana Bermudez	Corporate Secretary

## Properties Update

### Valiente Project (Copper-Gold, Peru, 100% Hannan)

Hannan holds 910 sq km of mineral tenure at Valiente. The Company has identified seven mineralized systems over a 140 km x 50 km area. The Valiente Project has seen significant developments during the second half of 2024 and early 2025, particularly at the Previsto, Vista Alegre, Ricardo Herrera and Sortilegio prospects.

### Belen: Vista Alegre, Ricardo Herrera, and Sortilegio Prospects

In November 2024, the Company received environmental approval (“DIA”) for its first drill program at the Belen prospect, covering 40 drill platforms across 702 hectares. In February 2025, the Company received the Authorization for Exploration Activities permit from the Ministry of Mines (“MINEM”), which allows the Company to start access works for the maiden drill program. With archaeological monitoring and forestry permits subsequently advanced, the Company completed the final steps required to begin drilling.

On May 11, 2025, drilling commenced at Belen. As at the date of this MD&A, three holes have been completed at the Vista Alegre target, one hole has been completed at the Ricardo Herrera target with one hole also in progress at Ricardo Herrera before the program advances to test the Sortilegio target. Rehabilitation of the first three drillholes (two platforms) has already been completed.

The Company continues to maintain strong community engagement, working closely with local landholders at sites of activity and employing local people for access works, drill mobilization, and ongoing support of the program.

This significant milestone encompasses three key prospects within an 8 km by 2 km trend:

- (i) **Ricardo Herrera (porphyry copper-gold):** In December 2024, IP surveys revealed two significant anomalies. The main anomaly extends for 1,000 m strike length and 250 m width, with chargeability values ranging from 12-15 m and peaks to 26 m, defined to 350 m depth. The anomaly demonstrates strong correlation with outcropping porphyry-style mineralization within a multi-stage calc-alkaline intrusion, a well-defined positive magnetic anomaly, and a distinctive “bulls-eye” soil anomaly containing Cu-Au-Zn-Pb. A parallel target measuring 400 m by 200 m was also identified, representing a blind target within the permitted drilling area. Fourteen drill platforms have been approved for this prospect. Assays have not yet been received, however visual evaluation of the drill core indicates that the hole has intercepted the periphery of a copper/molybdenum porphyry system with multiple vein types and chalcopyrite/molybdenite logged throughout the hole in trace to minor amounts from 68 m to 630 m.
- (ii) **Vista Alegre (epithermal gold):** In December 2024, IP surveying identified two distinct types of anomalies. The first comprises a high chargeability - low resistivity zone extending over 2.4 km strike length and up to 500 m depth, coinciding with gold-in-soil values up to 0.23 ppm. The second consists of high chargeability - high resistivity zones over 1 km strike length, correlating with mineralized boulders that have returned assays up to 1.98 g/t gold and 29 g/t silver. Twelve drill platforms have been approved for this prospect. Three drillholes have been completed at this prospect, with all assays returned. All three holes tested IP and geochemical anomalies and only intercepted peripheral/leakage structures. Drill holes returned up to 0.4 g/t Au interpreted as surficial enrichment in the top 90 m regolith profile. SWIR data and geochemical anomalies near end of holes HDDVA001 and 002 indicate the presence of hotter, ore bearing fluids and hence follow up drilling is planned.

- (iii) **Sortilegio (porphyry copper-gold):** In January 2025, advanced geophysical surveys delineated an extensive 1.2 km chargeability anomaly extending to 500 m below surface. Two distinct targets were identified: 1) Shallow Structural target with high-chargeability anomalies mapped below the surface extending up to 600 m along north-south oriented structures, demonstrating spatial correlation with gossanous gold-mineralized float on surface; and 2) Deep Porphyry Target with a major chargeability anomaly extending 1.2 km in strike length, commencing at 850 m RL (250 m below surface) and extending to 600 m RL (500 m below surface). Thirteen drill platforms have been approved for this prospect. Active social work at Sortilegio commenced in July 2025 and is ongoing in August 2025 and September 2025 to begin work to open and maintain access to multiple drilling platforms for drill testing after Ricardo Herrera.

## Previsto Prospect

At Previsto Central, the Company made substantial advancement throughout 2024 and 2025.

In February 2025, channel sampling revealed high-grade alkalic-type epithermal gold mineralization with 69.1 m at 2.4 g/t gold (“Au”) including 26.0 m at 5.4 g/t Au. The north-south channel (CH15486) also returned 13 g/t Ag and includes peak assays of 3.0 m @ 12.7 g/t Au, 49 g/t Ag, 43 g/t Te; 3.0 m @ 11.2 g/t Au, 53 g/t Ag, 36 g/t Te; and 0.7 m @ 16.1 g/t Au, 60 g/t Ag, 48 g/t Te. The channel remains open to both the north (4.8 g/t Au last assay) and south (0.8 g/t Au last assay). An east-west channel (CH16401) that joins the northern end of CH15486 assayed 7.0 m @ 1.2 g/t Au and 19 g/t Ag. This finding is located within a larger 4 km x 4 km gold-in-soil anomaly.

In March 2025, the Company reported the identification of a significant copper porphyry target at Previsto, located only 1,300 m from the previously identified high-grade gold mineralization. Systematic channel sampling across four parallel creeks (spaced 130 m to 290 m apart) confirmed 750 m of continuous copper mineralization with widths up to 192 m. Results from 768.7 m of channel sampling include:

- CH15447: 48.0 m @ 0.12% Cu
- CH15430: 107.0 m @ 0.09% Cu
- CH14555: 126.0 m @ 0.22% Cu
- CH15391: 192.0 m @ 0.17% Cu

In April 2025, Hannan extended the high-grade gold mineralization at Previsto. A southward extension of the main trench assayed 135.2 m @ 1.3 g/t Au, confirming continuity of mineralization. Additional channels 20 metres to the north cut new high-grade zones, with results including 11.3 m @ 3.7 g/t Au (with a peak of 1.7 m @ 23.4 g/t Au) and 2.3 m @ 18.8 g/t Au. In June 2025, mapping and trenching identified two new mineralized zones, broadening the strike length of the high-grade system to around 650 metres. The southern zone, some 150–200 metres south of the main trench, produced panel samples averaging 0.3 g/t Au, while the western zone, 80 metres west of the original mineralization, returned trench results such as 21 m @ 0.46 g/t Au (including 3 m @ 1.87 g/t Au). These new zones complemented the previously announced high-grade intercepts like 135.2 m @ 1.3 g/t Au, 11.3 m @ 3.7 g/t Au, and 2.3 m @ 18.8 g/t Au, demonstrating that the gold system was significantly more extensive than initially outlined.

In July 2025, Previsto’s footprint expanded further with continued high-grade results. On July 2, 2025 new channels perpendicular to earlier sampling returned 13.6 m @ 2.1 g/t Au and 4.6 m @ 7.2 g/t Au, while an outcrop 255 metres south-southwest assayed 2.2 g/t Au, extending the mineralized trend to about 750 metres of strike. Later in July, systematic sampling extended the footprint even more - 30 m east, 400 m south, and 230 m southeast of the high-grade core. These results suggested the presence of a large alkaline epithermal gold system, characterized by broad zones of low- to moderate-grade mineralization interspersed with high-grade shoots.

On September 2, 2025, Hannan reported the Honda Creek discovery, a new 2 km × 0.8 km gold-anomalous zone located 1.3–2.1 km south-southwest of Previsto Central, with rock chips up to 0.92 g/t Au and soils to 0.70 g/t Au. Hosted in Chonta Formation limestone and siltstone with low copper (<500 ppm), it represents a distinct gold-only system that could be carbonate-replacement or sediment-hosted. The find extends the Previsto mineralized footprint to over 5 km of strike, reinforcing the district-scale potential of the Valiente Project.

The mineralization remains open under cover to the north, south, and east.

The Company’s first geophysical Induced Polarization survey at Previsto Central, completed in October 2024, confirmed a substantial 6 km x 6 km copper-gold porphyry and epithermal gold mineral system. The survey identified

seven high-priority targets, including two porphyry targets within a 5 km by 1 km intrusive trend and five epithermal targets that correlate with extensive gold soil anomalies.

The Company continues to advance multiple work programs at Previsto, including expanded soil sampling and channel sampling programs, detailed prospecting, geological mapping and structural analysis, implementation of further induced polarization geophysical surveys, and advancement of drill permitting during 2025.

### **San Martin JV Project (Copper-Silver, Peru)**

The Company is currently awaiting ‘Authorization to Initiate’ activities, with timing on drilling dependent on final authorization. The planned program comprises two stages: an initial 2,000 m program over 1.8 km strike length, followed by an additional 1,500 m subject to results. All exploration activities conducted on the San Martin Project are fully funded by JOGMEG pursuant to its earn-in agreement.

### **Chile**

At the Cerro Rolando Project in Chile the Company drilled a 100 m drillhole in June 2025 to test a shallow conductor. Based on the results the Company has determined to not proceed and has terminated the letter agreement.

### **Future Developments**

Looking ahead through 2025, the Company has clear development paths for its key projects. Drilling continues at Belen (DIA Valiente) while at Previsto (DIA Almanecer) reconnaissance prospecting continues with the aim to extend the system and define further high-grade areas. The Company has completed the work for the DIA drill permit application and will lodge this before the end of 2025. The San Martin Project awaits ‘Authorization to Initiate’ activities.

### **Qualified Person**

Mr. Michael Hudson, the Company's Chairman and CEO, a Fellow of the Australasian Institute of Mining and Metallurgy, has reviewed and verified the contents of this document.

### **Selected Financial Data**

The following selected financial information is derived from the audited annual consolidated financial statements of the Company.

	<b>Years Ended May 31,</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Operations:</b>			
Revenues	Nil	Nil	Nil
Expenses	(2,039,950)	(1,767,124)	(1,633,772)
Other items	29,234	(3,947,622)	(70,212)
Net loss	(2,010,716)	(5,714,746)	(1,703,984)
Basic and diluted loss per share	(0.02)	(0.05)	(0.02)
<b>Statement of Financial Position:</b>			
Working capital	2,305,154	737,851	3,092,758
Total assets	11,112,804	6,878,744	11,698,066
Total long-term liabilities	Nil	Nil	Nil

The following selected quarterly financial information is derived from the unaudited condensed consolidated interim financial statements of the Company and prepared using IFRS.

	Fiscal 2025				Fiscal 2024			
Three Months Ended	May 31/25 \$	Feb 28/25 \$	Nov 30/24 \$	Aug 31/24 \$	May 31/24 \$	Feb 29/24 \$	Nov 30/23 \$	Aug 31/23 \$
<b>Operations:</b>								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(396,079)	(282,554)	(1,084,175)	(277,142)	(169,094)	(242,369)	(282,459)	(1,073,202)
Other Items	(15,702)	(92,949)	101,582	36,303	51,859	(4,076,270)	36,947	39,842
Net loss	(411,781)	(375,503)	(982,593)	(240,839)	(117,235)	(4,318,639)	(245,512)	(1,033,360)
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)	(0.04)	(0.00)	(0.01)
<b>Statement of Financial Position:</b>								
Working capital	2,305,154	1,892,693	2,426,734	3,391,564	737,851	1,038,377	1,585,092	2,216,885
Total assets	11,112,804	9,907,681	10,223,391	10,411,714	6,878,744	6,958,248	11,372,420	11,474,318
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

## Results of Operations

### *Three Months Ended May 31, 2025 Compared to Three Months Ended February 28, 2025*

During the three months ended May 31, 2025 (“Q4”) the Company reported a net loss of \$411,781 compared to a net loss of \$375,503 for the three months ended February 28, 2025 (“Q3”), an increase in loss of \$36,278. The increase in loss is primarily attributed to an overall \$113,525 increase in general and administrative expenses, from \$282,554 reported in Q3 compared to \$396,079 in Q4, partially offset by recognition of a foreign exchange loss of \$111,277 in Q3 compared to a foreign exchange loss of \$33,871 in Q4 resulting in a fluctuation of \$77,406.

### *Three Months Ended May 31, 2025 Compared to Three Months Ended May 31, 2024*

During the three months ended May 31, 2025 (“Q4/2025”) the Company reported a net loss of \$411,781 compared to a net loss of \$117,235 for the three months ended May 31, 2024 (“Q4/2024”) an increase in loss of \$294,546. During Q4/2025 there was an overall increase in general administration expenses of \$226,985 from \$169,094 during Q4/2024 to \$396,079 in Q4/2025. In addition, the Company recognized a foreign exchange gain of \$43,434 in Q4/2024 compared to a foreign exchange loss of \$33,871 in Q4/2025 resulting in a fluctuation of \$77,305.

### *Year Ended May 31, 2025 Compared to Year Ended May 31, 2024*

During the year ended May 31, 2025 (“fiscal 2025”) the Company reported a net loss of \$2,010,716 compared to a net loss of \$5,714,746 for the year ended May 31, 2024 (“fiscal 2024”), a decrease in loss of \$3,704,030 primarily due to the recognition of an impairment provision of \$4,080,608 on the Clare Project in Ireland in fiscal 2024. In addition, the Company recognized an increase in general administration expenses of \$272,826 from \$1,767,124 during fiscal 2024 to \$2,039,950 during fiscal 2025 and incurred a fluctuation in foreign exchange of \$119,971, from a gain of \$43,091 in fiscal 2024 to a loss of \$76,880 in fiscal 2025. Significant variances in expenses are as follows:

- (i) recognition of share-based compensation of \$827,652 recorded in fiscal 2025 compared to \$848,678 in fiscal 2024 on the granting and vesting of share options;
- (ii) investor relations increased by \$177,787, from \$24,038 in fiscal 2024 to \$201,825 in fiscal 2025. The Company engaged Swiss Resources Capital AG (“SRC”) to provide investor relations services to the Company for a monthly fee of €1,500. Effective January 16, 2025 the Company also engaged Resource Stock Digest to provide a three month advertising and marketing campaign for US \$125,000;
- (iii) incurred legal fees of \$20,372 in fiscal 2025 compared to \$12,700 in fiscal 2024. During fiscal 2025 Company incurred legal fees of \$11,580 for due diligence on the Cerro Rolando Project;
- (iv) incurred general exploration of \$246,607 in fiscal 2025 compared to \$121,470 in the 2024 period primarily for the on-going due diligence exploration program on the Cerro Rolando Project;
- (v) incurred \$198,000 (2024 - \$240,686) for director and officer compensation for services provided by officers and directors of the Company. The variance was primarily attributable to compensation amounts capitalized to exploration and evaluation assets. See also “Transactions with Related Parties”;
- (vi) travel decreased by \$28,964 from \$65,563 in fiscal 2024 to \$36,599 in fiscal 2025. Travel costs were higher in fiscal 2024 due to review of properties in Chile.

The Company holds its cash in interest bearing accounts in major financial institutions. Interest income is generated from the deposits and fluctuates primarily with the levels of cash on deposit. During fiscal 2025 the Company recorded interest income of \$106,114 compared to \$89,895 during fiscal 2024.

### Exploration and Evaluation Assets

During fiscal 2025 the Company incurred a total of \$4,106,892 (2024 - \$2,930,520) on the acquisition, exploration and evaluation of its unproven resource assets of which \$1,201,430 (2024 - \$1,283,715) was incurred on its San Martin JV Project and \$2,905,462 (2024 - \$1,646,805) on the Valiente Project. In addition, the Company recorded a cost recovery of \$1,387,411 (2024 - \$1,184,542) on its San Martin JV Project as JOGMEC reimbursed the Company for all project related costs and credited management fees billed to JOGMEC of \$90,085 (2024 - \$113,697). During fiscal 2024 the Company also recorded an impairment provision of \$4,080,608 for all capitalized exploration and evaluation costs on the Claire Project in Ireland.

See also “Properties Update”.

Exploration and acquisitions costs incurred during fiscal 2025 are as follows:

	San Martin JV Project \$	Valiente Project \$	Total \$
<b>Balance at May 31, 2024</b>	<u>442,750</u>	<u>5,343,539</u>	<u>5,786,289</u>
<b>Exploration costs</b>			
Assays	-	140,566	140,566
Community	21,587	-	21,587
Consulting	714,766	1,267,246	1,982,012
Geology	-	155,890	155,890
Insurance	1,743	4,863	6,606
Legal	4,069	5,283	9,352
Logistics	180,811	667,732	848,543
Supplies	-	5,581	5,581
Travel	-	34,703	34,703
VAT incurred	<u>67,898</u>	<u>240,042</u>	<u>307,940</u>
	<u>990,874</u>	<u>2,521,906</u>	<u>3,512,780</u>
<b>Acquisition costs</b>			
License applications and fees	<u>210,556</u>	<u>383,556</u>	<u>594,112</u>
<b>Other</b>			
Cost recoveries	(1,387,411)	-	(1,387,411)
Management fees	<u>(90,085)</u>	<u>-</u>	<u>(90,085)</u>
	<u>(1,477,496)</u>	<u>-</u>	<u>(1,477,496)</u>
<b>Balance at May 31, 2025</b>	<u>166,684</u>	<u>8,249,001</u>	<u>8,415,685</u>

### Financing Activities

#### *Fiscal 2025*

On June 27, 2024 the Company completed a non-brokered private placement of 10,593,513 units at \$0.35 per unit, for total proceeds of \$3,707,730. The net proceeds from the private placement was being used to conduct ongoing exploration expenditures on the Company’s Valiente Project and due diligence on the Cerro Rolando Chile Project, as well as for general working capital and corporate purposes. In addition, the Company issued a total of 4,883,123 common shares on the exercise of warrants and share options for proceeds of \$1,755,152.

## *Fiscal 2024*

During fiscal 2024 the Company issued 396,000 common shares on the exercise of share options for proceeds of \$69,125. The Company did not complete any equity financings during fiscal 2024.

### **Financial Liquidity and Capital Resources**

As at May 31, 2025 the Company had working capital of \$2,305,154. Subsequent to May 31, 2025 the Company raised a further \$2,562,716 on the exercise of warrants and share options. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. The Company's San Martin JV Project is funded by JOGMEC under the JOGMEC JV Agreement. Management considers that the Company has adequate resources to maintain its core operations, conduct planned exploration programs on its existing exploration and evaluation assets, including the maiden drill program on the Belan prospect at Valiente, and discharge its obligations as they become due in the next twelve months.

### **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Proposed Transactions**

The Company has no proposed transactions.

### **Critical Accounting Estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of the Company's critical accounting estimates and sources of estimation is included in Note 3 to the May 31, 2025 audited annual consolidated financial statements.

### **Changes in Accounting Policies**

A detailed summary of all the Company's significant accounting policies and accounting standards and interpretations issued but not yet effective, is included in Note 3 to the May 31, 2025 audited annual consolidated financial statements.

### **Transactions with Related Parties**

#### **(a) *Transactions with Key Management Personnel***

The Company has determined that key management personnel consists of the executive members of the Company. During fiscal 2025 and 2024 the following amounts were incurred with respect to the Company's CEO (Mr. Hudson), President (Mr. Dahlenborg) and the CFO (Mr. Lim):

	2025 \$	2024 \$
Professional fees - Mr. Hudson	120,000	120,000
Professional fees - Mr. Dahlenborg	155,837	170,004
Professional fees - Mr. Lim	15,000	15,000
	<u>290,837</u>	<u>305,004</u>

During fiscal 2025 the Company incurred a total of \$290,837 (2024 - \$305,004) to key management personnel for their services which have been allocated based on the nature of the services provided: expensed

\$111,000 (2024 - \$151,186) to director and officer compensation; and capitalized \$179,837 (2024 - \$153,818) to exploration and evaluation assets. As at May 31, 2025 \$19,650 (2024 - \$33,217) remained unpaid.

During fiscal 2025 the Company also recorded \$286,800 (2024 - \$291,650) share-based compensation for share options granted to key management personnel as follows:

	2025 \$	2024 \$
Mr. Hudson	141,200	139,650
Mr. Dahlenborg	100,400	104,500
Mr. Lim	45,200	47,500
	<u>286,800</u>	<u>291,650</u>

(b) *Transactions with Other Related Parties*

- (i) During fiscal 2025 and 2024 the following amounts were incurred with respect to current and former non-management directors (Nick DeMare, David Henstridge, Georgina Carnegie, Ciara Talbot and Katty Vargas) and the Corporate Secretary (Mariana Bermudez) of the Company:

	2025 \$	2024 \$
Professional fees - Mr. DeMare	15,000	15,000
Professional fees - Mr. Henstridge	28,000	15,000
Professional fees - Ms. Carnegie	15,000	15,000
Professional fees - Ms. Talbot <sup>(1)</sup>	-	2,500
Professional fees - Ms. Vargas <sup>(2)</sup>	93,044	-
Professional fees - Ms. Bermudez	42,000	42,000
	<u>193,044</u>	<u>89,500</u>

(1) Ms. Talbot resigned as a director effective July 31, 2023.

(2) Ms. Vargas was appointed as a director on November 11, 2024 and the figure represents amounts paid to Ms. Vargas in her capacity as the general manager of the Peruvian subsidiaries. Ms. Vargas does not receive any additional compensation in her role as a director of the Company.

During fiscal 2025 the Company incurred a total of \$193,044 (2024 - \$89,500) to non-management directors and officers of the Company which have been allocated based on the nature of the services provided: expensed \$87,000 (2024 - \$89,500) to directors and officers compensation; and capitalized \$106,044 (2024 - \$nil) to exploration and evaluation assets. As at May 31, 2025 \$119,250 (2024 - \$115,500) remained unpaid.

During fiscal 2025 the Company also recorded \$254,400 (2024 - \$323,000) share-based compensation for share options granted to its non-management directors and the Corporate Secretary personnel as follows:

	2025 \$	2024 \$
Mr. Henstridge	83,600	104,500
Mr. DeMare	53,600	76,000
Ms. Carnegie	83,600	104,500
Ms. Bermudez	33,600	38,000
	<u>254,400</u>	<u>323,000</u>

- (ii) During fiscal 2025 the Company incurred a total of \$45,900 (2024 - \$39,800) to Chase, a private corporation owned by Mr. DeMare, for accounting and administration services provided by Chase personnel, excluding Mr. DeMare. As at May 31, 2025 \$6,100 (2024 - \$4,300) remained unpaid.

During fiscal 2025 the Company also recorded \$30,000 (2024 - \$28,500) share-based compensation for share options granted to Chase.



**Risks and Uncertainties**

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should consider investing in the Company's common shares.

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

**Outstanding Share Data**

The Company's authorized share capital is unlimited common shares with no par value. As at September 25, 2025, there were 130,670,416 issued and outstanding common shares and 8,932,600 share options outstanding at exercise prices ranging from \$0.25 to \$0.94 per share.