GOLD CANDLE LTD.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

# FOR THE YEAR ENDED DECEMBER 31, 2025

# Management's Discussion and Analysis for Year Ended December 31, 2025

(Expressed in CAD dollars rounded to the nearest thousand, except for shares and per share amounts)

## 1. INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of Gold Candle Ltd. ("Gold Candle", the "Company" or "GCL") dated April 29, 2026, should be read in conjunction with the Company's audited annual consolidated financial statements and related notes thereto for the year ended December 31, 2025, and 2024. The audited consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board. All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise stated. This MD&A focuses on significant factors that affected Gold Candle during the relevant reporting period and to the date of this report.

Léon LeBlanc, P.Eng., is a qualified person as defined by National Instrument 43-101 –*Standards of Disclosure for Mineral Projects* ("NI 43-101") and has reviewed and approved for inclusion the scientific and technical disclosure in this MD&A.

## 2. CAUTIONARY LANGUAGE

*Forward Looking Information*

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of applicable United States securities legislation, together "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "may", "will," "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "estimates", "continue" and similar expressions. The forward-looking information contained in this MD&A is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although Gold Candle believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Company can give no assurance that such expectations will prove to be correct. Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed or implied in the forward-looking information including, but not limited to, changes in general economic and market conditions and other risks and uncertainties. Although the forward-looking information contained herein is based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with such forward-looking information. Investors should not place undue reliance on forward-looking information.

Forward-looking information included in this MD&A includes, but is not limited to: statements with respect to exploration plans, economic potential, resource expansion, near mine potential, regional development of the Geminid nickel deposit, estimates of mineral resources; requirements for additional capital; information with respect to the ability of the Company to advance targets and conduct enough drilling to upgrade and expand mineral resource estimates in accordance with NI 43-101, and the timing and results thereof; the focus of capital expenditures; the Company's proposed exploration programs on the Kerr-Addison Project, and other properties that may be acquired in the future, including without limitation the completion of planned work programs and the ability of the Company to complete such planned work programs in accordance with proposed budgets; the Company's proposed principal focus of exploring and, if warranted, developing, the Kerr-Addison Project; the timing of the proposed recommended programs at the Kerr-Addison Project; exploration and acquisition plans; and the performance characteristics of the Company's mineral resource properties.

Some of the risks and other factors, which could cause actual results to differ materially from those expressed or implied in the forward-looking information contained in this MD&A include, but are not limited to: risks associated with mineral exploration and development operations such as environmental hazards and economic factors as they affect the cost and success of the Company's capital expenditures; the ability of the Company's proposed in-fill drilling program to establish continuity of grade and resources to upgrade in-fill mineral resources from the inferred to the indicated category and to enhance project economics; the ability of the Company to obtain required permits and approvals; the ability of the Company to obtain financing; uncertainty in the estimation of mineral resources; the price of gold and other metals; land title risk; the economic feasibility of the Company's mineral resources and the Company's commercial viability; general economic conditions in Canada and globally; the Company's ability to meet its working capital needs in the short and long term; environmental liability; continuously evolving governmental regulation of the mineral resource industry, including environmental regulation; liabilities inherent in mineral exploration; geological, technical and operational problems; failure to obtain third party permits, consents and approvals, when required, or at all; extensive government and environmental regulation, including mine closure obligations; and uninsured risks.

In addition, please note that statements relating to "mineral resources" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral resources described can be profitably mined in the future.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking information and statements contained in this MD&A are expressly qualified by this cautionary statement.

The forward-looking information contained in this MD&A is made as of the date of this MD&A, and the Company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required under applicable securities laws.

## 3. BUSINESS DESCRIPTION

Gold Candle was incorporated on December 23, 2014, under the Business Corporations Act (Ontario). The address of its registered head office is 123 Front Street West, Suite 905, Toronto, Ontario, Canada, M5J 2M2.

At December 31, 2025, the Company is a privately held, exploration-stage mining company that is engaged in the acquisition, exploration and development of mineral properties. The Company has no producing properties and has not established any mineral reserves. Its activities are focused on advancing its principal asset, the Kerr-Addison Mine project. The Company's property consists of a 44 $km^2$ land package located within the Larder Lake Mining District.

The Company has not generated revenue from operations and is dependent on external financing to fund its activities and maintain its mineral property interests.

## 4. 2025 HIGHLIGHTS

### Board and Executive Management Changes

The Company made significant additions to the board of directors (the "Board of Directors") and executive leadership team with Pierre Lassonde (Chair of the Board), Richard (Rick) Howes (Chief Executive Officer), Hannes Portmann (Chief Financial Officer) and Alasdair Federico (Vice President, General Counsel and Corporate Secretary) all joining the Gold Candle team in 2025.

### Mineral Resource Estimates

In May 2025, Gold Candle announced an updated mineral resource estimate ("MRE") for the Kerr-Addison gold deposit and an inaugural MRE for the Geminid nickel deposit.

The Kerr-Addison MRE included Indicated resources totaling 3.31 million ounces of gold contained in 69.2 million tonnes at 1.5 grams per tonne gold and Inferred resources totaling 2.36 million ounces of gold contained in 55.6 million tonnes at 1.3 grams per tonne gold. See Section 8 – Mineral Resource Estimates for additional detail.

The Geminid MRE included Inferred resources totaling 105.18 million pounds of nickel contained in 2.9 million tonnes at 1.6% nickel. See Section 8 – Mineral Resource Estimates for additional detail.

### Financing

Gold Candle successfully issued equity through various private placements during 2025 for total cumulative gross proceeds of $98.1 million. The Company issued a combination of ordinary common shares, flow-through common shares and charity flow-through common shares with tranches of financing closing in January, August, September, October and December 2025. See Section 9 – Financing for additional detail.

**Exploration**

The Company's total 2025 exploration program consisted of 123 holes totalling 57,338 metres on Gold Candle's 44km$^2$ land package located along the Larder Lake Cadillac Break ("LLCB") in the Abitibi gold district, northeastern Ontario, in line with the Company's 2025 exploration targets.

Gold Candle tested several of its high priority targets in 2025, including the Kerr-Addison Open Pit ("O/P") Infill and Chesterville East ("CVE") extension (14,100 metres over 49 holes), Kerr-Addison near mine targets (29,203 metres over 53 holes) as well as generative targets including the Kerr Deeps (4,183 metres over 5 holes). Notably, the drilling extended the O/P mineralization along the LLCB break by approximately 200 metres to the east beyond the limits of the existing mineral resource.

The assays from both the CVE extension and O/P Infill drilling have generally returned solid grades and widths. Adding the CVE extension and O/P infill drilling to the known resources is a 2026 priority for the Company.

Consistent with its Geminid deposit exploration strategy, the Company drilled 9,852 metres over 16 holes specifically targeting resource growth. Geminid's growing scale and strong nickel grade warrant further exploration as well as technical and economic assessment through 2026.

## 5. BUSINESS DEVELOPMENT

On April 22, 2026, Gold Candle acquired all of the issued and outstanding shares of Fokus Mining Corporation ("Fokus") in an all-cash transaction at an equity value for Fokus of $63 million in accordance with an arrangement agreement dated February 11, 2026 by way of a plan of arrangement.

Gold Candle further enhanced its asset base in the Abitibi through the addition of Fokus' existing 1.4 million ounces of Inferred gold mineral resources (41.2 million tonnes at 1.07 grams per tonne gold) and its 15,988-hectare land package along the LLCB.

## 6. BOARD AND EXECUTIVE MANAGEMENT CHANGES

As discussed above, Gold Candle made significant additions to its Board of Directors and executive leadership team during 2025.

- April 1, 2025 – Pierre Lassonde appointed Chair of the Board of Directors. Through his career, Mr. Lassonde has been involved in founding and/or successfully growing a significant number of resource companies including: Franco-Nevada, Orla Mining, Foran Mining, Fuerte Metals and ATEX Resources. He has been a significant investor in GCL since 2021.

- June 2, 2025 – Richard (Rick) Howes appointed Chief Executive Officer of the Company. Previously, Mr. Howes was CEO of Dundee Precious Metals from 2013 to 2020, leading the company from a junior producer to a mid-tier gold producer with multiple assets, strong free cash flow and solid shareholder returns. He retired from Dundee Precious Metals in 2020. In 2022, he was appointed President and CEO of Reunion Gold, which was acquired by G Mining Ventures Corp. for C$875 million in 2024. Rick has served as Chair of the Board of Torex Gold since 2021.

- July 1, 2025 – Hannes Portmann appointed Chief Financial Officer of the Company, replacing Jaime Hartman. Mr. Portmann spent the majority of his career in the resource sector, before most recently serving as Chief Financial Officer of Cabot Management Company Limited, a global leader in developing and operating world-class golf destinations. Prior to Cabot, Hannes served as Chief Financial Officer & Business Development at Marathon Gold Corporation which was subsequently sold to Calibre Mining Corp. Mr. Portmann's mining experience also includes ten years with New Gold Inc., where he moved into progressively more senior roles, ultimately serving as President and Chief Executive Officer, as well as six years as a director of SilverCrest Metals Inc. through its successful sale to Coeur Mining Inc. in February 2025.

- October 1, 2025 – Alasdair Federico appointed Vice President, General Counsel and Corporate Secretary. Mr. Federico brings a wealth of executive-level and legal experience to Gold Candle including holding roles of Vice-President, General Counsel & Corporate Secretary at Lake Shore Gold Corp., Executive Vice-President, Corporate Affairs and Social Responsibility at Kirkland Lake Gold Ltd. and most recently as Chief Financial Officer at Atlas Salt Inc.

Subsequent to December 31, 2025, Gold Candle added additional members to the Board of Directors and executive leadership team

- March 2, 2026 - Stephan Iafolla appointed Vice President Finance. Mr. Iafolla brings a breadth and depth of financial management, reporting, and strategic planning and analysis to Gold Candle's finance team. He has held senior financial management and reporting roles at several publicly listed intermediate resource companies, including, most recently as Director of Finance at Denison Mines Corp. Previously, he spent 15 years in the gold sector in Director of Finance and Controller roles at Alamos Gold Inc. and New Gold Inc.

- March 24, 2026 – Sunny Lowe appointed to the Board of Directors and as Chair of its Audit Committee. Ms. Lowe has over 25 years of capital markets, finance, and international accounting, tax and risk management experience, currently serving as the Chief Financial Officer of Highlander Silver Corp. Ms. Lowe has held previous roles as the Chief Financial Officer of Solaris Resources, Chief Financial Officer of INV Metals Inc. and as Vice President, Finance and Vice President, Internal Audit & Enterprise Risk Management for Kinross Gold. Ms. Lowe currently serves on the Board of Elemental Royalty Corp., where she Chairs its Audit Committee and previously served on the board of Prime Mining Corp. Ms. Lowe is a Chartered Professional Accountant and holds an MBA from the Schulich School of Business at York University.

- April 27, 2026 – Kerry Sparkes appointed Senior Vice President Exploration. Mr. Sparkes is a seasoned mining executive with over 37 years of experience in mineral exploration. Recently, he served as technical advisor and director to Prime Mining Corp. (bought by Torex Gold Resources Inc. in 2025), and is a director of Aurion Resources Ltd. and former director of Fokus Mining Ltd. He was previously Vice President-Geology for Franco Nevada Corporation and was also a founder and director of Orla Mining Ltd.

## 7. 2026 OUTLOOK

Gold Candle began 2026 with $77,061,000 of cash and equivalents leaving the Company well positioned to continue to progress its exploration, permitting and development plans.

In the fourth quarter of 2025, the Company began expanding its drill program with the objective of making 2026 the most significant exploration year in the Company's history. There are 9 drill rigs active on the property with 2026 exploration budgeted for 120,000 metres of drilling focused on three main priorities:

- Open Pit infill and expansion targets (40%)
- Exploration targets near the former Kerr-Addison Mine (35%)
- Regional Exploration, including Geminid (25%)

Plans for 2026 continue to align with the Company's objectives of completing an updated MRE for each of the Kerr-Addison and Geminid deposits in the second quarter of 2026. In addition, the team's exploration targeting exercise includes advancing new discoveries on the property, continuing to develop a pipeline of high-quality conceptual targets and further improving resource confidence by drilling ahead of future development milestones. As the Company continues to grow and better define its mineral resource base, it plans on completing a Preliminary Economic Assessment ("PEA") in the second half of 2027. In support of this, the majority of the Company's 2026 exploration budget is focused on Kerr-Addison. To achieve these goals and objectives, the Company has planned on increasing mineral property expenditures from $31.5 million in 2025 to $70.0 million in 2026. Included in the increase is $61.5 million related to exploration activities, and $6.5 million in connection with engineering and environmental studies to advance the PEA.

## 8. MINERAL RESOURCE ESTIMATES

### Kerr-Addison Gold Deposit

In February 2025, the Company announced an updated MRE for the Kerr-Addison gold deposit. The resource was based on a gold price of US$1,980 per oz. The MRE included both an open pit and an underground component. The estimate was completed using cut-off grades of 0.2 g/t Au for the open-pit and 1.2 g/t Au for underground mining. The total resource by category presently stands at:

- Indicated: 3.31Moz Au contained in 69.2Mt @ 1.5 g/t Au
- Inferred: 2.36Moz Au contained in 55.6Mt @ 1.3 g/t Au

The mineral resource surrounds the historic Kerr-Addison underground mine, that produced 11Moz Au from 1938 to 1996. The resource is comprised of mineralization below historic cut-off grades in the same geological domains as the previously mined areas. This includes mineralization that could not be mined economically before 1996, and newly-developed and modelled mineralization in proximity of the historical workings. This mineral resource was estimated by InnovExplo (a wholly-owned subsidiary of Norda Stelo) using geological models developed by Gold Candle's technical team and validated by InnovExplo.

The mineral resource is broken down as follows:

| **Open-Pit Mineral Resource (at 0.2 g/t Au cut-off)** | | | |
|---|---|---|---|
| **Classification** | **Tonnes (t)** | **Grade (g/t Au)** | **Ounces (oz Au)** |
| Indicated | 50,514,000 | 1.3 | 2,106,300 |
| Inferred | 38,950,000 | 1.1 | 1,382,400 |
| **Underground Long-Hole Mineral Resource (at 1.2 g/t Au cut-off)** | | | |
| Indicated | 18,738,000 | 2.0 | 1,204,400 |
| Inferred | 16,661,000 | 1.8 | 986,600 |
| **Kerr Addison Gold Project Total Resources** | | | |
| Total Indicated | 69,252,000 | 1.5 | 3,310,700 |
| Total Inferred | 55,611,000 | 1.3 | 2,369,000 |

Notes to the 2025 MRE:
1. The effective date of the 2025 MRE is February 3, 2025.
2. The independent and qualified persons for the 2025 MRE are Martin Perron, P.Eng and Simon Boudreau, P.Eng., both from InnovExplo, a subsidiary of Norda Stelo.
3. These mineral resources are not mineral reserves, as they do not have demonstrated economic viability. The MRE follows current CIM definitions and guidelines.
4. The estimate encompasses 146 mineralized lenses in eight (8) groups (A to H) using the grade of the adjacent material when assayed or a value of zero when not assayed.
5. High-grade capping supported by statistical analysis was done on raw assay data before compositing. It was established on a group-by-group basis, varying from 10 to 200 g/t Au for mineralized zones. Composites (1.0 m) were calculated within the zones using the grade of the adjacent material when assayed or a value of zero when not assayed.
6. The estimate was completed using a sub-block model in Isatis.neo 2024.04. The parent block size was 5m x 5m x 5m (subblocks of 1.25m x 1.25m x 1.25m).
7. Grade interpolation was obtained by Ordinary Kriging for all groups using hard boundaries.
8. Density values were assigned at 2.82 g/cm3 for all groups.
9. The MRE is classified as Indicated and Inferred. For groups A, B, C, F and H, the Inferred category is defined with a minimum of three (3) drill holes in areas where the drill spacing is less than 60 m, and reasonable geological and grade continuity have been demonstrated. For groups A, B, C, F and H, the Indicated mineral resource category is defined with a minimum of three (3) drill holes in areas where the drill spacing is less than 30 m, and reasonable geological and grade continuity have been demonstrated. For groups D, E and G, the Inferred category is defined with a minimum of three (3) drill holes in areas where the drill spacing is less than 30 m, and reasonable geological and grade continuity have been demonstrated. For groups D, E and G, the Indicated mineral resource category is defined with a minimum of three (3) drill holes in areas where the drill spacing is less than 15 m, and reasonable geological and grade continuity have been demonstrated. The initial resource classification was edited with a mix of automated and manual methods to eliminate the spotted dog effects considering the spatial continuity of drill holes and was run in each mineralized solid to upgrade inferred blocks, or downgrade indicated blocks locally, as needed.
10. The MRE is locally pit constrained. The out-pit resources meet the reasonable prospects for eventual economic extraction (RPEEE) requirement by applying constraining volumes to all blocks (Selective underground long-hole extraction scenario) using Deswik Mineable Shape Optimizer (DSO). The RPEEE requirement is satisfied by having cut-off grades based on reasonable parameters for surface and underground extraction scenarios, minimum widths, and constraining volumes. The estimate is presented for potential underground scenarios (realized in Deswik) over a minimum width of 3 m for blocks 45 m high by 30 m long at a cut-off grade of 1.2 g/t Au for the long-hole method. Cut-off grades reflect the currently defined geometry and dip of the mineralized envelopes. The potential open-pit component of the 2025 MRE is locally

constrained by an optimized surface in GEOVIA Whittle™ using a rounded cut-off grade of 0.20 g/t Au. The surface cut-off grade was calculated using the following parameters: mining cost = CA$7.00/t; mining overburden cost = CA$4.90/t; processing & transport cost = CA$11.82/t; G&A cost = CA$3.36/t; selling costs = CA$5.00/t; gold price = US$1,980/oz; USD/CAD exchange rate = 1.30; overburden slope angle = 25°; bedrock slope angle = 50° to 55°; and mill recovery = 90%. The underground cut-off grade was calculated using the following parameters: mining cost = CA$57.50/t; processing & transport cost = CA$13.60/t; G&A cost = CA$6.72/t; selling costs = CA$5.00/oz; gold price = US$1,980/oz; USD/CAD exchange rate = 1.30 and mill recovery = 90%.Cut-off grades should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rates, mining costs etc.).

11. The number of metric tonnes was rounded to the nearest thousand, following the recommendations in NI 43-101, and any discrepancies in the totals are due to rounding effects. The metal contents are presented in troy ounces (tonnes x grade / 31.10348) rounded to the nearest hundred. Numbers may not add up due to rounding.
12. The independent and qualified person for the 2025 MRE is not aware of any known environmental, permitting, legal, political, title-related, taxation, socio-political, or marketing issues that could materially affect the MRE.

**Geminid Nickel Deposit**

In May 2025, Gold Candle provided the first MRE for the Geminid nickel deposit located 1,300 metres to the east of the historic Kerr-Addison Mine. Geminid was first discovered in 2023 by the Gold Candle exploration team.

Geminid was discovered in 2023 targeting the projected LLCB identified by high magnetic signature Larder Lake group ultramafic rocks in contact with low magnetic Timiskaming sedimentary rocks. The 2023 regional program was further designed to test the apparent 1 km spacing of historic Larder Lake Au deposits along the LLCB east of the Kerr Addison Mine. The initial discovery hole, KAD23-266 intersected 12.2 metres (etw) of millerite, sulfidic mineralization grading 1.9% nickel, with trace gold mineralization.

The initial mineral resource included Inferred resources totaling 105.81 million pounds of nickel contained in 2.9 million tonnes at 1.63% nickel at a cut-off grade of 0.69% nickel.

| **Underground Mineral Resource** | | | |
|---|---|---|---|
| **Classification** | **Tonnes (t)** | **Grade % (Ni)** | **Pounds** |
| Inferred | 2,927,000 | 1.63 | 105,181,700 |

Notes to the 2025 MRE:

1. These mineral resources are not mineral reserves as they do not have demonstrated economic viability. The MRE follows current CIM Definition Standards (2014) and CIM MRMR Best Practice Guidelines (2019). The results are presented undiluted and are considered to have reasonable prospects for eventual economic extraction ("RPEEE").
2. The independent and qualified persons for the MRE, as defined by NI 43-101, are Chafana Hamed Sako, P.Geo., Martin Perron, P.Eng. and Simon Boudreau, P.Eng. (InnovExplo, a wholly own subsidiary of Norda Stelo). The effective date of the estimate is February 24, 2025.
3. The estimation encompasses six (6) wireframes using Leapfrog Geo and interpolated using Leapfrog Edge.
4. High-grade capping on assays (supported by statistical analysis) was set between 65,000 ppm Ni for HG domains and 15,000 Ni for DE domains. 1.0-m composites were calculated within the mineralized zones using the grade of the adjacent material when assayed or a value of 0.30 when not assayed. A low-cut value of 1,800 ppm was used to filter out nickel mineralization in non-sulphides minerals.
5. The estimate was completed using an octree sub-block model from Leapfrog Edge, with a parent block size of 5m x 5m x 5m (X, Y, Z) and a minimum sub-block size of 1.25m x 1.25m x 1.25m (X, Y, Z).
6. Grade interpolation was obtained by ordinary Kriging (OK) interpolation method using hard boundaries.
7. Density values result database have been used. The density was assigned by lithology by averaging the measurements for each lithology: FELS-SSMS: 2.82 g/cm3, GWG: 2.74 g/cm3, MSSS: 2.75 g/cm3, SSMS: 2.88 g/cm3, UM: 2.79 g/cm3, UM LOWMG: 2.85 g/cm3, UM REG1: 2.82 g/cm3, UM REG2: 2.84 g/cm3, Overburden: 1.80 g/cm3.
8. The MRE is classified as Inferred. The Inferred category is defined with a minimum of three (3) drill holes in areas where the drill spacing is less than 75 m, and reasonable geological and grade continuity have been demonstrated.
9. The MRE is locally constrained. The resources meet the RPEEE requirement by applying constraining volumes to all blocks (selective underground long-hole) using Deswik Mineable Shape Optimizer (DSO).
10. The RPEEE requirement is satisfied by having cut-off grades based on reasonable parameters for underground extraction scenario, minimum widths, and constraining volumes. The estimate is presented for

potential underground scenarios (realized in Deswik) over a minimum width of 2 m for blocks 20 m high by 20 m for the long-hole method at a cut-off grade of 0.69% Ni. Cut-off grades reflect the currently defined geometry and dip of the mineralized envelopes. The underground cut-off grade was calculated using the following parameters for the long hole method: mining cost = CA$130.00/t; processing & transport cost = CA$35.00/t; G&A cost = CA$0.00/t; selling costs = CA$0.00/tNi price = US$19,932/t; USD/CAD exchange rate = 1.35 and mill recovery = 88.5%.

11. Cut-off grades should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rates, mining costs etc.).
12. The number of metric tons (tonnes) was rounded to the nearest thousand, following the recommendations in NI 43-101. The metal contents are presented in pounds (tonnes x grade / 2204.6) rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects.
13. The independent and qualified persons are not aware of any known environmental, permitting, legal, title-related, taxation, socio-political, or marketing issues or any other relevant issues not reported in the NI 43-101 Technical Report and MRE for the Kerr-Addison and Geminid Properties, Ontario dated February 19, 2025 that could materially affect the Mineral Resources Estimate.

## 9. FINANCING

In January 2025, Gold Candle completed a private placement, issuing a total of 4,877,851 shares for total gross proceeds of $9,756,000. The financing included the issuance of 3,179,496 common shares and 1,698,355 flow-through shares priced at $2.00 per share.

The Company completed a private placement, with tranches in each of August, September, October and December of 2025, where Gold Candle issued an aggregate 27,690,918 common shares for total gross proceeds of $88,368,000, broken down as follows:

- Ordinary Common Shares – 12,764,473 shares at $2.75 per share for $35,102,000
- Flow-Through Shares – 3,290,081 shares at $2.75 per share for $9,048,000
- Charity Flow-Through Shares – 11,636,364 shares at $3.80 per share for $44,218,000

The capital raises were strongly supported by existing Gold Candle shareholders, including the Board of Directors and management, as well as select new institutional investors.

In total, the Company raised $98,124,000 via private placements in 2025, including $56,663,000 in proceeds from flow-through shares. The Company intends to use the proceeds of these private placements to fund exploration programs, completion of technical, engineering and economic studies, baseline permitting work on Gold Candle's 100%-owned Kerr-Addison Project and for general corporate purposes. During the period between the close of the transactions and December 31, 2025, the Company's use of proceeds from these private placements was consistent with these intended uses.

During 2025, from the close of the flow-through share private placements to December 31, 2025, the Company spent $13,902,000 on eligible Canadian exploration expenditures. The remaining balance of $42,761,000 in flow-through proceeds is expected to be spent by December 31, 2026.

The charity flow-through share issuance at $3.80 per share occurred at a 38% premium above the ordinary common share issuance price. The related flow-through share premium, resulted in a liability of $12,218,000, that will be extinguished as eligible exploration expenses are incurred. The Company will fulfill its obligation, and the liability will be extinguished in 2026.

## 10. EXPLORATION

The Company's 2025 exploration program consisted of 123 holes totalling 57,338 metres on Gold Candle's 44km$^2$ land package located along the LLCB in the Abitibi gold district, northeastern Ontario.

**Kerr-Addison Gold Deposit**

Open Pit Infill and Extension

In the fourth quarter of 2025, three of the nine rigs were deployed to complete Phase I of an infill and O/P extension program. By year-end, 49 holes totalling 14,100 metres were drilled with the objective of upgrading potential resources into the inferred category and testing for new near-surface eastern extensions within the Chesterville and bordering Kearns targets.

Through this drilling, the Company discovered new gold mineralization east of the existing O/P mineral resources in shallow drill holes within the above-noted CVE and Kearns drill targets. Historic Chesterville mineralization consists of East-Northeast stacked lenses generally 50-150 metres in length in Northwest-Southeast panels. The results from the near-surface eastern extension drilling suggest the potential for extending the eastern boundary of the open pit by approximately 200 metres along strike and it remains open.

Near Mine targets

2025 drilling of the deeper footwall targets, including the Ultramafic Footwall (UM FW), Lower CVE and Kearns targets, returned a range of results that will inform the Company's future underground exploration targeting.

The central UM FW drilling demonstrated the potential for multiple stacked lenses with reasonable continuity and separation from mined out stopes albeit at lower than previously mined underground grades. However, there is also some evidence of higher-grade mineralization in the UM FW.

The lower CVE target returned the best 2025 result in drill hole KAD25-322-B3 returning green carbonate altered ultramafic rocks grading 4.0 m @ 41.57 g/t uncapped (4.0m @ 20.44 g/t capped).

The results from the Kearns target demonstrated the continued presence of gold mineralization in this area though drilling to date has only outlined a limited strike length.

Cyprus Footwall

The identification of the Cyprus Footwall (Cyprus FW) drill target was based on a comprehensive review and analysis of historical records associated with a Cyprus exploration drilling campaign conducted in the early 1990s.

Eight holes totalling 4,542 meters were drilled in 2025 to follow up on historic drill hole C-25-1, which intersected 10.45 meters at 3.89 g/t. Two exploration drill holes beneath the estimated location of C-25-1 returned solid results and a large gap east of the Cyprus FW was identified as a potential follow-up target in 2026.

Kerr Deeps

The results in the deep pilot hole KAD25-333T-B included a cumulative green carbonate alteration core length of approximately 50 metres with gold mineralization grading 28.30 m @ 0.42 g/t. The branch hole KAD25-333-B1A was completed at year-end to a depth of 2,565 m with assay results pending as at year end.

Depending on the assay results of KAD25-333-B1A, the Company may consider a strategy to mitigate the cost and time associated with drilling a third deep branch hole by evaluating the down-plunge interpretation of the high-grade KAD25-322-B3 (Lower CVE target) intercept as it appears to project down the interpreted plunge at KAD25-333T-B.

**Geminid Nickel Deposit**

In addition to the success at Kerr-Addison, the Company had one drill focused on the continued expansion of the Geminid nickel deposit. The inaugural Geminid MRE was released in May 2025 with drill results since that time including several holes with strong nickel grades over solid widths, including:

- KAD25-326-B2: 993.85 – 1012.70; 18.85 m @ 1.90% Ni (etw 11.46 m)
- KAD25-329-B2: 836.60 – 870.00; 6.40 m @ 2.69% Ni (etw 3.96m)
- KAD25-334T: 806.77 – 816.58; 9.81 m @ 2.19% Ni (etw 6.57 m)
- KAD25-340T: 814.40 – 824.00; 9.60 m @ 1.67% Ni (etw 5.49 m), and
  829.85 – 837.05; 7.20 m @ 2.26% Ni (etw 4.14m)
- KAD25-334-B1: 919.94 – 930.07; 10.13 m @ 3.24 % Ni (etw 5.16m)
- KAD25-340-B1: 965.33 – 978.9; 13.57 m @ 2.36 % Ni (etw 5.81m

During the 2025 summer field season, geophysical surveys were completed including a drone magnetic survey extension to the southeast, and ground EM, IP, and including select borehole EM surveys over the regional land tenure centred on the Geminid mineral resource. Three conductors were interpreted from the survey, with the Geminid mineralization returning a moderately conductive body as well as GEM-01 target to the west and GEM-03 target to the east, including a coincident borehole EM anomaly.

Late in the fourth quarter of 2025, drilling commenced on GEM-03, approximately 350 metres east of the Geminid mineral resource, where a historic drill hole assessment report included anomalous gold and nickel mineralization in two separate areas. The result of the GEM-03 hole and full review of H2 2025 Geminid results will play an important role in informing the Company's regional exploration plans for 2026.

## 11. SELECTED ANNUAL FINANCIAL INFORMATION

The selected annual information below is derived from the Company's annual financial statements.

| | 2025 | 2024 |
|---|---|---|
| **Financial Position:** | | |
| Cash and cash equivalents | $ 77,061,000 | $ 13,187,000 |
| Total assets | 80,392,000 | 14,560,000 |
| Current liabilities | 17,885,000 | 2,254,000 |
| Total non-current liabilities | 4,838,000 | 4,819,000 |
| Equity | 57,669,000 | 7,487,000 |
| **Operations:** | | |
| Mineral property expenditures | 31,459,000 | 19,411,000 |
| Operating and administrative expenditures | 6,466,000 | 2,344,000 |
| Net loss and comprehensive loss | (36,932,000) | (20,927,000) |
| Basic and diluted net loss per share | (0.20) | (0.13) |
| Weighted average common shares outstanding | 183,293,000 | 163,537,000 |

## 12. REVIEW OF FINANCIAL POSITION

As at December 31, 2025, the Company's total assets increased by $65,832,000 to $77,061,000 as compared to December 31, 2024. The change is primarily due to a $63,874,000 increase in cash and cash equivalents as a result of a number of private placements occurring throughout 2025. The Company raised $98,124,000 in the year and incurred a loss of $36,932,000 during this period. Additionally, there was an increase in the sales tax receivable balance related to the increased spending occurring in the latter half of 2025.

Current liabilities increased, by $15,631,000 to $17,885,000 as accounts payable and accrued liabilities increased by $3,816,000 due to the timing of payments and the expanding scope of work occurring at the projects. An additional factor driving the increase was the August 2025 charity flow-through shares issuance that resulted in a liability representing the difference between the charity flow-through share issue price and the prevailing Gold Candle share price. This premium resulted in a liability of $11,815,000 being recorded as of December 31, 2025.

The liability is reduced as the Company incurs qualifying exploration expenditures. The Company expects to fulfill its obligation in 2026.

Equity increased $50,182,000 to $57,669,000 during 2025, as a result of the various private placements, offset by the loss incurred.

## 13. REVIEW OF 2025 OPERATIONS

### Mineral Property Expenditures

During 2025, mineral property expenditures increased 62% to $31,459,000 from the prior year period. The higher expenditures were directly attributable to the significant increase in the Company's activity levels, including completion of a MRE published in June 2025, execution of an aggressive exploration campaign to follow up on expansion targets, and progression of various other initiatives at Kerr-Addison, including technical and engineering studies, as well as baseline permitting work.

The Company's exploration spending increased 76% to $21,318,000, and assaying charges increased 119% to $2,667,000 in 2025. The increase was directly related to the larger exploration program as the Company drilled 57,338 metres at site in relation to an updated MRE for each of the Kerr-Addison and Geminid deposits, both of which are expected to be released in the second quarter of 2026. In preparation for the PEA, the Company spent $2,305,000 related to geological and engineering services. These preparatory expenditures support the plan to release a PEA in the second half of 2027.
Additionally, efforts progressed on environmental baseline permitting work and community relations with spending of $1,173,000 in 2025 compared to $579,000 in the prior year.

To support the larger exploration program and increased derisking activities, the Company has added personnel to support these initiatives.

### Operating and Administrative Expenditures

During 2025, operating and administrative expenses increased 176% to $6,466,000 from the prior year period. The Company made significant additions to the executive management team, as well as hiring other key corporate roles. This led to higher personnel costs and stock-based compensation, as the leadership team grew and vacancies were filled.

## 14. REVIEW OF QUARTERLY FINANCIAL INFORMATION

| Three months ended | Net Loss | Net Loss per share |
|---|---|---|
| December 31, 2025 | $ (12,144,000) | $ (0.06) |
| September 30, 2025 | (10,373,000) | (0.06) |
| June 30, 2025 | (7,698,000) | (0.04) |
| March 31, 2025 | (6,717,000) | (0.04) |
| December 31, 2024 | (6,520,000) | (0.04) |
| September 30, 2024 | (4,666,000) | (0.03) |
| June 30, 2024 | (5,413,000) | (0.03) |
| March 31, 2024 | (4,328,000) | (0.03) |

The Company's focus of exploring and advancing the Kerr-Addison Mine project, has led to losses for the past eight quarters. The Company has not generated revenue, and operating results are not seasonal in nature. The quarterly losses were due to exploration activities and administrative costs each quarter. Starting in the fourth quarter of 2024, the net loss was higher compared to the prior quarters primarily due to an increase in the mineral property expenditures related to advancing the Kerr-Addison Mine project, and an increase in corporate and administrative expenses as the Company grew its leadership team and filled other open corporate roles.

## 15. LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

| | 2025 | 2024 |
|---|---|---|
| Cash flow used in operating activities | $ (32,166,000) | $ (18,917,000) |
| Cash flow used in investing activities | (733,000) | - |
| Cash flow provided by financing activities | 96,954,000 | 20,132,000 |
| Net increase in cash and cash equivalents | 64,055,000 | 1,215,000 |
| Foreign exchange effect on cash and cash equivalents | (181,000) | 342,000 |
| Cash and cash equivalents, beginning of period | 13,187,000 | 11,630,000 |
| Cash and cash equivalents, end of period | 77,061,000 | 13,187,000 |

The Company is in the exploration stage and therefore does not generate cash flow from operations. The only source of funds since incorporation has been from the issuance of common shares.

As at December 31, 2025, the Company had Cash and cash equivalents of $77,061,000 (December 31, 2024 - $13,187,000). The increase in cash and cash equivalents of $63,874,000 from the prior year, was due to several private placements occurring in 2025, providing $98,124,000 of funding to the Company.

During the year ended December 31, 2025, the Company used $32,166,000 in operations primarily on exploration and evaluation activities, salaries and management fees, professional fees, as well as other activities progressing the Kerr-Addison project. Additionally, the Company spent $733,000 on the purchase of equipment to support the project team.

Management's assessment of the Company's ability to continue as a going concern involves significant judgements and believes that it has sufficient liquidity to meet its current obligations, commitments and budgeted expenditures for the next twelve months. As at December 31, 2025, the Company does not have any capital commitments or long-term contracts that restrict financial resources. Additionally, the Company could issue additional equity if required to increase available funding.

## 16. RELATED PARTY TRANSACTIONS

The Company categorizes key management personnel as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. This includes the Company's executive officers, vice-presidents and members of its Board of Directors.

The increase in management and consulting fees and share-based compensation in the year ended December 31, 2025, as compared to the prior period, is predominantly due to additions to the Board of Directors and executive leadership team with Pierre Lassonde (Chair of the Board of Directors), Richard (Rick) Howes (Chief Executive Officer), Hannes Portmann (Chief Financial Officer) and Alasdair Federico (Vice President, General Counsel and Corporate Secretary) all joining the Gold Candle team through the course of 2025.

The following compensation was awarded to key management personnel for the year ended December 31:

| | 2025 | 2024 |
|---|---|---|
| Management and consulting fees | $ 3,122,000 | $ 1,589,000 |
| Share-based compensation | 1,932,000 | 1,319,000 |
| Key management personnel compensation | $ 5,054,000 | $ 2,908,000 |

During the year ended December 31, 2025, 3,546,000 (2024 – 1,400,000) stock options with an aggregate fair value of $4,566,000 (2024 - $1,465,000) were issued to related parties. During 2025, certain executive officers of the Company and members of its Board of Directors participated in private placements, purchasing an aggregate of 2,391,818 common shares for proceeds of $6,420,000.

## 17. OUTSTANDING SHARE INFORMATION

As at April 29, 2026, Gold Candle's outstanding securities included:

| | |
|---|---|
| Common shares | 233,583,977 |
| Stock options | 19,474,596 |
| Performance share units | 3,500,000 |
| Warrants | 5,390,910 |
| | 261,949,483 |

## 18. OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

## 19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments comprise cash and cash equivalents, other receivables, accounts payable and accrued liabilities which are classified as and subsequently measured at amortized cost. The carrying values of cash and cash equivalents and accounts payable and accrued liabilities approximate their fair values because of their short-term nature.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is as follows:

**Credit Risk**

Credit risk is the risk of loss due to a counterparty's inability to meet its obligations under a financial instrument that will result in a financial loss to the Company. The financial instrument which potentially exposes the Company to credit risk mainly consists of cash and cash equivalents and other receivables. The Company limits the risk of holding cash and cash equivalents by dealing with credit-worthy financial institutions. Other receivables consist of recoverable sales taxes with the provincial government, which has no significant credit risk. The carrying value of the financial assets represents the Company's maximum exposure to credit risk

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. As at December 31, 2025, the Company had a cash and cash equivalents balance of $77,061,000 to settle accounts payable and accrued liabilities of $6,070,000. Management expects that the Company has sufficient cash reserves to fund its administrative and exploration and evaluation costs for the next year but will require additional financing to fully fund all project exploration and evaluation initiatives. Management is actively involved in seeking new equity financing to enable it to fund project exploration and evaluation initiatives and its ongoing administrative costs. There can be no assurance that the Company will be successful in these initiatives.

**Market Risk**

***Interest Rate Risk***
The Company has cash equivalents earning interest at a variable interest rate. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company does not have significant exposure to interest rate risk.

***Foreign Currency Risk***
The Company's functional currency is the Canadian dollar. Major purchases are transacted in Canadian dollars. The Company funds certain operations and administrative expenses using United States dollars. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

***Price Risk***
The Company is not exposed to significant price risk with respect to commodity prices, as the Company is not currently generating revenue.

## 20. ACCOUNTING ESTIMATES, JUDGEMENTS, POLICIES AND CHANGES

The preparation of annual consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the annual consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates, and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

*Going Concern*

The Company, being in the exploration stage, is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital for exploration, development and operational risks inherent in the mining industry, global economic and metal price volatility, and there is no assurance management will be successful in its endeavors. As at December 31, 2025, the Company has neither a source of operating cash flows, nor any credit line currently in place. The Company incurred a net loss of $36,932,000 for the period ended December 31, 2025 and has accumulated a deficit of $115,463,000 since its inception, and the Company's ability to continue as a going concern is dependent upon its ability to raise additional capital to continue to develop mineral properties.

In the preparation of financial statements, management is required to identify when events or conditions indicate that significant doubt may exist about the Company's ability to continue as a going concern. Significant doubt about the Company's ability to continue as a going concern would exist when relevant conditions and events, considered in the aggregate, indicate that the Company will not be able to meet its obligations as they become due for a period of at least, but not limited to, twelve months from the balance sheet date. When the Company identifies conditions or events that raise potential for significant doubt about its ability to continue as a going concern, the Company considers whether its plans that are intended to mitigate those relevant conditions or events will alleviate the potential significant doubt.

The Company's ability to continue as a going concern for the next twelve months involves significant judgment and is dependent on its ability to raise adequate funding for the operation. After considering its plans to mitigate the potential for significant doubt about the Company's ability to continue as a going concern, management has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern for a period of twelve months from the balance sheet date.

*Estimation of decommissioning and restoration costs and the timing of expenditure*

The cost estimates are updated annually to reflect known developments (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations, and are measured at their estimated cost. The valuation of the liability is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the project. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

*Share-based payments*

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using a Black-Scholes option pricing model. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the current stock price based on recent transactions, future volatility of the stock price based on comparable entities, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain.

**Accounting Policies and Changes**

The Company's material accounting policies and future changes in accounting policies are presented in the audited annual consolidated financial statements for the years ended December 31, 2025, and 2024 as described in Note

3 of the audited annual consolidated financial statements.

**Changes in Accounting Standards Not Yet Effective**

For information on new standards and interpretations not yet adopted, refer to Note 5 of the audited annual consolidated financial statements for the years ended December 31, 2025, and 2024.

## 21. RISKS AND UNCERTAINTIES

The Company's business activities are subject to significant risks but not limited to the risks described below. Any of the following risks could have an adverse material effect on the Company, its business and prospects, and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. In addition, other risks and uncertainties not presently known by management of the Company or that management currently believes are immaterial could affect the Company, its business and prospects. The following risk factors are not a definitive list or description of all the risks associated with GCL's business but are intended to indicate what management considers to be significant considerations as of the date hereof

*Negative Operating Cash Flow*

The Company has limited financial resources and has no source of operating cash flow. The Company anticipates it will continue to have negative cash flow from operating activities in future periods until profitable commercial production is achieved at its projects.

The Company may never achieve or sustain profitability. To become and remain profitable, the Company must succeed in generating significant revenues at one or more mining properties, which will require us to be successful in a range of challenging activities and is subject to numerous risks, including the risk factors set forth in this "Risk and Uncertainties" section.

*Property Interests*

The commercial viability of a mineral deposit is dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general such as metal prices and government regulations, including environmental protection. Most of these factors are beyond the control of the Company. In addition, because of these risks, there is no certainty that the expenditures to be made by the Company on the exploration of its properties as described herein will result in the discovery of commercial quantities of mineralization. Furthermore, there is no assurance that even if the Company defines bodies of commercial mineralization, that it will be able to acquire any additional surface and/or mineral rights necessary to develop and build the required production facilities and other infrastructure. The Company has no history of operating earnings, and the likelihood of success must be considered in light of problems, expenses and other obstacles and challenges which may be encountered in establishing a business.

*Capital and Operating Costs*

The Company's exploration activities are subject to numerous uncertainties that could result in capital and operating costs that are higher than currently anticipated. Estimates of capital and operating costs are based upon, among other things, the interpretation of geological data, the scope and nature of planned drilling programs, the configuration of the mineralized zones, anticipated climatic conditions, accessibility of the property and other factors, and it is possible that actual costs will differ significantly from those currently estimated.

*Mineral Resources and Mineral Reserves*

Calculations of mineral reserves and mineral resources at the properties are only estimates and depend on geological interpretation and statistical inferences or assumptions drawn from drilling and sampling analysis, which might prove to be materially inaccurate. There is a degree of uncertainty attributable to the calculation of mineral reserves and mineral resources, and a greater degree of uncertainty is attributable to Inferred mineral resources, which comprise a significant portion of the properties' total mineral resource. Until mineral reserves and mineral resources are actually mined and processed, the quantity of gold (among other metals, as applicable) and the grades thereof must be considered as estimates only and no assurance can be given that the indicated levels of gold (among other metals, as applicable) will be produced. Estimated mineral reserves may have to be recalculated based on changes in metal prices, further exploration or development activity or actual production experience. The Company cannot provide assurance that mineralization can be mined or processed profitably.

*Operating Hazards, Risks and Insurance*

The Company's operations involve the operation of large machines, heavy mobile equipment and drilling equipment. Hazards such as adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground control problems, cave-ins, changes in the regulatory environment, metallurgical and other processing problems, mechanical equipment failure, facility performance problems, fire and natural phenomena such as inclement weather conditions, floods and earthquakes are inherent risks in the Company's operations. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on Company property, and punitive awards in connection with those claims and other liabilities. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the Company.

*Additional Capital Requirements*

The exploration and development of the properties will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including possible joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the gold industries in particular) and the price of gold. Failure to obtain sufficient financing when needed will result in a delay or indefinite postponement of development or production at the Company's projects or may cause the Company to forfeit rights in some or all of its properties or reduce or terminate some or all of its activities.

*Environmental Risks*

The Company may be subject to reclamation requirements designed to minimize long-term effects of mining exploitation and exploration disturbance (both by the Company and former owners and operators of the properties) by requiring the operating Company to control possible deleterious effluents and to re-establish to some degree pre-disturbance landforms and vegetation. The actual costs of reclamation and mine closure are uncertain, and planned expenditures may differ from the actual expenditures required. Therefore, the amount that the Company is required to spend could be materially higher than current estimates.

The Company may also be liable for losses associated with legacy hazards or may be required to undertake extensive remedial cleanup actions, even where the contamination was caused by previous owners or operators. Any significant legacy environmental issues could lead to increased remediation expenditures, delays in permitting, regulatory enforcement actions and could have a material adverse impact on the Company's financial resources, business and results of operations.

*Volatility of Mineral Prices*

The Company's future revenues, if any, are expected to be derived primarily from the extraction and sale of gold and other precious metals from the Properties. As a result, the Company's financial performance, financial position and results of operations will be significantly affected by changes in the market price of gold and other metals. Gold and other metal prices have historically been subject to significant fluctuations over short periods of time and are affected by numerous macroeconomic and industry-specific factors that are beyond the control of the Company.

*Permitting and Approval Risks*

If the Company identifies a mineral project that is viable for development, advancing the project would require obtaining and complying with numerous governmental licences, permits, approvals and authorizations and may be subject to environmental assessment processes. These processes can increase costs, require additional studies or project changes, delay development or prevent the project from proceeding. Federal and provincial requirements applicable to construction and operations may also limit or delay development. Any inability to obtain or maintain required permits or to comply with their terms could result in enforcement action, fines, orders, operational restrictions or suspension of activities, which could have a material adverse effect on the Company.