



# BENZ MINING CORP.

## Condensed Interim Financial Statements For the Six-Month Periods Ended October 31, 2024 and 2023 (Expressed in Canadian dollars - Unaudited)

### **NOTICE OF NO AUDITOR REVIEW**

The accompanying unaudited condensed interim financial statements of Benz Mining Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

In accordance with National Instrument 51-102, the Company discloses that its independent auditor has not performed a review of these unaudited condensed interim financial statements.

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# Benz Mining Corp.

## Condensed Interim Statements of Operations and Comprehensive Loss (unaudited)

	Note	Three-month periods ended October 31,		Six-month periods ended October 31,	
		2024	2023	2024	2023
<b>Operating costs</b>					
Exploration and evaluation costs	4, 5	\$ 80,429	\$ 2,301,104	\$ 144,456	\$ 3,655,290
Listing and filing fees		5,052	10,931	42,839	56,664
Management and consulting fees	5	176,094	114,243	302,026	244,089
Office and miscellaneous		33,584	54,714	60,129	93,057
Professional fees		108,671	39,209	143,626	77,534
Salaries and wages		66,444	-	131,894	-
Share-based payments	8	57,814	-	115,628	115,740
Shareholder information		10,669	22,604	15,858	44,068
Loss from operations		\$ (538,757)	\$ (2,542,805)	\$ (956,456)	\$ (4,286,442)
<b>Other income (expense)</b>					
Accretion expense	7	\$ (2,275)	\$ -	\$ (4,550)	\$ -
Foreign exchange		31,425	(35,484)	53,529	(84,372)
Indemnity and Part XII.6 tax on flow-through shares	6	(746)	-	(746)	-
Interest income		13,357	38,082	35,957	98,161
Settlement of flow-through share premium liability	6	-	1,179,835	-	1,521,835
<b>Net loss and comprehensive loss</b>		\$ (496,996)	\$ (1,360,372)	\$ (872,266)	\$ (2,750,818)
<b>Loss per share - basic and diluted</b>					
		\$ 0.00	\$ (0.01)	\$ (0.01)	\$ (0.02)
<b>Weighted average number of shares outstanding - basic and diluted</b>					
		169,138,794	168,009,162	169,138,794	166,348,428

Going concern uncertainty (Note 1)

See accompanying notes to the condensed interim financial statements

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# Benz Mining Corp.

## Condensed Interim Statements of Financial Position (unaudited)

	Note	October 31, 2024	April 30, 2024
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents		\$ 2,696,809	\$ 3,020,475
Sales taxes recoverable		21,700	34,386
Other receivables	3	178,525	550,785
Prepaid expenses and deposits		94,532	111,491
Total current assets		\$ 2,991,566	\$ 3,717,137
Exploration and evaluation assets	4	3,903,216	3,903,216
<b>Total assets</b>		<b>\$ 6,894,782</b>	<b>\$ 7,620,353</b>
<b>LIABILITIES</b>			
Current Liabilities			
Trade and other payables	5	\$ 188,058	\$ 171,187
Flow-through share liability	6	-	-
Other provisions	7	206,064	191,868
Total current liabilities		\$ 394,122	\$ 363,055
<b>EQUITY</b>			
Common shares	8	\$ 38,352,848	\$ 38,352,848
Equity reserves	8	1,338,294	1,222,666
Deficit		(33,190,482)	(32,318,216)
Total equity		\$ 6,500,660	\$ 7,257,298
		\$ 6,894,782	\$ 7,620,353

Nature of Operations (Note 1)

Going concern uncertainty (Note 1)

Subsequent events (Note 11)

These financial statements were authorized for issue by the Board of Directors on December 16, 2024

**Approved by the Board of Directors:**

(Signed) Evan Cranston  
Evan Cranston, Chairman of the Board

(Signed) Mathew O'Hara  
Mathew O'Hara, Director

See accompanying notes to the condensed interim financial statements

# Benz Mining Corp.

## Condensed Interim Statements of Cash Flows (unaudited)

	Note	Three-month periods ended October 31,		Six-month periods ended October 31,	
		2024	2023	2024	2023
<b>Cash Flow from Operating Activities</b>					
Net loss for the year		\$ (496,996)	\$ (1,360,372)	\$ (872,266)	\$ (2,750,818)
Adjustments for non-cash items:					
Accretion expense	7	2,275	-	4,550	-
Share based payments	8	57,814	-	115,628	115,740
Settlement of flow-through share premium liability	6	-	(1,179,835)	-	(1,521,835)
Changes in non-cash working capital:					
Sales taxes recoverable		14,054	(153,201)	12,686	107,955
Other receivables	3	(25,370)	(480,852)	372,260	(423,091)
Prepaid expenses and deposits		7,548	(56,586)	16,959	(62,811)
Trade and other payables		30,141	345,200	16,871	(318,055)
Other provisions	7	4,896	-	9,646	-
<b>Net cash flows used in operating activities</b>		<b>\$ (405,638)</b>	<b>\$ (2,885,646)</b>	<b>\$ (323,666)</b>	<b>\$ (4,852,915)</b>
<b>Cash Flow from Investing Activities</b>					
Additions to exploration and evaluation assets	4	\$ -	\$ (1,350,000)	\$ -	\$ (1,350,000)
<b>Net cash flows used in investing activities</b>		<b>\$ -</b>	<b>\$ (1,350,000)</b>	<b>\$ -</b>	<b>\$ (1,350,000)</b>
<b>Cash Flow from Financing Activities</b>					
Proceeds from exercise of warrants	8	\$ -	\$ -	\$ -	\$ 1,451,783
Proceeds from exercise of compensation units	8	-	-	-	234,222
<b>Net cash flows provided by financing activities</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,686,005</b>
<b>Net change in cash and cash equivalents</b>		<b>\$ (405,638)</b>	<b>\$ (4,235,646)</b>	<b>\$ (323,666)</b>	<b>\$ (4,516,910)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>		<b>3,102,447</b>	<b>9,851,086</b>	<b>3,020,475</b>	<b>10,132,350</b>
<b>Cash and Cash Equivalents, End of Year</b>		<b>\$ 2,696,809</b>	<b>\$ 5,615,440</b>	<b>\$ 2,696,809</b>	<b>\$ 5,615,440</b>
<b>Cash and cash equivalents consist of:</b>					
Cash		\$ 2,657,809	\$ 5,576,440	\$ 2,657,809	\$ 5,576,440
Redeemable guaranteed investment certificate		39,000	39,000	39,000	39,000
<b>Total Cash and Cash Equivalents</b>		<b>\$ 2,696,809</b>	<b>\$ 5,615,440</b>	<b>\$ 2,696,809</b>	<b>\$ 5,615,440</b>
<b>Non-cash Investing and Financing Activities:</b>					
Issuance of common shares for E&E assets	4	\$ -	\$ 375,000	\$ -	\$ 375,000
Fair value transferred from reserves to share capital upon the exercise of warrants, options and compensation units	8	\$ -	\$ 1,311,897	\$ -	\$ 1,311,897

Going concern uncertainty (Note 1)

See accompanying notes to the condensed interim financial statements

# Benz Mining Corp.

## Condensed Interim Statements of Changes in Equity (unaudited)

	Note	Common Shares		Equity Reserves	Deficit	Total Equity
		Number	Amount			
<b>Balance, April 30, 2023</b>		<b>157,983,900</b>	<b>\$ 34,959,037</b>	<b>\$ 4,666,769</b>	<b>\$ (30,860,030)</b>	<b>\$ 8,765,776</b>
Common shares issued for cash:						
Issuance of common shares for E&E assets	4	1,237,216	375,000	-	-	375,000
Exercise of compensation units	8	1,377,778	438,841	(204,619)	-	234,222
Exercise of warrants	8	8,539,900	2,559,061	(1,107,278)	-	1,451,783
Expiry of compensation units	8	-	-	(18,482)	18,482	-
Expiry of compensation warrants	8	-	-	(331,610)	331,610	-
Expiry of warrants	8	-	-	(359,955)	359,955	-
Expiry of options	8	-	-	(1,871,752)	1,871,752	-
Share based payments	8	-	-	115,740	-	115,740
Net loss for the year		-	-	-	(2,750,818)	(2,750,818)
<b>Balance, October 31, 2023</b>		<b>169,138,794</b>	<b>\$ 38,331,939</b>	<b>\$ 888,813</b>	<b>\$ (31,029,049)</b>	<b>\$ 8,191,703</b>
<b>Balance, April 30, 2024</b>		<b>169,138,794</b>	<b>\$ 38,352,848</b>	<b>\$ 1,222,666</b>	<b>\$ (32,318,216)</b>	<b>7,257,298</b>
Share based payments	8	-	-	115,628	-	115,628
Net loss for the year		-	-	-	(872,266)	(872,266)
<b>Balance, October 31, 2024</b>		<b>169,138,794</b>	<b>\$ 38,352,848</b>	<b>\$ 1,338,294</b>	<b>\$ (33,190,482)</b>	<b>\$ 6,500,660</b>

Going concern uncertainty (Note 1)

See accompanying notes to the condensed interim financial statements

# Benz Mining Corp.

Notes to the Condensed Interim Financial Statements (unaudited)  
Three-Month periods ended July 31, 2024 and 2023

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## 1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY

Benz Mining Corp. (the **Company**) was incorporated under the laws of the Province of British Columbia on November 9, 2011. The Company is an exploration and development stage company engaged in the acquisition, exploration and exploitation of mineral properties located in Canada. The Company's head and registered offices are located at Suite 3000 Bentall Four, 1055 Dunsmuir Street, Vancouver, British Columbia, V7X 1K8. The Company's common shares are traded on the TSX-V Exchange (**BZ**), the Frankfurt Exchange (**1VU**) and the Australian Securities Exchange (**BNZ**).

### Going Concern

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will realize its assets and discharge its obligations in the normal course of operations. As at October 31, 2024, the Company has a working capital surplus of \$2,597,444 (April 30, 2024 – \$3,354,082). The Company's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due.

The Company is considered to be in the exploration phase. The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Company's activities. Mineral exploration and development is highly speculative and involves inherent risks.

Management believes the Company's cash position will support all of its financial obligations and expected expenditures during the next twelve months. However, the Company expects that it will need to obtain further financing in order to continue exploration activities in the future. In addition, while the Company's future activities in relation to drilling on its mineral claims look promising, there can be no assurance that the results of its exploration activities will confirm the existence of economically viable quantities of ore or that the project will ultimately go into production. There can be no assurance that management will be successful in securing adequate financing. If adequate financing is not obtained, the Company may be required to delay or reduce the scope of any or all of its exploration and development projects.

The Company reported a net loss and total comprehensive loss in the six-month period ended October 31, 2024 of \$872,266 (year ended April 30, 2024 - \$4,024,481). These recurring losses and the need for continued financing to further successful exploration activities indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern.

The Company's financial statements do not give effect to any adjustments to the carrying values and classifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

## 2. BASIS OF PRESENTATION

These unaudited condensed interim financial statements (**Financial Statements**) of the Company have been prepared in accordance with International Accounting Standard (**IAS**) 34, "Interim Financial Reporting" following acceptable accounting policies under International Financial Reporting Standards (**IFRS**). As a result, these Financial Statements should be read in conjunction with the Company's audited financial statements for the year ended April 30, 2024.

**Notes to the Financial Statements (continued)**

These Financial Statements have been prepared on an accruals basis and are based on historical costs, except for certain financial instruments classified as financial instruments at fair value through profit or loss. All amounts are presented in Canadian dollars unless otherwise noted.

Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. In preparing the Financial Statements, the judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited consolidated financial statements as at and for the year ended April 30, 2024.

**3. OTHER RECEIVABLES**

Other receivables as at October 31, and April 30, 2024 were as follows:

	<b>October 31, 2024</b>	<b>April 30, 2024</b>
Expenditures recoverable from third parties	\$ 122,991	\$ 119,311
Amounts refundable from suppliers	-	6,806
Exploration tax credits recoverable	171,718	540,852
Total other receivables	294,709	666,969
Less provision for doubtful debts	(116,184)	(116,184)
	\$ 178,525	\$ 550,785

**Notes to the Financial Statements (continued)**

**4. EXPLORATION AND EVALUATION ASSETS**

The Company has accumulated the following acquisition expenditures:

	Eastmain and Ruby Hill Properties	Windy Mountain Property	Total
<b>Balance, April 30, 2023</b>	<b>\$ 2,145,743</b>	<b>\$ 11,564</b>	<b>\$ 2,157,307</b>
Acquisition costs – cash	1,350,000	-	1,350,000
Acquisition costs – shares (Note 8(b))	395,909	-	395,909
<b>Balance, April 30 and October 31, 2024</b>	<b>\$ 3,891,652</b>	<b>\$ 11,564</b>	<b>\$ 3,903,216</b>

During the three and six-month periods ended October 31, 2024 and 2023 exploration and evaluation expenditures, recorded in the statements of operations and comprehensive loss, consisted of the following:

	Three-months ended		Six-months ended	
	October 31, 2024	October 31, 2023	October 31, 2024	October 31, 2023
Geology	<b>63,770</b>	575,976	<b>97,019</b>	1,068,634
Location/camp services	<b>21,850</b>	(74,159)	<b>40,670</b>	84,746
Drilling	<b>(7,250)</b>	1,366,367	<b>2,735</b>	1,632,912
Geochemical analysis	<b>5,181</b>	98,922	<b>16,585</b>	479,424
Geophysics	-	221,470	-	225,870
Environment	<b>15,000</b>	22,680	<b>18,565</b>	30,850
Health & safety	-	88,401	-	112,434
Property maintenance	<b>3,596</b>	1,447	<b>15,600</b>	20,420
Less Tax credits receivable	<b>(21,718)</b>	-	<b>(46,718)</b>	-
<b>Total exploration and evaluation costs</b>	<b>80,429</b>	<b>2,301,104</b>	<b>144,456</b>	<b>3,655,290</b>

**Notes to the Financial Statements (continued)**

**5. RELATED PARTY TRANSACTIONS AND BALANCES**

Related party transactions are measured at the estimated fair values of the services provided or goods received. Related party transactions not disclosed elsewhere in these Financial Statements are as follows:

a) Key Management Compensation

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing, and controlling the activities of the Company. The remuneration of directors and officers for the three and six-month periods ended October 31, 2024 and 2023 was as follows:

	Three-months ended		Six-months ended	
	October 31, 2024	October 31, 2023	October 31, 2024	October 31, 2023
<b>Salaries, bonuses, fees and benefits</b>				
Management fees to the officers and directors of the Company	169,999	161,504	346,247	325,445
<b>Share-based payments</b>				
Officers and directors of the Company	57,814	-	115,628	38,580
	<u>227,813</u>	<u>161,504</u>	<u>461,875</u>	<u>364,025</u>

b) In the normal course of operations, the Company transacts with companies related to its directors or officers. The following amounts are payable to related parties, and are included in trade and other payables:

	October 31, 2024	April 30, 2024
Management fees	\$ 45,497	\$ 30,881

**Notes to the Financial Statements (continued)**

**6. FLOW-THROUGH SHARE LIABILITY**

The following is a continuity schedule of the liability portion of the flow-through share issuances.

<b>Balance, April 30, 2023</b>	<b>\$ 3,113,835</b>
Settlement of flow-through premium liability upon incurring exploration expenditures	(2,383,411)
Reduction of flow-through premium liability on shortfall of flow-through expenditure commitments	(730,424)
<b>Balance, April 30, 2024 and October 31, 2024</b>	<b>\$ -</b>

**7. OTHER PROVISIONS**

Other provisions as at October 31, 2024 and April 30, 2024 were as follows:

	<b>October 31, 2024</b>	<b>April 30, 2024</b>
Reclamation provision	\$ 188,157	\$ 183,607
Accrued vacation - related party (Note 5)	17,907	8,261
	<b>\$206,064</b>	<b>\$ 191,868</b>

In October 2023, upon exercising the option to acquire 75% interest to the Eastmain Project and the Ruby Hill Properties, the Company assumed a 75% share in all obligations associated with the properties. On the Eastmain Project, close to the mine camp there is tank farm comprising 38 fuel reservoirs which are subject to ongoing permitting every two years by the Ministry of Natural Resources (the **Ministry**). In September 2023, the Ministry informed the Company that the tank farm permit would not be renewed beyond the current expiration date of August 21, 2025. Consequently, the tank farm will need to be removed and the site cleaned prior to the permit expiration date. The Company has estimated a total provision for the reclamation work to be \$188,157 at October 31, 2024 (April 30, 2024 - \$183,607) based on the total future liability of \$195,000 (April 30, 2024 - \$195,000), adjusted for inflation, and a discount rate of 4.65% over a time period to expiry of the existing permit. During the three and six-month periods ended October 31, 2024, the Company recorded accretion expense of \$2,275 and \$4,550 respectively (2023 - \$Nil and \$Nil).

**8. SHARE CAPITAL**

- a) **Authorized:** Unlimited common shares, without par value  
Unlimited preferred shares, without par value

- b) **Issued: During the six-month period ended October 31, 2024**

During the six-month period ended October 31, 2024, there were no share issuances by the Company.

**Notes to the Financial Statements (continued)**

**c) Issued: During the six-month period ended October 31, 2023**

On October 23, 2023, the Company issued 1,237,216 common shares pursuant to the terms of the Eastmain option agreement (see Note 4) with a value of \$375,000.

During the six-month period ended October 31, 2023, the Company issued 1,377,778 shares and 1,377,778 compensation warrants on the exercise of compensation units for proceeds of \$234,222. The fair value of the share component of these compensation units, totaling \$204,619, was transferred to share capital from reserves.

During the six-month period ended October 31, 2023, the Company issued 7,162,122 shares on the exercise of warrants and 1,377,778 shares on the exercise of compensation warrants for total proceeds of \$1,451,783. The fair value of these warrants, totaling \$1,107,278, was transferred to share capital from reserves.

**Escrow Shares**

As at October 31, 2024 and 2023, an amount of 222,857 common shares are being held in escrow subject to an escrow agreement with Tusk Exploration Ltd. These shares continue to be held due to unmet contractual obligations.

**d) Share purchase warrants**

A summary of changes in share purchase warrants is as follows:

	<b>Underlying Shares</b>	<b>Weighted Average Exercise Price</b>
Balance, April 30, 2023	10,018,182	\$ 0.17
Exercised	(7,162,122)	0.17
Expired	(2,856,060)	0.17
<b>Balance, October 31, 2023 and October 31, 2024</b>	<b>-</b>	<b>\$ -</b>

No share purchase warrants were issued during the six-month periods ended October 31, 2024 and 2023.

During the three and six-month periods ended October 31, 2024, Nil and Nil share purchase warrants expired unexercised (2023 – Nil and 2,856,060 respectively). The fair value of these expired share purchase warrants, totaling \$Nil (2023 - \$359,955), was transferred to deficit from equity reserves.

There were no warrants outstanding as at October 31, 2024 or 2023.

**Notes to the Financial Statements (continued)**

**e) Compensation Units and Warrants**

A summary of changes in compensation units and warrants is as follows:

	Compensation Units	Compensation Warrants	Weighted Average Exercise Price
Balance, April 30, 2023	1,440,000	2,309,090	\$ 0.46
Issued	-	1,377,778	0.17
Exercised	(1,377,778)	(1,377,778)	0.17
Expired	(62,222)	(909,090)	0.62
<b>Balance, April 30 and October 31, 2024</b>	<b>-</b>	<b>1,400,000</b>	<b>\$ 0.63</b>

No compensation units or compensation warrants were issued during the three and six-month periods ended October 31, 2024.

During the six-month period ended October 31, 2023, the Company issued 1,377,778 shares and 1,377,778 compensation warrants on the exercise of compensation units and 62,222 compensation units and 909,090 compensation warrants expired unexercised. The fair value of these expired compensation units and warrants, totaling \$350,092, was transferred to retained earnings from reserves.

Compensation units and warrants outstanding as at October 31, 2024 and April 30, 2024 are:

Expiry Date	Exercise Price per Share/Unit	Outstanding and Exercisable	
		October 31, 2024	April 30, 2024
December 21, 2025	\$0.63	1,400,000	1,400,000
		<b>1,400,000</b>	<b>1,400,000</b>

**f) Stock options**

A summary of changes in stock options during the six-month periods ended October 31, 2024 and 2023 is as follows:

	Underlying Shares	Weighted Average Exercise Price
Stock options outstanding, April 30, 2023	<b>7,305,963</b>	<b>\$0.42</b>
Granted in the period	600,000	\$0.41
Expired in the period	(3,900,000)	\$0.64
Stock options outstanding, October 31, 2023	<b>4,005,963</b>	<b>\$0.20</b>
Stock options exercisable, October 31, 2023	<b>4,005,963</b>	<b>\$0.20</b>
Stock options outstanding, April 30, and October 31, 2024	<b>7,005,963</b>	<b>\$0.42</b>
Stock options exercisable, April 30, and October 31, 2024	<b>7,005,963</b>	<b>\$0.42</b>

On July 3, 2023, the Company granted 600,000 stock options to eligible parties, exercisable at a price of \$0.41 per share for a period of three years. The options vested immediately.

## Notes to the Financial Statements (continued)

On October 2, 2023, 3,900,000 stock options exercisable at \$0.64 expired unexercised. The fair value of these expired stock options, totaling \$1,871,752, was transferred to retained earnings from reserves.

The fair value of stock options issued during the six-month period ended October 31, 2023 was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

<b>July 3, 2023</b>	
Weighted average assumptions:	
Risk-free interest rate	3.77%
Expected dividend yield	0.00%
Expected option life (years)	3.00
Expected stock price volatility	72%
Weighted average fair value at measurement date	\$0.193

A summary of stock options outstanding as at October 31, 2024, is as follows:

<b>Number of Stock Options Outstanding</b>	<b>Number of Stock Options Exercisable</b>	<b>Exercise Price</b>	<b>Weighted Average Remaining Contractual Life (in years)</b>	<b>Intrinsic Value</b>	<b>Expiry Date</b>
9,713	9,713	\$3.00	0.22	\$0.00	January 18, 2025
70,000	70,000	\$0.076	0.34	\$0.14	March 3, 2025
2,100,000	2,100,000	\$0.12	0.49	\$0.10	April 27, 2025
1,095,000	1,095,000	\$0.21	0.58	\$0.01	June 1, 2025
600,000	600,000	\$0.41	1.67	\$0.00	July 3, 2026
1,500,000	1,500,000	\$0.35	2.13	\$0.00	December 18, 2026
131,250	131,250	\$0.265	2.83	\$0.00	August 31, 2027
1,500,000	1,500,000	\$0.45	3.13	\$0.00	December 18, 2027
<b>7,005,963</b>	<b>7,005,963</b>		<b>1.56</b>		

### g) Share-based payments

During the three and six-month periods ended October 31, 2024 and 2023, the Company recorded share-based payments related to the grants of stock options and PSUs totaling \$57,814 and \$115,628 respectively (October 31, 2023 - \$115,740 and \$115,740), of which \$57,814 and \$115,628 respectively (October 31, 2023 - \$38,580 and \$38,580) pertained to directors and officers of the Company.

## 9. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity.

## Notes to the Financial Statements (continued)

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents. Management reviews the capital structure on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes to the Company's capital management during the six-month period ended October 31, 2024.

### 10. FINANCIAL INSTRUMENTS AND RISK

The Company's financial instruments consist of cash and cash equivalents, and trade and other payables. The fair value of the financial instruments approximates their carrying values, unless otherwise noted.

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

#### a) Credit risk

The Company's credit risk is mainly attributable to its liquid financial assets: cash and cash equivalents. The Company deposits cash with high credit quality financial institutions and credit risk is considered to be minimal. The Company's maximum exposure to credit risk is \$2,696,809 which is the carrying value of the Company's cash and cash equivalents at October 31, 2024.

#### b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2024, the Company had available a cash and cash equivalents balance of \$2,696,809 (April 30, 2024 - \$3,020,475) to settle current liabilities of \$394,122 (April 30, 2023 - \$363,055).

#### c) Foreign exchange risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at October 31, 2024, the Company is exposed to currency risk as some transactions and balances are denominated in Australian dollars. As at October 31, 2024, a 10% change of the Canadian dollar relative to the Australian dollar would have net financial impact of approximately \$180,000 (April 30, 2024 - \$220,000). The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

### 11. SUBSEQUENT EVENTS

On November 6, 2024, the Company announced it has entered a binding, conditional share purchase agreement (**SPA**) to acquire 100% of the Glenburgh Gold Project (**Glenburgh Project**) and Mt Egerton Gold Project (**Mt Egerton Project**), located in the Gascoyne region of Western Australia from Spartan Resources Limited (ASX: SPR) (**Spartan**) (**Acquisition**). In connection with the Acquisition, the Company received binding firm commitments from new and existing shareholders of the Company, each of whom is an institutional and/or sophisticated investor, to raise

## Notes to the Financial Statements (continued)

approximately A\$4 million (before costs) through a placement of approximately 18,181,820 fully paid CHES Depository Interests (**CDIs**), each CDI representing one underlying common share in the Company on a one for one basis (**New CDIs**) at an issue price of A\$0.22 per New CDI (**Placement**). The Placement was completed on November 14, 2024.

Completion of the Acquisition is subject to certain conditions precedent, one being obtaining shareholder approval at the Company's upcoming Annual General and Special Meeting to be held on December 17, 2024. Refer the news release dated November 6, 2024, for further information regarding the transaction terms of the Acquisition.

On November 25, 2024, the Company granted a total of 2,000,000 stock options to an employee, exercisable at a price of \$0.32 per share for a period of three years, and 2,000,000 stock options to consultants, exercisable at a price of \$0.25 per share for a period of two years. All these options vested immediately.

On November 26, 2024, Mr Mark Lynch-Staunton was appointed Chief Executive Officer.

On December 3, 2024, the Company granted a total of 1,000,000 stock options to a consultant, exercisable at a price of \$0.45 per share and expiring on December 18, 2027. All these options vested immediately.

On December 4, 2024, the Company announced that it had also executed an option agreement to acquire three highly prospective tenements adjacent to the Glenburgh Gold Project in Western Australia, and one strategic tenement at the Mt Egerton Gold Project (**Option Agreement**). Pursuant to the Option Agreement, Benz has secured the exclusive right to acquire four tenements from Mining Equities Pty Ltd, an unrelated party (**Vendor**). Benz has the ability to exercise this option for a period up to 30 days following the successful completion of the previously announced acquisition of the Glenburgh and Mt Egerton Projects from Spartan. In consideration for the option, Benz will pay the Vendor A\$5,000.

Benz may elect, at its sole discretion, to exercise the option and, if so, the following consideration is payable upon completion, subject to approval by the TSX Venture Exchange:

- issuance of 500,000 fully paid ordinary shares in Benz; and
- the grant of a 0.75% net smelter royalty.

Refer the news release dated December 4, 2024, for further information regarding the Option Agreement.

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX-MONTH PERIOD ENDED OCTOBER 31, 2024

The following management's discussion and analysis of financial conditions and results of operations (the **MD&A**) has been prepared by management and provides a review of the activities, results of operations, and financial condition of Benz Mining Corp. (the **Company**). This discussion dated December 16, 2024, complements and supplements the Company's unaudited condensed interim financial statements and associated notes for the three and six-month periods ended October 31, 2024, and 2023. Please also refer to the cautionary statement of forward-looking information at the end of this document.

All financial information in this MD&A is prepared in accordance with International Financial Reporting Standards (**IFRS**) and reported in Canadian dollars unless otherwise noted. Additional information about the Company is available under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca) and [www.asx.com.au](http://www.asx.com.au).

### 1. COMPANY OVERVIEW AND OVERALL PERFORMANCE

The Company was incorporated under the laws of the Province of British Columbia on November 9, 2011. The Company is an exploration and development stage company engaged in the acquisition, exploration and exploitation of mineral properties located in Canada. The Company's common shares trade on the TSX Venture Exchange under the symbol "BZ", the Frankfurt Exchange under the trading symbol "1VU", and the Australian Securities Exchange under the trading symbol "BNZ".

In August 2019, the Company entered into an option agreement (the **Option Agreement**) to acquire from Fury Gold Mines Limited (formerly Eastmain Resources Inc) (**Fury Gold** or the **Vendor**), an initial 75% interest (and up to 100%) in the former producing Eastmain Gold project (the **Eastmain Project**) located in James Bay District, Quebec. In April 2020, the Company entered into an amending agreement (the **Amending Agreement**) in connection with the Eastmain Project pursuant to which the Company acquired a further option to earn an initial 75% interest (and up to 100%) in the Ruby Hill West and Ruby Hill East properties (collectively, the **Ruby Hill Properties**), located west of the Eastmain Project.

Pursuant to the Option Agreement and Amending Agreement, (collectively the **Amended Agreement**) the Company was required to issue cash and common share payments to the Vendor (the **Option Payments**) totaling \$2,695,000 over a four-year period from the effective date of the original Option Agreement. In addition to the Option Payments, the Company issued to Fury Gold 3,000,000 common shares, with a fair value of \$255,000 on October 23, 2019. On May 21, 2020, the Company also issued to Fury Gold an additional 2,000,000 common shares valued at \$360,000 and 4,000,000 share purchase warrants with a fair value of \$539,078. Each warrant enabled the holder to purchase one common share of the Company at a price of \$0.12 per share until April 27, 2023. Under the Amended Agreement the Company also committed to incur property expenditures totaling \$3,500,000 over a four-year period from the effective date of the original Option Agreement, this expenditure obligation has been met.

On October 23, 2023, the Company made the final Option Payments under the Amended Agreement comprising \$1,350,000 in cash and the issuance of 1,237,216 common shares (determined based on the payment value of \$375,000 divided by the prevailing 10-day volume weighted average price (**VWAP**) of the Company's common shares) with a fair value of \$395,909. Upon making the final Option Payments on October 23, 2023 and having incurred the required property expenditures prior to this date, the Company exercised its' option to acquire a 75% right, title and interest to the Eastmain Project and the Ruby Hill Properties.

## **Management's Discussion and Analysis (continued)**

Under the terms of the Amended Agreement, the Company remains obligated to make the following additional payments to the Vendor on the occurrence of the following events:

- \$1,000,000 (the **First Milestone Payment**) within five 5 business days of the earlier of: (i) closing of project financing to develop the Eastmain Project with the intent to place the property (or any part thereof) into commercial production, or (ii) the date that is 24 months after the exercise of the option to acquire 75% interest in the Eastmain Project (being October 23, 2025). If the Company fails to make the First Milestone Payment, Fury Gold will have the right to buy back the Company's 75% interest in the Eastmain Project for \$3,500,000, of which up to \$1,225,000 may be paid in common shares of Fury Gold. Upon payment of the First Milestone Payment the Company's ownership interest in the Eastmain Project increases to 100%; and
- \$1,500,000 within 5 business days of the commencement of commercial production on the Eastmain Project (**Second Milestone Payment**).

The Company may also, at its election, pay up to 25% of the First Milestone Payment and the Second Milestone Payment in common shares of the Company. The number of common shares required to be issued will be determined by the share equivalent of such payment on the date of issuance.

Fury Gold retains a 2% Net Smelter Return (**NSR**) royalty in respect of the Eastmain Project. The Company may, at any time, purchase one half of the NSR royalty, thereby reducing the NSR royalty to a 1% NSR royalty, for \$1,500,000.

Under the terms of the Amended Agreement, the Company has the right to earn an additional 25% interest in the Ruby Hill Properties by paying an additional \$100,000 to Fury Gold by October 23, 2025, which can be paid in cash or by the issuance of common shares at the election of Fury Gold based whereby the number of common shares to be issued is based on a payment value of \$500,000 divided by the prevailing 20-day VWAP of the Company's common shares up to a maximum of 500,000 common shares.

Following the acquisition of a 100% interest in the Ruby Hill Properties, Fury Gold will retain a 1% NSR royalty, of which one half may be purchased for \$500,000 thereby reducing it to a 0.5% NSR royalty. The NSR royalty is also offset by any pre-existing royalties which may reduce the royalty burden.

The Company also holds a 100% interest in an additional 124 claims on the Ruby Hill West property and as at October 31, 2024, the total number of claims held on the Eastmain Project and Ruby Hill Properties totaled 547, covering 28,837.2 hectares (288.37 km<sup>2</sup>).

The Company also holds a 100% interest in the Windy Mountain property, located in James Bay District, Québec. As at October 31, 2024, the total claims held on this property were 78, covering 4,109.7 hectares (41.10 km<sup>2</sup>).

On November 6, 2024, the Company announced it has entered a binding, conditional share purchase agreement (**SPA**) to acquire 100% of the Glenburgh Gold Project (**Glenburgh Project**) and Mt Egerton Gold Project (**Mt Egerton Project**), located in the Gascoyne region of Western Australia from Spartan Resources Limited (ASX: SPR) (**Spartan**) (**Acquisition**). In connection with the Acquisition, the Company received binding firm commitments from new and existing shareholders of the Company, each of whom is an institutional and/or sophisticated investor, to raise approximately A\$4 million (before costs) through a placement of approximately 18,181,820 fully paid CHES Depositary Interests (**CDIs**), each CDI representing one underlying common share in the Company on a one for one basis (**New CDIs**) at an issue price of A\$0.22 per New CDI (**Placement**). The Placement was completed on November 14, 2024.

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## **Management's Discussion and Analysis (continued)**

Completion of the Acquisition is subject to certain conditions precedent, one being obtaining shareholder approval at the Company's upcoming Annual General and Special Meeting to be held on December 17, 2024. Refer the news release dated November 6, 2024, for further information regarding the transaction terms of the Acquisition.

On December 4, 2024, the Company announced that it had also executed an option agreement to acquire three highly prospective tenements adjacent to the Glenburgh Gold Project in Western Australia, and one strategic tenement at the Mt Egerton Gold Project (**Option Agreement**). Pursuant to the Option Agreement, Benz has secured the exclusive right to acquire four tenements from Mining Equities Pty Ltd, an unrelated party (**Vendor**). Benz has the ability to exercise this option for a period up to 30 days following the successful completion of the previously announced acquisition of the Glenburgh and Mt Egerton Projects from Spartan. In consideration for the option, Benz will pay the Vendor A\$5,000.

Benz may elect, at its sole discretion, to exercise the option and, if so, the following consideration is payable to the Vendor upon completion, subject to approval by the TSX Venture Exchange:

- issuance of 500,000 fully paid ordinary shares in Benz; and
- the grant of a 0.75% net smelter royalty.

Refer the news release dated December 4, 2024, for further information regarding the Option Agreement.

### **2. GOING CONCERN UNCERTAINTY**

The Company's condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will realize its assets and discharge its obligations in the normal course of operations. As at October 31, 2024, the Company has a working capital surplus of \$2,597,444 (April 30, 2024 – \$3,354,082). The Company's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due.

The Company is considered to be in the exploration phase. The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Company's activities. Mineral exploration and development is considered highly speculative and involves inherent risks.

Management believes the Company's cash position will support all of its financial obligations and expected expenditures during the next twelve months. However, the Company expects that it will need to obtain further financing in order to continue exploration activities in the future. In addition, while the Company's future activities in relation to drilling on its mineral claims look promising, there can be no assurance that the results of its exploration activities will confirm the existence of economically viable quantities of ore or that the project will ultimately go into production. There can be no assurance that management will be successful in securing adequate financing. If adequate financing is not obtained, the Company may be required to delay or reduce the scope of any or all of its exploration and development projects.

The Company reported a net loss and total comprehensive loss in the six-month period ended October 31, 2024 of \$872,266 (year ended April 30, 2024 - \$4,024,481). These recurring losses and the need for continued financing to further successful exploration activities indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern.

## ***Management's Discussion and Analysis (continued)***

The Company's financial statements do not give effect to any adjustments to the carrying values and classifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

### **3. OPERATIONS**

#### ***Eastmain Project***

The Eastmain Project is located approximately 750km northeast of Montreal and 316km northeast of Chibougamau and comprises 155 contiguous mining claims each with an area of approximately 52.7 ha, covering a total of 8,172.71 ha plus one industrial lease permit. It is accessible by road via the Route 167 extension, a permanent all-season road, and is serviced by an existing camp, all season gravel roads, and an airstrip. The Eastmain Project benefits from access to Chibougamau (population of 7,541) that serves as the main centre of communications and supplies for the area.

The Eastmain Project has a history of significant exploration that has been undertaken intermittently since Placer Development Limited's initial discovery of the Eastmain deposit in 1969/1970. At this time the gold-silver-copper bearing A Zone was intersected while drill-testing an airborne geophysical conductor. Subsequent drill testing of airborne conductors in the 1980's defined two additional gold-rich zones known as the B and C Zones. In 1987, the Placer and MSV Resources Inc. joint venture completed underground development on the Eastmain deposit including an 826.2 m decline, 226.2 m of sub-level drifting, and 95.5m of raising. In 1994 to 1995, MSV Resources Inc. mined 118,356 tonnes grading 10.58 g/t Au and 0.3% Cu by room and pillar mining. The mineralization was processed at the Copper Rand Mine in Chibougamau, and 40,000 oz of Au was recovered. Fury Gold acquired a 100% interest in the Eastmain Project from Campbell Resources Inc. in 2007.

On August 7, 2019, the Company entered into the Option Agreement with Fury Gold followed by the Amending Agreement on April 30, 2020. Upon making the final Option Payments on October 23, 2023 and having incurred the required property expenditures prior to this date, the Company exercised its' option to acquire a 75% interest in the Eastmain Project and the Ruby Hill East and West properties.

On May 23, 2023, the Company announced an updated independent Mineral Resource Estimate (**MRE**) on the Eastmain Project. The updated MRE has been possible following extensive drilling campaigns on the Eastmain Mine Shear Zone during 2021/22.

The updated MRE for the Eastmain Project, prepared by P&E Mining Consultants Inc. (**P&E**) has been estimated at 621 koz Inferred and 384 koz Indicated gold at respective grades of 5.1 and 9.0 g/t Au.

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## Management's Discussion and Analysis (continued)

**Table 1: Eastmain Project Updated Mineral Resources at 2.5 g/t Au Cut-off.**

Classification	Tonnes (Mt)	Au (g/t)	Au (koz)
Indicated	1.3	9.0	384
Inferred	3.8	5.1	621

**Notes:**

1. The Mineral Resources described above have been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy, and Petroleum, 2014) and follow Best Practices outlined by CIM (2019).
2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
3. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
4. The underground Mineral Resources in this estimate have been reported using a 2.5 g/t lower cut-off based on US\$1,800/oz Au, 0.77 US\$ FX, 95% process recovery and costs of C\$125/t mining, C\$40/t processing and \$15/t G&A. Up-dip cut-and-fill mining is envisioned for extracting mineralization at Eastmain.
5. The Eastmain Zones have been classified as Indicated and Inferred according to drill spacing and two grade estimation passes. Underground Mineral Resources have been classified manually within a constraining volume to remove isolated areas not satisfying reasonable prospects for eventual economic extraction ("RPEEE") and have been reported using an approximate 2 m minimum down hole intercept.
6. Historical workings were depleted from the Mineral Resource model.
7. The bulk density of 2.95 t/m<sup>3</sup> has been applied based on measurements taken on the drill core with Au values equal or greater than 2.0 g/t. This value was assigned to the block model.
8. The MRE is based on a block model with a parent block size in mineralized domains of 10 m x 10 m x 10 m with subcells as small as 0.5 m.
9. Tonnage and grades have been expressed in the metric system, and gold metal content has been expressed in troy ounces.
10. The tonnages have been rounded to the nearest 100 kt and the metal content has been rounded to the nearest 1 k ounces. Gold grades have been reported to one decimal place.

This MRE is an update from the previously reported NI 43-101 compliant MRE (2019) of 236.5 koz indicated and 139.3 koz of inferred at respective grades of 8.19 g/t Au and 7.48 g/t Au on the Eastmain Project. This updated MRE was prepared and is reported in accordance with NI 43-101 and JORC 2012 and is effective as of May 24, 2023. The Company engaged International Resource Solutions of Australia and P&E of Canada to prepare the updated MRE of the Eastmain Project. The updated MRE is based on 383 diamond drill holes totalling 103,444 m.

The MRE is sensitive to the selection of a reporting Au cut-off value, as demonstrated in Table 2.

**Table 2: Mineral Resource Estimate Sensitivity to Au Cut-off Grade.**

Cut-off Au (g/t)	Indicated			Inferred		
	Tonnes (Mt)	Au (g/t)	Au (koz)	Tonnes (Mt)	Au (g/t)	Au (koz)
4.5	1.0	10.5	351	1.6	7.4	370
4.0	1.1	10.0	362	2.1	6.6	444
3.5	1.2	9.6	371	2.6	6.0	510
3.0	1.3	9.3	380	3.3	5.5	576
<b>2.5</b>	<b>1.3</b>	<b>9.0</b>	<b>384</b>	<b>3.8</b>	<b>5.1</b>	<b>621</b>
2.0	1.4	8.6	392	4.7	4.6	685
1.5	1.5	8.4	393	5.5	4.1	733
1.0	1.5	8.3	394	6.0	3.9	755

Notes 1 – 10 below Table 1 also above apply.

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Mineral Resource Estimates do not account for mineability, selectivity, mining loss and dilution. Inferred Mineral

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## **Management's Discussion and Analysis (continued)**

Resources are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is also no certainty that Indicated Mineral Resources will be converted into Mineral Reserves, once economic considerations are applied; or that Inferred Mineral Resources will be converted to Measured and Indicated classifications through further drilling, or into Mineral Reserves, once economic considerations are applied.

During July 2023, the Company reported that 45 diamond drill holes were drilled for a total of 17,965m<sup>1</sup>. The drilling program was designed to extend the gold deposit to the northern part of the property and to explore outside of the known mine area and along the northwestern trend that includes the Suzanna, Michel and Julien prospects whilst the Company was waiting for assays from additional drilling done over the zones the subject of the May 2023 resource upgrade.

The drilling program followed a strategy of targeting previously identified time domain electromagnetic anomalies at the Eastmain Mine area and Induced Polarisation at the Julien, Suzanna and Michel prospect areas, to follow the best geophysical response, interpreted to be caused by sulphide rich gold mineralisation. The Company was pleased to report new high-grade discoveries on the Suzanna and Michel prospects, including a new copper-gold discovery, including:

- 4.85m at 7.50 g/t and 1.91% Cu from 76.65m (EM22-272); and
- 3.40m at 9.32 g/t from 264.10m at Suzanna (EM22-260).

Both holes are located in a wide-open area with very few drill holes at Michel (EM22-272) and Suzanna (EM22-260).

In addition, drilling at Zone E yielded several positive intersections that should result in the expansion of the gold mineralisation in that area. It is also anticipated that Zone NW will continue to expand with the new results indicating continuance towards the northwest and the north that will be investigated by further drilling.

The Eastmain Project remains a focus for the Company with further gold targeting studies being undertaken during the quarter ended October 31, 2024. The studies focused on both the high-grade structural trends of the Eastmain Mine, and new regional opportunities within the tenement package. The Upper Eastmain belt remains underexplored and is in the right geological setting for a new significant gold discovery.

### **Ruby Hill Properties**

The Ruby Hill East property is located within the upper Eastmain greenstone belt of James Bay, Québec where the Eastmain Gold deposit is located. The Stornoway diamond mine is located about 80 km north of the property. The Ruby Hill East property consists of 88 mineral claims (4,640 ha) in a single block contiguous to the west with the Eastmain Mine Project. Fury Gold completed drill programs in 2008 and in 2016. In 2008, eight holes were drilled totalling 1,263m. In 2016, five diamond drill holes were completed totalling 1,044m.

The Ruby Hill West property is located approximately 800 km north of Montreal, 320 km north-northeast of Chibougamau and 160 km north of Temiscamie, Québec. The Ruby Hill West property consists of 302 contiguous claim cells (15,919.18 ha) in a single block. The eastern boundary of the property is located

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<sup>1</sup> Refer release dated July 27, 2023: *New High-Grade Gold and Copper Discoveries on the Eastmain Project.*

## **Management's Discussion and Analysis (continued)**

approximately 18km west of the Eastmain Project and 10 km from highway 167 North. The Ruby Hill West property is helicopter accessible from the base camp on the Eastmain Project.

Fury Gold commenced exploration in 2005, completed a drill program testing airborne geophysical targets in 2008 and a surface prospecting program in 2016. In 2008, 21 holes were drilled totalling 3,648 m. The 2016 work program consisted of geological mapping and prospecting. A total of 237 outcrops were described and 158 grab samples were collected. From the 158 collected samples, seven returned gold values >100 ppb, amongst which four assayed >1 g/t gold. The best gold value obtained is 18.15 g/t.

In the western part of the Ruby Hill West property, samples of a spodumene-bearing pegmatite dyke returned values of 0.50% to 2.19% lithium with very anomalous tantalum, cesium and rubidium values.

In late May 2023, mapping and prospecting work led to the discovery of the new Mikisiw area of outcrops and blocks of spodumene bearing LCT (lithium-cesium-tantalum) pegmatite. Further mapping then uncovered a third spodumene bearing outcrop approximately 2km west of Mikisiw.

Drilling on the Ruby Hill West (**RHW**) and Mikisiw pegmatite targets concluded in early November 2023 and results were received and interpreted<sup>2</sup>. The drill program consisted of 19 holes for approximately 2,940m via a single helicopter supported diamond drill rig. An additional 58.95m of trench channel samples were also completed targeting visible pegmatite outcrops.

Results show we have a significant LCT pegmatite system at the RHW property with drilling uncovering multiple thick LCT pegmatite dykes. While the thicknesses and fertility indicators are highly encouraging, the individual pegmatite dykes exhibit internal zonation, moving from spodumene rich to spodumene poor zones over short distances. Importantly, all the ingredients for a major lithium discovery still exist on the Ruby Hill West property, with over 25km of mostly unexplored prospective lithium trend remaining to be tested. The geological setting still suggests that additional discoveries are likely, with further work needed on uncovering the spodumene rich parts of the system.

Drilling followed up on the previously announced intersection of **26.1m at 1% Li<sub>2</sub>O** from hole RHW22-006<sup>3</sup>. Hole RHW23-025 targeted the down dip extension of RHW22-006, and intersected **10.7m at 0.67% Li<sub>2</sub>O**, within a greater **21.3m** LCT pegmatite. Trenching uncovered **19.5m at 1.13%** in RHW23CH-004, which significantly increased the mineralised zone of the pegmatite. The RHW pegmatites form a series of subparallel pegmatite dykes that typically dip 50 to 60 dg to the NW, changing to sub-horizontal near surface. The pegmatite dykes appear to closely follow the contacts of a differentiated mafic-ultramafic sill.

At the Mikisiw (**M2**) target, drilling intersected a stacked sequence of LCT pegmatites. Similar to RHW, there is evidence of internal zonation. Drillhole RHW-017 hit **11.11 at 0.56% Li<sub>2</sub>O** within a wider **32.62m** pegmatite intersection. Several other thick pegmatite dykes were intersected showing encouraging lithium fertility indicators, however, did not intersect mineralised spodumene zones. Attention will now turn to vectoring into the spodumene rich zones within this stacked LCT pegmatite system.

LCT pegmatites on the RHW property are spatially associated with both mafic-ultramafic intrusions following D1 shearing and Late NE-SW and NW-SE structures. The intersection of these 2 trends is a potential trap for the more prospective LCT pegmatites. With this criterion, there are clear upside exploration targets at the RHW pegmatite. The prospective mafic-ultramafic sill combined with late

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<sup>2</sup> Refer release dated February 13, 2024: Ruby Hill West 2023 Drill Results.

<sup>3</sup> Refer release dated April 29, 2022: Multiple Spodumene Pegmatites Intersected in Maiden Drill Program at Ruby Hill West.

## **Management's Discussion and Analysis (continued)**

structures is interpreted to extend for up to 2km either side of the known pegmatite intersections providing an immediate target for strike extension.

During the quarter ended October 31, 2024, no further work was completed on the Ruby Hill properties.

### **Acquisition of Glenburgh and Mt Egerton Projects**

As previously announced, the Company has continued to actively review new opportunities worldwide to strategically expand our portfolio and enhance shareholder value.

On November 6, 2024, the Company announced it has entered a binding SPA to acquire 100% of the Glenburgh and Mt Egerton Projects, located in the Gascoyne region of Western Australia from Spartan.

The Glenburgh Project<sup>4</sup> is a substantial 786km<sup>2</sup> land package, situated 250km east of Carnarvon, Western Australia. Strategically positioned near the craton margin suture zone between the Glenburgh Terrane and the Yilgarn Craton, hosted within a Paleoproterozoic metamorphic gneiss belt. The Glenburgh Project has a granted mining lease and a Mineral Resource Estimate of **16.3Mt at 1g/t Au for 510,100 ounces**<sup>5</sup>. The key attributes of the Glenburgh Project are:

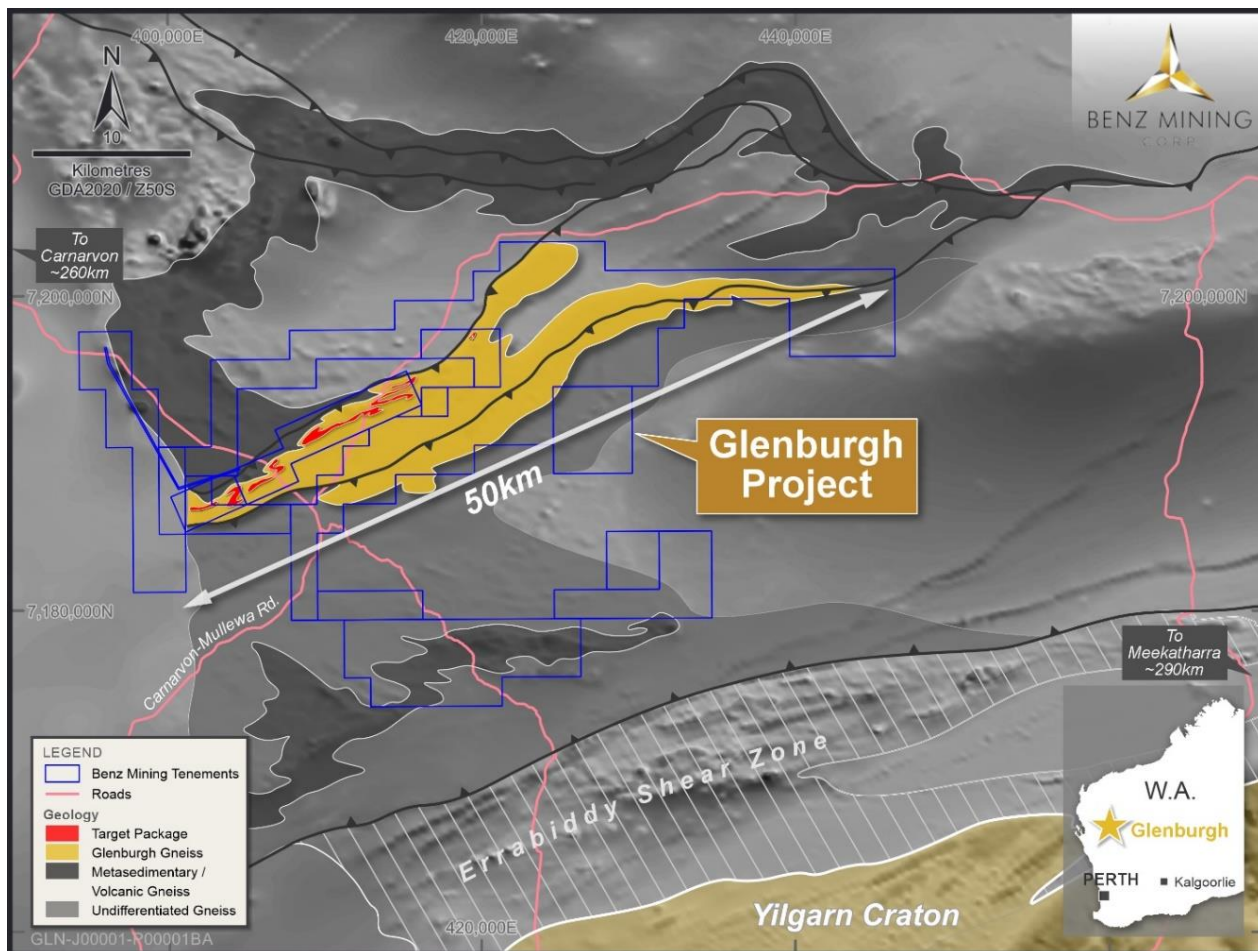
- **Huge exploration upside over 50km of strike:** 786km<sup>2</sup> over highly fertile craton margin, metamorphic belt terrane. Limited gold exploration plays of this size in WA.
- **Metamorphic belts - next generation of discoveries:** The potential of the gneissic metamorphic belts surrounding the Yilgarn craton were only recognised in the last few decades – they remain highly underexplored presenting a substantial opportunity.
- **Target package identified:** Generally characterized by ~100-metre-thick horizon of gneissic rocks with anomalous gold mineralisation encompassing significant high-grade gold zones.
- **Mining lease in place:** A massive permitting hurdle already cleared.
- **Tropicana look-a-like:** Glenburgh shares very similar geological characteristics and setting to the world class Tropicana gold discovery. Primed for Australia's next Tropicana style discovery.

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<sup>4</sup> Refer release dated November 6, 2024: Benz to Acquire WA Gold Projects from Spartan Resources.

<sup>5</sup> Indicated: 13.5Mt at 1.0g/t Au for 430.7koz; Inferred: 2.8Mt at 0.9g/t Au for 79.4koz.

## Management's Discussion and Analysis (continued)



**Figure 1: Geology overview of the Glenburgh Project.**

Benz's immediate exploration efforts at the Glenburgh Project will concentrate on the high-grade zones within the interpreted "Target Package". Six high-priority targets with shoots exceeding 50 gram-metres (Icon, Apollo, Shelby, Hurricane, Zone 102, Zone 126) have been identified within the existing resource footprint, presenting a compelling opportunity for rapid high grade resource expansion. Importantly, drilling on average has only tested the top 100m from surface, leaving incredible upside potential at depth.

Mt Egerton comprises two granted mining leases and five exploration licenses, covering a total area of 179.59km<sup>2</sup> in the Lower Proterozoic Egerton inlier. Located in the Gascoyne province, approximately 200km northwest of Meekatharra, the Project hosts the high-grade Hibernian Mine and the Gaffney's Find prospect. Previous drilling at Mt Egerton has revealed exceptional high-grade intercepts<sup>6</sup>, including:

- 5m at 96.7g/t Au
- 4m at 91.9g/t Au
- 4m at 75.3g/t Au
- 11m at 42.5g/t Au

<sup>6</sup> Refer release dated November 6, 2024: Benz to Acquire WA Gold Projects from Spartan Resources.

## ***Management's Discussion and Analysis (continued)***

These intercepts are associated with quartz veining in shallow southwest-plunging shoots. The Hibernian Mine, which has only been drill-tested to a depth of 70m, shows strong potential for expansion through deeper drill testing and targeting new shoot positions. In addition to depth extension potential at the Hibernian Mine, there is a roughly 8km strike extension to the Hibernian trend under shallow cover that remains underexplored. Mt Egerton hosts an initial Mineral Resource Estimate of **0.28Mt at 3.1g/t Au for 27,000 ounces**<sup>7</sup>. The resource is within trucking distance to several operating mills for potential toll treating options.

Refer the news release dated November 6, 2024, for further information regarding the transaction terms of the Acquisition.

### ***Option Agreement over Strategic Ground in Western Australia***

On December 4, 2024, the Company announced that it has executed an Option Agreement to acquire three highly prospective tenements adjacent to the Glenburgh Project in Western Australia, and one strategic tenement at the Mt Egerton Project. The execution of this Option Agreement to secure additional strategic ground aligns with our strategy of growing our resource base in Tier-1 mining jurisdictions. The Option Agreement provides Benz with the exclusive right to acquire the tenements, adding over ~20km of additional prospective strike to the Glenburgh Project. This expansion has the potential to enhance the exploration upside and complements the Glenburgh Project. Preliminary geological analysis suggests the ground covers the immediate extension of the prospective Glenburgh gneiss to the NE.

Refer the news release dated December 4, 2024, for further information regarding the Option Agreement.

### ***Private Placement***

In connection with the Acquisition, the Company received binding firm commitments from new and existing shareholders of the Company, each of whom is an institutional and/or sophisticated investor, to raise approximately A\$4 million (before costs) through a placement of approximately 18,181,820 fully paid CDIs, each CDI representing one underlying common share in the Company on a one for one basis at an issue price of A\$0.22 per CDI. The Placement was completed on November 14, 2024.

### ***Appointment of Chief Executive Officer***

On November 26, 2024, the Company appointed Mark Lynch-Staunton as its Chief Executive Officer. Since joining Benz as Chief Development Officer in December 2023, Mr Lynch-Staunton has played a pivotal role in advancing Benz's strategic initiatives and expanding its portfolio of high-quality gold assets, particularly with the recent acquisitions of the Glenburgh Project and the Mt Egerton Project, located in Western Australia, from Spartan, as announced on November 6, 2024.

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<sup>7</sup> Indicated: 0.23Mt at 3.4g/t Au for 25koz; Inferred: 0.04 at 1.5g/t Au for 2koz.

## Management's Discussion and Analysis (continued)

### 4. REVIEW OF FINANCIAL RESULTS

#### Summary of Quarterly Results

	Oct. 31, 2024	Jul. 31, 2024	Apr. 30, 2024	Jan. 31, 2024	Oct. 31, 2023	Jul. 31, 2023	Apr. 30, 2023	Jan. 31, 2023
Interest income	\$ 35,957	\$ 22,600	\$19,443	\$ 25,578	\$ 38,082	\$ 60,079	\$60,132	\$53,094
Operating loss	(538,757)	(417,699)	(936,572)	(376,014)	(2,542,805)	(1,743,637)	(3,561,977)	(1,243,739)
Net loss	(496,996)	(375,270)	(886,408)	(387,255)	(1,360,372)	(1,390,446)	(2,190,019)	(679,764)
Basic and diluted loss per share	(0.00)	(0.00)	(0.01)	(0.00)	(0.01)	(0.01)	(0.02)	(0.01)

During the three-month periods ended October 31, 2024 and 2023, exploration and evaluation costs consisted of the following:

	October 31, 2024	October 31, 2023
Geology	63,770	575,976
Location/camp services	21,850	(74,159)
Drilling	(7,250)	1,366,367
Geochemical analysis	5,181	98,922
Geophysics	-	221,470
Environment	15,000	22,680
Health & safety	-	88,401
Property Maintenance	3,596	1,447
Exploration tax credits	(21,718)	-
<b>Total exploration and evaluation costs</b>	<b>80,429</b>	<b>2,301,104</b>

#### Quarter Ended October 31, 2024, compared with the Quarter Ended October 31, 2023.

During the quarter ended October 31, 2024, the Company had a net loss of \$496,996 compared to a net loss of \$1,360,372 for the quarter ended October 31, 2023. The difference between these two quarters is primarily due to the following:

- Decrease in interest income of \$24,725;
- Decrease in exploration and evaluation costs of \$2,220,675 related to the Eastmain, Ruby Hill East and Ruby Hill West drilling programs (including an increase in exploration tax credits receivable of \$21,718)
- Increase in share-based payments recognised of \$57,814;
- Increase in management and consulting fees of \$61,851;
- Increase in salaries and wages of \$66,444;
- Increase in professional fees of \$69,462;
- Decrease in settlement of flow-through share premium liability of \$1,179,835; and
- Favourable movement in foreign exchange rates totalling \$66,909.

#### Explanation of Quarterly Results

During the three-months ended October 31, 2024, the Company recorded an operating loss of \$538,757 and net loss of \$496,996. Net loss was mainly comprised of exploration and evaluation costs of \$80,429,

## **Management's Discussion and Analysis (continued)**

management & consulting fees of \$176,094, professional fees of \$108,671, salaries and wages of \$66,444, offset by a foreign exchange gain of \$31,425 and interest income of \$13,357.

During the three months ended July 31, 2024, the Company recorded an operating loss of \$417,699 and net loss of \$375,270. Net loss was mainly comprised of exploration and evaluation costs of \$64,027, salaries and wages of \$65,450, share-based payments of \$57,814, management and consulting fees of \$125,932, and professional fees of \$34,955 offset by interest income of \$22,600.

During the three months ended April 30, 2024, the Company recorded an operating loss of \$936,572 and net loss of \$886,408. Net loss was mainly comprised of exploration and evaluation costs of \$142,166, reclamation costs of \$179,078, management and consulting fees of \$111,701, share-based payments of \$318,349, salaries and wages of \$65,009, professional fees of \$61,759 offset by interest income of \$19,443.

During the three-months ended January 31, 2024, the Company recorded an operating loss of \$376,014 and net loss of \$387,255. Net loss was mainly comprised of exploration and evaluation costs of \$50,803, management and consulting fees of \$127,821, office and miscellaneous expenses of \$43,257, salaries and wages of \$51,159 and professional fees of \$61,051 offset by settlement of flow-through share premium liability of \$861,576, and interest income of \$25,578. However, in addition, during the quarter there were a number of one-off transactions impacting net loss:

- i. The Québec wildfires during the exploration season of 2023 resulted in mandatory evacuations of the area around the Eastmain camp which lead to the Company being unable to fully spend it's exploration budget. Consequently, the Company realized a shortfall on it's Canadian and Québec Exploration Expenditures (**CEE/QEE**) commitments related to it's September 21, 2022 flow-through financing (refer section 6 below). In accordance with the flow-through rules, the Company amended the amounts of CEE/QEE and the federal 30% Critical Mineral Exploration Tax Credit (**CMETC**) previously renounced to the flow-through share subscribers. Under the terms of the subscription agreements, the Company is obligated to indemnify subscribers for the cost of any additional Federal or Provincial income taxes payable as a result of the shortfall. Accordingly, during the quarter, the Company realized a loss of \$1,387,818 relating to the indemnification of tax liabilities to the flow-through share subscribers attributable to each subscriber's proportionate share of the shortfall. The Company is also subject to interest on flow-through proceeds renounced under the lookback rules in respect of prior years (**Part XII.6 tax**), and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on CEE/QEE. During the quarter, the Company realized a loss of \$315,164 relating to Part XII.6 tax and penalties.
- ii. During the quarter, the Company's Australian GST registration was completed. Included in it's initial return was a refund for GST which had originally been written off along with the underlying expenditures and related to prior fiscal years. Consequently, during the quarter, the Company recognized a gain related to GST refunded amounting to \$162,500 which has been recorded as part of net loss for the quarter.
- iii. During the quarter, the Company fell victim to a "Spear Phishing" attack, whereby hackers were able to gain access to a team members' email account and then misrepresent themselves as a key supplier and request changes to the supplier's bank payment details. As soon as the attack was identified the counterparty bank was able to freeze the hacker's account and recover some but not all of the funds. Investigations to trace the remaining funds were unsuccessful. Additional internal controls have now

## Management's Discussion and Analysis (continued)

been implemented designed to prevent this incident from recurring. A total of \$110,851 was lost as a result of the attack which has been recorded as part of net loss for the quarter.

- iv. The Company is entitled to receive Québec Resource Tax Credits and Québec Mining Duties at the rates of 38.75% and 16% respectively on certain eligible exploration expenditures incurred in Québec. During the quarter, the Company recognized the estimated tax credits receivable of \$455,000 as a reduction to exploration and evaluation expenditures incurred.

During the three-months ended October 31, 2023, the Company recorded an operating loss of \$2,542,805 and net loss of \$1,360,372. Net loss was mainly comprised of exploration and evaluation costs of \$2,301,104, management and consulting fees of \$114,243, office and miscellaneous expenses of \$54,714, foreign exchange loss of \$35,484, offset by settlement of flow-through share premium liability of \$1,179,835 and interest income of \$38,082.

During the three-months ended July 31, 2023, the Company recorded an operating loss of \$1,743,637 and net loss of \$1,390,446. Net loss was mainly comprised of exploration and evaluation costs of \$1,354,186, management and consulting fees of \$129,846, share-based payments of \$115,740, foreign exchange loss of \$48,888, offset by settlement of flow-through share premium liability of \$342,000 and interest income of \$60,079.

During the three months ended April 30, 2023, the Company recorded an operating loss of \$3,561,977 and net loss of \$2,190,019. Net loss was mainly comprised of exploration and evaluation costs of \$3,333,730, management and consulting fees of \$136,376, foreign exchange loss of \$54,026, offset by settlement of flow-through share premium liability of \$1,365,852 and interest income of \$60,132.

During the three months ended January 31, 2023, the Company recorded an operating loss of \$1,243,739 and net loss of \$679,764. Net loss was mainly comprised of exploration and evaluation costs of \$897,318, management and consulting fees of \$203,467, office and miscellaneous expense of \$65,728, offset by settlement of flow-through share premium liability of \$408,073, foreign exchange gain of \$102,808 and interest income of \$53,094.

## 5. LIQUIDITY AND CAPITAL RESOURCES

A summary of the Company's working capital balances is as follows:

	October 31, 2024	April 30, 2024
Cash and cash equivalents	2,696,809	3,020,475
Sales taxes recoverable	21,700	34,386
Other receivables	178,525	550,785
Prepaid expenses and deposits	94,532	111,491
Trade and other payables	(188,058)	(171,187)
Flow-through share premium liability	-	-
Other provisions	(206,064)	(191,868)
<b>Working Capital</b>	<b>2,597,444</b>	<b>3,354,082</b>

The changes in working capital are primarily due to operating activities, as discussed in the previous section, and investing and financing activities as detailed below.

## **Management's Discussion and Analysis (continued)**

### **Cash Used in Investing Activities**

#### Six-month period ended October 31, 2024

During the six-month period ended October 31, 2024, there were no cashflows arising from investing activities.

#### Six-month period ended October 31, 2023

During the six-month period ended October 31, 2023, Benz made cash payments of \$1,350,000 pursuant to the terms of the Eastmain amended option agreement.

### **Cash from Financing Activities**

#### Six-month period ended October 31, 2024

During the six-month period ended October 31, 2024, there were no cashflows arising from financing activities.

#### Six-month period ended October 31, 2023

During the six-month period ended October 31, 2023, the Company issued:

- 1,377,778 shares and 1,377,778 compensation warrants on the exercise of compensation units for proceeds of \$234,222, and 7,162,122 shares on the exercise of warrants and 1,377,778 shares on the exercise of compensation warrants for total proceeds of \$1,451,783.

## **6. OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not have any off-balance sheet arrangements other than those discussed above.

## **7. RELATED PARTY TRANSACTIONS**

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing, and controlling the activities of the Company. The remuneration of directors and officers for the three and six-month periods ended October 31, 2024 and 2023 was as follows:

	<b>Three-months ended</b>		<b>Six-months ended</b>	
	<b>October 31,</b>	<b>October 31,</b>	<b>October 31,</b>	<b>October 31,</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Salaries, bonuses, fees and benefits</b>				
Management fees to the officers and directors of the Company	169,999	161,504	346,247	325,445
<b>Share-based payments</b>				
Officers and directors of the Company	57,814	-	115,628	38,580
	<b>227,813</b>	<b>161,504</b>	<b>461,875</b>	<b>364,025</b>

## Management's Discussion and Analysis (continued)

- a) In the normal course of operations, the Company transacts with companies related to its directors or officers. The following amounts are payable to related parties, and are included in trade and other payables:

	October 31, 2024	April 30, 2024
Management fees	\$ 45,497	\$ 30,881

### 8. SUBSEQUENT EVENTS

On November 6, 2024, the Company announced it has entered a binding, conditional SPA to acquire 100% of the Glenburgh Project and Mt Egerton Project, located in the Gascoyne region of Western Australia from Spartan. In connection with the Acquisition, the Company received binding firm commitments from new and existing shareholders of the Company, each of whom is an institutional and/or sophisticated investor, to raise approximately A\$4 million (before costs) through a placement of approximately 18,181,820 fully paid CDIs, each CDI representing one underlying common share in the Company on a one for one basis at an issue price of A\$0.22 per CDI. The Placement completed on November 14, 2024.

Completion of the Acquisition is subject to certain conditions precedent, one being obtaining shareholder approval at the Company's upcoming Annual General and Special Meeting to be held on December 17, 2024. Refer the news release dated November 6, 2024, for further information regarding the transaction terms of the Acquisition.

On November 25, 2024, the Company granted a total of 2,000,000 stock options to an employee, exercisable at a price of \$0.32 per share for a period of three years, and 2,000,000 stock options to consultants, exercisable at a price of \$0.25 per share for a period of two years. All these options vested immediately.

On November 26, 2024, Mr Mark Lynch-Staunton was appointed Chief Executive Officer.

On December 3, 2024, the Company granted a total of 1,000,000 stock options to a consultant, exercisable at a price of \$0.45 per share and expiring on December 18, 2027. All these options vested immediately.

On December 4, 2024, the Company announced that it has executed an Option Agreement to acquire three highly prospective tenements adjacent to the Glenburgh Gold Project in Western Australia, and one strategic tenement at the Mt Egerton Gold Project. Pursuant to the Option Agreement, Benz has secured the exclusive right to acquire four tenements from Mining Equities Pty Ltd, an unrelated party. Benz has the ability to exercise this option for a period up to 30 days following the successful completion of the previously announced acquisition of the Glenburgh and Mt Egerton Projects from Spartan. In consideration for the option, Benz will pay the Vendor A\$5,000.

Benz may elect, at its sole discretion, to exercise the option and, if so, the following consideration is payable upon completion, subject to approval by the TSX Venture Exchange:

- issuance of 500,000 fully paid ordinary shares in Benz; and
- the grant of a 0.75% net smelter royalty

Refer the news release dated December 4, 2024, for further information regarding the Option Agreement.

## **Management's Discussion and Analysis (continued)**

### **9. PROPOSED TRANSACTIONS**

As is typical of the mining industry, the Company is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value.

### **10. FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash and cash equivalents, other receivables, and trade and other payables. The fair value of these financial instruments approximates their carrying value due to the relatively short-term maturity of these instruments. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant credit, liquidity, foreign exchange, interest and price risks arising from these financial instruments. For a summary of how the Company manages these risks, please refer to Note 12 of the audited annual financial statements for the year ended April 30, 2024.

### **11. ADDITIONAL DISCLOSURES**

#### ***Additional Disclosure for Venture Issuers without Significant Revenue***

Detail regarding material items within general and administrative expenses has been provided throughout this document.

#### ***Outstanding Shares***

Authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

As at the date of this MD&A, the Company had the following issued and outstanding common shares and unexercised stock options, warrants and agent compensation options:

	<b>Shares and Potential Shares</b>
Common shares outstanding	187,320,614
Stock options (weighted average exercise price \$0.30)	12,005,963
Warrants (weighted average exercise price - \$Nil)	-
Compensation units and warrants (weighted average exercise price \$0.63)	1,400,000
Performance share units (weighted average exercise price \$Nil)	1,000,000
<b>Total common shares and potential common shares</b>	<b>201,726,577</b>

As at October 31, 2024, an amount of 222,857 common shares were held in escrow subject to an escrow agreement with Tusk Exploration Ltd. Due to unmet contractual obligations relating to the completion of an option purchase agreement that was relinquished in 2016, these shares continue to be held. The Company plans to cancel the shares held in escrow at a future date.

#### ***Internal Control over Financial Reporting***

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Therefore, even those systems determined to be effective can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

## ***Management's Discussion and Analysis (continued)***

### ***Critical Judgements and Estimates***

The financial statements are prepared in accordance with IFRS. 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 revenue and expenses during the reporting period.

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies that has the most significant effect on the amounts recognized in the Company's financial statements are the impairment of exploration and evaluation assets, the valuation of share-based payments and the valuation of deferred tax assets and liabilities.

For a summary of significant accounting judgements and estimates, please refer to Note 2 of the audited annual financial statements for the year ended April 30, 2024. Management believes it has made estimates that best reflect the facts and circumstances, however, actual results may differ from estimates.

### ***Management Changes***

On January 27, 2023, Xavier Braud resigned from his role as Chief Executive Officer and Head of Corporate Development (Australia). Evan Cranston, Executive Chairman, agreed to act as the Interim Chief Executive Officer until the Board makes a permanent appointment to the position.

On February 1, 2023, Daniella Tintor was appointed Corporate Secretary (Canada) replacing Mathew O'Hara who filled the role in an interim position.

On November 17, 2023, Mark Lynch-Staunton was appointed Chief Development Officer.

On November 26, 2024, Mark Lynch-Staunton was appointed Chief Executive Officer.

## **12. RISKS AND UNCERTAINTIES**

Our business, operating, and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing our Company. Additional risks not presently known, or that the Company currently deems immaterial, may also impair our business operations. If any such risks actually occur, the financial condition, liquidity, and results of operations of the Company as well as the ability of the Company to implement its growth plans could be materially adversely affected.

The following is a description of certain risks and uncertainties that may affect the business of the Company.

### ***Limited Operating History***

The Company is a relatively new company with limited operating history and no history of business or mining operations, revenue generation, or production history. The Company was incorporated on November 9, 2011 and has yet to generate a profit from its activities. The Company is subject to all the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it may take several years to achieve positive cash flow from operations.

### ***Exploration, Development, and Operating Risks***

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Few properties, which are explored, are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations

## ***Management's Discussion and Analysis (continued)***

there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature, and there can be no assurance that any minerals discovered will be discovered in sufficient quantities to warrant commercial exploitation. The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development, and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding, and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations, and financial performance of the Company.

### ***Substantial Capital Requirements and Liquidity***

Substantial additional funds will be required and there can be no assurances given that the Company will be able to raise the necessary funds. To meet such funding requirements, the Company may undertake additional equity financing, which would be dilutive to shareholders. There is no assurance that additional financing will be available on terms acceptable to the Company, or at all. If the Company is unable to obtain additional financing as needed, it may be required to discontinue operations.

### ***Competition***

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other mining companies, many of which have greater financial, technical, and other resources than the Company, for, among other things, the acquisition of minerals claims, leases, and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

### ***Reliance on Management and Dependence on Key Personnel***

The success of the Company is currently largely dependent upon the performance of its directors and officers, and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

### ***Fluctuating Mineral Prices and Marketability of Minerals***

The market price of any mineral is volatile and affected by many factors beyond the Company's control, including but not limited to: international supply and demand, consumer product demand levels, international economic trends, commodity prices, operations costs, variations in mineral grade, fluctuations in the market price of minerals, currency exchange rate fluctuations, the level of interest rates, the rate of inflation, global or regional political events, and international events as well as a range of other market forces. Depending on the price of certain minerals, the Company may determine that it is impractical to continue its mineral exploration or development operations, if any. Sustained downward movements in mineral market prices could render less economic, or uneconomic, some or all of the mineral extraction and/or exploration activities to be undertaken by the Company. The marketability of minerals is affected by factors such as government regulation of mineral prices, royalties, allowable production, and the importation and exportation of minerals, the effect of which cannot be accurately

## ***Management's Discussion and Analysis (continued)***

predicted. There is no assurance that a profitable market will exist for the sale of minerals found, if any, on the Company's properties.

### ***No Mineral Reserves or Mineral Resources***

Mineral resources are estimates of the size and grade of deposits based on limited sampling and on certain assumptions and parameters. No assurance can be given that the anticipated tonnages and grades will be achieved or realized. Prolonged declines in the market price of silver, copper, lead or zinc may render mineral resources containing relatively lower grades of mineralization uneconomic and could materially reduce any estimate of resources. Should such declines occur, the Company could be required to take a material write-down of its investment in mining properties or the development of new projects, resulting in increased net losses.

### ***Environmental Risks***

All phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions, local laws, and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that operations be operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability, and potentially increased capital expenditures and operating costs.

### ***Governmental Regulations and Processing Licenses and Permits***

The activities of the Company are subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards, and occupational health, mine safety, toxic substances, and other matters. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner, which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations, and financial performance of the Company. Further, the mining licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in such projects may decline.

### ***Conflicts of Interest***

Certain directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The Business Corporations Act of British Columbia (**BCBCA**) provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

## ***Management's Discussion and Analysis (continued)***

### ***Markets for Securities***

There can be no assurance that an active trading market in the Company's shares will be established and sustained. The market price for the Company's shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of the Company's peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of Company. The stock market has from time-to-time experienced extreme price and volume fluctuations, particularly in the mining sector.

### ***Uninsurable Risks***

Exploration, development, and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes, and other environmental occurrences. It is not always possible to obtain insurance against all such risks, and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares. The Company does not intend to maintain insurance against environmental risks.

## **13. APPROVAL**

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

## **14. FORWARD LOOKING INFORMATION**

This MD&A is based on a review of the Company's operations, financial position, and plans for the future based on facts and circumstances as of December 16, 2024.

Statements contained in this news release that are not historical facts are "forward-looking information" or "forward looking statements" (collectively **Forward-Looking Information**) as such term is used in applicable Canadian securities laws. Forward-Looking Information includes, but is not limited to, disclosure regarding the acquisition of the Glenburgh and Mt Egerton projects as well as certain tenements adjacent thereto and the anticipated benefits thereof, planned exploration and related activities on the Glenburgh and Mt Egerton projects and the anticipated timing of completion of both acquisitions. In certain cases, Forward-Looking Information can be identified by the use of words and phrases or variations of such words and phrases or statements such as "anticipates", "complete", "become", "expects", "next steps", "commitments" and "potential", in relation to certain actions, events or results "could", "may", "will", "would", be achieved. In preparing the Forward-Looking Information in this news release, the Company has applied several material assumptions, including, but not limited to, that all requisite approvals in respect of the both acquisitions will be received, and all conditions precedent to completion of the acquisitions will be satisfied, in a timely manner; the Company will be able to raise additional capital as necessary; the current exploration, development, environmental and other objectives concerning the Company's Projects (including Glenburgh and Mt Egerton) can be achieved; and the continuity of the price of gold and other metals, economic and political conditions, and operations.

Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to prove not to be valid or reliable, that occurrences such as those referred to above are realized and result in delays,

## **Management's Discussion and Analysis (continued)**

or cessation in planned work, that the Company's financial condition and development plans change, and delays in regulatory approval, as well as the other risks and uncertainties applicable to the Company as set forth in the Company's continuous disclosure filings filed under the Company's profile at and www.asx.com.au. Accordingly, readers should not place undue reliance on Forward-Looking Information. The Forward-looking information in this news release is based on plans, expectations, and estimates of management at the date the information is provided and the Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

### **15. COMPETENT PERSON'S STATEMENT**

#### **Competent Person's Statement (JORC Code)**

The Mineral Resource Estimates for the Eastmain Project and the Glenburgh Project were previously reported in accordance with Listing Rule 5.8 on 24 May 2023 and 6 November 2024, respectively. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and confirms that all material assumptions and technical parameters underpinning the Estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The information in this announcement that relates to historical exploration results was first reported to the ASX in accordance with ASX Listing Rule 5.7 on the dates identified throughout this announcement. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements

#### **Historical Mineral Resource Estimates**

All mineral resource estimates in respect of the Glenburgh Project in this news release are considered to be "historical estimates" as defined under NI 43-101- *Standards of Disclosure for Mineral Projects (NI 43-101)*. These historical estimates are not considered to be current and are not being treated as such. These estimates have been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (**JORC Code**) and have not been reported in accordance with NI 43-101. A qualified person (as defined in NI 43-101) (**Qualified Person**) has not done sufficient work to classify the historical estimates as current mineral resources. A Qualified Person would need to review and verify the scientific information and conduct an analysis and reconciliation of historical data in order to verify the historical estimates as current mineral resources.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.