

# NEWS RELEASE

TSX: SXGC | ASX: SX2 | OTCQX: SXGCF



OCTOBER 15, 2025

## First Quarter Ended August 31, 2025 Financial Statements and Management's Discussion & Analysis

### Southern Cross Gold Consolidated Ltd.

ARBN 681 229 854

Please find attached for release to the market, Southern Cross Gold Consolidated Ltd.'s First Quarter Ended August 31, 2025, Financial Statements and Management's Discussion and Analysis, prepared in accordance with National Instrument 51-102 Continuous Disclosure Obligations and NI 51-102F1 Management's Discussion and Analysis, issued by the Canadian Securities Administrators, for lodgment on the Canadian System for Electronic Document Analysis and Retrieval + (SEDAR +).

- Ends -

This announcement has been approved for release by the Board of Southern Cross Gold Consolidated Ltd.

For further information, please contact:

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**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED  
AUGUST 31, 2025

*(Unaudited - Expressed in Canadian Dollars)*

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**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note	August 31, 2025 \$	May 31, 2025 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		141,180,642	151,212,676
Amount receivable		7,049	83,392
GST/VAT receivable		650,990	388,315
Prepaid expenses and other assets		<u>555,056</u>	<u>119,392</u>
<b>Total current assets</b>		<u>142,393,737</u>	<u>151,803,775</u>
<b>Non-current assets</b>			
Investments	5	648,735	773,797
Property, plant and equipment	6	21,127,299	16,539,752
Exploration and evaluation assets	7	81,442,270	74,687,028
Right of use assets	8	1,234,613	1,263,617
Bonds		<u>129,564</u>	<u>95,985</u>
<b>Total non-current assets</b>		<u>104,582,481</u>	<u>93,360,179</u>
<b>TOTAL ASSETS</b>		<u>246,976,218</u>	<u>245,163,954</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		2,217,140	2,759,332
Current portion of lease liabilities	8	<u>224,993</u>	<u>197,699</u>
<b>Total current liabilities</b>		<u>2,442,133</u>	<u>2,957,031</u>
<b>Non-current liabilities</b>			
Non-current portion of lease liabilities	8	<u>1,003,207</u>	<u>1,066,806</u>
<b>TOTAL LIABILITIES</b>		<u>3,445,340</u>	<u>4,023,837</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	9	658,749,387	658,153,333
Share-based payments reserve		13,848,619	13,973,409
Foreign currency translation reserve		758,381	(2,086,628)
Deficit		<u>(429,825,509)</u>	<u>(428,899,997)</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>243,530,878</u>	<u>241,140,117</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u>246,976,218</u>	<u>245,163,954</u>

**Nature of Operations** - see Note 1

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on October 14, 2025 and are signed on its behalf by:

/s/ David Henstridge  
David Henstridge  
Director

/s/ Michael Hudson  
Michael Hudson  
Director

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

**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET LOSS**  
**AND COMPREHENSIVE INCOME (LOSS)**  
*(Unaudited - Expressed in Canadian Dollars)*

	Notes	Three Months Ended	
		August 31, 2025 \$	August 31, 2024 \$
<b>Expenses</b>			
Accretion of interest on lease liabilities	8	17,962	9,628
Administration and corporate costs		1,122,476	994,148
Depreciation and amortization	6 & 8	87,270	57,742
Salaries and benefits		564,098	202,463
Share-based compensation	9	161,028	17,833
		<u>1,952,834</u>	<u>1,281,814</u>
<b>Loss before other items</b>		<u>(1,952,834)</u>	<u>(1,281,814)</u>
<b>Other items</b>			
Interest income		1,142,650	41,591
Other income		13,100	-
Foreign exchange		(3,366)	(32,026)
Unrealized (loss) gain on investments	5(b)	<u>(125,062)</u>	<u>584,414</u>
		<u>1,027,322</u>	<u>593,979</u>
<b>Net loss for the period</b>		<u>(925,512)</u>	<u>(687,835)</u>
<b>Other comprehensive income (loss)</b>			
Currency translation adjustment		<u>2,845,009</u>	<u>142,701</u>
<b>Comprehensive income (loss) for the period</b>		<u>1,919,497</u>	<u>(545,134)</u>
<b>Net loss attributable to:</b>			
Shareholders of the Company		(925,512)	(563,716)
Non-controlling interest		-	(124,119)
<b>Net loss for the period</b>		<u>(925,512)</u>	<u>(687,835)</u>
<b>Comprehensive income (loss) attributable to:</b>			
Shareholders of the Company		1,919,497	(490,368)
Non-controlling interest		-	(54,766)
<b>Comprehensive income (loss) for the period</b>		<u>1,919,497</u>	<u>(545,134)</u>
<b>Basic and diluted loss per common share</b>		<u>\$(0.00)</u>	<u>\$(0.01)</u>
<b>Basic and diluted weighted average number of common shares outstanding</b>		<u>258,165,398</u>	<u>96,329,464</u>

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

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**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
*(Unaudited - Expressed in Canadian Dollars)*

	Three Months Ended August 31, 2025					
	Share Capital		Share-Based Payments Reserve \$	Foreign Currency Translation Reserve \$	Deficit \$	Total Shareholders' Equity \$
	Number of Shares	Amount \$				
<b>Balance at May 31, 2025</b>	258,041,648	658,153,333	13,973,409	(2,086,628)	(428,899,997)	241,140,117
Common shares issued for:						
- lead manager options	400,000	310,236	-	-	-	310,236
- RSUs	62,500	-	-	-	-	-
Transfer on exercise of:						
- lead manager options	-	162,828	(162,828)	-	-	-
- RSUs	-	122,990	(122,990)	-	-	-
Share-based compensation:						
- RSUs	-	-	161,028	-	-	161,028
Currency translation adjustment	-	-	-	2,845,009	-	2,845,009
Net loss for the period	-	-	-	-	(925,512)	(925,512)
<b>Balance at August 31, 2025</b>	<b>258,504,148</b>	<b>658,749,387</b>	<b>13,848,619</b>	<b>758,381</b>	<b>(429,825,509)</b>	<b>243,530,878</b>

	Three Months August 31, 2024							
	Share Capital		Share-Based Payments Reserve \$	Equity Attributable to Parent \$	Foreign Currency Translation Reserve \$	Deficit \$	Non-controlling Interest \$	Total Shareholders' Equity \$
	Number of Shares*	Amount \$						
<b>Balance at May 31, 2024</b>	96,293,365	97,678,699	9,382,338	11,947,523	(602,677)	(96,569,072)	16,988,755	38,825,566
Common shares issued for:								
- share options	297,530	226,320	-	-	-	-	-	226,320
Transfer on exercise of:								
- share options	-	122,590	(122,590)	-	-	-	-	-
Share-based compensation:								
- ESO plan	-	-	-	-	-	-	17,833	17,833
Currency translation adjustment	-	-	-	-	73,348	-	69,353	142,701
Net loss for the period	-	-	-	-	-	(563,716)	(124,119)	(687,835)
Change in ownership interest in subsidiary	-	-	-	523,139	-	-	551,071	1,074,210
<b>Balance at August 31, 2024</b>	<b>96,590,895</b>	<b>98,027,609</b>	<b>9,259,748</b>	<b>12,470,662</b>	<b>(529,329)</b>	<b>(97,132,788)</b>	<b>17,502,893</b>	<b>39,598,795</b>

\* The share numbers have been adjusted to reflect a consolidation of the Company's share capital on a one new for 3.169432 old basis effective January 10, 2025.

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

**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
*(Unaudited - Expressed in Canadian Dollars)*

	<b>Three Months Ended</b>	
	<b>August 31, 2025</b>	<b>August 31, 2024</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Net loss for the period	(925,512)	(687,835)
Adjustments for:		
Depreciation and amortization	87,270	57,742
Foreign exchange	1,325,410	24,341
Share-based compensation	161,028	17,833
Accretion of interest on lease liabilities	17,962	9,628
Unrealized loss (gain) on investments	125,062	(584,414)
Changes in non-cash working capital items:		
Amount receivable	76,343	-
GST/VAT receivable	(262,675)	4,749
Prepaid expenses and other assets	(435,664)	(145,342)
Accounts payable and accrued liabilities	(1,237,184)	235,841
<b>Net cash used in operating activities</b>	<b>(1,067,960)</b>	<b>(1,067,457)</b>
<b>Investing activities</b>		
Expenditures on exploration and evaluation assets	(5,545,149)	(2,621,631)
Additions to property, plant and equipment	(4,325,465)	(75,480)
Additions to bonds	(43,049)	(17,772)
<b>Net cash used in investing activities</b>	<b>(9,913,663)</b>	<b>(2,714,883)</b>
<b>Financing activities</b>		
Issuance of common shares	310,236	226,320
Payments on lease liabilities	(55,639)	(53,171)
Net proceeds from SXG AUS issuance of ordinary shares prior to SIA	-	1,074,210
<b>Net cash provided by financing activities</b>	<b>254,597</b>	<b>1,247,359</b>
<b>Effect of exchange rate changes on cash</b>	<b>694,992</b>	<b>(33,851)</b>
<b>Net change in cash and cash equivalents</b>	<b>(10,032,034)</b>	<b>(2,568,832)</b>
Cash and cash equivalents at beginning of period	151,212,676	15,497,519
<b>Cash and cash equivalents at end of period</b>	<b>141,180,642</b>	<b>12,928,687</b>

**Supplemental cash flow information - Note 13**

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

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**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED AUGUST 31, 2025**  
*(Unaudited - Expressed in Canadian Dollars)*

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**1. Nature of Operations**

The Company was incorporated on March 10, 2004 under the provisions of the Company Act (British Columbia). In January 2025 the Company completed a reorganization resulting in the distribution of its uranium assets and merger with Southern Cross Gold Ltd. ("SXG AUS"). On January 10, 2025 the Company changed its name from Mawson Gold Limited to Southern Cross Gold Consolidated Ltd. and its TSXV trading symbol to "SXGC". On January 15, 2025 the Company's common shares were listed on the Australian Stock Exchange ("ASX") under the symbol "SX2". See also Note 4. On July 2, 2025 the Company's common shares ceased to trade on the TSXV and began trading on the TSX under the same trading symbol, SXGC. On August 19, 2025 the Company's common shares commenced trading on the OTCQX under the trading symbol "SXGCF". The Company's executive office is located at #1305 - 1090 West Georgia Street, Vancouver, BC, V6E 3V7, Canada.

The Company is a resource company engaged in the acquisition and exploration of unproven mineral interests. As at August 31, 2025 the Company has not earned any production revenue, nor found proved reserves on any of its unproven mineral interests. On the basis of information to date the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the exploration and evaluation assets is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. Exploration and evaluation assets represent costs incurred to date, less amounts depreciated and/or written off, and do not necessarily represent present or future values.

As at August 31, 2025 the Company had working capital of \$139,951,604 and management considers the Company has adequate resources to maintain its core operations, conduct planned exploration programs on its existing exploration and evaluation assets and discharge its obligations as they become due in the next twelve months.

**2. Basis of Preparation**

***Statement of Compliance***

These condensed consolidated interim financial statements have been presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

***Basis of Measurement***

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

***Details of the Group and Non-controlling Interest***

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

Non-controlling interest in the Company's less than wholly-owned subsidiary is classified as a separate component of equity. On initial recognition, non-controlling interests are measured at their proportionate share of the acquisition date fair value of identifiable net assets of the related subsidiary acquired by the Company. Subsequent to the original transaction date, adjustments are made to the carrying amount of non-controlling interest for the non-controlling interest's share of changes to the subsidiary's equity.

**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED AUGUST 31, 2025**  
*(Unaudited - Expressed in Canadian Dollars)*

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**2. Basis of Preparation** (continued)

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amount of non-controlling interest is adjusted to reflect the change in the non-controlling interest's relative interest in the subsidiary, and the difference between the adjustment to the carrying amount of non-controlling interests and the Company's share of proceeds received and/or consideration paid is recognized directly in equity and attributed to owners of the Company.

In January 2025 the Company completed a corporate restructuring in which SXG AUS became a 100% wholly-owned subsidiary, as disclosed in Note 4.

As at August 31, 2025 the significant subsidiaries of the Company are SXG AUS and Australian subsidiaries, incorporated in Australia and 100% owned.

**3. Material Accounting Policies**

These condensed consolidated interim financial statements have been prepared on a basis consistent with the material accounting policies disclosed in the consolidated financial statements for the year ended May 31, 2025. Accordingly, they should be read in conjunction with the consolidated financial statements for the year ended May 31, 2025.

*Adoption of New Accounting Standards*

*Accounting Standards and Interpretations Issued but Not Yet Effective*

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

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

**4. Corporate Restructuring**

On July 30, 2024 the Company entered into a definitive binding scheme implementation agreement (the "SIA") with SXG AUS, its 48.7% owned subsidiary on the date of the SIA, to acquire all of the ordinary shares of SXG AUS (the "SXG AUS Shares") that the Company did not already own, by way of a scheme of arrangement under the laws of Australia (the "SXG AUS Scheme"). Following completion of the SXG AUS Scheme on January 23, 2025, SXG AUS became a wholly owned subsidiary of the Company.

Under the terms of the SXG AUS Scheme:

- (i) on January 15, 2025, the Company completed the spin-out of the uranium assets and cash of \$613,832 held by its then wholly-owned subsidiary SUA Holdings Limited ("SUA") and SUA's wholly-owned subsidiary, Euro Canna Holdings Ltd. ("Euro Canna") (the "SUA Arrangement") under the Business Corporations Act (British Columbia). Pursuant to the SUA Arrangement, the Company distributed 100% of the common shares of SUA (the "SUA Shares") held by it to shareholders of the Company of record as at January 10, 2025, on a pro rata basis. As a result, the Company shareholders also became shareholders of SUA and SUA and Euro Canna ceased to be subsidiaries of the Company. SUA became a reporting issuer in British Columbia and Alberta.

**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED AUGUST 31, 2025**  
*(Unaudited - Expressed in Canadian Dollars)*

**4. Corporate Restructuring (continued)**

The transaction was recorded at carrying value. The carrying value of the net assets transferred pursuant to the SUA Agreement consisted of the following:

	\$
Cash	613,832
Exploration and evaluation assets	<u>42,548</u>
	<u>656,380</u>

- (ii) on January 10, 2025, the Company effected a share consolidation of its common shares on the basis of one (1) post-consolidation share (a "Consolidated Share") for every 3.169432 pre-consolidation common shares (the "Consolidation"). As a result, the 306,138,320 common shares issued and outstanding prior to the Consolidation were reduced to 96,590,894 common shares, and outstanding stock options were adjusted accordingly. In addition the Company changed its name to Southern Cross Gold Consolidated Ltd.
- (iii) on January 23, 2025, the Company issued 125,041,013 common shares of the Company, with a fair value of \$3.35 per share for total consideration of \$418,887,454, to acquire the SXG AUS Shares; and
- (iv) on January 15, 2025, the Company's securities commenced quotation on the ASX under the ticker symbol "SX2" and are settled in the form of CHESSE Depository Interests ("CDIs").

During fiscal 2025 the Company incurred \$2,625,076 for costs associated with the SIA.

**5. Investments**

	As at August 31, 2025			
	Number	Cost \$	Unrealized Loss \$	Carrying Value \$
Common shares				
Nagambie Resources Limited ("Nagambie")	53,361,046	1,768,741	(1,145,319)	623,422
Kingsmen Resources Limited ("Kingsmen")	18,750	<u>45,000</u>	<u>(19,687)</u>	<u>25,313</u>
		<u>1,813,741</u>	<u>(1,165,006)</u>	<u>648,735</u>
	As at May 31, 2025			
	Number	Cost \$	Unrealized Loss \$	Carrying Value \$
Common shares				
Nagambie Resources Limited ("Nagambie")	53,361,046	1,768,741	(1,013,319)	755,422
Kingsmen Resources Limited ("Kingsmen")	18,750	<u>45,000</u>	<u>(26,625)</u>	<u>18,375</u>
		<u>1,813,741</u>	<u>(1,039,944)</u>	<u>773,797</u>

- (a) Pursuant to a subscription agreement dated March 24, 2020 the Company subscribed for 50,000,000 ordinary shares of Nagambie (the "Nagambie Shares"). As consideration for the acquisition of the Nagambie Shares the Company issued Nagambie 2,681,868 common shares of the Company, at a fair value of \$1,572,500. As long as the Company continues to hold the Nagambie Shares it maintains a right of refusal to take up or match proposals being considered over a 3,600 square kilometre tenement package held by Nagambie.

The Company subsequently purchased an additional 3,361,046 ordinary shares of Nagambie for \$196,241 through open-market purchases.

**SOUTHERN CROSS GOLD CONSOLIDATED LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED AUGUST 31, 2025**  
*(Unaudited - Expressed in Canadian Dollars)*

**5. Investments (continued)**

- (b) The carrying values of the investments were determined using quoted market values. During the three months ended August 31, 2025 the Company recorded an unrealized loss of \$125,062 (2024 - gain of \$584,414) on its investments held.

**6. Property, Plant and Equipment**

	Land \$	Office and Field Equipment \$	Vehicles \$	Total \$
<b>Cost:</b>				
Balance at May 31, 2024	3,014,787	165,110	227,736	3,407,633
Additions	13,548,156	190,771	22,738	13,761,665
Foreign exchange movement	<u>(389,507)</u>	<u>(8,969)</u>	<u>(6,980)</u>	<u>(405,456)</u>
Balance at May 31, 2025	16,173,436	346,912	243,494	16,763,842
Additions	4,052,235	271,410	2,320	4,325,465
Foreign exchange movement	<u>278,121</u>	<u>7,060</u>	<u>3,839</u>	<u>289,020</u>
Balance at August 31, 2025	<u>20,503,792</u>	<u>625,382</u>	<u>249,653</u>	<u>21,378,827</u>
<b>Accumulated Depreciation:</b>				
Balance at May 31, 2024	-	(61,668)	(89,384)	(151,052)
Depreciation	-	(44,478)	(34,626)	(79,104)
Foreign exchange movement	<u>-</u>	<u>6,064</u>	<u>2</u>	<u>6,066</u>
Balance at May 31, 2025	-	(100,082)	(124,008)	(224,090)
Depreciation	-	(15,875)	(7,901)	(23,776)
Foreign exchange movement	<u>-</u>	<u>(3,662)</u>	<u>-</u>	<u>(3,662)</u>
Balance at August 31, 2025	<u>-</u>	<u>(119,619)</u>	<u>(131,909)</u>	<u>(251,528)</u>
<b>Carrying Value:</b>				
Balance at May 31, 2025	<u>16,173,436</u>	<u>246,830</u>	<u>119,486</u>	<u>16,539,752</u>
Balance at August 31, 2025	<u>20,503,792</u>	<u>505,763</u>	<u>117,744</u>	<u>21,127,299</u>

- (i) In December 2024, SXG AUS entered into an agreement and acquired a special purpose company holding agricultural land situated over the Sunday Creek Project area and cash of \$16,937,494 (AUD \$18,750,000) for which SXG AUS issued 22,088,670 SXG AUS ordinary shares with a fair value of \$68,839,315 (AUD \$76,205,912). SXG AUS also paid \$1,347,203 (AUD \$1,491,424) for legal and associated costs relating to the acquisition, for a total consideration of \$70,184,622 (the "Land Purchase Consideration"). The acquisition of the special purpose company did not meet the criteria of a business combination under IFRS 3.

The Land Purchase Consideration has been allocated as follows:

	\$
Cash	16,937,494
Land, at appraised value	11,291,250
Exploration and evaluation assets	<u>41,955,878</u>
	<u>70,184,622</u>

- (ii) During the three months ended August 31, 2025 the Company purchased agricultural land situated over the Sunday Creek Project area for total cash consideration of \$4,052,235 (fiscal 2025 - \$2,256,906). All of the purchase consideration has been attributed to land costs.

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**FOR THE THREE MONTHS ENDED AUGUST 31, 2025**  
*(Unaudited - Expressed in Canadian Dollars)*

**7. Exploration and Evaluation Assets**

	<u>As at August 31, 2025</u>			
	Acquisition Costs \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
Australia				
Sunday Creek	42,754,936	33,171,625	3,279,218	79,205,779
Redcastle	<u>284,794</u>	<u>2,177,014</u>	<u>(225,317)</u>	<u>2,236,491</u>
	<u>43,039,730</u>	<u>35,348,639</u>	<u>3,053,901</u>	<u>81,442,270</u>
	<u>As at May 31, 2025</u>			
	Acquisition Costs \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
Australia				
Sunday Creek	42,754,936	27,675,072	2,103,249	72,533,257
Redcastle	<u>284,794</u>	<u>2,128,418</u>	<u>(259,441)</u>	<u>2,153,771</u>
	<u>43,039,730</u>	<u>29,803,490</u>	<u>1,843,808</u>	<u>74,687,028</u>

The Company's Australian mineral interests are as follows:

(i) *Sunday Creek Project*

Pursuant to an acquisition agreement, dated March 24, 2020 the Company acquired 100% of the shares in Clonbinane from Nagambie. As consideration the Company paid Nagambie a total of \$454,480 (AUD \$528,880) cash, issued 315,514 common shares of the Company at a fair value of \$185,000 and incurred legal fees of \$35,786. Clonbinane's sole asset was the Sunday Creek Project.

During fiscal 2025 the Company capitalized \$41,955,878 to the Sunday Creek Project, as described in Note 6.

(ii) *Redcastle, Australia*

On March 24, 2020 the Company entered into an option and joint venture agreement pursuant to which the Company had the right to earn up to a 70% joint venture interest in Nagambie's Redcastle gold property located in Victoria, Australia by incurring AUD \$1,000,000 of exploration expenditures on the Redcastle property. In June 2021 the Company notified Nagambie that the Company had earned a 70% interest in the Redcastle gold property. On October 24, 2024 Nagambie and the Company entered into a purchase and sale agreement whereby the Company paid \$228,550 (AUD \$250,000) and acquired Nagambie's remaining 30% joint venture interest.

(iii) *Commitments*

Australia tenement spending commitments are subject to renegotiation when an application for a mining lease and/or renewal of exploration permits are made or at other times and are subject to whether the Company decides to continue a tenement's rights until its expiry. The amounts detailed below are the minimum expenditures required to maintain ownership of the current tenements held as at August 31, 2025.

	AUD \$
Within one year	20,110,400
One to five years	<u>9,056,000</u>
Total	<u>29,166,400</u>

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**8. Right of Use Assets**

	\$
<b>Cost:</b>	
Balance at May 31, 2024	306,206
Additions	1,274,828
Foreign exchange movement	<u>(37,291)</u>
Balance at May 31, 2025	1,543,743
Additions	14,927
Foreign exchange movement	<u>24,340</u>
Balance at August 31, 2025	<u>1,583,010</u>
<b>Accumulated amortization:</b>	
Balance at May 31, 2024	(103,447)
Amortization	(183,720)
Foreign exchange movement	<u>7,041</u>
Balance at May 31, 2025	(280,126)
Amortization	(63,494)
Foreign exchange movement	<u>(4,777)</u>
Balance at August 31, 2025	<u>(348,397)</u>
<b>Carrying value:</b>	
Balance at May 31, 2025	<u>1,263,617</u>
Balance at August 31, 2025	<u>1,234,613</u>

The Company has lease contracts for office and warehouse premises. It does not have any subleases.

Effective April 28, 2025 the Company entered into an office lease agreement with the family trust of the Company's Chief Executive Officer for a term of five years plus a three year renewal option, at AUD \$7,890 per month.

As at August 31, 2025 the lease liabilities have remaining lease terms of approximately three to eight years or less and were determined using an effective interest rate of between 5% to 7%.

	<b>Three Months Ended August 31.</b>	
	2025	2024
	\$	\$
Balance, beginning of period	1,264,505	203,643
Additions	14,927	718,158
Accretion of interest	17,962	9,628
Payments	(55,639)	(53,171)
Foreign exchange movement	<u>(13,555)</u>	<u>(6,958)</u>
Balance, end of period	<u>1,228,200</u>	<u>871,300</u>
Current portion of lease liabilities	224,993	198,220
Non-current portion of lease liabilities	<u>1,003,207</u>	<u>673,080</u>
Total lease liabilities	<u>1,228,200</u>	<u>871,300</u>

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**8. Right of Use Assets (continued)**

As at August 31, 2025 the total of future minimum lease payments under the lease are as follows:

	\$
Less than one year	257,729
Greater than one year	<u>1,212,480</u>
	<u>1,470,209</u>

**9. Share Capital**

(a) *Authorized Share Capital*

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

(b) *Share Consolidation*

On January 10, 2025 the Company completed a consolidation of its share capital on a one new for 3.169432 old basis. The share and per share amounts have been adjusted within these condensed consolidated interim financial statements to reflect the share consolidation.

(c) *Equity Financings*

*Three Months Ended August 31, 2025*

The Company did not conduct any equity financing during the three months ended August 31, 2025.

*Fiscal 2025*

During fiscal 2025 the Company completed a private placement totalling 31,800,078 common shares, at \$4.50 per common share, for total proceeds of \$143,100,351.

The Company paid finders' fees of \$2,898,946 cash and issued 335,116 common shares at an ascribed value of \$1,508,022. In addition the Company incurred \$423,022 for legal and other costs associated with this private placement.

(d) *Incentive Plans*

The Company has no share-based incentive plans other than the Option Plan and the RSU Plan. The number of shares available for purchase pursuant to stock options granted under the Option Plan and RSUs awarded under the RSU Plan will not exceed 10% of the number of common shares which are issued and outstanding on the particular date of grant or award.

(i) No share options were granted during the three months ended August 31, 2025 and 2024.

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**9. Share Capital (continued)**

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

	2025		2024	
	Number of Options Outstanding	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Exercise Price
Balance, beginning of period	11,706,373	CDN \$0.84	1,117,865	CDN \$0.76
Exercised	-		(297,530)	CDN \$0.76
Balance, end of period	<u>11,706,373</u>	CDN \$0.84 <sup>(i)</sup>	<u>820,335</u>	CDN \$0.76

(i) Share options exercisable in AUD \$ have been incorporated based on Canadian currency equivalents at the exchange rate at the end of the period..

The following table summarizes information about the Company share options outstanding and exercisable at August 31, 2025:

Number Outstanding and Exercisable	Exercise Price	Expiry Date
536,373	CDN \$0.76	February 10, 2026
2,350,000	AUD \$0.30	May 5, 2026
720,000	AUD \$0.66	August 15, 2026
1,500,000	AUD \$1.20	October 23, 2026
3,550,000	AUD \$1.20	November 7, 2026
2,350,000	AUD \$0.30	May 5, 2027
<u>700,000</u>	CDN \$3.38	March 10, 2028
<u>11,706,373</u>		

(ii) On closing of the SIA, 280,000 employer security ownership plan ("ESO"), which was awarded by SXG AUS, was exchanged for 280,000 Company RSUs. During the three months ended August 31, 2025 the Company recognized \$161,028 share compensation expense on the vesting of the RSUs.

During the three months ended August 31, 2025 the Company issued 62,500 common shares on the redemption of RSUs.

As at August 31, 2025, 310,019 RSUs remained outstanding, of which 105,000 RSUs have vested and the remaining 205,019 RSUs are subject to vesting provisions.

A summary of RSUs at August 31, 2025 and 2024 and the changes for the three months ended on those dates, is as follows:

	2025	2024
	Number of RSUs Outstanding	Number of RSUs Outstanding
Balance, beginning of period	230,000	-
Awarded	142,519	-
Exercised	<u>(62,500)</u>	<u>-</u>
Balance, end of period	<u>310,019</u>	<u>-</u>

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**9 Share Capital (continued)**

(e) *SXG AUS Lead Manager Options, Broker Options, Share Options and Employer Security Ownership Plan*

- (i) During fiscal 2023 SXG AUS issued 3,000,000 options (the “Lead Manager Options”) to its broker in connection with its private placement conducted in November 2022.

The SXG AUS Lead Manager Options were transferred to the Company on closing of the SIA. A summary of SXG AUS Lead Manager Options at August 31, 2025 and 2024 and the changes for the three months ended on those dates, is as follows:

	2025		2024	
	Number	Weighted Average Exercise Price AUD \$	Number	Weighted Average Exercise Price AUD \$
Balance, beginning of period	750,000	0.87	1,205,000	0.87
Exercised	<u>(400,000)</u>	0.87	<u>-</u>	-
Balance, end of period	<u>350,000</u>	0.87	<u>1,205,000</u>	0.87

- (ii) During fiscal 2022 SXG AUS issued 6,500,000 options (the “Broker Options”) to its lead broker in connection with its IPO.

The SXG AUS Broker Options were transferred to the Company on closing of the SIA. A summary of SXG AUS Broker Options at August 31, 2025 and 2024 and the changes for the three months ended on those dates, is as follows:

	2025		2024	
	Number	Weighted Average Exercise Price AUD \$	Number	Weighted Average Exercise Price AUD \$
Balance, beginning of period	-	-	3,902,251	0.30
Exercised	<u>-</u>	-	<u>(1,937,584)</u>	0.30
Balance, end of period	<u>-</u>	-	<u>1,964,667</u>	0.30

- (iii) A summary of SXG AUS share options at August 31, 2024 and the changes for the three months ended on that date, is as follows:

	2024	
	Number of Options Outstanding	Weighted Average Exercise Price AUD \$
Balance, beginning of period	14,899,999	0.64
Exercised	<u>(1,683,333)</u>	0.35
Balance, end of period	<u>13,216,666</u>	0.68

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**9 Share Capital (continued)**

- (iv) On March 17, 2022 SXG AUS adopted an employer security ownership plan (the “ESO Plan”). The ESO Plan provided for the issuance of up to 8,970,000 ESOs. During the three months ended August 31, 2024 SXG AUS granted 280,000 ESOs with vesting provisions and recorded \$17,833 share-based compensation for the vesting of the granted ESOs.

A summary of SXG AUS ESOs at August 31, 2024 and the changes for the three months ended on those dates, is as follows:

	<b>2024 Number of ESOs</b>
Balance, beginning of period	-
Granted	<u>280,000</u>
Balance, end of period	<u>280,000</u>

**10. Non-controlling Interests**

During fiscal 2022 the Company determined to restructure its Australian assets into a new entity which would conduct an IPO in Australia and a listing of its ordinary shares on the ASX. On July 21, 2021 the Company incorporated SXG AUS as a wholly-owned Australian subsidiary. On August 9, 2021 the Company transferred its shareholdings in its 100% owned Australian subsidiaries, Mawson Queensland Pty Ltd. (“Queensland”), SXG Victoria Pty Ltd. (“Victoria”) and Clonbinane Goldfield Pty Ltd. (“Clonbinane”), to SXG AUS. On December 29, 2021 the Company transferred its holdings in Nagambie shares to SXG AUS. During fiscal 2022 SXG AUS conducted a number of private placements and its initial public offering and the Company’s interest in SXG AUS was diluted from 100% to 60%.

In fiscal 2023 SXG AUS completed a private placement of its common shares further diluting the Company’s interest to 50.99%. In fiscal 2024 SXG AUS completed a private placement and a rights offering, issued ordinary shares for the exercise of share options, Lead Manager Options and Broker Options and, as a result, the Company’s ownership interest was diluted to 49.6% as at May 31, 2024. During fiscal 2025 SXG AUS issued ordinary shares and the Company’s ownership interest was diluted to 43.6% prior to the SIA. On January 23, 2025 the Company completed the SIA and SXG AUS became a wholly-owned subsidiary of the Company as described in Note 4.

The following is a continuity of SXG AUS’ non-controlling interest:

	<b>\$</b>
Balance at May 31, 2023	13,870,387
Non-controlling interest adjustment for change in ownership interests	4,505,852
Share-based compensation adjustment	2,341,645
Currency translation adjustment	(173,481)
Share of loss for the year June 1, 2023 to May 31, 2024	<u>(3,555,648)</u>
Balance at May 31, 2024	16,988,755
Non-controlling interest adjustment for change in ownership interests	10,389,119
Share-based compensation adjustment	64,129
Share of loss for the period June 1, 2024 to January 23, 2025	(1,415,115)
Acquisition of remaining non-controlling interest	<u>(26,026,888)</u>
Balance at May 31, 2025	<u>-</u>

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**11. Related Party Disclosures**

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

(a) *Transactions with Key Management Personnel*

During the three months ended August 31, 2025 the Company incurred a total of \$263,843 (2024 - \$115,179) to current and former key management personnel of the Company for salaries and fees which have been allocated based on the nature of the services provided: expensed \$201,305 (2024 - \$69,215) to administration and corporate costs and capitalized \$62,538 (2024 - \$45,964) to exploration and evaluation assets.

(b) During the three months ended August 31, 2025 the Company incurred a total of \$23,000 (2024 - \$13,200) with Chase Management Ltd. ("Chase"), a private corporation owned by the CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the CFO, and \$1,005 (2024 - \$1,005) for rent. As at August 31, 2025 \$20,505 (May 31, 2025 - \$9,170) remained unpaid and has been included in accounts payable and accrued liabilities.

(c) See also Note 8.

**12. Financial Instruments and Risk Management**

*Categories of Financial Assets and Financial Liabilities*

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); amortized cost; and fair value through other comprehensive income ("FVOCI"). The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	August 31, 2025 \$	May 31, 2025 \$
Cash and cash equivalents	FVTPL	141,180,642	151,212,676
Amounts receivable	Amortized cost	7,049	83,392
Investments	FVTPL	648,735	773,797
Bonds	Amortized cost	129,564	95,985
Accounts payable and accrued liabilities	Amortized cost	(2,217,140)	(2,759,332)
Lease liabilities	Amortized cost	(1,228,200)	(1,264,505)

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

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

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

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

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**12. Financial Instruments and Risk Management** (continued)

The recorded amounts for amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The recorded amounts for lease liabilities approximate their fair value and they have interest at market rates for similar debt. The recorded amounts for cash and cash equivalents, investments and bonds approximate their fair value. The Company's fair value of cash and cash equivalents, and investments under the fair value hierarchy are measured using Level 1 inputs.

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

*Credit Risk*

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

*Liquidity Risk*

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

	<b>Contractual Maturity Analysis at August 31, 2025</b>				
	<b>Less than 3 Months \$</b>	<b>3 - 12 Months \$</b>	<b>1 - 5 Years \$</b>	<b>Over 5 Years \$</b>	<b>Total \$</b>
Cash and cash equivalents	141,180,642	-	-	-	141,180,642
Amounts receivable	7,049	-	-	-	7,049
Investments	-	-	648,735	-	648,735
Bonds	-	-	129,564	-	129,564
Accounts payable and accrued liabilities	(2,217,140)	-	-	-	(2,217,140)
Lease liabilities	(56,248)	(168,745)	(780,636)	(222,571)	(1,228,200)

*Market Risk*

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

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company's functional currency is the Canadian dollar. The Company maintains foreign currency bank accounts to support the cash needs of its foreign operations. Management believes the foreign exchange risk related to currency conversions is minimal and therefore does not hedge its foreign exchange risk. At August 31, 2025, 1 Canadian Dollar was equal to 1.11 AUD Dollar and 0.73 US Dollar.

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**12. Financial Instruments and Risk Management (continued)**

Balances are as follows:

	AUD Dollars	US Dollars	CDN \$ Equivalent
Cash and cash equivalents	83,396,956	25,637	75,167,511
Amount receivable	7,844	-	7,049
GST/VAT receivable	635,149	-	572,206
Bonds	127,333	11,010	129,564
Accounts payable and accrued liabilities	<u>(2,330,380)</u>	<u>-</u>	<u>(2,099,441)</u>
	<u>81,836,902</u>	<u>36,647</u>	<u>73,776,889</u>

Based on the net exposures as of August 31, 2025 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the AUD Dollar and US Dollar would result in the Company's net income or loss being approximately \$7,100,000 higher (or lower).

*Capital Management*

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, cash and cash equivalents and short-term investments. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

**13. Supplemental Cash Flow Information**

During the three months ended August 31, 2025 and 2024 non-cash activities were conducted by the Company as follows:

	2025 \$	2024 \$
Operating activities		
Accounts payable and accrued liabilities	-	30,988
Lease liabilities	<u>(14,927)</u>	<u>718,158</u>
	<u>(14,927)</u>	<u>749,146</u>
Investing activities		
Exploration and evaluation assets	-	(30,988)
Addition to right of use assets	<u>14,927</u>	<u>(718,158)</u>
	<u>14,927</u>	<u>(749,146)</u>
Financing activities		
Issuance of common shares	285,818	122,590
Share-based payments reserve	<u>(285,818)</u>	<u>(122,590)</u>
	<u>-</u>	<u>-</u>

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**14. Segmented Information**

The Company operates in one reportable segment, the exploration and development of unproven exploration and evaluation assets. The Company is in the exploration stage and has no reportable segment revenues or operating results.

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

	<b>As at August 31, 2025</b>			
	<b>Canada \$</b>	<b>Australia \$</b>	<b>USA \$</b>	<b>Total \$</b>
Current assets	66,731,178	75,662,559	-	142,393,737
Investments	25,313	623,422	-	648,735
Property, plant and equipment	-	21,127,299	-	21,127,299
Exploration and evaluation assets	-	81,442,270	-	81,442,270
Right of use assets	-	1,234,613	-	1,234,613
Bonds	-	114,434	15,130	129,564
	<u>66,756,491</u>	<u>180,204,597</u>	<u>15,130</u>	<u>246,976,218</u>

	<b>As at May 31, 2025</b>				
	<b>Canada \$</b>	<b>Australia \$</b>	<b>USA \$</b>	<b>Sweden \$</b>	<b>Total \$</b>
Current assets	141,939,124	9,851,211	-	13,440	151,803,775
Investments	18,375	755,422	-	-	773,797
Property, plant and equipment	-	16,539,752	-	-	16,539,752
Exploration and evaluation assets	-	74,687,028	-	-	74,687,028
Right of use assets	-	1,263,617	-	-	1,263,617
Bonds	-	70,030	15,896	10,059	95,985
	<u>141,957,499</u>	<u>103,167,060</u>	<u>15,896</u>	<u>23,499</u>	<u>245,163,954</u>

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# SOUTHERN CROSS GOLD CONSOLIDATED LTD.

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED AUGUST 31, 2025

This discussion and analysis of financial position and results of operations is prepared as at October 14, 2025 and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the three months ended August 31, 2025 of Southern Cross Gold Consolidated Ltd. ("SXGC" or the "Company"). The following disclosure and associated financial statements are presented in accordance with IFRS Accounting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management's discussion and analysis ("MD&A") are quoted in Canadian dollars.

### Forward Looking Statements

This MD&A contains "forward-looking information" or "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements are included to provide information about management's current expectations and plans that allow investors and others to have a better understanding of the Company's business plans and financial performance and condition.

All statements, other than statements of historical fact included in this MD&A, regarding the Company's strategy, future operations, financial position, prospects, plans and objectives of management are forward-looking statements. Forward-looking statements are typically identified by words such as "plan", "expect", "estimate", "intend", "anticipate", "believe", or variations of such words and phrases or statements that certain actions, events, or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements include but are not limited to, material factors and assumptions relating to, and risks and uncertainties associated with, the availability of financing for activities when required and on acceptable terms, the accuracy of the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the consistency of future exploration, development or mining results with our expectations, metal price fluctuations, the achievement and maintenance of planned production rates, the accuracy of component costs of capital and operating cost estimates, current and future environmental and regulatory requirements, favourable governmental relations and support for the development and operation of mining projects, the threat associated with outbreaks of viruses and infectious diseases, risks related to negative publicity with respect to the Company or the mining industry in general, reliance on a single asset, planned drill programs and results varying from expectations; litigation risks, the availability of permits and the timeliness of the permitting process, local community relations, dealings with non-governmental organizations ("NGOs"), the availability of shipping services, the availability of specialized vehicles and similar equipment, costs of remediation and mitigation, maintenance of title to our mineral properties, industrial accidents, equipment breakdowns, contractor's costs, remote site transportation costs, materials costs for remediation, labour disputes, the potential for delays in exploration or development activities, other unforeseen events, developments, or factors causing any of the aforesaid expectations, assumptions, and other factors ultimately being inaccurate or irrelevant; and other risks and uncertainties, including those described under "Risk Factors" in the Company's most recent Annual Information Form. Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended, as a result, the Company provides no assurance that forward looking statements will prove to be accurate. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from any conclusions, forecasts or projections described in the forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward looking statements. Except as required under applicable securities law, the Company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements contained herein are presented for the purpose of assisting investors in understanding the Company's expected financial and operational performance and results as at and for the periods ended on the dates presented in the Company's plans and objectives and may not be appropriate for other purposes.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions

in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its most Annual Information Form, management information circular, material change reports, press releases and other information, may be accessed via [www.sedarplus.ca/](http://www.sedarplus.ca/), via [www.asx.com.au](http://www.asx.com.au) (under the symbol "SX2") or the Company's website at [www.southerncrossgold.com](http://www.southerncrossgold.com). Readers are urged to review these materials, including the technical report filed with respect to the Company's mineral properties.

## Company Overview

The Company commenced operations on March 10, 2004. On July 31, 2020, the Company changed its name to Mawson Gold Limited and on January 10, 2025, the Company changed its name to Southern Cross Gold Consolidated Ltd. The Company is a reporting issuer in British Columbia, Alberta and Ontario. The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "SXGC" and the OTCQX under the symbol "SXGCF") and CHESS Depository Interests ("CDIs") on the Australian Securities Exchange ("ASX") under the symbol "SX2".

The Company is a natural resources company which has been continually engaged in the acquisition and exploration of precious and energy mineral interests since its incorporation in 2004. The Company's material property is the Sunday Creek Gold-Antimony Project in Victoria, Australia.

On July 30, 2024 the Company entered into a definitive binding Scheme Implementation Agreement (the "SIA") with Southern Cross Gold Ltd. ("SXG AUS"), its then 48.7% owned subsidiary on the date of the SIA, to acquire all of the ordinary shares of SXG AUS (the "SXG AUS Shares") that the Company did not already own, by way of a scheme of arrangement under the laws of Australia (the "SXG AUS Scheme"). Following completion of the SXG AUS Scheme on January 23, 2025, SXG AUS became a wholly owned subsidiary of the Company.

On August 27, 2025, the Company filed a non-independent technical report titled "NI 43-101 Technical Report Sunday Creek Gold-Antimony Project, Victoria, Australia" with an effective date of August 10, 2025 (the "Technical Report"), by Kenneth Bush, Exploration Manager for the Company, BSc (Hons) (Geology), MAIG, RP GEO, a non-independent qualified person under NI 43-101. The Technical Report is available for download under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.southerncrossgold.com](http://www.southerncrossgold.com). Readers are encouraged to read the NI 43-101 Technical Report in its entirety.

## Directors and Officers

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

Tom Eadie	Director, Non-Executive Chairman
Michael Hudson	Director, President and CEO
David Henstridge	Director
Georgina Carnegie	Director
Nick DeMare	CFO
Mariana Bermudez	Corporate Secretary

## Property Assets and Exploration Activities

Following the completion of the SXG AUS Scheme, the Company is an exploration stage company with a focus on gold exploration in Australia. The Company's focus is primarily on the exploration and development, through its wholly owned subsidiaries, Clonbinane Goldfield Pty Ltd ("Clonbinane"), and SXG Victoria Pty Ltd ("SXG Victoria") of the following projects:

1. Sunday Creek Project - Victoria - 100% ownership via Clonbinane;
2. Redcastle Project - Victoria - 100% ownership via SXG Victoria

The Victorian projects cover 291.5 km<sup>2</sup> over two historic high grade epizonal goldfields of the Melbourne Zone in Central Victoria.

The Company also hold rights to projects in Mt Isa, Queensland Australia via a wholly owned subsidiary, Mawson Queensland Pty Ltd (“Mawson Queensland”). Additionally, the Company holds a strategic 6.7% ownership of Nagambie Resources Ltd (ASX: NAG) (“Nagambie”) which entitles the Company to a Right of First Refusal over tenements controlled by Nagambie in Central Victoria.

### ***Sunday Creek Project***

The Sunday Creek epizonal-style gold project is located 60 km north of Melbourne within 19,365 hectares of granted exploration tenements. SXGC is also the freehold landholder of 1,054.51 hectares that form the key portion in and around the main drilled area at the Sunday Creek Project.

Gold and antimony form in a relay of vein sets that cut across a steeply dipping zone of intensely altered rocks (the “host”). When observed from above, the host resembles the side rails of a ladder, where the sub-vertical mineralized vein sets are the rungs that extend from surface to depth. At Apollo and Rising Sun these individual ‘rungs’ have been defined over 600 m depth extent from surface to 1,100 m below surface, are 2.3 m to 3.8 m wide (median widths) (and up to 10 m), and 20 m to 100 m in strike.

Cumulatively, as of the date of this MD&A, 220 drill holes for 97,553.07 m have been reported from Sunday Creek since late 2020. This amount includes five holes for 929 m that have been drilled for geotechnical purposes and 19 holes for 2,120.27 m that were abandoned due to deviation or hole conditions. An additional 12 holes for 582.55 m from Sunday Creek were abandoned due to deviation or hole conditions. Fourteen drillholes for 2,383 m have been reported regionally outside of the main Sunday Creek drill area. A total of 64 historic drill holes for 5,599 m were completed from the late 1960s to 2008. The project now contains a total of seventy (70) >100 g/t AuEq x m and seventy-four (74) >50 to 100 g/t AuEq x m drill holes by applying a 2 m @ 1 g/t lower cut.

The Company’s systematic drill program is strategically targeting these significant vein formations. Initially these have been defined over 1,500 m strike of the host from Christina to Apollo prospects, of which approximately 620 m has been more intensively drill tested (Rising Sun to Apollo). At least 77 ‘rungs’ have been defined to date, defined by high-grade intercepts (20 g/t to >7,330 g/t Au) along with lower grade edges. Ongoing step-out drilling is aiming to uncover the potential extent of this mineralized system.

Geologically, the project is located within the Melbourne Structural Zone in the Lachlan Fold Belt. The regional host to the Sunday Creek mineralization is an interbedded turbidite sequence of siltstones and minor sandstones metamorphosed to sub-greenschist facies and folded into a set of open north-west trending folds.

At the date of this MD&A, results were pending from 32 holes being processed and analyzed including nine holes that were actively being drilled and four abandoned holes, with nine rigs actively drilling. The Company continues its 200,000 m drill program through calendar Q1/2027.

### **Apollo**

**SDDSC164** confirmed the infill strategy by intersecting seven mineralized vein sets with two high-grade cores, plus one entirely new vein set. The hole demonstrated consistent mineralization along strike with a 42 m along-strike extension of the A30 vein set.

High-grade gold intercepts include **0.2 m @ 111 g/t Au** from 259.3 m (170 m vertically below surface), representing the fourth +100 g/t Au sample interval within 180 m of surface at Apollo.

Extended highlights include:

- **1.9 m @ 16.5 g/t AuEq** (14.4 g/t Au, 0.9% Sb) from 198.0 m
- **0.5 m @ 14.1 g/t AuEq** (7.1 g/t Au, 2.9% Sb) from 207.3 m, including:
  - **0.8 m @ 10.7 g/t AuEq** (5.5 g/t Au, 2.2% Sb) from 207.3 m
- **4.5 m @ 1.5 g/t AuEq** (0.5 g/t Au, 0.4% Sb) from 210.8 m, including:
  - **0.1 m @ 138.7 g/t AuEq** (87.1 g/t Au, 21.6% Sb) from 217.9 m
- **0.6 m @ 29.5 g/t AuEq** (19.4 g/t Au, 4.2% Sb) from 217.9 m
- **3.5 m @ 11.7 g/t AuEq** (5.1 g/t Au, 2.8% Sb) from 223.6 m, including:
  - **0.9 m @ 39.3 g/t AuEq** (15.4 g/t Au, 10.0% Sb) from 223.6 m
- **0.3 m @ 110.3 g/t AuEq** (62.3 g/t Au, 20.1% Sb) from 243.5 m
- **14.4 m @ 5.9 g/t AuEq** (3.9 g/t Au, 0.8% Sb) from 252.9 m, including:

- 2.8 m @ 14.9 g/t AuEq (10.7 g/t Au, 1.8% Sb) from 258.9 m
- 2.6 m @ 9.0 g/t AuEq (4.9 g/t Au, 1.7% Sb) from 262.9 m
- 3.6 m @ 1.4 g/t AuEq (1.2 g/t Au, 0.1% Sb) from 278.2 m
- 3.1 m @ 2.8 g/t AuEq (1.8 g/t Au, 0.4% Sb) from 292.1 m

High-grade antimony results include three individual high-grade assays:

- 0.1 m @ 138.7 g/t AuEq (87.1 g/t Au, **21.6% Sb**) from 217.9 m
- 0.9 m @ 39.3 g/t AuEq (15.4 g/t Au, **10.0% Sb**) from 223.6 m
- 0.3 m @ 110.3 g/t AuEq (62.3 g/t Au, **20.1% Sb**) from 243.5 m

**SDDSC159** drilled as geological control hole to test the near surface fault offset of the dyke and altered sediment proximal to the Golden Orb fault successfully confirmed the fault offset position and discovered up 60 m of prospective dyke and altered sediment to the east of the Golden Orb Fault.

This discovery is adjacent to the historic Gladys Mine, which had the longest vein set mined on the project at 104 m, suggesting significant potential for near-surface mineralization in this newly identified area. Highlights included **0.8 m @ 2.9 g/t AuEq** (2.8 g/t Au) from 86.7 m.

Subsequent to the end of the quarter, **SDDSC163A** intersected peripheral mineralization at depth within the northern edges of the Apollo system, returning **0.1 m @ 59.7 g/t AuEq** (58.4 g/t Au, 0.6% Sb) from 980.8 m. While returning lower grade results, the intersections improve the geological understanding of the mineralized system boundaries.

### Apollo East

**SDDSC170A**, the deepest east-west hole at Apollo, extended mineralization 75 m east and 115 m down-dip from previous limits, significantly expanding the exploration target beyond current boundaries. This confirms structural continuity suggesting the system extends well beyond current drilling.

Key highlights from **SDDSC170A** include:

- **4.0 m @ 6.7 g/t AuEq** (6.5 g/t Au, 0.1% Sb) from 616.3 m
- **10.8 m @ 12.8 g/t AuEq (12.6 g/t Au, 0.1% Sb)** from 669.7 m (ETW 7.7m), including:
  - **1.7 m @ 66.9 g/t AuEq** (66.5 g/t Au, 0.2% Sb) from 671.9 m, including:
    - **0.2 m @ 540.3 g/t AuEq** (504 g/t Au, 0.1% Sb) from 672.1 m (highest grade at Apollo East)
  - **3.4 m @ 6.8 g/t AuEq** (6.5 g/t Au, 0.1% Sb) from 676.6 m
- **3.1 m @ 41.8 g/t AuEq (22.7 g/t Au, 8.0% Sb)** from 690.5 m, including:
  - **2.2 m @ 59.9 g/t AuEq** (32.3 g/t Au, 11.5% Sb) from 691.4 m
  - **0.3 m @ 90.4 g/t AuEq** (9.9 g/t Au, 33.7% Sb) from 691.8 m (highest Sb grade at Apollo East)
- **0.9 m @ 34.3 g/t AuEq** (33.8 g/t Au, 0.2% Sb) from 948.4 m, including:
  - **0.2 m @ 108.7 g/t AuEq** (107 g/t Au, 0.7% Sb) from 948.7 m
- **2.9 m @ 11.3 g/t AuEq** (11.3 g/t Au, 0.0% Sb) from 1,004.4 m, including:
  - **0.2 m @ 115 AuEq** (115 g/t Au, 0.01% Sb) from 1,005.4 m

The hole intercepted the highest individual gold intercept of 504 g/t Au and highest individual antimony intercept of 33.7% Sb in Apollo East, and returned the deepest individual +100 g/t Au intercepts to date in Apollo with 107 g/t Au at 948.7 m and 115 g/t Au at 1,005.4 m, highlighting the high-grade extending to depth.

### Rising Sun

**SDDSC162** delivered exceptional results with the tenth best interval drilled at Sunday Creek, intercepting **3.9 m @ 124.9 g/t AuEq** (124.6 g/t Au, 0.1% Sb) from 705.9 m, including higher grades with individual assays up to 2,110 g/t Au.

This hole was strategically drilled 28 m down-dip from **SDDSC144** (**3.6 m @ 18.2 g/t AuEq**), and 41 m down-dip from **SDDSC082** (**2.6 m @ 50.9 g/t AuEq**), with all intercepts exhibiting clear geologically similar features and consistent structural orientations in the RS17 Vein set, demonstrating the predictability of the geological model.

The drillhole intersected eight known vein sets with three high-grade cores, plus four entirely new vein sets, highlighting how infill drilling continues to discover additional mineralization beyond original interpretations.

Extended highlights include:

- **2.1 m @ 16.5 g/t AuEq** (12.6 g/t Au, 1.7% Sb) from 578.4 m, including:
  - **0.5 m @ 66.6 g/t AuEq** (51.9 g/t Au, 6.1% Sb) from 580.0 m
- **0.2 m @ 39.8 g/t AuEq** (25.3 g/t Au, 6.1% Sb) from 593.0 m
- **2.5 m @ 5.8 g/t AuEq** (5.6 g/t Au, 0.1% Sb) from 603.1 m, including:
  - **0.1 m @ 82.3 g/t AuEq** (81.9 g/t Au, 0.2% Sb) from 604.0 m
- **7.0 m @ 4.0 g/t AuEq** (3.9 g/t Au, 0.0% Sb) from 607.7 m, including:
  - **1.9 m @ 11.0 g/t AuEq** (10.9 g/t Au, 0.0% Sb) from 608.9 m
- **0.3 m @ 19.7 g/t AuEq** (19.0 g/t Au, 0.3% Sb) from 617.9 m
- **4.7 m @ 5.3 g/t AuEq** (5.1 g/t Au, 0.1% Sb) from 628.8 m, including:
  - **0.1 m @ 228.0 g/t AuEq** (228.0 g/t Au, 0.0% Sb) from 632.9 m
- **0.4 m @ 499.8 g/t AuEq** (499.7 g/t Au, 0.0% Sb) from 655.8 m
- **0.3 m @ 110.6 g/t AuEq** (108.0 g/t Au, 1.1% Sb) from 672.9 m
- **10.2 m @ 3.4 g/t AuEq** (3.3 g/t Au, 0.1% Sb) from 686.3 m, including:
  - **1.2 m @ 18.6 g/t AuEq** (18.5 g/t Au, 0.1% Sb) from 695.4 m
- **0.4 m @ 29.6 g/t AuEq** (29.5 g/t Au, 0.0% Sb) from 698.6 m, including:
  - **0.2 m @ 46.2 g/t AuEq** (46.2 g/t Au, 0.0% Sb) from 698.8 m
- **3.9 m @ 124.9 g/t AuEq** (124.6 g/t Au, 0.1% Sb) from 705.9 m, including:
  - **3.1 m @ 155.4 g/t AuEq** (155.1 g/t Au, 0.1% Sb) from 706.6 m
- **0.1 m @ 48.3 g/t AuEq** (48.2 g/t Au, 0.0% Sb) from 723.8 m
- **3.5 m @ 2.0 g/t AuEq** (1.6 g/t Au, 0.2% Sb) from 743.3 m
- **2.3 m @ 5.4 g/t AuEq** (5.4 g/t Au, 0.0% Sb) from 775.1 m, including:
  - **0.5 m @ 19.6 g/t AuEq** (19.6 g/t Au, 0.0% Sb) from 776.1 m
- **1.0 m @ 7.8 g/t AuEq** (7.6 g/t Au, 0.1% Sb) from 798.3 m

Subsequent to the end of the quarter, **SDDSC169AW1** was drilled west to east and intercepted seven vein sets in the Rising Sun system, confirming exceptional high-grade continuity along strike within the RS15 vein structure. The hole returned **0.5 m @ 342.2 g/t AuEq** (335.5 g/t Au, 2.8% Sb) from 615.7 m, located just 12 m along strike from **SDDSC118** which previously reported **0.7 m @ 604.0 g/t AuEq from 555.7 m** (reported June 13, 2024). The continuity of extremely high-grade mineralization confirms the robust nature of the RS15 vein system.

Key highlights from **SDDSC169AW1** included:

- **5.9 m @ 4.6 g/t AuEq** (3.6 g/t Au, 0.4% Sb) from 550.3 m, including:
  - **1.4 m @ 12.6 g/t AuEq** (9.3 g/t Au, 1.4% Sb) from 554.8 m
- **0.5 m @ 342.2 g/t AuEq** (335.5 g/t Au, 2.8% Sb) from 615.7 m, including:
  - **0.3 m @ 603.3 g/t AuEq** (592.0 g/t Au, 4.7% Sb) from 616.0 m
- **6.1 m @ 3.4 g/t AuEq** (3.0 g/t Au, 0.2% Sb) from 693.9 m, including:
  - **0.1 m @ 117.4 g/t AuEq** (116.0 g/t Au, 0.6% Sb) from 699.8 m

Subsequent to the end of the quarter, **SDDSC178W1** intercepted nine vein sets in the Rising Sun system, demonstrating the extensive stacked nature of mineralization. Three individual assays reported antimony grades exceeding 40%, including 0.13 m at 43.8% Sb and 0.13 m at 42.1% Sb, approaching theoretical pure stibnite. Drill hole highlights include:

- **1.2 m @ 13.9 g/t AuEq** (2.9 g/t Au, 4.6% Sb) from 524.0 m, including:
  - **0.1 m @ 125.9 g/t AuEq** (25.3 g/t Au, 42.1% Sb) from 524.7 m
- **18.0 m @ 3.7 g/t AuEq (1.6 g/t Au, 0.9% Sb)** from 574.8 m, including:
  - **0.6 m @ 17.7 g/t AuEq** (14.9 g/t Au, 1.2% Sb) from 580.0 m
  - **1.5 m @ 9.0 g/t AuEq** (4.1 g/t Au, 2.1% Sb) from 582.2 m
  - **1.3 m @ 14.1 g/t AuEq** (2.0 g/t Au, 5.1% Sb) from 588.9 m

## Golden Dyke

**SDDSC168W1** successfully intercepted five vein sets in Golden Dyke and returned exceptional high-grade gold and antimony mineralization. Significant individual results including **168 g/t Au and 0.9% Sb over 0.2 m** from 723.4 m, and **68.2 g/t Au and 48.9% Sb over 0.3 m** from 776.4 m, with the antimony results representing the third highest individual antimony result recorded on the project to date. **SDDSC168W1** represents one of the deepest holes reported at Golden Dyke with the western side of Golden Dyke extended vertically 560 m below surface.

Key highlights from **SDDSC168W1** include:

- **1.9 m @ 16.5 g/t AuEq** (16.3 g/t Au, 0.1% Sb) from 723.4 m, including:
  - **0.2 m @ 170.2 g/t AuEq** (168.0 g/t Au, 0.9% Sb) from 723.4 m
- **0.5 m @ 164.3 g/t AuEq (96.8 g/t Au, 28.2% Sb)** from 776.4 m

**SDDSC171** was drilled as an infill hole targeting the Golden Dyke system. The east-west oriented hole intercepted six known vein sets within the Golden Dyke system and intersected high-grade in a previously unmodelled vein set at 130 m vertically below surface (166 m downhole). **SDDSC171** was positioned to infill a gap of approximately 100 m to 110 m of vertical spacing between the previous holes **SDDSC130** and **SDDSC132**, successfully confirming the continuity of high-grade mineralization within the Golden Dyke system.

Key highlights from **SDDSC171** include:

- **0.9 m @ 68.1 g/t AuEq (68.1 g/t Au, 0.0% Sb)** from 166.1 m
- **0.4 m @ 47.1 g/t AuEq** (7.9 g/t Au, 16.4% Sb) from 171.6 m
- **2.8 m @ 13.7 g/t AuEq (9.8 g/t Au, 1.6% Sb)** from 457.1 m, including:
  - **0.2 m @ 119.8 g/t AuEq** (117.0 g/t Au, 1.2% Sb) from 457.6 m
- **0.8 m @ 16.6 g/t AuEq** (5.1 g/t Au, 4.8% Sb) from 459.1 m
- **4.2 m @ 4.5 g/t AuEq** (2.8 g/t Au, 0.7% Sb) from 502.8 m

**SDDSC175** drilled on a west-east orientation, has successfully extended the Golden Dyke system by 50 m to the west of known vein sets with mineralization intersected approximately 50 m vertically below surface, highlighting the potential for mineralization from very shallow depths. The hole intercepted nine vein sets, including two previously unknown vein sets located outside the current exploration target area. This result demonstrates the potential for further expansion west of the Golden Dyke system towards Christina.

Key highlights from **SDDSC175** include:

- **1.7 m @ 6.6 g/t AuEq** (5.8 g/t Au, 0.3% Sb) from 203.4 m, including:
  - **0.6 m @ 18.0 g/t AuEq** (17.3 g/t Au, 0.3% Sb) from 204.6 m
- **1.7 m @ 8.6 g/t AuEq** (5.7 g/t Au, 1.2% Sb) from 312.1 m, including:
  - **1.4 m @ 9.8 g/t AuEq** (6.5 g/t Au, 1.4% Sb) from 312.1 m
- **11.6 m @ 3.4 g/t AuEq (1.8 g/t Au, 0.7% Sb)** from 329.6 m, including:
  - **1.8 m @ 4.5 g/t AuEq** (2.5 g/t Au, 0.8% Sb) from 330.6 m
  - **0.6 m @ 12.6 g/t AuEq** (3.8 g/t Au, 3.7% Sb) from 334.4 m
  - **2.0 m @ 4.7 g/t AuEq** (2.7 g/t Au, 0.8% Sb) from 339.2 m

## Christina

**SDDSC173** represented a key result with four instances of visible gold identified in core and the intersection of four entirely new vein sets beyond the original geological interpretations.

Key highlights include:

- **1.3 m @ 1.9 g/t AuEq** (1.3 g/t Au, 0.3% Sb) from 502.9 m
- **2.7 m @ 17.1 g/t AuEq** (16.3 g/t Au, 0.3% Sb) from 681.8 m, including:
  - **2.5 m @ 18.4 g/t AuEq** (17.6 g/t Au, 0.4% Sb) from 681.8 m
- **0.3 m @ 13.0 g/t AuEq** (12.3 g/t Au, 0.3% Sb) from 686.9 m
- **2.9 m @ 14.4 g/t AuEq** (14.4 g/t Au, 0.0% Sb) from 701.0 m, including:
  - **0.6 m @ 58.0 g/t AuEq** (58.0 g/t Au, 0.0% Sb) from 701.0 m
  - **0.4 m @ 17.3 g/t AuEq** (17.2 g/t Au, 0.0% Sb) from 703.5 m
- **1.8 m @ 1.6 g/t AuEq** (1.5 g/t Au, 0.0% Sb) from 724.8 m

**SDDSC160W2** delivered the project's deepest intersections to date at Christina demonstrating the system continues 350 m at depth below the high-grade down-dip extension of drill hole [SDDSC137W2](#) which successfully intersected three high-grade vein sets and significant visible gold including **1.7 m @ 254.0 g/t AuEq** (250.8 g/t Au, 1.7% Sb) from 208.2 m. This represents a significant expansion of the known mineralized envelope and demonstrates the robust nature of the gold-antimony system at depth. **SDDSC160W2** intersected multiple mineralized zones down to 926.2 m depth (580 m below surface).

Key intersections include:

- **1.1 m @ 3.7 g/t AuEq** (1.0 g/t Au, 1.1% Sb) from 719.8 m depth
- **2.7 m @ 1.1 g/t AuEq** (0.5 g/t Au, 0.3% Sb) from 738.5 m depth
- **1.2 m @ 4.6 g/t AuEq** (4.5 g/t Au, 0.0% Sb) from 809.8 m depth
- **0.5 m @ 5.0 g/t AuEq** (5.0 g/t Au, 0.0% Sb) from 870.8 m depth
- **0.4 m @ 6.7 g/t AuEq** (6.7 g/t Au, 0.0% Sb) from 908.5 m depth
- **1.0 m @ 9.5 g/t AuEq** (9.4 g/t Au, 0.0% Sb) from 926.2 m depth
- **0.3 m @ 8.9 g/t AuEq** (8.8 g/t Au, 0.0% Sb) from 958.6 m depth

Results from **SDDSC166** and **SDDSC172** represent the westernmost intersections within the main Sunday Creek zone, bringing the total strike length of the mineralized corridor to 1.5 km from Apollo East to Christina West. This represents a significant expansion of the known mineralized footprint and validates the geological model's predictive capabilities.

**SDDSC166** confirmed the systematic approach with higher grades closer to surface:

- **7.1 m @ 5.2 g/t AuEq** (4.9 g/t Au, 0.1% Sb) from 296.7 m, including:
  - **0.1 m @ 76.8 g/t AuEq** (74.8 g/t Au, 0.8% Sb) from 296.7 m
  - **0.5 m @ 27.4 g/t AuEq** (27.3 g/t Au, 0.1% Sb) from 303.3 m
- **0.5 m @ 6.8 g/t AuEq** (6.7 g/t Au, 0.0% Sb) from 470.4 m

**SDDSC172** provided valuable geological control and confirmed mineralization continuity:

- **1.6 m @ 2.0 g/t AuEq** (1.8 g/t Au, 0.1% Sb) from 248.2 m
- **4.6 m @ 0.8 g/t AuEq** (0.4 g/t Au, 0.1% Sb) from 428.5 m

**SDDSC165**, a shallow 101m hole designed for geological control to define the edges of the host sequence ("rails" of the ladder), as was anticipated, returned low-grade mineralization, helping to define the lateral extent of the main mineralized host.

### **Mineralization, Scale and Comparison to Other Epizonal Deposits**

Mineralization at Sunday Creek is structurally controlled, with increased mineralization associated with brittle-ductile shear veins that show quartz-stibnite extension veining, stibnite-gold-matrix breccias and disseminated mineralization in the form of arsenian pyrite, pyrite and arsenopyrite. The host for mineralization is an east to north-east trending zone of intensely altered 'bleached' sericite-carbonate +/- silica altered siltstones and dyke rocks that ranges from 50 m to 200 m wide. A larger arsenic anomaly is associated with gold mineralization, mostly represented by arsenian-pyrite but arsenopyrite-bearing zones predominate below 700 m vertical depth with a clear spatial relationship to high-grade gold. A sulphidic (pyritic) halo, predominately in bleached pyrite-sericitic veins rounds out the larger visible alteration footprint.

Mineralized vein sets cross the host structure at on a predominate north-west orientation and are typically 10 m to 40 m wide (cut off dependent), 20 m to 60 m along strike, and 300 m to 830 m down-dip. As compared to other deposits, Sunday Creek benefits from the presence of multiple high-grade veins. Mineralized shoots at Sunday Creek can also be formed at the intersection of the sub-vertical to shallower dipping 330 degree (NW) striking mineralized veins sets and the east-west striking, steeply north dipping structure hosting dioritic dykes and related intrusive breccias. Higher grades of mineralization are often observed to concentrate on the dyke/altered sediment interface within individual vein sets.

At Sunday Creek, and as is typical for epizonal deposits (for example Fosterville and Costerfield, Reefton (NZ)), visible gold becomes increasingly significant at depth below approximately 500 m at Sunday Creek. This represents the different temperatures and changes in structural regimes of formation of epizonal Au-Sb and Au dominant mineralization. Gold at Sunday Creek is hosted in quartz and carbonate vein sets, associated with stibnite bearing veins and breccias.

### **Critical Metal Epizonal Gold-Antimony Deposits**

Sunday Creek is an epizonal gold-antimony deposit formed in the late Devonian (like Fosterville, Costerfield and Redcastle), 60 million years later than mesozonal gold systems formed in Victoria (for example Ballarat and Bendigo).

Epizonal deposits are a form of orogenic gold deposit classified according to their depth of formation: epizonal (<6 km), mesozonal (6-12 km) and hypozonal (>12 km).

Epizonal deposits in Victoria often have associated high levels of the critical metal, antimony, and Sunday Creek is no exception. China claims a 56 per cent share of global mined supplies of antimony, according to a 2023 European Union study. Antimony features highly on the critical minerals lists of many countries including Australia, the United States of America, Canada, Japan and the European Union. Australia ranks seventh for antimony production despite all production coming from a single mine at Costerfield in Victoria, located nearby to all SXGC projects. Antimony alloys with lead and tin which results in improved properties for solders, munitions, bearings and batteries. Antimony is a prominent additive for halogen-containing flame retardants. Adequate supplies of antimony are critical to the world's energy transition, and to the high-tech industry, especially the semi-conductor and defence sectors where it is a critical additive to primers in munitions.

In August 2024, the Chinese government announced it will place export limits from September 15, 2024 on antimony and antimony products. This will put pressure on Western defence supply chains and negatively affect the supply of the metal and push up pricing given China's dominance of the supply of the metal in the global markets. This is positive for SXGC as we are likely to have one of the very few large and high-quality projects of antimony in the western world that can feed western demand into the future.

Antimony represents approximately 20% in situ recoverable value of Sunday Creek at an AuEq of 1.88.

### **Gold Equivalent Calculation**

SXGC considers that both gold and antimony that are included in the gold equivalent calculation ("AuEq") have reasonable potential to be recovered at Sunday Creek, given current geochemical understanding, historic production statistics and geologically analogous mining operations. Historically, ore from Sunday Creek was treated onsite or shipped to the Costerfield mine, located 54 km to the northwest of the project, for processing during WW1.

SXGC considers that it is appropriate to adopt the same gold equivalent variables as Mandalay Resources Ltd in its 2024 End of Year Mineral Reserves and Resources Press Release, dated February 20, 2025. The gold equivalence formula used by Mandalay Resources was calculated using Costerfield's 2024 production costs, using a gold price of US \$2,500 per ounce, an antimony price of US \$19,000 per tonne and 2024 total year metal recoveries of 91% for gold and 92% for antimony, and is as follows:

$$AuEq = Au (g/t) + 2.39 \times Sb (\%)$$

Based on the latest Costerfield calculation and given the similar geological styles and historic toll treatment of Sunday Creek mineralization at Costerfield, SXGC considers that a  $AuEq = Au (g/t) + 2.39 \times Sb (\%)$  is appropriate to use for the initial exploration targeting of gold-antimony mineralization at Sunday Creek.

### **Corporate**

#### **Graduation to the TSX Main Board**

The Company received final approval from the TSX to list its common shares on the TSX main board at market open on July 2, 2025 and, as a result, the SXGC shares were delisted from TSX Venture Exchange.

The Company's shares also commenced trading at the open of the market on August 19, 2025, under its existing ticker symbol "SXGCF". The OTCQX Market is the highest level of OTC Markets, which operates markets on which more than 12,000 U.S. and international securities trade. Trading on OTCQX enhances visibility and accessibility to U.S. investors.

The Company continues to trade on the ASX under the trading symbol "SX2".

### **Index Inclusions**

The Company was included in two indices during the quarter, the S&P/ASX 300 and the FTSE Russell Global Small Cap Index. Inclusion into these indices increases interest from institutional investors, index funds, and exchange-traded funds (ETFs) that track them and enhances the Company's visibility and trading liquidity.

## ESG

### Health & Safety

During the quarter, the Company achieved a Total Recordable Injury Frequency Rate of zero and a Lost Time Injury Frequency Rate of zero, with only two first-aid cases recorded. Risk management efforts focused on drilling operations, mobile plant interactions, energy isolation, manual handling, and traffic management. All new employees completed four-wheel-drive training tailored to local conditions, and a physiotherapist-led program delivered practical coaching on safe lifting techniques, warm-up exercises, and task rotation to reduce musculoskeletal risk.

### Environmental

The Company continued comprehensive monitoring of noise, Sunday Creek surface-water quality and flow, and groundwater quality and levels, with results informing baseline studies, mitigation measures, and neighbour updates. New locally manufactured sound-attenuation panels were installed around three drill rigs to reduce environmental impact. The Company sought tenders for a Cultural Heritage Management Plan and continued weed management, mulching approximately 40 hectares of dead blackberry.

### Social (People & Community)

Sunday Creek Gold Company employees attended National Aborigines and Islanders Day Observance Committee Week celebrations in Seymour, reinforcing the Company's commitment to First Nations communities. The Company awarded community grants to five local organizations including emergency services, landcare groups, and heritage organizations, and established a partnership with Broadford Men's Shed to produce core blocks for the project. Staff partnered with Zonta Club to assemble more than 200 birthing kits for women in developing countries, and the Company became a sponsor of Kilmore Cricket Club supporting junior and senior teams.

The Company conducted one-to-one meetings and guided decline-area tours with nearby residents, providing targeted technical briefings on noise, air quality, water, flora and fauna, and blasting. The August community newsletter was distributed to approximately 650 recipients, and Exploration Decline fact sheets were delivered to local residents and published on the community website. The Sunday Creek and Dry Creek Landcare Group toured the decline site with the Company's ecology specialist, and the quarterly Community Reference Group meeting convened with Mitchell Shire personnel attending.

### Governance

The Company maintained transparency and accountability through structured forums including the Community Reference Group with council observers, documented responses to community feedback, and regular operational updates to stakeholders.

### Qualified Person

Michael Hudson President & CEO of the Company, and a Fellow of the Australasian Institute of Mining and Metallurgy, a qualified person as defined by National Instrument 43-101 - Standards of Disclosure or Mineral Projects, has prepared, reviewed, verified and approved the scientific and technical information in this MD&A.

## Financial Data

### Share Consolidation

On January 10, 2025, the Company completed a consolidation of its share capital on a one new for 3.169432 old basis in conjunction with the corporate restructuring under the SIA. The share and per share amounts have been adjusted to reflect the share consolidation. See also “Company Overview”.

### Selected Financial Data

In January 2025, the Company completed the spin-out of its uranium assets through the SUA Arrangement and acquired the remaining ordinary shares of SXG AUS that it did not already own by way of the SXG AUS Scheme, as described in “Company Overview”.

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2026	Fiscal 2025				Fiscal 2024		
	Aug 31 2025 \$	May 31 2025 \$	Feb 28 2025 \$	Nov 30 2024 \$	Aug 31 2024 \$	May 31 2024 \$	Feb 29 2024 \$	Nov 30 2023 \$
<b>Operations:</b>								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(1,952,834)	(3,241,222)	(997,440)	(390,647)	(1,281,814)	(842,669)	(1,141,972)	(2,578,516)
Other items	1,027,322	701,939	(1,436,724)	(2,022,080)	593,979	(611,809)	(954,496)	1,085
Loss from continuing operations	(925,512)	(2,539,283)	(2,434,164)	(2,412,727)	(687,835)	(1,454,478)	(2,096,468)	(2,577,431)
Loss from discontinued operations	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(39,165,671)
Other comprehensive income (loss)	2,845,009	(701,427)	(351,579)	(573,646)	142,701	(301,697)	(463,105)	748,634
Comprehensive income (loss)	1,919,497	(3,240,710)	(2,785,743)	(2,986,373)	(545,134)	(1,756,175)	(2,559,573)	(40,994,468)
Basic and diluted loss per share from continuing operations	(0.00)	(0.02)	(0.02)	(0.02)	(0.00)	(0.01)	(0.02)	(0.03)
Basic and diluted loss per share from discontinued operations	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(0.42)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Comprehensive income (loss) attributed to:</b>								
Shareholders of the Company	1,919,497	(8,142,845)	(2,073,591)	(2,117,072)	(490,368)	(880,724)	(1,477,195)	(40,293,120)
Non-controlling interest	Nil	(1,415,115)	(712,152)	(869,301)	(54,766)	(1,011,873)	(1,082,378)	(701,348)
<b>Balance Sheet:</b>								
Working capital	139,951,604	148,767,628	14,756,360	5,425,387	11,625,413	14,384,726	10,609,307	5,365,287
Total assets	246,976,218	245,163,954	105,220,669	39,263,268	42,083,125	40,409,261	33,385,786	36,554,054
Total long-term liabilities	(1,003,207)	(1,066,806)	(618,242)	(651,826)	(673,080)	(103,519)	(133,386)	(664,583)

### Results of Operations for Continuing Operations

As at the date of this MD&A, the Company has not earned any production revenue, nor found proved reserves on any of its unproven mineral interests; therefore, the expenses are not subject to seasonal fluctuations or general trends. The Company’s expenses and cash requirements will fluctuate from period to period depending on the level of activity and, therefore, lack some degree of comparability. The Company’s quarterly results may be affected by many factors such as timing of exploration activity, share-based payment costs, marketing activities and other factors that affect Company’s exploration and financing activities. Furthermore, the Company’s net loss/income may also be affected by the current fair value of its investments held.

#### Three Months Ended August 31, 2025 Compared to Three Months Ended May 31, 2025

During the three months ended August 31, 2025 (“Q1/2026”) the Company reported a net loss of \$925,512 compared to a net loss of \$2,539,283 for the three months ended May 31, 2025 (“Q4/2025”), a decrease in loss of \$1,613,771. There were significant fluctuations within the categories.

Significant fluctuations were reported in the following:

- (i) the recognition of a \$125,062 unrealized holding loss in Q1/2026 (mainly in the investment in the Nagambie shares) compared to a \$39,322 gain in Q4/2025;
- (ii) the recognition of a foreign exchange loss of \$3,366 in Q1/2026 compared to a foreign exchange gain of \$439,158 in Q4/2025, resulting in a fluctuation of \$442,524;
- (iii) a decrease in expenses of \$1,288,388 from \$3,241,222 in Q4/2025 to \$1,952,834 in Q1/2026. During Q1/2026 the Company recognized share-based compensation of \$161,028 on the granting and vesting of share options and RSUs compared to \$1,481,723 in Q4/2025; and
- (iv) the recognition of \$69,844 for corporate restructuring costs in Q4/2025 compared to \$nil in Q1/2026. The costs relate to the SIA, as described in “Company Overview”.

*Three Months Ended August 31, 2025 Compared to Three Months Ended August 31, 2024*

During the three months ended August 31, 2025 (the “Q1/2026”) the Company reported a net loss of \$925,512 compared to a net loss of \$687,835 for the three months ended August 31, 2024 (the “Q1/2025”) an increase in loss of \$237,677. The increase in loss was attributed to:

- (i) an increase in general and administrative expenses of \$128,328 from \$994,148 in Q1/2025 to \$1,122,476 in the Q1/2026;
- (ii) the recognition of a \$584,414 unrealized holding gain in the Q1/2025 (mainly in the investment in the Nagambie shares) compared to a loss of \$125,062 in Q1/2026 resulting in a fluctuation of \$709,476; and
- (iii) the recognition of share-based compensation of \$161,028 on the vesting of RSUs in Q1/2026 compared to \$17,833 in Q1/2025.

As the Company is in the exploration stage of investigating and evaluating its unproven mineral interests, it has no source of operating revenue. Interest income is generated from cash on deposit and short-term money market instruments issued by major financial institutions. During Q1/2026 the Company reported interest of \$1,142,650 compared to \$41,591 during Q1/2025 due to increased levels of cash held during Q1/2026.

**Investments**

	As at August 31, 2025			
	Number	Cost \$	Unrealized Loss \$	Carrying Value \$
Common shares				
Nagambie Resources Limited (“Nagambie”)	53,361,046	1,768,741	(1,145,319)	623,422
Kingsmen Resources Limited (“Kingsmen”)	18,750	45,000	(19,687)	25,313
		<u>1,813,741</u>	<u>(1,165,006)</u>	<u>648,735</u>
	As at May 31, 2025			
	Number	Cost \$	Unrealized Loss \$	Carrying Value \$
Common shares				
Nagambie Resources Limited (“Nagambie”)	53,361,046	1,768,741	(1,013,319)	755,422
Kingsmen Resources Limited (“Kingsmen”)	18,750	45,000	(26,625)	18,375
		<u>1,813,741</u>	<u>(1,039,944)</u>	<u>773,797</u>

**Financings**

No financings were completed during Q1/2026.

During fiscal 2025 the Company completed a private placement totalling 31,800,078 common shares, at \$4.50 per common share, for total gross proceeds of \$143,100,351. The Company paid \$2,898,946 cash and issued 335,116 common shares at a fair value of \$1,508,022, for finders’ fees and incurred \$423,022 for legal and other costs associated with the private placement. The net proceeds from the private placement are expected to be used in the growth and development of the Sunday Creek Project as follows:

- ◇ \$53,000,000 for drilling targeted to establish an Inferred Resource by Q1/2027;
- ◇ \$27,000,000 for 1 km decline development to accelerate access to mineralization;
- ◇ \$4,000,000 for a Preliminary Economic Assessment in respect of Sunday Creek; and
- ◇ \$59,000,000 for exploration target expansion, regional exploration along the 12 km mineralized trend, working capital and general and administrative costs over three years.

## Exploration and Evaluation Assets

	As at August 31, 2025			
	Acquisition Costs \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
Australia				
Sunday Creek	42,754,936	33,171,625	3,279,218	79,205,779
Redcastle	284,794	2,177,014	(225,317)	2,236,491
	<u>43,039,730</u>	<u>35,348,639</u>	<u>3,053,901</u>	<u>81,442,270</u>
	As at May 31, 2025			
	Acquisition Costs \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
Australia				
Sunday Creek	42,754,936	26,675,072	2,103,249	72,533,257
Redcastle	284,794	2,128,418	(259,441)	2,153,771
	<u>43,039,730</u>	<u>29,803,490</u>	<u>1,843,808</u>	<u>74,687,028</u>

During Q1/2026 the Company incurred a total of \$6,755,242 (Q1/2025 - \$2,742,826) on the acquisition, exploration and evaluation of its unproven resource assets on its Australian properties net of foreign exchange movement. See “Exploration Projects” in this MD&A for details.

## Financial Condition / Capital Resources

As at August 31, 2025 the Company had working capital in the amount of \$139,951,604. To date the Company has not earned any revenue and is considered to be in the exploration stage. Management considers that the Company has adequate resources to maintain its core operations, conduct planned exploration programs on its existing exploration and evaluation assets and discharge its obligations as they become due in the next twelve months. See also “Financial Data - Financings”.

## Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

## Proposed Transactions

The Company has no proposed transactions.

## Critical Accounting Estimates

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

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

## Changes in Accounting Policies

There were no changes to accounting policies.

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

## Related Parties Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. The Company has determined that key management personnel consists of members of the Company's Board of Directors and its executive officers.

- (a) During Q1/2026 and Q1/2025 the following fees were incurred by the Company to current and former key management personnel:

	Q1/2026 \$	Q1/2025 \$
<b>Current Directors and Officers</b>		
Professional fees - Mr. Hudson - President, CEO and director	134,010	82,179
Professional fees - Mr. DeMare - CFO	15,000	6,000
Professional fees - Mr. Eadie - Non-Executive Chairman and director <sup>(1)</sup>	22,335	-
Professional fees - Ms. Carnegie - director <sup>(1)</sup>	57,350	-
Professional fees - Mr. Henstridge - director <sup>(1)</sup>	17,148	-
Professional fees - Ms. Bermudez - Corporate Secretary	18,000	13,500
<b>Former Directors</b>		
Professional fees - Ms. Ahola - former director <sup>(1)</sup>	-	4,500
Professional fees - Mr. Williams - former director <sup>(1)</sup>	-	4,500
Professional fees - Mr. Griffin - former director <sup>(1)</sup>	-	4,500
	<u>263,843</u>	<u>115,179</u>

(1) On January 23, 2025, the Company completed the SXG AUS Scheme, and Mr. Eadie, Mr. Henstridge and Ms. Carnegie replaced Ms. Ahola, Mr. Griffin and Mr. William as directors of the Company;

During Q1/2026 the Company incurred a total of \$263,843 (Q1/2025 - \$115,179) to current and former key management personnel of the Company for salaries and fees which have been allocated based on the nature of the services provided: expensed \$201,305 (Q1/2025 - \$69,215) to administration and corporate costs and capitalized \$62,538 (Q1/2025 - \$45,964) to exploration and evaluation assets.

- (b) During Q1/2026 the Company incurred a total of \$23,000 (Q1/2025 - \$13,200) with Chase Management Ltd. ("Chase"), a private corporation owned by Mr. DeMare for accounting and administration services provided by Chase personnel, excluding Mr. DeMare and \$1,005 (Q1/2025 - \$1,005) for rent. As at August 31, 2025 \$20,505 (May 31, 2025 - \$9,170) remained unpaid.

## Risks and Uncertainties

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

The Company believes that it is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

## Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value. As at October 14, 2025 there were 258,504,148 issued and outstanding common shares. In addition, there were:

- (i) 1,236,373 share options outstanding, at exercise prices ranging from \$0.76 to \$3.38 per share;
- (ii) 10,470,000 share options outstanding, at exercise prices ranging from AUD \$0.30 to AUD \$1.20 per share;
- (iii) 350,000 Lead Manager share options outstanding, at an exercise price of AUD \$0.87; and
- (iv) 310,019 restricted share units ("RSUs") outstanding, of which 105,000 RSUs have vested and 205,019 RSUs remain subject to vesting provisions.

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