

NEWS RELEASE

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JANUARY 15, 2026

Second Quarter Ended November 30, 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 Second Quarter Ended November 30, 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:

Mariana Bermudez – Corporate Secretary (Canada)

mb@southerncrossgold.com or +1 604 685 9316

Executive Office: 1305 – 1090 West Georgia Street Vancouver, BC, V6E 3V7, Canada

Nicholas Mead – Corporate Development

info@southerncrossgold.com or +61 415 153 122

Justin Mouchacca – Company Secretary (Australia)

jm@southerncrossgold.com.au or +61 3 8630 3321

Subsidiary Office: Level 21, 459 Collins Street, Melbourne, VIC, 3000, Australia

SOUTHERN CROSS GOLD CONSOLIDATED LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
NOVEMBER 30, 2025

(Unaudited - Expressed in Canadian Dollars)

For personal use only

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	November 30, 2025	May 31, 2025
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		130,384,269	151,212,676
Amount receivable		-	83,392
GST/VAT receivable		460,864	388,315
Prepaid expenses and other assets		456,996	119,392
Total current assets		<u>131,302,129</u>	<u>151,803,775</u>
Non-current assets			
Investments	5	669,348	773,797
Property, plant and equipment	6	27,252,769	16,539,752
Exploration and evaluation assets	7	89,917,444	74,687,028
Right of use assets	8	1,201,130	1,263,617
Bonds		137,228	95,985
Total non-current assets		<u>119,177,919</u>	<u>93,360,179</u>
TOTAL ASSETS		<u>250,480,048</u>	<u>245,163,954</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		2,873,753	2,759,332
Current portion of lease liabilities	8	<u>205,010</u>	<u>197,699</u>
Total current liabilities		<u>3,078,763</u>	<u>2,957,031</u>
Non-current liabilities			
Non-current portion of lease liabilities	8	<u>990,779</u>	<u>1,066,806</u>
TOTAL LIABILITIES		<u>4,069,542</u>	<u>4,023,837</u>
SHAREHOLDERS' EQUITY			
Share capital	9	659,361,866	658,153,333
Share-based payments reserve		13,751,315	13,973,409
Foreign currency translation reserve		3,809,550	(2,086,628)
Deficit		(430,512,225)	(428,899,997)
TOTAL SHAREHOLDERS' EQUITY		<u>246,410,506</u>	<u>241,140,117</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>250,480,048</u>	<u>245,163,954</u>

Nature of Operations - see Note 1

Event after the Reporting Period - see Note 15

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on January 14, 2026 and are signed on its behalf by:

/s/ David Henstridge
 David Henstridge
 Director

/s/ Michael Hudson
 Michael Hudson
 Director

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

	Note	Three Months Ended November 30		Six Months Ended November 30	
		2025 \$	2024 \$	2025 \$	2024 \$
Expenses					
Accretion of interest on lease liabilities	8	17,607	11,955	35,569	21,583
Administration and corporate costs		972,731	17,262	2,095,207	1,011,410
Depreciation and amortization	6, 8	99,502	65,145	186,772	122,887
Salaries and benefits		609,196	249,989	1,173,294	452,452
Share-based compensation	9	<u>242,175</u>	<u>46,296</u>	<u>403,203</u>	<u>64,129</u>
		<u>1,941,211</u>	<u>390,647</u>	<u>3,894,045</u>	<u>1,672,461</u>
Loss before other items		<u>(1,941,211)</u>	<u>(390,647)</u>	<u>(3,894,045)</u>	<u>(1,672,461)</u>
Other items					
Interest income		1,232,177	28,972	2,374,827	70,563
Other income		-	-	13,100	-
Foreign exchange		1,705	249,479	(1,661)	217,453
Impairment of exploration and evaluation assets		-	(361,289)	-	(361,289)
Restructuring costs	4	-	(1,941,655)	-	(1,941,655)
Unrealized gain (loss) on investments	5(b)	<u>20,613</u>	<u>2,413</u>	<u>(104,449)</u>	<u>586,827</u>
		<u>1,254,495</u>	<u>(2,022,080)</u>	<u>2,281,817</u>	<u>(1,428,101)</u>
Net loss for the period		<u>(686,716)</u>	<u>(2,412,727)</u>	<u>(1,612,228)</u>	<u>(3,100,562)</u>
Other comprehensive income (loss)					
Currency translation adjustment		<u>3,051,169</u>	<u>(573,646)</u>	<u>5,896,178</u>	<u>(430,945)</u>
Comprehensive income (loss) for the period		<u>2,364,453</u>	<u>(2,986,373)</u>	<u>4,283,950</u>	<u>(3,531,507)</u>
Net loss attributable to:					
Shareholders of the Company		(686,716)	(1,833,883)	(1,612,228)	(2,397,599)
Non-controlling interest		-	(578,844)	-	(702,963)
Net loss for the period		<u>(686,716)</u>	<u>(2,412,727)</u>	<u>(1,612,228)</u>	<u>(3,100,562)</u>
Comprehensive income (loss) attributable to:					
Shareholders of the Company		2,364,453	(2,117,072)	4,283,950	(2,607,440)
Non-controlling interest		-	(869,301)	-	(924,067)
Comprehensive income (loss) for the period		<u>2,364,453</u>	<u>(2,986,373)</u>	<u>4,283,950</u>	<u>(3,531,507)</u>
Basic and diluted loss per common share		<u><u>\$ (0.00)</u></u>	<u><u>\$ (0.03)</u></u>	<u><u>\$ (0.01)</u></u>	<u><u>\$ (0.03)</u></u>
Basic and diluted weighted average number of common shares outstanding		<u><u>258,623,315</u></u>	<u><u>96,293,380</u></u>	<u><u>258,396,926</u></u>	<u><u>96,461,839</u></u>

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

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

Six Months Ended November 30, 2025						
	Share Capital		Share-Based Payments Reserve \$	Foreign Currency Translation Reserve \$	Deficit \$	Total Shareholders' Equity \$
	Number of Shares	Amount \$				
Balance at May 31, 2025	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	750,000	583,236	-	-	-	583,236
- RSUs	162,500	-	-	-	-	-
Transfer on exercise of:						
- lead manager options	-	308,354	(308,354)	-	-	-
- RSUs	-	316,943	(316,943)	-	-	-
Share-based compensation:						
- RSUs	-	-	403,203	-	-	403,203
Currency translation adjustment	-	-	-	5,896,178	-	5,896,178
Net loss for the period	-	-	-	-	(1,612,228)	(1,612,228)
Balance at November 30, 2025	258,954,148	659,361,866	13,751,315	3,809,550	(430,512,225)	246,410,506

Six Months Ended November 30, 2024							
	Share Capital		Share-Based Payments Reserve \$	Equity Attributable to Parent \$	Foreign Currency Translation Reserve \$	Deficit \$	Total Shareholders' Equity \$
	Number of Shares*	Amount \$					
Balance at May 31, 2024	96,293,365	97,678,699	9,382,338	11,947,523	(602,677)	(96,569,072)	16,988,755
Common shares issued for:							
- share options	297,529	226,320	-	-	-	-	226,320
Transfer on exercise of:							
- share options	-	122,590	(122,590)	-	-	-	-
Share-based compensation:							
- ESO plan	-	-	-	-	-	64,129	64,129
Currency translation adjustment	-	-	-	-	(209,841)	-	(221,104)
Net loss for the period	-	-	-	-	-	(2,397,599)	(702,963)
Change in ownership interest in subsidiary	-	-	-	704,198	-	-	1,445,995
Balance at November 30, 2024	96,590,894	98,027,609	9,259,748	12,651,721	(812,518)	(98,966,671)	16,870,614

* 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.

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

	Six Months Ended	
	November 30, 2025	November 30, 2024
	\$	\$
Operating activities		
Net loss for the period	(1,612,228)	(3,100,562)
Adjustments for:		
Depreciation and amortization	186,772	122,887
Foreign exchange	-	(98,630)
Impairment of exploration and evaluation assets	-	361,289
Share-based compensation	403,203	64,129
Accretion of interest on lease liabilities	35,569	21,583
Unrealized loss (gain) on investments	104,449	(586,827)
Changes in non-cash working capital items:		
Amount receivable	(85,155)	-
GST/VAT receivable	(61,188)	(47,475)
Prepaid expenses and other assets	(337,340)	21,305
Accounts payable and accrued liabilities	<u>(97,969)</u>	<u>260,697</u>
Net cash used in operating activities	<u>(1,463,887)</u>	<u>(2,981,604)</u>
Investing activities		
Expenditures on exploration and evaluation assets	(12,391,229)	(5,710,831)
Additions to property, plant and equipment	(10,082,142)	(1,429,877)
Additions to bonds	<u>(48,809)</u>	<u>(17,772)</u>
Net cash used in investing activities	<u>(22,522,180)</u>	<u>(7,158,480)</u>
Financing activities		
Issuance of common shares	583,236	226,320
Payments on lease liabilities	(148,751)	(84,560)
Net proceeds from SXG AUS issuance of ordinary shares prior to SIA	<u>-</u>	<u>1,153,613</u>
Net cash provided by financing activities	<u>434,485</u>	<u>1,295,373</u>
Effect of exchange rate changes on cash	<u>2,723,175</u>	<u>(40,035)</u>
Net change in cash and cash equivalents	<u>(20,828,407)</u>	<u>(8,884,746)</u>
Cash and cash equivalents at beginning of period	<u>151,212,676</u>	<u>15,497,519</u>
Cash and cash equivalents at end of period	<u>130,384,269</u>	<u>6,612,773</u>

Supplemental cash flow information - Note 13

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

SOUTHERN CROSS GOLD CONSOLIDATED LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED NOVEMBER 30, 2025
(Unaudited - Expressed in Canadian Dollars)

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 November 30, 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 November 30, 2025 the Company had working capital of \$128,118,940 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 condensed consolidated interim 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 SIX MONTHS ENDED NOVEMBER 30, 2025
(Unaudited - Expressed in Canadian Dollars)

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 November 30, 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 SIX MONTHS ENDED NOVEMBER 30, 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 15, 2025, the Company’s securities commenced quotation on the ASX under the ticker symbol “SX2” and are settled in the form of CHESS Depository Interests (“CDIs”).
- (iv) 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

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

5. Investments

	As at November 30, 2025			
	Number	Cost \$	Unrealized Loss \$	Carrying Value \$
Common shares				
Nagambie Resources Limited (“Nagambie”)	53,361,046	1,768,741	(1,134,081)	634,660
Kingsmen Resources Limited (“Kingsmen”)	18,750	<u>45,000</u>	<u>(10,312)</u>	<u>34,688</u>
	<u>1,813,741</u>	<u>(1,144,393)</u>		<u>669,348</u>
As at May 31, 2025				
	Number	Cost \$	Unrealized Loss \$	Carrying Value \$
Common shares				
Nagambie	53,361,046	1,768,741	(1,013,319)	755,422
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 SIX MONTHS ENDED NOVEMBER 30, 2025
(Unaudited - Expressed in Canadian Dollars)

5. Investments (continued)

(b) The carrying values of the investments were determined using quoted market values. During the six months ended November 30, 2025 the Company recorded an unrealized loss of \$104,449 (2024 - gain of \$586,827) on its investments held.

6. Property, Plant and Equipment

	Land \$	Office and Field Equipment \$	Leasehold and Property Improvements \$	Vehicles \$	Total \$
Cost:					
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	(389,507)	(8,969)	-	(6,980)	(405,456)
Balance at May 31, 2025	16,173,436	346,912	-	243,494	16,763,842
Additions	9,074,321	636,709	320,108	51,005	10,082,143
Foreign exchange movement	664,700	19,835	4,039	8,927	697,501
Balance at November 30, 2025	<u>25,912,457</u>	<u>1,003,456</u>	<u>324,147</u>	<u>303,426</u>	<u>27,543,486</u>
Accumulated Depreciation:					
Balance at May 31, 2024	-	(61,668)	-	(89,384)	(151,052)
Depreciation	-	(44,478)	-	(34,626)	(79,104)
Foreign exchange movement	-	6,064	-	2	6,066
Balance at May 31, 2025	-	(100,082)	-	(124,008)	(224,090)
Depreciation	-	(39,357)	(526)	(18,385)	(58,268)
Foreign exchange movement	-	(7,330)	(6)	(1,023)	(8,359)
Balance at November 30, 2025	<u>-</u>	<u>(146,769)</u>	<u>(532)</u>	<u>(143,416)</u>	<u>(290,717)</u>
Carrying Value:					
Balance at May 31, 2025	<u>16,173,436</u>	<u>246,830</u>	<u>-</u>	<u>119,486</u>	<u>16,539,752</u>
Balance at November 30, 2025	<u>25,912,457</u>	<u>856,687</u>	<u>323,615</u>	<u>160,010</u>	<u>27,252,769</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 six months ended November 30, 2025 the Company purchased agricultural land situated over the Sunday Creek Project area for total cash consideration of \$9,074,321 (fiscal 2025 - \$2,256,906). All of the purchase consideration has been attributed to land costs.

SOUTHERN CROSS GOLD CONSOLIDATED LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED NOVEMBER 30, 2025
(Unaudited - Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets

	As at November 30, 2025			
	Acquisition Costs \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
Australia				
Sunday Creek	42,754,936	40,018,617	4,734,906	87,508,459
Redcastle	<u>284,794</u>	<u>2,308,096</u>	<u>(183,905)</u>	<u>2,408,985</u>
	<u>43,039,730</u>	<u>42,326,713</u>	<u>4,551,001</u>	<u>89,917,444</u>
As at May 31, 2025				
	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 November 30, 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

	\$
Cost:	
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	24,054
Foreign exchange movement	<u>53,096</u>
Balance at November 30, 2025	<u>1,620,893</u>
Accumulated amortization:	
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	(128,504)
Foreign exchange movement	<u>(11,133)</u>
Balance at November 30, 2025	<u>(419,763)</u>
Carrying value:	
Balance at May 31, 2025	<u>1,263,617</u>
Balance at November 30, 2025	<u>1,201,130</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 November 30, 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%.

	<u>Six Months Ended November 30,</u>	
	2025	2024
	\$	\$
Balance, beginning of period	1,264,505	203,643
Additions	24,054	718,158
Accretion of interest	35,569	21,583
Payments	<u>(148,751)</u>	<u>(84,560)</u>
Foreign exchange movement	<u>20,412</u>	<u>(29,950)</u>
Balance, end of period	<u>1,195,789</u>	<u>828,874</u>
Current portion of lease liabilities	205,010	177,048
Non-current portion of lease liabilities	<u>990,779</u>	<u>651,826</u>
Total lease liabilities	<u>1,195,789</u>	<u>828,874</u>

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8. Right of Use Assets (continued)

As at November 30, 2025 the total of future minimum lease payments under the lease are as follows:

	\$
Less than one year	270,587
Greater than one year	<u>1,154,302</u>
	<u>1,424,889</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*

Six Months Ended November 30, 2025

The Company did not conduct any equity financing during the six months ended November 30, 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 six months ended November 30, 2025 and 2024.

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9. Share Capital (continued)

A summary of the Company's share options at November 30, 2025 and 2024 and the changes for the six 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	-		(297,529)	CDN \$0.76
Balance, end of period	<u>11,706,373</u>	CDN \$0.84 ⁽ⁱ⁾	<u>820,336</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 November 30, 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 six months ended November 30, 2025 the Company recognized \$403,203 share compensation expense on the vesting of the RSUs.

During the six months ended November 30, 2025 the Company issued 162,500 common shares on the redemption of RSUs.

As at November 30, 2025, 210,019 RSUs remained outstanding, of which 5,000 RSUs have vested and the remaining 205,019 RSUs are subject to vesting provisions.

A summary of RSUs at November 30, 2025 and 2024 and the changes for the six 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>(162,500)</u>	-
Balance, end of period	<u>210,019</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 November 30, 2025 and 2024 and the changes for the six 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>(750,000)</u>	0.87	<u>100,000</u>	0.87
Balance, end of period	<u>-</u>	<u>-</u>	<u>1,105,000</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 November 30, 2025 and 2024 and the changes for the six 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>-</u>	<u>(1,937,584)</u>	0.30
Balance, end of period	<u>-</u>	<u>-</u>	<u>1,964,667</u>	0.30

(iii) A summary of SXG AUS share options at November 30, 2024 and the changes for the six 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 six months ended November 30, 2024 SXG AUS granted 280,000 ESOs with vesting provisions and recorded \$64,129 share-based compensation for the vesting of the granted ESOs.

A summary of SXG AUS ESOs at November 30, 2024 and the changes for the six months ended on those dates, is as follows:

	2024 Number of ESOs
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:

	\$
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	-

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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 six months ended November 30, 2025 the Company incurred a total of \$541,746 (2024 - \$252,203) 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 \$415,256 (2024 - \$135,831) to administration and corporate costs. expensed \$nil (2024 - \$20,000) to restructuring costs and capitalized \$126,490 (2024 - \$96,372) to exploration and evaluation assets.

During the six months ended November 30, 2025 the Company also recorded \$36,574 (2024 - \$nil) share-based compensation on the vesting of RSUs.

(b) During the six months ended November 30, 2025 the Company incurred a total of \$42,500 (2024 - \$44,500) with Chase Management Ltd. ("Chase"), a private corporation owned by the former CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the former CFO, and \$2,010 (2024 - \$2,010) for rent. As at November 30, 2025 \$4,505 (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	November 30, 2025	May 31, 2025
		\$	\$
Cash and cash equivalents	FVTPL	130,384,269	151,212,676
Amounts receivable	Amortized cost	-	83,392
Investments	FVTPL	669,348	773,797
Bonds	Amortized cost	137,228	95,985
Accounts payable and accrued liabilities	Amortized cost	(2,873,753)	(2,759,332)
Lease liabilities	Amortized cost	(1,195,789)	(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.

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12. Financial Instruments and Risk Management (continued)

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

The recorded amounts for 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.

	Contractual Maturity Analysis at November 30, 2025				
	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$	Over 5 Years \$	Total \$
Cash and cash equivalents	130,384,269	-	-	-	130,384,269
Investments	-	-	669,348	-	669,348
Bonds	-	-	137,228	-	137,228
Accounts payable and accrued liabilities	(2,873,753)	-	-	-	(2,873,753)
Lease liabilities	(51,253)	(153,757)	(633,713)	(357,066)	(1,195,789)

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 November 30, 2025, 1 Canadian Dollar was equal to 1.09 AUD Dollar and 0.72 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	70,100,737	37,143	64,364,232
GST receivable	403,700	-	370,367
Bonds	133,170	11,010	137,228
Accounts payable and accrued liabilities	<u>(3,031,444)</u>	<u>-</u>	<u>(2,781,142)</u>
	<u>67,606,163</u>	<u>48,153</u>	<u>62,090,685</u>

Based on the net exposures as of November 30, 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 \$5,950,000 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 six months ended November 30, 2025 and 2024 non-cash activities were conducted by the Company as follows:

	2025 \$	2024 \$
Operating activities		
Accounts payable and accrued liabilities	-	196,823
Lease liabilities	<u>24,345</u>	<u>718,158</u>
	<u>24,345</u>	<u>914,981</u>
Investing activities		
Exploration and evaluation assets	-	(196,823)
Addition to right of use assets	<u>(24,345)</u>	<u>(718,158)</u>
	<u>(24,345)</u>	<u>(914,981)</u>
Financing activities		
Issuance of common shares	625,297	122,590
Share-based payments reserve	<u>(625,297)</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:

	<u>As at November 30, 2025</u>			
	Canada \$	Australia \$	USA \$	Total \$
Current assets	66,767,005	64,535,124	-	131,302,129
Investments	34,688	634,660	-	669,348
Property, plant and equipment	-	27,252,769	-	27,252,769
Exploration and evaluation assets	-	89,917,444	-	89,917,444
Right of use assets	-	1,201,130	-	1,201,130
Bonds	<u>-</u>	<u>121,837</u>	<u>15,391</u>	<u>137,228</u>
	<u>66,801,693</u>	<u>183,662,964</u>	<u>15,391</u>	<u>250,480,048</u>

	<u>As at May 31, 2025</u>				
	Canada \$	Australia \$	USA \$	Sweden \$	Total \$
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	<u>-</u>	<u>70,030</u>	<u>15,896</u>	<u>10,059</u>	<u>95,985</u>
	<u>141,957,499</u>	<u>103,167,060</u>	<u>15,896</u>	<u>23,499</u>	<u>245,163,954</u>

15. Event after the Reporting Period

On December 4, 2025 the Company awarded 55,113 RSUs.

SOUTHERN CROSS GOLD CONSOLIDATED LTD.

TSX: SXGC | ASX: SX2 | OTCQX: SXGCF

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Six Months Ended November 30, 2025

Dated: January 14, 2026

This management's discussion and analysis ("MD&A") has been prepared as at January 14, 2026 to help investors view the Company through management's lens, to understand not just what happened, but why it matters and how we are positioned going forward. It should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the six months ended November 30, 2025 as well the audited consolidated financial statements and MD&A for the year ended May 31, 2025 for 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"). Calendar Year and Fiscal Year are referenced throughout the document by "CY" and "FY" respectively. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars unless otherwise disclosed.

1. QUARTER IN CONTEXT

Message from Management

Regulatory Milestone

Q2 FY2026 marked a transformational quarter for the Company. The receipt of the Work Plan approval for the exploration tunnel (or decline) from the Victorian Regulator on November 27, 2025 represents a pivotal milestone, transitioning Sunday Creek from an exploration discovery to a project with approved underground access. This approval, announced by the Victorian Premier at the Committee for Economic Development of Australia (CEDA) economic forum with critical minerals named as one of the State's key economic pillars, positions the Company to commence construction of the 1,000 m long exploration decline in January 2026. Upon completion, up to 12 underground drill rigs will be deployed alongside our current ten surface rigs, creating Australia's largest pre-development drill program with 22 rigs operating concurrently.

Drilling Program Summary

Ten drill rigs are currently operational on the Sunday Creek project. Two of these rigs are dedicated to regional exploration. Results are pending from 41 holes currently being processed and analyzed. The Company continues its 200,000 m drill program through Q1 CY2027 with the aim to announce a maiden resource during Q1 CY2027.

The convergence of Golden Dyke and Rising Sun into a single connected system, combined with continued depth extensions at Apollo and the receipt of Work Plan approval for underground access, positions Sunday Creek for accelerated resource definition in CY2026.

As at January 11, 2026, the Company has reported 107,415 m of drilling at Sunday Creek (235 drill holes reported). At 1 m (down hole length) @ 5 g/t AuEq lower cut the project has delivered to date:

Gold downhole composites intersections:

- 73 exceeding 100 g/t Au (up to 3,511 g/t Au over 0.7 m)
- 63 between 50-100 g/t Au
- 168 between 20 - 50 g/t Au

Antimony downhole composite intersections:

- 90 exceeding 10% Sb (up to 47.5% Sb over 0.6 m)
- 260 between 2-10% Sb

Financially, the Company deployed \$12.4 million during the six months ended November 30, 2025 across drilling, decline preparation, and regional exploration, ending the quarter with \$130.4 million in cash, providing a robust runway through resource establishment and PEA completion. The Company is advancing strategic midstream antimony engagement with the Victorian State government, Japan and the USA.

Key Themes This Quarter

Management identified three themes that defined this quarter and will continue to shape performance:

- **Regulatory Milestone:** Work Plan approval for the exploration decline, a critical de-risking event that unlocks underground access and positions Sunday Creek for accelerated resource definition.
- **Drilling Excellence:** Continued delivery of exceptional high-grade intercepts across multiple prospects (Rising Sun, Apollo, Golden Dyke, Christina), reinforcing geological model confidence ahead of Q1 CY2027 Inferred Resource.
- **Strategic Positioning:** Advancing as a potential key Western antimony supplier following China's export restrictions, supported by Defence Industrial Base Consortium (DIBC) membership and Stage 2 metallurgical success demonstrating 92-96% gold recovery.

Investment Highlights

Metric	Value	Management View
Exploration Target*	2.2-3.2 Moz @ 8.3-10.6 g/t AuEq	Top 3 Western gold-antimony discovery
Cash Position	\$130.4 million	Fully funded to Inferred Resource & PEA
Drilling Completed (Cumulative)	107,415 m	Heading toward largest Australian pre-development drill program
High-Grade Intercepts	73 intercepts >100 g/t Au	Globally leading hit rate for stage
Mineralized Trend	11+ km	<10% tested to date
Freehold Land	1,392 Ha	Strategic ownership around project

*The potential quantity and grade of the Exploration Target is conceptual in nature and therefore is an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target has been completed in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition (“JORC”).

2. OPERATING ENVIRONMENT

Industry Context

Gold market: Gold prices remained strong during the quarter, with spot gold averaging US \$3,959/oz. The Company's exceptional grades potentially position Sunday Creek favourably. Importantly, Sunday Creek can be advanced primarily on gold economics (approximately 80% of recoverable value), reducing antimony-related market risks while maintaining strategic supply potential.

Antimony market: According to the China Shanghai Changjiang Antimony Grade 1 spot price, antimony closed at **CNY 162,000/mt** (approximately **US \$23,140/mt** at current exchange rates of ~7.0 USD/CNY) on Friday 02 January 2026. The price remains **up 15.7% on a rolling 12-month basis.**

Antimony has experienced an extraordinary surge since mid-CY2024, rising from approximately CNY 60,000/mt (the long-term average from CY2003-2025) to a peak of nearly **CNY 250,000/mt** (~US\$35,700/mt) in late CY2025—representing a more than **four-fold increase** from the 20-year average. Following this peak, prices have corrected to current levels around CNY 162,000/mt but remain approximately **2.7 times higher** than the historical average of ~CNY 60,000/mt.

This price surge was triggered by China's announcement in August 2024 of export restrictions on antimony and antimony products, effective September 15, 2024, which has placed significant pressure on Western defence and semiconductor supply chains.

Victorian mining environment: In November 2025 the Victorian Regulator approved the Sunday Creek Exploration Decline Work Plan, which will be implemented over a four month period, and this approval, along with four mines receiving key permits in CY2025, reflects a constructive permitting environment in Victoria. The state hosts globally leading operations including Agnico Eagle's Fosterville mine (the world's highest-grade underground gold mine CY2018-2021) and Alkane Resources' Costerfield (largest Western antimony producer).

Strategic Positioning

The Company's membership of the US Defense Industrial Base Consortium (DIBC) and Australia's AUKUS-related legislative changes position the Company as a potential key Western antimony supplier:

- Proximity to established processing infrastructure, historically ore from Sunday Creek was processed at Costerfield, 54 km northwest
- Stage 2 metallurgical test work demonstrating 92-96% gold recovery and successful selective flotation producing high-grade, low-arsenic antimony-gold concentrate
- Strategic freehold land ownership of 1,392 hectares securing the project footprint
- Location 60 km north of Melbourne with excellent infrastructure access

3. STRATEGY EXECUTION

Strategic Priorities & Progress

The Company's strategy centres on three priorities. This section tracks progress against each:

Priority 1: Resource Definition

Objective: Establish Inferred Mineral Resource by Q1 CY2027.

Progress this quarter: 30,588 m of surface drilling completed during the first half of FY2026 at A\$337/m all-in cost. Drilling across Rising Sun, Golden Dyke, Apollo and Christina continues to deliver high-grade intercepts. The updated Exploration Target released in March 2025 contains 2.2-3.2 Moz @ 8.3-10.6 g/t AuEq, a doubling of the prior year's estimate while maintaining exceptional grades.

The potential quantity and grade of the Exploration Target is conceptual in nature and therefore is an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target has been completed in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition ("JORC").

On track: Yes. Drilling program progressing to plan, with 10 surface rigs currently operating.

Priority 2: Development Advancement

Objective: Commence underground decline construction with surface works commencing in January 2026

Progress this quarter: Work Plan approved by Victorian Regulator on November 27, 2025, announced by the Premier. The 1,000 m long exploration tunnel will be constructed on freehold land owned by the Company, extending to approximately 150 m depth. \$1.5 million invested in permitting and pre-construction activities during the first half of FY2026. A local earthworks contractor has been selected for surface works including clearing, roads, hardstands, boxcut excavation and water dam construction with work commencing in January 2026. Underground decline contractor shortlist will be completed during Q1 CY2026 following site visits.

On track: Yes. Surface works to commence January 2026.

Priority 3: Strategic Value Realization

Objective: Position Sunday Creek as critical Western antimony supply source

Progress this quarter: Stage 2 metallurgical test work completed in August 2025, demonstrating successful selective flotation technology producing high-grade, low-arsenic antimony-gold concentrate. DIBC membership maintained. Antimony exempt from US reciprocal tariffs.

On track: Yes. Technical and strategic foundations in place.

Milestone Tracker

The following table tracks key milestones with status updated each quarter:

Milestone	Target	Status	Commentary
Work Plan Approval	Nov 26 2025	✓ ACHIEVED	Approved November 26 2025
Decline Construction Start	Jan, 2026	✓ ACHIEVED	Surface works to start January 2026 and underground contractor shortlist complete
Inferred Resource	Q1 CY2027	On Track	Surface drilling ongoing with 10 rigs + underground drilling on decline completion Q3 CY2026
Preliminary Economic Assessment	Q2 CY2027	Pre-work	\$0.1 million invested in first half FY2026

4. FINANCIAL PERFORMANCE

Results and Capital Management Overview

The Company is in the exploration and pre-development stage and does not generate operating revenue. The Company recorded a net loss of \$1.6 million for the six months ended November 30, 2025 compared to a loss of \$3.1 million for the six months ended November 30, 2024.

Expenditure Summary

The Company finished the November 2025 quarter with \$130.4 million in cash at bank inclusive of short-term term deposits (June 1, 2025: \$151.2 million). Net expenditures for the six months ended November 30, 2025 was \$20.8 million.

Expenditure	Q1 FY2026 (\$ Millions)	Q2 FY2026 (\$ Millions)	H1 FY2026 (\$ Millions)
Interest earned and other	0.8	1.5	2.4
Drilling - Inferred Resource	(4.5)	(5.8)	(10.3)
Decline Development	(1.0)	(0.5)	(1.5)
PEA Studies	(0.0)	(0.1)	(0.1)
Regional Exploration	(0.1)	(0.4)	(0.5)
Property & Equipment	(0.3)	(0.1)	(0.3)
Farming Operations	(0.1)	(0.5)	(0.7)
Land Purchases	(4.0)	(4.9)	(8.9)
G&A	(1.2)	(1.9)	(3.1)
Group Expenditures	(10.4)	(12.7)	(23.1)
Working capital & FX adjustments	0.3	1.9	2.3
Net Expenditures	(10.0)	(10.8)	(20.8)

Note: A\$ amounts converted at quarterly average exchange rates (Q1: 1AUD:0.8934CAD; Q2: 1AUD:0.9035CAD).

Capital Deployment Analysis

Key areas of investment during the six months ended November 30, 2025 reflect the Company's strategic priorities:

- **\$10.3 million** on diamond drilling and associated geology costs across Rising Sun, Golden Dyke, Apollo and Christina – 30,588 m completed at an all-in cost of \$337/m
- **\$1.5 million** on decline permitting and pre-construction preparation, ensuring compliance with the approved Work Plan
- **\$0.5 million** on regional exploration focused on identifying the next Sunday Creek – investment expected to increase in coming quarters
- **\$1.0 million** related to property improvements at the project to improve pastures, fences, sheds and houses owned by the Company.
- **\$0.1 million** in PEA pre-work focused on mine design and metallurgy

- **\$12.0 million** in G&A inclusive of strategic land purchases in the immediate vicinity of the project

Quarterly Results Summary

Quarterly	FY2026		FY 2025				FY 2024	
	Q2/2026 (Nov 30 25)	Q1/2026 (Aug 31 25)	Q4/2025 (May 31 25)	Q3/2025 (Feb 28 25)	Q2/2025 (Nov 30 24)	Q1/2025 (Aug 31 24)	Q4/2024 (May 31 24)	Q3/2024 (Feb 28 24)
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	Nil							
Loss for the period	(686,716)	(925,512)	(2,539,283)	(2,434,164)	(2,412,727)	(687,835)	(1,454,478)	(2,096,468)
Total comprehensive Income/(loss)	2,364,453	1,919,497	(3,240,710)	(2,785,743)	(2,986,373)	(545,134)	(1,756,175)	(2,559,573)
Income/(loss) per share (basic and diluted)	(0.00)	(0.00)	(0.02)	(0.02)	(0.02)	(0.00)	(0.01)	(0.02)
Working capital	128,118,940	139,951,604	148,767,628	14,756,360	5,425,387	11,625,413	14,384,726	10,609,307
Total Assets	250,480,048	246,976,218	245,163,954	105,220,669	39,263,268	42,083,125	40,409,261	33,385,786
Total long term liabilities	(990,779)	(1,003,207)	(1,066,806)	(618,242)	(651,826)	(673,080)	(103,519)	(133,386)

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 November 30, 2025 Compared to Three Months Ended November 30, 2024

During the three months ended November 30, 2025 ("Q2/2026") the Company reported a net loss of \$686,716 compared to a net loss of \$2,412,727 for the three months ended November 30, 2024 ("Q2/2025"), a decrease in loss of \$1,726,011. Significant fluctuations were reported in the following:

- During Q2/2026 the Company recognized share-based compensation of \$242,175 on the granting and vesting of RSUs compared to \$46,296 in Q2/2025; and
- The recognition of \$1,941,655 for corporate restructuring costs in Q2/2025. The costs relate to the Scheme Implementation Agreement with Southern Cross Gold Ltd. (SXG AUS).

Six Months Ended November 30, 2025 Compared to Six Months Ended November 30, 2024

During the six months ended November 30, 2025 (the "2025 period") the Company reported a net loss of \$1,612,228 compared to a net loss of \$3,100,562 for the six months ended November 30, 2024 (the "2024 period") a decrease in loss of \$1,488,334. The decrease in loss was attributed to:

- an increase in administration and corporate costs of \$1,083,797 from \$1,011,410 in the 2024 period to \$2,095,207 in the 2025 period;
- the recognition of a \$586,827 unrealized holding gain in the 2024 period (mainly in the investment in the Nagambie shares) compared to an unrealized holding loss of \$104,449 in the 2025 period resulting in a fluctuation of \$691,276;
- the recognition of share-based compensation of \$403,203 on the vesting of RSUs in the 2025 period compared to \$64,129 in the 2024 period;

- (iv) an increase in salaries and benefits of \$720,842 from \$452,452 in the 2024 period to \$1,173,294 in the 2025 period; and
- (v) the recognition of \$1,941,655 for corporate restructuring costs in the 2024 period.

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 the 2025 period the Company reported interest of \$2,374,827 compared to \$70,563 during the 2024 period due to increased levels of cash held during the 2025 period.

Exploration and Evaluation Assets

As at November 30, 2025	Acquisition cost \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
Sunday Creek	42,754,936	40,018,617	4,734,906	87,508,459
Redcastle	284,794	2,308,096	(183,905)	2,408,985
Total	43,039,730	42,326,713	4,551,001	89,917,444

As at August 31, 2025	Acquisition cost \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
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
Total	43,039,730	35,348,639	3,053,901	81,442,270

During the six months ended November 30, 2025 the Company incurred a total of \$15,230,416 (2024 - \$5,190,922) on the acquisition, exploration and evaluation of its unproven resource assets on its Australian properties net of foreign exchange movement.

5. LIQUIDITY

Liquidity Position

As at November 30, 2025, the Company had cash and cash equivalents of \$130.4 million and an accounts payable position (trade and accrued liabilities) of \$2.9 million.

Cash runway: Based on current deployment rates of approximately \$10-12 million per quarter, the Company has sufficient cash to fund operations through resource establishment (Q1 CY2027) and PEA completion (by Q2 CY2027).

Ability to fund activities: Management considers the Company has adequate resources to maintain operations, conduct planned exploration and development programs, and discharge obligations as they become due. The Company does not have material debt obligations.

Defaults or arrears: The Company has no defaults or arrears on any debt, lease payments, dividends, or other obligations.

Contractual Obligations

As at November 30, 2025, contractual obligations related to liabilities from continuing operations were as follows:

	Less than 1 year \$	1 to 5 years \$	Greater than 5 years \$	Total \$
Accounts payable and accrued liabilities	2,873,753	-	-	2,873,753
Lease liabilities	205,010	633,713	357,066	1,195,789
Total	3,078,763	633,713	357,066	4,069,542

Use of Proceeds

In May 2025, the Company completed a private placement raising gross proceeds of \$143 million. The following table compares the intended use of proceeds as disclosed at the time of the offering with actual expenditures to November 30, 2025:

Use of Proceeds	Intended (\$M)	Spent to Nov 30 2025 (\$M)	Variance
Drilling for Inferred Resource	53	10.5	On plan
1km Decline Development	27	1.5	On plan
PEA Study	4	0.1	On plan
Regional Exploration, Land, G&A	59	13.7	On plan
Total	143	25.8	On plan

The Company is deploying funds in accordance with the stated use of proceeds. Within the Regional Exploration, Land & G&A category, \$8.9 million has been invested in strategic land acquisitions, \$0.5 million in regional exploration, \$0.3 million in property improvements, \$0.7 million in farming operations, and \$3.3 million in G&A. The three-year deployment timeline allows for measured capital allocation aligned with key milestones.

6. RISKS & OUTLOOK

Risk Assessment

The following risks have been identified or updated based on current operating conditions:

Evolving Risks This Quarter

Decline Construction Execution: With Work Plan approval received, execution risk now shifts to construction phase. Management is mitigating this through engagement of experienced mining contractors familiar with Victorian underground operations.

Global Antimony Supply Dynamics: While China's export restrictions enhance Sunday Creek's strategic positioning, antimony price volatility remains a consideration. The Company's strategy to develop primarily on gold economics provides partial mitigation.

Principal Ongoing Risks

The Company's principal risks remain: exploration risk, commodity price volatility, permitting and regulatory risk, financing risk, and environmental and social risk. For comprehensive discussion, refer to the Company's Annual Information Form on SEDAR+.

Outlook

Near-Term Focus (Next 6 Months)

- Commence decline construction during January 2026
- Continue surface drilling program with ten rigs operating, eight rigs targeting resource definition and two rigs targeting regional exploration areas
- Advance regional exploration to identify additional targets – Redcastle drilling underway
- Progress government antimony midstream processing partnership discussions

Medium-Term Direction (12-24 Months)

The Company's medium-term direction centres on establishing an Inferred Mineral Resource by the Q1 CY2027 and completing a Preliminary Economic Assessment by Q2 CY2027. Underground drilling from the decline (up to 12 rigs) will supplement surface drilling (10 rigs), providing for Australia's largest pre-development drill program with 22 rigs operating concurrently.

7. PROJECT UPDATE

Sunday Creek Project

The Sunday Creek Gold-Antimony Project is located approximately 60 km north of Melbourne in Victoria, Australia. The project is the Company's material property and sole reportable segment. It is contained within 16,900 hectares of granted exploration tenements and one granted retention licence, with the Company owning 1,392 hectares of strategic freehold land.

Geologically, Sunday Creek is a shallow orogenic (epizonal) Fosterville-style deposit located within the Melbourne Structural Zone in the Lachlan Fold Belt. The mineralization forms in a 'Golden Ladder' structure where gold and antimony occur in relay vein sets cutting across a steeply dipping zone of intensely altered volcanic and sedimentary rocks, with individual vein sets extending from surface to over 1,100 m.

Drilling Program

As at January 11, 2026, the Company has reported 107,415 m of drilling at Sunday Creek (235 drill holes reported). At 1 m (down hole length) @ 5 g/t AuEq lower cut the project has delivered to date:

Gold downhole composites intersections:

- 73 exceeding 100 g/t Au (up to 3,511 g/t Au over 0.7 m)
- 63 between 50-100 g/t Au
- 168 between 20 - 50 g/t Au

Antimony downhole composite intersections:

- 90 exceeding 10% Sb (up to 47.5% Sb over 0.6 m)
- 260 between 2-10% Sb

The Company released 12 holes over the quarter which delivered exceptional drilling results across all prospects.

Golden Dyke – Rising Sun: A Single Connected System

The quarter's most significant geological development was confirmation that Golden Dyke and Rising Sun form part of the same large-scale mineralized system.

Hole SDDSC188 (January 6, 2026) delivered the **best composite intersection in Golden Dyke to date: 12.2 m @ 33.3 g/t AuEq** (32.4 g/t Au, 0.4% Sb) from 447.0 m, including the **highest individual gold assay in Golden Dyke of 0.2 m @ 1,050 g/t Au** from 452.72 m. This hole intersected eight vein sets, including two new vein sets (GD82 and GD83) located outside the current Exploration Target, achieving a 50-70 m step-down and adding significant tonnage potential to the system.

Hole SDDSC186W1 (January 6, 2026) successfully intersected altered sediment between Golden Dyke and Rising Sun, expanding the prospective package in a previously untested 20 m corridor where dyke and altered sediment locations were unknown. This intersection directly links the two prospects as a continuous mineralized corridor.

Hole SDDSC184A (November 18, 2025) delivered Golden Dyke's previous record gold grades of **986 g/t Au** and **416 g/t Au**, both hosted in altered sediment, within a broader envelope of **45.6 m @ 9.5 g/t AuEq** (no lower cut). This hole also returned a **record antimony grade of 52.3% Sb**.

Holes SDDSC177 and SDDSC182 (October 23, 2025) demonstrated the scale of Golden Dyke, with SDDSC177 intersecting **168 m of continuous mineralization** containing ten separate vein sets averaging 3.0 g/t AuEq (uncut), with multiple ultra-high-grade intercepts up to **254 g/t Au**.

Golden Dyke now exhibits the same characteristics observed at Rising Sun: high-grade tenor, frequent visible gold occurrences, and elevated antimony values. The critical distinction is that **Golden Dyke has only been defined with confidence down to 600 m below surface** and has considerably less drilling than Rising Sun, representing significant exploration upside at depth.

Rising Sun: Ultra-High-Grade Continuity Confirmed

Five holes reported on October 1, 2025 reinforced the remarkable continuity at Rising Sun, returning **0.5 m @ 342.2 g/t AuEq** (335.5 g/t Au, 2.8% Sb) which confirmed previous ultra-high-grade shoots including the historic 604.0 g/t AuEq intersection. Broader mineralization of **18.0 m @ 3.7 g/t AuEq** with multiple high-grade shoots demonstrates that high grades are maintained consistently throughout the system.

Apollo East: Grade Improvement at Depth

Hole SDDSC170A (September 8, 2025) achieved the **highest gold grade ever recorded at Apollo East: 0.2 m @ 504 g/t Au** within a broader intercept of **10.8 m @ 12.8 g/t AuEq**. The hole also returned Apollo East's **highest antimony grade of 33.7% Sb** within **3.1 m @ 41.8 g/t AuEq** (22.7 g/t Au, 8.0% Sb). Critically, mineralization extended **75 m along strike and 115 m down-dip** beyond previous drilling, significantly expanding the exploration target while maintaining grades exceeding 100 g/t Au at depths beyond 1,000 m.

Apollo Deep: System Remains Open

Hole SDDSC192 (December 17, 2025), the deepest east-west oriented hole drilled into the Apollo prospect to date, returned **3.6 m @ 14.7 g/t AuEq** (14.6 g/t Au) from 708.6 m including **0.21 m @ 236 g/t Au**. This result stepped down 60 m at Apollo East and 80 m at Apollo Deep, demonstrating the system remains robust and open at depth.

Structural Framework

At least **94 individual “rungs”** of the Golden Ladder structure have now been defined across the 1,350 m strike from Christina to Apollo, with high-grade intercepts ranging from 20 g/t Au to >7,330 g/t Au. The quarter's drilling continues to demonstrate that grade improves at depth—a characteristic of epizonal gold-antimony systems—with the deepest holes consistently returning exceptional values.

Other Properties

Redcastle: Located 120 km north of Melbourne along strike from Alkane's Costerfield mine, with 40,000 historic gold workings. Two drill holes drilled from December 2025.

Community & Safety

The Company maintains an active community engagement program centred on transparent communication with neighbours and the broader local community. During Q2 FY2026, engagement activities included:

- **99 face-to-face meetings or phone calls** with immediate neighbours providing operational updates
- **139 direct communications** with residents via text, calls, or email
- **3 public site tours** attended by 77 visitors, plus 43 visitors on private tours including industry groups and diplomatic representatives
- **Community event participation** reaching over 1,060 people across local events including school fetes, historic societies, and business networks
- **Community grants program** awarding grants to local organisations
- **Quarterly newsletters** distributed to approximately 250 households in Clonbinane and surrounding areas
- **Weekly operational updates** to the independent Community Reference Group (CRG), which meets quarterly with Resources Victoria and Mitchell Shire Council observers in attendance

The Company undertakes regular attended noise monitoring (12 rounds during the Q2 FY2026) to ensure compliance with environmental conditions. A formal complaints process is in place with all matters investigated and responded to.

Safety performance remains strong with zero lost time injuries or recordable incidents during the period. The appointment of COO Ryan Austerberry in December 2025 further strengthens operational and safety leadership ahead of decline construction.

8. ADDITIONAL DISCLOSURES

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	President & CEO and Managing Director
David Henstridge	Director
Georgina Carnegie	Director
Michael Frame	Chief Financial Officer (commenced November 4, 2025)
Ryan Austerberry	Chief Operating Officer (commenced December 1, 2025)
Mariana Bemudez	Corporate Secretary

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on its financial performance or financial condition.

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 Party Transactions

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 the six months ended November 30, 2025 the Company incurred a total of \$541,746 (2024 - \$252,203) 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 \$415,256 (2024 - \$135,831) to administration and corporate costs. Expensed \$nil (2024 - \$20,000) to restructuring costs and capitalized \$126,490 (2024 - \$96,372) to exploration and evaluation assets.

	Six Months Ended	
	Nov 30/2025	Nov 30/2024
	\$	\$
Salaries and consulting fees	541,746	252,203
Share based compensation	36,574	Nil

During the six months ended November 30, 2025 the Company also recorded \$36,574 (2024 - \$nil) share-based compensation on the vesting of RSUs.

b) During the six months ended November 30, 2025 the Company incurred a total of \$42,500 (2024 - \$44,500) with Chase Management Ltd. ("Chase"), a private corporation owned by the former CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the former CFO, and \$2,010 (2024 - \$2,010) for rent. As at November 30, 2025 \$4,505 (May 31, 2025 - \$9,170) remained unpaid and has been included in accounts payable and accrued liabilities.

c) Effective April 28, 2025 the Company entered into an office lease agreement in Kilmore 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.

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 January 14, 2026 there were 258,954,148 issued and outstanding common shares. In addition, there were:

- 1,236,373 share options outstanding, at exercise prices ranging from \$0.76 to \$3.38 per share;
- 10,470,000 share options outstanding, at exercise prices ranging from AUD \$0.30 to AUD \$1.20 per share; and
- 265,132 restricted share units ("RSUs") outstanding.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate to permit timely decisions regarding public disclosure.

The Company's management, including the CEO and CFO, have as at November 30, 2025, designed Disclosure Controls and Procedures (as defined in National Instrument 52-109 of the Canadian Securities Administrators), or caused them to be designed under their supervision, to provide reasonable assurance that material information relating to the issuer is made known to them by others, particularly during the period in which the interim or annual filings are being prepared; and information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

Qualified Persons

The scientific and technical information in this MD&A has been reviewed and approved by Mr. Michael Hudson, President & CEO of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy, and Mr. Kenneth Bush, Exploration Manager and a Member of the Australian Institute of Geoscientists. Both qualify as Qualified Persons under NI 43-101.

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.

JORC Competent Person Statement

Information in this announcement that relates to new exploration results contained in this report is based on information compiled by Mr Kenneth Bush and Mr Michael Hudson. Mr Bush is a Member of Australian Institute of Geoscientists and a Registered Professional Geologist in the field of Mining (#10315) and Mr Hudson is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Bush and Mr Hudson each have sufficient experience relevant to the style of mineralization and type of deposit under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bush is Exploration

Manager and Mr Hudson is President, CEO and Managing Director of Southern Cross Gold Consolidated Limited and both consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Certain information in this announcement that relates to prior exploration results is extracted from the Independent Geologist's Report dated 11 December 2024 which was issued with the consent of the Competent Person, Mr Steven Tambanis. The report is included in the Company's prospectus dated 11 December 2024 and is available at www.asx.com.au under code "SX2". The Company confirms that it is not aware of any new information or data that materially affects the information related to exploration results included in the original market announcement. The Company confirms that the form and context of the Competent Persons' findings in relation to the report have not been materially modified from the original market announcement.

Certain information in this announcement also relates to prior drill hole exploration results, are extracted from the following announcements, which are available to view on www.southerncrossgold.com:

- September 8, 2025 [SDDSC170A](#), October 1, 2025 [SDDSC169, 169A, 169AW1, 178 & 178W1](#), October 23, 2025 [SDDSC177 & 182](#), November 18, 2025 [SDDSC184A](#), December 17, 2025 [SDDSC192](#), January 6, 2026 [SDDSC188 & 186W1](#)

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original document/announcement and the Company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

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 nongovernmental 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 - 1 - 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.

Additional Information

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/, via www.asx.com.au (under the symbol "SX2") or the Company's website at www.southerncrossgold.com. Readers are urged to review these materials, including the technical report filed with respect to the Company's mineral properties.