



RUSORO MINING LTD.

Management's Discussion & Analysis

For the three and six months ended June 30, 2025 and 2024
(Unaudited - Expressed in thousands of US Dollars)

MANAGEMENT'S DISCUSSION & ANALYSIS

This Management's Discussion & Analysis ("MD&A") of Rusoro Mining Ltd. ("the Company" or "Rusoro") provides an analysis of the Company's financial position and results of operations for the three and six months ended June 30, 2025 and 2024. This MD&A was prepared by the management of the Company and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements as at and for the three and six months ended June 30, 2025 and 2024 (the "Financial Statements"), which are prepared in accordance with International Financial Reporting Accounting Standards ("IFRS® Accounting Standards") as issued by the International Accounting Standards Board including International Accounting Standards ("IAS") 34 *Interim Financial Reporting*. In addition, the MD&A should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2024 and 2023 (the "Annual Financial Statements"), as some disclosures from the Annual Financial Statements have been condensed or omitted.

In this MD&A, unless the context otherwise dictates, a reference to "us", "we", "our", or similar terms refers to the Company. All dollar figures included herein are quoted in thousands of United States dollars, the Company's presentation currency, except as noted or where the context otherwise requires. The functional currency of the Company and its subsidiaries is disclosed in the notes to the Financial Statements. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The six-month periods ended June 30, 2025 and 2024 are referred to as "YTD 2025" and "YTD 2024" respectively.

This MD&A contains "forward-looking statements" that are subject to risk factors set out in a cautionary note contained herein.

This MD&A is current as of August 29, 2025 (the "MD&A Date") and was approved by the Company's Board of Directors. This discussion covers the three and six months ended June 30, 2025 and 2024 and the subsequent period up to the MD&A Date.

BUSINESS OVERVIEW

Rusoro Mining Ltd. was incorporated under the laws of the province of British Columbia on March 1, 2000. The registered office of the Company is 3200-650 West Georgia Street, Vancouver, British Columbia, Canada and the corporate headquarters is located at 3123-595 Burrard Street, Vancouver, British Columbia, Canada. The principal business activities of the Company are the operation, acquisition, exploration and development of gold mining and mineral properties. Rusoro is currently listed on the TSX Venture Exchange ("TSXV") under the symbol "RML".

The Company received mining concessions in the Bolivarian Republic of Venezuela ("Venezuela") for the exploration, development and exploitation of alluvial and vein gold. Until March 14, 2012, the Company owned two producing gold mines in Venezuela. It held a 95% ownership interest in the Choco 10 mine (the "Choco Mine") which was acquired on November 30, 2007 and a 50% ownership interest in the Isidora mine (the "Isidora Mine") which was acquired on December 23, 2008. The Company operated the Isidora Mine under a joint venture agreement with the Venezuelan government.

On September 16, 2011, the Venezuelan government, through publication in the Official Gazette of Venezuela, enacted a law-decree (the "Decree") reserving the government of Venezuela exclusive rights over the extraction of gold in Venezuela (the "Nationalization"). The Decree mandated the expiration of all mining concessions held by the Company and their reversal to the Venezuelan government except for those in which the Company and the Venezuelan government agree to continue operating jointly in the form of a mixed-interest enterprise (the "Mixed Enterprise") and in which the Company could not own more than a 45% share participation.

The Company was unable to agree with the Venezuelan government upon the terms and conditions of the migration of its mining assets to the Mixed Enterprise within the designated time periods. Therefore, effective March 14, 2012, in accordance with the procedures outlined in the Decree, all of the Company's mining concessions expired by force of the Decree and all of its assets and operations reverted to the Venezuelan government who took possession and control of the assets and operations in accordance with Venezuelan law, thereby becoming the new operator and employer.

Management determined the Company's sole recourse was to file a Request for Arbitration under the Additional Facility Rules of the International Centre for Settlement of Investment Disputes ("ICSID") against the government of Venezuela alleging violations of the provisions of the Bilateral Treaty for the Protection of Investments entered between the governments of Canada and Venezuela (the "Treaty"). This request was filed on July 17, 2012. The Treaty provides that the Venezuelan government must pay a fair, prompt, and timely compensation to the Company as a result of the Nationalization. In parallel, the Company continued to seek an amicable resolution with the Venezuelan government.

In June 2012, the Company entered into a Creditors and Shareholders Agreement (the "CSA") with significant equity holders and creditors who agreed not to take any steps or actions to exercise their rights and remedies against the Company until the expiration of a standstill period, subject to various clauses.

Also in June 2012, the Company entered into a litigation funding agreement (the "Litigation Funding Agreement") with a subsidiary (the "Funder"), of the Calunius Litigation Risk Fund LP (the "Fund"). Calunius Capital LLP is the exclusive investment advisor to the Fund, which specializes in funding commercial litigation and arbitration claims. Under the terms of the Litigation Funding Agreement, the Funder agreed to assist in the funding of Rusoro's legal costs in relation to the international arbitration proceedings against the Republic of Venezuela (the "Respondent" or "Venezuela") on a non-recourse basis. Rusoro continued to have complete control over the conduct of the international arbitration proceedings, insofar as the proceedings relate to the Company's claims, and continued to have the right to settle with the Respondent, discontinue proceedings, pursue the proceedings to trial and take any action Rusoro considers appropriate to enforce judgment.

The Litigation Funding Agreement provides contingent consideration to the Funder and other select parties as described in Note 15 of the Financial Statements and resulted in an amendment to the terms of the Gold Sale Contract adding an annual interest rate of 11%.

On August 22, 2016, the Arbitral Tribunal ("Tribunal") operating under the ICSID Additional Facility Rules, awarded ("the Award") the Company compensation of \$967.77 million plus pre and post award interest which combined equates to in excess of \$2.06 billion as of December 31, 2024. No value has been accrued for the Award as at December 31, 2024, as the ultimate receipt, final settlement amount and the timing of the receipt of the Award is uncertain.

In its Award, the Tribunal upheld the Company's claims that Venezuela breached its obligations under the Treaty by unlawfully expropriating the Company's investments without paying compensation and by imposing certain restrictions on the export of gold. As a result of these breaches, the Tribunal ordered Venezuela to pay compensation of \$967.77 million as of the date of the expropriation (September 16, 2011), together with interest accrued between that date and the date of actual payment, calculated at a rate per annum equal to US\$ Libor for one-year deposits, plus a margin of 4%, to be compounded annually. The amounts awarded must be paid net of any taxes imposed by Venezuela. The Tribunal also ordered Venezuela to contribute \$3.3 million towards Rusoro's costs in the arbitration.

In October 2016, Rusoro received notice that the Bolivarian Republic of Venezuela ("Venezuela") had brought an application before the Paris Court of Appeals to set aside ("recours en annulation") the Award, which was filed by Venezuela in 2017. Rusoro had instructed Freshfields Bruckhaus Deringer and Teynier Pic to represent it in these proceedings, with the support of a special correspondent.

In December 2017, the Company amended its Litigation Funding Agreement and was provided with additional litigation funding of \$7 million, which is intended to continue the Company's efforts to enforce the Award.

In October 2018, the Company executed a settlement agreement ("Settlement Agreement") with the Venezuelan government whereby the parties agreed that the Company would receive over \$1.28 billion in monthly instalments through 2023 in exchange for the Company's mining data and full release of the Award. Under the Settlement Agreement, the Venezuelan government agreed to pay an initial payment of \$100 million in November 2018, and upon completion of this initial payment, the Company would suspend legal enforcement of the Award and deliver the Company's mining data to the Venezuelan government. The Company would be entitled to resume legal enforcement of the Award if payment due under the Settlement Agreement is not received by the Company within the periods provided, and the Company is able to terminate the Settlement Agreement under certain default scenarios. The Venezuelan government retained the right to continue proceedings to set aside the Award at the seat of arbitration in Paris.

As at June 30, 2025 and the date of this report, the Company has not received the payment of \$100 million.

In September 2021, the Supreme Court of the State of New York granted the Company's motion to enter a default judgment for \$100 million plus interest in favor of Rusoro against Venezuela for breach of the Settlement Agreement dated October 5, 2018 (with further interest at the statutory rate of 9% per annum from the date of judgment to the date of payment). Rusoro will take the necessary steps to enter the order as a judgment, serve it on Venezuela, and vigorously pursue its payment or enforcement as partial payment for the unlawful expropriation of its investments in Venezuela.

In January 2019, the Paris Court of Appeals partially annulled the Award (the "French Court Decision"). Whilst the Paris Court of Appeals upheld the tribunal's finding on the merits that Venezuela is liable for the unlawful expropriation of the Company's investments, it annulled the Award's finding on damages. The French Court Decision did not seek to determine the damages that Venezuela must pay to the Company for its breach of the Treaty.

In March 2021, the French Supreme Court overturned the French Court Decision, therefore reinstating the arbitral Award in full and will allow the Company to continue to vigorously pursue recognition and enforcement of the Award.

In September 2021, Venezuela voluntarily dismissed its appeal of the Award judgment rendered by the U.S. District Court in Washington DC in favor of Rusoro, and against Venezuela.

On July 7, 2023, the U.S. Court of Appeals for the Third Circuit ruled that various parties holding judgments against Venezuela, including Rusoro, were entitled to enforce their judgments against property owned by a subsidiary of Petroleos de Venezuela

("PDVSA"), on the grounds that PDVSA was the corporate alter-ego of the Venezuelan state. On this basis, the U.S. District Court for the District of Delaware commenced a sale process on October 23, 2023 whereby the shares of PDV Holding ("PDVH"), a company 100% owned by PDVSA and the indirect owner of CITGO Petroleum Corporation, are to satisfy the judgments of various creditors holding judgments against Venezuela, including Rusoro. Venezuela and PDVSA asked the U.S. Supreme Court to review this ruling, and on January 8, 2024, the Supreme Court denied the petition for certiorari filed by Venezuela and PDVSA. This means that the Third Circuit's ruling authorizing issuance of writs of attachment against the shares of PDVH in satisfaction of creditors' judgments is final and unappealable.

On January 8, 2024, the Delaware court designated certain of the judgment creditors in the case, including Rusoro, to be "Additional Judgment Creditors", meaning that they are entitled to share in the proceeds of the sale of the PDVH shares when they are auctioned, subject to a waterfall established by order of the Delaware court. In March 2025, Rusoro agreed to join a Consortium together with Gold Reserve Ltd., Koch Minerals SARL and Koch Nitrogen International SAR to submit a credit bid to purchase 100% of the PDVH Shares. The consortium's bid was not selected as the stalking horse.

Topping bids, intended to increase the purchase price for the PDVH shares, were submitted in June 2025. Rusoro, with consents as required, supported a topping bid (the "Consortium") submitted by a consortium (the "Consortium") led by Gold Reserve Ltd. and also supported by Koch Minerals SARL, Koch Nitrogen International SARL, and Siemens Inc. On July 2, 2025, the Special Master recommended that the Court approve the Consortium Bid and order that the PDVH shares be sold to the Consortium. On August 8, 2025, an additional bid (the "New Bid") was received by the Special Master, and the Special Master is currently considering whether that bid constitutes a "Superior Proposal." Rusoro supports the New Bid simultaneously with its support of the Consortium Bid. In view of the Special Master's deliberations concerning the New Bid, the Court has rescheduled the Sale Hearing to September 18-21, 2025, and has held time open on October 20-21, 2025 for further proceedings as may be required. The Court will issue its sale order determining the identity of the buyer and the terms of the sale following these hearings.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied, or forecasted in such forward-looking statements. Refer to the risks and uncertainties section for material risk factors that may cause actual results to differ materially from forward-looking statements.

The estimates and assumptions of the Company contained or incorporated by reference in this MD&A which may prove to be incorrect, include, but are not limited to: (1) the exchange rate between the Canadian dollar ("C\$"), the Venezuelan Bolivar ("Bs.S") and the US dollar being approximately consistent with current levels; (2) certain price assumptions for gold (3) availability and sufficiency of litigation funding to actively pursue the enforcement and collection of the Award; (4) corporate overhead costs and litigation spending remain within the Company's expectations; and (5) the CSA remains in effect until the settlement of the Award.

Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); changes in interest rates; disruption to the credit markets and delays in obtaining financing; inflationary pressures; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, Venezuela or other countries in which the Company does or may carry on business; business opportunities that may be presented to, or pursued by the Company; the Company's ability to successfully integrate acquisitions; operating or technical difficulties in connection with mining or development activities; actual results of exploration activities; the possibility of cost overruns or unanticipated expenses; employee relations; illegal miners; the speculative nature of gold exploration and development, including the risks of obtaining and renewing necessary licenses and permits; the impact of Venezuelan law on the Company's operations; diminishing quantities or grades of reserves; adverse changes in the Company's credit rating; contests over title to properties particularly title to undeveloped properties; the occurrence of natural disasters, hostilities, acts of war or terrorism; corruption and uncertain legal enforcement; requests for improper payments; on the Company's ability to market gold produced and on its results of operations; on the Company's ability to obtain necessary authorizations from the CBV to export gold and on the Company's ability to retain any portion of the funds from sales of exported gold outside of Venezuela; on the ability to access SITME which impact the Company's ability to obtain US dollars to fund operating and capital expenditures; the result or outcome of management's efforts to remediate the potential implications of the transactions that were not in compliance with certain Venezuelan laws and regulations. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards,

industrial accidents, unusual or unexpected formation, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or inability to obtain insurance to cover these risks).

All the forward-looking statements made in or incorporated by reference in this MD&A are qualified by these cautionary statements and those made in the section of this MD&A entitled "Financial Instruments" and "Other Risks and Uncertainties".

Although we have attempted to identify factors that may cause actual actions, events or results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actual results, performances, achievements or events to not be as anticipated, estimated or intended. Also, many of the factors are beyond our control. As actual results and future events could differ materially from those anticipated in such statements and information, readers should not place undue reliance on forward-looking statements or information. Except as may be required by law, we undertake no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise. All forward-looking statements and information made or incorporated by reference herein are qualified by this cautionary statement.

SUMMARY QUARTERLY PERFORMANCE

A summary of the Company's financial results over the last eight most recently completed quarters is as follows:

	Q2 2025	Q1 2025	Q4 2024	Q3 2024
	\$	\$	\$	\$
Net loss	34,900	20,604	7,522	13,211
Basis and diluted loss per share	0.06	0.03	0.01	0.02

	Q2 2024	Q1 2024	Q4 2023	Q3 2023
	\$	\$	\$	\$
Net loss	9,785	10,193	9,442	3,307
Basis and diluted loss per share	0.02	0.02	0.02	0.00

Over the last eight quarters the Company's loss has been primarily driven by the revaluation of the gold sales contract with the spot price of gold fluctuating between \$2,325.00 and \$3,294.50. In addition, in Q1 2025 and Q2 2025, the change in decommissioning provision, significantly affected the total loss due to change in the inflation rate of the Venezuelan currency. In Q2 2025, the Company recognized share-based compensation of \$16,157.

PERFORMANCE

A summary of the Company's results of operations is as follows:

	QTD 2025	QTD 2024	YTD 2025	YTD 2024
	\$	\$	\$	\$
Operating expenses				
General and administrative	2,990	2,373	4,013	3,238
Foreign exchange (gain) loss	-	(29)	2	(197)
Share-based compensation	16,157	-	16,157	-
	19,147	2,344	20,172	3,041
Other items				
Other income	(2)	(73)	(2)	(309)
Fair value change of interest gold ounces	600	79	1,157	43
Fair value change of principal gold ounces	3,343	2,225	10,853	6,843
Finance charges	2,541	4,160	4,982	8,232
Change in estimates in decommissioning and restoration provision	9,271	1,050	18,342	2,128
Net loss and comprehensive loss	34,900	9,785	55,504	19,978

Q2 2025 compared to Q2 2024

Loss and comprehensive loss for the period increased to \$34,900 compared to \$9,785 in the prior year comparable period. The primary drivers of this increase were as follows:

- Share-based compensation increased to \$16,157 from \$nil in the prior year comparable period mainly due to the recognition of the fair value of options granted during the current period, that vested immediately.
- Fair value change of principal gold ounces increased to \$3,343 from \$2,225 in the prior year comparable period mainly due to the increase in the gold spot rate.
- Change in estimates in decommissioning and restoration provision increased to \$9,271 from \$1,050 in the prior year comparable period mainly due to the devaluation of the Venezuelan currency and increase in the inflation rate.

Partially offsetting the increase in loss for the period were decreases as follows:

- General and administrative expenses decreased to \$2,990 from \$2,373 in the prior year comparable period mainly due to professional fees which includes legal for which the Company was active in its efforts to pursue its Award due to ongoing developments throughout the year.
- Finance charges decreased to \$2,541 from \$4,160 in the prior year comparable period mainly due to the effective interest adjustment on the loan payable balance. This adjustment reflects the revised expectations of future cash flows, driven by varying payment timing scenarios based on the Award and Settlement agreement, CSA and contingent success fee.

YTD 2025 compared to YTD 2024

Loss and comprehensive loss for the period increased to \$55,504 compared to \$19,978 in the prior year comparable period. The primary drivers of this increase were as follows:

- Share-based compensation increased to \$16,157 from \$nil in the prior year comparable period mainly due to the recognition of the fair value of options granted during the current period, that vested immediately.
- Fair value change of principal gold ounces increased to \$10,853 from \$6,843 in the prior year comparable period mainly due to the increase in the gold spot rate.
- Change in estimates in decommissioning and restoration provision increased to \$18,342 from \$2,128 in the prior year comparable period mainly due to the devaluation of the Venezuelan currency and increase in the inflation rate.

Partially offsetting the increase in loss for the period were decreases as follows:

- Finance charges decreased to \$4,982 from \$8,232 in the prior year comparable period mainly due to the effective interest adjustment on the loan payable balance. This adjustment reflects the revised expectations of future cash flows, driven by varying payment timing scenarios based on the Award and Settlement agreement, CSA and contingent success fee.

LIQUIDITY

Working Capital

Cash at June 30, 2025 was \$21 (December 31, 2024 -\$759) and net working capital deficiency was \$221,448 (December 31, 2024 - \$182,274). The decrease in working capital is mainly due to increases in current liabilities, which include derivative liability, decommissioning and restoration provisions and the loan payable (the "Loan").

As at June 30, 2025, derivative financial liability was \$54,366 (December 31, 2024 - \$42,356). This increase is mainly due to the increase in the gold spot rate period over period.

As at June 30, 2025, decommissioning and restoration provisions were \$36,573 (December 31, 2024 - \$18,231). This increase is mainly due to an increase in inflation and partially offset by the devaluation of the Venezuelan currency.

As at June 30, 2025, the carrying value of the Loan was \$80,568 (December 31, 2024 - \$75,584). The Loan is carried at management's estimate of amortized cost, which includes the outstanding principal, accrued interest, and a contingent success fee equal to 20% of the principal. Repayment is conditional on the successful recovery of compensation pursuant to the Award and Settlement Agreement.

The Loan originated in 2008 with an initial principal of \$80,000. Following restructurings, the principal was reduced to \$30,000. The Loan has been in default since 2011 and bears interest at 11% compounded quarterly. In 2012, the Company entered into a CSA with the lenders, under which enforcement rights were suspended in exchange for the contingent success fee. In 2017, the Loan was transferred to new investors, who became parties to the CSA.

As at June 30, 2025, the Loan remains in default with \$29,750 principal outstanding (December 31, 2024 - \$29,750) and accrued interest of \$112,195 (December 31, 2024 - \$103,135). The Loan is denominated in US dollars and secured by share pledges over subsidiaries which, prior to Nationalization, held the mining concessions for the Choco Mine, excluding the Isidora Mine.

Cash flows

A summary of the Company's sources and uses of cash is as follows:

	YTD 2025	YTD 2024
	\$	\$
Cash used in operating activities	(911)	(1,801)
Cash provided by financing activities	173	2,915
Change in cash	(738)	1,114

As at June 30, 2025 the Company had cash of \$21 (December 31, 2024 - \$759) and working capital deficiency of \$221,448 (December 31, 2024 - \$182,274).

Cash used in operating activities was \$911 compared to \$1,801 cash provided in the prior year comparable period primarily due to general and administrative expenses which include advisory and consulting fees, professional fees and salaries and director fees and wages.

Cash provided by financing activities was \$173 compared to \$2,915 cash provided in the prior year comparable period due to the proceeds from the exercise of options and warrants.

CAPITAL RESOURCES

The Company's capital includes its loan payable and all components of shareholders' deficiency. The Company's capital management objectives are to safeguard the Company's ability to support its normal business requirements which mainly consist of its efforts to reach a compensation agreement with the Venezuelan government or the enforcement of an arbitration award before ICSID for the expropriation of its assets in Venezuela as a result of the Nationalization. The Company manages its capital structure and makes adjustments to it in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage its capital requirements, the Company plans its funding needs in advance to ensure the Company has liquidity to meet its objectives.

Under the terms of the Litigation Funding Agreement, the Funder has agreed to assist in the funding of Rusoro's legal costs in relation to the international arbitration proceedings against the Republic of Venezuela (the "Respondent") on a non-recourse basis as well as funding a reasonable amount of corporate costs. Pursuant to the Litigation Funding Agreement, the Company entered into the CSA with significant equity holders and creditors who agreed not to take any steps or actions to exercise their rights and remedies against the Company until the expiration of a standstill period, subject to various clauses.

Since inception to the MD&A Date, the Funder has approved approximately \$17 million in payments to the Company and its vendors as recoveries on litigation and corporate overhead costs. The Company has \$nil that can be drawdown in accordance with the terms of the Litigation Funding Agreement as at the MD&A Date. There were no recoveries received during the six months ended June 30, 2025 nor to the MD&A Date.

There are material uncertainties surrounding the Nationalization and the related Award and Settlement Agreement, including, but not limited to the timing and/or form of the recovery of compensation.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements and does not contemplate having them in the foreseeable future.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are considered to be related if they are subject to common control. Related parties include key management personnel and may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are recorded at the exchange amount, being the amount agreed to between the related parties.

Key management personnel include those with the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, officers and companies controlled by key management personnel.

a) Related party transactions

The nature of transactions undertaken and the relationships with related parties of the Company are as follows:

	Relationship with the Company	Nature of transactions
Company A	An officer/director of the Company and a director of the Company are also an officer and director, respectively, of Company A.	Machinery and facilities rental and provision of general mining-related services.
Company B	A director of the Company is also a partner of Company B.	Provision of legal services.
Company C	A director of the Company is also an officer of Company C.	Provision of corporate administrative services.

In addition to related party transactions and balances disclosed elsewhere in these financial statements, the Company entered into transactions with related parties as outlined below:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Provision for corporate administrative services presented as part of advisory and consulting	30	30	60	60

Included in accounts payable and accrued liabilities are amounts due to Company A, B, and C of \$1,442 (December 31, 2024 - \$1,442). These amounts are unsecured, due on demand and non-interest bearing.

b) Compensation of management and directors

The remuneration of the directors and key management personnel was as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Salaries and director's fees presented as part of general and administrative expenses	230	208	505	415
Share-based compensation	16,157	-	16,157	-
	16,387	208	16,662	415

Included in accounts payable and accrued liabilities is \$6,034 (December 31, 2024 - \$6,100) related to compensation of management and directors.

PROPOSED TRANSACTIONS

As at June 30, 2025 and the MD&A Date, the Company has no proposed transactions.

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING JUDGMENTS

The preparation of financial statements under IFRS® Accounting Standards requires management to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted prospectively in the period in which the estimates are revised.

The accounting estimates, judgements and assumptions used in the preparation of the Financial Statements are consistent with those applied and disclosed in the notes to the Annual Financial Statements.

SUBSEQUENT EVENTS

On July 9, 2025, the Company issued 5,150,000 common shares pursuant to the exercise of 5,150,000 stock options with a weighted average exercise price of C\$0.15 per share for gross proceeds of \$559.

On July 28, 2025, the Company closed a financing of unsecured, non-interest-bearing promissory notes for gross proceeds of \$1,700, of which \$1,000 was issued to related parties. The promissory notes do not have a fixed maturity date and will only become due and payable from proceeds received by the Company pursuant to any successful enforcement of its arbitral award against the Bolivarian Republic of Venezuela. Proceeds from the financing will be applied to payment of legal expenses.

OUTSTANDING SHARE DATA

A summary of the Company's issued and outstanding securities is as follows:

	June 30, 2025	MD&A Date
	#	#
Common shares issued and outstanding	618,711,033	623,861,033
Warrants	12,000,000	12,000,000
Options	55,563,390	50,413,390

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, derivative financial liability, loan payable, promissory notes payable, and Litigation Funding Agreement.

The derivative financial liability relates to the gold delivery contract and is measured at fair value. The carrying amounts of cash and accounts payable and accrued liabilities are considered to be reasonable approximations of their fair values due to the short-term nature of these instruments.

The loan payable, promissory notes payable, and Litigation Funding Agreement are measured at amortized cost.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into a hierarchy based on the degree to which the fair value is observable.

- Level 1 fair value measurements are derived from unadjusted, quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability directly or indirectly.
- Level 3 fair value measurements are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The gold delivery contract is a derivative financial liability measured at fair value at each reporting date. The gold delivery contract is measured at fair value using the closing spot price of gold on the reporting date (a level 1 input), multiplied by the total number of gold ounces (including interest ounces) owing to the gold buyer. There were no transfers between levels of the fair value hierarchy during the period.

Financial Instrument Risk Exposure

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous period as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risks exposures are described below.

i. Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge its obligations. Management does not believe the Company is exposed to any significant concentration of credit risk as all of its cash is held with major Canadian banks.

ii. Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its obligations associated with financial liabilities as they fall due. The Company manages liquidity risk by monitoring cash and other financial resources available to meet its maturing obligations. The Company currently has a working capital deficiency of \$221,448. The Company assesses liquidity risk as high.

iii. Market risk

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows and fair values of the Company's financial instruments will fluctuate because of changes in market interest rates. The majority of the Company's financial instruments, if applicable, have fixed interest rates and therefore management does not believe the Company is exposed to any significant concentration of interest rate risk.

(b) Currency risk

Currency risk is the risk that the value of the Company's financial instruments will fluctuate due to changes in foreign exchange rates. The Company is exposed to currency risk as the Company's financial assets and liabilities include items denominated in Bs.S and C\$.

Changes in the applicable exchange rate may result in a decrease or increase in foreign exchange gains or losses recognized in profit or loss. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The Company's Venezuelan operations and cash holdings are currently subject to currency and exchange controls. These government-imposed controls may adversely affect the Company as such controls limit the Company's ability to flow US dollars out of the country for US dollar operating and capital expenditures.

As at June 30, 2025, the Company had a net monetary liability position of \$nil (December 31, 2024 - \$nil) denominated in Venezuelan Bolivars.

As at June 30, 2025, the Company had cash of \$14 and accounts payable and accrued liabilities of \$147, expressed in Canadian dollars.

(c) Significant estimates – amortized cost of financial instruments with contingent repayment terms

The Company has financial liabilities for which the timing and amount of repayment are contingent on the outcome of litigation proceedings.

Estimating amortized cost under *IFRS 9* for these liabilities requires significant judgment, particularly in forecasting the probability, timing, and amount of future cash outflows.

Given the inherent uncertainty, actual results may differ materially from management's current estimates. Key factors influencing variability include changes in the expected success rate of the litigation, the settlement amount, and the timing of cash outflows.

In accordance with *IFRS 9.B5.4.6*, the Company reassesses expected cash flows at each reporting date, and any resulting adjustments to amortized cost are recognized through profit or loss. The original effective interest rate is not adjusted.

RISKS AND UNCERTAINTIES

For a detailed listing of the risk factors faced by the Company, please refer to the Company's MD&A for the years ended December 31, 2024 and 2023.

ADDITIONAL INFORMATION

Additional information about the Company is available at SEDAR+ at www.sedarplus.ca.