



**MARITIME RESOURCES**

**MARITIME RESOURCES CORP.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**For the three and six months ended June 30, 2025**

(Expressed in Canadian dollars)



This Management's Discussion and Analysis ("MD&A") of Maritime Resources Corp. and its subsidiary ("Maritime" or the "Company") is dated August 14, 2025 and provides an analysis of our interim financial results for the three and six months ended June 30, 2025 and 2024. This MD&A should be read in conjunction with Maritime's condensed interim consolidated financial statements and notes thereto for the three and six months ended June 30, 2025 and 2024 (the "Financial Statements") and the audited financial statements for the year ended December 31, 2024, which are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). The Financial Statements follow the same accounting policies and methods as presented in note 3 to the Company's audited financial statements for the year ended December 31, 2024, available on [www.sedarplus.ca](http://www.sedarplus.ca). This MD&A contains forward-looking statements that are based on management's current expectations, are not historical in nature and involve risks and uncertainties. Forward-looking statements are not guarantees as to Maritime's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in forward-looking statements (please see "Cautionary Note Regarding Forward-Looking Information" below). The Company's common shares trade on the Toronto Venture Stock Exchange (the "TSX-V") under the stock trading symbol MAE. Additional information relevant to the Company's activities, including the Company's audited financial statements, can be found at [www.sedarplus.ca](http://www.sedarplus.ca) or the Company's website at [www.maritimeresourcescorp.com](http://www.maritimeresourcescorp.com).

Maritime is a Canadian gold and base metals exploration and development company focused on re-starting the past producing Hammerdown gold mine, located near the Baie Verte Mining District and Springdale in Newfoundland and Labrador ("NL") as well as exploration on its other properties in the region. Maritime's land holding, across all its properties, covers an area of 43,925 hectares, of which the Company holds a 100% mineral rights interest in 43,920 hectares with the remaining hectares under option agreements to earn 100% mineral rights interest. The Green Bay Property hosts the former Hammerdown gold mine.

## **Q2 2025 AND RECENT KEY OPERATING AND CORPORATE HIGHLIGHTS**

- On July 29, 2025, the Company repaid its US\$5 million senior secured notes, due on August 14, 2025, in full. The Company is now debt-free and well-capitalized to advance development of the Hammerdown Gold Project ("Hammerdown").
- On July 24, 2025, the Company announced receipt of the Certificate of Approval for full mine construction and operation, marking the final major regulatory milestone for the development of Hammerdown. The approval enabled the commencement of civil construction and earthworks, including site access upgrades, pad preparation, water management infrastructure, and clearing activities to prepare the site for mine development.
- On July 17, 2025, the Company closed a brokered private placement of 10.2 million common shares at \$1.13 per share, raising gross proceeds of \$11.5 million to retire the senior secured notes, advance the development of Hammerdown, fund exploration activities and general working capital requirements.
- During the second quarter, the Company sold approximately 765 ounces of gold doré processed from the stockpiled mineralized material around the Point Rousse Project, generating approximately \$3.4 million in revenue. These sales contributed positive operating cash flow and partially offset the cost of recommissioning the Pine Cove mill ("Pine Cove").
- The Company purchased a complete regrind mill equipment package, including two 185 kW Metso Stirred Media Detritors ("SMD") regrind mills as part of the optimization plan at Pine Cove. The upgrades are designed to increase grinding capacity and improve recoveries for Hammerdown ore, with installation expected in the third quarter of 2025.
- On June 16, 2025, the Company completed a 1-for-10 share consolidation, reducing the number of issued and outstanding common shares from approximately 1.1 billion to 112.5 million.



- During the second quarter of 2025, the Company reported several strong intercepts from grade-control and near-mine drilling at Hammerdown. Results included 5.5 grams per tonne ("gpt") gold ("Au") over 29.8 m (including 73.0 gpt Au over 1.5 m), 49.4 gpt Au over 2.6 m (including 153.9 gpt Au over 0.6 m), and 24.5 gpt Au over 13.9 m (including 42.2 gpt Au over 8.0 m) from a newly identified north-south trending ore shoot. These results highlight near-surface continuity and expand the mineralized footprint to support mine planning and potential reserve growth.
- On May 28, 2025, the Company granted 1.7 million five-year incentive stock options at an exercise price of \$1.10 per option (post-consolidation) under its omnibus equity plan to directors, officers and employees.
- On April 9, 2025, the Company closed an upsized brokered private placement for gross proceeds of \$20 million, supported by major investors including Dundee Corporation (\$8.8 million) and Eric Sprott (\$4.0 million). This provided sufficient funding to advance towards development of Hammerdown, continue exploration programs, and support general working capital requirements.

## OVERVIEW

The Company is a Canadian gold and base metal exploration and development company focused on advancing the Hammerdown Gold Project in Newfoundland and Labrador toward near-term production. During the first quarter of 2025, the Company achieved several important development milestones that laid the groundwork for construction. All major federal and provincial permits were secured for both the mine and mill, and recommissioning of the Pine Cove processing facility commenced with the successful milling of stockpiled mineralized material. This initial processing campaign confirmed plant operability and supported the first gold pour of approximately 350 gold ounces in May. The completion of an 8,460 m of additional drilling with 273 new diamond drill holes on a close-spaced grade control drill program at Hammerdown further advanced the mine plan and established a foundation for an updated feasibility study.

During the second quarter of 2025, Maritime strengthened its financial position and commenced early works at the Hammerdown project. On April 9, 2025, the Company closed a \$20 million brokered private placement, currently considered sufficient to fund the initial phase of development. This was followed by the receipt of the provincial Certificate of Approval for Construction, enabling the start of civil construction and earthworks at Hammerdown. At the Pine Cove mill, recommissioning activities continued, and the installation of two new Metso 185 kW SMD regrind mills remains on schedule for completion in the third quarter. By the end of the second quarter, more than 79,000 tonnes of mineralized stockpiles had been processed, and approximately 765 ounces of gold doré were sold, generating approximately \$3.4 million in pre-development revenue. These proceeds contributed positively to working capital and partially offset pre-development processing costs and recommissioning costs.

Engineering and planning efforts also advanced during the second quarter. Work is underway to complete an updated feasibility study and mine development plan incorporating results from the grade control program and revised operating inputs. On June 16, 2025, the Company completed a 1-for-10 share consolidation, simplifying the capital structure and improving trading liquidity. Subsequently, on July 17, 2025, Maritime closed an additional \$11.5 million common share financing and, on July 29, 2025, fully repaid its US\$5 million senior secured notes, leaving the Company debt-free and well-positioned to fund the initial phase of construction and general working capital requirements.

In parallel with pre-development construction activities at Hammerdown, the Company continues to advance its exploration strategy across a 439 km<sup>2</sup> land position in the Baie Verte and Springdale mining districts. Near the Hammerdown deposit, multiple drill-ready targets offer strong potential for resource growth. At the Orion Gold Zone, past drilling returned intercepts of 26.2 gpt Au over 4.0 m and 4.8 gpt Au over 13.6 m (including 7.0 gpt Au over 8.1 m). The adjacent Area 22 Zone returned 4.5 gpt Au over 2.85 m and broad, lower-grade zones such as 0.76 gpt Au over 30.2 m. At Golden Anchor and Lochinvar, high-grade intercepts include 12.9 gpt Au over 6.0 m.



Hammerdown West, located along a 1 km magnetic low, remains untested and is geophysically similar to Hammerdown.

Midway between Hammerdown and the Pine Cove mill, the Whisker Valley and El Strato projects offer gold mineralization. The El Strato project hosts a 1 x 3 km gold-in-soil and bedrock anomaly, one of the largest in Newfoundland that remains unexplored since 2020. At the Point Rousse Project, exploration upside remains at the advanced-stage Stog'er Tight and Deer Cove deposits, as well as the down-dip extension of the Pine Cove gold zone, all within haulage distance of existing infrastructure.

### **Share Consolidation**

On June 16, 2025, the Company announced the consolidation (the "Consolidation") of its issued and outstanding common shares on the basis of one (1) new post-consolidation common share for every ten (10) pre-consolidation common shares. Each shareholder's percentage ownership in the Company and proportionate voting power remains unchanged after the consolidation, except for minor changes and adjustments from the treatment of any fractional common shares. As a result of the consolidation, the exercise price of the Company's existing incentive stock options under the Company's omnibus equity incentive plan, the number of common shares issuable thereunder, and the exercise price and number of common shares issuable under certain outstanding warrants have been adjusted in accordance with the Consolidation. All references to the number of common shares, per-share amounts and other share-related information presented in this MD&A have been retrospectively restated to give effect to the Consolidation.

### **\$11.5 Million Brokered Private Placement Financing**

On July 17, 2025, the Company announced the closing of its brokered private placement offering (the "Offering") of common shares for aggregate gross proceeds of approximately \$11,500,490. Pursuant to the Offering, the Company issued an aggregate of 10,177,425 common shares at a price of \$1.13 per share (the "Issue Price"). All shares issued in connection with the Offering are subject to a four month plus one day hold period in accordance with Canadian securities laws. The net proceeds from the Offering will be used for exploration and development at the Company's mineral projects in Newfoundland and Labrador, repaying the balance of the Company's US\$5,000,000 senior secured notes on July 29, 2025, and general working capital purposes.

In connection with the closing of the Offering, the Company paid the agents a cash commission and corporate finance fee totaling \$684,089 and issued the agents compensation options exercisable for a period of 24 months following the closing date to acquire up to 605,389 common shares at the Issue Price.

### **\$20 Million Brokered Private Placement Financing**

On April 9, 2025, the Company announced the closing of a private placement offering (the "\$20 Million Offering") for aggregate gross proceeds of \$20,002,500, pursuant to which it issued an aggregate of 26,670,000 Units at a price of \$0.75 per Unit (the "Unit Price"). Each Unit is comprised of one common share in the capital of the Company ("Unit Share") and one half of one common share purchase warrant of the Company (each whole warrant, a "Warrant"). Each Warrant is exercisable to acquire one common share in the capital of the Company (each, a "Warrant Share") for a period of 24 months from April 9, 2025 (the "Closing Date") at an exercise price of \$1.20 per Warrant Share. The Warrants are governed by the terms of a warrant indenture entered into between the Company and Computershare Trust Company of Canada, dated as of the Closing Date. All Unit Shares and Warrants issued in connection with the \$20 Million Offering are subject to a four month plus one day hold period in accordance with Canadian securities laws. The net proceeds from the \$20 Million Offering will be used for exploration and development, and general working capital purposes. As part of the \$20 Million Offering, Mr. Eric Sprott invested approximately \$4,000,000 in the \$20 Million Offering for the acquisition of 5,333,400 Units. Dundee Corporation also invested approximately \$8,800,000 in the \$20 Million Offering for the acquisition of 11,734,800 Units.



The Company paid the agents a cash commission and corporate finance fee totaling \$1,172,925 and issued agent compensation options exercisable for a period of 24 months following the Closing Date to acquire up to 1,562,293 Common Shares at the Unit Price. The compensation options were valued at \$866,883 using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 2.62%, expected life of 2 years, expected volatility of 110.73% and dividend yield of 0%. Legal, regulatory and other cash costs associated with the \$20 Million Offering totaled \$363,339.

### **Feasibility Study – Hammerdown Gold Project**

On October 7, 2022, the Company filed a technical report for the Feasibility Study results for the 100% owned Hammerdown Gold Project (“Hammerdown” or the “Project”) in the Baie Verte mining district of Newfoundland and Labrador, Canada with an effective date of August 15, 2022. The Feasibility Study supports a technically straightforward, brownfields open pit mine and gold processing operation benefiting from low capital intensity and rapid payback. Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars.

#### **Highlights:**

- Open pit mine with run of mine (“ROM”) grade of 4.46 gpt gold, life of mine (“LOM”)
- On-site crushing and sorting plant producing 700 tpd of mill feed grading 6.76 gpt gold
- Mineral processing at Maritime’s 100% owned 700 tpd gold circuit at the Nugget Pond mill facility
- LOM payable gold production of 247,000 ounces (“oz”), averaging 50,000 oz annually
- \$102.8 million after tax net present value (“NPV”) (5% discount) with 48.1% internal rate of return (“IRR”), 1.7 year payback at US\$1,750/oz base case gold price (three year trailing average)
- \$75.0 million in initial capital with \$4.9 million in net sustaining capital
- US\$912/oz gold all-in sustaining cost (“AISC”)
- Several near-mine exploration opportunities to expand resources and extend mine life

See “*Hammerdown Gold Project – Feasibility Study*” section below for a detailed discussion.

### **OUTLOOK**

Following the achievement of major permitting, financing, and operational milestones in the first half of 2025, Maritime’s focus in the second half of the year is on finalizing and executing its development plan to deliver first gold production from Hammerdown. Key priorities for the remainder of the year include:

- **Advancing construction at Hammerdown.** Following receipt of the final Certificate of Approval, the Company has mobilized to site and commenced early works at Hammerdown. Key activities planned for the second half of 2025 include pit pre-stripping, construction of a water management system and lined settling pond, widening and building of site access roads, installation of a three-stage crushing plant and 15 kV power line extension, and preparation of pads for the construction of maintenance, administration, and support facilities.
- **Completing mill upgrades.** Installation of two Metso SMD regrind mills remains on schedule for completion in the third quarter of 2025. These installations, along with additional material handling and circuit optimization upgrades are expected to improve grind size, throughput, and metallurgical recoveries for Hammerdown ore. The Company expects to receive regulatory approval for the amended Pine Cove Development Plan and Closure plan in the third quarter which will enable the mill to process higher-grade Hammerdown ore when it becomes available.



- **Transitioning to Hammerdown ore.** Processing of remaining mineralized stockpiles will continue through the third quarter, with Hammerdown ore expected to be introduced to the Pine Cove mill in the fourth quarter, resulting in initial gold production from mine feed.
- **Publishing an updated feasibility study.** A new NI 43-101 Technical Report is in preparation incorporating updated resource data, metallurgical parameters, and cost estimates. Completion is targeted during the second half of 2025 and is expected to reinforce the low capital, high-margin production profile of Hammerdown.
- **Maintaining financial strength and generating interim cash flow.** Following the closing of \$31.5 million in equity financings and the full repayment of its US\$5 million senior notes, the Company is debt-free and well-capitalized to fund initial construction, mill recommissioning, and working capital requirements. In the near term, the Company expects to continue processing mineralized stockpiles at Pine Cove, generating additional gold doré production and operating cash flow as it transitions toward processing Hammerdown ore in the fourth quarter.
- **Advancing exploration.** The Company will continue exploration drilling at Hammerdown and across its broader 439 km<sup>2</sup> land package in the Baie Verte and Springdale districts. A June 2025 drill intercept of 24.5 gpt Au over 13.9 m confirmed a new high-grade trend south of the deposit, with additional targets identified for follow-up.
- **Ongoing stakeholder and community engagement.** Maritime will continue to work closely with local communities, including the Town of King's Point, to prepare for the social and economic benefits associated with transitioning to production, including employment, infrastructure improvements, and local procurement initiatives.

With major permits secured, pre-development site early works underway, mill upgrades in progress, and a strengthened, debt-free balance sheet, Maritime remains focused on delivering first gold production from Hammerdown in the fourth quarter of 2025, advancing toward its goal of becoming Atlantic Canada's next gold producer.

## **PERMITTING**

### **HAMMERDOWN GOLD PROJECT**

#### **Development, Rehabilitation and Closure Plans**

Regulatory approval is required for Life of Mine plans which address development of the site, operations and closure. Approval of the Hammerdown Development Plan and Rehabilitation and Closure Plan was received in February 2024. With these approvals the Company has completed all major NL Mining Act permitting for the Hammerdown Project.

#### **Environmental Assessment**

On May 10, 2021, the Project was officially released from environmental assessment which enables the Company to proceed with obtaining the necessary permits and approvals required to support future development. The registration document and the environmental preview report can be found on the Government of Newfoundland and Labrador website <https://www.gov.nl.ca/ecc/projects/project-2091/>.

#### **Employment and Benefits, Gender Equity and Diversity and Technology Plans**

The Company has received regulatory approval of each of the following provincially required documents in support of future development:

*Industrial Employment and Benefits Plan* – commits the Company to provide employment and business opportunities, training, and research and development within the Province;



*Gender Equity and Diversity Plan* – commits the Company's to incorporate measures to support gender equity and diversity in its workforce;

*Best Available Control Technology Analysis* – requires that technology decisions made relative to Project execution consider energy, environmental and economic impacts.

#### **Early Works Abridged Plan**

To advance site development, Maritime determined that there would be benefit in proceeding with early site clearing work in preparation for the official start of construction. In August 2021, Maritime submitted an early works condensed development and closure plan ("Abridged Plan") to address site vegetation removal and excavation of soil from a portion of the proposed open pit development. On September 21, 2021, Maritime received approval from the provincial government to proceed with early works at the Hammerdown site and financial assurance totaling \$72,981 was filed with the Province to cover the related rehabilitation liability. Timber harvesting permits and regulatory approval for an expanded surface lease boundary were also received from the Province during September 2021 to support this work. The early works tree clearing program was completed during the fourth quarter of 2021 and first quarter of 2022.

#### **Other Required Permits and Approvals**

A Certificate of Approval for Construction and Operations of the Hammerdown mine was received on June 2, 2025, supporting the commencement of site construction, and future operations.

Other ancillary permits will be required to support site construction activities, building erection and operations. These permitting processes will be ongoing and routine regulatory review and approval processes are not expected, at this time, to negatively impact the progression of any site work.

#### **POINT ROUSSE PERMITTING AND ENVIRONMENT**

The Point Rouse project is supported by several current regulatory permits. A mill license and Certificate of Approval for operations permit mill and tailings impoundment area operations, a water use license remains active to meet non-potable water requirements, and a water monitoring program continues as required both provincially and federally. The site also has a current development plan and closure plan. In preparation for future receipt and processing of Hammerdown feed, updates to the mill license, development plan and closure plan have been submitted for regulatory approval. Updates to both plans are expected to be approved in the third quarter of 2025.

In December 2024, Maritime submitted an Abridged Development Plan outlining the Company's work to support the restart of the Pine Cove mill. Approval was received on January 28, 2025 from the Province of Newfoundland and Labrador's Ministry of Industry, Energy and Technology ("IET").

In July 2024, regulatory approval was received from the NL Mineral Lands Division for a surrender of 71.3 hectares of land area from the Company's Pine Cove Surface Lease. This area of land was converted to a Quarry Lease in support of Shoreline Aggregates' future operations. Mineral rights for this land package remain under a mining lease with Maritime.

#### **COMMUNITY ENGAGEMENT**

Maritime continues to engage with regional stakeholders of local communities as well as support local initiatives within the communities in which it operates. Emphasis has been placed on mining awareness and education of youth in the local and surrounding areas. During the annual provincial CIM Branch conference, Maritime was awarded the 2023 CIM Branch award for Social Responsibility, in recognition of work by the Company in educating youth about the mining industry.





In June 2024, Maritime entered into a community partnership agreement with the town of Ming's Bight for continued use of its regional waste facility and provision of emergency response support from its local fire department.

In March 2025, the Company executed a community agreement with the town of King's Point to support local employment, infrastructure, and emergency services in connection with the planned development of the Hammerdown Gold Project. The Company's Vice President, Environment and Sustainability is a councilor with the town of King's Point and recuses himself from any Maritime-related business.

### **HAMMERDOWN GOLD PROJECT – FEASIBILITY STUDY**

On August 23, 2022, the Company announced completion of a positive feasibility study (the "Feasibility Study") for the 100% owned Hammerdown Gold Project ("Hammerdown" or the "Project") in the Baie Verte mining district of Newfoundland and Labrador, Canada. The Feasibility Study contemplates a technically straightforward, brownfields open pit mine and gold processing operation with low capital investment and rapid payback.

**Table 1. Feasibility Study Results**

ITEM	UNITS	TOTAL
Mine life	years	5.0
Ore tonnes	kt	1,895
Waste tonnes	Mt	38.5
Strip ratio	waste:ore	20.3
ROM ore production	tpd	1,200
ROM gold grade	Au gpt	4.46
Sorting plant waste rejection	%	40.0
Sorting plant gold recovery	%	95.0
Mill throughput	tpd	700
Mill head grade after sorting	Au gpt	6.76
Tonnes milled	Kt	1,189
Mill gold recovery	%	95.5
Gold produced	oz	247,346
Avg. annual production	oz	50,000
Mining cost	\$/t mined	4.49
Mineral processing	\$/t milled	48.06
Trucking from sorting plant to mill	\$/t milled	25.50
General and administrative	\$/t milled	12.04
Cash costs <sup>1,4</sup>	US\$/oz	897
AISC per ounce gold <sup>1,4</sup>	US\$/oz	912
Total initial capital <sup>3</sup>	\$M	75.0
Total sustaining capital	\$M	4.9
Avg. annual free cash flow	\$M	41.4
After-tax NPV(5%) <sup>4</sup>	\$M	102.8
After-tax IRR <sup>4</sup>	%	48.1
Payback period <sup>2</sup>	years	1.7

<sup>1.</sup> See "Non-IFRS Measures" below.

<sup>2.</sup> Payback is defined as achieving cumulative positive free cashflow after all cash costs and capital costs, including sustaining capital costs and is calculated from the start of production.

<sup>3.</sup> Excludes initial working capital requirements.

<sup>4.</sup> \$0.77 US\$/C\$ exchange rate and US\$1,750/oz gold price.





The Feasibility Study contemplates open pit mining from the Hammerdown deposit, including the higher grade narrow Hammerdown veins and the thicker, lower grade Wisteria zone. The Hammerdown mine is designed as a conventional truck and shovel open pit operation with one year of pre-production stripping and five years of subsequent mining. ROM ore from Hammerdown would be sent to the on-site crushing and sorting plant to produce the mill feed product that would be hauled 140 km to the Company's gold circuit at the Nugget Pond mill for final processing. Current mineral resources contained within the Orion deposit have not been considered as part of the Hammerdown Feasibility Study and remain subject to ongoing exploration, environmental and technical studies.

A total of 1.895 million tonnes of ROM ore is scheduled to be mined from the Hammerdown pit with a diluted grade averaging 4.46 gpt Au. A total of 38.5 million tonnes of non-acid generating waste rock will also be produced and stored in a waste rock stockpile to the south of the open pit.

The open pit has been designed and scheduled to maximize project rate of return. Pit slope optimization has been undertaken based on geotechnical data collected between 2019 and 2021. Hammerdown's open pit development consists of three phases of pushbacks with overburden thickness averaging under 2 m. Mining will be completed by conventional drill/ blast/ load/ haul methods on 5 m benches in ore and 10 m benches in waste where practical. Waste loading and haulage will be handled by 7 m<sup>3</sup> hydraulic excavators and 55 tonne payload haul trucks. Ore loading and hauling will be handled by a fleet of 4 m<sup>3</sup> hydraulic excavators with a 7 m<sup>3</sup> front end loader as backup and 38 tonne payload articulated haul trucks.

Grade control in the open pit is a key part of the mining process and will be accomplished through a combination of 5 m bench heights, 50,000 m of close spaced diamond drilling (15 m centres, 10 m vertically) to identify and report vein orientations and grades to the mine planners, selective excavation under GPS control, and mine geological control. The sorting process is integrated to remove dilution taken with the narrow veins during the mining process.

### **Infrastructure and Facilities**

At the Hammerdown mine site, the main structure will be the crushing and sorting plant. Other structures have been planned to site operational requirements and will include an administration complex, security gatehouse, explosive storage facility, truck scales, a warehouse, and a mine equipment maintenance shop (See Figure 1). Site geotechnical investigations have been performed to support the engineering effort for site infrastructure design. Power will be supplied to the Hammerdown site by a new 570 m long utility line connection to the existing 25 kV grid at Route 391, operated by Newfoundland and Labrador Hydro. The entrance to the Hammerdown site is located a short distance from Route 391 via the Shoal Pond forest access road. A new 2 km bypass road is envisioned to ensure safe passage for the general public, rerouting light vehicle and other traffic away from the Hammerdown mine area.

Power is supplied by an existing line connection to the provincial power grid. An existing 10 km access road connects Nugget Pond to provincial Highway 414. Upgrades to the access road have been incorporated into the Feasibility Study to address widening and culvert replacements in certain areas.

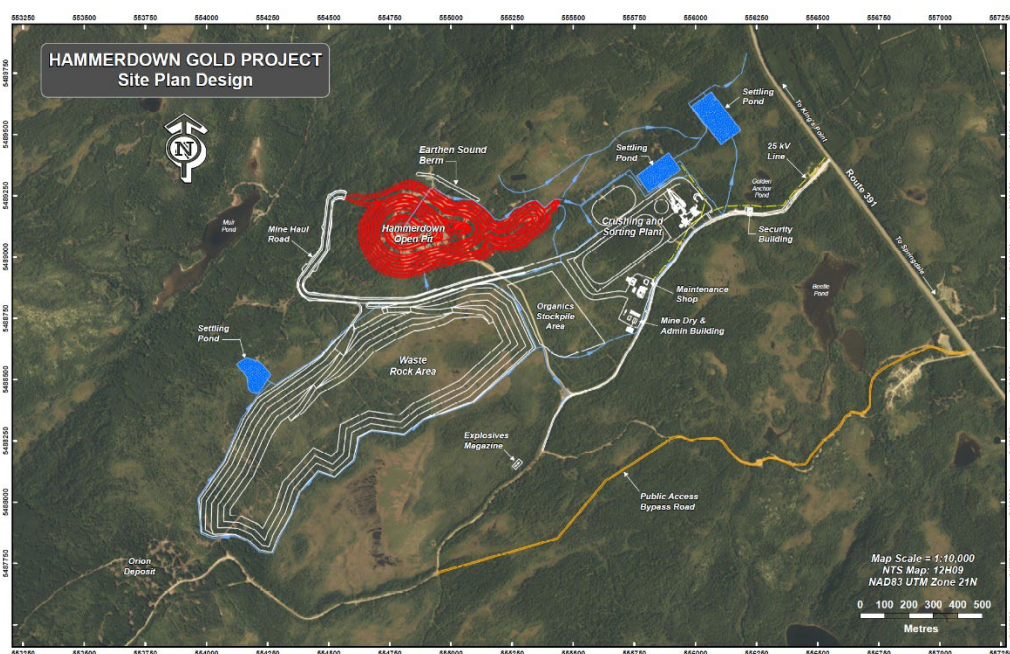


Figure 1. General Site Plan – Hammerdown

### Environment, Regulatory and Socioeconomics

In July 2020, the Hammerdown Project was registered as per the requirements of the Newfoundland and Labrador *Environmental Assessment Act*. In May of 2021, the Government of Newfoundland and Labrador (the “NL Government”) approved the Project and issued a release from Environmental Assessment (“EA”). As an environmentally stable brownfield site that was previously closed and rehabilitated in 2004, Hammerdown continues to present favourable characteristics in support of future development. Comprehensive geochemical studies of waste rock have concluded that all waste material is stable and inert, posing no challenges throughout planned operations or future closure. The site contains no fish habitat or fish populations, and proposed development requires minimal diversions of ephemeral drainage features only. Also, within and surrounding its small two-square km footprint, the proposed Hammerdown Project contains no species at risk.

The Feasibility Study contemplates processing sorted material for the Hammerdown Project at the Nugget Pond mill site, approximately 140 km from the Hammerdown Project site. The gold leach circuit and tailings facilities at Nugget Pond are fully permitted, and these permits will be updated to acknowledge processing requirements for Hammerdown feed. Sorting technology proposed for the Hammerdown Project removes waste rock from the run of mine feed, reducing greenhouse gas emissions from mill feed transport by approximately 40% (19,000 T) throughout the LOM.

Maritime anticipates significant socioeconomic benefits for both the communities within the Project region, and the Province. The Project will contribute over \$64.4 million in direct federal and provincial taxation benefits over the LOM with an additional operational expenditure forecasted at over \$278.7 million. Approximately 1,000 person years of direct employment will be generated for operations, in addition to local contract opportunities for mill feed transport and other operational support services. Maritime has previously received provincial government approval for its Employment and Benefits Agreement and its Gender Equity and Diversity Plan for the Hammerdown Project.

**NI 43-101 Technical Report**

A Feasibility Study Technical Report with an effective date of August 15, 2022, prepared by JDS Energy & Mining Inc. and Halyard Inc. was filed on SEDAR+ on October 6, 2022. The Technical Report has been filed in accordance with the requirements of National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Gord Doerkson, P.Eng., Project Manager of JDS Energy & Mining Inc.; Michael Franceschini, P.Eng., Project Manager of Halyard Inc.; Pierre Landry, P.Geo. and Dorota El Rassi, M. Sc., P. Eng. of SLR Consulting (Canada) Ltd. are the qualified persons ("QPs"), as defined by NI 43-101 responsible for the scientific and technical information in the *Hammerdown Gold Project – Feasibility Study* section of this MD&A.

**Mineral Resources and Mineral Reserves**

The Mineral Resource estimate ("MRE") for the Hammerdown deposit has been updated and was prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and outlined in Table 5. The updated MRE replaces the Company's previous MRE dated February 29, 2020. The updated MRE is based on a gold price of US\$1,800 per ounce. Mineral Resources are inclusive of Mineral Reserves reported in this document. The updated MRE for the Hammerdown deposit is based on 595 surface diamond drill holes and 192 underground diamond drill holes for a total of 72,808 m of drilling and 80 trenches and channels for a total of 266 m of sampling. The MRE for the satellite Orion deposit, located 2.3 km southwest of the Hammerdown deposit, remains unchanged.

**Table 2. Mineral Resource Estimate – Hammerdown, June 30, 2022**

Category	Tonnes (kt)	Grade Au gpt	Contained Gold (koz)
<b>Open Pit Resources</b>			
Measured	698	5.47	123
Indicated	2,146	3.00	207
<b>Total Measured &amp; Indicated</b>	<b>2,845</b>	<b>3.61</b>	<b>330</b>
<b>Total Inferred</b>	<b>302</b>	<b>1.31</b>	<b>13</b>
<b>Underground Resources</b>			
Measured	1	7.05	-
Indicated	54	5.10	9
<b>Total Measured &amp; Indicated</b>	<b>55</b>	<b>5.10</b>	<b>9</b>
<b>Total Inferred</b>	<b>66</b>	<b>4.00</b>	<b>9</b>

## Notes:

1. Mineral Resource Estimate completed by Pierre Landry, P.Geo., of SLR Consulting (Canada) Ltd., an independent qualified person ("QP"), as defined by NI 43-101.
2. Effective date: June 30, 2022. All Mineral Resources have been estimated in accordance with Canadian Institute of Mining and Metallurgy and Petroleum ("CIM") definitions, as required under NI 43-101.
3. Open Pit Mineral Resources are inclusive of Mineral Reserves
4. Open Pit Mineral Resources are estimated at a cut-off grade of 0.50 g/t Au.
5. Open Pit Mineral Resources are reported at a block cut-off from whole blocks measuring 2.5 m x 1.0 m x 2.5 m.
6. Mineral Resources are estimated using a long-term gold price of US\$1,800 per ounce, and a US\$/C\$ exchange rate of 0.75.
7. Bulk density is 2.84 t/m<sup>3</sup> for rock and 1.90 t/m<sup>3</sup> for mined out areas.
8. Underground Mineral Resources are estimated at a cut-off grade of 2.00 g/t Au.
9. Underground Resources are reported at a block cut-off from whole blocks measuring 2.5 m x 1.0 m x 2.5 m and have been subject to additional reporting shapes to remove isolated blocks.
10. Numbers may not add due to rounding.
11. Mineral Resources reported demonstrate reasonable prospect of eventual economic extraction, as required under NI 43-101.
12. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
13. The Mineral Resources may be materially affected by environmental, permitting, legal, marketing, and other relevant issues.



The Mineral Reserve estimate for Hammerdown is based on an open pit mine plan and production schedule outlined in the Feasibility Study. Table 6 presents the Mineral Reserve estimate for the Hammerdown Project. Proven and Probable Mineral Reserves amount to 1.895 million tonnes at 4.45 g/t Au, containing 272,000 gold ounces. The Mineral Reserve estimate is based on the economic assumptions in Note 3 of Table 3.

**Table 3. Mineral Reserve Estimate – Hammerdown, August 15, 2022**

Zone & Class	Tonnes (kt)	Diluted Grade (Au gpt)	Contained Gold (koz)
<b>Proven</b>			
Vein	556	5.94	106
Wisteria	-	-	-
<b>Total Proven</b>	<b>556</b>	<b>5.94</b>	<b>106</b>
<b>Probable</b>			
Vein	1,134	4.19	153
Wisteria	206	1.99	13
<b>Total Probable</b>	<b>1,340</b>	<b>3.85</b>	<b>166</b>
<b>Total Proven and Probable</b>	<b>1,895</b>	<b>4.46</b>	<b>272</b>

Notes:

1. Mineral Reserve Estimate completed by Tysen Hantelmann of JDS Energy & Mining Inc., an independent QP as defined by NI 43-101.
2. Effective date; August 15, 2022. All Mineral Reserves have been estimated in accordance with CIM definitions required under NI 43-101.
3. Mineral Reserves are estimated at a gold cut-off of 0.73 g/t for Veins and 1.06 g/t for Wisteria Zone based on: gold price of US\$1,650/oz; exchange rate of \$0.77 US\$:C\$; combined transport, treatment, payables and royalties of US\$25/oz; an overall metallurgical recovery (including ore sorting) of 90.25% for Veins and 85.5% for Wisteria; and an overall processing operating cost of C\$45/t ore mined for Veins and C\$62/t ore mined for Wisteria.
4. The final FS pit design contains an additional 94 kt of Inferred resources above the economic cut-off grade at an average grade of 1.62 g/t Au. Inferred Mineral Resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that any part of the Inferred Resources could be converted into Mineral Reserves.
5. Tonnages are rounded to the nearest 1,000 t, gold grades are rounded to two decimal places. Tonnage and grade measurements are in metric units; contained gold is reported as thousands of troy ounces.

### Qualified Persons

Disclosure of a scientific or technical nature in the *Hammerdown Gold Project – Feasibility Study* section of this MD&A has been approved by Mr. Garrett Macdonald, P.Eng., President and CEO of Maritime and Mr. Larry Pilgrim, P.Geo., Exploration Manager of Maritime. Mr. Macdonald and Mr. Pilgrim are QPs and have verified the data disclosed in the *Hammerdown Gold Project – Feasibility Study* section of this MD&A, including sampling, analytical and test data underlying the information it contains. This included a site inspection, drill database verification, and independent analytical test work.

Gord Doerksen, P.Eng., Tysen Hantelmann, P.Eng. and Carly Church, P.Eng. Geo. of JDS Energy & Mining Inc. are the QPs responsible for the overall study, mine plan and mineral reserves, infrastructure and CAPEX and financial modeling respectively. Michael Franceschini, P.Eng. and Ivana Sabaj Abumohor, P.Eng. of Halyard Inc., are the QPs responsible for the mineral processing plant design. Stacy Freudigmann, P.Eng. of Canenco Consulting Corp. is the QP responsible for the metallurgical test work. Shawn Russell, P.Eng.; Hans Arisz, P.Eng.; Carolyn Anstey-Moore, P.Geo and Leanne Stein, P.Eng. of GEMTEC Consulting Engineers and Scientists Limited are the QPs responsible for site wide soils investigations, water balance, water management system, hydrogeological considerations, environmental baseline studies, project permitting and rehabilitation and closure costing. Robert Bowell, PhD, C.Geol., P.Geo. of SRK Consulting (UK) Limited is the QP responsible for the site wide geochemical characterization. Pierre Landry, P.Geo., and Dorota El Rassi, M. Sc., P. Eng. of SLR Consulting (Canada) Ltd. are the QPs for the



Hammerdown mineral resource estimate. All QPs cited in the Feasibility Study Technical Report are independent of Maritime and have reviewed the contents of this MD&A.

### **Data Verification and Analytical Procedures**

All samples assayed and pertaining to the *Hammerdown Gold Project – Feasibility Study* section of this MD&A were completed by Eastern Analytical Limited (“EAL”) located at Springdale, Newfoundland and Labrador. EAL is an ISO 17025:2005 accredited laboratory for a defined scope of procedures. EAL has no relationship to Maritime. Samples are delivered in sealed plastic bags to EAL by Maritime field crews where they are dried, crushed, and pulped. Samples are crushed to approximately 80% passing a minus 10 mesh and split using a riffle splitter to approximately 250 grams. A ring mill is used to pulverize the sample split to 95% passing a minus 150 mesh. Sample rejects are securely stored at the EAL site for future reference. A 30-gram representative sample is selected for analysis from the 250 grams after which EAL applies a fire assay fusion followed by acid digestion and analysis by atomic absorption for gold analysis. Other metals were analyzed by applying an acid digestion and 34 element ICP analysis finish. EAL runs a comprehensive QA/QC program of standards, duplicates and blanks within each sample stream.

### **EXPLORATION PROJECTS OVERVIEW**

#### **Green Bay Project**

Maritime's Green Bay Property in central Newfoundland and Labrador hosts the Company's gold and base metal deposits. The Hammerdown Mine, which closed in 2004, includes the adjacent Rumbullion and Muddy Shag Gold deposits. The Orion gold deposit is situated 1.5 km to the southwest and the historic Lochinvar base-precious metal VMS deposit is located one km east of Hammerdown.

The Company owns a 100% interest in the Inomin property consisting of certain mineral claims that extend the Green Bay property. The Inomin property is subject to a 1.0 % NSR of which 100% can be purchased for \$500,000. The project also has an underlying NSR of 2.5% of which 1.5% can be purchased for \$1,000,000.

The Company owns a 100% interest in the Sprucy Pond property (“Sprucy Pond”), which is contiguous to the Hammerdown project. The Sprucy Pond property is subject to a 1.0 % NSR of which 50% can be purchased for \$500,000. The 6.25 km<sup>2</sup> Sprucy Pond consists of 25 claim units. Historical work on Sprucy Pond has uncovered abundant angular gold bearing quartz-pyrite float, bearing a strong resemblance to the Hammerdown high grade gold-quartz sulfide veins.

#### Greenfield Interests

##### *Birchy Island Pond (Au)*

Located 5 km east of Hammerdown, this target is a newly discovered quartz vein system defined on surface by a mineralized boulder train at the intersection of several faults highlighted on surface as a well-defined 4 km long linear structure.

##### *Timber Pond (Au-Ag-Cu)*

Timber Pond is located 8 km east of Hammerdown. Phase 1 exploratory drilling was completed including 5 drill holes totaling 647 m. Drilling confirmed the historical massive and disseminated sulphide mineralization as well as a lens of gold mineralization in the hanging wall to the massive sulphides.



*Golden Anchor/Beetle Pond (Au)*

This gold zone is located 1 km east of the Hammerdown Deposit and is interpreted as being an extension of the Golden Anchor prospect that has been offset by folding and faulting. The Beetle Pond Trend is located 500 m East of Golden Anchor and is associated with a high-grade gold and base metal in soil trend that extends for over 325 m and is associated with a large coincident magnetic and IP anomaly.

**Whisker Valley Project**

The Whisker Valley project is comprised of 33 licenses, 610 claim units and 15,250 hectares and is located 10 km northwest of the Company's high-grade Hammerdown Gold Project. The Company currently holds 216 square km<sup>2</sup> along a strike length of 31.5 km of the favorable geology that is host to numerous gold prospects and showings.

The Company owns a 100% interest in the Whisker Valley Property in the Baie Verte mining district of Newfoundland and Labrador, Canada. The Company was required to make an additional payment to the optionors of \$50,000 on each of the first, second and third anniversary of the Exercise Date. These payments were made in March 2023, March 2024 and March 2025. The property is subject to a 2.5% NSR royalty, of which 1% can be purchased for \$1,000,000 on or before the end of the second anniversary of commencement of commercial production.

The Company owns a 100% interest in the El Strato property (contiguous to Whisker Valley). The Company has the option to buy-back one-half of the 2% NSR royalty for \$1,000,000 on or before the end of the second anniversary of commercial production.

The Company owns a 100% interest in the Strugglers Pond property (contiguous to Whisker Valley). The Company has the option to buy-back one-half of the 2% NSR royalty for \$1,000,000 on or before the end of the second anniversary of commercial production.

On January 31, 2023, the Company entered into an option agreement to acquire a 100% interest in certain mineral property interests located on the Whisker Valley property in the Baie Verte mining district of Newfoundland and Labrador, Canada, for \$50,000 payable in three annual installments, the final payment of which was made on January 31, 2025.

The Company has the option to buy-back one-half of the 1% NSR royalty for \$500,000 on or before the end of the second anniversary of commercial production.

**Greenfield Interests**

Three mineralized corridors define the abundance of gold mineralization discovered to date on the Whisker Valley Property, the Gary Vein Trend, the Fluorite Trend and the El Strato Trend.

*Gary Vein System (Au)*

The Gary vein mineralized corridor occurs within a north-south trending erosional window exposing Burlington Granodiorite between rhyolitic and felsic tuffaceous units of the younger King's Point Volcanic Complex to the east and west. A significant number of gold bearing quartz veins and abundant mineralized float have been discovered along this north south corridor covering an area 3 km north-south by 1.5 km east-west. It is believed that the mineralized corridor continues further to the north and south along the exposed Burlington Granodiorite window. The Gary gold-bearing quartz vein system is the most significant discovery to date on the property. Trenching has exposed the east-west trending vein system for a distance of 320 m, and it remains open in both directions.

*Fluorite Zone (Au)*

A new mineralized zone containing widespread disseminated pyrite with extensive silica and potassic alteration has been identified at Whisker Valley 1 km east of the Gary vein system. This zone is characterized as an extensive



hydrothermal breccia system containing gold, zinc, fluorite, and rare earth elements that is geologically similar to other alkalic epithermal systems such as the world class Cripple Creek gold deposits in Colorado, USA. The surface extents of this system are not yet known however similar alteration and mineralization has been exposed in trenching and prospecting over several hundred metres.

#### *El Strato Trend (Au)*

In January 2023, Maritime optioned additional claims on the El Strato gold trend further consolidating an emerging gold mineralized system stretching over 7 kms. The El Strato gold prospect hosts numerous gold and base metal occurrences and trends centered around the Whisker Valley and Middle Arm secondary fault structures. Previous exploration identified widespread gold mineralization associated with secondary structures hosting quartz, carbonate and base-metal-rich veins considered to be indicative of a structurally controlled orogenic gold system.

#### **Gull Ridge Project (Ni, Cu, Co)**

In January 2021, the Company staked additional claims to the south of the new Gull Ridge project area comprised of 2,300 hectares on 92 claim units situated in the southern part of the Baie Verte Peninsula. The Gull Ridge Property has been recognized by Maritime as a significantly underexplored target area for base and precious metals. In 2021, the Company commenced drilling on drill targets at Gull Ridge based on the VTEM and magnetic survey data and detailed ground EM surveys; and continues to complete reconnaissance scale mapping along with soil sampling and prospecting; and, carry out IP geophysical surveys in select areas pending positive results. As previously discussed, the Company completed a deep looking regional ZTEM survey and interpretation of the results and is ongoing with early indications of anomalous areas being defined for ground follow-up.

On December 21, 2021, the Company entered into an agreement to acquire a 100% interest in certain mineral property interests located on the Gull Ridge property in the Baie Verte mining district of Newfoundland and Labrador, Canada, for \$50,000 and 250,000 of the Company's common shares, payable in four installments. The final payments of \$20,000 and 100,000 common shares was made on January 7, 2025.

The Gull Ridge Pluton is a large highly magnetic polyphase intrusion located in the southwest end of the Maritime land package and is historically under explored. Historical work in the area highlighted widespread disseminated and patchy sulphide mineralization of pyrite, chalcopyrite and pyrrhotite and possible pentlandite. Airborne IP Geophysics (AIP) identified a large chargeability anomaly measuring 4.5 km long by 1.5 km wide contained within the magnetic expression of the Gull Ridge Pluton.

#### **Black Ridge Project (Au, Ag, VMS target)**

On November 14, 2023, Maritime staked the Black Ridge volcanic massive sulphide (VMS) target in Newfoundland and Labrador. Black Ridge is located at the southwest corner of the Company's landholdings, approximately 15 km from the Hammerdown Gold Project. The property is at an early stage of exploration but hosts several historical high-grade gold, silver and copper showings in outcrop, float and soil samples. The newly staked area consists of 6 claim units (150 hectares).

#### **Point Rouse Project**

On August 21, 2023, the Company acquired the Point Rouse Project, located within the Baie Verte Mining District, on the Point Rouse/Ming's Bight Peninsula, in the northern portion of the Baie Verte Peninsula, approximately 6 km northeast of the Town of Baie Verte, in north central Newfoundland, in the Province of Newfoundland and Labrador. The Point Rouse Project includes the fully permitted 1,300 tpd Pine Cove mill, a large capacity in-pit permitted tailings storage facility, deep water port access and over 57 km<sup>2</sup> of mineral claims and mining leases, including the Stog'er Tight and Argyle properties.





Royalty obligations on the various Point Rousse Project mineral properties are as follows:

- A NSR of 3% is payable to a third-party on gold produced from the Stog'er Tight Property.
- A \$3,000,000 capped NSR on 4 mineral exploration licenses in the Point Rousse Project, which forms part of the Argyle property, is calculated at 3% when the average price of gold is less than US\$2,000 per ounce for the calendar quarter and is 4% when the average price of gold is more than US\$2,000 per ounce for the calendar quarter.
- A \$3,000,000 capped NSR of 3% on a property that forms part of the Argyle Property. Once the aggregate limit has been met and 200,000 ounces of gold has been sold from the property, the NSR decreases to 1%.
- A net profits interest ("NPI") agreement over the Point Rousse Mining Leases with Royal Gold Inc. whereby the Company is required to pay Royal Gold Inc. 7.5% of net profits, calculated as the gross receipts generated from the claims less all cumulative development and operating expenses.

The Company also has royalties payable to various vendors of mineral leases located outside the currently anticipated mining areas.

### **Lac Pelletier Project**

On March 11, 2025, the Company announced the completion of the sale of its interests in the Lac Pelletier gold project located near Rouyn Noranda, Québec, Canada to Emperor Metals Inc. ("Emperor"), an arm's length party to Maritime. Pursuant to the purchase agreement dated January 6, 2025 (as amended on March 2025) by and among Maritime, its wholly-owned subsidiary 2823988 Ontario Corp. ("282"), and Emperor, Maritime, through 282, sold 25 mineral claims and one mining lease, in exchange for an aggregate of 12,500,000 common shares in the capital of Emperor. As at June 30, 2025, the Emperor shares, which are subject to a statutory four-month and one day hold period from the date of issuance, are presented under Marketable Securities on the consolidated statement of financial position. The Company recognized a loss on sale of exploration properties of \$248,250 during the six months ended June 30, 2025 comprised of \$96,639 legal expenses incurred relating to the sale and \$151,611 calculated as the difference between the fair value of the common shares received of \$1,562,500 and the carrying value of the Lac Pelletier exploration assets of \$1,714,111 as at the date of the completion of the sale.

### **Other Exploration Properties**

*Owl Creek West* – The Company holds a 35% interest in the Owl Creek West joint venture with Newmont Canada Corporation who holds 65%. The property is located in Timmins, Ontario, Canada.

*Wright* – The Company holds a 100% interest in the Wright property, located in Temiscaming, Québec, Canada.

## **FINANCIAL POSITION**

### **Cash**

As at June 30, 2025, the Company held cash of \$18,492,015 (December 31, 2024 – \$4,696,407). The increase was primarily attributable to the net proceeds of the \$20 million private placement financing completed on April 9, 2025, along with cash generated from the sale of approximately 765 ounces of gold doré produced during mill recommissioning activities. These inflows were partially offset by capital expenditures related to the restart and upgrade of the Pine Cove mill, as well as pre-development activities at the Hammerdown site. Expenditures during the period included early civil and earthworks, confirmatory metallurgical testing, grade control drilling, surface trenching, and detailed mine planning to support the completion of an updated feasibility study.

**Receivables**

As at June 30, 2025, receivables of \$1,828,164 (December 31, 2024 – \$588,605) include \$1,154,506 in input sales taxes resulting from increased activity at Pine Cove and Hammerdown, a \$250,000 payment due to Maritime pursuant to a mutual cooperation agreement with Shoreline, and \$296,599 receivables from the sale of gold.

**Inventory**

As at June 30, 2025, inventory totaled \$2,580,375 (December 31, 2024 – \$331,908), reflecting the transition from exploration to recommissioning-stage operations. The increase primarily relates to the buildup of work-in-process inventory (\$1,740,022), representing slurry and precipitates in the conversion process to finished doré, and supplies (\$379,020), which include reagents, grinding media, and other consumables required for mill operations. Stockpiled mineralized material (\$410,953) consists of low-grade feed accumulated near the Point Rousse Project, while finished goods (\$50,380) comprise doré bars awaiting off-site refining. Inventories are measured at the lower of average cost and net realizable value (NRV). No write-downs or reversals were recorded during the six months ended June 30, 2025.

**Reclamation and other deposits**

The Company is required to maintain reclamation deposits for its mineral properties in respect of its expected rehabilitation and closure obligations. The Company assumed a reclamation obligation with the Government of Newfoundland and Labrador upon the acquisition of the Point Rousse Project on August 21, 2023. The Company has a surety bonding arrangement with a Canadian insurance company (the "Surety") with respect to its Point Rousse environmental bonds totalling \$5,455,663, as at June 30, 2025. The surety arrangement required the Company to provide cash collateral of \$1,910,000, equivalent to 35% of the value of the bonds, and pay an annual bond fee equal to 3% of the respective bond amount. The Company holds an irrevocable letter of credit, with a major Canadian bank, as cash collateral to the Surety.

A deposit of \$72,981 for reclamation purposes has been made to the Government of Newfoundland and Labrador on account of the Hammerdown project as at June 30, 2025, related to its 2021 early works program.

**Property, plant and equipment**

	Mills and Infrastructure	Right of use assets	Furniture and Leaseholds	Vehicles and Equipment	Exploration Equipment	Total
	\$	\$	\$	\$	\$	\$
<b>Net book value – December 31, 2023</b>	<b>10,626,528</b>	<b>337,294</b>	<b>809</b>	<b>266,790</b>	<b>30,776</b>	<b>11,262,197</b>
Additions	668,183	75,886	-	9,178	-	753,247
Surrender of land (Note 5)	(1,500,000)	-	-	-	-	(1,500,000)
Asset retirement cost decrease	(23,876)	-	-	-	-	(23,876)
Depreciation	-	(125,324)	(809)	(84,813)	(13,190)	(224,136)
<b>Net book value – December 31, 2024</b>	<b>9,770,835</b>	<b>287,856</b>	<b>-</b>	<b>191,155</b>	<b>17,586</b>	<b>10,267,432</b>
Additions	3,411,729	361,960	-	140,172	-	3,913,861
Disposals	-	(44,301)	-	-	-	(44,301)
Asset retirement cost decrease (Note 14)	(59,910)	-	-	-	-	(59,910)
Depreciation	-	(95,770)	-	(42,539)	(6,595)	(144,904)
<b>Net book value – June 30, 2025</b>	<b>13,122,654</b>	<b>509,745</b>	<b>-</b>	<b>288,788</b>	<b>10,991</b>	<b>13,932,178</b>

For the six months ended June 30, 2025, no depreciation of the Pine Cove mill was recorded during the recommissioning phase as the facility had not yet reached the condition necessary for it to operate as intended by management. The Nugget Pond mill is considered not available for use, and accordingly, is not being depreciated.



## Mineral properties

Expenditures incurred on the Company's exploration properties and mineral interests, follow:

	Green Bay \$	Whisker Valley \$	Gull Ridge \$	Lac Pelletier \$	Other ON & QC \$	Total \$
<b>Balance, December 31, 2023</b>	<b>28,996,307</b>	<b>5,104,753</b>	<b>1,066,378</b>	<b>1,667,548</b>	<b>3,780</b>	<b>36,838,766</b>
Acquisition costs	-	65,000	10,000	-	-	75,000
Acquisition costs – shares	-	-	2,000	-	-	2,000
Exploration expenses:						
Geology	823,638	93,381	19,690	39,573	2,392	978,674
Property	91,865	2,661	4,400	3,588	4,625	107,139
Detailed engineering	527,615	-	-	-	-	527,615
Environmental & permitting	50,044	-	-	-	-	50,044
	1,493,162	161,042	36,090	43,161	7,017	1,740,472
Less: Recoveries	(11,747)	-	-	-	-	(11,747)
Net additions/disposals	1,481,415	161,042	36,090	43,161	7,017	1,728,725
<b>Balance, December 31, 2024</b>	<b>30,477,722</b>	<b>5,265,795</b>	<b>1,102,468</b>	<b>1,710,709</b>	<b>10,797</b>	<b>38,567,491</b>
Acquisition costs	-	75,140	20,000	-	-	95,140
Acquisition costs – shares	-	-	6,500	-	-	6,500
Exploration expenses:						
Geology	570,837	40,896	3,651	-	3,124	618,508
Grade control drilling	1,136,207	-	-	-	-	1,136,207
Detailed engineering	459,698	-	-	-	-	459,698
Early works	1,009,948	-	-	-	-	1,009,948
Environmental & permitting	288,299	-	-	-	-	288,299
Property	38,039	33,100	-	3,402	-	74,541
	3,503,028	149,136	30,151	3,402	3,124	3,688,841
Less: Sale of Lac Pelletier property	-	-	-	(1,714,111)	-	(1,714,111)
Net additions/disposals	3,503,028	149,136	30,151	(1,710,709)	3,124	1,974,730
<b>Balance, June 30, 2025</b>	<b>33,980,750</b>	<b>5,414,931</b>	<b>1,132,619</b>	<b>-</b>	<b>13,921</b>	<b>40,542,221</b>

## Accounts payable and other liabilities

As at June 30, 2025, accounts payable and accrued liabilities were \$4,815,426 (December 31, 2024 – \$1,334,035) and relate primarily to the Company's activities at the Pine Cove mill and Hammerdown Gold Project.

## Reclamation liability

The Company's estimates of future decommissioning and restoration for reclamation and closure costs for its Nugget Pond gold plant milling assets and the newly acquired Point Rousse Project are based on reclamation and closure plans submitted to the Government of Newfoundland and Labrador. Elements of uncertainty in estimating these amounts include potential changes in regulatory requirements, reclamation plans and cost estimates, inflation and discount rates and timing of expected expenditures. The undiscounted amount of estimated cash flows required to settle the decommissioning and reclamation costs related to the Nugget Pond gold circuit assets acquired on April 12, 2021 is estimated at \$718,750 as at June 30, 2025 and December 31, 2024. Accretion on the liability, at this time, is nominal due to the offsetting inflation and risk-free interest rates. The Company has recorded the undiscounted amount of estimated reclamation costs and will re-evaluate the estimated timing and value of outflows annually and will revise its estimate if necessary.

The Company has a surety bonding arrangement with respect to its Point Rousse environmental bonds totaling \$5,455,663 at June 30, 2025 in favour of the Government of Newfoundland and Labrador. During the six months ended June 30, 2025, a review was undertaken to update the timing of estimated reclamation liability cash flows



resulting in a decrease of \$59,910. At June 30, 2025, the estimated undiscounted future cash flows of \$6,098,017 have been discounted using a risk-free rate of 3.23% (December 31, 2024 – 3.23%) and a long-term inflation rate of 2% (December 31, 2024 – 2%) and resulted in an increase in the liability of \$98,013.

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
	<b>\$</b>	<b>\$</b>
Opening balance	<b>5,997,430</b>	5,841,746
Effect of change in estimates	<b>(59,910)</b>	172,617
Effect of change in discount rate	-	(196,493)
Interest accretion	<b>98,013</b>	179,560
	<b>6,035,533</b>	5,997,430

### Notes payable

On August 14, 2023, the Company completed a brokered note offering consisting of the issuance of US\$5,000,000 principal amount non-convertible senior secured notes (the "Notes") and 3,831,141 common share purchase warrants of the Company (the "Note Offering") maturing August 14, 2025 (the "Initial Maturity Date").

On July 29, 2025, the Company announced the full cash repayment of the US\$5 million principal amount owed under the Notes due on August 14, 2025, along with accrued and unpaid interest. The Company used the proceeds from its recently completed brokered Offering of common shares completed on July 17, 2025 to settle the Notes.

The Note Offering was completed pursuant to the terms of an agency agreement entered into between the Company and SCP Resource Finance LP ("SCP") dated August 14, 2023. The Notes were subject to a 2% original issue discount on the principal amount of the Notes (the "OID") and bear interest at a rate equal to the Secured Overnight Financing Rate ("SOFR") plus 6% per annum, payable quarterly in arrears. The Company received proceeds of US\$4,900,000.

Pursuant to certain conditions set out in the Note Indenture, including the approval of Noteholders holding at least 65% of the principal amount of the Notes then outstanding, the Company has the option to satisfy interest payments under the Notes by issuing Shares ("Interest Shares") having a deemed value equal to 90% of the Market Price as of the date of a news release announcing the Company's intention to issue the Interest Shares, subject to the approval of the Exchange. The Note Indenture also sets out certain financial covenants including a minimum cash balance of US\$228,015 and a positive working capital balance, with the amount of outstanding Notes being excluded from the calculation. The Notes were secured by a general security interest and rank senior to all existing and future indebtedness of the Company.

As a result of the June 16, 2025 share consolidation (one post-consolidation share for every ten pre-consolidation shares) (Notes 2 and 15), the exercise terms of the outstanding Note Warrants were proportionately adjusted. Post-consolidation, each note warrant entitles the holder to purchase 0.90 post-consolidation common share of the Company at an exercise price of \$0.69 per warrant, exercisable until August 14, 2025.

In connection with the closing of the Note Offering, the Company paid SCP a US\$117,600 cash commission and issued SCP broker warrants of the Company exercisable at any time prior to the applicable maturity date to acquire up to 187,726 common shares at \$0.70 per common share.

The Company deducted a total of \$1,624,456 in transaction costs, including the issuance of warrants, with an aggregate value of \$723,660, and financing fees, including the OID, from the carrying value of the Notes, which was amortized over the term of the Note Indenture. The Company recognized \$177,879 and \$363,141 of interest, respectively during the three and six months ended June 30, 2025 (2024 - \$204,327 and 396,441, respectively). Of this interest, \$185,262 was settled through the issuance of 257,309 common shares with a deemed value of \$0.72 per share.



The Company also recognized finance expenses of \$427,525 and \$850,484 (2024 - \$392,305 and \$770,917, respectively) for the amortization of transaction and financing costs and an unrealized gain due to changes in foreign exchange rates of \$371,660 and \$369,630 (2024 - \$59,218 and \$164,251 of losses, respectively) during the three and six months ended June 30, 2025.

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	<b>6,556,544</b>	5,269,193
Interest and amortization of transaction costs	<b>850,484</b>	1,552,628
Interest paid or payable	<b>(363,141)</b>	(756,854)
Effect of changes in foreign exchange rate	<b>(396,630)</b>	491,577
	<b>6,674,257</b>	6,556,544

### Loans Payable

During the six months ended June 30, 2025, the Company entered into two financing arrangements for the acquisition of two vehicles. The vehicle loans are non-interest-bearing with combined fixed monthly payments of \$2,149 and are accounted for as financial liabilities measured at amortized cost. As no interest was specified in the agreements, the present value of the future payments approximates the purchase price and no discounting has been applied. The loans are repayable over a period of 72 months and are secured by the respective vehicles. Repayment for one of the loans commenced on June 13, 2025. As at June 30, 2025, loans payable outstanding were \$160,334.

### Share issuance

On February 13, 2025, the Company issued 1,180,454 common shares for gross proceeds of \$735,000 pursuant to the exercise of 1,113,635 warrants, consisting of 766,228 Note Warrants and 347,407 Unit Warrants, both with exercise price of \$0.66 and an exchange basis of 1.06 common shares for each warrant exercised.

The Company issued 257,309 common shares (the "Interest Shares") in full satisfaction of the interest payable to the holders of the US\$5 million non-convertible senior secured notes as of March 31, 2025 in the aggregate amount of \$185,262 (the "Interest Payment"). In accordance with the terms of the Notes, the Company issued the Interest Shares on or about March 31, 2025 at a deemed price of \$0.72 per Interest Share. In connection with the interest payment, the Company issued an aggregate of 51,461 Interest Shares to Dundee. The Interest Shares issued had a fair value of \$244,443 at the date of issuance, resulting in the recognition of a loss on settlement of note interest of \$59,181 during the period.

On April 9, 2025, the Company issued 26,670,000 Units comprised of one common share and one half of one common share purchase warrant through a brokered private placement offering for aggregate gross proceeds of \$20,002,500 (see Overview section).

On May 20, 2025, a total of 335,000 stock options were exercised resulting in the issuance of 335,000 common shares. The stock options were exercised at a price of \$0.85 per share, generating gross proceeds of \$284,750.

On May 25, 2025, the Company issued 941,470 common shares for gross proceeds of \$586,199 pursuant to the exercise of 888,180 warrants, consisting of 268,180 Note Warrants and 620,000 Unit Warrants, both with exercise price of \$0.66 and an exchange basis of 1.06 common shares for each warrant exercised.

On June 25, 2025, following the modification in the exercise terms of the Note and Unit warrants issued on August 14, 2023 as a result of the share consolidation, the Company issued 270,000 common shares for gross proceeds of \$207,000 pursuant to the exercise of 300,000 Unit Warrants with an adjusted exercise price of \$0.69 and an adjusted exchange basis of 0.90 common shares for each warrant exercised.



The Company issued 10,000 common shares valued at \$6,500 in connection with the Gull Ridge property.

**Royalty units**

During fiscal 2016, the Company issued Royalty Units with a price of \$0.01 per Royalty Unit, and, subject to written consent of the Company, may be assigned or transferred in their entirety only. The proceeds of \$210,700 received in relation to the Royalty Units has been recorded as a Royalty Reserve within Equity.

Royalty Units will return 100% of the original investment made by the purchasers and is to be paid out of production from the Company's Green Bay project. The likelihood of the project going into production cannot be determined at this time. Total royalties payable from the Royalty Units ("Royalty Payment") are capped at \$3,440,500 being the price for which the Equity Units (comprised of common shares and common share warrants) and Royalty Units were purchased. Royalty Payments will be made annually beginning on the first anniversary of the date of commencement of commercial production for the Project. Royalty Payments will be funded solely from 10% of annual net cash flow from the Project, with net cash flow representing net production revenues realized from the Project after deduction of all Project operating and debt servicing costs. At the option of the Company, Royalty Payments will be paid either in cash or in gold.


**RESULTS OF OPERATIONS**

	Three months ended June 30			Six months ended June 30		
	2025	2024	Change	2025	2024	Change
	\$	\$	\$	\$	\$	\$
<b>Pre-development Revenue</b>	<b>3,401,448</b>	-	3,401,448	<b>3,401,448</b>	-	3,401,448
<b>Cost of Sales</b>						
Pre-development processing expense	963,912	-	963,912	963,912	-	963,912
Selling expense	23,581	-	23,581	23,581	-	23,581
Royalties	-	-	-	-	-	-
	<b>987,493</b>	-	987,493	<b>987,493</b>	-	987,493
<b>Expenses</b>						
Corporate administration	77,972	76,433	1,539	148,307	135,384	12,923
Care and maintenance	-	605,768	(605,768)	-	1,325,096	(1,325,096)
Consulting	19,500	49,415	(29,915)	39,000	68,930	(29,930)
Depreciation	23,879	54,595	(30,716)	96,052	109,999	(13,947)
Directors' fees and expenses	85,149	30,127	55,022	115,269	60,246	55,023
Financing expense and accretion	524,753	480,198	44,555	1,043,588	942,861	100,727
Interest expense on lease liability	9,403	6,592	2,811	19,188	13,735	5,453
Investor relations and promotion	168,132	63,385	104,747	228,514	121,604	106,910
Professional fees	59,635	32,629	27,006	99,177	90,422	8,755
Salaries and benefits	247,224	255,065	(7,841)	526,951	507,101	19,850
Share-based payment	1,372,453	242,433	1,130,020	1,372,453	242,433	1,130,020
Site administration	396,823	-	396,823	574,562	-	574,562
	<b>2,984,923</b>	1,896,640	1,088,283	<b>4,263,061</b>	3,617,811	645,250
<b>Other Income (Expense)</b>						
Gain on marketable securities	687,500	-	687,500	812,500	-	812,500
Gain (loss) on foreign currency	359,944	(57,200)	417,144	359,022	(151,385)	510,407
Loss on sale of exploration properties	(96,639)	-	(96,639)	(248,250)	-	(248,250)
Loss on settlement of note interest with common shares	(59,181)	-	(59,181)	(59,181)	-	(59,181)
Interest income	91,212	24,762	66,450	112,403	49,524	62,879
Other income	66,109	152,925	(86,816)	66,109	152,925	(86,816)
	<b>1,048,925</b>	120,487	928,458	<b>1,042,603</b>	51,064	991,539
<b>Net income (loss) and comprehensive income (loss) for the period</b>	<b>477,977</b>	(1,776,153)	2,254,130	<b>(806,503)</b>	(3,566,747)	2,760,244
<b>Income (loss) per share<sup>(1)</sup></b>	<b>0.00</b>	(0.03)	0.03	<b>(0.01)</b>	(0.06)	0.05

<sup>(1)</sup> For the three months ended June 30, 2025, per share amount represents basic and fully diluted earnings per share; for other periods presented, per share amounts represent basic loss per share as fully diluted per share amounts would be anti-dilutive.

For the three and six months ended June 30, 2025, the Company generated an income and comprehensive income of \$477,977 (2024 – loss of \$1,776,153) and incurred a loss and comprehensive loss in the amount of \$806,503 (2024 - \$3,566,747), respectively. This is primarily due to revenues of \$3,401,448 from the sale of gold generated from processing of mineralized stockpiles during the three and six months ended June 30, 2025, as compared to prior periods.

Pre-development processing expense totaling \$963,912 (2024 - \$nil) during the three and six months ended June 30, 2025 includes costs for hauling, crushing and stockpiling of existing mineralized materials processed and sold, related direct processing costs and an allocation of normal indirect costs recognized as part of cost of sales in the same period as the related revenue.





For the three and six months ended June 30, 2025, expenses totaled \$2,984,923 (2024 - \$ \$1,896,640) and \$4,263,061 (2024 - \$3,617,811). The increase for both periods were mainly attributable to higher share-based compensation and financing expenses related to the senior secured notes.

Share based payment expenses during the three and six months ended June 30, 2025 of \$1,372,453 (2024 – \$242,433) relates to the grant of 1,706,280 (2024 – 545,000) stock options to directors, officers, consultants and employees of the Company. All stock option grants have vested. The stock option grant had an exercise price of \$1.10 (2024 – \$0.60) and expiry date of May 28, 2030 (2024 – June 18, 2029).

Finance expenses for the three and six months ended June 30, 2025 were \$524,753 and \$1,043,588, respectively (2024 - \$480,198 and \$942,861, respectively). These were comprised of accretion on the Point Rousse reclamation liability of \$49,573 and \$98,013, respectively (2024 - \$47,391 and \$93,902, respectively), related surety bond fees of \$47,655 and \$95,091, respectively (2024 - \$49,581 and \$98,973, respectively), and interest and transaction cost accretion on the Notes of \$427,525 and \$850,484, respectively (2024 - \$383,226 and \$749,986, respectively). During the six months ended June 30, 2025, the Company issued 257,309 common shares with a deemed value of \$0.72 per share, to settle \$185,262 of Note interest.

During the three and six months ended June 30, 2025, the Company incurred \$52,986 and \$56,442, respectively for operating leases included in exploration and evaluation assets, processing costs and site administration expenses. During the three and six months ended June 30, 2024, the Company recorded \$31,429 and \$67,139, respectively for operating leases included in exploration and evaluation assets, administration and care and maintenance.

The Company recognized a loss on sale of exploration properties of \$248,250 during the six months ended June 30, 2025 comprised of \$96,639 legal expenses incurred relating to the sale of the Lac Pelletier gold project and \$151,611 calculated as the difference between the fair value of the common shares received from Emperor Metals Inc. ("Emperor Shares") of \$1,562,500 and the carrying value of the Lac Pelletier exploration assets of \$1,714,111 as at March 11, 2025, the date of the completion of the sale.

During the three and six months ended June 30, 2025, the Company recognized unrealized gains on marketable securities of \$687,500 and \$812,500, respectively due to the increase in market value of the underlying Emperor Shares.

The gain on foreign currency during the three and six months ended June 30, 2025 of \$359,944 and \$359,022, respectively (2024 – \$57,200 and \$151,385 unrealized losses, respectively) were mainly due to the increase in unrealized foreign exchange gain from the revaluation of the US\$5,000,000 Notes at period end resulting from the strengthening of the Canadian dollar against the United States dollar during the period.



## SUMMARY OF QUARTERLY RESULTS

The following table summarizes information derived from the Company's financial statements for each of the eight most recently completed quarters.

In thousands, except per share amounts	Jun 30 2025 \$	Mar 31 2025 \$	Dec 31 2025 \$	Sep 30 2024 \$	Jun 30 2024 \$	Mar 31 2024 \$	Dec 31 2023 \$	Sep 30 2023 \$
Net income (loss)								
(i) In total	478	(1,284)	(2,067)	(1,295)	(1,776)	(1,791)	(724)	(869)
(ii) Per share <sup>(1)</sup>	0.00	0.00	0.00	0.00	0.00	0.00	(0.01)	0.00
Cash	18,492	1,543	4,696	7,427	587	2,086	1,058	3,436
Accounts payable and accruals	4,815	2,326	1,334	896	580	439	887	1,491
Exploration and evaluation assets	40,542	38,754	38,567	37,899	37,589	37,223	36,839	36,400
Debt	US\$5,000	US\$5,000	US\$5,000	US\$5,000	US\$5,000	US\$5,000	US\$5,000	US\$5,000
Deficit	(22,911)	(23,437)	(22,162)	(20,095)	(18,800)	(17,247)	(15,721)	(15,290)

<sup>(1)</sup> For the three months ended June 30, 2025, per share amount represents basic and fully diluted earnings per share; for other periods presented, per share amounts represent basic loss per share as fully diluted per share amounts would be anti-dilutive.

For the three and six months ended June 30, 2025, the Company generated an income and comprehensive income of \$477,977 and incurred a loss and comprehensive loss in the amount of \$806,503, respectively. Cash balance fluctuated as a result of proceeds received from equity financing transactions and exercise of warrants and options, receipt of proceeds from sale of gold, combined with expenditures incurred during the period.

The Company's operations are not driven by seasonal trends, but rather by reaching project milestones such as completing various geological, technical, environmental and socio-economic objectives as well as closing the financings needed to fund the Company's activities. The operating results of exploration and development companies typically demonstrate wide variations from period to period. These variances arise from fluctuations in such costs as share-based compensation and level of exploration and development activities.

## TRANSACTIONS WITH RELATED PARTIES

## Related-party transactions

Effective February 1, 2019, the Company entered into a sublease for office space in Toronto, with a corporation that is related by virtue of having certain directors and officers in common. The office lease ended on May 31, 2024.

For the three and six months ended June 30, the Company was charged the following:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
	\$	\$	\$	\$
Rent	-	18,455	-	32,628
Office administration	681	1,110	1,477	1,850
	681	19,565	1,477	34,478

## Key Management Personnel

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 consist of executive and non-executive members of the Company's Board of Directors and corporate officers.



Compensation to key management personnel for services rendered were as follows for the three and six months ended June 30:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
	\$	\$	\$	\$
Salaries	<b>215,396</b>	193,239	<b>408,946</b>	386,478
Directors' fees	<b>82,500</b>	27,500	<b>110,000</b>	55,000
Share-based payments	<b>966,254</b>	169,036	<b>966,254</b>	169,036
	<b>1,264,150</b>	389,775	<b>1,485,200</b>	610,514

At June 30, 2025, related party balances included in accounts payable and accrued liabilities of \$96,177 (2024 – \$27,500), comprised of \$82,500 for directors' fees payable to the members of the board of directors of the Company, and \$13,677 payable to the Chief Financial Officer and the VP, Environment & Sustainability for conference and travel-related expenses. Amounts due to related parties are non-interest bearing with no specific terms of repayment.

## LIQUIDITY AND CAPITAL RESOURCES

The Company's future financial performance will be primarily dependent on the successful development and restart of the Hammerdown Gold Project and, over the longer term, on its ability to expand existing resources or discover additional economically viable mineral deposits within its district-scale land package. The advancement of mineral projects from development to production requires significant capital investment, and is subject to a range of technical, regulatory, and market-related risks, many of which are beyond the Company's control.

Management's objective is to ensure the Company maintains adequate liquidity to support its near-term construction and commissioning activities, while preserving financial flexibility to advance exploration and evaluate strategic opportunities. As a development-stage company with no current operating revenues, the Company has historically relied on the issuance of equity securities to fund its operations. While the Company successfully raised \$31.5 million in gross proceeds through equity financings completed in the second and third quarters of 2025, there can be no assurance that future financing will be available on acceptable terms, or at all. Securing sufficient funding to support ongoing development and to continue as a going concern remains a key focus for management.

### Working Capital

As at June 30, 2025, the Company had working capital of \$20,451,673 (December 31, 2024 – \$4,571,547) (see "Non-IFRS Measures"). The increase reflects the net proceeds from equity financing completed in April 2025 coupled with proceeds from the sale of gold in June 2025, partially offset by development and recommissioning expenditures. The Company had no unused lines of credit, no off-balance sheet arrangements, and does not utilize hedging or other financial derivatives.

The Company manages liquidity risk (the risk of being unable to meet financial obligations as they come due) through regular forecasting of cash flows from operating, investing, and financing activities. Expenditures are prioritized and adjusted to align with available resources, and the timing of commitments is closely monitored. Management and the Board of Directors are actively engaged in the planning, review, and approval of material expenditures and contractual obligations to ensure that adequate liquidity is maintained.

### Operating Activities

Cash generated by operating activities was \$209,809 for the six months ended June 30, 2025 (2024 – cash used of \$1,748,649). Operating cash flows for the period reflect the Company's transition from exploration to pre-development, with activities focused on recommissioning the Pine Cove mill and supporting site preparation



activities at Hammerdown. The Company generated positive cash flow from gold doré sales during the second quarter, which partially offset pre-development processing costs, recommissioning costs and contributed to working capital.

### **Financing Activities**

Cash generated by financing activities was \$20,009,548 for the six months ended June 30, 2025 (2024 - \$1,941,617) primarily relating to the proceeds from the equity financing completed in April 2025 and proceeds from exercise of warrants and options, partly offset by share issue costs, repayments of lease liabilities and loans, and cash interest paid on the Notes.

### **Investing Activities**

Cash used in investing activities totaled \$6,423,749 for the six months ended June 30, 2025 (2024 - \$664,315), primarily reflecting capital expenditures related to the upgrade and refurbishment of the Pine Cove mill. Additional investing outflows were incurred in connection with the preparation of an updated feasibility study and mine development plan for the Hammerdown Gold Project, as well as early-stage civil and earthworks initiated at the Hammerdown site during the second quarter.

## **FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, receivables, deposits, accounts payable and accrued liabilities, deferred liabilities, notes and loans payable, and lease liabilities. The carrying value of receivables, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments. The carrying value of the Company's lease liabilities is measured at the present value of the discounted future cash flows and loans payable relating to vehicle financing are measured at amortized cost. The fair value of cash is measured based on level 1 of the fair value hierarchy. The fair values of the notes payable are approximated by their carrying values as the interest rates are comparable to market interest rates.

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 a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company is exposed to credit risk with respect to its cash and receivables and its reclamation deposits. The Company seeks to limit its exposure to credit loss by placing its cash and cash equivalents and reclamation deposits with major Canadian chartered banks.

On August 21, 2023, the Company entered into an irrevocable letter of credit facility with a major Canadian bank to provide \$1,910,000 cash collateral to the Surety in support of reclamation bonds for the Point Rousse Project. Receivables were due from a merchant bank, a government agency, and a precious metals customer.

### **Currency Risk**

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company's significant financial instrument denominated in a foreign currency (US dollar) are the Notes which were entered into on August 14, 2023. A 10% appreciation or depreciation in the value of the US dollar relative to the Canadian dollar would result in an increase or decrease of \$17,693 and \$36,325 in the Company's loss for the three and six months ended June 30, 2025, respectively (2024 - \$19,591 and \$38,766, respectively).



The Company maintains US-dollar denominated bank accounts to settle its US-dollar commitments and considers this natural matching strategy sufficient to mitigate the majority of its foreign-exchange exposure on such transactions. The Company does not currently employ hedging instruments. However, it continues to monitor currency volatility and may enter into foreign exchange contracts if market conditions warrant.

### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The risk that the Company will realize a loss in cash is limited because the Company's deposits are redeemable on demand.

The Company is exposed to interest rate risk through its US\$5,000,000 Note Offering which bear interest at a rate equal to the SOFR plus 6% per annum and the Company may elect to extend the maturity date by one year, at which time the interest rate on the Notes would increase to SOFR plus 9%. Pursuant to certain conditions, the Company has the option to satisfy interest payments under the Note Offering by issuing common shares. A 10% increase or decrease in the SOFR would have resulted in an increase or decrease of \$15,652 and \$23,493 in the Company's loss for the three and six months ended June 30, 2025, respectively (2024 - \$9,226 and \$18,246, respectively). The Notes were repaid in full subsequent to June 30, 2025.

### **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they become due. The Company's ability to continue as a going concern is dependent on its capacity to secure sufficient funding to support ongoing operations and project advancement. To address this, management continues to evaluate a range of financing options, including debt, equity, royalty transactions, and potential asset sales, or a combination thereof. Proceeds from such funding initiatives are intended to support the Company's transition toward production at the Hammerdown Gold Project and to maintain financial flexibility during execution.

The Company manages liquidity risk by forecasting cash flows from operating, investing, and financing activities, and adjusting expenditures as necessary to align with available resources. As at June 30, 2025, the Company held cash of \$18,492,015 (December 31, 2024 - \$4,696,407) to settle current liabilities of \$5,052,047 (December 31, 2024 - \$1,465,368). Management and the Board of Directors maintain active oversight of liquidity planning through the review, approval, and monitoring of all significant expenditures and financial commitments.

As at June 30, 2025 and December 31, 2024, the Company's accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms.

Pursuant to the Note Indenture, the Company agreed to certain financial covenants including a minimum cash balance of US\$228,015 and a positive working capital balance, with the amount of outstanding Notes being excluded from the calculation. The Company was in compliance with the requirement at June 30, 2025.

The following table summarizes the maturity profile of the Company's financial liabilities at June 30, 2025. The amounts presented represent the future undiscounted principal and interest cash flows, and therefore, do not equate to the carrying amounts on the interim consolidated statements of financial position.



	Current within 1 year	Non-current year 2 - 5	Non-current year 6 onwards
	\$	\$	\$
Accounts payable and accrued liabilities	4,815,426	-	-
Lease liabilities	238,516	375,823	-
Loans payable	25,788	103,135	31,411
Notes payable	-	6,674,257	-
Reclamation Liability	-	2,645,663	3,452,354

### Price risk

The Company is exposed to market price risk related to both commodity and equity price fluctuations. Equity price risk refers to the potential adverse impact on the Company's financial performance resulting from changes in the value of individual equity holdings or broader market volatility. Commodity price risk arises from fluctuations in the market prices of gold and other metals, which can affect the Company's projected revenues, asset values, and investment decisions. To mitigate these risks, the Company actively monitors market conditions, including commodity trends and equity market movements, and evaluates their potential impact on strategic and financial planning.

### CONTINGENCIES

The Company may be subject to various contingent liabilities that occur in the normal course of operations. The Company is not aware of any pending or threatened proceedings that would have a material adverse effect on the financial position or future results of the Company.

### OFF BALANCE SHEET ARRANGEMENTS

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

### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The discussion and analysis of Maritime's financial condition and results of operations are based upon its financial statements, which are prepared in accordance with IFRS Accounting Standards. The preparation of the financial statements requires the Company to make estimates and judgements that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates under different assumptions or conditions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in more detail in the Company's financial statements for the year ended December 31, 2024, which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### NEW AND AMENDED IFRS PRONOUNCEMENTS

New and amended IFRS pronouncements:

#### *IFRS 18 Presentation and Disclosures in Financial Statements*

On April 9, 2024, the IASB issued *IFRS 18 Presentation and Disclosures in Financial Statements* ("IFRS 18"). The new standard on presentation and disclosure in financial statements focuses on updates to the statement of earnings (loss). The key new concepts introduced in IFRS 18 relate to the structure of the statement of earnings (loss), required disclosures in the financial statements for certain earnings or loss performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will apply for reporting periods beginning on or after



January 1, 2027, and also applies to comparative information. The Company is assessing the impact of this standard on the consolidated financial statements.

*Amendments to the Classification and Measurement of Financial Instruments*

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments*. The key changes included clarification on the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to financial liabilities settled through electronic payment system, including an option to utilize an accounting policy for early derecognition. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB also added disclosure requirements to provide additional transparency regarding equity investments designated at fair value through other comprehensive income and financial instruments with contingent features, such as those related to ESG requirements.

The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is assessing the impact of these amendments on the consolidated financial statements.

As at June 30, 2025, there are no other accounting standards and interpretations with future effective dates that are expected to have a material impact on the Company.

**RISK FACTORS AND UNCERTAINTIES**

The Company is subject to risks and uncertainties similar to other companies in a comparable stage of exploration and development. These risks include, but are not limited to, continuing losses, dependence on key individuals, and the ability to secure adequate financing to meet minimum capital required to successfully complete its exploration programs and continue as a going concern. While the Company has been successful in raising financing to date, there can be no assurance that it will be able to do so in the future. The operations of the Company are speculative due to the high-risk nature of its business. These risk factors and uncertainties could materially affect the Company's future operating results and could cause actual events to differ materially from those described herein and in forward-looking statements and forward-looking information relating to the Company. For a more comprehensive discussion of the risks and uncertainties faced by the Company, please refer to the Company's MD&A as at December 31, 2024 filed on [www.sedarplus.ca](http://www.sedarplus.ca).





## DISCLOSURE OF SECURITIES OUTSTANDING

As at August 14, 2025, the following common shares, common share purchase options and common share purchase warrants were outstanding.

	Expiry date	Exercise price per share	Number of shares, options and warrants
<b>Common shares</b>			<b>123,201,639</b>
Common share purchase options	10-Sep-2025	\$ 1.70	60,000
Common share purchase options	24-Jun-2026	\$ 1.80	400,000
Common share purchase options	29-Jul-2026	\$ 1.80	200,000
Common share purchase options	28-Feb-2028	\$ 0.50	385,000
Common share purchase options	18-Jun-2029	\$ 0.60	505,000
Common share purchase options	18-Nov-2029	\$ 0.50	125,000
Common share purchase options	28-May-2030	\$ 1.10	1,706,280
<b>Common share purchase options</b>			<b>3,381,280</b>
Common share purchase warrants <sup>(3)</sup>	14-Aug-2026	\$0.69	3,471,343
Common share purchase warrants	25-Mar-2029	\$0.50	364,806
Common share purchase warrants	09-Apr-2027	\$1.20	13,335,000
<b>Common share purchase warrants <sup>(1)</sup></b>			<b>17,171,149</b>
Broker warrants	14-Aug-2026	\$0.70	266,325
Standby purchase warrants	11-Sep-2026	\$0.50	3,317,374
Compensation warrants	09-Apr-2027	\$0.75	1,562,293
Compensation warrants	17-Jul-2027	\$1.13	605,389
<b>Broker Warrants <sup>(2)</sup></b>			<b>5,751,381</b>

<sup>(1)</sup> Each transferable warrant entitles the holder to acquire one common share of the Company.

<sup>(2)</sup> Each non-transferable warrant entitles the holder to acquire one common share of the Company.

<sup>(3)</sup> The related warrant indentures required the Company to adjust the warrants to entitle the holders to acquire 0.90 warrant shares at a price of \$0.69 per warrant share as a result of the share consolidation implemented on June 16, 2025. The warrants originally entitled the holders to acquire 1.00 warrant share at a price of \$0.07 per warrant share. As at August 14, 2025, these modifications result in 373,767 less warrant shares issuable by the Company upon exercise of the outstanding Note Warrants and Unit Warrants.

**NON-IFRS MEASURES**

This MD&A refers to working capital, which is not a recognized measure under IFRS Accounting Standards. This non-IFRS performance measure does not have any standardized meaning prescribed by IFRS Accounting Standards and is therefore unlikely to be comparable to similar measures presented by other issuers. Management uses this measure internally to better assess performance trends and liquidity. Management understands that a number of investors and others who follow the Company's business assess performance in this way. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS, as issued by the IASB.

As at	June 30, 2025	December 31, 2024
	\$	\$
Current assets		
Cash	18,492,015	4,696,407
Marketable securities	2,375,000	-
Receivables	1,828,164	588,605
Inventory	2,580,375	331,908
Prepaid expenses and deposits	228,166	419,995
	25,503,720	6,036,915
Current liabilities		
Accounts payable and accrued liabilities	(4,815,426)	(1,334,035)
Current portion of lease liabilities	(210,833)	(131,333)
Current portion of loans payable	(25,788)	-
Working capital	20,451,673	4,571,547

Similarly, the *Hammerdown Gold Project – Feasibility Study* section of this MD&A refers to the following performance measures which are also not recognized measures under IFRS Accounting Standards.

**Cash Costs and Cash Cost per Ounce**

Cash Costs are reflective of the cost of production. Cash Costs reported in the Feasibility Study include mining costs, processing and water treatment costs, general and administrative costs of the mine, refining and transportation costs, silver revenue credits and royalties. Cash Costs per Ounce is calculated as Cash Costs divided by payable gold ounces.

**All-In Sustaining Costs (AISC) and AISC per Ounce**

AISC is reflective of all expenditures that are required to produce an ounce of gold from operations. AISC reported in the Feasibility Study includes Cash Costs, Sustaining Capital, but excludes corporate general and administrative costs. AISC per Ounce is calculated as AISC divided by payable gold ounces.

**Free Cash Flow**

Free Cash Flows are revenues net of operating costs, royalties, working capital adjustments, capital expenditures and cash taxes. The Company believes that this measure is useful to the external users in assessing the Company's ability to generate cash flows from the Project.

The Company does not have commercial operations and accordingly, does not yet have comparable financial measures calculated and presented in accordance with IFRS to reconcile to the non-IFRS measures included in the *Hammerdown Gold Project – Feasibility Study* section as of the date of this MD&A.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

Certain of the statements made and information contained herein is “forward-looking information” within the meaning of *National Instrument 51-102, Continuous Disclosure Obligations* of the Canadian Securities Administrators. This includes statements concerning the potential to increase mineral resource and mineral reserve estimates and the Company's Hammerdown Gold Project Feasibility Study, the low capital intensity and rapid payback of the Project, the exploration upside relating to the Project, the pursuit of mine life extensions, the potential to increase mineral resource and mineral reserve estimates, returns and FCF relating to the Project, capital financing processes relating to the Project, development of the next drill program on the Project, ROM ore scheduled to be mined from the Project, the presence of and continuity of such minerals at modeled grades and values, the capacities of various machinery and equipment, the use of ore sorting technology will produce positive results, the availability of personnel, machinery and equipment at estimated prices, mineral recovery rates, adequate access to the site, timing of future site construction, timing to first gold production, length of construction period for the Project, timing of completion of required permitting, timing for approvals to be obtained for the closure and development plans relating to the Project, timing of an updated feasibility study incorporating the Pine Cove mill, the non-equity portion of any construction capital financing, timing of completion of construction capital financing process, potential of one-off cash inflows from mill cleanup activities, amongst other things, the Company's plans regarding drilling targets previously identified, the anticipated timing of provincial permits and approvals for Hammerdown, acquisition new mineral property interests or business opportunities, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. All forward-looking statements and forward-looking information are based on reasonable assumptions that have been made by the Company in good faith as at the date of such information. Such assumptions include, without limitation, the price of and anticipated costs of recovery of, base metal concentrates, gold and silver, the presence of and continuity of such minerals at modeled grades and values, the capacities of various machinery and equipment, the use of ore sorting technology will produce positive results, the availability of personnel, machinery and equipment at estimated prices, mineral recovery rates, and others. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the ability of the Company to continue to be able to access the capital markets for the funding necessary to acquire, maintain and advance exploration properties or business opportunities; meeting its obligations under the Note Indenture; global financial conditions; competition within the industry to acquire properties of merit or new business opportunities, and competition from other companies possessing greater technical and financial resources; difficulties in advancing towards a development decision at the Hammerdown Mine and executing exploration programs at its Newfoundland and Labrador properties on the Company's proposed schedules and within its cost estimates, whether due to weather conditions, availability or interruption of power supply, mechanical equipment performance problems, natural disasters or pandemics in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions or maintaining title or other factors related to exploring of its properties, such as the availability of essential supplies and services; factors beyond the capacity of the Company to anticipate and control, uncertainty as to whether the acquisition of assets and new mineral property interests will be completed and integrated in the manner currently contemplated by the parties, uncertainty as to whether mineral resources will ever be converted into mineral reserves once economic considerations are applied, uncertainty as to whether inferred mineral resources will be converted to the measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied, government regulations relating to health, safety and the environment, and the scale and scope of royalties and taxes on production; the availability of experienced contractors and professional staff to perform work in a competitive environment and the resulting adverse impact on costs and performance and other risks and uncertainties, including those described in each MD&A of financial condition and results of operations. In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, Maritime undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.