



**P E L A N G I O**

**PELANGIO EXPLORATION INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**For the Year Ended December 31, 2025**



## **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2025**

This Management's Discussion and Analysis ("MD&A") of the operating results and financial condition of Pelangio Exploration Inc. (the "Company" or "Pelangio") for the year ended December 31, 2025, has been prepared based on information available to Pelangio as of April 27, 2025, and should be read in conjunction with the consolidated financial statements and the related notes thereto for the years ended December 31, 2025 and 2024 ("Annual Financial Statements"). The Company's public filings can be viewed on the SEDAR+ website ([www.Sedarplus.ca](http://www.Sedarplus.ca)), and on the Company's website ([www.pelangio.com](http://www.pelangio.com)).

The Annual Financial Statements, including comparatives, have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts referred to in this MD&A are expressed in Canadian dollars, unless noted otherwise.

### **1. CORPORATE OVERVIEW**

Pelangio is a Canadian junior gold exploration company with properties in two of the top-ranked mining jurisdictions in the world, Ghana and Canada. Pelangio focuses on the acquisition and exploration of early-stage or undervalued exploration prospects located in world-class gold belts and aims to make discoveries that will significantly increase shareholder value. Pelangio is a reporting issuer in Ontario, Alberta, British Columbia, Saskatchewan and Nova Scotia, and Pelangio's common shares commenced trading on the TSX Venture Exchange ("TSX-V") on September 10, 2008, under the symbol PX.

### **2. FORWARD-LOOKING STATEMENTS**

Certain statements herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. Such forward-looking statements or information include but are not limited to statements or information with respect to:

- the mineral resource estimate;
- the timing of exploration programs and the filing of technical reports;
- exploration plans and results with respect to our Manfo, Obuasi and Dankran properties in Ghana (the "Ghana Properties") and our properties in Canada (the "Canadian Properties");
- our future business and strategies;
- requirements for additional capital and future financing;
- future price of gold; and
- estimated future working capital, funds available and uses of funds, and future capital expenditures, expenditures and other expenses for specific operations.

Often, but not always, forward-looking statements or information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. With respect to forward-looking statements and information contained herein, we have

made numerous assumptions including among other things, the price of gold, and the state of the economy and equity markets. Although our management believes that the assumptions made, and the expectations represented by such statement or information are reasonable, there can be no assurance that a forward-looking statement or information referenced herein will prove to be accurate. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Such risks, uncertainties and other factors include, among other things, the following:

- our ability to advance the Ghana Properties and the Canadian Properties;
- gold price volatility;
- speculative and uncertain nature of gold exploration;
- inherent uncertainties in estimating mineral resources;
- discrepancies between actual and estimated mineral resources;
- subjectivity of estimating mineral resources and the reliance on available data and assumptions and judgments used in the interpretation of such data;
- volatility of global and local economic climate;
- changes in equity markets;
- exploration costs, capital requirements, and the ability to obtain funding;
- regulatory restrictions;
- defective title to mineral claims or property;
- risks associated with outstanding litigation;
- political developments in Ghana and Canada;
- uncertainties and risks related to carrying on business in foreign countries, including illegal mining, possible adverse changes in laws and taxation, foreign currency exchange fluctuations, and inflation;
- risks associated with environmental liability claims and insurance;
- risks associated with the volatility of the Company's common share price and volume; and
- risks associated with dilution.

See "Risk Factors" below.

Although we have attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. Also, many of the factors are beyond the control of Pelangio. Forward-looking statements and forward-looking information are based upon management's beliefs, estimates and opinions at the time they are made. There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information. We undertake no obligation to reissue or update any forward-looking statements or information as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements and information herein are qualified by this cautionary statement.

### **3. 2025 OPERATING AND FINANCIAL STRATEGIES**

Pelangio is a mineral exploration company with a strategy designed to capitalize upon acquisition opportunities arising during bear markets and wealth creation occurring during bull markets. To this end, the Company holds a portfolio of strategically located projects that it categorizes as core and peripheral assets. The peripheral assets are leveraged through a project generator model, which aids the Company in sustaining

its operating costs. The core assets are Pelangio's principal focus and the subject of thorough geological study and exploration programs in order to make discoveries. Pelangio's core assets are located Ghana, West Africa, and secondary assets within prolific gold belts in Ontario and Saskatchewan, Canada.

As the Company's most significant assets are located in Ghana, the primary focus of Pelangio is to advance Pelangio's exploration programs in Ghana. In regard to the Canadian assets, Pelangio will advance exploration to the point it can find a partner to buy, joint venture or option into the properties.

#### **4. REPORTING PERIOD HIGHLIGHTS**

##### **TECHNICAL**

- Manfo exploration – All of the data, interpretations and final reports for the UAV magnetics and orthophotography surveys over the Manfo project conducted by SEMS Exploration Services last year was received in November of 2025. These datasets have aided the planning of drilling programs on the Manfo project currently underway. The NI43-101 Technical Report for the Mineral Resource Estimate update for Manfo released on September 10, 2025 was refiled on January 26, 2026, with several minor amendments requested by the Ontario Securities Commission. The Option Agreement to earn into the Nkosuo property located immediately south of the Manfo project was terminated by the property owner on January 11, 2026, although a right of first refusal was granted to Pelangio.
- Obuasi exploration – In October 2025, all of the data and final reports from TuNya's Technical Study of Pelangio's Obuasi project were received. The study did not yield any significant results, however TuNya's recommendations included further geophysics over the Obuasi Targets Area of Pelangio's property to identify deeper geophysical features which might represent extensions of AngloGold Ashanti's 'Main Gold Trend' to the northeast onto Pelangio's ground. A deep-penetrating controlled source electromagnetic survey ('CSEM') was subsequently commissioned to be conducted by SEMS Exploration Services and will be a collaboration with AngloGold Ashanti. The survey will cover 11 kilometers of strike of the Obuasi Main Gold Trend and interpreted extension from within the Obuasi mine property and across Pelangio's Obuasi Targets Area and is expected to commence in April 2026.
- Dankran exploration – A small UAV magnetic survey was flown over the eastern side of the Dankran property in October of 2025 which will aid geological and structural interpretation for the planning of future exploration drill programs.
- On August 20, 2025 the Company announced the completion of an updated independent Mineral Resource Estimate (the "Resource" or "MRE"). The Resource updates the 2013 MRE to reflect the increase in gold price since 2013 and incorporates drilling conducted by Pelangio after 2013. See Pelangio's Press Release dated and filed August 20, 2025 for full details of the Resource updated results. On September 10, 2025 the Company filed the NI 43-101 technical report on the Resource at [www.Sedarplus.ca](http://www.Sedarplus.ca).

## **CORPORATE**

- On March 29, 2025, the Company completed a non-brokered private placement financing with the issuance of 25,000,000 units ("March 2025 Unit"), at a price of \$0.04 per March 2025 Unit, for gross proceeds of \$1,000,000 (the "March 2025 Offering"). Each March 2025 Unit consists of one common share and one common share purchase warrant for the purchase of one common share at a price of \$0.05 for a period of 36 months from the closing date of the financing. *See Section 8. Liquidity and Capital Resources.*
- Between October 9, 2025 and October 22, 2025, the Company completed a non-brokered private placement for the issuance of 25,000,000 units ("October 2025 Unit"), at a price of \$0.18 per unit, for gross proceeds of \$4,500,000 (the "October 2025 Offering"). Each October 2025 Unit consists of one common share and one-half of one common share purchase warrant; each whole warrant is priced at \$0.31 for a period of 24 months from the closing dates of the financing. *See Section 8. Liquidity and Capital Resources.*
- During the year ended December 31, 2025, a total of 27,918,660 warrants priced at \$0.05 were exercised for total proceeds of \$1,395,933.
- During the year ended December 31, 2025, a total of 167,500 stock options were exercised for total proceeds of \$27,275.
- On January 30, 2026 the Board appointed Matthew Lilko as Vice President, Corporate Affairs and Corporate Secretary as part of the Company's ongoing efforts to strengthen its leadership team.

## **5. NATURE OF OPERATIONS**

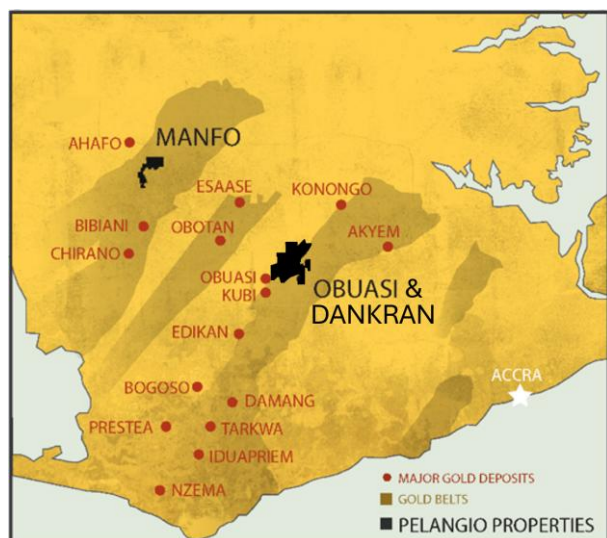
### **TECHNICAL DISCLOSURE**

#### **GHANA PROPERTIES**

Disclosure of a scientific or technical nature regarding the Company's properties was prepared by or under the supervision of and approved by Kevin Thomson, P. Geo., (PGO #0191), (the "Qualified Person") a qualified person within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and our Senior Vice President, Exploration. The Qualified Person has verified the data disclosed. Data verification involved checking of information for past drill holes, trench surveying, logging, sampling, and assaying as well as a review of information in the exploration computer database.

The 2025 updated mineral resource estimate for the Manfo project was completed by Simon Meadows Smith, P.Eng/P.Geo (FIMMM # 49627) of SEMS Technical Services Limited Ghana. Mr. Meadows Smith is an independent qualified person as is defined in National Instrument 43-101. Mr. Meadows Smith inspected the Manfo gold project during May 18-19, 2025. The updated mineral resource estimate, which has an effective date of July 31, 2025, was announced by Pelangio on August 20, 2025, and the Technical Report in respect of the Resource was filed on September 10, 2025. At the request of the Ontario Securities Commission, minor, non-material amendments were requested for the Technical Report which were addressed by SEMS Technical Services and the report was refiled on January 26, 2026.

## PROPERTY DESCRIPTIONS: GHANA PROPERTIES



### MANFO

Pelangio holds a 100% interest in the Manfo property subject to a 10% free carried interest held by the Government of Ghana, the Government's right to acquire a further 20% interest on mutually agreed terms, and a 5% royalty interest (the "Government Interest"), as stipulated in Clause 43, The Minerals and Mining Act 703 of 2006 (the "Mining Act"). However, The Government of Ghana is increasing their royalty on gold production to a sliding-scale system from 5% to 12%, dependent on the gold price, with a 12% royalty when the gold price exceeds US\$4,500 per ounce, effective from March 10, 2026. The Optionor of the Manfo property holds a 2.5% net smelter return ("NSR") royalty, subject to Pelangio's right to buy back 1% of such NSR for an aggregate total payment of US\$4,000,000. Additionally, Pelangio (or its successor or permitted assign) will pay the Optionor a discovery bonus equal to the sum of (i) US\$1,000,000 plus (ii) US\$1.00 per ounce of proven and probable gold reserve set out in the first positive feasibility study published or released in respect of the Manfo Property.

The Manfo Property totals 102 square kilometers ("km<sup>2</sup>") and is located in the Ahafo Ano North district of the Ashanti region of Ghana, approximately 17 kilometers ("km") southwest of Tepa, 14 km south of Newmont Mining Corporation's South Ahafo mine and 36 km north of Asante Gold's Bibiani mine. The three licenses which comprise the Manfo property are presently at various stages of the license renewal process and while renewal is not assured, the Ghana Mineral's Commission has issued letters stating it was "unaware of any pending or outstanding issues that would impede the extension of the term of these concessions." The Manfo prospecting licenses' land fees (Mineral Rights Fees) are paid through the end of 2025. The Manfo Agreements are available under Pelangio's profile on [www.sedar.com](http://www.sedar.com).

Pelangio conducted comprehensive exploration over the Manfo property during 2010 through 2013, including 37,313 meters of diamond drilling in 178 holes, resulting in the discovery of nine significant gold prospects along 8 km of strike of prospective structures with three drilled to a resource status and a maiden resource declared in June of 2013. Exploration programs, including limited resource-extensional drill tests around the Pokukrom deposits, continued from 2014 through 2023, with some encouraging results setting the stage for a more aggressive program of exploration and resource growth drilling which recently (January 2026) commenced on the Manfo project.

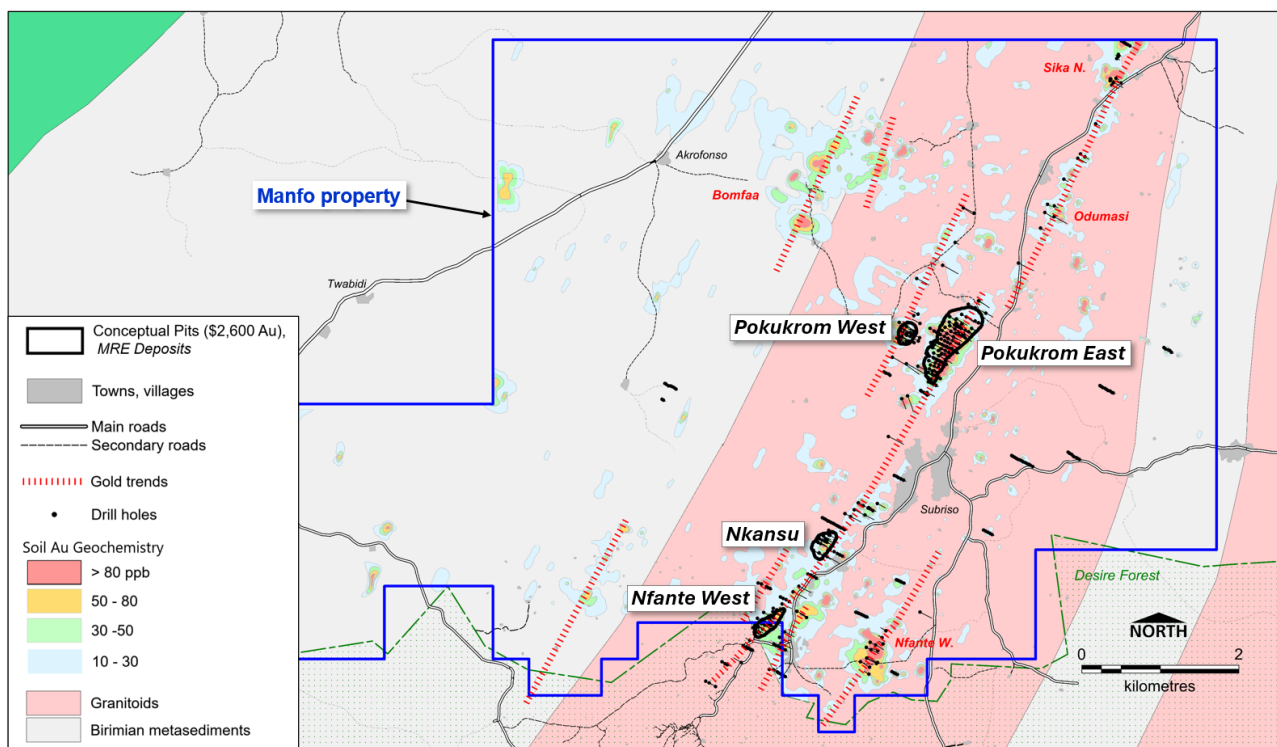
## Manfo Property - Updated 2025 43-101 Mineral Resource Evaluation Technical Report Summary

A Maiden Mineral Resource Estimation (“MRE”) was prepared for the Manfo project by SRK Consulting (Canada) Inc. and was filed on June 21, 2013. In July of 2025 SEMS Technical Services Limited of Ghana completed an updated MRE for the Manfo project filed with SEDAR on September 10, 2025. In January of 2026 the Ontario Securities Commission requested minor, non-material amendments to the Technical Report which were conducted and the Report was refiled on January 26, 2026.

The August 2025 MRE updates the 2013 maiden resource estimate to reflect the increase in gold price since 2013 and incorporates limited drilling conducted by Pelangio after 2013. A fourth deposit, Nkansu, largely drilled post-2013, has been added to the total resource. The following figure shows the relative locations of the four deposits.

The total Resource for the Manfo project is listed in the table below and the resource estimation for the four individual deposits is listed in the following table. The Pokukrom East deposit is the largest by far of the four deposits and accounts for 91% of the total Indicated resource with 402,000 ounces of gold based on 11,313,000 tonnes averaging 1.11 g/t Au plus 65% of the total Inferred resource with 258,000 ounces of gold based on 10,878,000 tonnes averaging 0.74 g/t Au. The Pokukrom West deposit, while relatively small with 39,000 ounces of Indicated gold plus 23,000 ounces of Inferred gold is the highest grade of the four deposits averaging 2.54 g/t Au for the Indicated category. The Nfante West and Nkansu deposit resources are entirely Inferred currently due to their wider spaced drilling and lower demonstrated grade continuity between drillholes. Most of the Resource is in fresh rock comprising 94% of the total Indicated resource plus 81% of the total Inferred resource.

### Map of the Manfo Project and 2025 MRE Deposit Locations



## Mineral Resource Statement Manfo Gold Project, Ghana – SEMS Technical Services, Ghana, July 31, 2025

Classification		Indicated			Inferred		
Category	Cut-off Grade (g/t Au)	Quantity (000' tonnes)	Grade (g/t Au)	Cont. Gold (000' oz)	Quantity (000' tonnes)	Grade (g/t Au)	Cont. Gold (000' oz)
Oxide	0.25	55	1.30	2	1,024	0.69	23
Transition	0.35	458	1.70	25	2,017	0.79	51
Fresh	0.35	11,274	1.14	414	13,007	0.77	322
<b>Totals</b>		<b>11,787</b>	<b>1.16</b>	<b>441</b>	<b>16,048</b>	<b>0.77</b>	<b>396</b>

1. *The Indicated mineral resource and the Inferred mineral resource are reported in accordance with Canadian Securities Administrators National Instrument 43-101 – Standards of Disclosure for Mineral Projects and have been estimated following the generally accepted CIM ‘Estimation of Mineral Resource and Mineral Reserves Best Practices Guidelines’ (2014).*
2. *Mineral resources are distinct from mineral reserves, have not demonstrated economic viability, and there is no certainty that they will be converted into a mineral reserve.*
3. *The MRE used economically optimized pits to constrain the block models with the following parameters used: \$2,600 Au price, Treatment costs \$11 / \$17 / tonne (oxide / trans-fresh), mining costs: \$2.20 / 3.10 / tonne (oxide / trans-fresh), G&A: \$6/tonne ore, Recoveries 94% / 90% (oxide / trans-fresh), pit slope angles 40° / 54° (oxide / trans-fresh), Mining dilution / recovery: 0% / 100%.*
4. *The Mineral Resource estimate was prepared by independent Qualified Persons Simon Meadows Smith, P.Eng/P.Geo (FIMMM # 49627) of SEMS Technical Services Ltd. Ghana and has an effective date of July 31, 2025.*

### Mineral Resource by Zone for the Manfo Gold Project

Classification			Indicated			Inferred		
Deposit	Category	Cut-off Grade (g/t Au)	Quantity (000' tonnes)	Grade (g/t Au)	Contained Gold (000' oz)	Quantity (000' tonnes)	Grade (g/t Au)	Contained Gold (000' oz)
Pokukrom East	Oxide	0.25	41	0.69	1	474	0.65	10
	Transition	0.35	302	1.06	10	922	0.79	23
	Fresh	0.35	10,970	1.11	391	9,482	0.74	225
	<b>Sub-total</b>		<b>11,313</b>	<b>1.11</b>	<b>402</b>	<b>10,878</b>	<b>0.74</b>	<b>258</b>
Pokukrom West	Oxide	0.25	14	3.06	1	43	2.05	3
	Transition	0.35	156	2.95	15	136	1.27	6
	Fresh	0.35	304	2.31	23	237	1.96	15
	<b>Sub-total</b>		<b>474</b>	<b>2.54</b>	<b>39</b>	<b>417</b>	<b>1.75</b>	<b>23</b>
Nfante West	Oxide	0.25				355	0.67	8
	Transition	0.35				675	0.77	17
	Fresh	0.35				1,612	0.75	39
	<b>Sub-total</b>					<b>2,642</b>	<b>0.74</b>	<b>63</b>
Nkansu	Oxide	0.25				152	0.49	2
	Transition	0.35				284	0.60	5
	Fresh	0.35				1,676	0.81	43
	<b>Sub-total</b>					<b>2,111</b>	<b>0.76</b>	<b>51</b>
Totals	Oxide	0.25	55	1.30	2	1,024	0.69	23
	Transition	0.35	458	1.70	25	2,017	0.79	51
	Fresh	0.35	11,274	1.14	414	13,007	0.77	322
	<b>Grand Total</b>		<b>11,787</b>	<b>1.16</b>	<b>441</b>	<b>16,048</b>	<b>0.77</b>	<b>396</b>

### **Cautionary Note Regarding Mineral Resource Estimates**

*Investors should not assume that any of the indicated or inferred mineral resource disclosed herein will ever be upgraded to a higher category of mineral resource or to mineral reserves, and that any or all the indicated or inferred mineral resource exist or is or will be economically or legally feasible to mine. In addition, investors should not assume that any of the references herein to adjacent properties (based on public information) is necessarily indicative of the mineralization on the Manfo property or that further exploration on the Manfo property will prove to be successful.*

*The disclosure herein uses mineral resource classification terms that comply with reporting standards in Canada, and the disclosure of mineral resource estimates are made in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects that are considered material to the issuer.*

*All resource estimates contained herein are based on the definitions adopted by CIM and recognized under NI 43-101. Standards differ significantly from the mineral reserve disclosure requirements of the U.S. Securities and Exchange Commission set out in Industry Guide 7. Consequently, resource information contained in this MD&A is not comparable to similar information that would generally be disclosed by U.S. companies in accordance with the rules of the SEC. The SEC's Industry Guide 7 does not recognize mineral resources, and US companies are generally not permitted to disclose mineral resources in documents they file with the SEC. Investors are specifically cautioned not to assume that any part or all of the mineral resources disclosed above will ever be converted into SEC defined mineral reserves. Further, "inferred mineral resources" have a great amount of uncertainty as to their existence and as to whether they can be mined or economically. In accordance with Canadian rules, estimates of inferred mineral resources generally cannot form the basis of an economic analysis.*

The NI43-101 Mineral Resource Evaluation Technical Report written by SEMS Technical Services Limited was filed with SEDAR on September 10, 2025. [On January 6, 2026, the Ontario Securities Commission requested](#) minor, non-material amendments to the report which were addressed by the authors and the Technical Report was refiled on January 26, 2026.

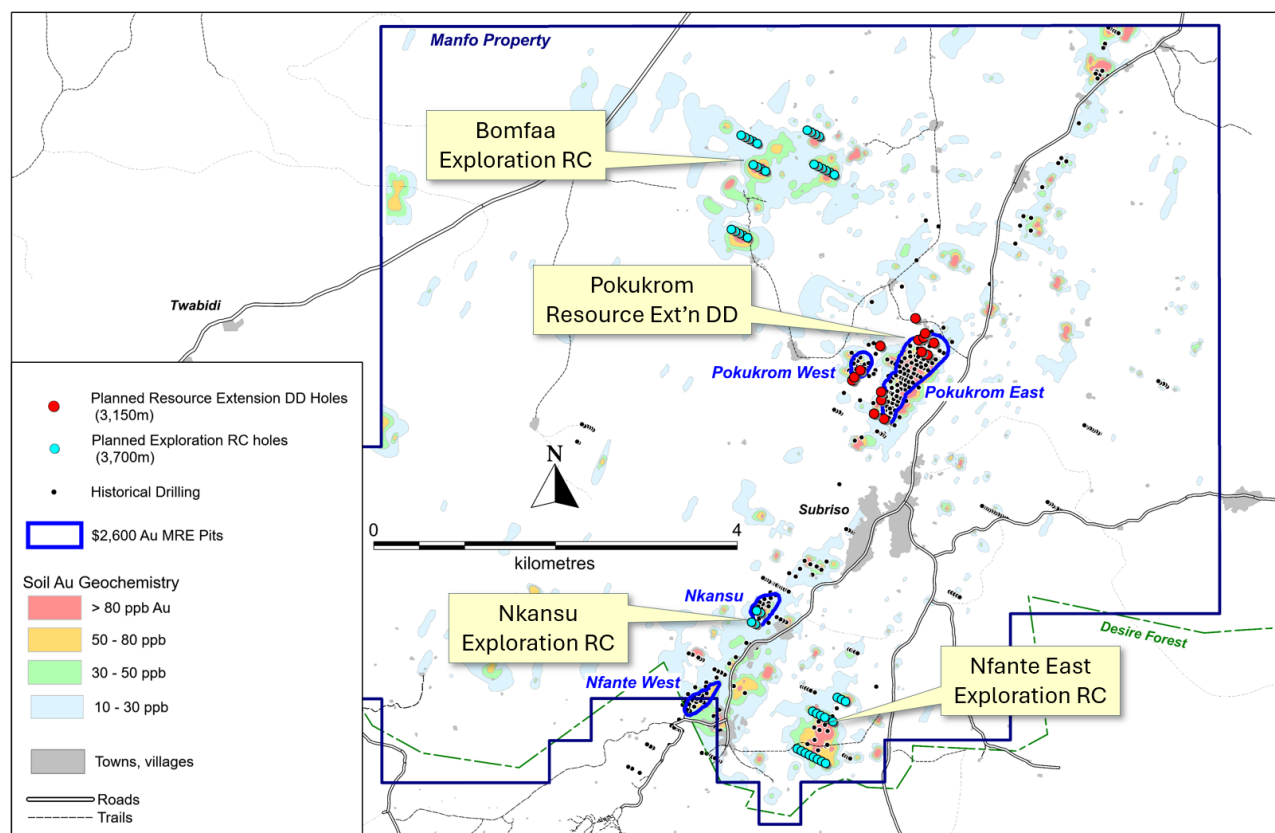
### **Recent Activities:**

During July through September 2025 a high-definition UAV magnetics and orthophotography survey was conducted on the Manfo project. The final data, interpretations and reports on the surveys were received in November of 2025. These datasets have aided in the understanding of the property geology and mineralized trends and the planning of drilling programs for Manfo.

A Phase-1 3,150-meters resource extensional diamond drilling program has been planned for the Pokukrom East and West deposits to demonstrate potential extensions to the known resource. With success follow up drilling will continue to define extensions and then infill drilling will be undertaken to quantify resource additions. The planned diamond drilling program commenced in late January 2026 and is approximately 23% completed with assays pending. In addition to the resource drilling, an exploration RC drilling program is planned to follow the current diamond drilling program with 3,700-meters to be drilled testing exploration targets at Bomfaa, Nfante East and Nkansu, being the first phase of a larger exploration drilling plan. The exploration drilling is discovery oriented with the aim of finding new mineralized zones on the property which could potentially add to the resource.

On January 11, 2026, the LOI for an option agreement to earn into the Nkosuo mining lease located immediately south of Manfo was terminated by the property owner. While Pelangio loses the earn-in on this potentially prospective property, with the termination of the agreement Pelangio regains the 27% of the Manfo Project that would have been given up in this agreement. A right-of-first refusal on the Nkosuo property was, however, granted to Pelangio so there may be an opportunity in the future to enter into another agreement to earn into the project, possibly on more favourable terms.

## Planned Drilling Programs on the Manfo Project



## OBUASI

Pelangio holds 100% of the Obuasi property subject to the Government's 10% free carried interest and a sliding scale royalty interest up to 12%, depending on the gold price and other factors. The 280 square kilometer Obuasi project consists of the Kyereboso #2, Kyereboso #3, Meduma and Adokwae prospecting licenses and is located adjacent to and east of the world class Obuasi mine owned by AngloGold Ashanti, covering the geological and structural strike extension of the mine's 'Main Gold Trend'. The prospecting licenses are all under various stages of the renewal process and all land fees (Mineral Rights Fees) are paid through the end of 2025. Pelangio has conducted considerable work on the property, with geochemistry and geophysical surveys, mapping, prospecting, trenching and 27,883-meters of diamond drilling since 2005, however an economic gold discovery has not been made.

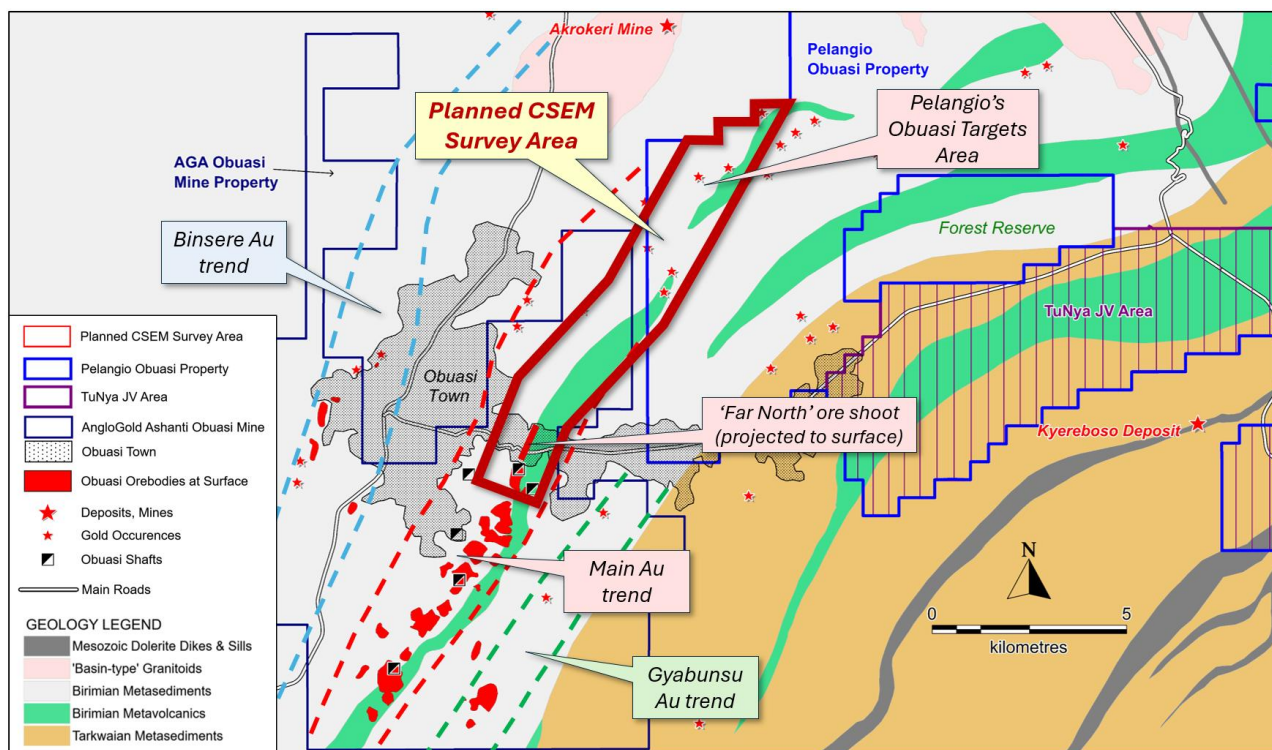
In July of 2023 Pelangio entered into an agreement with TuNya Mineral Resources Ltd., who own the Kyereboso deposit to the south, which gives TuNya the right to earn an 80% interest in the southern Tarkwaian portion of the Obuasi property (32% of the total area of Pelangio's Obuasi property) in exchange for a US\$250,000 technical review of Pelangio's project, US\$150,000 in cash and the completion of 2,000-meters of drilling. TuNya's technical study, which included a review of all historical exploration data, geological mapping and sampling, pitting, trenching and an 18 square kilometer high-definition UAV magnetics survey, was completed in August of 2025.

### Recent Activities:

The data, interpretations and reports from TuNya's technical review of Pelangio's Obuasi project were provided to Pelangio in November of 2025. The study did not yield any significant results, however TuNya's recommendations included further geophysics over the Obuasi Targets Area of Pelangio's property to identify deeper geophysical features which might represent extensions of AngloGold Ashanti's 'Main Gold

Trend' to the northeast onto Pelangio's ground. A deep-penetrating controlled source electromagnetic survey ('CSEM') was subsequently commissioned in February of 2026 and will be conducted by SEMS Exploration Services of Ghana and will be a collaboration with AngloGold Ashanti. The survey will cover 11 kilometers of strike of the Obuasi Main Gold Trend and its interpreted extension from within the Obuasi mine property and across Pelangio's Obuasi Targets Area. The survey is expected to commence by mid-April and will take approximately 3 months including processing, 3D data inversion, interpretation and reporting. Refer to the following figure.

### Map of the Obuasi District Showing the Area of a Planned CSEM Survey



### DANKRAN

The Dankran property (Subriso-Kokotro prospecting license) was acquired under an option agreement with BNT Resources Ghana Ltd entered into in November 2020. All terms of the option agreement have been met and the property is now 100% held by Pelangio subject to the Government's 10% free carried interest and a 5-12% royalty interest, depending on the gold price. The prospecting license is under renewal, but land fees (Mineral Rights Fees) are paid through the end of 2025.

The 34.65 km<sup>2</sup> Dankran property is contiguous to the northeastern corner of Pelangio's Obuasi project extending over seven kilometers of strike of the world-class Ashanti Belt and is located 25 kilometers northwest of the Obuasi Mine. Near the northeastern corner of the Dankran property lies the old colonial Obuoum Mine, a small underground mine which produced approximately 30,000 ounces of gold at 0.5 ounce per ton in the 1920's and 30's.

Pelangio conducted several campaigns of soil sampling, mapping and prospecting at Dankran culminating in a small 2,491-meter shallow RC-drilling program to test gold-in-soil anomalism drilled in mid-2021. The drilling program was successful in identifying several zones of mineralization along approximately 2.5 kilometers of strike close to the main volcanic-sediment contact with drill highlights including 0.47 g/t Au

over 10 meters, 6.07 g/t Au over 2 meters plus 14.17 g/t over 3 meters (uncut) including 39.20 g/t Au over 1 meter.

**Recent Activity:**

A small high-definition UAV magnetics survey was flown in October 2025 over the eastern side of the Dankran property closest to the old Obuom mine. The survey will aid geological and structural interpretation and the planning of follow up drill programs at Dankran which are being considered for later in 2026.

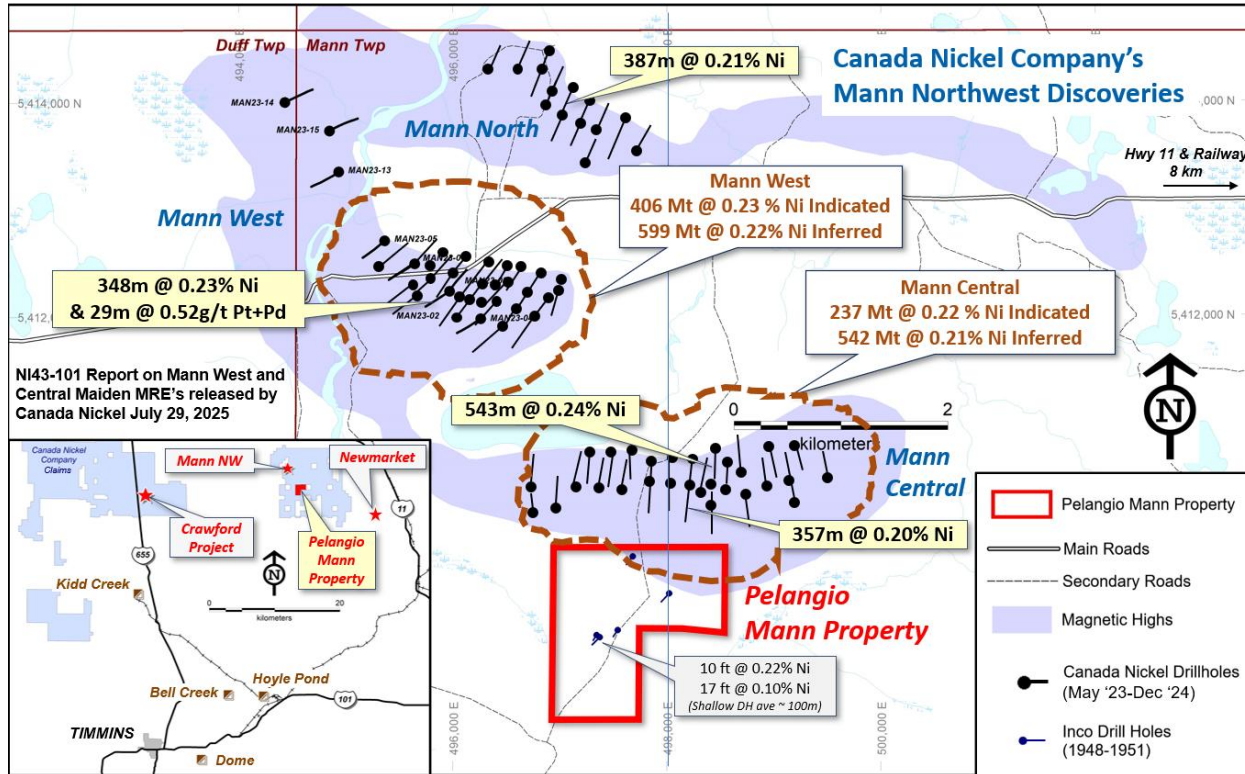
**CANADIAN PROPERTIES**

All the properties in which Pelangio owns a 100% interest are in good standing and/or have sufficient work credits to be maintained for a minimum of one year. All leased and patented properties are in good standing through payment of taxes. With Pelangio's exploration focus currently on Ghana there has been no recent work conducted by Pelangio on the Canadian properties and no work planned over the near term.

**MANN PROPERTY, TIMMINS, ONTARIO**

Pelangio has held an interest in twelve patented claims (mining and surface rights) at the Mann Property since December 10, 2018 (closing date of amalgamation with 5SDCapital) (the "Mann Claims"). The Mann claims are located in Mann Township 50 km northeast of the City of Timmins and covers an area of approximately 2km<sup>2</sup>. The twelve patented claims (mining and surface rights) cover a portion of a large ultramafic intrusive complex that is prospective for nickel, copper, cobalt, chromium, PGE's and gold, and lies adjacent to several nickel discoveries recently made by Canada Nickel Company. In July of 2025 Canada Nickel announced a maiden resource for their nearby Mann West and Mann Central deposits totaling 1.79 billion tonnes @ 0.22% nickel. There are no immediate plans for the Mann property, although it could have value when Canada Nickel considers development of the Mann resources.

## Location of the Mann Patents with respect to Canada Nickel’s Mann Township Discoveries and MRE’s



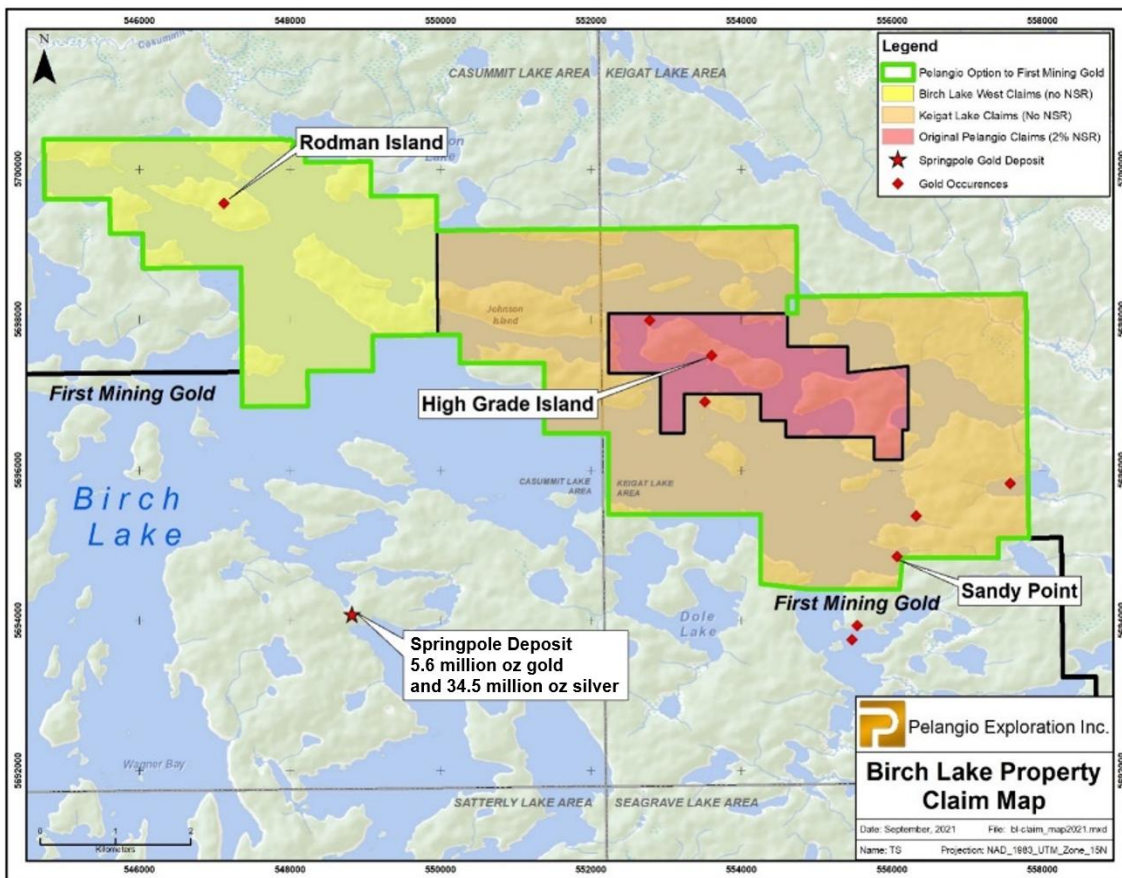
### BIRCH LAKE, RED LAKE DISTRICT, ONTARIO

The Birch Lake property is owned 100% by Pelangio and consists of 3,400 hectares (34 km<sup>2</sup>) in the Birch Lake - Keigat Lake area, approximately 120 km northeast of Red Lake, Ontario. The claims host a high-grade gold occurrence on 'High Grade Island' which underwent considerable drilling in the 1990's by Placer Dome and Trade Wind Ventures in 2004-2005. Pelangio has not conducted any work on the property.

In October 2021, Pelangio entered into an earn-in agreement with a well-financed, strategic partner, First Mining Gold Corp. ("First Mining") and Gold Canyon Resources Inc. ("Gold Canyon"), a wholly owned subsidiary of First Mining, on Pelangio's Birch Lake and Birch Lake West properties (together, the "Birch Lake Project"). The Birch Lake Project is adjacent to First Mining's Springpole Gold Project (see map below), which hosts the 5.6-million-ounce (Indicated +Inferred) Springpole gold deposit located 3 kilometers to the south. The agreement with First Mining and subsidiary Gold Canyon would pay Pelangio \$220,000 in cash, 2,100,000 First Mining shares plus a work commitment of \$1,500,000 over the seven year earn-in (completing October 04, 2028) for 51% interest in the Birch Lake claims.

In 2022 First Mining commenced a planned multi-year district-scale exploration program over properties in the Birch-Uchi Greenstone Belt, including over the optioned Birch Lake property. A high resolution magnetic and SkyTEM electromagnetic airborne survey has been completed, and considerable soil and rock geochemical surveys were conducted across the district. Multiple priority drill targets have been developed across the district, including on the Birch Lake property, although limited drilling has been conducted to date on the Birch Lake claims. With a C\$500,000 work commitment due this October, it is anticipated that further drilling will be conducted by First Mining this year.

## Birch Lake Property Map



## GRENPELL, KIRKLAND LAKE, ONTARIO

The 100% owned Grenfell property is located in Grenfell Township approximately 10km northwest of the Town of Kirkland Lake, Ontario. It is comprised of a series of contiguous mining leases and mining claims covering about 6.7km<sup>2</sup>. The property has been worked sporadically on and off since the early 1930's. Pelangio conducted two diamond drilling programs on the property in 2020 and 2021 with notable drilling intercepts of 1.32 g/t gold over 26.00 meters including 314 g/t gold over 1.74 meters (uncut) and 10.95 g/t gold over 3.00 meters including 23.40 g/t gold over 1.00 meters. An agreement with Record Gold to earn up to 80% of the Grenfell property expired last year and Pelangio retains 100% ownership of the Grenfell property. Pelangio has no plans to conduct exploration work on the Grenfell claims near term.

## GOWAN POLYMETALLIC PROPERTY, TIMMINS, ONTARIO

The Gowan Property is a 2.6 km<sup>2</sup> property located in Gowan Township approximately 27 kilometers northeast of the City of Timmins and approximately 20 km southeast of Glencore's Kidd Creek Mine. The Kidd Creek Mine is a copper zinc Volcanogenic Massive Sulfide ("VMS") deposit hosted in a felsic volcanic suite of rocks. The Gowan Property hosts a historical VMS intercept in a geological environment possibly similar to that found at the Kidd Creek Mine. Pelangio is not presently considering further work on the Gowan property.

## ADDITIONAL CANADIAN PROPERTIES

- Poirier Gold Property, Timmins Gold Camp**  
 Pelangio owns 100% of the Poirier Gold Property Lease (47.34 hectares) located in Bristol Township, 22km west of Timmins, contiguous with Pan American Silver Corp.'s (previously Tahoe Resources Inc.) Timmins and Thunder Creek deposits (collectively, the Timmins West Mine). The property is

subject to a 1% NSR (which may be purchased for \$1,000,000) payable to the vendors and a further 1% NSR payable to a third party.

- *Seeley Property, Hemlo Area*  
Pelangio owns 100% of the 307.6 hectares Seeley (Lorna Lake) property and there is no underlying royalty. The Seeley property is located in the historic Hemlo area and is contiguous with Hemlo Explorers Wire Lake Property which was under option to Barrick Gold. Carcetti Capital Corp recently purchased the Hemlo mine and related properties from Barrick and will likely have their hands full with the mine so little activity is expected on Wire Lake for the foreseeable future.
- *Thunder Gold, Timmins Gold Camp*  
Pelangio owns a 100% interest in the Thunder Gold property located 20 kilometers west of Timmins, Ontario. It consists of one lease (48.5 hectares), which was converted from three claims in 2010 and is subject to an underlying royalty of 2% and \$1,000 per year advance royalty to the vendors.
- *Black Township, Timmins Gold Camp*  
Pelangio owns a 100% interest in the Black Township property located 100km east of Timmins, Ontario. The property consists of two mineral leases acquired in 2010. The property has no underlying royalty. The leases cover a historical gold occurrence.

## FINANCIAL DISCLOSURE

### 6. SELECTED PERIOD INFORMATION

The following table provides selected financial information and should be read in conjunction with the Company's Annual Financial Statements:

<b>As at</b>	<b>December 31, 2025</b>	December 31, 2024	December 31, 2023
Total assets	<b>\$5,528,069</b>	\$442,980	\$497,437
Total liabilities	<b>\$144,679</b>	\$921,380	\$1,129,847
Accumulated deficit	<b>\$(62,514,067)</b>	\$(61,885,214)	\$(62,215,224)
<b>For the years ended December 31,</b>	<b>2025</b>	2024	2023
Net loss for the period	<b>\$886,138</b>	\$755,514	\$1,387,793
Net loss per share	<b>\$0.00</b>	\$0.00	\$0.01
Weighted average shares issued and outstanding	<b>204,796,542</b>	146,457,297	118,839,615

Total E&E for the years ended December 31, 2025 and 2024, was as follows:

	2025	2024
<b>Ghana</b>		
Land holding costs	\$281,273	\$78,912
Exploration and evaluation expenditures	321,768	122,789
Reimbursable costs <sup>(2)</sup>	(40,127)	—
<b>Total Ghana</b>	<b>\$562,914</b>	<b>\$201,701</b>
<b>Canada</b>		
Exploration and evaluation expenditures	\$4,603	\$625
<b>Total Canada</b>	<b>\$4,603</b>	<b>\$625</b>
<b>Other</b>		
Exploration and evaluation expenditures	\$9,917	\$8,436
<b>Total Other</b>	<b>\$9,917</b>	<b>\$8,436</b>
<b>Total E&amp;E</b>	<b>\$577,434</b>	<b>\$210,762</b>

## 7. SELECTED QUARTERLY INFORMATION

For the three months ended,				
	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025
Net loss	\$113,515	\$101,463	\$465,943	\$205,216
Net loss per share	\$0.00	\$0.00	\$0.00	\$0.00
<b>E&amp;E Expenditures</b>	<b>\$46,948</b>	<b>\$68,714</b>	<b>\$170,705</b>	<b>\$243,372</b>

For the three months ended				
	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024
Net loss	\$119,842	\$281,334	\$256,272	\$161,660
Net loss per share	\$0.00	\$0.00	\$0.00	\$0.00
<b>E&amp;E Expenditures</b>	<b>\$9,865</b>	<b>\$18,143</b>	<b>\$162,643</b>	<b>\$20,111</b>

Pelangio does not have any property interests in producing mineral properties. The Company's sources of revenue are from the issuance of equities, interest earned on cash held, gains on disposal of marketable securities, mineral properties option income and cash received for the exercise(s) of options and warrants. Expenditures are made in the normal course of business on the evaluation, acquisition and exploration of mineral properties and on general and administrative costs associated with maintaining a public company.

## 8. RESULTS OF OPERATIONS

### Years ended December 31, 2025

The following table outlines the material increases (decreases) in expenses experienced by the Company in years ended December 31, 2025 and 2024:

	December 31,		
	2025	2024	Increase
	\$	\$	(Decrease)
Exploration and evaluation expenses	577,434	210,762	366,672
Professional and consulting fees	332,495	178,633	153,862
IR and business development	153,177	46,826	106,351
Management compensation	148,328	136,255	12,703
Office and general	75,207	125,320	(50,113)
Regulatory and transfer agent	45,811	45,384	427
Share-based compensation	81,432	3,946	77,486
Unrealized (gain) loss on investments	(359,885)	(10,788)	349,097
Foreign exchange (gain) loss	11,633	70,335	(58,702)
Other (income) expense	(5,468)	(10,000)	(4,532)

- *The higher expense recorded for E&E in the current period (\$577,434 versus \$210,762) is principally due to the a) the increased technical activity at the Company's Ghana projects [See 5. Nature of Operations – Technical Disclosure] and b) the timing and recording of annual mineral land holding costs for the Ghana properties. The assessment for 2024 was received and recorded later in that year. These costs are set by the government and priced by land size. As of December 31, 2025, the Company has paid all mining concession fees, bringing its concessions into good standing.*
- *The higher costs of professional consulting fees during the year ended December 31, 2025, is primarily due to retaining consultants in Europe for market awareness in the region and for other trade tracking analytics information and legal fees related to two successful financing and assistance with drafting certain property option agreements;*
- *During the Reporting Period, Management attended several conferences in the USA, Europe and South Africa. to conduct in-person meetings to attract new shareholders/funds and to hold strategy meetings with MFD and other significant current shareholders. The Company also retained professional market consultants in order to increase market awareness of Pelangio's Ghana operations and to obtain and understand Pelangio's trade analytics, which resulted in an increase of Investor Relations expenditure by \$99,402 as compared to previous year.*
- *Management compensation includes the salaries and consulting fees paid for the CEO, the present and former CFO, the Corporate Secretary and the corporate services performed by a director and officer. Year over year the increase recorded of \$12,703 primarily due to engagement of Grove to provide services including bookkeeping and administration whereas these services in the first three quarters of 2024 were provided by a third-party supplier and charged to professional and consulting;*
- *Share-based compensation increased by \$77,486 period-over-period due to the grant of 1,500,000 stock options on February 28, 2025. The lower amount recorded in the prior year relates to the residual SBC from previously granted options.*
- *At each reporting period, the investments held by Pelangio are revalued according to public market trade values. On October 10, 2025 the Company received an additional 500,000 common shares of First Mining. The Company initially recorded the trade value of \$145,000 as option income and at year end recorded an additional fair value increase of \$120,000 as the trade price had increased from \$0.29 to \$0.53.*

- *Other income/expense is comprised of miscellaneous P&L items such as disposal of minor assets proceeds and interest expense for loans or interest income earned on short-term funds held in interest-bearing vehicles in Canadian banks.*

### Three months ended December 31, 2025

The following table outlines the material increases (decreases) in expenses experienced by the Company in the three months ended December 31, 2025 and 2024:

<b>For the three months ended December 31,</b>			
	<b>2025</b>	2024	<b>Increase</b>
	<b>\$</b>	<b>\$</b>	<b>(Decrease)</b>
			<b>\$</b>
Exploration and evaluation expenses	94,733	9,665	85,068
Professional and consulting fees	136,268	31,278	104,990
Management compensation	51,578	72,956	(21,378)
Investor relations and business development	64,647	4,480	60,167
Regulatory and transfer agent fees	5,884	–	5,884
Office and general	896	69,115	(68,219)
Share-based compensation	15,015	–	15,015
Unrealized (gain) loss on investments	(204,532)	(135,655)	68,877
Foreign exchange (gain) loss	123,066	66,221	56,845

- *Exploration and evaluation expense increased year-over-year as explained above, however for some of the concessions the actual assessment amounts did increase routinely.*
- *See discussion above regarding increased professional and consulting fees and management compensation. IR spending increased due to a focused effort to increase awareness of Pelangio’s story and outlook;*
- *Regulatory and transfer agent fees were slightly higher in the current period as compared to previous year due to increased listing and regulatory costs attributed to private placements and the annual AGM costs. In the prior year an adjustment was made after reconciling an estimate to an actual expense.*
- *Office and general were significantly reduced due to reclassification of travel expenses to IR.*
- *Share-based compensation fluctuates from time to time depending on the number of options granted, current interest rates and the strike price of the options. The expense in the current quarter relates to the vesting options fair value for the grant of 1,500,000 stock options approved on February 28, 2025. **See section 4. - Reporting Period Highlights;***
- *The change in unrealized (gain) loss reflects market price fluctuations of underlying shares. On October 10, 2025 the Company received an additional 500,000 common shares of First Mining. The Company initially recorded the trade value of \$145,000 as option income and at year end recorded an additional fair value increase of \$120,000 as the trade price had increased from \$0.29 to \$0.53.*
- *Foreign exchange gain or loss is recorded with the movement of the US dollar and the Ghana Cedi against the Canadian dollar. During Q4 the resulting increase occurred when an annual exchange rate was used. This resulted in an increased loss of \$56,845. This is a translation adjustment only.*

## 9. LIQUIDITY AND CAPITAL RESOURCES

On March 29, 2025 the Company completed a non-brokered private placement of 25,000,000 units (the "March Units") of the Company at a price of \$0.04 per Unit for gross proceeds of \$1,000,000 (the "March Offering"). Each Unit consists of one common share of the Company and one common share purchase warrant ("March Warrant"). Each March Warrant entitles the holder to purchase one common share for a period of 36 months from the date of the issue, at \$0.05 per share. No finder’s fees were paid.

Additionally, during the Reporting Period, a total of 27,918,660 warrants priced at \$0.15 to \$0.20 were exercised for total proceeds of \$1,395,933 and a total of 167,500 stock options were exercised for total proceeds of \$27,275.

Net proceeds of the financing and the exercise of warrants and stock options will be used for working capital, including exploration, metallurgical work and land maintenance costs, up to 10% for settling non-arm's length payables, as well as for general corporate purposes.

On October 9, 2025 and October 22, 2025, the Company closed two tranches of a new non-brokered equity financing with the issuance of an aggregate of 25,000,000 Units for gross proceeds of \$4,500,000 (the "October Offering"). These funds have been earmarked to reduce aged payables and conduct an early drill program in January 2026. Each October Unit consists of one common share and one-half share purchase warrant. Each whole Warrant entitles the holder to purchase one common share for a period of 24 months from the date of the issue, at \$0.31 per share. An additional 1,185,565 broker warrants were issued as finders fees. These warrants have the same terms as the regular warrants with the exception of being priced at \$0.18.

## **LIQUIDITY**

Pelangio's activities consist of the exploration and evaluation of various properties, a process that is ongoing, and is dependent on many factors, some of which are beyond the Company's control. Pelangio does not generate any cash flows from operations and therefore relies on equity financings and shareholder loans to fund the Company's working capital requirements, planned exploration, and permitting activities. Management maintains a policy of reviewing working capital requirements monthly and is mindful of the Company's property and administrative commitments.

## **EXPLORATION AND EVALUATION ACTIVITIES**

Total exploration and evaluation expenditures ("E&E") for the year ended December 31, 2025, was \$577,434 (December 31, 2024 - \$210,762). As at December 31, 2025, total E&E included \$9,917 (December 31, 2024 - \$8,436) of evaluation expenditures related to the review of potential properties on which the Company does not have an ownership interest.

See Annual Financial Statements - note 8 – *Exploration and evaluation expenditures*.

## **WORKING CAPITAL**

As at December 31, 2025, Pelangio has working capital of \$5,328,931 compared to a working capital deficiency of \$478,400 at December 31, 2024. The treasury position improved greatly upon the completion of the March and October 2025 private placements and the exercise of certain warrants and options.

## **CAPITAL RESOURCES**

Management continues to closely monitor the Company's working capital position and 12-month budget outlook considering current market conditions and the financing environment. As currently budgeted, we are likely to have a working capital deficit during the next twelve months unless further capital is raised during that period. The current budget offers significant flexibility to adjust exploration and general expenditures.

Management aims to meet Pelangio's financial obligations in the future, primarily through a) further equity and/or debt financing, b) joint venturing or c) optioning out the Company's property interests. Although the Company has been successful in raising sufficient capital for its exploration and general corporate expenditures in the past, there is no assurance that Management will be successful in the future. Failure to raise additional capital on a timely basis could result in suspended exploration and potentially the forfeiture or sale of the Company's mineral property interests.

## 10. OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

Pelangio has not entered into any off-balance sheet arrangements and has no proposed transactions other than those described in the Operations Section.

## 11. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Pelangio directors receive no cash compensation but are eligible to participate in the Company's Stock Option Plan. Commencing September 1, 2024, Grove Corporate Services Ltd. ("Grove") has been retained to provide issuer corporate services, including those provided by the Chief Financial Officer ("CFO") (the "Services").

The following is the compensation recorded for Key Management, the aggregate of which was paid to individuals, a personal management company and Grove during the years ended December 31, 2025 and 2024:

	Years ended December 31,	
	2025	2024 <sup>(3)</sup>
Management fees <sup>(1)</sup>	\$148,328	\$136,255
Technical management fees <sup>(2)</sup>	115,055	68,023
Share-based compensation	65,146	3,946
	<b>\$328,529</b>	<b>\$208,224</b>

- (1) Includes the fees incurred for the CEO, current and former CFO and Corporate Secretary.
- (2) Includes the fees incurred for the Senior V.P. Exploration who invoices the Company through a personal management company. All project costs are allocated to the Company's E&E on the statement of loss and comprehensive loss.
- (3) Certain comparative figures have been reclassified to conform to the current year's presentation. See note 15 in annual financial statements – *Comparative figures*.

Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

During the year ended December 31, 2025, officers and directors of the Company subscribed for a total of 152,832 October Units for gross proceeds of \$27,510. Refer to Annual Financial statements, *note 9 – Share Capital* for details of the private placement.

During the year ended December 31, 2024, an officer/director of the Company subscribed for a total of 5,700,000 March Units for gross proceeds of \$85,500. Refer to *note 9 – Share Capital* for details of the private placement.

Accounts payable and accrued liabilities at December 31, 2025 include amounts owed to the CEO in the aggregate of \$50,599 (December 31, 2024 - \$255,802) for unpaid management fees and reimbursable expenses. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

## 12. SHARE CAPITAL ACTIVITY

For details of all equity activity during the years ended December 31, 2025 and 2024, see notes 9 and 10 in the Annual Financial Statements.

**Share Capital** – the Company is authorized to issue an unlimited number of common shares,

The following table summarizes the common shares activity for the year ended December 31, 2025 and 2024:

	Number of common shares	Amount
<b>Balance - December 31, 2023</b>	<b>121,326,887</b>	<b>\$59,595,030</b>
Private placements	49,333,332	865,578
Litigation settlement	2,000,000	40,000
Fair value of warrants issued	—	(89,731)
<b>Balance - December 31, 2024</b>	<b>172,660,219</b>	<b>\$60,410,877</b>
Private placement	50,000,000	5,500,000
Less share issue costs	—	(256,732)
Broker warrants – estimated fair value	—	(234,253)
Warrants exercised	27,918,660	1,619,679
Options exercised	167,500	50,107
<b>Balance - December 31, 2025</b>	<b>250,746,379</b>	<b>\$67,089,678</b>

### Share-based compensation

The following table summarizes the stock options outstanding at December 31, 2025:

Options Granted	Exercise Price (\$)	Remaining Contractual Life - Years	Options Exercisable	Expiry Date
1,525,000	0.12	.66	1,525,000	August 24, 2026
250,000	0.10	1.32	250,000	April 28, 2027
1,260,000	0.05	1.67	1,260,000	August 31, 2027
1,500,000	0.06	9.16	750,000	February 28, 2035
<b>4,535,000</b>	<b>0.08</b>	<b>3.79</b>	<b>3,785,000</b>	

## Warrants

The following table reflects the Company's warrants outstanding at December 31, 2025:

Exercise Price	Number of Warrants Outstanding	Remaining Contractual Life in Years	Expiry Date
\$0.31	9,618,334	1.77	October 9, 2027
\$0.18	1,185,565	1.77	October 9, 2027
\$0.05	11,200,000	1.78	October 10, 2027
\$0.05	4,100,000	1.79	October 17, 2027
\$0.31	2,881,666	1.80	October 22, 2027
\$0.05	24,600,000	2.24	March 29, 2028
\$0.05	7,097,500	2.74	September 27, 2028
\$0.05	4,749,999	2.82	October 27, 2028
\$0.05	7,599,999	3.24	March 28, 2029
\$0.05	25,366,666	3.29	April 16, 2029
<b>\$0.08</b>	<b>98,399,729</b>	<b>2.52</b>	

### 13. CRITICAL ACCOUNTING ESTIMATES

The presentation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, decisions as to when exploration costs should be capitalized or expensed and estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting the valuations of share-based payments, warrants, and the valuation of tax accounts. Pelangio regularly reviews its estimates and assumptions. Actual results could differ from these estimates, and these differences could be material.

### 14. CHANGES IN ACCOUNTING POLICIES

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded.

A detailed summary of the Company's material accounting policies is included in note 3 of the Annual Financial Statements.

### 15. RISKS AND UNCERTAINTIES

#### ***Risks Related to the Company's Business***

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The following risks and uncertainties may have a material adverse effect on the Company's operations.

#### ***Exploration for Minerals is Speculative in Nature***

Exploration for minerals is speculative in nature, involves many risks, and is frequently unsuccessful. All of the properties in which we have an interest, or to which we have a right are in the exploration stage only and are without mineral reserves and mineral resources except the Manfo Property, which was the subject of

the Manfo Initial Resource Evaluation filed on SEDAR June 21, 2013. There can be no assurance that our current, proposed, or future exploration and development programs or properties in which we have an interest or may in future have an interest will result in the discovery of mineralization or a profitable commercial mining operation. Furthermore, once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. The commercial viability of a mineral resource is dependent on a number of factors including the price of minerals, exchange rates, the particular attributes of the deposit, such as its size, grade and proximity to infrastructure, as well as other factors including financing costs, taxation, royalties, land tenure, land use, water use, power use, importing and exporting minerals and environmental protection. As a result of these uncertainties, no assurance can be given that our exploration programs will result in the establishment of mineral resources or mineral reserves.

As part of our business strategy, we have sought and will continue to seek new opportunities in the mining industry. In pursuit of such opportunities, we may fail to select appropriate acquisition targets or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired property into our operations. Acquisition transactions involve inherent risks, which risks could cause us not to realize the benefits anticipated to result from the acquisition of properties and could have a material adverse effect on our ability to grow and on our financial condition.

We cannot assure that we can complete any acquisition or business arrangement that we pursue, or are pursuing, on favourable terms, or that any acquisitions or business arrangements completed will ultimately benefit our business.

### ***Foreign Operations***

Nearly all mining projects require government approval regardless of the country. There can be no certainty that these approvals will be granted to us in a timely manner, or at all.

The laws in foreign countries tend to differ significantly from North America and are subject to change. Mining operations, development and exploration activities are generally subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health, waste disposal, environmental protection and remediation, protection of endangered and protected species, mine safety, toxic substances and other matters. Mining is also subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing mines and other facilities in compliance with such laws and regulations are significant.

Acquisitions of properties in foreign countries are subject to the risks normally associated with conducting business in foreign countries. Some of these risks are more prevalent in countries which are less developed or have emerging economies, including uncertain political and economic environments, as well as risks of war, civil disturbances, terrorism or other risks which may limit or disrupt a project, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or appropriation without fair compensation, risk of adverse changes in laws or policies of particular countries, increases in foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, limitations on ownership and repatriation of earnings and foreign exchange controls and currency devaluations. In addition, we may face import and export regulations, including restrictions on the export of minerals, disadvantages of competing against companies from countries that are not subject to Canadian and U.S. laws, including foreign corrupt practices legislation, restrictions on the ability to pay dividends offshore, and risk of loss due to disease and other potential endemic health issues. Although we are not

currently experiencing any significant or extraordinary problems arising from such risks in the foreign country in which we have properties, there can be no assurance that such problems will not arise in the future.

### ***Additional Capital***

The exploration and development of our properties may require substantial additional financing. The source of future funds available to us is through the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to us. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to us or will provide us with sufficient funds to meet our objectives, which may adversely affect our business and financial position. In addition, any future equity financings by us may result in substantial dilution for purchasers of our shares. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of our properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to us. Additional funds will be required for future exploration and development.

### ***Shareholders' Interest in the Company May be Diluted in The Future***

We may from time to time undertake offerings of Common Shares or of securities convertible into Common Shares including stock options and similar incentive plans in the future. The increase in the number of Common Shares issued and outstanding and the possibility of the issuance of Common Shares on conversion of convertible securities may have a depressive effect on the price of Common Shares. In addition, because of such additional Common Shares, the voting power of our existing shareholders will be diluted.

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

We have a limited operating history on which to base an evaluation of our business and prospects. Except for the Manfo Property, which was the subject of the Manfo Initial Resource Evaluation, our properties do not contain any mineral resources or mineral reserves, and we have never had any revenues from our operations. In addition, our operating history has been restricted to the acquisition and exploration of our mineral properties. We anticipate that we will continue to incur operating costs without realizing any revenues during the period when we are exploring our properties. We expect to continue to incur significant losses into the foreseeable future. We recognize that if we are unable to generate significant revenues from mining operations and any dispositions of our properties, we will not be able to earn profits or continue operations. At this early stage of our operation, we also expect to face the risks, uncertainties, expenses, and difficulties frequently encountered by companies at the start-up stage of their business development. We cannot be sure that we will be successful in addressing these risks and uncertainties and our failure to do so could have a materially adverse effect on our financial condition. There is no history upon which to base any assumption as to the likelihood that we will prove successful, and we can provide investors with no assurance that we will generate any operating revenues or ever achieve profitable operations.

### ***Competition***

We operate in a competitive industry and compete with other more well-established companies which have greater financial resources than we do. We face strong competition from other mining companies in connection with exploration and the acquisition of properties producing, or capable of producing, base and precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than us. As a result of this competition, we may be unable to maintain or acquire attractive mining properties on terms we consider acceptable or at all. Consequently, our revenues, operations and financial condition could be materially adversely affected.

### ***Title to Mineral Properties***

Title to our resource properties may be challenged by third parties, or the licenses that permit us to explore our properties may expire if we fail to renew them timely and pay the required fees. We cannot guarantee

that the rights to explore our properties will not be revoked or altered to its detriment. The ownership and validity of mining claims and concessions are often uncertain and may be contested.

Except as described herein, we are not aware of challenges to the location or area of any of the mining concessions and mining claims in any of the jurisdictions in which we operate. There is no guarantee that title to the claims and concessions will not be challenged or impugned in the future. If we fail to pay the appropriate annual fees or fail to apply for license renewals on a timely basis, then these licenses may expire or be forfeited.

### ***Key Employees and Consultants***

Shareholders will be relying on the good faith, experience and judgment of our management and advisors in supervising and providing for the effective management of our business and the operations and in selecting and developing new investment and expansion opportunities. We may need to recruit additional qualified personnel to supplement existing management. We will be dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on us.

The development of our business is and will continue to be dependent on its ability to attract and retain highly qualified management and mineral exploration personnel. The Company will face competition for personnel from other employers. The Company does not maintain key management insurance on any of its management personnel.

### ***Conflict of Interest***

Certain directors of the Company also serve as directors of other companies involved in natural resource exploration, development and production. Consequently, there exists the possibility that such directors will be in a position of conflict of interest. Any decision made by such directors involving such other companies is required to be made in accordance with their duties and obligations to act honestly and in good faith with the Company and such other companies. In addition, such directors are required to declare, and refrain from voting on, any matter in which such directors may have a material conflict of interest.

### ***Permits***

Other than as disclosed above, we currently have all required permits for operations as currently conducted, there is no assurance that delays will not occur in obtaining all necessary renewals of such permits for the existing operations or additional permits for our planned operations or any possible future changes to operations. Prior to any development on any of our properties, we must receive permits from appropriate governmental authorities. There can be no assurance that we will receive or continue to collect all permits necessary to develop or to commence or to continue operating at any particular property.

### ***Currency Risk***

By virtue of the location of our operations and exploration activities, we incur costs and expenses in a number of currencies other than the Canadian dollar. The exchange rates covering such currencies have varied substantially in the last three years. We raise capital through equity financings principally in Canadian dollars while much of our operating and capital costs are incurred in United States Dollars (USD) and Ghana Cedis (Gh¢), giving rise to potential significant foreign currency translation and transaction exposure, which could have a material and adverse effect on the Company's results of operations and financial condition.

### ***Price and Volume Fluctuations***

In recent years, the securities markets have experienced an elevated level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of our securities.

### **Risks Related to the Mining Industry Generally Mineral Prices**

The ability to obtain equity financing, secure joint venture financing, or debt financing for the further exploration or development of any of the mining projects, and the profitability of any mineral mining operations in which we may acquire an interest, will be significantly affected by changes in the market price of minerals. Mineral prices fluctuate daily and are affected by numerous factors beyond our control. The level of interest rates, the rate of inflation, central bank sales, world supply and demand for minerals, stability of exchange rates, and global or regional political or economic events, among other factors, can cause significant fluctuations in mineral prices. Such external factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of minerals has historically fluctuated widely.

If mineral prices were to decline significantly or for an extended period, we may not be able to continue our operations, develop our properties, or fulfill our obligations under our agreements with our partners or under our permits and licenses.

### **Commodity Prices**

Our operations are or will be dependent on various commodities (such as heavy fuel oil, diesel fuel, electricity, steel, concrete and cyanide) and equipment to conduct operations. The shortage of such commodities, equipment and parts, or significant increase of their cost could have a material adverse effect on our ability to carry out our operations. Market prices of commodities can be subject to volatile price movements, which can be material, occur over short periods of time, and are affected by factors that are beyond our control. An increase in the cost, or decrease in the availability, of input commodities, equipment or parts may affect the timely conduct and cost of our operations. If the costs of certain commodities consumed or otherwise used in connection with our operations and development projects were to increase significantly, and remain at such levels for a substantial period, we may determine that it is not economically feasible to proceed with development of some or all our current projects, which could have an adverse impact on our future cash flows, earnings, results of operations and financial condition.

### **Mining**

As of the date hereof, our properties, other than the Manfo Property, do not have any estimates of mineral resources or mineral reserves, and there are no assurances that they ever will.

The recoverability of amounts for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of interest in the underlying claims, the ability to obtain necessary financing to complete development and future profitable production or, alternatively, upon disposition of such properties at a profit. Changes in future conditions could require material write-downs of the carrying values of mineral properties and deferred exploration costs.

There are numerous uncertainties inherent in estimating measured, indicated, and inferred mineral resources. The estimation of mineral reserves and mineral resources is a subjective process, and the accuracy of any such estimates are a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable. Mineral resources are estimates only and no assurance can be given that any level of recovery of minerals from a mineral resource estimate will in fact be realized or that an identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body, which can be economically exploited. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. Any material changes in the quantity of mineralization, grade or stripping ratio, or the mineral price may affect the economic viability of a mineral property. In addition, there can be no assurance that mineral recoveries or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Until mineral resources are mined and processed, the quantity of mineral and resource grades must be considered as estimates only. There can be no assurance that these estimates will be

accurate, that mineral reserves and mineral resource figures will be accurate, or that mineral reserves or mineral resources can be mined or processed profitably.

### ***Infrastructure***

Mining, processing, development, and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect our operations, financial condition, and results of operations.

### ***Government Regulation***

Mineral exploration and development activities will be subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Government approvals and permits are required in connection with mining exploration and development and operating a mine. To the extent such approvals are required and not obtained, mining operation or planned exploration or development of mineral properties may be curtailed or prohibited from continuing.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on a mining project and cause increases in exploration expenses, capital expenditures or require abandonment or delays in development of new mining properties.

### ***Community Action***

All industries, including the mining industry, are subject to community actions. In recent years, communities and non-governmental organizations have become more vocal and active with respect to mining activities at or near their communities. These parties may take actions such as road blockades, applications for injunctions seeking work stoppage, and lawsuits for damages. These actions can relate not only to current activities but also may be in respect of decades' old mining activities by prior owners of subject mining properties and could have a material adverse effect on our operations.

### ***Environmental and Safety Risks***

Environmental laws and regulations may affect the operations of a mining company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Furthermore, permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on a mining company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations.

Environmental legislation is evolving in a manner that may mean stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors, and employees. Permits from a variety of regulatory authorities are required for many aspects of mine development, operation, and reclamation. Future legislation and regulations could cause additional expense, capital expenditures, restrictions, liabilities, and delays in the development of the properties, the extent of which cannot be predicted. In the context of environmental permits, including the approval of reclamation plans, mining companies must comply with standards and laws and regulations which may entail costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority.

### ***Insurance Risks***

The Company maintains insurance to protect it against certain risks related to its current operations in amounts that it believes are reasonable depending upon the circumstances surrounding each identified risk. The Company may elect not to insure against certain risks due to high premiums or for various other reasons. These risks include, in the course of exploration, development and production of mineral properties, unexpected or unusual geological operating conditions including, environmental damage, employee injuries and deaths, rock bursts, cave-ins, fire, flooding and earthquakes. Although the Company maintains insurance to cover some of these risks and hazards in amounts it believes to be reasonable, such insurance may not provide adequate coverage in all circumstances. No assurance can be given that such insurance will continue to be available at economically feasible premiums or that it will provide sufficient coverage for losses related to these or other risks and hazards. Should liabilities arise as a result of insufficient or non-existent insurance, any future profitability could be reduced or eliminated.

### ***Corporate Structure***

Our foreign operations are conducted through foreign subsidiaries and substantially all of our assets are held in such entities. To our knowledge, there are no limitations on the transfer of cash or other assets between the parent Company and such entities or among such entities; however, if such limitations are put in place in the future, it could restrict our ability to fund our operations efficiently.

## **16. COMMITMENTS AND CONTINGENCIES**

### Employment agreements

The Company is party to two employment agreements. One of these contracts contains clauses requiring additional payments to be made upon the occurrence of certain events such as change of control. The additional commitments total approximately \$90,000. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

### Litigation claims

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business.

See Obuasi property section of prior annual MD&As for details of the Obuasi litigation settlement.

## 17. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments relate to liquidity risk. Management does not consider credit risk, interest rate risk and price risk to have significant impact on the Company operations currently. There have been no significant changes in the risks, objectives, policies, and procedures from the previous period.

### Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As December 31, 2025, the Company had a cash balance of \$4,675,317 to settle current liabilities of \$144,679 (December 31, 2024 - \$225,341 to settle current liabilities of \$921,380). The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

### Interest rate risk

The Company has cash balances in bank accounts. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company is sensitive to changes in the interest rates through interest income earned on its cash balance.

## 18. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table summarizes the classification of The Company's financial assets and liabilities:

### **Classification**

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#### ***Financial assets:***

Cash	Amortized cost
Investments	FVTPL
Deposits and prepaids	Amortized cost

#### ***Financial liabilities:***

Accounts payable and accrued liabilities	Amortized cost
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As at December 31, 2025 and 2024, the Company only had Level 1 financial instruments. In prior periods, the Company held certain private shares classified as Level 2 financial instruments.

See Annual Financial Statements – note 13 – *Capital Management*.

### Record Resources

On September 2, 2020, the Company entered into an option agreement with Jubilee Minerals Inc. on its Birch Lake property. Consideration received for this option was 4,667,940 common shares of Record Gold Corp. During the year 2022, 798,044 shares of Record Gold Corp. were exchanged for 798,044 shares of Record Resources ("Record") (formerly "Silk Road Energy Inc.").

On March 12, 2024, the TSXV provided Record Resources and Record Gold approval for the second share exchange. The Company received 3,508,277 shares of Record Resources in exchange for the same number of shares the Company held in Record Gold.

The third and final exchange was subject to the approval of the TSXV, conditional upon Record achieving certain performance metrics. Record did not obtain the approval of the TSXV, and it became evident that the exchange would never take place. Accordingly, the Record CEO offered to purchase back the private shares for nominal consideration in order to end the earn-in arrangement.

#### 19. OUTSTANDING SHARE DATA as at April 27, 2026

As at	Common Shares	Warrants	Stock Options	Fully Diluted
December 31, 2024	172,660,219	87,847,664	6,257,500	266,765,383
December 31, 2025	250,746,379	98,399,729	4,535,000	353,681,108
April 27, 2026	251,513,045	97,733,063	10,185,000	359,431,108

- Authorized share capital of an unlimited number of common shares of which a total of 251,513,045 common shares are issued and outstanding;
- Warrants outstanding totaling 97,733,063 are exercisable for common shares at prices ranging from \$0.05 to \$0.31, with expiry dates from October 9, 2027 to April 16, 2029.
- Stock options outstanding total 10,185,000 for common shares at prices ranging from \$0.05 to \$0.205 per share, with expiry dates from August 24, 2026, to January 28, 2035.

#### 20. ADDITIONAL INFORMATION

Additional information about the Company and the technical report referred to herein, are available on the Company's website at [www.pelangio.com](http://www.pelangio.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under the name Pelangio Exploration Inc.