Cabral Gold Inc.

(An Exploration Stage Company)

Management Discussion and Analysis

For the year ended December 31, 2024

Dated: April 28, 2025

Management Discussion and Analysis

The following Management Discussion and Analysis ("**MD&A**") of Cabral Gold Inc. ("**Cabral**" or the "**Company**") has been prepared as at April 28, 2025. It is intended to be read in conjunction with the consolidated financial statements of the Company as at and for the year ended December 31, 2024.

All of the financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") unless otherwise noted.

All monetary amounts are expressed in Canadian dollars ("**$**") unless otherwise noted.

Brian Arkell, B.S. Geology and M.S. Economic Geology, SME (Registered Member), AusIMM (Fellow) and SEG (Fellow), Cabral Gold's Vice President, Exploration and Technical Services, and a Qualified Person under NI 43-101 ("**NI 43-101**") approved the technical information presented in this MD&A.

Assay results quoted herein have been determined by fire assay at SGS Laboratories, Belo Horizonte.

Cautionary Statement on Forward-Looking Information

This MD&A document contains 'forward-looking information' and 'forward-looking statements' (together, the "**forward-looking statements**") within the meaning of applicable securities laws. Such forward-looking statements concern the Company's anticipated operations in future periods, planned exploration and development of its properties, and plans related to its business and other matters that may occur in the future. These forward-looking statements are made as of April 28, 2025.

Users of forward-looking statements are cautioned that actual results may vary from the forward-looking statements contained herein. Forward-looking statements 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 statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to:

- Risks related to uncertainty associated with the Company's ability to obtain funding in the future
- Risks related to the Company's inability to meet its financial obligations under agreements to which it is a party (see 'Liquidity and going concern')
- Risks related to governmental regulations, including without limitation, environmental laws and regulations
- Risks related to delays in obtaining governmental or regulatory approvals, licenses or permits
- Risks related to the Company's mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title
- Risks related to the exploration and development of natural resource properties
- Risks related to the uncertainty of mineral resource calculations and the inclusion of inferred mineral resources in economic estimations
- Risks related to fluctuations in future metal prices (particularly gold prices)
- Risks related to market events and conditions

- Risks related to competition from larger companies with greater financial and technical resources, and

Material risks to the Company which have been identified are provided at the end of this document. The Company has endeavoured to outline material risks; however, the list is not exhaustive.

Although the forward-looking statements contained in this document are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this document, and the Company assumes no obligation to update or revise them to reflect new events or circumstances except as may be required under applicable securities laws. There can be no assurance that forward-looking statements, or the material factors or assumptions used to develop such forward-looking statements, will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements.

Overview

The Company is a mineral exploration and development company with interests in gold projects in the state of Pará in northern Brazil. Cabral's primary project is Cuiú Cuiú.

The Company's subsidiary Cabral Gold B.C. Inc. ("**CGBC**") holds its interest in Cuiú Cuiú through Magellan Minerais Prospecção Geológica Ltda. ("**Magellan Brazil**").

Highlights

The year ended December 31, 2024 and the subsequent period ended April 28, 2025 were highlighted by the following activities and initiatives:

Exploration and development

- The Company completed its "Gold-in-Oxide" prefeasibility study ("PFS"). This PFS, undertaken by Ausenco do Brasil Engenharia Ltda ("**Ausenco**") confirmed the potential to exploit near-surface gold-in-oxide blanket and saprolite material at Cuiú Cuiú using open-pit mining and heap-leach processing.
- Results of the Gold-in-Oxide PFS found a base case after-tax IRR (Internal Rate of Return) 0f 47.3% and an after-tax NPV(5%) of US$25.2 million at a gold price of US$2,250 per ounce, starting initially at 500,000 tonnes per annum (tpa) ramping up to 720,000 tpa over a 4.5 year mine life. Average annual gold production for the first two years is estimated at 19,700 ounces gold per year with all-in sustaining costs (AISC) of US$1,003 per ounce. Two open pit mines are designed, Moreira Gomez (MG) and Central, containing a total of 83,762 gold ounces. Both pits bottom in primary mineralized material, exposing the resources below for future larger-scale production. (See news release dated October 21, 2024.)
- Exploration drilling focused on expanding resources at the Machichie target where significant results included 11m @ 33.0 g/t gold, 6m @ 13.3 g/t gold, 25m @ 2.9 g/t gold, and 5m @ 24.5 g/t gold (see news releases dated May 30, 2024, July 17, 2024, July 25, 2024, and October 28, 2024). Modeling and resource estimation is currently in progress at Machichie. Machichie is less than 500 metres from the MG deposit and the plant site envisioned in the PFS and due to its higher grade, may potentially enhance the overall Gold-in-Oxide Project. More recently, during Q1 2025, Cabral has completed 2823 metres of RC drilling at Machichie as well as four trenches. Important results include 12m @ 27.7 g/t gold in RC drilling and 20m @ 3.6 g/t gold from trench.
- The Company completed nearly 5,000 metres (2024) of infill and edge definition drilling on the Central resource, targeting large areas of open mineralization and Inferred Resource with the aim of upgrading to Indicated Resource. Cabral is currently updating the resource model and mine plan at Central.

- Cabral continued exploration in the Cuiu Cuiu District with a regional geophysical assessment, as well as focused geological work, auger sampling, and trenching at various targets including Pau da Merenda, Mutum, and Jerimum Cima (JC). A recently completed trench and surface sampling at JC discovered a new Gold-in-Oxide blanket zone, now the fifth in the District (MG, Central, Machichie, Machichie NE, JC). The trench uncovered a zone of 18m @ 1.9 g/t gold including individual assays of 1m @ 22.8 g/t Au and 0.8m @ 47.6 g/t Au (see news release dated November 14, 2024).

Other

- Ongoing corporate social responsibility activities continued during 2024 to date within the community of Cuiú Cuiú and surrounding areas. Logistical support was provided in the construction of a new school at Cuiú Cuiú which was completed in Q2 2024 and officially inaugurated in Q4 2024 (see 'Cuiú Cuiú - Corporate social responsibility').
- An Agreement has been finalised with the Local Itaituba Government and the Operating license (LO) has been issued for the upgrades to the Cuiú Cuiú community access road which was municipalized in September 2023. The access road is the key logistical route for the residents of the region and a fundamental foundation of the local economy. A Lidar survey was conducted in Q1 2024 and engineering study was completed by Ausenco in Q3 2024 to support the necessary road upgrades and seek formal quotes from third parties to execute the roadworks on behalf of the local Itaituba Government. Roadworks are forecast to begin in Q2 2025.
- Discussions are also underway to build a formal police base within the same complex as the Health Clinic, New School and Community water Supply.
- A second water bore was drilled by Cabral to attend the increasing demands of the community in Q3 2024 and plans are in place to provide a second Water Tower and improve the water distribution system for the community in Q1-Q2 2025.
- Work continues, together with the support of the local government, on including the Cuiú Cuiú Community in the federal Light For All Program to provide lower cost energy for the residents of Cuiú Cuiú.

Financing

On April 23rd and 25th, 2025, the Company announced that it has entered into an agreement, as amended, with Paradigm Capital Inc. as sole agent (the "Agent"), in connection with a proposed best efforts financing (the "Offering") for total proceeds of up to $13,000,560, consisting of up to 34,212,000 units of the Company (the "Units") at a price of $0.38 per Unit.

Each Unit will be comprised of one common share in the capital of the Company and one-half of one common share purchase warrant of the Company (each whole warrant, a "Warrant"). Each Warrant will be exercisable to acquire one common share in the capital of the Company (a "Warrant Share") for 24 months from the Closing Date (as defined below) at an exercise price of $0.56 per Warrant Share.

Mr. Eric Sprott has agreed to invest approximately $2,000,000 in the Offering.

The Offering is expected to close on or about May 1, 2025 (the "Closing Date") and is subject to the Company receiving all necessary regulatory approvals, including approval of the TSX Venture Exchange.

The Company has granted the Agent an option (the "Over-Allotment Option") exercisable, in whole or in part, within 30 days after the Closing Date to sell, at the Offering Price, up to 5,131,800 additional Units (being that number of additional Units equal to 15% of the number of Units issuable pursuant to the Offering) for market stabilization purposes and to cover over-allotments, if any. If the Over-Allotment Option is exercised in full, the aggregate gross proceeds of the Offering will be $14,950,644.

The Agent will be paid by the Company on closing of the Offering a cash commission equal to 6.0% of the gross proceeds of the Offering, including on any exercise of the Over-Allotment Option. Additionally, on the Closing Date, the Company will issue the Agent compensation options entitling the Agent to acquire that number of common shares equal to 6.0% of the number of Units issued pursuant to the Offering, including on any exercise of the Over-Allotment Option, at an exercise price of $0.38, exercisable for a period of 24 months following the Closing Date.

Corporate outlook

Management's focus into 2025 will be on the following:

- Updated modeling and resource estimation works for the Gold-in-Oxide material at Central and Machichie.
- Further detailed design and development infrastructure for the Gold-in-Oxide Project and completion of an updated PFS based on revised capital and operating costs and an updated reserve estimate for the near surface Gold-in-Oxide material.
- Reviewing potential financing options for construction of the Gold-in-Oxide Project and securing project financing.
- Continued exploration drilling of high priority targets targets within the Cuiu Cuiu district especially those such as Machichie Main, Machichie NE, PDM, Mutum, Central SE and JC, that are in close proximity to the existing gold deposits at MG and Central.

Cuiú Cuiú

The Company's primary gold project is Cuiú Cuiú.

Background: surface-access agreement, garimpeiro condominium

On February 19, 2006, Magellan Brazil entered into a surface-access agreement with a garimpeiro condominium, the holders of the traditional surface rights over the Cuiú Cuiú property. The 2006 agreement has since been amended and extended several times the most recent of which was on March 29, 2017. Annually, the Company works with the condominium to negotiate annual payments. In 2024, Magellan Brazil paid R$6,000 ($1,396) as an annual payment to each of the 14 majority stakeholders and R$3,000 per year ($698) to each of the 64 minority stakeholders. Payments totalling approximately $61,233 were made to the garimpeiros (both majority and minority stakeholders other than Magellan Brazil) in March and April 2024 in connection with the surface access fee in respect of the year ended March 2025.

Subsequent to December 31, 2024, the Company paid an annual rate of R$6,300 to the majority stakeholders and R$3,150 to the minority stakeholders in respect of the year ended March 2026.

As at December 31, 2024, Magellan Brazil owned seven majority interests and three minority interest in the Cuiú Cuiú condominium. An additional majority interest over the Machichie area was purchased in April 2025.

NSR royalties

Versamet NSR

Versamet Royalties Corporation ("Versamet"), a private company, has a 1.5% NSR royalty. The Company is required to pay an advance royalty of US$250,000 on the date that it obtains a feasibility study that recommends placing all or part of the Cuiú Cuiú project into production and a further advance royalty payment of US$250,000 on each one year anniversary of this date thereafter until the property enters commercial production. The Company is not currently advancing a feasibility study.

Versament's interest is secured by a pledge over production and mineral rights and as primary security holder over certain fixed assets. Versamet has a right of first refusal on any future royalty or gold stream financing for the Cuiú Cuiú project.

Osisko NSR

In July 2023, the Company entered into a royalty agreement with Osisko Gold Royalties Ltd. ("**Osisko**") whereby Osisko purchased a 1% net smelter return ("**NSR**") royalty on the Cuiú Cuiú gold project for total cash consideration of US$5,000,000 (received in 2023).

The Osisko NSR royalty applies to the area containing the existing resources at Cuiú Cuiú as well as the surrounding land package.

Cabral is required to pay Osisko US$250,000 on the date of completion of a feasibility study and each subsequent anniversary of said completion by way of an advance payment until the commencement of commercial production. These advance payments will be credited against future royalty payments due under the royalty agreement. The Company is not currently advancing a feasibility study.

Osisko's interests are secured by pledges over production and mineral rights, both secondary to the same security held by Versamet. Osisko's security also includes a first ranked registered pledge over the shares and quotas, respectively, of both CGBC and Magellan Brazil. Also, there are in place promises to pledge certain material fixed assets of Magellan Brazil in favor of both Versamet, as primary security holder, and Osisko, as secondary security holder.

Osisko retains certain additional rights regarding future royalty and stream financings.

Net proceeds on the sale of the NSR of $6,268,005 comprise gross proceeds of $6,613,000 (US$ 5,000,000) and direct transaction costs totalling $344,995.

Q4 2024 activity

Operations – Gold-in-Oxide Project
Operating activity in Q4 2024 and thereafter was directed to the PFS which was completed in November 2024.

The PFS is NI 43-101 compliant and includes updated resource estimates for the gold-in-oxide material at MG and Central as well as mine planning, metallurgical studies, mineral processing, mechanical, electrical and infrastructure design, hydrogeological and geotechnical studies and a detailed financial analysis.

In summary, results of the PFS conducted by Ausenco found:

- Total in-pit resources of 83,762 gold ounces contained in two shallow pits: MG and Central.
- Average gold recoveries based on metallurgical column tests of 88% in an oxide heap leach process yielding a total of 72,478 recovered gold ounces produced life of mine.
- A four and one-half year mine life with both open pits bottoming in mineralized primary resources allowing for potential continued future long-term operations. (Cabral considers the Gold-in-Oxide Project as a "starter" operation which profitably exposes the larger primary resources.)
- An average of 2,000 tonnes per day (tpd) of mineralized material is envisioned to be treated at the process plant which will include a mineral sizer, ROM pad, agglomerator, conveyor system and four on-off leach pads. Pregnant leach solution will be pumped to carbon-in-column (CIC) circuit and further

processed in an Adsorption/Desorption and Recovery (ADR) plant containing an acid wash column, elution, column, carbon regeneration kiln, electrowinning cell, sludge treatment, and smelting furnace.

- Initial capital costs are estimated to be US$37.4 million with sustaining capital of US$4.3 million.
- The Project has a base case after-tax IRR of 47.3% and an after-tax NPV(5%) of US$24.5 million using a gold price of US$2,250.
- Payback period is 1.5 years.

Operations - Exploration

Drilling activity undertaken through the end of December 2024 comprised the following:

- RC drilling: 53 holes totalling 3,752 metres
- Diamond drilling: 31 holes totalling 1,518 metres

2024 Drilling focused on exploration in the Machichie area, infill and exploration at the Central target, as well as geotechnical and hydrological studies. At Machichie, exploration outlined three areas of mineralization – Machichie West, Machichie Main, and Machichie NE. At Central, a large area to the northwest was drilled in 2024, extending the resource there.

In January 2025, Cabral brought in a second RC drilling rig which has completed slightly more than 3000 metres to date. In combination with Cabral's company-owned RC rig, the company has completed 5447 metres of drilling through April 20, 2025. This drilling focused on infill drilling at Machichie, scout drilling at the JC and Central SE targets, as well as condemnation drilling in the area of the proposed plant site.

Drill results have been disclosed via news releases. Highlights are presented below. Complete reported results of exploration programs are available on www.cabralgold.com and www.sedarplus.ca.

Machichie

Notable drill intercepts from the RC and diamond drill programs testing the Machichie target include the following:

- RC421 returned 11m @ 33.0 g/t gold from 50m depth including 4m @ 89.3 g/t gold
- RC420 returned 25m @ 2.9 g/t Au including 12m @ 5.5 g/t Au
- RC422 returned 21m @ 1.3 g/t gold from surface including 3m @ 7.5 g/t gold
- RC439 returned 10m @ 3.0 g/t gold from 11m depth including 5m @ 5.4 g/t gold
- RC449 returned 6m @ 13.3 g/t gold from 79m depth
- DDH331 returned 1m @ 14.2 g/t gold from 44.5m depth and 5m @ 24.5 g/t gold from 82m depth
- RC515 returned 3m @ 15.9 g/t gold from 16m depth
- RC520 returned 12m @ 27.7 g/t gold from 42m depth including 5m @ 65.5 g/t gold from 49m depth
- Surface trenching (CT51)returned 20m @ 3.6 g/t gold including 4m @ 15.7 g/t gold

Details are provided in the news releases dated May 30, 2024, July 17, 2024, July 25, 2024, and October 28, 2024, as well as March 13, March 26, and April 3, 2025.

Permitting process

On December 23, 2020, the EIA-RIMA (environmental background study) was submitted as part of the mining applications for 850.615/2004 and 850.047/2005 within the legally-required timeframe. Analysis of the EIA-RIMA began in early 2025 upon registration of the results of the studies relating to dewatering, filter press and dry stacking of tails and providing an updated EIA-RIMA environmental report.

As the Cuiú Cuiú project lies with the APA Tapajos Reserve a request for consent from the Federal Chico Mendes Environmental agency (ICMBio) for both the published Preliminary (LP) and Installation (LI) Licenses associated with the Trial Mining License and the EIA-RIMA was made in late Q3 2023 and a notification received in Q1 2024. With much of the notification requiring information generated from the recent PFS and engineering studies of Ausenco it is expected that the response to the notification will be complete and registered with the ICMBio in late Q4 2024. The Consent approval for environmental licensing (ALA) was received on April 17, 2025. The ALA covers both the currently licensed Trial Mining (GU's) and future EIA-RIMA full mining environmental licenses to be issued in the future.

An updated EIA-RIMA reflecting changes in the project, inclusion of the heap leach starter operation and replacement of tailings dams with dry-stacking facilities, was submitted to the state environmental agency SEMAS/PA in January 2025 and is currently under analysis with an onsite visit of SEMAS/PA planned for early May 2025.

At the same time, an application for six trial-mining licenses ('*Guias de Utilizacao*') covering an area of approximately 250 hectares was submitted for the Central, PDM, MG and Machichie areas of which two were granted by the ANM on February 3, 2021 (one for each tenement 850.615/2004 and 850.047/2005, on the MG and Machichie target areas).

Teams from the Para State Environmental Authority ('*SEMA*' conducted a preliminary field visit in August 2021 and completed their field audit in early November 2021, both as part of the trial-mining licence process. The environmental licensing for these trial-mining licenses, with submission of a formal Environmental Management Report ('*Relatório de controle ambiental*' or RCA) / Environmental Management Plan ('*Plano de controle ambiental*' or PCA) report to the state SEMAS/PA in December 2020 and the Preliminary Licence (LP) and Installation Licence (LI) were approved and published on June 14, 2022.

An application for reconsideration of the trial-mining licences to increase total volume was submitted on April 15, 2022 and a positive technical analysis was approved on April 18, 2022. The request was voted on by the Directors of the ANM on May 25, 2022 and the increase in volume was approved and formally published on June 8, 2022. This increase expands the capacity of the two trial-mining licenses to up to 200,000 tonnes-per-year on the western 850.615/2004 tenement (which includes PDM, Central and the western portions of the Machichie and MG targets) and a further 100,000 tonnes-per-year capacity on the eastern tenement, 850.047/2005 (which includes the eastern portions of the Machichie and MG targets).

A request to apply the Covid Extensions to the current trial-mining licenses, as provided by applicable laws, will be made with a potential increase of nine months. Advance requests for a second three-year period were made prior to the Pre-Covid expiry dates as a precaution. This included a request to increase the eastern 850.047/2005 block from 100,000 tonnes per year to 300,000 tonnes per year which is being analysed by the ANM The request for an increase in the mining volume on the 850.047/2005 tenement, from the current 100,000t/year to 300,000t/year, was submitted on the 16th of November 2023 along with a request to renew the Trial Mining License for another 3 years. A request for renewal of the 850.615/2005 Trial Mining License for another 3 years was also submitted at this time. Both requests are under analysis by the ANM with a positive technical approval by the ANM regarding the increase in volume on the 850.047/2005 tenement submitted on the 13th of November 2024, awaiting a final vote by the ANM Directors in Brasilia which is expected to occur in Q2 2025.

Corporate social responsibility

Corporate social responsibility activities within the surrounding community of Cuiú Cuiú continued in 2024 to date including the following:

- Ongoing contributions to the community's school. Lobbying of the local Itaituba government to build a new school at Cuiú Cuiú was successful. The school is now complete was officially inaugurated in Q3 2024. Cabral provided logistical support, energy and lodgings during the construction phase.

- Contribution to the construction of water tanks to better utilize the water bore previously supplied by the Company, along with drilling of an additional water bore in Q2 2024 and planned construction of a second water tank for water distribution in Q1 2025.
- The provision of basic sanitation services in the village of Cuiú Cuiú through the contribution of fuel and salaries to maintain a garbage collection service three times a week, the provision of educational programs and various other initiatives.
- Sharing of the Company's medical-centre facilities and related staff with the community with extensive assistance provided to the community in terms of both personnel and medical resources in connection with the COVID-19 pandemic.
- Ongoing provision of office space for the local police post and logistical support to the police.
- Request for inclusion of the Cuiú Cuiú community in the Light-For-All (*Luz Para Todos*) federal program of providing energy to regional/remote communities was made in April 2023. A further request for an upgrade to the proposed grid to attend to the future needs of the community and the Cuiú Cuiú project was also made. The request is still under consideration although considerable delays have been experienced in the execution of the project. With a new public source of power is due to arrive in Novo Progresso and Moraes Almeida by late 2026 a new request will be made for the Cuiú Cuiú community's inclusion in the program in Q2 2025.
- Results from a LIDAR survey conducted by Cabral on the Cuiú Cuiú access road have been received and an engineering study is now complete. An agreement with the local Itaituba Municipal Government was completed in Q1 2025 and licensing of the upgrades to the public community access road was received in December 2024. The Company is awaiting confirmation from the federal ICMBio to commence roadworks in Q2 2025. This change in status of the access road will have an enormous positive impact on the Cuiú Cuiú community.

Poconé properties

The Company was a party to two sets of agreements with third parties pursuant to which mineral properties in the Poconé region of the state of Mato Grosso were to be identified, explored and developed. The first agreement was entered into between Magellan Minerals and ECI Exploration & Mining Inc. ("**ECI**") on October 17, 2011 effective December 2009 pursuant to which ECI and Magellan Minerals would share equally in the rights and responsibilities associated with the identification, exploration and development of mineral properties (the "**ECI Venture**"). The second set of agreements was between Magellan Minerals, ECI and Brasil Central Engenharia Ltda. ("**Brasil Central**") pursuant to which Magellan Minerals, ECI, and Brasil Central would seek to identify, explore and develop mineral properties through a newly incorporated entity, Poconé Gold Mineração Ltda. ("**PGM**"). Magellan Brazil held a 35% interest in PGM until September 26, 2018.

Magellan Minerals' rights and responsibilities associated with both the ECI Venture and PGM were transferred to CGBC pursuant to an agreement dated April 15, 2016 between CGBC, Magellan Minerals and ECI.

While the Poconé properties have never had a carrying value in the books of the Company, Magellan Brazil's share of various liabilities relating to the ECI Venture and PGM were recognised.

Virtually no exploration activity was undertaken on any of the Poconé properties since 2012, however, claim maintenance charges continued to be incurred and certain of these charges were restructured. In addition, the Company historically incurred various other charges and realised proceeds on the liquidation of certain assets relating to both the ECI Venture and PGM.

In August 2015, ECI received notification that a former optionor of one of the property interests acquired by ECI on behalf of the ECI Venture had filed a claim against ECI and PGM in connection with an option agreement that had been entered into with the ECI Venture in December 2009. As of November 27, 2024, no claim had been filed against the Company, however, the Company is responsible for 50% of costs of ECI pursuant to the ECI Venture agreement. The plaintiff is claiming an amount of US$ 780,000 plus damages.

On September 26, 2018, an agreement was entered into pursuant to which the shares of PGM held by both Magellan Brazil and the Brazilian subsidiary of ECI were transferred to Brasil Central in exchange for Brasil Central taking over the debts of PGM and making nominal cash payments.

The disposal of PGM does not reduce the Company's exposure relating to the aforementioned legal claim against ECI and PGM. Furthermore, as part of the sale of PGM, Magellan Brazil and the Brazilian subsidiary of ECI provided an indemnification to PGM relating to any losses resulting from the legal claim.

Recent decisions of the applicable courts have gone against the defendants in this case. On June 6, 2022, the defendants filed an appeal ('*Recurso Especial*') addressed to the Superior Court of Justice ("**STJ**") in Brasilia, whose decision has been pending since October 27, 2022.

As at April 28, 2025, the significant uncertainty present regarding the outcome of the appeal at the STJ and related issues regarding the case are such that at this time, management is unable to estimate the likelihood of a loss ultimately being realised by the Company or the quantum and timing of any such loss should it occur.

No provision has been made in the accounts for any amount associated with the claim.

Proposed transactions

As at December 31, 2024 and April 28, 2025, there were no material proposed asset or business acquisitions or dispositions being contemplated.

Selected annual information

A summary of annual results in respect of the years ended December 31, 2022, 2023 and 2024 is as follows. This summary information has been derived from the audited consolidated financial statements of the Company.

In Canadian dollars	2024	2023	2022
Total assets	$ 6,082,064	$ 8,634,326	$ 6,302,090
Long-term liabilities	-	-	-
Working capital (deficiency)	1,600,853	3,543,041	1,275,518
Net income (loss)	(7,276,010)	1,124,681	(10,346,633)
Basic income (loss) per share	(0.04)	0.01	(0.07)
Diluted income (loss) per share	(0.04)	0.01	(0.07)

In 2022, the Company conducted a drill program on the Cuiú Cuiú project and incurred $7.7 million in exploration expenditures. Financial capacity at the end of 2022 resulted in as significant reduction in exploration work into 2023 and a scale down of operations and staffing. The sale of the Osisko NSR in July 2023 marked a refresh of financial capacity to resume investment at Cuiú Cuiú and generated a net income in the year ended December 31, 2023. In 2024, the Company completed a drilling program and released a PFS study with the proceeds of the Osisko NSR and private placement in April 2024.

Summary of quarterly results

Summary of Financial Information

A summary of results in respect of the eight quarters ended December 31, 2024 is as follows. This summary information has been derived from the audited consolidated financial statements and condensed interim consolidated financial statements (unaudited) of the Company.

The following table summarizes the quarterly results for each of the three-month periods ended:

In Canadian dollars	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Total assets	$ 6,082,064	$ 5,957,112	$ 7,413,813	$ 7,219,824
Long-term liabilities	-	-	-	-
Working capital (deficiency)	1,600,853	951,486	2,538,190	2,016,631
Net income (loss)	(1,599,002)	(2,243,043)	(1,870,838)	(1,563,127)
Basic and diluted income (loss) per share	(0.01)	(0.01)	(0.01)	(0.01)

In Canadian dollars	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Total assets	$ 8,634,326	$ 11,272,029	$ 7,169,179	$ 8,403,790
Long-term liabilities	-	-	-	-
Working capital (deficiency)	3,543,041	4,999,697	(553,167)	516,558
Net income (loss)	(2,050,738)	5,410,202	(1,201,500)	(1,033,283)
Basic and diluted income (loss) per share	(0.01)	0.03	(0.01)	(0.01)

The Company, over the periods presented, has been working to advance its main project - Cuiú Cuiú. Advancement of the project, exploration and investment varies from quarter to quarter with financial capacity and related to the nature of work being undertaken. While exploration and development spend has historically been driven by the number of drill rigs operating as owned and operated by the Company, the level of spend in Q4 2023 and Q1 and Q3 2024 has been driven more so by third party consulting fees incurred in connection with the PFS. The PFS was substantively completed in Q3 2024. Volatility in the $ to R$ foreign exchange rate leads to a corresponding volatility in $ denominated exploration and development spend, the vast majority of which is incurred in Brazil in R$.

In the three months ended September 30, 2023, the Company realized net proceeds on the sale of NSR related to the net smelter return ("**NSR**") royalty transaction with Osisko Gold Royalties Ltd. ("**Osisko**") pursuant to which Osisko agreed to purchase a 1% NSR royalty on the Cuiú Cuiú gold project for total cash consideration of US$ 5 million. The transaction closed in July 2023. This resulted in an income for that period, which is an anomaly for the Company.

Results of Operations

Results for the three months ended December 31, 2024 and 2023

The net loss for the three months ended December 31, 2024 was $1,599,002 (2023 - $2,050,738).

- Exploration and evaluation expenditures of $997,438 (2023 - $1,275,099) include the expenditures on the Company's PFS study, including drilling and all site expenditures in Brazil. The rate of investment on the Cuiú Cuiú property varies depending on the programs underway. The spend in 2023 increased following the sale of the Osisko NSR. In the current period, the Company was completing its PFS study and working on permitting advancement in Brazil.
- Management and consulting of $181,748 (2023 - $108,821) includes compensation to the Company's officers. Spend increased due to the appointment of a new VP of Exploration and adjustments to officer pay rates.
- Marketing and shareholder communications of $88,646 (2023 - $84,576) was relatively consistent with the Company's same investor relations provider and ongoing listing and transfer agent costs.
- Professional fees of $35,387 (2023 - $37,267) was relatively consistent with ongoing legal support for general corporate matters and assurance work.

In the three months ended December 31, 2024, the Company wrote-off capitalized mineral property costs of $33,192 for periphery properties not under active investigation. In the three months ended December 31, 2023, the Company wrote down property costs on the Bom Jardim property of $125,137 following a reduction in the property size.

Results for the year ended December 31, 2024 and 2023

- Exploration and evaluation expenditures of $5,113,207 (2023 - $3,069,388) include the expenditures on the Company's PFS study, including drilling and all site expenditures in Brazil. The rate of investment on the Cuiú Cuiú property has expanded following the NSR transaction in 2023 and private placement in April 2024 allowing the Company to further its business objectives.

For the year ended December 31, 2024	**Cuiú Cuiú**	**Other**	**Site costs and logistics**	**Total**
Payroll	$ 851,605	$ -	$ 59,133	$ 910,738
Field costs	1,270,482	13,672	107,227	1,391,381
Consulting, third parties	1,895,708	-	-	1,895,708
Drilling	393,338	-	-	393,338
Freight and travel	367,876	-	27,342	395,218
Assay	126,824	-	-	126,824
	$ 4,905,833	$ 13,672	$ 193,702	$ 5,113,207

For the year ended December 31, 2023	**Cuiú Cuiú**	**Other**	**Site costs and logistics**	**Total**
Payroll	$ 861,592	$ -	$ 44,722	$ 906,314
Field costs	844,284	14,699	-	858,983
Consulting, third parties	711,544	-	-	711,544
Freight and travel	178,371	-	28,521	206,892
Drilling	190,297	-	-	190,297
Assay	75,784	-	-	75,784
Office and logistics	-	-	119,574	119,574
	$ 2,861,872	$ 14,699	$ 192,817	$ 3,069,388

The Company resumed drilling in 2024 and has incurred increased expenditure with respect to consulting for work on the PFS study.

- Management and consulting of $677,970 (2023 - $448,372) includes compensation to the Company's officers. Spend increased due to the appointment of a new VP of Exploration and some additional spend in the current period with respect to the departing CFO. Compensation review increased rates to certain senior staff.
- Marketing and shareholder communications of 307,521 (2023 - $217,632) increased with the Company making efforts to provide additional information to shareholders regarding the Company's activities.
- Professional fees of $167,801 (2023- $112,005) increased as the Company engaged support for replacing key roles in the VP Exploration and CFO roles.

Overall, the Company's spend for the year ended December 31, 2024 was higher than the year ended December 31, 2023 as the Company was able to increase activity levels following the sale of the NSR to Osisko in 2023 which was followed with additional private placement funds. In the year ended December 31, 2023, the Company realized net proceeds of $6,268,005 with respect to the NSR sale which closed in July 2023 and incurred interest expense of $160,944 in respect of a loan from the Company's President and CEO which were non-recurring expenses.

Liquidity and going concern

As at December 31, 2024, the Company had a cash balance of $1,773,203, and a net working capital balance of $1,600,853 (December 31, 2023: cash balance of $3,895,766 and net working capital of $3,543,041). In April 2024, the Company raised gross proceeds of $2,260,200 in a non-brokered private placement and a further gross proceeds of $2,100,040 in December 2024.

Going concern

The nature of the Company's operations results in significant expenditures for the acquisition and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding to finance its exploration programs and to cover administrative and overhead expenses. The Company hopes to raise additional funding through the sale of equity or other instruments. Any financing solution could be highly dilutive to shareholders. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities.

There is no assurance that the Company will be successful in its initiatives to obtain additional funding. Management believes it will be able to raise additional financing as required but recognizes there are considerable risks involved that may be beyond its control, particularly in the short term. These material uncertainties cast doubt on the Company's ability to continue as a going concern.

The recoverability of the carrying value of mineral properties and deferred expenditures is dependent upon a number of factors including the existence of recoverable reserves, the ability of the Company to obtain financing to maintain properties in good standing and continue exploration and development activities and the discovery of economically recoverable reserves.

The Company's financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

In the event the Company is unable to arrange appropriate financing, the carrying value of its assets and liabilities could be subject to material adjustment, and the Company could be unable to meet its current and future obligations in the normal course of business.

Use of Proceeds

April 2024 non-brokered private placement

In late April 2024, the Company closed an over-subscribed private placement consisting of a total of 14,126,250 units at a price of $0.16 per unit for gross proceeds of $2,260,200. The Company had originally announced a financing comprised of up to 12,500,000 units at a price of $0.16 per unit for gross proceeds of up to $2,000,000. Each unit is comprised of one common share of the Company and one half of one common share purchase warrant of the Company. Each whole warrant entitles the holder to acquire one common share at an exercise price of $0.24 per share for two years following closing of the offering. The Company paid cash finder's fees of $36,968.

December 2024 non-brokered private placement

In December 2024, the Company closed a non-brokered private placement financing consisting of a total of 8,750,165 units at a price of $0.24 per unit for gross proceeds of $2,100,040. Each unit is comprised of one common share of the Company and one half of one common share purchase warrant of the Company. Each whole warrant entitles the holder to acquire one common share at an exercise price of $0.36 per share for two years following closing of the offering. The Company paid cash finder's fees of $29,460.

The following table set out a comparison of how the Company used the proceeds following the closing dates to December 31, 2024, an explanation of the variances and the impact of the variance on the ability of the Company to achieve its business objectives and milestones.

Financing	Estimated Use of Proceeds as Disclosed in News Release	Actual Use of Proceeds
April 2024	$2,223,232 in net proceeds (after finders' fees) allocated to general corporate purposes and to further the ongoing prefeasibility study on the weathered gold-in-oxide material at Cuiú Cuiú .	The Company used 100% of the proceeds to fund the prefeasibility study. The Company completed and delivered the prefeasibility study in October 2024.
December 2024	$2,070,580 in net proceeds (after finders' fees) allocated to drilling and development activities relating to the starter gold-in-oxide project at Cuiú Cuiú, and for general working capital purposes.	The Company is continuing a drilling program at Cuiú Cuiú, and to remediate road access to allow for more efficient movement of materials and service providers. The Company intends to continue allocating the funds to these items.

Operating activities

Cash used in operating activities in the year ended December 31, 2024 amounted to $6,399,623 (2023 - $5,097,377) included a net loss for the period of $7,276,010 (2023 – income of $1,124,681). The net proceeds on the sale of the NSR of $6,268,005 in 2023 were considered a financing activity in the statement of cashflows. The variation between the periods is materially impacted by the rate of investment at the Cuiú Cuiú project as discussed above.

Investing activities

Cash used in investing activities in the year ended December 31, 2024, amounted to $573,354 (2023 - $343,932) and related primarily to additions to mineral properties comprising capitalised acquisition and claim maintenance costs.

Additions relate to claim maintenance expenditures comprising payments to both the Brazilian authorities (Q1 and Q3 of each year) and members of the Cuiú Cuiú garimpeiro condominium (Q1 and Q2 of each year) as well as various surface access payments and acquisition expenditures relating to other parts of the Cuiú Cuiú district (including both majority and minority interests in the Cuiú Cuiú garimpeiro condominium).

Financing activities

Cash provided by financing activities in the year ended December 31, 2024 amounted to net proceeds of $4,764,359. The Company received proceeds of $4,360,240 (2023 - $2,790,000) from on private placements and incurred related share issuance costs of $133,201 (2023 - $54,443). Additionally, the Company received $159,140 (2023 - $nil) from the exercise of warrants and $378,180 (2023 - $nil) from the exercise of stock options. In the year ended December 31, 2023, the Company repaid a term loan in the amount of $1,025,614 and net proceeds of $6,268,005 from the sale of the Osisko NSR.

Dividends

The Company has neither declared nor paid any dividends on its common shares to date. The Company does not anticipate paying any dividends on its common shares in the foreseeable future.

Contractual commitments

The Company had no significant medium- or long-term contractual commitments in place as at December 31, 2024, beyond its stated liabilities, agreements entered into with various third party consultants in connection with the PFS and the following:

- The Company has retained Capital Markets Advisory to provide strategic marketing, investor relations and capital markets communications services for $10,000 per month.
- The Company is committed to sharing in net costs and commitments associated with its Poconé venture including its share of any losses relating to current litigation against PGM and a venture partner.

Contingent liabilities

Various legal, tax and regulatory matters are outstanding from time to time due to the nature of the Company's operations and the Company is therefore subject to litigation in the countries in which it operates. As at December 31, 2024, there was one legal case outstanding which had not been settled. The Company is not a defendant in the litigation, however, it does have a potential exposure pursuant to the terms of a historic joint venture agreement and a related indemnification provided to a third party in connection with the sale of its 35% interest in a company in 2018. Management is monitoring the progress of this case in the Brazilian courts and is continuing to support the defendants in their vigorous defence against this claim. Recent decisions of the applicable courts have gone against the defendants which increases the risk that the Company may ultimately incur a loss. As at December 31, 2024, however, the significant uncertainty present regarding the outcome of the case and related issues are such that at this time, management is unable to estimate the likelihood of a loss ultimately being realised by the Company or the quantum and timing of any such loss should it occur. No provision was made in the Q2 2024 financial statements for any amount associated with the claim.

Capital resources

The Company had no capital expenditure commitments as at either December 31, 2024.

Transactions with related parties

A summary of management and director remuneration and related expenses is as follows:

	2024	2023
Management:		
Employment remuneration		
Alan Carter, CEO and Director	200,000	150,000
Paul Hansed, Former CFO	14,500	29,000
Consulting fees		
Samantha Shorter, CFO (Red Fern Consulting Ltd.)	76,000	-
Paul Hansed, Former CFO (Hornby Capital Corp.)	67,167	100,800
P. Mark Smith, Former Director (GeoFin Consulting)	62,500	141,250
Brian Arkell, VP Exploration	156,831	-
Payroll related costs (employer taxes, health benefits)		
Alan Carter	5,524	5,134
Paul Hansed	7,125	14,698
Brian Arkell	11,719	-
Share-based payments, stock options	141,765	88,225
Share-based payments, RSUs	20,488	44,202
	763,619	580,799
Non-executive directors:		
Share-based payments, stock options	60,984	65,514
Share-based payments, RSUs	41,573	27,265
	102,557	92,779
	$ 866,176	$ 673,578

With the exception of the term loan provided by the Company's President and CEO, all transactions with related parties have occurred in the normal course of operations and have been measured at the exchange amount, which is the amount agreed to by the related parties.

In May 2022, the Company announced that it had entered into an agreement with its President and Chief Executive Officer pursuant to which he would provide short-term financing to the Company by way of an unsecured term loan of up to $1,500,000 (see 'Liquidity and going concern - Term loan from the President and CEO'). As at December 31, 2024, the term loan and all interest thereon had been repaid in full.

With the exception of the term loan, the amounts owing to officers are non-interest bearing, unsecured and have no set terms of repayment.

Outstanding share data

The Company has authorized capital of an unlimited number of common shares with no par value.

As at December 31, 2024, the Company had 214,608,670 common shares outstanding. The Company has 233,976,170 common shares outstanding as of the date of this MD&A.

The Company had the following share purchase warrants, stock options and RSUs outstanding as at December 31, 2024:

Share purchase warrants	**Expiry date**	**Exercise price**	**Number of warrants**
Warrants (March 2023 private placement) [1]	March 17, 2025	$ 0.20	27,350,000
Warrants (April 2024 private placement) [2]	April 18, 2026	0.24	5,694,375
Warrants (April 2024 private placement)	April 22, 2026	0.24	628,750
Warrants (April 2024 private placement)	April 26, 2026	0.24	600,000
Warrants (December 2024 private placement)	December 2, 2026	0.36	3,176,585
Warrants (December 2024 private placement)	December 20, 2026	0.36	1,198,501
		$ 0.23	38,648,211

[1] Subsequent to December 31, 2024, 18,850,000 warrants exercised
[2] Subsequent to December 31, 2024, 292,500 warrants exercised

Stock options (by expiry date)	**Exercise price**	**Number of Options**
July 21, 2025	$ 0.27	2,240,000
November 12, 2025	0.60	300,000
April 11, 2026	0.49	300,000
August 30, 2026	0.51	2,850,000
October 20, 2028	0.12	4,450,000
July 9, 2029	0.28	750,000
	$ 0.32	10,890,000

Vesting date	**Number of RSUs**
April 20, 2025[1]	225,000
October 20, 2026	875,000
	1,100,000

[1] Subsequent to December 31, 2024, 225,000 shares issued pursuant to the vesting of RSUs.

Issuance of shares for debt

In February 2024, the Company settled $14,828 of debt owed to the President and CEO by issuing an aggregate of 74,166 common shares of the Company at a deemed price of $0.20 per share. The debt related to interest charges on the term loan in respect of the period October 1, 2023 through December 13, 2023 being the date on which the principal amount of the loan was repaid in full.

Risk Factors

The securities of the Company should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in the accompanying consolidated financial statements, in this MD&A and the Company's Annual Information Form ("AIF") for the year ended December 31, 2024 and the Company's profile on the SEDAR+ website at www.sedarplus.ca prior to making an investment in our securities. In addition to this other information, the following risk factors should be given special consideration when evaluating an investment in any of our securities.

The Company's material risk factors are provided in the accompanying AIF.