



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
OF GREAT QUEST GOLD LTD.**

**MANAGEMENT INFORMATION CIRCULAR
CONCERNING**

**A REVERSE TAKEOVER BY
LOTUS GOLD CORPORATION**

Dated as of September 10, 2025

YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.

GQ Shareholders:

The Board of Directors of Great Quest Gold Ltd. unanimously recommends that shareholders vote

FOR the RTO Resolution

Your vote is very important regardless of the number of shares you own. We urge you to vote using the enclosed form of proxy or voting instruction form even if you are unable to attend the meeting. Please carefully follow the instructions provided to vote your shares. If you have any questions or need assistance voting your shares, please contact director of Great Quest Gold Ltd. Jed Richardson at IR@greatquest.com.

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Reverse Takeover described in this information circular.



September 10, 2025

Dear GQ Shareholder:

It is my pleasure to extend to you, on behalf of the board of directors (the “**GQ Board**”) of Great Quest Gold Ltd. (“**GQ**”), an invitation to attend the annual general and special meeting (the “**GQ Meeting**”) of the shareholders of GQ (the “**GQ Shareholders**”) to be held at the offices of Wildeboer Dellelce LLP at 365 Bay Street, Suite 800, Toronto Ontario M5H 2V1 and broadcast via teleconference (listen only) at:

<https://us02web.zoom.us/j/83522619344?pwd=oDHakNYvdIaMQNPraz1cILGWA73HxG.1>

on Monday, October 20, 2025 at 12:00 p.m. (Toronto time). At the GQ Meeting, GQ Shareholders are being asked to consider a number of matters, including an ordinary resolution (the “**RTO Resolution**”) approving the Reverse Takeover of GQ by Lotus Gold Corporation (“**Lotus**”) pursuant to which GQ will acquire all of the issued and outstanding common shares in the capital of Lotus (the “**Lotus Shares**”).

Article I. The Reverse Takeover

On June 26, 2025, GQ entered into a definitive arrangement agreement (the “**Arrangement Agreement**”) with Lotus, whereby, subject to the terms and conditions of the Arrangement Agreement, GQ will acquire all of the issued and outstanding Lotus Shares by way of a proposed plan of arrangement under section 288 of the *Business Corporations Act* (British Columbia) (the “**Arrangement**”), which will constitute a reverse takeover (the “**Reverse Takeover**” or “**RTO**”) pursuant to the policies of the TSX Venture Exchange (the “**TSXV**”). If completed, Lotus will become a wholly-owned subsidiary of GQ and GQ will continue the operations of GQ and Lotus on a combined basis. GQ will issue such number (“**Consideration Shares**”) of common shares in the capital of GQ (the “**GQ Shares**”) to the shareholders of Lotus such that the former shareholders of Lotus are expected to hold approximately 64.6% of the Resulting Issuer (as defined in the accompanying management information circular of GQ dated September 10, 2025, the “**Circular**”) and the GQ Shareholders will hold approximately 35.4% of the Resulting Issuer.

GQ Shareholders are not required to approve the Arrangement, but are required to approve the Reverse Takeover pursuant to the policies of the TSXV. To be effective, the RTO Resolution must be approved at the GQ Meeting by at least a majority of the votes cast on the RTO Resolution by the GQ Shareholders present in person or represented by proxy and entitled to vote at the GQ Meeting.

Article II. Recommendation of the GQ Board

After careful consideration, including a thorough review of the Arrangement Agreement, as well as a thorough review of other matters, the GQ Board unanimously determined that the RTO is in the best interests of GQ. **Accordingly, the GQ Board unanimously approved the RTO and the Arrangement Agreement and recommended that GQ Shareholders vote in favour of the RTO Resolution.** The GQ Board also recommends that the GQ Shareholders vote in favour of the GQ AGM Resolutions and the Omnibus Plan Resolution, each as defined and discussed further below in the accompanying Notice of Meeting and Circular.

Article III. Voting and Support Agreements

Management of GQ and members of the GQ Board have entered into voting and support agreements with Lotus agreeing to support the RTO and vote their GQ Shares in favour of the RTO Resolution, subject to certain exceptions.

Article IV. Circular and Voting

The accompanying Notice of Meeting and Circular provide a description of the RTO and include certain additional information to assist you in considering how to vote on the RTO Resolution. You are urged to read this information carefully and, if you require assistance, to consult your tax, financial, legal or other professional advisors.

Article V. Vote Your GQ Shares FOR the RTO Resolution Today

Your vote is very important regardless of the number of GQ Shares you own. If you are a registered GQ Shareholder (i.e., your name appears on the register of the GQ Shares maintained by or on behalf of GQ) and you are unable to attend the GQ Meeting in person, we encourage you to complete, sign, date and return the accompanying form of proxy (the “**GQ Proxy**”) so that your GQ Shares can be voted at the GQ Meeting (or at any adjournments or postponements thereof) in accordance with your instructions. To be effective, the enclosed GQ Proxy must be received by GQ’s transfer agent, Odyssey Trust Company (according to the instructions on the Proxy), 350 – 409 Granville Street, Vancouver BC V6C 1T2, not later than 12:00 pm (Toronto time) on October 16, 2025 (or no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to any reconvened Meeting in the event of an adjournment of the GQ Meeting) or the completed and executed Proxy must be deposited with the Chair of the GQ Meeting prior to the commencement of the GQ Meeting or any adjournment thereof. Voting instructions may also be provided by facsimile or the internet by following the instructions on the Proxy.

If you hold GQ Shares through a broker, custodian, nominee or other intermediary, you should follow the instructions provided by your intermediary to ensure your vote will be counted at the GQ Meeting.

Article VI. Conditions

Subject to obtaining the requisite approvals of the GQ Shareholders, the Lotus Shareholders, the TSXV, and the Court, it is anticipated that the RTO will be completed as soon as practicable following receipt of the final order of the Court, which is expected to be obtained on or about October 27, 2025 and following the satisfaction or waiver of all other conditions precedent to the RTO.

The parties to the RTO intend to complete the RTO in accordance with TSXV policies and will make an application to the TSXV in order to obtain all approvals required in respect of the RTO. There can be no assurance that all of the requisite approvals will be granted on a timely basis or on conditions satisfactory to GQ or that approvals will be granted at all.

The accompanying Circular contains a detailed description of the RTO, as well as detailed information regarding GQ and Lotus and other information regarding the resulting issuer after giving effect to the RTO. It also includes certain risk factors relating to GQ, Lotus and the Resulting Issuer assuming the completion of the RTO, and the potential consequences to GQ Shareholders of the RTO.

Article VII. GQ Shareholder Questions

If you have any questions or need assistance in your consideration of the Reverse Takeover, with the completion and delivery of your GQ Proxy, please contact GQ director Jed Richardson at IR@greatquest.com.

On behalf of GQ, I would like to thank all GQ Shareholders for their continuing support.

Yours truly,

“Jed Richardson”

Jed Richardson, Chief Executive Officer, Executive Chairman

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF GQ SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**GQ Meeting**”) of shareholders (“**GQ Shareholders**”) of Great Quest Gold Ltd. (“**GQ**”) will be held on Monday, October 20, 2025 at 12:00 pm (Toronto time) at 365 Bay Street, Suite 800, Toronto, Ontario M5H 2V1 and broadcast via teleconference (listen only) at: <https://us02web.zoom.us/j/83522619344?pwd=oDHakNYvdlaMQNPraz1cILGWA73HxG.1>. for the following purposes:

1. to receive the financial statements of GQ for the financial year ended December 31, 2024, together with the auditor’s report thereon;
2. to appoint McGovern Hurley LLP as auditors of GQ (the “**GQ Auditors**”) for the current financial year and to authorize the directors to fix the remuneration of the GQ Auditors;
3. (A) to elect the directors of GQ to serve from the close of the GQ Meeting (the “**Current Slate**”) until the earlier of: (i) the close of the next annual general meeting of GQ Shareholders; (ii) the time of completion of the “reverse takeover” (the “**RTO**”) with Lotus Gold Corporation (“**Lotus**”) within the meaning of Policy 5.2 – *Changes of Business and Reverse Takeovers* of the TSX Venture Exchange (the “**TSXV**”) Corporate Finance Manual, as more fully described in the accompanying Circular (as defined below) (the “**Change of Board Time**”); and/or (iii) such time that their successors are elected or appointed, all as the case may be, unless his or her office is earlier vacated in accordance with the articles of GQ or the provisions of the *Business Corporations Act* (British Columbia) (as defined below); and (B) to elect the directors of GQ to serve from the Change of Board Time until the close of the next annual general meeting of GQ Shareholders or until their successors are elected or appointed;
4. to consider and, if thought advisable to pass, with or without amendment, an ordinary resolution ratifying and approving GQ’s stock option plan in accordance with the policies of the TSXV
5. to consider and, if thought advisable, to pass, with or without amendment, an ordinary resolution (the “**RTO Resolution**”), the full text of which is set forth in Schedule “A” to the accompanying management information circular dated September 10, 2025 (the “**Circular**”), authorizing and approving the RTO, as more particularly described in the Circular;
6. to consider and if thought advisable to pass, with or without amendment, an ordinary resolution (the “**Omnibus Plan Resolution**”), the full text of which is set forth in Schedule “B” to the Circular, authorizing and approving the Company’s omnibus long-term incentive plan as described in the Circular and in the form as set out at Schedule “L” to the Circular; and
7. to transact such other business as may properly be brought before the GQ Meeting or any adjournment thereof.

Specific details of the matters proposed to be put before the GQ Meeting are set forth in the accompanying Circular. The full text of the GQ AGM Resolutions (being items 1 to 4 set out above), the RTO Resolution (being item 5 set out above), and the Omnibus Plan Resolution (being item 6 set out above) are set out in Schedules “K”, “A” and “B”, respectively to the accompanying Circular.

The record date for determining the GQ Shareholders entitled to receive notice of and vote at the GQ Meeting is the close of business on September 3, 2025 (the “**Record Date**”). A registered GQ Shareholder may attend the GQ Meeting in person or may be represented by proxy. Registered GQ Shareholders (as defined in the accompanying Circular) who are unable to attend the GQ Meeting or any adjournment thereof in person are requested to complete, date and sign the accompanying form of proxy (the “**GQ Proxy**”) or voting instruction form and deliver it in accordance with the instructions set out in the GQ Proxy and in the accompanying Circular.

To be effective, the GQ Proxy must be received by our transfer agent, Odyssey Trust Company, not later than 12:00 p.m. (Toronto time) on October 16, 2025 (or no later than 48 hours (excluding Saturdays, Sundays and

holidays) prior to any reconvened Meeting in the event of an adjournment of the GQ Meeting) or the completed and executed GQ Proxy must be deposited with the Chair of the Meeting prior to the commencement of the GQ Meeting or any adjournment thereof. Voting instructions may also be provided by facsimile or the internet by following the instructions on the GQ Proxy.

Notice-and-Access

GQ has elected to use the “notice-and-access” provisions (“**Notice-and-Access**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* for the GQ Meeting in respect of the delivery of meeting materials, the annual financial statements and related management’s discussion and analysis (the “**Annual Materials**”). This means that the Annual Materials will be posted online for you to access, rather than being mailed out. This Notice of Meeting details information on how to access the Annual Materials online and how to request a paper copy. Notice-and-Access substantially reduces the quantity of material that must be printed and mailed to GQ Shareholders by allowing for the posting of Annual Materials online, thus reducing costs and the environmental impact. GQ Shareholders will receive a notice in the mail giving instructions on how to request a paper copy of the Annual Materials and Circular free of charge.

If you are a non-registered holder of common shares in the capital of GQ and have received these materials through your broker, custodian, nominee or other intermediary, please complete and return the form of proxy or voting instruction form provided to you by your broker, custodian, nominee or other intermediary in accordance with the instructions provided therein.

The GQ Proxy and voting instruction form confers discretionary authority with respect to: (i) amendments or variations to the matters of business to be considered at the GQ Meeting; and (ii) other matters that may properly come before the GQ Meeting. As of the date hereof, management of GQ knows of no amendments, variations or other matters to come before the GQ Meeting other than the matters set forth in this Notice of Meeting. GQ Shareholders who are planning on returning the accompanying GQ Proxy or voting instruction form are encouraged to review the accompanying Circular carefully before submitting the GQ Proxy or voting instruction form. It is the intention of the persons named in the enclosed GQ Proxy or voting instruction form, if not expressly directed to the contrary in such GQ Proxy or voting instruction form, to vote in favour of the RTO Resolution, Omnibus Plan Resolution and each of the GQ AGM Resolutions.

GQ is offering an option for shareholders to listen to the GQ Meeting by teleconference (listen only) at:

<https://us02web.zoom.us/j/83522619344?pwd=oDHakNYvdIaMQNPraz1cILGWA73HxG.1>

Via teleconference, guests will be able to listen to the GQ Meeting but will not be able to vote or ask questions. **If you intend to listen to the GQ Meeting via teleconference, you must vote on the matters prior to the GQ Meeting by proxy, appointing the person designated in the GQ Proxy form or voting instruction form. You will find important information and detailed instructions about how to participate in the GQ Meeting in the Circular.**

If you have any questions or require any assistance in completing your GQ Proxy or voting instruction form, please contact GQ director Jed Richardson at: IR@greatquest.com.

DATED at Vancouver, British Columbia, this 10th day of September, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

“Jed Richardson”

Jed Richardson
CEO, Executive Chairman, and Director
Great Quest Gold Ltd.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for the statements of historical fact contained herein, the information presented in this Circular and the information incorporated by reference herein constitutes “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of applicable Canadian Securities Laws (together, “**forward-looking statements**”) concerning the business, operations, plans and financial performance and condition of each of GQ, Lotus and the Resulting Issuer. Often, but not always, forward-looking statements can be identified by words such as “*pro forma*”, “plans”, “expects”, “may”, “should”, “could”, “will”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, or variations including negative variations of such words and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual plans, results, performance or achievements of GQ, Lotus or the Resulting Issuer to differ materially from any future plans, results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the timing, closing or non-completion of the Arrangement, including due to the Parties failing to receive, in a timely manner and on satisfactory terms, the necessary Court, shareholder, stock exchange and regulatory approvals or the inability of the Parties to satisfy or waive in a timely manner the other conditions to the closing or the conditions precedent, as applicable, of the Arrangement; receipt of a superior proposal by Lotus; inability to achieve the benefits or synergies anticipated from the Arrangement; actual operating cash flows, operating costs, free cash flows, mineral resources, total cash, transaction costs and administrative costs of Lotus, GQ or the Resulting Issuer differing materially from those anticipated; project infrastructure requirements and anticipated processing methods, exploration expenditures of Lotus differing materially from those anticipated; risks related to partnership or other joint operations; actual results of current exploration activities; variations in mineral resources and reserves, mineral production, grades or recovery rates or optimization efforts and sales; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; uninsured risks, including, but not limited to, pollution, cave ins or hazards for which insurance cannot be obtained; regulatory changes; defects in title; availability or integration of personnel, materials and equipment; inability to recruit or retain management and key personnel; performance of facilities, equipment and processes relative to specifications and expectations; unanticipated environmental impacts on operations; market prices; production, construction and technological risks related to GQ and Lotus; capital requirements and operating risks associated with the operations or an expansion of the operations of GQ and Lotus; fluctuations in gold, silver and other metal prices and currency exchange rates; uncertainty relating to future production and cash resources; inability to successfully complete new development projects, planned expansions or other projects within the timelines anticipated; adverse changes to market, political and general economic conditions or laws, rules and regulations applicable to Lotus, GQ or the Resulting Issuer; changes in project parameters; the possibility of project cost overruns or unanticipated costs and expenses; accidents, labour disputes, community and stakeholder protests and other risks of the mining industry; failure of plant, equipment or processes to operate as anticipated; risk of an undiscovered defect in title or other adverse claim; and related measures and restrictions; factors discussed under the heading “Risk Factors” in the body of this Circular.

In addition, forward-looking information herein is based on certain assumptions and involves risks related to the consummation or non-consummation of the Arrangement and the business and operations of Lotus, GQ and the Resulting Issuer. Forward-looking information contained herein is based on certain assumptions including that GQ Shareholders will vote in favour of the RTO Resolution, that Lotus Shareholders will vote in favour of the Arrangement Resolution, that the TSXV will approve the RTO, that the Court will approve the Arrangement, that all other conditions to the Arrangement will be satisfied or waived and that the Arrangement will be completed. Other assumptions include, but are not limited to, interest and exchange rates; the price of gold and other metals; competitive conditions in the mining industry; synergies between GQ and Lotus; title to mineral properties; financing and funding requirements; general economic, political and market conditions; and changes in laws, rules and regulations applicable to GQ and Lotus.

Although GQ and Lotus have attempted to identify important factors that could cause plans, actions, events or results to differ materially from those described in forward-looking statements in this Circular, and the documents incorporated by reference herein, there may be other factors that cause plans, actions, events or results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate as actual plans,

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 in this Circular, nor in the documents incorporated by reference herein. All of the forward-looking statements made in this Circular, including all documents incorporated by reference herein, are qualified by these cautionary statements.

Certain of the forward-looking statements and other information contained herein concerning the mining industry and general expectations of GQ and Lotus concerning the mining industry, GQ, Lotus and the Resulting Issuer are based on estimates prepared by GQ and Lotus using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which GQ and Lotus believe to be reasonable. However, although generally indicative of relative market positions, market shares and performance characteristics, this data is inherently imprecise. While GQ and Lotus are not aware of any misstatement regarding any industry data presented herein, the mining industry involves risks and uncertainties that are subject to change based on various factors.

GQ Shareholders are cautioned not to place undue reliance on forward-looking statements. Lotus and GQ undertake no obligation to update any of the forward-looking statements in this Circular or incorporated by reference herein, except as required by law.

No broker, investment dealer, salesperson or other Person has been authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied upon as having been authorized by Lotus or GQ.

GENERAL MATTERS

Reporting Currencies and Accounting Principles

Unless otherwise indicated, all references to “\$” or “C\$” in this Circular refer to Canadian dollars and all references to US\$ in this Circular refer to U.S. dollars.

The financial statements of GQ and Lotus that are attached to this Circular at Schedule “H” and Schedule “F”, respectively are reported in Canadian dollars and are prepared in accordance with International Financial Reporting Standards (“IFRS”). The pro forma financial statements of the Resulting Issuer that are included in Schedule “J” to this Circular are reported in Canadian dollars.

Information Contained in this Circular

The information contained in this Circular is given as at September 3, 2025, except where otherwise noted and except that information in documents incorporated by reference is given as of the dates noted therein. No Person has been authorized to give any information or to make any representation in connection with the RTO and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by Lotus or GQ.

This Circular does not constitute the solicitation of an offer to purchase, or the making of an offer to sell, any securities or the solicitation of a proxy by any Person in any jurisdiction in which such solicitation or offer is not authorized or in which the Person making such solicitation or offer is not qualified to do so or to any Person to whom it is unlawful to make such solicitation or offer.

Information contained in this Circular should not be construed as legal, tax or financial advice. Lotus Shareholders and GQ Shareholders are urged to consult with their own professional advisors to obtain legal, tax or financial advice.

Descriptions in this Circular of the terms of the Arrangement Agreement, the Plan of Arrangement and the Voting Support Agreements are summaries of the terms of those documents and are qualified in their entirety by such terms. GQ Shareholders should refer to the full text of each of the Arrangement Agreement, the Plan of Arrangement and the Voting Support Agreements for complete details of those documents. The full text of the Arrangement Agreement, Plan of Arrangement and the Voting Support Agreements are available on SEDAR+ under GQ’s issuer profile at www.sedarplus.ca. Copies of the Voting Support Agreements may also be obtained on request by Lotus Shareholders, without charge, from Lotus.

Information Contained in this Circular Regarding Lotus, GQ and the Resulting Issuer

Certain information in this Circular pertaining to Lotus, GQ and the Resulting Issuer has been furnished by Lotus and GQ, respectively, including, but not limited to (i) information pertaining to Lotus as set out at Schedule “C” hereto; (ii) information pertaining to GQ as set out at Schedule “D” hereto; (iii) information pertaining to the Resulting Issuer as set out at Schedule “E” hereto, and (iv) the pro forma financial statements in Schedule “J”. With respect to information about GQ, Lotus has relied exclusively upon GQ, without independent verification by Lotus. Although Lotus does not have any knowledge that would indicate that such information is untrue or incomplete, neither Lotus nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information including any of GQ’s financial statements, or for the failure by GQ to disclose events or information that may affect the completeness or accuracy of such information. With respect to information about Lotus, GQ has relied exclusively upon Lotus, without independent verification by GQ. Although GQ does not have any knowledge that would indicate that such information is untrue or incomplete, neither GQ nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information including any of Lotus’ financial statements, or for the failure by Lotus to disclose events or information that may affect the completeness or accuracy of such information. For further information regarding GQ and Lotus, please refer to the filings with the Securities Authorities of GQ, which is available on SEDAR+ under GQ’s profile at www.sedarplus.ca and Schedule “D” – “Information Concerning GQ”, Schedule “C” – “Information Concerning Lotus”, Schedule “E” – “Information Concerning the Resulting Issuer” and Schedule “J” – “Pro Forma Financial Statements” to this Circular.

SUMMARY OF CIRCULAR

This Summary should be read together with and is qualified in its entirety by the more detailed information and financial data and statements contained elsewhere in this Circular, including the Schedules hereto and documents incorporated into this Circular by reference. Capitalized terms in this Summary have the meanings set out in the “Glossary of Terms” or as set out in this Summary. The full text of the Arrangement Agreement, which is incorporated by reference in this Circular, may be viewed on SEDAR+ under GQ’s issuer profile at www.sedarplus.ca and copies may be obtained on request by GQ Shareholders without charge from GQ.

The GQ Meeting

The GQ Meeting will be held on Monday, October 20, 2025 at 12:00 p.m. (Toronto time) at 365 Bay Street, Suite 800, Toronto, Ontario M5H 2V1 and broadcast via teleconference (listen only) at:

<https://us02web.zoom.us/j/83522619344?pwd=oDHakNYvdIaMQNPraz1cILGWA73HxG.1>

The Record Date for determining the GQ Shareholders entitled to receive notice of and to vote at the GQ Meeting is September 3, 2025. Only GQ Shareholders of record as of the close of business on the Record Date are entitled to receive notice of and to vote at the GQ Meeting.

Please note if you attend the GQ Meeting via teleconference that you will not be able to vote or ask questions. If you intend to listen to the GQ Meeting via teleconference, which is strongly encouraged, you must vote on the matters prior to the GQ Meeting by proxy, appointing the person designated by management in the GQ Proxy or voting instruction form.

Purpose of the GQ Meeting

The purpose of the GQ Meeting is, among other things, for GQ Shareholders to consider and vote upon the RTO Resolution, the full text of which is set out in Schedule “A” to this Circular. Particulars of matters relating to the RTO are described in this Circular under the heading “*The Arrangement*”. GQ Shareholders are also asked to consider and vote upon the Omnibus Plan Resolution and the GQ AGM Resolutions, the full text and particulars of which are set out in Schedules “B” and “K”, respectively, to this Circular.

The GQ Board recommends that GQ Shareholders vote FOR the RTO Resolution, FOR the Omnibus Plan Resolution, and FOR each of the GQ AGM Resolutions.

Parties to the Arrangement

GQ is a company incorporated under the BCBCA. GQ's head office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia V6C 2T5 and its registered office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5. The GQ Shares are listed for trading on the TSXV under the symbol "GQ".

Lotus is a company incorporated under the BCBCA. Lotus' head office and registered office is located at 1890 - 1075 West Georgia Street, Vancouver, British Columbia V6E 3C9. None of the Lotus Shares are listed for trading on any stock exchange. Lotus is engaged in the exploration and development of mineral resource properties, presently focused on the Lotus Material Property which is located in Egypt.

See Schedule "D" – *"Information Concerning GQ"* to this Circular for a description of GQ. See Schedule "C" – *"Information Concerning Lotus"* to this Circular for a description of Lotus. See Schedule "E" – *"Information Concerning the Resulting Issuer"* and Schedule "J" – *"Pro Forma Financial Statements"* to this Circular for a description of the Resulting Issuer after giving effect to the RTO.

Effects of the Arrangement

The purpose of the Arrangement is to effect the Reverse Takeover of GQ by Lotus. The Arrangement is to be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. Upon completion of the Arrangement, GQ will acquire all of the issued and outstanding Lotus Shares and Lotus will become a wholly-owned Subsidiary of GQ. See Schedule "E" to this Circular for information regarding the Resulting Issuer.

Consolidation and Change of Name

At the Effective Time, GQ will consolidate its GQ Shares on the basis of 30 old GQ Shares for one new common share (the "**Consolidation**"), and will change its name to "Ongwe Minerals Inc." (the "**Name Change**").

GQ Shareholders

Immediately following the completion of the Arrangement, GQ Shareholders are expected to own approximately 35.4% of the Resulting Issuer Shares on an undiluted basis, based on the number of GQ Shares outstanding upon completion of the Arrangement.

GQ Shareholder Approval

At the GQ Meeting, the GQ Shareholders will be asked to consider and, if deemed advisable, pass the RTO Resolution set forth at Schedule "A" hereto to approve the RTO. To be effective, the RTO Resolution must be approved at the GQ Meeting by at least a majority of the votes cast on the RTO Resolution by the GQ Shareholders present in person or proxy and entitled to vote at the GQ Meeting.

GQ Shareholders will also be asked to consider and, if deemed advisable, pass the Omnibus Plan Resolution, set forth at Schedule "B" hereto to approve the Omnibus Plan. To be effective, the Omnibus Plan Resolution must be approved at the GQ Meeting by at least a majority of the votes cast on the Omnibus Plan Resolution by the GQ Shareholders present in person or proxy and entitled to vote at the GQ Meeting.

GQ Shareholders will also be asked to approve each of the GQ AGM Resolutions set forth at Schedule "K" hereto to approve the AGM items of GQ. To be effective, the GQ AGM Resolutions must be approved at the GQ Meeting by at least a majority of the votes cast on the GQ AGM Resolutions by the GQ Shareholders present in person or proxy and entitled to vote at the GQ Meeting.

Lotus Shareholder Approval

Lotus will hold an annual general and special meeting (the "**Lotus Meeting**") concurrently with the GQ Meeting for Lotus Shareholders to consider and vote upon the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved at the Lotus Meeting by at least 66⅔% of the votes cast on the Arrangement Resolution by the Lotus Shareholders present in person or represented by proxy and entitled to vote at the Lotus Meeting.

Both the RTO Resolution and Arrangement Resolution must be approved in order for Lotus to seek the Final Order and implement the Arrangement on the Effective Date. See section with the heading: “*The Arrangement – Securityholder and Court Approvals*”.

The Proposed Reverse Takeover

Background to the Reverse Takeover

The execution of the Arrangement Agreement is the result of arm’s length negotiations between representatives of Lotus and GQ and their respective legal and financial advisors. A summary description of the background, including meetings, discussions and actions between the Parties that preceded the execution and public announcement of the Arrangement Agreement is included in this Circular under the heading “*The Reverse Takeover – Background to the Reverse Takeover*”.

Recommendation of the GQ Board

After careful consideration, including a thorough review of the Arrangement Agreement, as well as a thorough review of other matters, the GQ Board, unanimously determined that the RTO is in the best interests of GQ. **Accordingly, the GQ Board unanimously approved the RTO and the Arrangement Agreement and recommended that GQ Shareholders vote in favour of the RTO Resolution.**

The GQ Board’s considerations regarding and reasons for recommending the RTO include certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See “*Cautionary Statement Regarding Forward-Looking Statements*” and “*Risk Factors – Risk Factors Relating to the Arrangement*” in this Circular.

Description of the Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached as Schedule “A” to the Arrangement Agreement filed on GQ’s SEDAR+ profile at www.sedarplus.ca.

If approved, the Arrangement will become effective at the Effective Time and will be binding at and after the Effective Time on each of Lotus, GQ, and Former Lotus Shareholders.

Commencing at the Effective Time on the Effective Date, each of the events set out below shall occur and shall be deemed to occur sequentially in the following order without any further authorization, act or formality of or by Lotus, GQ or any other Person:

1. each Lotus Share held by a Dissenting Shareholder, who has validly exercised their Dissent Rights and which Dissent Rights remain valid immediately prior to the Effective Time, shall be, and shall be deemed to be, transferred by the holder thereof, free and clear of all Liens, to Lotus for the amount therefor determined and payable under Article Four of the Plan of Arrangement, and: (i) the name of such Dissenting Shareholder shall be removed from the register of Lotus Shareholders maintained by or on behalf of Lotus and each such Lotus Share shall be cancelled and cease to be outstanding; and (ii) such Dissenting Shareholder shall cease to be the holder of each such Lotus Share and to have any rights as a Lotus Shareholder other than the right to be paid the fair value for each such Lotus Share as set out in Article Four of the Plan of Arrangement;
2. each Lotus Share (excluding any Lotus Shares held by a Dissenting Shareholder or GQ or any Subsidiary of GQ) shall be, and shall be deemed to be, transferred by the holder thereof, free and clear of all Liens, to GQ and, in consideration therefor, GQ shall issue the Share Consideration for each Lotus Share, subject to Section 3.03 and Article Five of the Plan of Arrangement, and: (i) the holders of such Lotus Shares shall cease to be the holders of such Lotus Shares and to have any rights as holders of such Lotus Shares, other than the right to be issued the Share Consideration by GQ in accordance with the Plan of Arrangement; (ii) such holders’ names shall be removed from the register of Lotus Shareholders maintained by or on behalf of Lotus; and (iii) GQ shall be, and shall be deemed to be, the transferee of such Lotus Shares, free and clear of all Liens,

and shall be entered in the register of Lotus Shareholders maintained by or on behalf of Lotus as the holder of such Lotus Shares;

3. Each Lotus Warrant, to the extent that the holder thereof has not exercised their right of acquisition of Lotus Shares thereunder prior to the Effective Time, shall be exercisable for such number of Resulting Issuer Shares based on a ratio computed as the number GQ Shares issued as consideration divided by the number of Lotus Shares outstanding and held by Lotus Shareholders immediately prior to the effective time, with a corresponding adjustment to the exercise price of such Lotus Warrants. Each Lotus Warrant shall continue to be governed by and be subject to the terms of the certificate evidencing the applicable Lotus Warrant.

Immediately following completion of the Arrangement, holders of GQ Shares will own approximately 35.4% of the Resulting Issuer Shares and the Former Lotus Shareholders will own approximately 64.6% of the Resulting Issuer Shares. The Resulting Issuer will carry on the combined business of GQ and Lotus will remain listed on the TSXV.

The Arrangement Agreement

The Arrangement will be effected in accordance with the Arrangement Agreement. A brief summary of the material terms of the Arrangement Agreement is set out under the heading “*The Arrangement Agreement*” in this Circular and is subject to and qualified in its entirety by the full text of the Arrangement Agreement, which may be viewed on SEDAR+ under GQ’s issuer profile at www.sedarplus.ca.

The Lotus Voting Support Agreements

The Lotus Supporting Shareholders have entered into Lotus Voting Support Agreements with GQ in respect of Lotus Shares representing, in the aggregate, approximately 24.01% of the outstanding Lotus Shares as at the Record Date. The Lotus Voting Support Agreements set forth, among other things and subject to certain exceptions, the agreement of such Supporting Lotus Shareholders to vote their Lotus Shares in favour of the Arrangement Resolution at the Lotus Meeting and any matters related to the Arrangement, as contemplated by the Arrangement Agreement.

The full text of the Lotus Voting Support Agreements may be viewed on SEDAR+ under GQ’s issuer profile at www.sedarplus.ca. A summary of the key terms of the Lotus Voting Support Agreements is included under the heading “*The Voting and Support Agreements – Voting and Support Agreements*”.

The GQ Voting Support Agreements

The Supporting GQ Shareholders have entered into GQ Voting Support Agreements with Lotus in respect of GQ Shares representing, in the aggregate, approximately 15.7% of the outstanding GQ Shares as at the Record Date. The GQ Voting Support Agreements set forth, among other things and subject to certain exceptions, the agreement of such Supporting GQ Shareholders to vote their GQ Shares in favour of the RTO Resolution at the GQ Meeting, as contemplated by the Arrangement Agreement.

Court Approval of the Arrangement

The Arrangement requires approval by the Court under the BCBCA. On July 25, 2025, Lotus obtained the Interim Order providing for the calling, holding and conducting of the Lotus Meeting and other procedural matters.

If the Arrangement Resolution is approved at the Lotus Meeting, Lotus will apply for the Final Order. Subject to the foregoing, the Court hearing in respect of the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on October 27, 2025, or as soon thereafter as the hearing of the Final Order can be heard or at such other date and time as the Court may direct, at the Supreme Court of British Columbia, located at 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

See “*The Arrangement – Shareholder and Court Approvals – Court Approval of the Arrangement*”.

Delivery of Share Consideration

At the Effective Time, GQ will cause such number of GQ Shares to satisfy the aggregate Share Consideration as represented by DRS Statements to be delivered to such Former Lotus Shareholders.

See “*Procedure for Exchange of Lotus Shares – Delivery of Share Consideration*”.

Fractional Interest

No fractional GQ Shares shall be issued to Former Lotus Shareholders in connection with the Plan of Arrangement. The total number of GQ Shares to be issued to any Former Lotus Shareholder shall, without additional compensation, be rounded down to the nearest whole GQ Share in the event that a Former Lotus Shareholder would otherwise be entitled to a fractional share, without additional compensation.

See “*Procedure for Exchange of Lotus Shares – Fractional Interest*”.

Proposed Omnibus Plan

At the GQ Meeting, GQ will seek approval from the GQ Shareholders of a long-term incentive plan (the “**Omnibus Plan**”) which allows for the grant of incentive stock options, restricted share units, deferred share units and performance share units. The purpose of the Omnibus Plan is to attract, retain and motivate management, staff, and consultants by providing them with the opportunity to acquire a proprietary interest in GQ if the RTO closes and benefit from its growth. The approval by GQ Shareholders of the Omnibus Plan Resolution requires a favourable vote of a majority of the GQ Shares voted in respect thereof at the GQ Meeting.

Non-Arm’s Length Transaction

The RTO is an Arm’s Length Transaction.

Available Funds

Type of Funds	Amount
Estimated consolidated working capital of GQ as at August 31, 2025	(\$260,000) ¹
Estimated consolidated working capital of Lotus as at August 31, 2025	\$536,090 ²
Expected Funds made available through Bridge Financing ³	\$500,000
Estimated RTO transaction costs	(\$579,000)
Expected Funds made available through Concurrent Financing ⁴	\$3,000,000
Total	\$3,197,090

Note:

1. Current assets of Great Quest as at June 30, 2025 of \$63,199 less current liabilities of \$1,130,890 as adjusted for the anticipated forgiveness of accounts payable of \$370,421 and anticipated forgiveness due to related parties amount of \$437,270, equals (\$260,000).
2. Current assets of Lotus as at June 30, 2025 of \$2,426,965 less current liabilities of \$2,991,298 as adjusted for \$1,330,423 debenture liability maturity that was extended by 18 months so no longer current liability less \$230,000 payment made to Belmont, equals \$536,090.
3. For more information regarding the Bridge Financing and the Lotus Advance, see section of the Circular under the heading “*Bridge Financing*”. The Lotus Advance is not included in this table as it is eliminated upon consolidation and treated as an intercompany loan of \$300,000.
4. For more information regarding the Concurrent Financing, see the section titled “*Concurrent Financing*” in the Circular.

Principal Purposes

The funds available to GQ following the closing of the RTO (the “**Resulting Issuer**”) are estimated at \$3,197,090. The following budgeted amounts are estimates of the principal purposes to which these available funds of the Resulting Issuer will be applied:

Principal Purpose	Amount
Exploration development in Egypt	\$377,520 ¹
Exploration development in Namibia	\$2,329,000 ²
General and administrative costs	\$390,570 ³
Unallocated working capital	\$100,000
Total	\$3,197,090

Notes:

1. Includes Phase 1 recommended work program of \$377,520 over the next 12 months.
2. Assuming a USD/CAD exchange rate of \$1.37CAD/USD. Includes recommended work program for the Khorixas Gold Project of US\$500,000 plus additional exploration program of US\$1,200,000, required for earn-in of 26% to increase ownership of Belmont to 51%, which is expected to include field costs of US\$343,406; Sampling and trenching costs US\$403,589; Geophysics US\$15,876; Environmental and land costs US\$14,818; Tenement Payments US\$69,856 and Drilling costs US\$352,455.
3. General and administrative costs includes audit and accounting costs, office costs, investor relations and regulatory costs.

The Resulting Issuer will spend the funds available to it after completion of the Reverse Takeover to carry out its business objectives. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See Schedule “E”.

Selected Pro Forma Consolidated Financial Information

The following table sets forth unaudited pro forma financial information of the Resulting Issuer as at the financial year ended December 31, 2024 and the interim period ended June 30, 2025, after giving effect to the RTO and should be read in conjunction with the unaudited pro forma consolidated statement of financial position of the Resulting Issuer attached as Schedule “J”. This table is based on unaudited pro forma financial statements.

	As at Year- Ended December 31, 2024	As at Interim Period ended June 30, 2025
Current assets	\$3,328,091	\$5,181,164
Non-current assets	\$458,341	\$423,062
Total assets	\$3,786,432	\$5,604,226
Current liabilities	\$2,623,277	\$1,984,074
Non-current liabilities	Nil	\$1,330,423
Shareholders’ equity	\$1,163,155	\$2,289,729

See “*Information Concerning the Resulting Issuer*” and the pro forma financial statements of the Resulting Issuer, which are included as Schedule “E” to this Circular.

The Bridge Financing and Lotus Advance

In connection with the RTO, on July 14, 2025, GQ completed the first tranche of the Bridge Financing by issuing 11,560,000 GQ Shares for gross proceeds of \$289,000 and on August 29, 2025, GQ completed the second tranche of the Bridge Financing by issuing 8,440,000 GQ Shares for gross proceeds of \$211,000. Pursuant to the Bridge Financing, GQ issued an aggregate of 20,000,000 GQ Shares for aggregate gross proceeds of \$500,000.

In addition to the foregoing, Lotus advanced an aggregate amount of \$300,000 to GQ on September 8, 2025 pursuant to the terms of a secured promissory note bearing interest at a rate of 10% per annum, maturing on the earlier of the closing of the RTO or January 15, 2026. The Lotus Advance is secured by a general security agreement from GQ in favour of Lotus granting security over all present and after acquired personal property of GQ, and subject to conversion, at the sole option of Lotus, into GQ Shares at a pre-Consolidation price of \$0.025 per GQ Share subject to the approval of the TSXV. The proceeds from the loan were used for working capital purposes.

Stock Exchange Listing and Approval

GQ is listed on the TSXV, where the GQ Shares trade under the symbol “GQ”. See Schedule “D”.

Closing of the RTO is conditional upon the listing of the GQ Shares issued on the completion of the RTO on the TSXV. GQ has applied to the TSXV for approval of the RTO and for the listing of GQ Shares on the TSXV issued upon completion of the Reverse Takeover.

As of the date of this Circular, the TSXV has not provided conditional approval of the RTO described in this Circular or the listing of the GQ Shares.

Market Price

GQ first announced the Reverse Takeover by way of press release on May 7, 2025. The last trading price of the GQ Shares on the TSXV prior to such public announcement was \$0.025. Trading in GQ Shares was halted on May 8, 2025 in accordance with the policies of the TSXV and expected to resume trading following closing of the RTO. The closing trading price of the GQ Shares on the TSXV on the date of this Circular, was \$0.025.

Interests of Insiders, Promoters or Control Persons

The directors, promoters and executive officers of GQ currently hold directly or indirectly 23,326,419 GQ Shares (pre-Consolidation), representing approximately 12.5% of all of the issued and outstanding GQ Shares. No insider, promoter or control person of GQ and no associate or affiliate of the same, has any interest in the RTO other than (i) which arises from their holdings of GQ Shares, and (ii) their respective anticipated position with the Resulting Issuer following the RTO.

Following the RTO, it is currently anticipated that the current directors of GQ, will all resign with the exception of Jed Richardson who will remain as a director of the Resulting Issuer and the current directors of Lotus will remain as directors of Lotus. See Schedules “D” and “C”.

Conflicts of Interest

Some of the directors and officers of GQ are also directors, officers and/or promoters of other reporting and non-reporting issuers, including those engaged in the mining industry. As a result, potential conflicts of interest may arise.

Certain proposed directors and officers of the Resulting Issuer currently, or may in the future, act as directors or officers of other companies and, consequently, it is possible that a conflict may arise between their duties as a director or officer of the Resulting Issuer and their duties as a director or officer of any other such company. There is no guarantee that while performing their duties for the Resulting Issuer, the directors or officers of the Resulting Issuer will not be in situations that could give rise to conflicts of interest. There is no guarantee that these conflicts will be resolved in favor of the Resulting Issuer. See Schedule “E”.

Interest of Experts and Consultants

No person or company who is named as having prepared or certified a part of the Circular or prepared or certified a report or valuation described or included in the Circular has, or will have upon completion of the RTO, any direct or indirect interest in the Resulting Issuer or Lotus. See the section under the heading “*Interest of Experts*” of this Circular.

Sponsorship

The Resulting Issuer has applied for exemptions from the sponsorship requirements of the TSXV.

Risk Factors

Investment in the securities of the Resulting Issuer involves a high degree of risk and should be regarded as speculative due to the nature of the respective business of each of the Resulting Issuer, GQ and Lotus, which is discussed in Schedules “E”, “D” and “C”, respectively. Prior to making an investment in the securities of the Resulting Issuer, prospective investors should carefully consider the information described in this Circular, including the risk factors set out under the heading “Risk Factors” in this Circular. Such risk factors could have a material adverse effect on, among other things, the operating results, earnings, properties, business and condition (financial or otherwise) of the Resulting Issuer.

GENERAL GQ PROXY INFORMATION

Date, Time and Place of GQ Meeting

The GQ Meeting will be held on Monday, October 20, 2025 at 12:00 p.m. (Toronto time) at 365 Bay Street, Suite 800, Toronto, Ontario M5H 2V1 and broadcast via teleconference at:

<https://us02web.zoom.us/j/83522619344?pwd=oDHakNYvdIaMQNPraz1cILGWA73HxG.1>.

GQ will be holding the GQ Meeting in person and via teleconference. All GQ Shareholders (including beneficial GQ Shareholders that hold shares through a broker or other intermediary) are encouraged to vote by proxy in accordance with GQ's usual procedures in advance of the GQ Meeting to the greatest extent possible. To the extent that a GQ Shareholder cannot vote by proxy and wishes to vote directly at the GQ Meeting, they should advise Odyssey in writing and GQ and Odyssey will endeavor to accommodate such request.

Please note if you attend the GQ Meeting via teleconference that you will not be able to vote or ask questions. If you intend to listen to the GQ Meeting via teleconference, which is strongly encouraged, you must vote on the matters prior to the GQ Meeting by proxy, appointing the person designated by management in the GQ Proxy or voting instruction form.

Changes to the GQ Meeting date and/or means of holding the GQ Meeting may be announced by way of press release. GQ Shareholders are encouraged to monitor GQ's website at <https://www.greatquest.com> or GQ's SEDAR+ profile at www.sedarplus.ca, where copies of such press releases, if any, will be posted. You are advised to check the GQ's website one week prior to the GQ Meeting date for the most current information. GQ does not intend to prepare an amended Circular in the event of changes to the GQ Meeting format.

Purpose of the GQ Meeting

The purpose of the GQ Meeting is, among other things, for GQ Shareholders to consider and vote upon the RTO Resolution, the full text of which is set out in Schedule "A" to this Circular. Particulars of the subject matter relating to the Reverse Takeover are described in this Circular under the heading "The Arrangement".

GQ Shareholders are also asked to consider and vote upon the Omnibus Plan Resolution and the GQ AGM Resolutions, the full text and particulars of which are set out respectively, in the section under the heading "*Omnibus Plan*" and at Schedule "B" and "K", respectively to this Circular. **The GQ Board recommends that GQ Shareholders vote FOR the RTO Resolution, the Omnibus Plan Resolution and the GQ AGM Resolutions.**

To be effective, each of the RTO Resolution, Omnibus Plan Resolution and the GQ AGM Resolutions must be approved at the GQ Meeting by at least a majority of the votes cast by the GQ Shareholders present in person or represented by proxy and entitled to vote at the GQ Meeting.

Important information relating to the RTO Resolution, including the details relating to the Reverse Takeover are found in this Circular. GQ Shareholders are urged to closely review the information in this Circular.

GQ Shareholders Entitled to Vote

At the GQ Meeting, GQ Shareholders are entitled to vote on the RTO Resolution, Omnibus Plan Resolution and GQ AGM Resolutions, either in person or represented by proxy. The GQ Board has fixed September 3, 2025 as the Record Date for determining the GQ Shareholders who are entitled to receive notice of and vote at the GQ Meeting. Only Registered GQ Shareholders whose names have been entered in the registers of GQ as at the close of business on the Record Date will be entitled to receive notice of and vote at the GQ Meeting. No other GQ Shareholders are entitled to vote at the GQ Meeting.

As at September 3, 2025, the Record Date, 186,674,661 GQ Shares were issued and outstanding. Each GQ Share outstanding on the Record Date carries the right to one vote.

To the knowledge of the directors and officers of GQ, as of the Record Date, no Person beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the GQ Shares.

Each Registered GQ Shareholder has the right to appoint as proxyholder a Person or company other than the Persons designated by management of GQ in the enclosed GQ Proxy and to attend and act on the GQ Shareholder's behalf at the GQ Meeting or any adjournment or postponement thereof, by striking out the names of GQ management and by inserting the desired Person's name in the blank space provided or by executing a proxy in a form similar to the enclosed Proxy.

Voting By Registered GQ Shareholders

The following instructions are for Registered GQ Shareholders only. If you are a Non-Registered GQ Shareholder, please read the information under the heading "*General Proxy Information – Voting by Non-Registered GQ Shareholders*" below and follow your nominee's (bank, trust company, securities broker or other nominee) instructions on how to vote your GQ Shares.

Voting by Proxy

If you are a Registered GQ Shareholder you may vote by using a GQ Proxy to appoint someone to attend the GQ Meeting as your proxyholder. The Person you appoint does not need to be a GQ Shareholder to attend and act on your behalf at the GQ Meeting. Registered GQ Shareholders should carefully read and consider the information contained in this Circular. Registered GQ Shareholders should then complete, sign, date and return the enclosed GQ Proxy in the enclosed return envelope or by facsimile transmission as indicated in the GQ Proxy as soon as possible so that your GQ Shares may be represented at the GQ Meeting. Alternatively, Registered GQ Shareholders may vote by facsimile to 1-800-517-4553; by email to proxy@odysseytrust.com; or by internet at <https://login.odysseytrust.com/pxlogin> using the control number found on the GQ Proxy.

Appointment of Proxies

You have the right to appoint another Person of your choice to attend the meeting and act on your behalf. They do not need to be a GQ Shareholder to attend and act on your behalf at the GQ Meeting. To appoint someone who is not named in the enclosed GQ Proxy, strike out those printed names appearing on the GQ Proxy and print in the space provided the name of the Person you choose.

A proxy is a document that authorizes another Person to attend the GQ Meeting and cast votes at the GQ Meeting on behalf of a Registered GQ Shareholder. If you are a Registered GQ Shareholder, you can use the Proxy accompanying this Circular. You may also use any other legal form of proxy.

If you are a Registered GQ Shareholder, you can either return a duly completed and executed GQ Proxy to Odyssey not later than 12:00 p.m. (Toronto time) on October 16, 2025 (or no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to any reconvened GQ Meeting in the event of an adjournment of the GQ Meeting). A GQ Proxy will not be valid unless it is deposited with Odyssey (i) by mail using the enclosed return envelope or (ii) by hand delivery to Odyssey, 1100-67 Yonge Street, Toronto, Ontario, M5E 1J8, (iii) by fax to 1-800-517-4553, (iv) by email to proxy@odysseytrust.com, or (v) by internet at <https://login.odysseytrust.com/pxlogin> and entering the control number shown on your proxy. All instructions are listed in the enclosed GQ Proxy. Your GQ Proxy or voting instructions must be received in each case no later than 12:00 p.m. (Toronto time) on October 16, 2025 (or no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to any reconvened GQ Meeting in the event of an adjournment of the GQ Meeting).

Exercise of Discretion by Proxies

Where a choice is specified on the GQ Proxy on how you wish to vote on the RTO Resolution, the Omnibus Plan Resolution and the GQ AGM Resolutions, your proxyholder must vote your GQ Shares as instructed.

If you do NOT mark on the GQ Proxy how you want to vote on a particular matter, your proxyholder will have the discretion to vote your GQ Shares as he or she sees fit. If your GQ Proxy does not specify how to vote on the RTO Resolution, the Omnibus Plan Resolution, and GQ AGM Resolutions and you have authorized the

Persons named in the accompanying GQ Proxy (who are officers and/or directors of GQ) to act as your proxyholder, your GQ Shares will be voted at the GQ Meeting FOR the RTO Resolution, the Omnibus Plan Resolution and the GQ AGM Resolutions.

If any amendments are proposed to the RTO Resolution, the Omnibus Plan Resolution or the GQ AGM Resolutions, or if any other matters properly arise at the GQ Meeting, your proxyholder will have the discretion to vote your GQ Shares as he or she sees fit.

To ensure the RTO Resolution, the Omnibus Plan Resolution and the GQ AGM Resolutions are passed, you should complete and submit the applicable enclosed GQ Proxy or, if applicable, provide your nominee (bank, trust company, securities broker or other nominee) with voting instructions. See “*General Proxy Information – Voting by Registered GQ Shareholders – Voting by Proxy*”.

Revocation of Proxies

Any Registered GQ Shareholder who has returned a GQ Proxy may revoke it by:

1. completing and signing another GQ Proxy with a later date and delivering it to Odyssey (i) by mail using the enclosed return envelope or (ii) by hand delivery to Odyssey, 1100-67 Yonge Street, Toronto, Ontario, M5E 1J8, (iii) by fax to 1-800-517-4553, (iv) by email to proxy@odysseytrust.com, or (v) by internet at <https://login.odysseytrust.com/pxlogin> and entering the control number shown on your proxy. Your Proxy or voting instructions must be received in each case no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to any reconvened Meeting in the event of an adjournment of the Meeting;
2. depositing an instrument in writing, including another completed Proxy, executed by such Registered GQ Shareholder or by his or her attorney who is authorized by a document that is executed in writing or by electronic signature or, if the Registered GQ Shareholder is a corporation, by an authorized officer or attorney thereof, or transmitting, by telephonic or electronic means, a revocation signed, subject to the BCBCA, by electronic signature, to:
 - (a) the registered office of GQ located at 595 Howe Street, 10th Floor, Vancouver, British Columbia, V6C 2T5, Attention: Jed Richardson, at any time prior to 5:00 p.m. (Vancouver time) on the last business day preceding the day of the Meeting or any adjournment thereof, or
 - (b) with the Chair of the GQ Meeting, or with a Person designated by the Chair of the GQ Meeting, prior to the commencement of the GQ Meeting or any adjournment thereof; or
3. any other manner permitted by law.

If you are a Non-Registered GQ Shareholder, contact your nominee for information about how you can revoke your voting instructions.

Voting By Non-Registered GQ Shareholders

You are a Non-Registered GQ Shareholder (as opposed to a Registered GQ Shareholder) if your GQ Shares are held on your behalf, or for your account, by a nominee (bank, trust company, securities broker or other nominee). There are two kinds of Non-Registered GQ Shareholders: (i) those who object to their name being made known to the issuers of securities which they own, known as objecting beneficial owners or “OBOs”; and (ii) those who do not object to their name being made known to the issuers of securities which they own, known as non-objecting beneficial owners or “NOBOs”.

In accordance with the requirements of NI 54-101, GQ has distributed copies of the Notice of Meeting and this Circular to the clearing agencies and intermediaries for onward distribution to Non-Registered GQ Shareholders. Intermediaries are required to forward the Notice of Meeting and this Circular to Non-Registered GQ Shareholders unless a Non-Registered GQ Shareholder has waived the right to receive them. Typically, intermediaries will use a service company to forward such materials to Non-Registered GQ Shareholders. The majority of intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge.

Non-Registered GQ Shareholders will receive from an intermediary either VIFs or, less frequently, forms of proxy. The purpose of these forms is to permit Non-Registered GQ Shareholders to direct the voting of the GQ Shares they beneficially own. Non-Registered GQ Shareholders should follow the procedures set out below, depending on which type of form they receive. GQ has elected to pay for the delivery of the GQ Meeting materials to objecting beneficial owners of GQ Shares.

Voting Instruction Form

In most cases, a Non-Registered GQ Shareholder will receive, as part of the materials for the GQ Meeting, a VIF. Whether or not a Non-Registered GQ Shareholder wishes to attend and vote at the GQ Meeting in person (or have another Person attend and vote on the Non-Registered GQ Shareholder's behalf), the Non-Registered GQ Shareholder must complete and return a VIF in accordance with the instructions provided. Alternatively, Non-Registered GQ Shareholders can call the toll-free telephone number or the telephone number for outside North America printed on their VIF, send a facsimile to the number printed on their VIF or access the Broadridge voting website at www.proxyvote.com and enter their 16-digit control number to deliver their voting instructions.

Forms of Proxy

Less frequently, a Non-Registered GQ Shareholder will receive, as part of the materials for the GQ Meeting, forms of proxy that have already been signed by the intermediary (typically by a facsimile transmission, stamped signature) which is restricted as to the number of GQ Shares beneficially owned by the Non-Registered GQ Shareholder but which is otherwise uncompleted. If the Non-Registered GQ Shareholder does not wish to attend and vote at the GQ Meeting in person (or have another Person attend and vote on the Non-Registered GQ Shareholder's behalf), the Non-Registered GQ Shareholder must complete a Proxy and deliver it to Odyssey not later than 12:00 p.m. (Toronto time) on October 16, 2025 (or no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to any reconvened Meeting in the event of an adjournment of the GQ Meeting) or deposited with the Chair of the GQ Meeting prior to the commencement of the GQ Meeting or any adjournment thereof. Voting instructions may also be provided by telephone, facsimile or the internet by following the instructions on the GQ Proxy.

Only Registered GQ Shareholders or the Persons they appoint as their proxies are permitted to vote at the GQ Meeting. If a Non-Registered GQ Shareholder wishes to attend and vote at the GQ Meeting in person (or have another Person attend and vote on the Non-Registered GQ Shareholder's behalf), the Non-Registered GQ Shareholder must strike out the names of the Persons named in the GQ Proxy and insert the Non-Registered GQ Shareholder's (or such other Person's) name in the blank space provided and return the Proxy in accordance with the instructions provided by the intermediary.

Non-Registered GQ Shareholders should follow the instructions on the forms they receive and contact their intermediaries.

Solicitation of Proxies

Whether or not you plan to attend the GQ Meeting, management of GQ, with the support of the GQ Board, requests that you fill out your GQ Proxy or GQ Proxies to ensure your votes are cast at the GQ Meeting. This solicitation of your GQ Proxy or GQ Proxies (your vote) is made on behalf of management of GQ. The cost of this solicitation will be borne by GQ.

It is expected that the solicitation of GQ Proxies will be made primarily by mail, but GQ Proxies may also be solicited personally or by telephone, email, internet, facsimile transmission or other electronic or other means of communication by directors, officers, employees, agents or other representatives of GQ.

Management of GQ will be soliciting proxies and GQ may reimburse such management for their out of pocket expenses related to same. GQ may also reimburse brokers and other Persons holding GQ Shares in the name of nominees for their costs incurred in sending proxy materials to their principals in order to obtain their GQ Proxies.

Notice-and-Access

GQ has elected to use the “notice-and-access” provisions (“**Notice-and-Access**”) under NI 54-101 for the GQ Meeting in respect of the delivery of meeting materials, the annual financial statements and related management’s discussion and analysis (the “**Annual Materials**”).

Under the Notice-and-Access regime, reporting issuers are permitted to deliver the Annual Materials by posting them on SEDAR+ as well as a website other than SEDAR+ and sending a notice package to each GQ Shareholder receiving the Annual Materials under this regime. The notice package must include: (i) the relevant form of proxy or voting instruction form; (ii) basic information about the GQ Meeting and the matters to be voted on; (iii) instructions on how to obtain a paper copy of the Annual Materials; and (iv) a plain-language explanation of how the Notice-and-Access system operates and how the Annual Materials can be accessed online. Notice-and-Access substantially reduces the quantity of material that must be printed and mailed to Shareholders by allowing for the posting of Annual Materials online, thus reducing costs and the environmental impact.

GQ has adopted Notice-and-Access in respect of the delivery of the Annual Materials to Non-Registered GQ Shareholders (i.e. GQ Shareholders who hold their GQ Shares in the name of a broker or other intermediary or agent) and in respect of the delivery of the Annual Materials to Registered GQ Shareholders (i.e. GQ Shareholders whose name appears on GQ’s records as a holder of GQ Shares). GQ is providing paper copies of the Annual Materials (other than the GQ Proxy and voting instruction form) only to those Registered GQ Shareholders and Non-Registered GQ Shareholders that have requested to receive paper materials.

GQ will not send its proxy-related meeting materials directly to non-objecting beneficial owners under NI 54-101. In addition, GQ intends to pay for proximate intermediaries to forward the proxy-related materials and voting instruction form to objecting beneficial owners under NI 54-101 and such objecting beneficial owners will not receive the materials unless the objecting beneficial owner’s intermediary assumes the cost of delivery.

Questions

GQ Shareholders who would like additional copies, without charge, of this Circular or have additional questions about the RTO, including the procedures for voting GQ Shares, should contact Jed Richardson, Executive Chairman at IR@greatquest.com or (647) 276-6002.

THE REVERSE TAKEOVER

Background to the Reverse Takeover

The Arrangement Agreement is a result of arm’s length negotiations among representatives of GQ and Lotus and their respective financial and legal advisors. During the course of its consideration of the Arrangement and Arrangement Agreement, the GQ Board conducted formal meetings and held informal discussions amongst the directors, senior management and financial and legal advisors of GQ. The following is a summary of the principal events leading up to the execution of the Arrangement Agreement.

The GQ Senior Management regularly consider and investigate opportunities to enhance value for GQ Shareholders. Those opportunities have often included the possibility of strategic transactions and business combinations.

On Thursday, March 27, the CEO and Executive Chairman of GQ, Jed Richardson, and Director of Lotus, Alan Friedman, met to discuss Namibia and the possibility of combining the two companies. On April 24, 2025, Jed Richardson executed a non-disclosure agreement, signed by himself and Interim Lotus CEO Michael Silver.

Over a period from April 24, 2025 to May 6, 2025, Lotus and GQ exchanged draft proposals for a formal written letter agreement (the “**Letter Agreement**”), which contemplated the acquisition of all of the issued and outstanding Lotus Shares in exchange for the Share Consideration concurrent with a consolidation of 30 to 1 of the GQ Shares. The Letter Agreement was signed on May 7, 2025 and was conditional upon, among other things, completion of satisfactory due diligence, and was accompanied by a request for Lotus to negotiate exclusively with GQ until October 31, 2025.

On May 7, 2025, the legal advisors of GQ and Lotus began conducting mutual due diligence on GQ and Lotus, respectively. On June 16, 2025, GQ's legal advisors sent an initial due diligence request list to the legal advisors of Lotus. On June 25, 2025, the legal advisors of Lotus sent to the legal advisors of GQ an initial due diligence request list. The Lotus Board and GQ Board created online data sites for access to their mutual advisors. GQ provided Lotus its initial responses to the initial due diligence request list, and Lotus provided GQ its initial responses to the initial due diligence request list.

On June 26, 2025, the GQ Board convened a meeting with GQ Senior Management, and later consulted with their legal advisors to further discuss the potential transaction and the Letter Agreement. During the Lotus Board meeting, GQ Senior Management and the GQ Board considered the Letter Agreement and the commercial attractiveness of the acquisition of Lotus by GQ.

Lotus and GQ, along with their legal advisors, began negotiating the terms of the Arrangement Agreement. During the period between May 23, 2025 and June 26, 2025, the legal advisors for GQ and Lotus mutually drafted and exchanged draft versions of the Arrangement Agreement for review and comment.

On June 26, 2025, Lotus and GQ, assisted by their respective advisors finalized the terms of the Arrangement Agreement and other transaction documents, and entered into the Arrangement Agreement. On June 27, 2025, Lotus and GQ issued their joint press releases announcing the execution of the Arrangement Agreement.

On September 1, 2025, Lotus and GQ entered into the amended and restated Arrangement Agreement.

Recommendation of the GQ Board

After careful consideration, including a thorough review of the Arrangement Agreement, as well as a thorough review of other matters, the GQ Board, unanimously determined that the RTO is in the best interests of GQ. Accordingly, the GQ Board unanimously approved the RTO and the Arrangement Agreement and recommended that GQ Shareholders vote in favour of the RTO Resolution.

Reasons for the GQ Board Recommendation

In the course of the GQ Board's evaluation of the RTO, the GQ Board consulted with its senior management and its legal counsel, performed financial, technical and legal due diligence with the help of its advisors and experts, and considered a number of factors, including, among others, the following:

- **Increased Scale.** The RTO creates a premier African gold exploration company with assets in Egypt and a new focus in Namibia. This platform will have a broader diversification with its current premium portfolio of assets in world class gold production jurisdictions and with a view to assess potential consolidation opportunities in-country and other parts of Africa.
- **Strong Management Team.** The Resulting Issuer leverages a combined team with a track-record of unlocking shareholder value in Namibia and Egypt through funding, discovery, development and exits including successes with (i) Auryx Gold sold to B2 Gold for \$200m in 2012; (ii) Osino Resources sold to Shanjing International for \$400m in 2024; and (iii) Koryx Copper a TSX Venture Exchange 50 top performer of 2025.
- **Financial Synergies and Access to Capital.** The Resulting Issuer will benefit from operational and financial synergies. The Resulting Issuer will have increased access to capital that will fuel growth and development plans to further enhance Shareholder value.
- **Greater Potential for Value Creation.** The combination of the mineral properties of GQ and Lotus, is expected to result in greater value creation for GQ Shareholders and Lotus Shareholders that would not be possible on a standalone basis, balancing execution risks between the projects.
- **GQ Shareholder Participation in Future Potential of the Lotus Material Property.** The RTO provides GQ Shareholders the ability to participate in potential upside of the Eastern Desert Gold Project.

- **Continued Exposure to GQ Assets.** GQ Shareholders, through the ownership of GQ Shares, will retain exposure to GQ's assets, including the Khorixas Gold Project.
- **Unanimous Board Approval.** The GQ Board has unanimously recommended support for the Reverse Takeover. The GQ Board has approved the Arrangement Agreement.
- **Alternatives to the Reverse Takeover.** GQ regularly evaluated business and strategic opportunities with the objective of maximizing shareholder value in a manner consistent with the best interests of GQ. The GQ Board, with the assistance of financial and legal advisors, assessed the alternatives reasonably available and determined the RTO represents the best current prospect for maximizing shareholder value.
- **Arm's Length Negotiations.** The RTO is the result of arm's-length negotiations between GQ and Lotus. The GQ Board took an active role in making all strategic decisions with respect to the RTO and negotiations relating to the Arrangement Agreement.
- **Terms of the Arrangement Agreement are Reasonable.** The Arrangement Agreement is a result of arm's-length negotiations between GQ and Lotus. The GQ Board believes that the terms and conditions of the Arrangement Agreement, including the fact that GQ's and Lotus' representations, warranties and covenants and the conditions to completion of the RTO are, after consultation with external legal advisors, reasonable in light of applicable circumstances.
- **Ability to Respond to Superior Proposals.** If at any time following the date of the Arrangement Agreement and prior to the approval of the RTO Resolution by GQ Shareholders, GQ receives a bona fide written Acquisition Proposal from any Person that did not result from a breach of the non-solicitation provisions of the Arrangement Agreement, and subject to GQ's compliance with such provisions, GQ may engage in or participate in any discussions or negotiations regarding such Acquisition Proposal, provided, however, that, prior to taking any action described above, the GQ Board determines in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal, if consummated in accordance with its terms, would reasonably be expected to constitute a superior proposal, subject to GQ's right to match.
- **Timing and Likelihood of Completion.** The GQ Board believes that the RTO is likely to be completed in accordance with its terms and within a reasonable time. In addition, the fact that the RTO is subject to a limited number of conditions to closing, the absence of any anticipated regulatory delays or issues, and the fact that the Arrangement is not subject to the approval of GQ's shareholders increase the likelihood that the RTO will be completed.
- **Support by Directors and Officers of GQ.** All of the directors and officers of GQ have entered into Voting Support Agreements with GQ. Under the Voting Support Agreements, each of the directors and officers of GQ has agreed to, among other things, support the RTO and to vote their GQ Shares in favour of the RTO Resolution.
- **Shareholder Approval.** The RTO Resolution must be approved at the Meeting by at least a majority of the votes cast on the RTO Resolution by the GQ Shareholders present in person or represented by proxy and entitled to vote at the GQ Meeting.

The GQ Board's considerations regarding and reasons for recommending the RTO include certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors – Risk Factors Relating to the Arrangement" in this Circular.

The foregoing summary of the information and factors considered by the GQ Board is not intended to be exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the RTO, the GQ Board did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weighting to each specific factor considered in reaching its respective conclusion and recommendation.

The recommendation of the GQ Board was made after considering all of the above-noted factors and in light of the GQ Board's knowledge of the business, financial condition and prospects of GQ, and was also based on the advice of financial advisors and legal advisors to the GQ Board.

In addition, individual members of the GQ Board may have assigned different weightings to different factors

Effects of the Arrangement

The purpose of the Arrangement is to effect the Reverse Takeover of GQ by Lotus. The RTO is to be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. Upon completion of the RTO, GQ will acquire all of the issued and outstanding Lotus Shares and Lotus will become a wholly-owned Subsidiary of GQ.

Corporate Structure

The RTO will result in Lotus becoming a wholly-owned Subsidiary of GQ. See Schedule "E" – *"Information Concerning the Resulting Issuer"* to this Circular.

Description of the Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Plan of Arrangement attached as Schedule "A" to the Arrangement Agreement, the full text of which is available on SEDAR+ under GQ's issuer profile at www.sedarplus.ca.

Commencing at the Effective Time on the Effective Date, each of the events set out below shall occur and shall be deemed to occur sequentially in the following order without any further authorization, act or formality of or by Lotus, GQ or any other Person:

1. each Lotus Share held by a Dissenting Shareholder, who has validly exercised their Dissent Rights and which Dissent Rights remain valid immediately prior to the Effective Time, shall be, and shall be deemed to be, transferred by the holder thereof, free and clear of all Liens, to Lotus for the amount therefor determined and payable under Article Four of the Plan of Arrangement, and: (i) the name of such Dissenting Shareholder shall be removed from the register of Lotus Shareholders maintained by or on behalf of Lotus and each such Lotus Share shall be cancelled and cease to be outstanding; and (ii) such Dissenting Shareholder shall cease to be the holder of each such Lotus Share and to have any rights as a Lotus Shareholder other than the right to be paid the fair value for each such Lotus Share as set out in Article Four of the Plan of Arrangement;
2. each Lotus Share (excluding any Lotus Shares held by a Dissenting Shareholder or GQ or any Subsidiary of GQ) shall be, and shall be deemed to be, transferred by the holder thereof, free and clear of all Liens, to GQ and, in consideration therefor, GQ shall issue the Share Consideration for each Lotus Share, subject to Section 3.3 and Article Five of the Plan of Arrangement, and: (i) the holders of such Lotus Shares shall cease to be the holders of such Lotus Shares and to have any rights as holders of such Lotus Shares, other than the right to be issued the Share Consideration by GQ in accordance with the Plan of Arrangement; (ii) such holders' names shall be removed from the register of Lotus Shareholders maintained by or on behalf of Lotus; and (iii) GQ shall be, and shall be deemed to be, the transferee of such Lotus Shares, free and clear of all Liens, and shall be entered in the register of Lotus Shareholders maintained by or on behalf of Lotus as the holder of such Lotus Shares; and
3. Each Lotus Warrant, to the extent that the holder thereof has not exercised their right of acquisition of Lotus Shares thereunder prior to the Effective Time, shall be exercisable for such number of Resulting Issuer Shares based on a ratio computed as the number GQ Shares issued as consideration divided by the number of Lotus Shares outstanding and held by Lotus Shareholders immediately prior to the effective time, with a corresponding adjustment to the exercise price of such Lotus Warrants. Each Lotus Warrant shall continue to be governed by and be subject to the terms of the certificate evidencing the applicable Lotus Warrant.

Immediately following completion of the Arrangement, holders of GQ Shares will own approximately 35.4% of the Resulting Issuer Shares and the Former Lotus Shareholders will own approximately 64.6% of the Resulting Issuer Shares. The Resulting Issuer will carry on the combined business of GQ and Lotus will remain listed on the TSXV.

Consolidation and Name Change

At the Effective Time, GQ shall complete the Consolidation of its issued and outstanding GQ Shares on the basis of one GQ Share for up to every 30 GQ Shares issued and outstanding. At the Effective Time GQ will have completed the Name Change.

If implemented, the Consolidation will occur simultaneously for all the GQ Shares and the consolidation ratio would be the same for all such GQ Shares. The Consolidation would affect all GQ Shareholders equally. Except for any variances attributable to fractional GQ Shares, the change in the number of issued and outstanding GQ Shares that would result from the Consolidation would cause no change in the capital attributable to the GQ Shares and would not materially affect any GQ Shareholders' percentage ownership in GQ, even though such ownership would be represented by a smaller number of GQ Shares.

The Consolidation will not change, in any way, any GQ Shareholder's proportion of votes to total votes; however, if the Consolidation is implemented, the total number of votes that a GQ Shareholder may cast at any future general meeting of GQ will be reduced.

The implementation of the Consolidation, following the obtaining of all necessary regulatory approvals, including the acceptance of TSXV and the filing of the requisite amendment to the notice of articles of GQ to effect the Consolidation, will require registered GQ Shareholders to exchange their share certificates for new certificates. Assuming that the Consolidation is approved by the TSXV and the GQ Board determines to implement the Consolidation, GQ will send a letter of transmittal (the "**Letter of Transmittal**") to registered GQ Shareholders. The Letter of Transmittal will detail the instructions for the exchange of share certificates representing pre-Consolidation GQ Shares for new share certificates representing the number of post-Consolidation GQ Shares to which a GQ Shareholder is entitled to as a result of the Consolidation. Until surrendered, each share certificate representing pre-Consolidation GQ Shares will be deemed for all purposes to represent the number of whole post-Consolidation GQ Shares to which the holder is entitled as a result of the Consolidation. If a registered GQ Shareholder would otherwise be entitled to receive a fractional share, such fractional share shall be rounded down to the nearest whole number. Share certificates deposited into brokerage accounts after the implementation of the Consolidation will also be adjusted by the Consolidation ratio.

Shareholder and Court Approvals

GQ Shareholder Approval of RTO

At the GQ Meeting, the GQ Shareholders will be asked to consider and, if deemed advisable, pass the RTO Resolution set forth in Schedule "A" to this Circular to approve the Reverse Takeover in accordance with the policies of the TSXV.

To be effective, the RTO Resolution must be approved at the GQ Meeting by at least a majority of the votes cast on the RTO Resolution by the GQ Shareholders present in person or represented by proxy and entitled to vote at the GQ Meeting.

The GQ Board unanimously recommends that all GQ Shareholders, who are eligible to vote, vote FOR the RTO Resolution. In the absence of instructions to the contrary, the Persons whose names appear in the attached GQ Proxy intend to vote FOR the RTO Resolution.

Lotus Shareholder Approval of Arrangement

At the Lotus Meeting, the Lotus Shareholders will be asked to consider and, if deemed advisable, pass the Arrangement Resolution to approve the Arrangement.

To be effective, the Arrangement Resolution must be approved at the Lotus Meeting by at least 66⅔% of the votes cast on the Arrangement Resolution by the Lotus Shareholders present in person or represented by proxy and entitled to vote at the Lotus Meeting.

If the resolution approving the Arrangement does not receive the requisite approval, the Arrangement will not proceed.

If both the RTO Resolution and Arrangement Resolution do not receive the requisite approval, the Arrangement will not proceed.

Court Approval of the Arrangement

The Arrangement requires approval by the Court under the BCBCA. On July 25, 2025, Lotus obtained the Interim Order providing for the calling, holding and conducting of the Lotus Meeting and other procedural matters.

If the Arrangement Resolution is approved at the Lotus Meeting and the RTO Resolution is approved at the GQ Meeting, Lotus will apply for the Final Order. Subject to the foregoing, the Court hearing in respect of the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on October 27, 2025, or as soon thereafter as the hearing of the Final Order can be heard or at such other date and time as the Court may direct, at the Supreme Court of British Columbia, located at 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

THE ARRANGEMENT AGREEMENT

The following summarizes the material provisions of the Arrangement Agreement. This summary may not contain all of the information about the Arrangement Agreement that is important to GQ Shareholders. The rights and obligations of the Parties are governed by the express terms and conditions of the Arrangement Agreement and not by this summary or any other information contained in this Circular. GQ Shareholders are urged to read the Arrangement Agreement carefully and in its entirety, as well as this Circular, before making any decisions regarding the RTO. This summary is qualified in its entirety by reference to the Arrangement Agreement, which has been filed by GQ on its SEDAR+ profile at www.sedarplus.ca, and by the Plan of Arrangement, a copy of which is set out at Schedule “A” of the Arrangement Agreement. Capitalized terms not expressly defined herein have the meanings ascribed thereto in the Arrangement Agreement, or by substituting into certain definitions in the Arrangement Agreement “Lotus” for “Company”, and “GQ” for “Purchaser” below.

Effective Date and Conditions of Arrangement

If the Arrangement Resolution is passed by Lotus Securityholders, the RTO Resolution is passed by GQ Shareholders, the Final Order of the Court is obtained approving the Arrangement, every requirement of the BCBCA relating to the Arrangement has been complied with, all other conditions to the completion of the Arrangement set forth in the Arrangement Agreement and described below under the heading “*The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*” are satisfied or waived in accordance with the Arrangement Agreement and all documents agreed to be delivered thereunder are delivered, the Arrangement will become effective on the Effective Date commencing at the Effective Time. From and after the Effective Time, the Plan of Arrangement will have all of the effects provided by applicable Law, including the BCBCA.

It is currently expected that the Effective Date will be on or about October 29, 2025.

Representations and Warranties

The Arrangement Agreement contains representations and warranties made by Lotus to GQ and representations and warranties made by GQ to Lotus. The representations and warranties were made solely for purposes of the Arrangement Agreement and are subject to important qualifications, limitations and exceptions agreed to by the Parties in connection with negotiating its terms. The representations and warranties relate to, among other things: organization and qualification; Subsidiaries; authority relative to the Arrangement Agreement; required approvals; no violation; capitalization; shareholder and similar agreements; reporting issuer status and Securities Laws matters; U.S. Securities Laws matters; the Competition Act (Canada); foreign investment; financial statements; undisclosed liabilities; auditors; absence of certain changes; compliance with Laws; sanctions; Permits; litigation; insolvency; operational matters; payments; interest in the Lotus Material Property or GQ Material Property; expropriation; technical matters; work programs; Taxes; contracts; employment matters; health and safety; acceleration of benefits; pension and employee benefits; employee matters; employment withholdings; intellectual property; environment; Indigenous Group claims; insurance; books and records; bank accounts; non-arm’s length transactions; financial advisors or brokers; the Lotus Fairness Opinion; and Lotus Board and GQ Board approval; ownership of GQ Shares or other securities; collateral benefits; arrangements with securityholders; restrictions on business activities; indemnification agreements; employment, severance and change of control agreements; and full disclosure.

Covenants

Each of Lotus and GQ have agreed, in favour of the other, to a number of usual and customary covenants under the Arrangement Agreement, including, among other things, the conduct of the businesses of GQ, Lotus and each of the Subsidiaries, including with respect to dispositions and acquisitions, or other transactions or material contracts that would conflict or otherwise be contrary or undesirable in connection with the Arrangement other than in the ordinary course, the issuance of securities or declaration or payment of dividends, obtaining the approval of the TSXV, the Court and both the GQ Shareholders and the Lotus Shareholders in respect of the RTO and the Arrangement, respectively, to refrain from amending their respective constating documents, and to use all reasonable commercial efforts to satisfy the conditions precedent to its obligations under the Arrangement Agreement.

Regulatory Approvals

Each of Lotus and GQ has agreed to make all required or advisable notifications, filings, applications and submissions with Governmental Entities, and will use commercially reasonable efforts to obtain all required Regulatory Approvals and to cooperate with the other Party in connection with all Regulatory Approvals sought by the other Party.

Lotus and GQ will not enter into any transaction, investment, agreement, arrangement or joint venture or take any other action, the effect of which would reasonably be expected to make obtaining the Regulatory Approvals more difficult or challenging, or reasonably be expected to delay the obtaining of Regulatory Approvals.

All filing fees (including any Taxes thereon) in respect of any filing made to any Governmental Entity in connection with any Regulatory Approvals will be paid by GQ.

Directors, Officers and Employees

Lotus has agreed that, prior to the Effective Time, it will use commercially reasonable efforts to cause all directors, officers and employees of Lotus whose employment or other relationship is not being continued by GQ to provide resignations and releases of all claims against Lotus or, at the written request of GQ, will terminate such officers and employees effective as at the Effective Time.

GQ has also agreed to use commercially reasonable best efforts to ensure that, with effect as and from the Effective Time, the GQ Board will consist of three directors including Jed Richardson, Heye Daun and Alan Friedman unless otherwise agreed upon by the Parties, provided that all such members of the GQ Board consent to act as director on the GQ Board, meet the qualification requirements to serve as a director under the rules and policies of the TSXV and will be eligible under the BCBCA to serve as a director.

Indemnification and Insurance

Prior to the Effective Time, GQ will purchase customary “tail” or “run off” policies of directors’ and officers’ liability insurance providing protection no less favourable in the aggregate than the protection provided by the policies maintained by GQ which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date. GQ will, or will cause GQ to, maintain such tail policies in effect without any reduction in scope or coverage for six years following the Effective Date, provided that the cost of such policies must not exceed a specific amount (which amount is to be agreed to by GQ, acting reasonably) relative to the current annual premium for policies currently maintained by GQ.

The Parties have also agreed that all rights to indemnification in effect as of the date of the Arrangement Agreement in favour of the present and former directors and officers of Lotus, as provided by Contracts to which Lotus is a party and in effect as of the date the Arrangement Agreement, that were fully and completely disclosed to GQ, will survive the completion of the Plan of Arrangement and will continue in full force and effect and without modification, and Lotus and any successor to Lotus (including any surviving corporation) will continue to honour such rights of indemnification, with respect to actions or omissions occurring prior to the Effective Time, for a period of six years following the Effective Date.

The provisions of the Arrangement Agreement with respect to indemnification and insurance are intended for the benefit of, and shall be enforceable by, each insured or indemnified Person, his or her heirs and his or her legal representatives and, for such purpose, Lotus hereby confirms that it is acting as agent and trustee on their behalf. Furthermore, these provisions of the Arrangement Agreement shall survive the termination of the Arrangement Agreement as a result of the occurrence of the Effective Date for a period of six years.

Non-Solicitation and Right to Match

Lotus and GQ have each agreed not to, directly or indirectly, make, initiate, solicit, or knowingly encourage (including by way of furnishing or affording access to information or any site visit or entering into any form of agreement, arrangement or understanding (other than an Acceptable Lotus Confidentiality Agreement or Acceptable GQ Confidentiality Agreement, as applicable)), or take any other action that facilitates, directly or indirectly, any inquiry or the making of any inquiry, proposal or offer with respect to an Acquisition Proposal. In addition, Lotus and GQ are

to continue to refrain from participating in any discussions or negotiations with any parties (other than the parties to the Arrangement Agreement) with respect to any potential Acquisition Proposal, subject to certain conditions as set out in the Arrangement Agreement.

Conditions to the Arrangement Becoming Effective

In order for the Arrangement and the other transactions contemplated by the Arrangement Agreement to be completed, certain conditions must be satisfied (or in certain cases, waived) on or before the Effective Date, including the conditions summarized below. There is no assurance that these conditions will be satisfied or waived on a timely basis. Unless all of the conditions are satisfied or waived, the Arrangement will not proceed.

Mutual Conditions Precedent

The respective obligations of Lotus and GQ to complete the Arrangement are subject to the satisfaction, or mutual waiver by the Parties, on or before the Effective Date, of each of the following conditions, each of which are for the mutual benefit of the Parties and which may be waived, in whole or in part, by the mutual consent of Lotus and GQ at any time:

- (a) the Arrangement Resolution will have been approved by the Lotus Shareholders at the Lotus Meeting in accordance with the Interim Order and applicable Laws;
- (b) the RTO Resolution will have been approved by the GQ Shareholders at the GQ Meeting in accordance with the policies of the TSXV and applicable Laws;
- (c) each of the Interim Order and Final Order will have been obtained in form and substance satisfactory to Lotus and GQ, each acting reasonably, and will not have been set aside or modified in any manner unacceptable to either Lotus or GQ, each acting reasonably, on appeal or otherwise;
- (d) the necessary conditional approvals of the TSXV, as applicable, will have been obtained, including in respect of the listing and posting for trading of the Consideration Shares thereon;
- (e) no Law will have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no Proceeding will otherwise have been taken or threatened under any Laws or by any Governmental Entity (whether temporary, preliminary or permanent) to make the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement or threatens to do so;
- (f) the issuance of the Consideration Shares to be issued pursuant to the Arrangement will be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and applicable Securities Laws of any state of the United States, provided, however, that Lotus will be not entitled to the benefit of the condition in this section, and will be deemed to have waived such condition in the event that Lotus fails to advise the Court prior to the hearing in respect of the Final Order that the parties intend to rely on the exemption from registration afforded by Section 3(a)(10) of the U.S. Securities Act based on the Court's approval of the Arrangement and comply with the applicable requirements set forth in the Arrangement Agreement;
- (g) the Lock-Up Agreements shall have been entered into by each of the Locked-Up Persons at the Effective Time;
- (h) the officers, employees and consultants of GQ and Lotus, and their subsidiaries that remain following the Effective Time, shall execute and deliver mutual releases releasing GQ and Lotus and the subsidiaries such that there shall be no existing or contingent severance, termination, change of control or other liabilities in respect of any directors, officers, employees or consultants of GQ or Lotus or the subsidiaries; and
- (i) the Arrangement Agreement will not have been terminated in accordance with its terms.

Additional Conditions Precedent to the Obligations of Lotus

The obligation of Lotus to complete the Arrangement is subject to the satisfaction, or waiver by Lotus, on or before the Effective Date, of each of the following additional conditions precedent, each of which is for the exclusive benefit of Lotus and which may be waived by Lotus at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Lotus may have:

- (a) GQ will have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) immediately prior to the Effective Date, GQ will have a working capital of not less than a working capital deficit of \$260,000, unless agreed to in writing by Lotus;
- (c) GQ will have completed the Consolidation and Name Change;
- (d) Lotus will have received a title opinion on GQ's Khorixas Gold Project in Namibia, in a form satisfactory to Lotus and its legal counsel, acting reasonably;
- (e) GQ will have disposed of all of its subsidiaries and mineral properties not connected with direct or indirect ownership or interests in mineral properties in Namibia;
- (f) the representations and warranties of GQ set forth in the Arrangement Agreement will be true and correct (disregarding for this purpose all materiality or GQ Material Adverse Effect qualifications contained in the Arrangement Agreement with respect to such representations and warranties) as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to or are made as of another specified date, in which case such representations and warranties will have been true and correct as of that specified date) except: (i) as affected by transactions, changes, conditions, events or circumstances expressly permitted by the Arrangement Agreement, or to the extent that GQ, in its sole and absolute discretion, has otherwise consented to in writing (which consent may be withheld, conditioned or delayed in GQ's sole and absolute discretion), or (ii) for breaches of representations and warranties (other than those representations and warranties made by GQ in the Arrangement Agreement regarding organization and qualification, authority relative to the Arrangement Agreement, capitalization, interest in GQ Material Property, which have not had and would not reasonably be expected to have, individually or in the aggregate, a GQ Material Adverse Effect,
- (g) the representations and warranties of GQ in the Arrangement Agreement regarding organization and qualification, authority relative to the Arrangement Agreement, capitalization (other than de minimis inaccuracies), interest in GQ Material Property, will be accurate in all respects as of the date of the Arrangement Agreement and as of the Effective Date;
- (h) since the date of the Arrangement Agreement, there will not have occurred, or have been disclosed to the public (if previously undisclosed to the public), a GQ Material Adverse Effect which is continuing at the Effective Time;
- (i) Lotus will have received a certificate of GQ, signed on behalf of GQ by a senior officer thereof and dated the Effective Date, certifying that the conditions precedent set out in (a), (e) and (g) above have been satisfied; and
- (j) GQ will have complied with its obligations under the Arrangement Agreement and the Transfer Agent will have confirmed receipt of the treasury order for the Consideration Shares.

Additional Conditions Precedent to the Obligations of GQ

The obligation of GQ to complete the Arrangement is subject to the satisfaction, or waiver by GQ, on or before the Effective Date, of each of the following additional conditions precedent, each of which is for the exclusive benefit of

GQ and which may be waived by GQ at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that GQ may have:

- (a) Lotus will have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) the representations and warranties of Lotus set forth in the Arrangement Agreement will be true and correct (disregarding for this purpose all materiality or Lotus Material Adverse Effect qualifications contained in the Arrangement Agreement with respect to such representations and warranties) as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to or are made as of another specified date, in which case such representations and warranties will have been true and correct as of that specified date) except: (i) as affected by transactions, changes, conditions, events or circumstances expressly permitted by the Arrangement Agreement, or (ii) for breaches of representations and warranties (other than the representations and warranties made by Lotus in the Arrangement Agreement regarding organization and qualification, authority relative to the Arrangement Agreement, capitalization and interest in Lotus Material Property) which have not had and would not reasonably be expected to have, individually or in the aggregate, a Lotus Material Adverse Effect;
- (c) the representations and warranties of Lotus in the Arrangement Agreement regarding organization and qualification, authority relative to the Arrangement Agreement, capitalization (other than de *minimis* inaccuracies) and interest in Lotus Material Property will be accurate in all respects as of the date of the Arrangement Agreement and as of the Effective Date;
- (d) Lotus Shareholders will not have exercised Dissent Rights, or have instituted Proceedings to exercise Dissent Rights, in connection with the Arrangement (other than Lotus Shareholders representing not more than 5% of the Lotus Shares then outstanding);
- (e) since the date of the Arrangement Agreement, there will not have occurred, or have been disclosed to the public (if previously undisclosed to the public), a Lotus Material Adverse Effect which is continuing at the Effective Time;
- (f) GQ shall have received a certificate of Lotus signed by a senior officer of Lotus and dated the Effective Date certifying that the conditions set out in (a), (b), (c), (d) and (e) above have been satisfied;
- (g) all waivers, consents, permits, approvals, releases, licences, or authorizations under or pursuant to any Lotus Material Contract which GQ, acting reasonably, has determined are necessary in connection with the completion of the Arrangement, will have been obtained on terms which are satisfactory to GQ, acting reasonably,
- (h) there will not be pending or threatened in writing any proceeding by any Governmental Entity or any other person that is reasonably likely to result in any: (i) prohibition or restriction on the acquisition by GQ of any Lotus Shares or the completion of the Arrangement or any Person obtaining from any of the Parties any material damages directly in connection with the Arrangement, (ii) prohibition or material limit on the ownership by GQ of Lotus or any material portion of their respective businesses, or (iii) imposition of limitations on the ability of GQ to acquire or hold, or exercise full rights of ownership of, any Lotus Shares, including the right to vote such Lotus Shares;
- (i) GQ will receive the NI 43-101 compliant technical report regarding the Lotus Material Property;
- (j) GQ will receive a title opinion on the Lotus Material Property, in a form satisfactory to Lotus and its legal counsel acting reasonably;
- (k) GQ will receive a legal opinion that Lotus and its material subsidiaries are validly existing and in good standing under the laws of their respective jurisdictions; and

- (l) immediately prior to the Effective Date, Lotus will have a working capital of not less than a working capital deficit of \$110,000 unless agreed to in writing by GQ.

Termination

The Arrangement Agreement may be terminated prior to the Effective Time in certain circumstances, including:

- (a) by mutual written consent of GQ and Lotus;
- (b) by either GQ or Lotus, if:
 - (i) the Effective Time does not occur on or before the Outside Date, except that such right to terminate the Arrangement Agreement will not be available to any Party whose failure to fulfil any of its obligations or whose breach of any of its representations and warranties set forth in the Arrangement Agreement has been a principal cause of, or resulted in, such failure;
 - (ii) the Lotus Meeting is duly convened and held and the Arrangement Resolution is not approved by the Lotus Shareholders in accordance with applicable Laws and the Interim Order;
 - (iii) the GQ Meeting is duly convened and held and the RTO Resolution is not approved by the GQ Shareholders in accordance with applicable Laws and the policies of the TSXV; or
 - (iv) after the date of the Arrangement Agreement, any Law is enacted or made that remains in effect and that makes the completion of the Arrangement or the transactions contemplated by the Arrangement Agreement illegal or otherwise prohibited, and such Law has become final and non-appealable, except that such right to terminate the Arrangement Agreement will not be available to any Party unless such Party has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement;
- (c) by GQ, if:
 - (i) the GQ Board authorizes GQ to enter into a GQ Acquisition Agreement (other than an Acceptable GQ Confidentiality Agreement) with respect to a GQ Superior Proposal in accordance with Section 5.2(f) of the Arrangement Agreement;
 - (ii) Lotus makes a Change of Recommendation;
 - (iii) Lotus breaches its non-solicitation covenants in the Arrangement Agreement in any material respect;
 - (iv) subject to compliance with the notice and cure provisions in the Arrangement Agreement, Lotus breaches any of its representations, warranties, covenants or agreements contained in the Arrangement Agreement, which breach would cause any of the mutual conditions precedent or conditions precedent to the obligations of GQ not to be satisfied, and such breach is incapable of being cured or is not cured in accordance with the notice and cure provisions of the Arrangement Agreement, provided, however, that any wilful breach will be deemed incapable of being cured, and provided further that GQ is not then in breach of the Arrangement Agreement so as to cause any of the mutual conditions precedent or conditions precedent to the obligations of Lotus not to be satisfied; or
 - (v) a Lotus Material Adverse Effect has occurred after the date of the Arrangement Agreement and is continuing; and
- (d) by Lotus, if:

- (i) at any time prior to the approval of the Arrangement Resolution, the Lotus Board authorizes Lotus to enter into a Lotus Acquisition Agreement (other than an Acceptable Lotus Confidentiality Agreement) with respect to a Lotus Superior Proposal;
- (ii) subject to compliance with the notice and cure provisions of the Arrangement Agreement, GQ breaches any of its representations, warranties, covenants or agreements contained in the Arrangement Agreement, which breach would cause any of the mutual conditions precedent or conditions precedent to the obligations of Lotus not to be satisfied, and such breach is incapable of being cured or is not cured in accordance with the notice and cure provisions of the Arrangement Agreement, provided, however, that any wilful breach will be deemed incapable of being cured, and provided further that Lotus is not then in breach of the Arrangement Agreement so as to cause any of the mutual conditions precedent or conditions precedent to the obligations of GQ not to be satisfied;
- (iii) GQ has breached its non-solicitation covenants in the Arrangement Agreement in any material respect; or
- (iv) a GQ Material Adverse Effect has occurred after the date of the Arrangement Agreement and is continuing.

Effect of Termination

If the Arrangement Agreement is terminated in accordance with its terms, the Arrangement Agreement will become void and of no force and effect and there will be no liability on the part of Lotus, GQ or their respective Subsidiaries or affiliates, except that certain provisions of the Arrangement Agreement will survive such termination, including those relating to access to information and confidentiality, and provided that no Party will be relieved of any liability for any intentional or willful breach of the Arrangement Agreement, including any intentional or willful making of a misrepresentation therein..

THE VOTING SUPPORT AGREEMENTS

The following description of certain provisions of the Voting Support Agreements is a summary only. The summary of certain provisions of the Voting Support Agreements below and in this Circular is not comprehensive and is qualified in its entirety by reference to the full text of the form of Voting Support Agreement, the full text of which may be viewed on SEDAR+ under GQ's issuer profile at www.sedarplus.ca. This summary may not contain all of the information about the Voting Support Agreements that is important to GQ Shareholders. GQ Shareholders are encouraged to read the form of Voting Support Agreement carefully and in its entirety.

Lotus Voting Support Agreements

The Supporting Lotus Shareholders have entered into Lotus Voting Support Agreements with GQ in respect of Lotus Shares representing, in the aggregate, 24.01% of the outstanding Lotus Shares. The Lotus Voting Support Agreements set forth, among other things and subject to certain exceptions, the agreement of such Supporting Lotus Shareholders to vote their Lotus Shares in favour of the Arrangement Resolution at the Lotus Meeting and any matters related to the Arrangement, as contemplated by the Arrangement Agreement.

The obligations of a Supporting Lotus Shareholder under its respective Lotus Voting Support Agreement may be terminated (a) at any time upon the mutual written agreement of GQ and the Supporting Lotus Shareholder; (b) by GQ if: (i) any of the representations and warranties of the Supporting Lotus Shareholder in the Voting Support Agreement shall not be true and correct in all material respects; or (ii) the Supporting Lotus Shareholder shall not have complied with his, her or its covenants to GQ contained in the Voting Support Agreement in all material respects; or (c) by the Supporting Lotus Shareholder if: (i) any of the representations and warranties of GQ in the Voting Support Agreement shall not be true and correct in all material respects; (ii) GQ shall not have complied with its covenants to the Supporting Lotus Shareholder contained in the Voting Support Agreement in all material respects; (iii) there is any decrease in the amount of the consideration payable for the outstanding Lotus Shares as set out in the Arrangement Agreement; (iv) there is a change in the form of the consideration payable for the outstanding Lotus Shares as set out in the Arrangement Agreement the effect of which is adverse to the Lotus Shareholders; or (v) the Arrangement

Agreement or any terms or conditions thereof are substantively varied in a manner that is materially adverse to the Lotus Shareholders. The Voting Support Agreements shall automatically terminate on the earliest to occur of: (a) 5:00 p.m. (Vancouver time) on the date that the Arrangement Agreement is terminated in accordance with its terms; or (b) the occurrence of the Effective Time.

GQ Voting Support Agreements

The Supporting GQ Shareholders have entered into Voting Support Agreements with Lotus in respect of GQ Securities representing, in the aggregate, 15.7% of the outstanding GQ Shares. The Voting Support Agreements set forth, among other things and subject to certain exceptions, the agreement of such Supporting GQ Shareholders to vote their GQ Shares in favour of the RTO Resolution at the GQ Meeting and any matters related to the Arrangement, as contemplated by the Arrangement Agreement.

The obligations of a Supporting GQ Shareholder under its respective Voting Support Agreement may be terminated (a) at any time upon the mutual written agreement of Lotus and the Supporting GQ Shareholder; (b) by Lotus if: (i) any of the representations and warranties of the Supporting GQ Shareholder in the Voting Support Agreement shall not be true and correct in all material respects; or (ii) the Supporting GQ Shareholder shall not have complied with his, her or its covenants to Lotus contained in the Voting Support Agreement in all material respects; or (c) by the Supporting GQ Shareholder if: (i) any of the representations and warranties of Lotus in the Voting Support Agreement shall not be true and correct in all material respects; (ii) Lotus shall not have complied with its covenants to the Supporting GQ Shareholder contained in the Voting Support Agreement in all material respects; (iii) there is any decrease in the amount of the consideration payable for the outstanding GQ Shares as set out in the Arrangement Agreement; (iv) there is a change in the form of the consideration payable for the outstanding GQ Shares as set out in the Arrangement Agreement the effect of which is adverse to the GQ Shareholders; or (v) the Arrangement Agreement or any terms or conditions thereof are substantively varied in a manner that is materially adverse to the GQ Shareholders. The Voting Support Agreements shall automatically terminate on the earliest to occur of: (a) 5:00 p.m. (Vancouver time) on the date that the Arrangement Agreement is terminated in accordance with its terms; or (b) the occurrence of the Effective Time.

OMNIBUS PLAN

If the Arrangement Resolution and RTO Resolution are not approved by the Lotus Shareholders and the GQ Shareholders, respectively, the approval of the Omnibus Plan will be withdrawn and will not be considered at the GQ Meeting.

At the GQ Meeting, subject to approval of the Arrangement Resolution and the RTO Resolution by Lotus Shareholders and GQ Shareholders, respectively, GQ Shareholders will be asked to consider and, if thought appropriate, to approve the Omnibus Plan Resolution in the form annexed hereto as Schedule “B”, which will approve the Omnibus Plan, in the form set forth at Schedule “L” to this Circular. The Omnibus Plan received approval by the GQ Board on September 10, 2025, and is subject to TSXV approval.

The following information is intended to be a brief description of the Omnibus Plan and is qualified in its entirety by the full text of the Omnibus Plan in the form as set forth at Schedule “L”, subject to any revisions or amendments deemed necessary by the GQ Board.

The Omnibus Plan allows for a variety of equity-based awards that provide different types of incentives, including stock options, restricted share units (“**RSUs**”), deferred share units (“**DSUs**”) and performance share units (“**PSUs**”), to be granted to the Resulting Issuer’s directors, officers, employees, and consultants (the “**Eligible Participants**”).

The Omnibus Plan facilitates granting of Options, RSUs, PSUs, and DSUs each representing the right to receive one Resulting Issuer Share (and in the case of RSUs, PSUs, and DSUs one Resulting Issuer Share, the cash equivalent of one Resulting Issuer Share, or a combination thereof) in accordance with the terms of the Omnibus Plan. In addition, the Omnibus Plan provides for the granting of RSUs, Options and DSUs (together with Options, RSUs and PSUs, “**Awards**”) to non-executive directors. The following discussion is summary in nature and is qualified in its entirety by the text of the Omnibus Plan as set out at Schedule “L” hereto. Any capitalized terms used in this section not defined herein have the meaning as set forth in the Omnibus Plan.

Under the terms of the Omnibus Plan, the Resulting Issuer Board, or if authorized by the Resulting Issuer Board, the Compensation Committee of the Resulting Issuer, may grant Awards to Eligible Participants which includes a company designated by such Person subject to the policies of the TSXV. Awards may be granted at any time and from time to time in order to (i) increase participants' interest in the Resulting Issuer's welfare; (ii) provide incentives for participants to continue their services; and (iii) reward participants for their performance of services. Participation in the Omnibus Plan is voluntary and, if an eligible participant agrees to participate, the grant of Awards will be evidenced by a grant agreement with each such participant. No Awards and no rights or interests therein may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a participant other than by testamentary disposition or the laws of intestate succession.

The Omnibus Plan provides that appropriate adjustments, if any, will be made by the Resulting Board in connection with a reclassification, reorganization or other change of Resulting Issuer Shares, consolidation, distribution, merger or amalgamation, in the Resulting Issuer Shares issuable or amounts payable to preclude a dilution or enlargement of the benefits under the Omnibus Plan. Any adjustments other than a stock-split and consolidation is subject to prior acceptance of the TSXV. Each Option that would expire during a black-out period will expire on a day that is ten (10) business days immediately following such black-out period.

The maximum number of Resulting Issuer Shares reserved for issuance, in the aggregate, under the Omnibus Plan will be 10% of the aggregate number of Resulting Issuer Shares issued and outstanding at any time and from time to time; provided that for the purposes of calculating the maximum number of Resulting Issuer Shares reserved for issuance under the Omnibus Plan and any other security-based compensation arrangement, any issuance from treasury by the Resulting Issuer that is issued in reliance upon an exemption from disinterested shareholder approval pursuant to the policies of the TSXV and used as an inducement shall not be included provided that the maximum number of Resulting Issuer Shares issuable to any one Person (or corporation wholly-owned by such Person) not previously employed by and not previously an Insider of the Resulting Issuer, to enter into a contract of full time employment as an officer or employee of the Resulting Issuer, does not exceed 1% of the issued Resulting Issuer Shares calculated immediately prior to the date of grant or issuance of such Resulting Issuer Share to the person in compliance with the policies of the TSXV. The following are the participation limits under the Omnibus Plan:

- The aggregate number of Resulting Issuer Shares (i) issued to insiders under the Omnibus Plan or any other proposed or established share-based compensation arrangement within any 12-month period is limited to 10% of the issued Resulting Issuer Shares calculated on the date of grant, and (ii) issuable to insiders under the Omnibus Plan together with any other proposed or established share-based compensation arrangement, shall in each case not exceed 10% of the total issued Resulting Issuer Shares at any point in time.
- The aggregate number of Resulting Issuer Shares issued to any Person (as defined in the Omnibus Plan) under the Omnibus Plan or any other proposed or established share-based compensation arrangement within any 12-month period shall not exceed 5% of the aggregate number of issued and outstanding Resulting Issuer Shares, calculated as at the date any Award is granted or issued to the Person.
- The aggregate number of Resulting Issuer Shares issued to a Consultant (as defined in the Omnibus Plan) under the Omnibus Plan or any other proposed or established share-based compensation arrangement within any 12-month period shall not exceed 2% of the aggregate number of issued and outstanding Resulting Issuer Shares, calculated as at the date any Award is granted or issued to the Consultant.
- The aggregate number of Resulting Issuer Shares issued to all Investor Relations Service Providers (as defined in the Omnibus Plan) under the Omnibus Plan or any other proposed or established share-based compensation arrangement within any 12-month period shall in aggregate not exceed 2% of the aggregate number of issued and outstanding Resulting Issuer Shares, calculated at the date any Option is granted to any such Investor Relations Service Provider.
- Upon the "cashless exercise" of an Option pursuant to the Omnibus Plan, the aggregate number of Options exercised, surrendered or converted but not the number of Resulting Issuer Shares issued by the Resulting Issuer, is limited pursuant to the participation limits in accordance with the Omnibus Plan.

Any Awards granted pursuant to the Omnibus Plan that exceeds the limits set-out above must receive the requisite disinterested shareholder approval pursuant to the policies of the TSXV.

The Omnibus Plan provides that Options will vest as determined by the Resulting Issuer Board and in accordance with the policies of the TSXV. Initially, it is expected that Options granted under the Omnibus Plan will vest in three equal instalments with $\frac{1}{3}$ vesting upon grant and $\frac{1}{3}$ vesting upon each of the first and second anniversary dates of grant. The exercise price of any Option shall be fixed by the Resulting Issuer Board when such Option is granted, but shall not be less than the Discounted Market Price (as defined under the policies of the TSXV). Options granted to Investor Relations Service Providers will vest in stages over a period of not less than 12 months with no more than a quarter of the options granted vesting in any three-month period and vesting of such Options granted to Investor Relations Service Providers may only be accelerated upon approval of the TSXV. An Option shall be exercisable during a period established by the Resulting Issuer Board which shall commence on the date of the grant and shall terminate no later than ten years after the date of the granting of the Option or such shorter period as the Resulting Issuer Board may determine. The Omnibus Plan will provide that the exercise period shall automatically be extended if the date on which it is scheduled to terminate shall fall during a black-out period. In such cases, the extended exercise period shall terminate 10 business days after the last day of the blackout period.

In order to facilitate the payment of the exercise price of the Options, the Omnibus Plan has a cashless exercise feature pursuant to which a participant who is not an Investor Relations Service Provider may elect to undertake either a broker assisted “cashless exercise” or a “net exercise” subject to the procedures set out in the Omnibus Plan, including the consent of the Resulting Issuer Board, where required and the following calculation:

$$X = A / B$$

Where:

X = the number of Resulting Issuer Shares to be issued to the Participant upon exercising such Options; provided that if the foregoing calculation results in a negative number, then no Resulting Issuer Shares shall be issued

A = the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Resulting Issuer Shares and the exercise price of the subject Options

B = VWAP of the underlying Resulting Issuer Shares

RSUs, PSUs and DSUs shall vest no earlier than 12 months from the date of grant so long as the Resulting Issuer Shares are listed on the TSXV (unless otherwise permitted under the policies of the TSXV). Except as otherwise provided in a participant’s grant agreement or any other provision of the Omnibus Plan, all vested RSUs and PSUs will be settled as soon as practicable following the date on which the vesting and/or performance criteria are met, but in all cases prior to (i) three years following the date of grant, if such RSUs or PSUs are settled by payment of cash or through purchases by the Resulting Issuer on the participant’s behalf on the open market, or (ii) 10 years following the date of grant, if such RSUs or PSUs are settled by issuance of Resulting Issuer Shares from treasury.

With respect to RSUs granted, unless otherwise determined by the Resulting Issuer Board, $\frac{2}{3}$ will vest at 12 months from the date of grant and the remaining $\frac{1}{3}$ will vest 24 months from the date of grant.

With respect to DSUs, unless otherwise approved by the Resulting Issuer Board and except as otherwise provided in a participant’s grant agreement or any other provision of the Omnibus Plan, DSUs will vest no earlier than 12 months from the date of grant so long as the Resulting Issuer Shares are listed on the TSXV (unless otherwise permitted under the policies of the TSXV), subject to conditions and provisions set forth in the Omnibus Plan and the DSU Agreement, and will become exercisable upon the non-executive director’s separation from the Resulting Issuer until 90 days from such date.

With respect to DSUs, RSUs and/or PSUs (but excluding Options), if dividends (other than stock dividends) are paid on the Resulting Issuer Shares, participants holding DSUs, RSUs and/or PSUs will receive additional DSUs, RSUs and/or PSUs, as applicable (“**Dividend Share Units**”) as of the dividend payment date. The number of Dividend Share Units to be granted to the participant will be determined by multiplying the aggregate number of DSUs, RSUs and/or PSUs, as applicable, held by the participant by the dollar amount of the dividend paid by the Resulting Issuer on each Resulting Issuer Share, and dividing the result by the Market Value on the dividend payment date. Dividend Share Units will be in the form of DSUs, RSUs and/or PSUs, as applicable and will be subject to the same vesting conditions

applicable to the related DSUs, RSUs and/or PSUs. Any Dividend Share Units granted will be included in the calculation of participation limits set out in the Omnibus Plan and any Dividend Share Unit entitlement amounts that exceed such limits will be payable in cash. The Resulting Issuer Board may at its discretion settle any Awards granted by way of Resulting Issuer Shares only.

The following table describes the impact of certain events upon the rights of holders of awards under the Omnibus Plan, including termination for cause, resignation, retirement, termination other than for cause, and death or long-term disability, subject to the terms of a participant's employment agreement, grant agreement and the change of control provisions described below:

Event Provisions	Options
Termination for cause	Immediate forfeiture of all vested and unvested Awards
Resignation/ Retirement/ Termination other than for cause/ No longer serving as a director	Forfeiture of all unvested Options at the earlier of the original expiry date and 90 days after resignation to exercise vested Options or such longer period as the Resulting Issuer Board may determine in its sole discretion.
Death or disability	Forfeiture of all unvested Options and the earlier of the original expiry date and 12 months after date of death or long-term disability to exercise vested Options. The maximum period in which an heir or administrator of a participant who may make a claim regarding any Options which were previously granted to such participant is 12 months.

In the event of a change of control, all unvested Awards then outstanding will vest immediately subject to the following:

- vesting of the Options granted to Investor Relations Service Providers may be accelerated only with the prior approval of the TSXV; and
- no Awards granted or issued pursuant to the Omnibus Plan, other than Options granted pursuant to the Omnibus Plan, may vest before one year from the date of issuance or grant of the Award and the vesting of any Awards (other than Options) may be accelerated for an Eligible Participant who dies or ceases to be an Eligible Participant under the Omnibus Plan in connection with a change of control, take-over bid, RTO or other similar transaction.

Subject to the terms of the Omnibus Plan, in the event of a take-over bid, reverse take-over or other transaction leading to a change of control, the Resulting Issuer Board has the power, in its sole discretion, to accelerate the vesting of Options to at least one year following the date it is granted or issued and to permit participants to conditionally exercise their Options, such conditional exercise to be conditional upon the take-up by such offeror of the Resulting Issuer Shares or other securities tendered to such take-over bid in accordance with the terms of the take-over bid (or the effectiveness of such other transaction leading to a change of control). If, however, such potential change of control is not completed within the time specified, then (i) any conditional exercise of vested Options will be deemed to be null, void and of no effect, and such conditionally exercised Options will for all purposes be deemed not to have been exercised, and (ii) Options that had vesting accelerated will be returned by the participant to the Resulting Issuer and reinstated as authorized but unissued Resulting Issuer Shares and the original terms applicable to such Options will be reinstated.

The Resulting Issuer Board may, in its sole discretion, suspend or terminate the Omnibus Plan at any time, or from time to time, amend, revise or discontinue the terms and conditions of the Omnibus Plan or of any Award granted under the Omnibus Plan and any grant agreement relating thereto, subject to any required regulatory, shareholder and

TSXV approval, provided that such suspension, termination, amendment, or revision will: (i) not adversely alter or impair any Award previously granted except as permitted by the terms of the Omnibus Plan or (ii) be in compliance with applicable law and with the prior approval, if required, of the shareholders of the Resulting Issuer and of the TSXV or any other stock exchange upon which the Resulting Issuer has applied to list the Resulting Issuer Shares.

Subject to the matters set forth below, the Resulting Issuer Board may from time to time, in its discretion and without the approval of the Resulting Issuer's shareholders, make changes to the Omnibus Plan or any Award that do not require the approval of shareholders as follows:

- (a) any amendment made to clarify the meaning of an existing provision of the Omnibus Plan; or
- (b) any amendment made to correct any grammatical or typographical errors or amend the definitions in the Omnibus Plan regarding administration of the Omnibus Plan.

Notwithstanding the foregoing or any other provision of the Omnibus Plan, disinterested shareholder approval is required for the following amendments to the Omnibus Plan:

- (a) any increase in the maximum number of common shares that may be issuable from treasury pursuant to awards granted under the Omnibus Plan, subject to certain permitted adjustments;
- (b) any reduction in the exercise price of an Award benefitting an insider, subject to certain permitted adjustments;
- (c) any extension of the expiration date of an Award benefitting an insider which will require disinterested shareholder approval;
- (d) any amendment to remove or to exceed the insider participation limit; and
- (e) any other amendment to the Omnibus Plan or Award which requires disinterested shareholder approval pursuant to TSXV policies.

The foregoing description of the Omnibus Plan is intended as a summary only. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the Omnibus Plan, which are set out in Schedule "L" of this Circular.

Should GQ Shareholders not approve the Omnibus Plan, then the Option Plan in the current form will continue to be valid. The Option Plan received GQ Shareholder approval at the annual general and special meeting held on July 17, 2024. For more information regarding the Option Plan currently in place refer to GQ's management information circular dated June 4, 2024. GQ Shareholders may also request a copy of the Option Plan by contacting GQ by email at IR@greatquest.com.

Accordingly, the GQ Shareholders will be asked at the GQ Meeting to pass the Omnibus Plan Resolution as an ordinary resolution, in substantially the form as set out at Schedule "B" of this Circular, to ratify and approve the Omnibus Plan.

The approval by GQ Shareholders requires a favourable vote of a majority of the GQ Shares voted in respect thereof at the GQ Meeting. The Omnibus Plan will not be adopted by GQ unless the Arrangement is completed.

Unless instructed otherwise, the management designees of GQ in the accompanying form of proxy or voting instruction form intend to vote FOR the Omnibus Plan Resolution.

CONCURRENT FINANCING

Concurrent to or following the closing of the Arrangement, GQ or the Resulting Issuer will complete a private placement of up to 4,000,000 GQ Shares or RI Shares at \$0.75 per GQ Share or RI Share for gross proceeds of up to \$3,000,000.

BRIDGE FINANCING

On July 14, 2025, GQ completed the first tranche of the Bridge Financing for a total of 11,560,000 GQ Shares for gross proceeds of \$289,000 at a price of \$0.025 per GQ Share. On August 29, 2025, GQ completed the second tranche of the Bridge Financing for a total of 8,440,000 GQ Shares for gross proceeds of \$211,000. The aggregate gross proceeds of \$500,000 from the Bridge Financing will be used for costs associated with the RTO. GQ paid cash finder's fees of \$6,625 in respect of the Bridge Financing to eligible finders.

RISK FACTORS

The following risk factors, which relate to the RTO and the Resulting Issuer, should be considered by GQ Shareholders in evaluating whether to approve the RTO Resolution. These risk factors should be considered in conjunction with the risks described in GQ's filings with the Securities Authorities, which are available on SEDAR+ under GQ's issuer profile at www.sedarplus.ca, together with the other information contained in or incorporated by reference into this Circular.

Risk Factors Relating to the Arrangement

There can be no certainty that all conditions precedent to the Arrangement will be satisfied or waived. Failure to complete the Arrangement could negatively impact the market price of GQ Shares.

The Arrangement is subject to certain conditions that may be outside the control of the Parties, including, without limitation, the receipt of the Final Order and the approval of the Arrangement Resolution and RTO Resolution. In addition, there is no guarantee that the Resulting Issuer will be able to satisfy the requirements of the TSXV such that it will issue its final bulletin. There can be no certainty, nor can either Party provide any assurance, that these conditions will be satisfied or waived, or, if satisfied or waived, when they will be satisfied or waived. If the Arrangement is not completed, the market price of GQ Shares may decline to the extent that the market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the GQ Board or the Lotus Board, as the case may be, decide to seek another merger or business combination, there can be no assurance that Lotus will be able to find a party willing to pay an equivalent or more attractive price than the Share Consideration payable pursuant to the Arrangement.

Tax Consequences.

The RTO may have tax consequences in Canada, or elsewhere, depending on each particular existing or prospective shareholder's specific circumstances. Such tax consequences are not described herein and this Circular is not intended to be, nor should it be construed to be, legal or tax advice to any particular shareholder. Existing and prospective shareholders should consult their own tax advisors with respect to any such tax considerations.

The Arrangement Agreement may be terminated by GQ or Lotus in certain circumstances.

Each of GQ and Lotus has the right to terminate the Arrangement Agreement and not complete the Arrangement in certain circumstances. Accordingly, there is no certainty, nor can either party provide any assurance, that the Arrangement Agreement will not be terminated by either GQ or Lotus, as the case may be, before the completion of the Arrangement. See "*The Arrangement Agreement — Termination*".

In addition, completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Lotus, GQ or both. There is no certainty, nor can either party provide any assurance, that these conditions will be satisfied or waived. If the Arrangement Agreement is terminated for any reason, this could negatively impact the share price of the GQ Shares.

Potential payments to Lotus Shareholders who exercise Dissent Rights could have an adverse effect on the Resulting Issuer's financial condition or prevent the completion of the Arrangement.

Lotus Shareholders have the right to exercise Dissent Rights and demand payment equal to the fair value of their Lotus Shares. If Dissent Rights are exercised in respect of a significant number of Lotus Shares, a substantial payment may be required to be made to such Lotus Shareholders, which could have an adverse effect on the Resulting Issuer's

financial condition and cash resources. Further, GQ's obligation to complete the Arrangement is conditional upon Lotus Shareholders holding no more than 5% of the outstanding Lotus Shares having exercised Dissent Rights. Accordingly, the Arrangement may not be completed if Lotus Shareholders exercise Dissent Rights in respect of more than 5% of the outstanding Lotus Shares.

Other than publicly-available information, Lotus has relied on information made available by GQ.

Other than publicly-available information, all historical information relating to GQ presented in this Circular has been provided in exclusive reliance on the information made available by GQ and its respective representatives. Although Lotus has no reason to doubt the accuracy or completeness of the information provided herein by GQ, any inaccuracy or omission in such information contained in this Circular could result in unanticipated liabilities or expenses, increase the cost of integrating the Resulting Issuer or adversely affect the operational plans of the combined entities and its results of operations and financial condition at GQ and may negatively affect the price of GQ Shares.

Other than publicly-available information, GQ has relied on information made available by Lotus.

Other than publicly-available information, all historical information relating to Lotus presented in this Circular has been provided in exclusive reliance on the information made available by Lotus and its respective representatives. Although GQ has no reason to doubt the accuracy or completeness of the information provided herein by Lotus, any inaccuracy or omission in such information contained in this Circular could result in unanticipated liabilities or expenses, increase the cost of integrating the Resulting Issuer or adversely affect the operational plans of the combined entities and its results of operations and financial condition at Lotus and may negatively affect the price of GQ Shares.

While the Arrangement is pending, Lotus and GQ are restricted from taking certain actions.

The Arrangement Agreement restricts Lotus and GQ from taking certain specified actions until the Arrangement is completed without the consent of the other Party. These restrictions may prevent Lotus and GQ from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of Lotus and GQ.

The Arrangement may divert the attention of Lotus' and GQ's management.

The Arrangement could cause the attention of Lotus' and GQ's management to be diverted from the day-to-day operations of Lotus and GQ, respectively. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of Lotus.

Following the completion of the RTO, the Resulting Issuer may issue additional equity securities.

Following the completion of the RTO, the Resulting Issuer may issue equity securities to finance its activities. If the Resulting Issuer were to issue additional equity securities, the ownership interest of existing Resulting Issuer shareholders may be diluted and some or all of the Resulting Issuer's financial measures on a per share basis could be reduced. Moreover, as the Resulting Issuer's intention to issue additional equity securities becomes publicly known, the Resulting Issuer's share price may be materially adversely affected.

GQ and Lotus may be the targets of legal claims, securities class action lawsuits, derivative lawsuits and other claims.

GQ and Lotus may be the targets of securities class action lawsuits and derivative lawsuits which could result in substantial costs and may delay or prevent the Arrangement from being completed. Securities class action lawsuits and derivative lawsuits are often brought against companies that have entered into an agreement to acquire a public company or to be acquired. Third parties may also attempt to bring claims against GQ or Lotus seeking to restrain the Arrangement or seeking monetary compensation or other redress. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting consummation of the Arrangement, then that injunction may delay or prevent the Arrangement from being completed.

The trading price of the GQ Shares prior to the Effective Time and the trading price of the GQ Shares following the Effective Time may be volatile.

The trading price of the GQ Shares have been and may continue to be subject to and, following completion of the RTO, the GQ Shares may be subject to, material fluctuations and may increase or decrease in response to a number of events and factors, including: (a) changes in the market price of the commodities; (b) current events affecting the economic situation in Canada, the United States and internationally; (c) trends in the global mining industries; (d) regulatory and/or government actions, rulings or policies; (e) changes in financial estimates and recommendations by securities analysts or rating agencies; (f) acquisitions and financings; (g) the economics of current and future projects and operations of Lotus and GQ; (h) quarterly variations in operating results; (i) the operating and share price performance of other companies, including those that investors may deem comparable; (j) the issuance of additional equity securities by the Resulting Issuer, as applicable, or the perception that such issuance may occur; and (k) purchases or sales of blocks of GQ Shares.

Risk Factors Related to the Resulting Issuer

GQ may be unable to successfully integrate the businesses of GQ and Lotus and realize the anticipated benefits of the Arrangement.

GQ and Lotus are proposing to complete the Arrangement to strengthen the position of each entity in the mining exploration industry and to, among other things, combine the assets of both companies to realize certain benefits. Achieving the benefits of the Arrangement depends in part on the ability of the Resulting Issuer to (i) effectively fund and develop the Resulting Issuer's mining projects even as market conditions remain challenging for gold exploration and development companies, (ii) capitalize on its scale, (iii) realize the anticipated capital and operating synergies, (iv) profitably sequence the growth prospects of its asset base, (v) maximize the potential of its improved growth opportunities, and (vi) maximize capital funding opportunities. A variety of factors, including those risk factors set forth in this Circular and in the documents incorporated by reference herein, may adversely affect the ability of GQ and Lotus to achieve the anticipated benefits of the Arrangement which could adversely affect the price of GQ Shares.

Exploration, Development and Production Risks.

An investment in Resulting Issuer Shares is speculative due to the nature of the Resulting Issuer's involvement in the acquisition, exploration, evaluation, and, if warranted, development and production of minerals. Mineral exploration involves a high degree of risk and there is no assurance that expenditures made on future exploration by Lotus will result in new discoveries in commercial quantities to return a profit from production.

Lotus' operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, including: unusual and unexpected geologic formations; seismic activity; rock bursts; cave-ins or slides; flooding; pit wall failure; periodic interruption due to inclement or hazardous weather conditions; and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, personal injury or death, damage to property, environmental damage and possible legal liability. Milling operations are subject to hazards such as fire, equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines and no assurance can be given that minerals will be discovered in sufficient quantities or having sufficient grade to justify commercial operations or that funds required for development can be obtained on a timely basis. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Lotus cannot give any assurance that its exploration and development programs and properties will result in the discovery, development or production of a commercially viable ore body or yield new reserves or expand current mineral resources.

Whether a mineral deposit will be commercially viable depends on a number of factors, including, but not limited to:

- the interpretation of geological data obtained from drill holes and other sampling techniques;

- the particular attributes of the deposit, such as size, grade, metallurgy and proximity to infrastructure;
- the cost of power and water;
- metal prices which are highly cyclical;
- fluctuations in inflation and currency exchange rates;
- higher input commodity and labour costs
- the cost of operations and processing equipment; and
- government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, allowable production, importing and exporting of minerals and environmental protection.

Lotus' development projects are also subject to the issuance of necessary permits and other governmental approvals and receipt of adequate financing. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may adversely affect the Resulting Issuer's business.

In addition, as a result of the substantial expenditures involved in development projects, developments are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build the mine. The project development schedules are also dependent on obtaining the governmental approvals necessary for the operation of a mine. Substantial expenditures are required to build mining and processing facilities for new properties. The timeline to obtain these government approvals is often beyond our control. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated.

The combination of these factors may result in the inability to develop the Resulting Issuer's non-producing properties, to achieve estimated production, revenue or cost levels, or to receive an adequate return on invested capital, which could have a material adverse effect on our business, results of operations and financial condition.

Resource exploration, development, and operations are highly speculative, characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge will not eliminate. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Resulting Issuer must rely upon consultants and contractors for exploration, development, construction and operating expertise. Substantial expenditures are required to establish mineral resources and mineral reserves through drilling and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

No assurance can be given that minerals will be discovered in sufficient quantities at any development- stage mineral projects to justify commercial operations or that funds required for additional exploration or development will be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; commodity prices which are highly cyclical; the proximity and capacity of milling facilities; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Resulting Issuer not receiving an adequate return on invested capital.

Operational Risk.

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Resulting Issuer has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to property, and possible environmental damage. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave ins, landslides, weather conditions and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in extraction operations and the conduct of exploration programs. The Resulting Issuer's exploration activities will be subject to the availability of third party contractors and equipment. There are also physical risks to the exploration personnel. If any of the Resulting Issuer's properties are found to have commercial quantities of ore, the Resulting Issuer would be subject to additional risks respecting any development and production activities.

Political, economic and social risks and uncertainties.

The Resulting Issuer's operations will be located in Egypt and Namibia in Africa. The Resulting Issuer's mineral properties are located in economically stressed countries and consequently may be subject to a higher level of risk compared to less economically stressed countries. Operations, the status of mineral property rights, title to the properties and the recoverability of amounts shown for mineral properties in such nations can be affected by changing economic, regulatory and political situations. The Resulting Issuer's equity financings are sourced in Canadian dollars but for the most part it incurs its exploration expenditures in Namibian dollars. At this time there are no currency hedges in place. Therefore, a weakening of the Canadian dollar against the Namibia dollar could have an adverse impact on the amount of exploration conducted.

Other Stringent Laws and Regulations.

In addition to environmental laws and permitting requirements, the Resulting Issuer's activities may be subject to stringent laws and regulations governing, among other things: prospecting, development and production, imports and exports, taxes, labour standards, occupational health and mine safety, mineral tenure, land title and land use, water and air quality regulations, protection of endangered and protected species, social legislation and other matters.

Compliance with these laws may require significant expenditures. If the Resulting Issuer is unable to comply fully, it may be subject to enforcement actions or other liabilities, or its image may be harmed, all of which could materially affect its operating costs, delay or curtail its operations or cause it to be unable to obtain or maintain required permits. There can be no assurance that the Resulting Issuer will be at all times in compliance with all applicable laws regulations, that compliance will not be challenged or that the costs of complying with current and future laws and regulations will not materially or adversely affect its business, operations or results.

New laws and regulations, amendments to existing laws and regulations or administrative interpretation, or more stringent enforcement of existing laws and regulations, whether in response to changes in the political or social environment the Resulting Issuer operates in or otherwise, could have a material and adverse effect on the Resulting Issuer's future cash flow, results of operations and financial condition.

Future Profits/Losses and Production Revenues/Expenses.

There can be no assurance that significant losses will not occur in the near future or that the Resulting Issuer will be profitable in the future. The Resulting Issuer's operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production, if any, of the Resulting Issuer Properties and any other properties the Resulting Issuer has or may acquire are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, and the Resulting Issuer's acquisition of additional properties and other factors, many of which are beyond the Resulting Issuer's control. The Resulting Issuer expects to incur losses unless and until such time as any of its properties enter generate sufficient revenues to fund its continuing operations. The development of the Resulting Issuer Properties and any other properties the Resulting Issuer may acquire an interest in will require the commitment of substantial resources to conduct the time-consuming exploration and development of properties. There can be no assurance that the Resulting Issuer will

generate any revenues or achieve profitability. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

Prices, Markets and Marketing of Natural Resources.

Gold is a commodity whose price is determined based on world demand, supply and other factors, all of which are beyond the control of the Resulting Issuer. World prices for gold have fluctuated widely in recent years. The marketability and price of natural resources which may be acquired or discovered by the Resulting Issuer will be affected by numerous factors beyond its control. Government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of natural resources and environmental protection are all factors which may affect the marketability and price of natural resources. The exact effect of these factors cannot be accurately predicted, but any one or a combination of these factors could result in the Resulting Issuer not receiving an adequate return for shareholders.

Foreign Operations.

The Resulting Issuer's mineral operations are currently conducted in Namibia, Zambia and Egypt, and as such the Resulting Issuer's operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties may include, but are not limited to: extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; corruption; changes in taxation policies; and changing political conditions, social unrest and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of or purchase supplies from a particular jurisdiction.

The Resulting Issuer's activities are subject to extensive laws and regulations governing worker health and safety, employment standards, waste disposal, protection of historic and archaeological sites, mine development, protection of endangered and protected species and other matters.

A number of other approvals, licenses and permits are required for various aspects of mineral exploration and mine development. While Resulting Issuer will use its best efforts to ensure title to its mineral properties continues into the future, these interests may be disputed, which could result in costly litigation or disruption of operations. Future changes in applicable laws and regulations or changes in their enforcement or regulatory interpretation could negatively impact current or planned exploration and development activities on the Resulting Issuer's mineral projects.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Resulting Issuer's operations or future profitability.

Political Risk.

The Resulting Issuer Properties are located in Namibia, Zambia and Egypt and is subject to changes in political conditions and regulations in such countries.

Changes, if any, in mining or investment policies or shifts in political attitude in Peru could adversely affect Resulting Issuer's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Enforcement of Civil Liabilities.

All of the assets of the Resulting Issuer are located outside of Canada. It may not be possible to enforce against the Resulting Issuer and certain of its directors and experts named herein judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada.

Mineral Rights or Surface Rights to Properties.

The Resulting Issuer's ability to carry out successful mineral exploration and development activities and mining operations will depend on a number of factors including compliance with its obligations with respect to acquiring and maintaining title to its interest in certain properties. The acquisition of title to mineral properties is a very detailed and time-consuming process. No guarantee can be given that the Resulting Issuer will be in a position to comply with all such conditions and obligations, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licenses may be renewed, extended or transferred into other forms of licenses appropriate for ongoing operations, no guarantee can be given that a renewal, extension or a transfer will be granted to the Resulting Issuer or, if they are granted, that the Resulting Issuer will be in a position to comply with all conditions that are imposed.

There can be no assurances that the Resulting Issuer's rights and title interests will not be revoked or significantly altered to its detriment. There can be no assurances that its rights and title interests will not be challenged or impugned by third parties. The Resulting Issuer's interests in properties may be subject to prior unregistered liens, agreements, claims or transfers and title may be affected by, among other things, undetected defects or governmental actions.

No Operating History and Financial Resources.

GQ nor Lotus has an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its cash resources are sufficient to cover its projected funding requirements for the remainder of the fiscal year. Additional funds will be required for general operating costs, and for further exploration to attempt to prove economic deposits and to bring such deposits to production. Additional funds will also be required for the Resulting Issuer to acquire and explore other mineral interests. The Resulting Issuer anticipates that its cash resources will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Resulting Issuer to forfeit its interests in some or all of its properties or to reduce or terminate its operations. Inferred mineral resources are not mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future.

Community Relations and Action.

In the future, as a mining business the Resulting Issuer may come under pressure to demonstrate that other stakeholders (including employees and communities surrounding our operations) benefit and will continue to benefit from Lotus' commercial activities, and/or that it operates in a manner that will minimize any potential damage or disruption to the interests of those stakeholders. The Resulting Issuer may face opposition with respect to our future development and exploration projects which could materially adversely affect its business, results of operations and financial condition.

Further, certain NGOs, some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or our operations specifically, could have an adverse effect on our reputation and financial condition and may impact our relationship with the communities in which we operate. They may install road blockades, apply for injunctions for work stoppage and file lawsuits for damages. These actions can relate not only to current activities but also historic mining activities by prior owners and could have a material, adverse effect on our operations. They may also file complaints with regulators in respect of the Resulting Issuer, and its directors' and insiders', regulatory filings, either in respect of the Resulting Issuer or other companies. Such complaints, regardless of whether they have any substance or basis in fact or law, may have the effect of undermining the confidence of the public or a regulator in the Resulting Issuer or such directors or insiders and may adversely affect the price of its securities or our prospects of obtaining the regulatory approvals necessary for advancement of some or all of its exploration and development plans or operations.

The Resulting Issuer strives to operate in a socially responsible manner. However, there can be no guarantee that its efforts in this respect will address these risks.

Availability of Infrastructure, Energy and Other Commodities.

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. Lotus' inability to secure adequate water and power resources, as well as other events outside of its control, such as unusual or infrequent weather phenomena, sabotage, community, or government or other interference in the maintenance or provision of such infrastructure, could adversely affect our operations, financial condition and results of operations.

Profitability is affected by the market prices and availability of commodities that Lotus uses or consumes for its operations and planned development projects. Prices for commodities like diesel fuel, electricity, steel, concrete, and chemicals (including cyanide) can be volatile, and changes can be material, occur over short periods of time and be affected by factors beyond our control. Lotus' operations depend on suppliers to meet those needs. Higher costs for construction materials like steel and concrete could affect the timing and cost of Lotus' planned development projects.

Higher worldwide demand for critical resources like input commodities, drilling equipment, tires and skilled labour could affect Lotus' ability to acquire them and lead to delays in delivery and unanticipated cost increases, which could have an effect on its operating costs, capital expenditures and production schedules.

Additionally, Lotus will be relying on certain key third-party suppliers and contractors for equipment, raw materials and services used in, and the provision of services necessary for, the development, construction and operations at its Lawyers Property. As a result, Lotus' operations will be subject to a number of risks, some of which are outside of its control, including negotiating agreements with suppliers and contractors on acceptable terms, the inability to replace a supplier or contractor and its equipment, raw materials or services in the event that either party terminates the agreement, interruption of operations or increased costs in the event that a supplier or contractor ceases its business due to insolvency or other unforeseen events and failure of a supplier or contractor to perform under its agreement with Lotus. The occurrence of one or more of these risks could have a material adverse effect on Lotus' business, results of operations and financial condition.

Environmental Risks.

All phases of the natural resources business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with operations. The legislation also requires that facility sites and mines be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of tailings or other pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require Resulting Issuer to incur costs to remedy such discharge. No assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect Resulting Issuer's financial condition, results of operations or prospects.

Companies engaged in the exploration and development of mineral properties generally experience increased costs, and delays as a result of the need to comply with applicable laws, regulations and permits. Resulting Issuer believes it is in substantial compliance with all material laws and regulations which currently apply to its activities.

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 natural resource exploration and development activities may be required to compensate those suffering loss or damage by reason of its activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of natural resources companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in capital expenditures or production costs or a reduction in levels of production at producing properties or require abandonment or delays in developments of new properties.

Availability of Equipment and Access Restrictions.

Natural resource exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to Lotus and may delay exploration and development activities.

There are risks related to the integration of the existing businesses of GQ and Lotus.

The ability to realize the benefits of the RTO including will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner. This integration will require the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities of the Resulting Issuer following completion of the Arrangement, and from operational matters during this process which may result in a material adverse effect on the profitability, results of operations and financial condition of the Resulting Issuer.

The pro forma financial statements of the Resulting Issuer are presented for illustrative purposes only and may not be indicative of the Resulting Issuer's financial condition or results of operations following the Arrangement.

The pro forma financial statements of the Resulting Issuer contained in Schedule "J" – "Pro Forma Financial Statements" of this Circular are presented for illustrative purposes only and may not be indicative of the financial condition or results of operations of the Resulting Issuer for several reasons. The pro forma financial statements have been derived from the respective historical financial statements of Lotus and GQ, and certain adjustments and assumptions made as of the dates indicated therein have been made to give effect to the Arrangement. The information upon which these adjustments and assumptions have been made is preliminary and these kinds of adjustments and assumptions are difficult to make with complete accuracy. Moreover, the pro forma financial statements do not include, among other things, estimated cost or synergies, adjustments related to restructuring or integration activities, future acquisitions or disposals not yet known or probable. Therefore, the pro forma financial statements are presented for informational purposes only and are not necessarily indicative of what the Resulting Issuer's actual financial condition or results of operations would have been had the Arrangement been completed on the date indicated.

Changes in general business and economic conditions.

The Resulting Issuer's future performance will be affected by a range of economic, competitive, governmental, operating and other business factors, many of which cannot be controlled, such as general economic and financial conditions in the industry or the economy at large. Many industries, including the mining exploration industry, are impacted by global market conditions. Some of the key impacts of previous financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange markets and a lack of market liquidity. A slowdown in the financial markets or other economic conditions, including, but not limited to, consumer spending, increased unemployment rates, deteriorating business conditions, inflation, deflation, volatile fuel and energy costs, increased consumer debt levels, lack of available credit, changes in interest rates and changes in tax rates may adversely affect the Resulting Issuer's growth and profitability potential.

The Resulting Issuer will face competition for mineral interest acquisitions.

Many companies are engaged in the search for and the acquisition of mineral interests, and there is a limited supply of desirable mineral interests. Many companies are engaged in the acquisition of mining interests, including large, established companies with substantial financial resources, operational capabilities and long earnings records. The Resulting Issuer may be at a competitive disadvantage in acquiring interests as many competitors have greater financial resources and technical staff. There can be no assurance that the Resulting Issuer will be able to compete

successfully against other companies in acquiring other investments in mineral properties. In addition, the Resulting Issuer may be unable to acquire any such interests at acceptable valuations and on terms it considers to be acceptable. The Resulting Issuer's inability to acquire or obtain interests in mineral properties may result in a material adverse effect on the profitability, results of operation and financial condition of the Resulting Issuer.

The issuance of a significant number of GQ Shares and a resulting "market overhang" could adversely affect the market price of the GQ Shares after completion of the Arrangement.

On completion of the Arrangement, a significant number of additional GQ Shares will be issued and available for trading in the public market. The increase in the number of GQ Shares may lead to sales of such shares or the perception that such sales may occur (commonly referred to as "**market overhang**"), either of which may adversely affect the market for, and the market price of, the GQ Shares.

Immediately following the completion of the Arrangement, Former Lotus Shareholders are expected to own approximately 64.6% of the Resulting Issuer Shares and GQ Shareholders are expected to own approximately 35.4% of the Resulting Issuer Shares on an undiluted basis, based on the number of GQ Shares outstanding upon completion of the Arrangement and assuming that there are no Dissenting Shareholders and there are no Lotus Warrants exercised prior to the Effective Time.

Risk Factors Related to the Operations of GQ

Whether or not the RTO is completed, GQ will continue to face many of the risks that it currently faces with respect to its business and affairs. Certain of these risk factors have been disclosed in GQ's management's discussion and analysis for the years ended December 31, 2024 and 2023 and for the six months ended June 30, 2025 attached hereto at Schedule "I" – "*Management's Discussion and Analysis of GQ.*"

Risk Factors Related to the Operations of Lotus

Whether or not the Arrangement is completed, Lotus will continue to face many of the risks that it currently faces with respect to its business and affairs. Certain of these risk factors have been disclosed in the management's discussion and analysis of Lotus for the years ended December 31, 2024 and 2023 and for the six months ended June 30, 2025, and attached hereto at Schedule "G" – "*Management Discussion and Analysis of Lotus.*"

INFORMATION CONCERNING LOTUS

Information concerning Lotus is set out in Schedule "C" – "*Information Concerning Lotus*" to this Circular.

INFORMATION CONCERNING GQ

Information concerning GQ is set out in Schedule "D" – "*Information Concerning GQ*" to this Circular.

INFORMATION CONCERNING THE RESULTING ISSUER

Information concerning the Resulting Issuer (assuming the completion of the RTO) is set out in Schedule "E" – "*Information Concerning the Resulting Issuer*" to this Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of Lotus, after reasonable enquiry, other than as disclosed herein, no informed Person of Lotus, or any associate or affiliate of any informed Person, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect Lotus since the commencement of Lotus' most recently completed fiscal year.

To the knowledge of GQ, after reasonable enquiry, other than as disclosed herein, no informed Person of GQ, or any associate or affiliate of any informed Person, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect GQ since the commencement of GQ's most recently completed fiscal year.

SPONSORSHIP AND AGENT RELATIONSHIP

In connection with GQ's application for TSXV approval of the RTO, GQ has received a waiver from the TSXV of the requirement to engage a Sponsor of the RTO on the basis that the grant of the waiver would not be contrary to the public interest.

INTEREST OF EXPERTS

McGovern Hurley LLP ("**McGovern**") is the auditor of GQ and performed the audit in respect of the audited annual financial statements of GQ for the years ended December 31, 2024 and 2023. McGovern is independent of GQ in accordance with the applicable rules of professional conduct. To the knowledge of GQ, McGovern held less than 1% of the outstanding GQ Shares, at the time of the preparation of the reports contained in this Circular.

McGovern is also the auditor of Lotus and performed audits in respect of the annual financial statements of Lotus for the year ended December 31, 2024 and 2023. McGovern is independent of Lotus in accordance with the applicable rules of professional conduct. To the knowledge of Lotus, McGovern held less than 1% of the outstanding Lotus Shares at the time of the preparation of the reports contained in this Circular.

LEGAL MATTERS

Certain Canadian legal matters in connection with the Reverse Takeover, as they pertain to GQ, will be passed upon by Wildeboer Dellelce LLP.

As of the date of this Circular, the partners and associates of Wildeboer Dellelce LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding GQ Shares or shares of any of GQ's associates or affiliates.

ADDITIONAL INFORMATION

Additional information relating to GQ is available on SEDAR+ under GQ's issuer profile at www.sedarplus.ca. Financial information is provided in GQ's financial statements and management's discussion and analysis for its most recently completed financial year, which are filed on SEDAR+ under GQ's issuer profile at www.sedarplus.ca.

OTHER MATTERS

Management of GQ is not aware of any other matter to come before the GQ Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the GQ Meeting, it is the intention of the Persons named in the enclosed GQ Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

GQ BOARD APPROVAL

The contents and the sending of the Notice of Meeting and this Circular have been approved by the GQ Board.

ON BEHALF OF THE BOARD OF DIRECTORS OF GREAT QUEST GOLD LTD.

"Jed Richardson"

Jed Richardson
CEO, Executive Chairman and director

September 10, 2025

GLOSSARY OF TERMS

In this Circular and the Summary, the following capitalized words and terms shall have the following meanings:

“Acceptable Lotus Confidentiality Agreement” means a confidentiality agreement between Lotus and a third party other than GQ: (a) that is entered into in accordance with Section 5.1(c) of the Arrangement Agreement; (b) that contains confidentiality and standstill restrictions that are no less restrictive than those set out in the Letter Agreement, provided that, notwithstanding the foregoing, such agreement may permit such third party to submit a Lotus Acquisition Proposal on a confidential basis to the Lotus Board; (c) that does not permit the sharing of confidential information with potential co-bidders unless such co-bidders are subject to similar confidentiality obligations; and (d) that does not preclude or limit the ability of Lotus to disclose information relating to such agreement or the negotiations contemplated thereby, to GQ.

“Acceptable GQ Confidentiality Agreement” means a confidentiality agreement between GQ and a third party other than Lotus: (a) that is entered into in accordance with Section 5.2(c) of the Arrangement Agreement; (b) that contains confidentiality and standstill restrictions that are no less restrictive than those set out in the Letter Agreement, provided that, notwithstanding the foregoing, such agreement may permit such third party to submit a GQ Acquisition Proposal on a confidential basis to the GQ Board; (c) that does not permit the sharing of confidential information with potential co-bidders unless such co-bidders are subject to similar confidentiality obligations; and (d) that does not preclude or limit the ability of GQ to disclose information relating to such agreement or the negotiations contemplated thereby, to Lotus.

“Acquisition Proposal” means either a GQ Acquisition Proposal or Lotus Acquisition Proposal, as applicable.

“affiliate” has the meaning ascribed to such term under the Securities Act.

“Alternative Transaction” has the meaning ascribed to such term in this Circular under the heading *“The Arrangement Agreement – Covenants of Lotus – Covenants Relating to the Arrangement”*.

“Alternative Transaction Conditions” has the meaning ascribed to such term in this Circular under the heading *“The Arrangement Agreement – Covenants of Lotus – Covenants Relating to the Arrangement”*.

“Annual Materials” has the meaning ascribed to such term in this Circular under the heading *“General GQ Proxy Information – Notice-and-Access”*.

“Arrangement” means the arrangement of Lotus under Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of GQ and Lotus, each acting reasonably.

“Arrangement Agreement” means the arrangement agreement dated June 26, 2025 between GQ and Lotus, and amended and restated on September 1, 2025, including all schedules attached thereto, and as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms thereof, the full text of which may be viewed on SEDAR+ under GQ and Lotus’ issuer profiles, respectively, at www.sedarplus.ca.

“Arrangement Resolution” means the special resolution approving the Arrangement to be considered at the Lotus Meeting, substantially in the form and content as set out Schedule “A” to this Circular.

“associate” has the meaning ascribed to such term under the *Securities Act*.

“Awards” means the equity-based awards granted under the Omnibus Plan.

“BCBCA” means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as promulgated or amended from time to time.

“Bridge Financing” means the non-brokered private placement of 20,000,000 GQ Shares for gross proceeds of \$500,000 to be completed prior to the Effective Date, which GQ Shares will be subject to a lock-up for 4 months following the Effective Time.

“Broadridge” means Broadridge Investor Communications Corporation in Canada and its counterpart in the United States.

“Business Day” means a day other than a Saturday, a Sunday or any other day on which commercial banking institutions in Vancouver, British Columbia are authorized or required by applicable Law to be closed.

“Canadian Securities Laws” means applicable Canadian provincial and territorial securities laws.

“CDS” means CDS Clearing and Depository Services Inc. or its nominee, which at the date hereof is CDS & Co.

“Change of Recommendation” means either (a) the Lotus Board or any committee thereof fails to publicly make a recommendation that the Lotus Shareholders vote in favour of the Arrangement Resolution as contemplated in Section 2.2(d), Section 2.5(d) and Section 5.1(i) of the Arrangement Agreement or Lotus or the Lotus Board, or any committee thereof, withdraws, modifies, qualifies or changes in a manner adverse to GQ, the Lotus Board Recommendation (it being understood that publicly taking no position or a neutral position by Lotus and/or the Lotus Board with respect to a Lotus Acquisition Proposal for a period exceeding five (5) Business Days after a Lotus Acquisition Proposal has been publicly announced, or beyond the date which is one day prior to the Meeting, if sooner) shall be deemed to constitute such a withdrawal, modification, qualification or change, (b) GQ requests that the Lotus Board reaffirm its recommendation that the Lotus Shareholders vote in favour of the Arrangement Resolution and the Lotus Board shall not have done so by the earlier of (x) the fifth (5th) Business Day following receipt of such request and (y) the Meeting, or (c) Lotus and/or the Lotus Board, or any committee thereof, accepts, approves, endorses or recommends any Lotus Acquisition Proposal or proposes publicly to accept, approve, endorse or recommend any Lotus Acquisition Proposal.

“Circular” means this management information circular (including all schedules hereto and information incorporated by reference herein) to be sent to Lotus Shareholders and GQ Shareholders in connection with the Lotus Meeting and GQ Meeting, respectively, including any amendments or supplements hereto.

“Code” means the United States Internal Revenue Code of 1986, as amended.

“commercially reasonable efforts” with respect to any Party means the cooperation of such Party and the use by such Party of its reasonable efforts consistent with reasonable commercial practice without payment or incurrence of any material liability or obligation.

“Concurrent Financing” the private placement of up to 4,000,000 GQ Shares or Resulting Issuer Shares at \$0.75 GQ Shares or RI Shares for gross proceeds of up to \$3,000,000.

“Consideration Shares” means the GQ Shares to be issued pursuant to the Arrangement.

“Consolidation” means the consolidation of the outstanding GQ Shares on the basis of up to 30:1.

“Contract” means any written contract, agreement, license, lease, arrangement, commitment, understanding, joint venture, partnership, note, instrument, or other right or obligation to which a Party, or any of its subsidiaries, is a party or by which a Party, or any of its subsidiaries, is bound or affected or to which any of their respective properties or assets is subject, but shall not include any Employee Plans or any contract, agreement, obligation, promise, commitment or undertaking relating to any Employee Plans;

“Court” means the Supreme Court of British Columbia, or other court as applicable.

“CRA” means Canada Revenue Agency.

“Dissent Rights” means the right to dissent to the Arrangement provided under Sections 237 to 247 of the BCBCA, , as modified by the Plan of Arrangement, the Interim Order, the Final Order and any other order of the Court.

“Dissenting Shareholder” means a Registered Lotus Shareholder who: (a) has duly and validly exercised their Dissent Rights in strict compliance with the dissent procedures set out in Division 2 of Part 8 of the BCBCA, as modified by the Interim Order and the Plan of Arrangement; and (b) has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.

“DRS” means direct registration system.

“Eastern Desert Gold Project” means the mineral project of Lotus consisting of the Wadi Zeidun, Umm Samra, Siqdid and Umm Salim mineral properties

“Effective Date” means the date designated by GQ and Lotus by notice in writing as the effective date of the Arrangement, after the satisfaction or waiver (subject to applicable Laws) of all of the conditions to completion of the Arrangement as set forth in the Arrangement Agreement (excluding conditions that by their terms cannot be satisfied until the Effective Date) and delivery of all documents agreed to be delivered thereunder to the satisfaction of the parties thereto, acting reasonably, and in the absence of such agreement, three (3) Business Days following the satisfaction or waiver (subject to applicable Laws) of all conditions to completion of the Arrangement as set forth in the Arrangement Agreement (excluding conditions that by their terms cannot be satisfied until the Effective Date).

“Effective Time” means 12:01 a.m. (Vancouver time) on the Effective Date or such other time as Lotus and GQ may agree upon in writing.

“Employee Plans” means, with respect to GQ or Lotus, as applicable, all employee benefit plans, including any bonus plans, incentive plans, pension plans, defined benefits, defined contributions, Multi-employer Plans, supplemental retirement plans, retirement savings plans, supplemental unemployment benefit, fringe benefit, death benefits, loan, stock purchase plans, profit sharing plans, stock option plans, stock appreciation plans, phantom stock plans, termination pay (other than as required by applicable Law), change of control payment, group health and welfare insurance plans (including life, medical, hospitalization, dental, vision, drug, and disability coverage), and any other similar plans, programmes, arrangements or practices relating to any current or former director, officer or employee of GQ or Lotus, as applicable, which is administered or contributed to by GQ or Lotus, as applicable, or in respect of which GQ or Lotus has any obligation or liability, in each case, other than benefit plans established pursuant to statute, such as the Canada Pension Plan and Employment Insurance program.

“Final Order” means the order of the Court approving the Arrangement under Section 291(4) of the BCBCA, issued pursuant to the Arrangement in form and substance acceptable to both Lotus and GQ, each acting reasonably, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both Lotus and GQ, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment, modification, supplement or variation is acceptable to both Lotus and GQ, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied.

“Former Lotus Shareholders” means, at and following the Effective Time, the holders of Lotus Shares immediately prior to the Effective Time.

“forward-looking statements” has the meaning ascribed to such term in this Circular under the heading *“Cautionary Statement Regarding Forward-Looking Statements”*.

“Governmental Entity” means: (a) any international, multinational, federal, provincial, territorial, state, regional, municipal, local or other government or governmental body and any division, agent, official, agency, commission, board or authority of any government, governmental body, quasi-governmental or private body exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing; (b) any domestic, foreign or international judicial, quasi-judicial or administrative court, tribunal, commission, board, ministry, panel or arbitrator acting under the authority of any of the foregoing; and (c) any stock exchange, including the TSXV.

“GQ” means Great Quest Gold Ltd., a company organized under the laws of the Province of British Columbia.

“GQ Acquisition Agreement” means any letter of intent, memorandum of understanding or other Contract, agreement in principle, acquisition agreement, merger agreement or similar agreement or understanding with respect to any GQ Acquisition Proposal.

“GQ Acquisition Proposal” means, whether or not in writing, any: (a) proposal with respect to: (i) any direct or indirect acquisition by take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in any person or group of persons acting jointly or in concert (as such term is defined in NI 62-104) (or in the case of a parent to parent transaction, their shareholders) (other than Lotus and its affiliates) beneficially owning GQ Shares (or securities convertible into or exchangeable or exercisable for GQ Shares) representing 20% or more of the GQ Shares then outstanding; (ii) any plan of arrangement, amalgamation, merger, share exchange, consolidation, recapitalization, reorganization, liquidation, dissolution, business combination or other similar transaction in respect of GQ; or (iii) any direct or indirect acquisition by any person or group of persons other than Lotus (or any affiliate of Lotus or any person acting in concert with Lotus or any affiliate of Lotus) of any assets of GQ that individually or in the aggregate contribute 20% or more of the consolidated revenue of GQ or constitute or hold 20% or more of the fair market value of the assets of GQ in each case based on the consolidated financial statements of GQ most recently filed prior to such time as part of the GQ Public Disclosure Record (or any sale, disposition, lease, license, royalty, alliance or joint venture, long-term supply agreement or other arrangement having a similar economic effect), whether in a single transaction or a series of related transactions; (b) transaction or series of transactions that would have the same effect to those referred to in (a); (c) offer, inquiry, expression or other indication of interest or offer (whether written or oral) from any person or group of persons other than Lotus (or any affiliate of Lotus or any person acting in concert with Lotus or any affiliate of Lotus) after the date of the Arrangement Agreement to do any of the foregoing, in each case, excluding the Arrangement and the other transactions contemplated by the Arrangement Agreement; or (d) any public announcement of an intention to do any of the foregoing, excluding the Arrangement and the other transactions contemplated by the Arrangement Agreement.

“GQ Annual Financial Statements” means the audited consolidated financial statements of GQ as at and for the years ended December 31, 2024 and 2023 including the notes thereto and the auditor’s report thereon.

“GQ Board” means the board of directors of GQ.

“GQ Board Recommendation” means the unanimous determination of the GQ Board, following consultation with its legal and financial advisors, that the RTO is fair to the GQ Shareholders and it is in the best interests of GQ and the unanimous recommendation of the GQ Board to GQ Shareholders that they vote in favour of the RTO Resolution.

“GQ Disclosure Letter” means the disclosure letter regarding the Arrangement Agreement that has been executed by GQ and delivered to Lotus concurrently with the execution of the Arrangement Agreement.

“GQ Equity Incentive Plan” means GQ’s 10% rolling stock option plan or its Omnibus Securities Compensation Plan, as the case may be.

“GQ Financial Statements” means, collectively, the GQ Annual Financial Statements and the GQ Interim Financial Statements.

“GQ Interim Financial Statements” means the unaudited condensed interim financial statements of GQ as at and for the six months ended June 30, 2025, including the notes thereto.

“GQ Joint Venture” means a joint venture, partnership or other similar arrangement, whether in corporate, partnership, contractual or other legal form, in which GQ directly or indirectly holds voting shares, equity interests or other rights of participation but which is not a Subsidiary of GQ, and any Subsidiary of any such entity.

“GQ Material Adverse Effect” means any result, fact, change, effect, event, circumstance, occurrence or development that, taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments, has or would reasonably be expected to have a material and adverse effect on the business, results of operations, capitalization, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise), or financial condition of GQ and its subsidiaries, taken as a whole, provided, however, that any result, fact, change, effect, event, circumstance, occurrence or development that arises out of, relates directly or indirectly to, results directly or indirectly from or is attributable to any of the following shall not be deemed to constitute, and shall not be taken into account in determining whether there has been, a GQ Material Adverse Effect: (a) changes, developments or conditions in or relating to general political, economic or financial or capital market conditions in Canada, the United States or globally; (b) any change or proposed change in any Laws or the interpretation, application or non-application of any Laws by any Governmental Entity; (c) changes or developments

affecting the global mining industry in general; (d) any outbreak or escalation of hostilities or war or acts of terrorism or any natural disaster or general outbreaks of illness; (d) any changes in the price of gold; (e) any generally applicable changes in IFRS; (f) the announcement or pendency of the Arrangement Agreement, including any lawsuit in respect of the Arrangement Agreement or the transactions contemplated hereby; (g) any actions taken (or omitted to be taken) at the written request, or with the prior written consent, of Lotus; (h) any action taken by GQ or its subsidiaries that is required pursuant to the Arrangement Agreement (excluding any obligation to act in the ordinary course of business); or (i) a change in the market price or trading volume of the GQ Shares as a result of the announcement of the execution of the Arrangement Agreement or of the transactions contemplated hereby; provided, however, that each of clauses (a) through (f) above shall not apply to the extent that any of the changes, developments, conditions or occurrences referred to therein relate primarily to (or have the effect of relating primarily to) GQ and its subsidiaries taken as a whole or disproportionately adversely affect GQ and its subsidiaries taken as a whole in comparison to Lotus and other persons who operate in the gold and silver mining industry and provided further, however, that references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a GQ Material Adverse Effect has occurred.

“GQ Material Property” mean the mineral property interests of GQ and its subsidiaries in and to the mining concessions, claims, leases, licenses and Permits which are set forth at Section 1.1(A) of the GQ Disclosure Letter, including the Khorixas Gold Project.

“GQ Meeting” means the annual general and special meeting, including adjournments and postponements thereof, of the GQ Shareholders for the purposes of, among other things, considering, and if thought fit, approving the RTO Resolution.

“GQ Proxy” means the form of proxy delivered to GQ Shareholders.

“GQ Public Disclosure Record” means all documents filed by or on behalf of GQ on SEDAR+ since January 1, 2021 and prior to the date of the Arrangement Agreement that are publicly available.

“GQ Senior Management” means Jed Richardson, Dr. Andreas Rompel, Mohammed Bouhsane, Paul Bozoki and Tom Panoulis.

“GQ Shareholders” means, at any time, the holders of GQ Shares and **“GQ Shareholder”** means any one of them.

“GQ Shares” means common shares in the capital of GQ.

“GQ Superior Proposal” means a bona fide GQ Acquisition Proposal made in writing on or after the date of the Arrangement Agreement by a person or persons “acting jointly or in concert” (as such term is defined in NI 62-104) (other than Lotus and its affiliates) that did not result from a breach of Article 5 of the Arrangement Agreement (other than any immaterial or inconsequential breach) and which (or in respect of which): (a) is to acquire not less than all of the outstanding GQ Shares not owned by the person or persons or all or substantially all of the assets of GQ on a consolidated basis; (b) the GQ Board has determined in good faith, after consultation with its financial advisors and outside legal counsel, that such GQ Acquisition Proposal would, taking into account all of the terms and conditions of such GQ Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction which is more favourable, from a financial point of view, to the GQ Shareholders than the Arrangement (taking into account any amendments to this Agreement and the Arrangement proposed by Lotus pursuant to Section 5.2(g)) of the Arrangement Agreement; (c) in the case of a GQ Acquisition Proposal that relates to the acquisition of all of the outstanding GQ Shares, is made available to all of the GQ Shareholders on the same terms and conditions; (d) is not subject to any financing condition and in respect of which adequate arrangements have been made to ensure that the required funds will be available to effect payment in full; (e) is not subject to any due diligence and/or access condition; and (f) the GQ Board has determined in good faith, after consultation with financial advisors and outside legal counsel, is capable of being completed in accordance with its terms, without undue delay, taking into account all legal, financial, regulatory and other aspects of such GQ Acquisition Proposal and the person making such GQ Acquisition Proposal.

“GQ Voting Support Agreements” means the voting and support agreements between Lotus and the Supporting GQ Shareholders and other voting and support agreements that may be entered into after the date of this Circular by Lotus

and other GQ Shareholders, which agreements provide that such shareholders shall, among other things, vote all GQ Shares of which they are the registered or beneficial holder, or over which they have control or direction, in favour of the Arrangement Resolution and not dispose of their GQ Shares.

“GQ Warrants” means warrants to acquire GQ Warrants, each of which has or will be before the Effective Time have their respective expiry dates extended by 18 months.

“Indigenous Group” includes any native, indigenous or aboriginal or similarly status person, peoples or group, or any person, peoples or group asserting or otherwise claiming a native, indigenous or aboriginal or treaty right or any other similarly based or derived right (including native, indigenous or aboriginal title) or any other native, indigenous, aboriginal or similar interest, and any person or group representing any of the foregoing;

“IFRS” means International Financial Reporting Standards as incorporated in the Handbook of the CPA Canada, at the relevant time applied on a consistent basis.

“Interim Order” means the interim order of the Court rendered July 25, 2025, pursuant to Section 291(2) of the BCBCA as contemplated by the Arrangement Agreement, issued pursuant to the Arrangement, providing for, among other things, the calling and holding of the Lotus Meeting, as such order may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both Lotus and GQ, each acting reasonably.

“Laws” means all laws, statutes, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or other requirements, including applicable Canadian and United States federal and state Laws, of any Governmental Entity having the force of law and any legal requirements arising under the common law or principles of law or equity and the term “applicable” with respect to such Laws and, in the context that refers to any Person, means such Laws as are applicable at the relevant time or times to such Person or its business, undertaking, property or securities and emanate from a Governmental Entity having jurisdiction over such Person or its business, undertaking, property or securities.

“Letter Agreement” has the meaning ascribed to such term in this Circular under the heading “The Reverse Takeover – Background to the Reverse Takeover”.

“Liens” means any pledge, claim, lien, charge, option, hypothec, mortgage, deed of trust, security interest, restriction, adverse right, prior assignment, lease, sublease, royalty, levy, right to possession or any other encumbrance, easement, license, right of first refusal, covenant, voting trust or agreement, transfer restriction under any shareholder or similar agreement, right or restriction of any kind or nature whatsoever, whether contingent or absolute, direct or indirect, or any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

“Litigation” has the meaning ascribed to such term in this Circular under the heading “*The Arrangement Agreement – Covenants of Lotus – Conduct of Lotus Business*”.

“Lock-Up Agreements” means lock-up agreements, to be effective as of the Effective Time, among GQ and each of the Locked-Up Persons, pursuant to which, among other things, the Locked-Up Persons will agree to lock-up and not sell, transfer or otherwise dispose of their respective securities in the capital of GQ for the following periods:

- (i) 20% until 6 months following the Effective Time;
- (ii) 20% until 12 months after the Effective Time;
- (iii) 30% until 18 months after the Effective Time; and
- (iv) 30% until 24 months after the Effective Time.

“Locked-Up Persons” means, as of the date hereof, all directors and officers of Lotus and GQ and all Lotus Shareholders and GQ Shareholders holding at least 5% of the issued and outstanding Company Shares and GQ Shares,

respectively (calculated on a partially-diluted basis giving effect to the conversion of any securities of the holder convertible into Lotus Shares or GQ Shares, as the case may be);

“Lotus” means Lotus Gold Corporation, a company organized under the laws of the Province of British Columbia.

“Lotus Acquisition Agreement” has the meaning ascribed to such term in this Circular under the heading **“The Arrangement Agreement – Non-Solicitation and Right to Match”**.

“Lotus Acquisition Proposal” means, whether or not in writing, any: (a) proposal with respect to: (i) any direct or indirect acquisition by take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in any person or group of persons acting jointly or in concert (as such term is defined in NI 62-104) (or in the case of a parent to parent transaction, their shareholders) (other than GQ and its affiliates) beneficially owning Lotus Shares (or securities convertible into or exchangeable or exercisable for Lotus Shares) representing 20% or more of the Lotus Shares then outstanding; (ii) any plan of arrangement, amalgamation, merger, share exchange, consolidation, recapitalization, reorganization, liquidation, dissolution, business combination or other similar transaction in respect of Lotus; or (iii) any direct or indirect acquisition by any person or group of persons other than GQ (or any affiliate of GQ or any person acting in concert with GQ or any affiliate of GQ) of any assets of Lotus that are or that hold Lotus Material Property or individually or in the aggregate contribute 20% or more of the consolidated revenue of Lotus or constitute or hold 20% or more of the fair market value of the assets of Lotus in each case based on the consolidated financial statements of Lotus most recently filed prior to such time as part of the Lotus Disclosure Record (or any sale, disposition, lease, license, royalty, alliance or joint venture, long-term supply agreement or other arrangement having a similar economic effect), whether in a single transaction or a series of related transactions; (b) transaction or series of transactions that would have the same effect to those referred to in (a); (c) offer, inquiry, expression or other indication of interest or offer (whether written or oral) from any person or group of persons other than GQ (or any affiliate of GQ or any person acting in concert with GQ or any affiliate of GQ) after the date of this Agreement to do any of the foregoing, in each case, excluding the Arrangement and the other transactions contemplated by the Arrangement Agreement; or (d) any public announcement of an intention to do any of the foregoing, excluding the Arrangement and the other transactions contemplated by the Arrangement Agreement.

“Lotus Advance” means the \$300,000 to be loaned by Lotus to GQ pursuant to the terms of a secured promissory note of GQ registered in the name of Lotus in the principal amount of \$300,000 bearing interest at a rate of 10% per annum, maturing on the earlier of the Effective Time or January 15, 2026, secured by a general security agreement from GQ in favour of Lotus granting security over all present and after acquired personal property of GQ and subject to conversion at the sole option of Lotus into GQ Shares at a pre-Consolidation price of \$0.025 per GQ Share.

“Lotus Annual Financial Statements” means the audited financial statements of Lotus as at and for the years ended December 31, 2024 and 2023, including the notes thereto and the auditor’s report thereon.

“Lotus Board” means the board of directors of Lotus.

“Lotus Board Recommendation” means the unanimous determination of the Lotus Board, following consultation with the Lotus Financial Advisor, its legal and financial advisors, that the Arrangement is fair to the Lotus Shareholders and it is in the best interests of Lotus and the unanimous recommendation of the Lotus Board to Lotus Shareholders that they vote in favour of the Arrangement Resolution.

“Lotus Budget” means the Lotus budget for 2025 approved by the Lotus Board attached to the Lotus Disclosure Letter;

“Lotus Disclosure Letter” means the disclosure letter regarding the Arrangement Agreement that has been executed by Lotus and delivered to GQ concurrently with the execution of the Arrangement Agreement.

“Lotus Fairness Opinion” means the fairness opinion of McKnight Mineral Advisory Services to the effect that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Share Consideration to be received by the Lotus Shareholders under the Arrangement is fair, from a financial point of view, to the Lotus Shareholders, dated September 1, 2025.

“Lotus Financial Advisor” means McKnight Mineral Advisory Services.

“Lotus Financial Statements” means, collectively, the Lotus Annual Financial Statements and the Lotus Interim Financial Statements.

“Lotus Interim Financial Statements” means the unaudited condensed interim financial statements of Lotus as at and for the six months ended June 30, 2025, including the notes thereto.

“Lotus Joint Venture” means a joint venture, partnership or other similar arrangement, whether in corporate, partnership, contractual or other legal form, in which Lotus directly or indirectly holds voting shares, equity interests or other rights of participation but which is not a Subsidiary of Lotus, and any Subsidiary of any such entity.

“Lotus Material Adverse Effect” means any result, fact, change, effect, event, circumstance, occurrence or development that, taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments, has or would reasonably be expected to have a material and adverse effect on the business, results of operations, capitalization, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise), or financial condition of Lotus or on the Lotus Material Property, provided, however, that any result, fact, change, effect, event, circumstance, occurrence or development that arises out of, relates directly or indirectly to, results directly or indirectly from or is attributable to any of the following shall not be deemed to constitute, and shall not be taken into account in determining whether there has been, a Lotus Material Adverse Effect: (a) changes, developments or conditions in or relating to general political, economic or financial or capital market conditions in Canada, the United States or globally; (b) any change or proposed change in any Laws or the interpretation, application or non-application of any Laws by any Governmental Entity; (c) changes or developments affecting the global mining industry in general; (d) any outbreak or escalation of hostilities or war or acts of terrorism or any natural disaster or general outbreaks of illness; (e) any changes in the price of gold and silver; (f) any generally applicable changes in IFRS; (g) the announcement or pendency of the Arrangement Agreement, including any lawsuit in respect of the Arrangement Agreement or the transactions contemplated hereby; (h) any actions taken (or omitted to be taken) at the written request, or with the prior written consent, of GQ; (i) any action taken by Lotus that is required pursuant to the Arrangement Agreement (excluding any obligation to act in the ordinary course of business); or (j) a change in the market price or trading volume of the Lotus Shares as a result of the announcement of the execution of the Arrangement Agreement or of the transactions contemplated hereby.

“Lotus Material Contract” means any Contract to which Lotus is party or by which it or any of its assets, rights or properties are bound, that, if terminated or modified, would have a Lotus Material Adverse Effect and shall include, without limitation, the following: (a) any lease, license of occupation or mining claim relating to the Lotus Material Property or the exploration or extraction of minerals from the Lotus Material Property by Lotus, as tenant, with third parties; (b) any Contract under which Lotus is obliged to make payments, or receives payments in excess of \$75,000 in the aggregate; (c) any partnership, limited liability company agreement, joint venture, alliance agreement or other similar agreement or arrangement relating to the formation, creation, operation, management, business or control of any partnership or Lotus Joint Venture; (d) other than Lotus Voting Support Agreements, any shareholders or stockholders agreements, registration rights agreements, voting trusts, proxies or similar agreements, arrangements or commitments with respect to any shares or other equity interests of Lotus or any other Contract relating to disposition, voting or dividends with respect to any shares or other equity securities of Lotus; (e) any Contract under which indebtedness of Lotus for borrowed money is outstanding or may be incurred or pursuant to which any property or asset of Lotus is mortgaged, pledged or otherwise subject to a Lien securing indebtedness in excess of \$75,000, any Contract under which Lotus has directly or indirectly guaranteed any liabilities or obligations of any person or any Contract restricting the incurrence of indebtedness by Lotus or the incurrence of Liens on any properties or securities of Lotus or restricting the payment of dividends or other distributions; (f) any Contract that purports to limit in any material respect the right of Lotus to: (i) engage in any line of business; or (ii) compete with any person or operate or acquire assets in any location; (g) any agreement or Contract by virtue of which Lotus Material Property was acquired or is held by Lotus or pursuant to which the ownership, operation, exploration, exploitation, extraction, development, production, transportation, refining or marketing of such Company Material Property is subject or which grant rights which are or may be used in connection therewith; (h) any Contract providing for the sale or exchange of, or option to sell or exchange, Lotus Material Property or any property or asset with a fair market value in excess of \$75,000, or for the purchase or exchange of, or option to purchase or exchange, Lotus Material Property or any property or asset with a fair market value in excess of \$75,000, in each case entered into in the past 12 months or in respect of which the applicable transaction has not been consummated; (i) any Contract entered into in the past 12 months or in respect of which the applicable transaction has not yet been consummated for the acquisition or disposition, directly or indirectly (by merger or otherwise), of material assets or shares (or other equity interests) of another person for

aggregate consideration in excess of \$75,000, in each case other than in the ordinary course of business; (j) any Contract providing for indemnification by Lotus, other than Contracts which provide for indemnification obligations of less than \$75,000; (k) any Contract providing for a royalty, streaming or similar arrangement or economically equivalent arrangement in respect of Lotus Material Property; (l) any standstill or similar Contract currently restricting the ability of Lotus to offer to purchase or purchase the assets or equity securities of another person; (m) any Contract that is a material agreement with a Governmental Entity; or (n) any other Contract that is or would reasonably be expected to be material to Lotus.

“Lotus Material Property” means the mineral property interests of Lotus in and to the mining concessions, claims, leases, licenses and Permits which are set forth at Section 1.1(A) of the Lotus Disclosure Letter, including the Wadi Zeidun, Umm Samra, Umm Salim and Siqdid located in Egypt also known as the Easter Desert Gold Project.

“Lotus Meeting” means the annual general and special meeting, including any adjournments or postponements thereof, of the Lotus Shareholders to be held in accordance with the Interim Order for the purpose of, among other things, considering and, if thought fit, approving the Arrangement Resolution.

“Lotus Disclosure Record” means all documents filed by or on behalf of Lotus on SEDAR+ since January 20, 2021 and prior to the date hereof and on its website at www.lotusgold.ca and prior to the date hereof that are publicly available on the date of the Arrangement Agreement

“Lotus Financial Advisor” means McKnight Minerals Advisory Services.

“Lotus Senior Management” means Michael Silver as President and Chief Executive Officer of Lots, Tony da Silva as Chief Financial Officer of Lotus, and Leanne Ratzlaff as Corporate Secretary of Lotus.

“Lotus Shareholders” means, at any time, the holders of Lotus Shares and **“Lotus Shareholder”** means any one of them.

“Lotus Shareholder Approval” means the requisite approval for the Arrangement Resolution, being at least 66⅔% of the votes cast on the Arrangement Resolution by the holders of Lotus Shares, present in person or represented by proxy and entitled to vote at the Meeting.

“Lotus Shares” means the common shares without par value in the capital of Lotus.

“Lotus Subsidiaries” means Lotus Gold Holdings Ltd., Lotus Gold Corporation (*Egypt*) and Lotus Gold Corporation Egypt Branch.

“Lotus Superior Proposal” means a bona fide Lotus Acquisition Proposal made in writing on or after the date of the Arrangement Agreement by a person or persons “acting jointly or in concert” (as such term is defined in NI 62-104) (other than GQ and its affiliates) that did not result from a breach of Article 5 of the Arrangement Agreement (other than any immaterial or inconsequential breach) and which (or in respect of which): (a) is to acquire not less than all of the outstanding Lotus Shares not owned by the person or persons or all or substantially all of the assets of Lotus on a consolidated basis; (b) the Lotus Board has determined in good faith, after consultation with its financial advisors and outside legal counsel, that such Lotus Acquisition Proposal would, taking into account all of the terms and conditions of such Lotus Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction which is more favourable, from a financial point of view, to the Lotus Shareholders than the Arrangement (taking into account any amendments to the Arrangement Agreement and the Arrangement proposed by GQ pursuant to Section 5.1(g) of the Arrangement Agreement); (c) in the case of a Lotus Acquisition Proposal that relates to the acquisition of all of the outstanding Lotus Shares, is made available to all of the Lotus Shareholders on the same terms and conditions; (d) is not subject to any financing condition and in respect of which adequate arrangements have been made to ensure that the required funds will be available to effect payment in full; (e) is not subject to any due diligence and/or access condition; and (f) the Lotus Board has determined in good faith, after consultation with financial advisors and outside legal counsel, is capable of being completed in accordance with its terms, without undue delay, taking into account all legal, financial, regulatory and other aspects of such Lotus Acquisition Proposal and the person making such Lotus Acquisition Proposal.

“Lotus Superior Proposal Notice Period” has the meaning ascribed to such term in this Circular under the heading *“The Arrangement Agreement – Right to Match”*.

“Lotus Superior Proposal Notice Period” has the meaning ascribed to such term in this Circular under the heading *“The Arrangement Agreement – Right to Match”*.

“Lotus Voting Support Agreements” means the voting and support agreements between GQ and the Supporting Lotus Shareholders and other voting and support agreements that may be entered into after the date of this Circular by GQ and other Lotus Shareholders, which agreements provide that such shareholders shall, among other things, vote all Lotus Shares of which they are the registered or beneficial holder, or over which they have control or direction, in favour of the Arrangement Resolution and not dispose of their Lotus Shares.

“Lotus Warrantholder” means a holder of one or more Lotus Warrants.

“Lotus Warrants” means warrants to acquire Lotus Shares.

“material change” has the meaning ascribed to such term in the Securities Act.

“Name Change” means the change of name of GQ to “Ongwe Minerals Inc.” or such other name as the Parties may mutually agree in writing prior to the mailing of the Circular.

“NI 43-101” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

“NI 45-102” means National Instrument 45-102 – *Resale of Securities*.

“NI 54-101” means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

“NI 62-104” means National Instrument 62-104 – *Takeover Bids and Issuer Bids*.

“NOBOs” means Non-Registered Lotus Shareholders who do not object to their name being made known to the issuer of securities.

“Non-Registered Lotus Shareholder” means a non-registered holder of Lotus Shares.

“Notice-and-Access” has the meaning ascribed to such term in this Circular under the heading *“General GQ Proxy Information – Notice-and-Access”*.

“Notice of Meeting” has the meaning ascribed to such term in this Circular under the heading *“Management Information Circular – Introduction”*.

“OBOs” means Non-Registered Lotus Shareholders who object to their name being made known to the issuer of securities.

“Odyssey” means Odyssey Trust Company.

“Omnibus Plan” means the proposed omnibus long-term incentive plan of GQ allowing for a variety of equity-based awards including stock options, restricted share units, deferred share units and performance share units.

“Omnibus Plan Resolution” means the resolution of GQ Shareholders in the form as set out as Schedule “B” to this Circular, approving the Omnibus Plan, to be voted at the GQ Meeting.

“Option Plan” means the option plan of GQ that was approved at the annual general and special meeting held on July 17, 2024.

“ordinary course of business”, or any similar reference, means, with respect to an action taken or to be taken by any person, that such action is consistent with the past practices of such person and is taken in the ordinary course of the

normal day-to-day business and operations of such person and, in any case, is not unreasonable or unusual in the circumstances when considered in the context of the provisions of this Agreement, as the same may be varied, in good faith and on a commercially reasonable basis, to take into account any response to the actual or reasonably anticipated effect of a global pandemic.

“Outside Date” means December 31, 2025 or such later date as may be agreed to in writing by the Parties; provided that if the Effective Date has not occurred by December 31, 2025 as a result of the failure to obtain all of the Regulatory Approvals, then GQ may elect by notice in writing delivered prior to December 31, 2025 to extend such date from time to time by a specified period of not less than five (5) Business Days, provided that in aggregate such extensions shall not exceed 60 Business Days from December 31, 2025.

“Parties” means, together, GQ and Lotus, and **“Party”** means any one of them.

“Permit” means any lease, license, permit, certificate, consent, order, grant, approval, classification, registration or other authorization of or from any Governmental Entity.

“Person” means an individual, sole proprietorship, corporation, body corporate, incorporated or unincorporated association, syndicate or organization, partnership, limited partnership, limited liability company, unlimited liability company, joint venture, joint stock company, trust, natural person in his or her capacity as trustee, executor, administrator or other legal representative, a government or Governmental Entity or other entity, whether or not having legal status.

“Plan of Arrangement” means the plan of arrangement attached as Schedule “A” to the Arrangement Agreement, as amended, modified or supplemented from time to time in accordance with the Arrangement Agreement and Article Six of the Plan of Arrangement or at the direction of the Court in the Final Order, with the consent of Lotus and GQ, each acting reasonably.

“Proceeding” means any court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal), arbitration or other dispute settlement procedure, formal (or, to GQ or Lotus’ knowledge, as applicable, informal) investigation or inquiry before or by any Governmental Entity, or any material claim, action, suit, demand, arbitration, charge, indictment, hearing, demand letter or other similar civil, quasi-criminal or criminal, administrative or investigative matter or proceeding, including by any third party whatsoever.

“Record Date” means September 3, 2025.

“Registered Lotus Shareholder” means a registered holder of Lotus Shares as recorded in the central securities register of Lotus.

“Regulation S” means Rule 904 under the U.S. Securities Act.

“Regulatory Approvals” means sanctions, rulings, consents, orders, exemptions, written agreements, Permits, waivers, early termination authorizations, clearances, written confirmations of no intention to initiate legal proceedings and other approvals (including the lapse, without objection, of a prescribed time under Laws that state that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made), including applicable Canadian and United States federal and state Laws, of Governmental Authorities required in relation to the consummation of the transactions contemplated hereby, that are listed in the Lotus Disclosure Letter.

“Representatives” means, collectively, with respect to a Party, that Party’s officers, directors, employees, consultants, advisors, agents or other representatives (including lawyers, accountants, investment bankers and financial advisors).

“Resulting Issuer” means GQ and all of its Subsidiaries after giving effect to the completion of the RTO.

“Resulting Issuer Board” means the board of directors of the Resulting Issuer.

“Resulting Issuer Shares” means the common shares in the capital of the Resulting Issuer.

“Reverse Takeover” or **“RTO”** means the reverse takeover of GQ by Lotus.

“RTO Resolution” means the ordinary resolution approving the RTO to be considered at the GQ Meeting, substantially in the form and content as set out Schedule “B” to this Circular.

“SEC” means the United States Securities and Exchange Commission.

“Securities Act” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder.

“Securities Authorities” means all applicable securities regulatory authorities, including the applicable securities commission or similar regulatory authorities in each of the provinces and territories of Canada and the SEC.

“Securities Laws” means Canadian Securities Laws and U.S. Securities Laws and all other applicable securities Laws and applicable stock exchange rules and listing standards of the stock exchanges.

“SEDAR+” means the System for Electronic Document Analysis and Retrieval.

“Share Consideration” means such number of a GQ Share for each Lotus Share whereby the Lotus Shareholders will hold approximately 64.6% of the issued and outstanding GQ Shares following the Effective Time.

“Subsidiary” means, with respect to a specified entity, any:

- (a) corporation of which issued and outstanding voting securities of such corporation to which are attached more than 50% of the votes that may be cast to elect directors of the corporation (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are owned by such specified entity and the votes attached to those voting securities are sufficient, if exercised, to elect a majority of the directors of such corporation;
- (b) partnership, unlimited liability company, joint venture or other similar entity in which such specified entity has more than 50% of the equity interests and the power to direct the policies, management and affairs thereof; and
- (c) a subsidiary (as defined in clauses (a) and (b) above) of any subsidiary (as so defined) of such specified entity.

“Supporting GQ Shareholders” means, collectively, each of the directors, executive officers and shareholders of GQ listed in Section 1.1(D) of the GQ Disclosure Letter, each of whom have entered into a GQ Voting Support Agreement.

“Supporting Lotus Shareholders” means, collectively, each of the directors, executive officers and shareholders of Lotus listed in Section 1.1(D) of the Lotus Disclosure Letter, each of whom have entered into a Lotus Voting Support Agreement.

“Transfer Agent” means Odyssey Trust Company.

“TSXV” means the TSX Venture Exchange.

“U.S.” or **“United States”** means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

“U.S. Exchange Act” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“U.S. Securities Act” has the meaning ascribed to such term in this Circular under the heading “*Cautionary Statement Regarding Forward-Looking Statements – Note to U.S. Securityholders*”.

“U.S. Securities Laws” means all applicable securities legislation of the U.S., including, without limitation, the U.S. Securities Act and the U.S. Exchange Act, and the rules and regulations promulgated thereunder, and the securities laws of the states of the U.S.

“VIF” means voting instruction form.

“Warrant Expiry Extension” means the extension of the expiry dates of all outstanding GQ Warrants and Lotus Warrants by 18 months.

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SCHEDULE "A"
RTO RESOLUTION

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Great Quest Gold Ltd. (“**GQ**”) is hereby authorized to complete the acquisition of Lotus Gold Corporation (“**Lotus**”) (the “**Reverse Takeover**”) on the terms set out in the arrangement agreement dated June 26, 2025 (the “**Arrangement Agreement**”) with Lotus, all as more particularly described in the management information circular of GQ dated September 10, 2025 accompanying GQ’s notice of meeting with such amendments or variations thereto as may be made in accordance with the terms of the Arrangement Agreement.
2. Notwithstanding that this resolution has been passed (and the Reverse Takeover approved) by the shareholders of GQ, the directors of GQ are hereby authorized and empowered, without further notice to, or approval of, any shareholder of GQ:
 - (a) to amend the Arrangement Agreement to the extent permitted by the Arrangement Agreement; or
 - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Reverse Takeover.
3. Any director or officer of GQ is hereby authorized, empowered and instructed, acting for, in the name and on behalf of GQ, to execute or cause to be executed, under the seal of GQ or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person’s opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

SCHEDULE "B"
OMNIBUS PLAN RESOLUTION

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the proposed omnibus long-term incentive plan (the “**Omnibus Plan**”) of Great Quest Gold Ltd. (“**GQ**”) as described in the management information circular of GQ dated September 10, 2025 be and is hereby approved, subject to the acceptance for filing thereof by the TSX Venture Exchange be approved;
2. the number of common shares of GQ reserved for issuance, in the aggregate, under the Omnibus Plan shall be no more than 10% of GQ’s issued and outstanding share capital at any time;
3. the Board of Directors of GQ be authorized to make any changes to the Omnibus Plan as may be required or permitted by the TSX Venture Exchange;
4. any director or officer of GQ is hereby authorized and directed for and in the name of and on behalf of GQ to execute or cause to be executed, whether under corporate seal of GQ or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing; and
5. notwithstanding that this resolution has been duly passed by the shareholders of GQ, the Omnibus Plan is conditional upon receipt of final approval from the TSX Venture Exchange and the directors of GQ are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of GQ, at any time if such revocation is considered necessary or desirable by the directors

SCHEDULE "C"
INFORMATION CONCERNING LOTUS

INFORMATION CONCERNING LOTUS

The following information concerning Lotus should be read in conjunction with the documents incorporated by reference into this Schedule "C" and the information concerning Lotus appearing elsewhere in the Circular.

Capitalized terms used but otherwise not defined in this Schedule "C" shall have the meaning ascribed to them in the Circular under the heading "Glossary".

Cautionary note regarding forward-looking information

The following information contains forward-looking information about Lotus, including information about Lotus following completion of the RTO. See "Cautionary Statement Regarding Forward-Looking Statements" in the Circular in respect of forward-looking information that is included in this Schedule "C" and in the documents incorporated by reference herein. The following information was prepared and provided by Lotus for inclusion in this Information Circular and GQ is responsible for its completeness and accuracy. The information contained in this Schedule "C", unless otherwise indicated, is given as of the date of the Circular and should be read in conjunction with the information about Lotus contained elsewhere or incorporated by reference herein.

Notice to United States Investors Regarding Technical Disclosure

Technical disclosure in this Schedule "C" have been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. Such technical disclosure includes mineral reserves and mineral resources classification terms made in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). 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. These standards differ from the requirements of the SEC applicable to domestic United States reporting companies. Accordingly, technical disclosure in this Schedule "C" that describes Lotus' mineral reserves and mineral resources estimates may not be comparable with information made public by United States companies subject to the SEC's reporting and disclosure requirements.

Financial Information and Currency

Lotus has prepared its consolidated financial statements in Canadian dollars, attached hereto as Schedule "F". Dollar amounts in this Schedule "C" are listed in Canadian dollars unless stated otherwise. References to "US\$" are to U.S. dollars.

LOTUS CORPORATE STRUCTURE

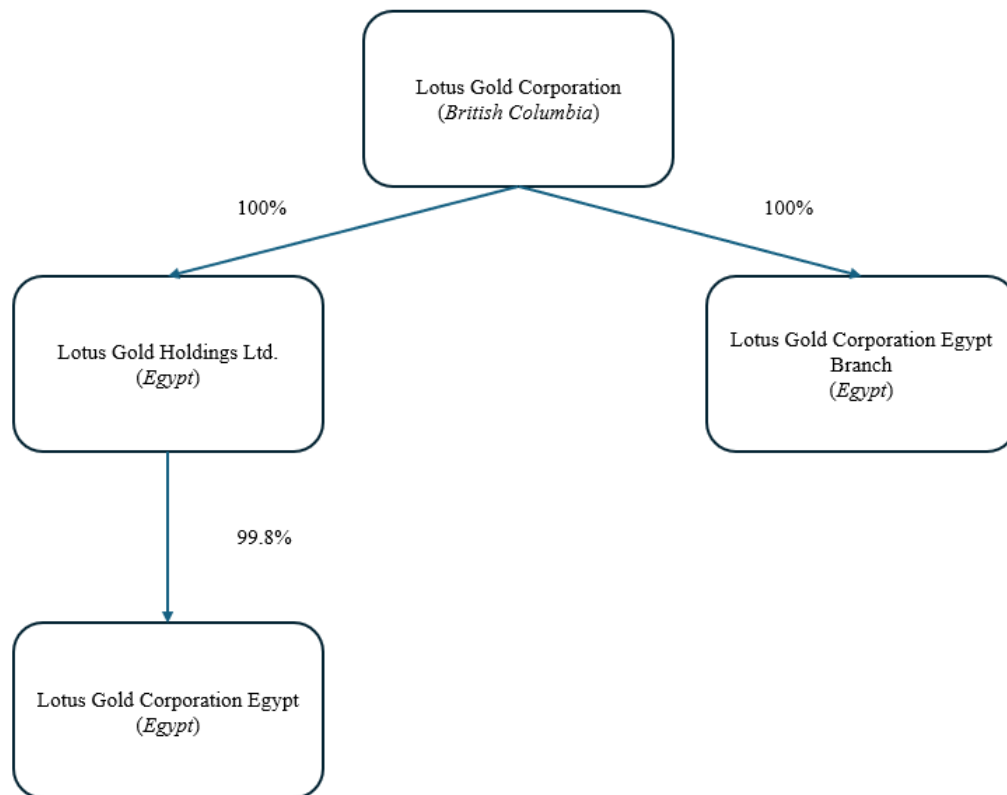
Name and Incorporation

Lotus was incorporated under the *Business Corporations Act* (British Columbia) (the "BCBCA") on May 29, 2020 as "1251721 B.C. Ltd.". On August 26, 2020, Lotus changed its name to its current name "Lotus Gold Corporation".

Lotus' head office is located at 1890 – 1075 West Georgia Street, Vancouver, BC V6E 3C9 and the registered and records office is located at 1890 – 1075 West Georgia Street, Vancouver, BC V6E 3C9.

Intercorporate Relationships

Lotus currently has three subsidiaries, Lotus Gold Corporation, Lotus Gold Holdings Ltd. and Lotus Gold Corporation Egypt Branch as set out in the diagram below.



GENERAL DEVELOPMENT OF THE BUSINESS

Three-Year History

Fiscal 2022 Developments

During February 2022, Lotus closed a non-brokered private placement of 10,314,743 units at \$0.45 per unit for gross proceeds of \$4,641,634. Each unit consisted of one Lotus Share and one-half of one Lotus Share purchase warrant with each whole Lotus Share purchase warrant entitling the holder thereof to purchase one Lotus Share for a period of 18 months from the date of issue at a price of \$0.75 per Lotus Share.

During December 2022, Lotus closed a non-brokered private placement of 6,405,485 Lotus Shares at a price of \$0.50 per Lotus Share raising gross proceeds of \$3,242,874. Lotus paid fees to arm's length parties consisting of a total cash fee equal to \$40,595 and issued 80,262 Lotus Shares.

Fiscal 2023 Developments

On June 1, 2023, Lotus entered into an asset purchase agreement (the "**B2Gold Agreement**") with B2Gold Corp. ("**B2Gold**"), which was amended on December 22, 2023, to acquire the Umm Salim licences of the Eastern Desert Gold Project and agreed to issue 3,485,710 Lotus Shares. Pursuant to the B2Gold Agreement, B2Gold had the option to acquire an additional 3,485,710 Lotus Shares at an exercise price of \$0.50 per Lotus Share. See pages F-49 and F-51 of Schedule "F".

On November 6, 2023, Lotus closed a non-brokered private placement of 4,741,500 units at \$0.50 per unit for gross proceeds of \$2,370,750. Each unit consisted of one Lotus Share and one-half of one Lotus Share purchase warrant with each whole Lotus Share purchase warrant entitling the holder thereof to purchase an additional Lotus Share at \$0.75 per Lotus Share until November 6, 2025.

On December 8, 2023, Lotus closed a non-brokered private placement of 1,012,500 units at \$0.50 per unit for gross proceeds of \$506,250. Each unit consisted of one Lotus Share and one-half of one Lotus Share purchase warrant with each whole Lotus Share purchase warrant entitling the holder thereof to purchase an additional Lotus Share at \$0.75 per Lotus Share until December 8, 2025.

On December 22, 2023, pursuant to the B2Gold Agreement, Lotus issued 3,485,710 Lotus Shares to B2Gold.

Fiscal 2024 Developments

On January 15, 2024, Lotus entered into a supplier agreement with Capital Limited for certain services including drilling, assaying and lab work in consideration for which Capital agreed to subscribe for up to 5,400,000 units of Lotus at \$0.50 per unit with each unit consisting of one Lotus Share and one-half of one Lotus Share purchase warrant exercisable for a period of 24 months for an additional Lotus Share at \$0.75 per Lotus Share. See Note 10 (e) of the Lotus Interim Financial Statements at Schedule “F”.

On June 18, 2024, Lotus closed a non-brokered private placement of 2,750,100 units at \$0.50 per unit for gross proceeds of \$1,375,050. Each unit consisted of one Lotus Share and one-half of one Lotus Share purchase warrant with each whole Lotus Share purchase warrant entitling the holder thereof to purchase an additional Lotus Share at \$0.75 per Lotus Share until June 18, 2026.

On June 30, 2024, Lotus closed a non-brokered private placement of 164,924 units at \$0.50 per unit for gross proceeds of \$82,462. Each unit consisted of one Lotus Share and one-half of one Lotus Share purchase warrant with each whole Lotus Share purchase warrant entitling the holder thereof to purchase an additional Lotus Share at \$0.75 per Lotus Share until June 30, 2026.

Subsequent Developments

On February 17, 2025, Lotus closed a non-brokered private placement of 507,985 units at \$0.50 per unit for gross proceeds of \$253,993. Each unit consisted of one Lotus Share and one-half of one Lotus Share purchase warrant with each whole Lotus Share purchase warrant entitling the holder thereof to purchase an additional Lotus Share at \$0.75 per Lotus Share until February 17, 2027.

Lotus has entered into the Arrangement Agreement with GQ to acquire all of the issued and outstanding shares of Lotus by way of a plan of arrangement (See the sections of the Circular under the following headings: “The Arrangement” and “The Arrangement Agreement”), which is subject to the approval of the Lotus Shareholders at the Lotus Meeting.

Significant Acquisitions and Dispositions

Other than the proposed RTO of GQ, Lotus does not have any significant acquisitions or dispositions in the last three-years.

DESCRIPTION OF THE BUSINESS

Business Description

Lotus is engaged in the exploration and development of mineral resource properties, currently focusing on the Lotus

Material Property which is located in Egypt.

Eastern Desert Gold Project

The Wadi Zeidun, Umm Samra, Siqdid, and Umm Salim mineral properties (the “**Eastern Desert Gold Project**”) are located 600 km south-southeast of the capital, Cairo, in Egypt. The Eastern Desert Gold Project consists of 14 full or partial exploration blocks.

The bulk of the information in this section is derived or extracted from the technical report titled “*Eastern Desert Gold Project, Egypt – NI 43-101 Technical Report*”, dated with an effective date of July 30, 2025 (the “**Eastern Desert Report**”), which was filed with Canadian securities regulatory authorities and prepared pursuant to NI 43-101. The Eastern Desert Report was prepared by Mark Allen, B.A., B.A. mod (Geology), Ph.D. MAIG, Michael Cronwright, M.Sc., FGSSA, Pr.Sci.Nat., and Charlie Gianfriddo, B.Sc., MAIG, in accordance with the disclosure and reporting requirements set forth in NI 43-101. Readers are referred to the entire text of the Eastern Desert Report for complete details of the Eastern Desert Gold project, which is available for review under Lotus’ profile SEDAR+ located at www.sedarplus.ca.

Property Description and Location

The Eastern Desert Gold Project is 600 km south-southeast of the Egyptian capital, Cairo and approximately 100 km inland of Marsa Alam, a resort town in south-eastern Egypt, which is located to the east of the Eastern Desert Gold Project on the Red Sea coast. The location of the property is shown in Figure 1 and 2.

Figure 1: Location of the Eastern Desert Gold Project

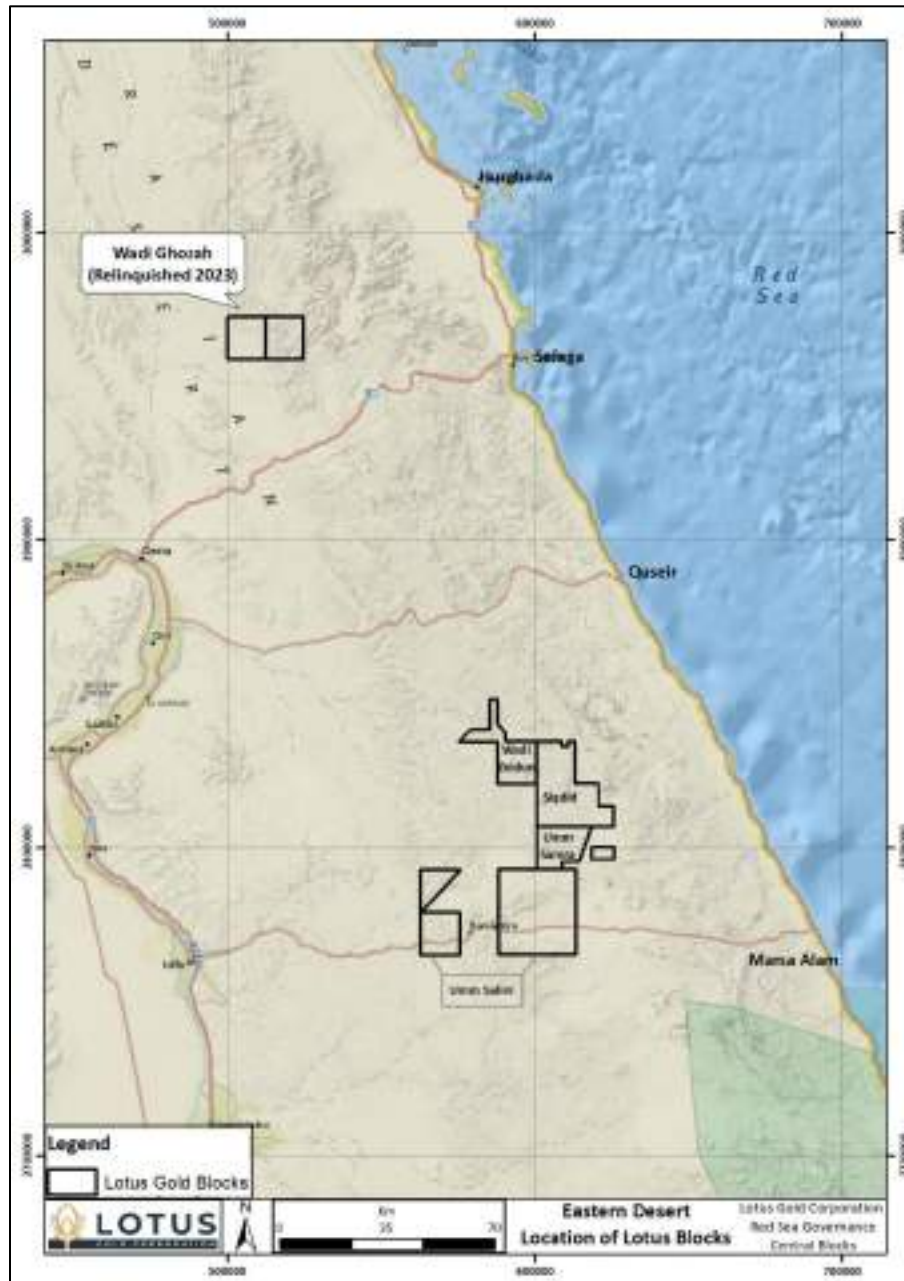
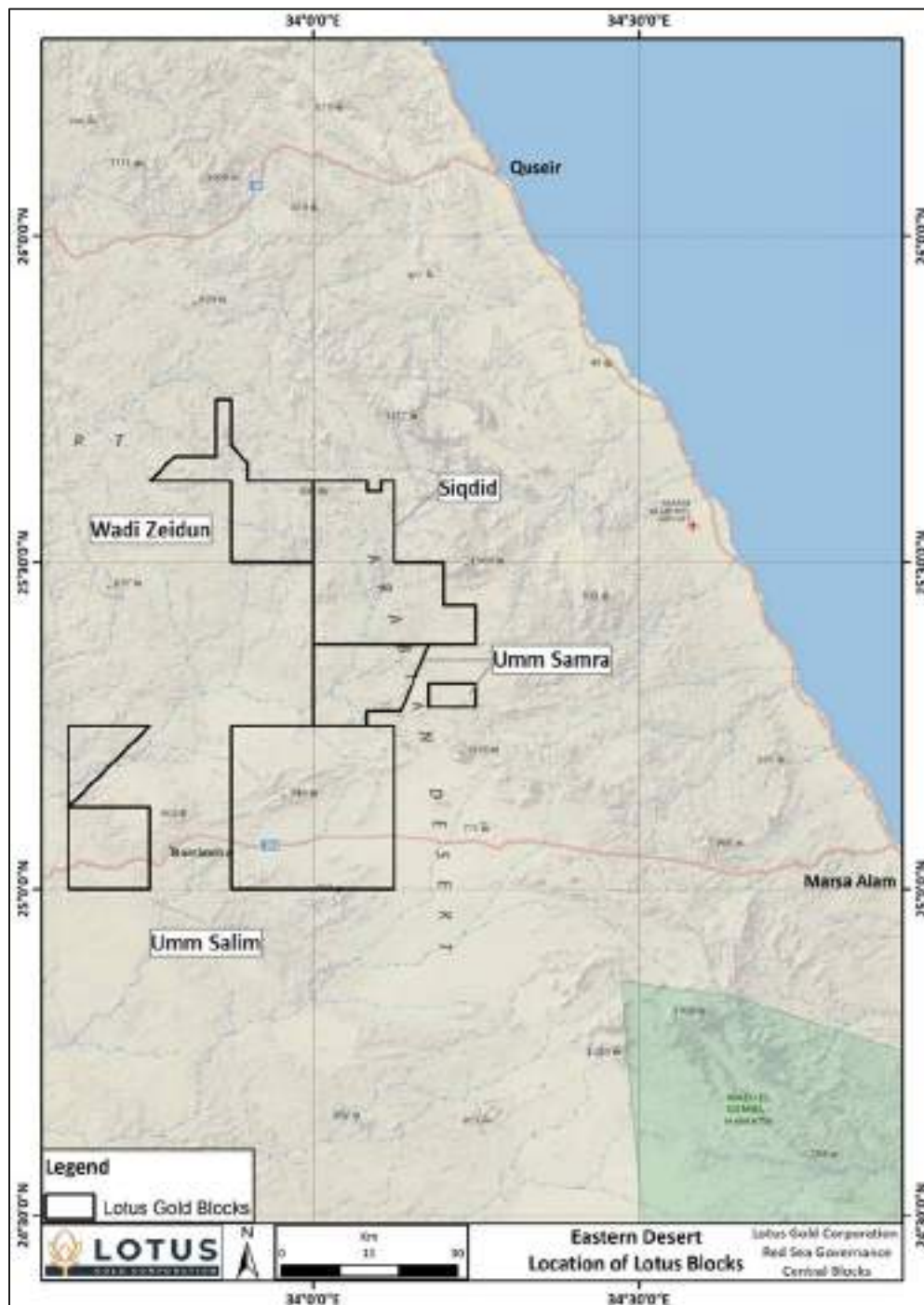


Figure 2: Detailed Locality Map of the Eastern Desert Gold Project



Property and Title

The exploration blocks which form the Eastern Desert Gold Project were awarded through two competitive bid processes run by the Egyptian Mineral Resources Authority (“EMRA”) in 2020 and 2021. The Eastern Desert Gold Project consists of four properties known as Wadi Zeidun, Umm Samra, Siqdid and Umm Salim as set out in Table 1 below.

Table 1: Summary of Eastern Desert Gold Project Licences

Property	Exploration sector numbers	Award announced	Exploration agreement signed	Land handover	Current period expiry date	Renewals	Comments
Wadi Zeidun	DF71, DF72, DE72	Nov 2020	20 Jan 2021	28 Nov 2021	27 Nov 2025	Two renewals of two years each (years 3–6). An additional renewal of two years allowed subject to EMRA approval (years 7–8). Minimum 20% size reduction on each renewal.	Active exploration
Umm Samra	DC73, DC74	Nov 2020	20 Jan 2021	1 Nov 2021	31 Oct 2025		
Siqdid	DD73, DD74, DE73	24 May 2022	25 Nov 2023	4 Dec 2023	3 Dec 2025		
Umm Salim	DA70, DB70, DA72, DB72, DA73, DB73	Nov 2020	11 Jul 2021	13 Jan 2024*	12 Jan 2026		

Wadi Zeidun and Umm Samra are active properties awarded to Lotus in 2020 following the first round of the competitive bid process. Following the award, Lotus formalized exploration agreements with EMRA with a handover and start of exploration date in November 2021.

Following the first two-year term, the Wadi and Zeidun properties have been successfully renewed with a 20% reduction (Figure 3). The ground relinquished fell outside of the known prospects and targets defined by Lotus.

The other two projects are Siqdid and Umm Salim where exploration commenced in 2023 and 2024 respectively.

Siqdid is an active property awarded to Lotus in the second round of the competitive bid process, announced in May 2022. The formal exploration agreement with EMRA has been signed with a handover and start of exploration date in December 2023. The Siqdid property has two small areas excluded from its original application area covering areas with existing government projects.

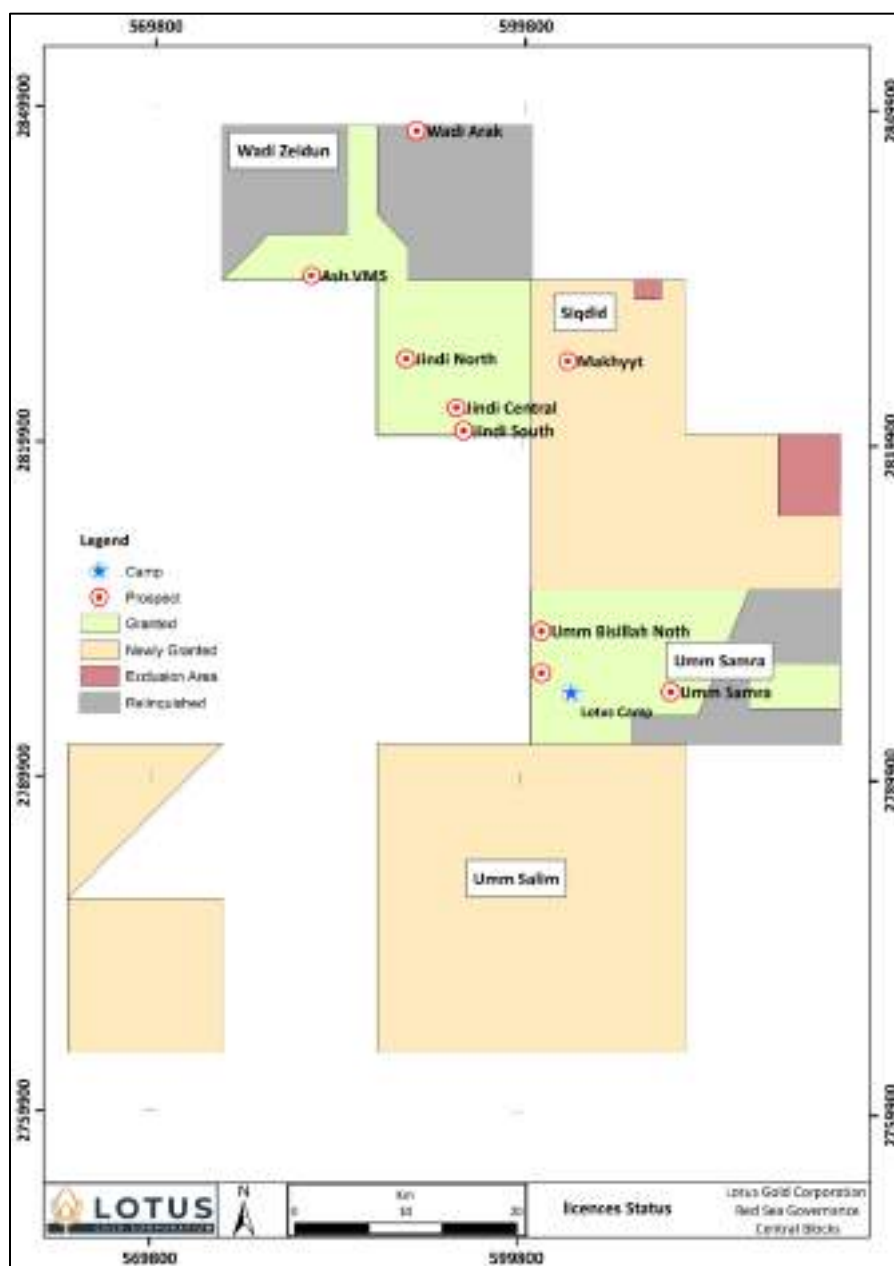
Lotus entered into an agreement with B2Gold on 1 June 2023 to acquire the Umm Salim property, then amended 22 December 2023. The amendment related to the allocation of shares and option shares in Lotus as part of the purchase price. B2Gold was awarded the Umm Salim property in the first competitive bid process (the same time as Lotus was awarded Umm Samra and Wadi Zeidun). The acquisition is complete, and the formal handover of these licences by EMRA to Lotus was completed on 13 January 2024 and the signing of the Deed of Assignment of the licences was completed on 26 March 2024. The handover date (13 January 2024) marks the start of the first two-year licence period.

While exploration has commenced on Umm Salim, Lotus has not yet received security clearance for the licence and the government may impose exclusion areas within the permit. Lotus has indicated to ERM that based on ongoing communication with the relevant authorities, the security clearance is likely to be awarded without significant exclusions or reduction in the granted licence size prior to the expiry date of the licences (in January 2026).

Lotus previously held the Wadi Ghazah licence block which is north of the properties considered in this Report. It was awarded in the first round of the competitive bid process and was covered by the same exploration agreement as Wadi Zeidun. Lotus relinquished the Wadi Ghazah licence blocks in 2023 at the end of the first exploration period.

The blocks comprising each of the properties are issued to Lotus under exploration licences and are valid for a period of two years from the date of formal handover and are renewable subject to relinquishment requirements for a further two 2-year periods. Wadi Zeidun and Umm Samra are in their first renewal period, Siqdid and Umm Salim are in their initial period. A third renewal period of two years is also allowed with approval of EMRA where there is technical justification. At each renewal, a minimum area reduction of 20% is required.

Figure 3: Lotus Ground Status, Including Relinquished Areas



Royalties

In 2014, the government of Egypt issued Law 198 of 2014, commonly referred to as the Mining Law. The law replaced the old Mines and Quarries Law of 1956 and was designed to attract investment in the mining sector. The underlying premise of the Mining Law is that minerals belong to the state and the people of the state. Exploration and exploitation concessions are issued at Ministerial Level and approved by EMRA, although small-scale concessions (<1 km²) can be issued solely by EMRA. The process of obtaining concessions is through a competitive tender process, whereby interested parties place bids on blocks put up for tender by EMRA. Under the provisions of the Mining Law, annual rent and royalty fees are payable and the 2014 Mining Law stipulates a royalty of not less than 5% of the value of ores produced annually. In addition, a further 1% royalty is payable and is allocated to development of local communities within the Governorate in which the mine is located (Social Responsibility Contribution, “SRC”).

The royalty structure set out in the 2014 Mining Law has subsequently been amended by Law 145 of 2019 (the “**Amendment**”). The Amendment sets a 20% cap on the royalty, paid in local currency. An associate legislative piece, Executive Regulation was published in 2020 (Executive Regulation No. 108 of 2020) to enact the Amendment and sets out commodity-specific royalty rates. These are:

- Gold – 5%
- Zinc – 6%
- Copper – 8%.

The royalty is valued based on local market prices. The 1% SRC will now, as per the Amendment, be deducted from the royalty amount. Annual rental amounts can now be modified every three years (as opposed to every four years under the Mining Law) and the minimum annual exploration spend is equivalent to four times the annual ground rent value per square kilometre. Annual ground rents are provided in Table 2 based on an exchange rate of EGP/US\$ of 47 (as of May 2024).

Table 2: Ground rent rates

Exploration period	Ground rent (per km ² per annum) EGP	Ground rent (per km ² per annum): US\$
First exploration period	5,000	106
Second exploration period (renewal 1)	10,000	213
Third exploration period (renewal 2)	15,000	319
Fourth exploration period (renewal 3)	20,000	425

The 2020 Executive Regulation also changed the system of administering the mining industry from a production sharing agreement with the government (similar in nature to those used in the hydrocarbons industry) to a Rent, Royalty and Tax system which is more typically applied to mineral exploration and mining projects globally. This system was used for the two bid rounds administered by EMRA between 2020 and 2022.

A further bid round is currently ongoing over properties held by the Shalateen Mining Company (including the Barramiya gold mine). The terms of the Shalateen bid round have reverted to a production sharing model with terms similar to those in place for Centamin's Sukari gold mine.

Exploration Licences

Exploration licences may be renewed for two periods of two years each (i.e. for years 3–4 and 5–6). A third renewal of two years (i.e. for years 7–8) is allowed where there is technical justification which is approved by EMRA.

Exploitation Concessions

Under the current legislation, an exploitation concession requires the applicant to hold a valid exploration concession for the same commodity. The exploitation concession area must fall within the boundaries of the exploration concession. A commercial discovery can be declared via a Technical Report that documents the economic feasibility of exploiting the mineralization within the proposed exploitation concession. The Technical Report must be submitted, along with guarantees necessary for carrying out the exploitation. In the event of an operator proving significant, economically viable mineralization on their exploration licence and electing not to exploit this mineralization, EMRA reserves the right to exploit the mineralization.

Exploitation concessions can be issued for multiple terms, but the total duration cannot exceed 15 years, except in instances where special permission for extension is granted and promulgated by a law. In the event of mixed mineralization, where the commodity covered by the exploitation cannot be extracted individually, mixed mineralization can be extracted after notifying EMRA. The additional commodity/commodities must be added to the exploitation concession and royalties are payable on all commodities.

In July 2021, EMRA announced a one-year Bridge Undertaking to provide clarity on the legal, tax, and investment framework applicable to potential mining exploitation projects resulting from the 2020 bid round. This negotiation process will include the participants of the 2020 Bid Round. The final Model Exploration Licence will be the standard form of exploration licences applicable to mining projects resulting from the 2020 Bid Round.

On 20 July 2023, EMRA announced that the new exploitation framework had been agreed with Centamin and Barrick Gold Corporation. The final wording of this document is in the process of being agreed by the three parties. Lotus will benefit from the provisions of this new exploitation agreement should it advance a Project to the mining stage.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the Eastern Desert Gold Project is from Marsa Alam, off the main road that goes to Edfu, an Egyptian city located on the west bank of the Nile River. Lotus has an exploration camp in the Umm Samra licence block. The camp is accessed via the main Marsa Alam–Idfu road for 78 km and then by an unsealed road for a further 27 km, taking about 1 hour and 40 minutes by car. The licences are accessed by a network of unsealed roads and tracks used by the local population and by artisanal miners, making access generally easy for a four-wheel drive vehicle.

The climate of the region is classified as Hot Arid Desert in the Koppen-Geiger classification scheme (Geiger, 1954). Rainfall is minimal, with Marsa Alam receiving an average total annual rainfall of 6 mm. The average temperature at Marsa Alam is approximately 25°C. Typical differences between day and night temperatures are generally around 5°C; average maximum summer (June to August) temperatures are around 34°C and lowest minimum winter (December to February) temperatures are approximately 16°C. Despite the very low annual rainfall, towns and villages close to the Red Sea are prone to flash flooding due to run-off associated with storm events in the Eastern Desert area. Apart from these rare flash flooding events, the climate is not an impediment to exploration in the Eastern Desert Gold Project area and mineral exploration activities are possible year-round.

Aside from limited mining-related infrastructure associated with artisanal and small-scale mining, the only other infrastructure at the Eastern Desert Gold Project are wells (Bir's) and watering points, scattered Bedouin camps, and the ruins of old settlements which are usually associated with wells or Roman- and Arab era mining. The wells and watering points are used by the sparse Bedouin population for their livestock and there are no surface water sources on the Eastern Desert Gold Project. Possible sources of water for mining are: desalinated water from the Red Sea by pipeline to the Eastern Desert Gold Project, water from the River Nile by pipeline to Eastern Desert Gold Project, and groundwater from Nubian sandstone aquifer west of the Eastern Desert Gold project. There is no access to national grid power on the Eastern Desert Gold Project and power demands will need to be met through diesel generators or using a solar panel system. Personnel for potential mining operations will need to be drawn from the major population centres in Egypt, although the existing small-scale mining contingent present at the Eastern Desert Gold Project present a ready source of semi-skilled labour that could be formally employed. Modernization of Egypt's mining laws and the development of large mining projects are likely to result in increasing numbers of skilled mine workers to be available to future mining operations. Given the early stage nature of the Eastern Desert Gold Project, the location of mineralization of economic significance is unknown and it is not possible to speculate on the future adequacy of sites for potential tailings storage, processing plants and other mine-related infrastructure.

The topography of the Eastern Desert Gold Project is characterized by a broad range of hills and locally mountainous terrain that trends parallel to the current coastline. Local topography at the Eastern Desert Gold Project is hilly to rugged. Significant mountains are present which rise to over 1,000 m above sea level, some 400–500 m above the baseline elevation of the properties.

History of Exploration, Development and Mining

Canadian mining company, Nuinsco Resources, briefly held a concession block covering parts of the Wadi Zeidun, Umm Samra and Siqdid areas between July 2011 and March 2012. Nuinsco elected to withdraw from Egypt due to the unstable political situation and carried out limited exploration work. Lotus does not have access to the results of this exploration work.

There is evidence of ancient mining on the Eastern Desert Gold Project and several accounts of state-sponsored reconnaissance and exploration activities, including a period of extensive geological mapping and research conducted under an Egyptian-Soviet research contract from the mid-1970s to the early 1980s. At Umm Samra, mapping and sampling work in the late 1980s by the Egyptian Geological Survey identified vein-hosted mineralization associated with the significant granitoid intrusion at Jabal Umm Samra. Quartz and quartz-carbonate veins were identified as the predominant mineralization styles and gold grades (in grab samples) of up to 12 g/t were recorded.

Siqdid is an active property awarded to Lotus in the second round of the competitive bid process, announced in May 2022. The formal exploration agreement with EMRA has been signed with a handover and start of exploration date in December 2023. The Siqdid property has two small areas excluded from its original application area covering areas with existing government projects. Lotus entered into an agreement with B2Gold on 1 June 2023 to acquire the Umm Salim property, then amended 22 December 2023. The amendment related to the allocation of shares and option shares in Lotus as part of the purchase price. B2Gold was awarded the Umm Salim property in the first competitive bid process (the same time as Lotus was awarded Umm Samra and Wadi Zeidun). The acquisition is complete, and the formal handover of these licences by EMRA to Lotus was completed on 13 January 2024 and the signing of the Deed of Assignment of the licences was completed on 26 March 2024. The handover date (13 January 2024) marks the start of the first two-year licence period. While exploration has commenced on Umm Salim, Lotus has not yet received security clearance for the licence and the government may impose exclusion areas within the permit. Lotus has indicated to ERM that based on ongoing communication with the relevant authorities, the security clearance is likely to be awarded without significant exclusions or reduction in the granted licence size prior to the expiry date of the licences (in January 2026). The Siqdid and Umm Salim properties have a history of ancient working and modern-day small-scale artisanal activities. These blocks have been covered by state run reconnaissance and exploration activities, similar to the other active properties.

Reconnaissance exploration was undertaken at Wadi Zeidun by the Egyptian Geological Survey in 2004. The work focused on sampling of mineralization and tailings associated with ancient mine workings at what is termed the Wadi Zeidun mine. Work undertaken includes the generation of a prospect scale geological map and the excavation and sampling of several pits, the analysis of grab samples, tailings and dump samples. The mapping shows a monzogranite

intrusive into a sequence of mafic (locally listwaenitized) and acid metavolcanics. Mineralized zones were recorded from within the monzogranite and in the mafic volcanics and a range of orientations of mineralized zones was recorded. Assay results indicate vein-hosted gold grade up to 7.1 g/t, gold in alteration zones in metavolcanics up to 18.6 g/t and in listwaenites up to 3.0 g/t, 48 samples are figured in this study with an average grade of 2.9 g/t Au.

No historical mineral resource estimates are known from any of the properties comprising the Eastern Desert Gold Project.

Given the long history of gold mining in Egypt, it is not possible to quantify the amount of gold produced from the Eastern Desert Gold Project, nor are there any reliable estimates for more recent production from either of the properties.

Geology and Mineralization

The Eastern Desert Gold Project is underlain by the Nubian part of the Arabia-Nubian Shield (“**ANS**”). The ANS lies at the northern end of the East African Orogen and is generally considered the largest tract of juvenile Neoproterozoic continental crust on Earth. It is predominantly an assemblage of island arcs, post-amalgamation sedimentary basins and voluminous felsic and mafic intrusive rocks. The assembly of the ANS is generally considered to have occurred during the Pan-African Orogeny between 870 Ma and 520 Ma. Genetically, the formation of the ANS is generally considered to have occurred through island arc accretion during the closure of the Mozambique Ocean. East African Orogen crust was generated around and within the Mozambique Ocean and accretion occurred during stacking of thin-skinned crustal nappes by transpressional plate convergence, culminating in the assembly of Gondwana. Exposure of the ANS has been achieved through Oligocene and younger uplift and erosion on the flanks of the Red Sea.

Three main tectonostratigraphic packages are recognized:

- Basal high-grade gneisses and migmatites,
- Arc-type volcanic and volcanosedimentary units (including associated ophiolitic fragments),
- Ediacaran Hammamat and Dokhan supracrustal sequences.

Each of these packages are extensively intruded by voluminous younger granitoids (Hamimi et al., 2019). Ophiolites within the ANS are remnants of Neoproterozoic oceanic lithosphere that were obducted at destructive plate boundaries during the Pan-African Orogeny from 750 Ma to 650 Ma.

The arc assemblage within Egypt comprises an intrusive gabbro-diorite-tonalite suite and calc-alkaline volcanic and volcanosedimentary rocks and less common banded iron formation (“**BIF**”) and carbonates. Older island arc intrusive and volcanic rocks are deformed and syn to late orogenic, whereas the slightly younger calc-alkaline rocks are largely post-collisional and less deformed. Voluminous granitoids of a variety of ages and geochemical signatures occur throughout the ANS.

The Central Eastern Desert is characterized by the dominance of northwest striking structures correlated with the northwest- striking sinistral Najd fault system that is prominently developed in Saudi Arabia and is radiometrically constrained to 640–570 Ma. The Najd deformation was predated by several thrust events and is associated with an east-northeast striking fault system which is considered either synchronous with the Najd event or slightly older. The Najd and associated northeast striking faults provided the most favourable loci for hydrothermal fluid localization and vein emplacement. Much younger brittle deformation, related to orogenic relaxation and Red Sea rifting, resulted in extensive brittle faulting and reactivation of the Neoproterozoic thrusts and Najd-related structures.

Deposit Types

The properties that form the Eastern Desert Gold Project are considered prospective for three major mineralization styles:

- Orogenic gold,
- VMS,
- Porphyry copper (gold, molybdenum).

Most commonly, gold in the ANS occurs in gold-bearing quartz vein systems (orogenic gold), gold-bearing VMS, and oxide-hosted gold in gossans developed above gold-bearing volcanogenic massive sulphide ore deposit (“VMS”) systems. The development of gold-rich oxide caps is less common in Egypt than in other parts of the ANS. Additional gold mineralization styles include alluvial gold, gold in altered ultramafics (listwaenite), gold in BIF and in tungsten-molybdenum granites. Operational gold mines exploit predominantly orogenic deposits, but VMS and oxide deposits are also exploited and the ANS is the largest repository of Neoproterozoic gold globally.

Orogenic gold deposits in the ANS occur as gold-bearing quartz vein systems that are commonly associated with dilatant-extensional and en-echelon fractures in sheared, strongly altered volcanic and volcanoclastic rocks and small felsic intrusions. Orogenic gold deposits generally formed at crustal depths of between 3 km and 15 km and a wide range of subtypes are recognized. Globally, they occur in Archean to Tertiary aged metamorphic belts where accretion or collision has added to or thickened continental crust. The deposits are generally hosted by volcanic and turbiditic sequences that have been metamorphosed to greenschist or less commonly amphibolite facies, although there is a subtype comprising orogenic gold deposits hosted within intrusions. The deposits are generally interpreted to form late in the orogenic cycle from mid to lower-crustal metamorphic fluids. The gold ores develop syn-kinematically with at least one stage of the major deformation of the country rocks. They inevitably have a strong structural control involving faults or shear zones, folds, and other areas of competency contrasts. In the context of the ANS, the orogenic gold deposits are considered to have formed at crustal depths between 4 km and 11 km.

VMS deposits form at or near the seafloor where circulating hydrothermal fluids, driven by magmatic heat, are quenched through mixing with seawater or pore water in near seafloor lithologies. They are known to occur in felsic volcanic and clastic rocks, bimodal volcanics and mafic-ultramafic volcanics, depending on the tectonic setting in which they occurred (i.e. within mafics at mid-ocean ridges), within sediment-covered back-arcs, and within mature epicontinental back-arcs. Mineralization occurs in the form of massive sulphides including pyrite, pyrrhotite, chalcopyrite, sphalerite and galena and these deposits are significant global repositories of copper, zinc, lead and gold and silver. The ANS is host to a number of world-class VMS deposits.

A third potential mineralization style is listwaenite-hosted gold. Listwaenites are silicate-carbonate-altered ultramafic rocks, which are known to be associated with significant gold deposits globally and within the ANS. They form as a result of the chemical reaction between serpentinized ultramafic rocks and CO₂-rich fluids. Gold mineralization in listwaenite is associated with the reaction between acid, gold-bearing hydrothermal fluids and the alkaline carbonatized ultramafic rocks, and silica-carbonates are on average 5–20 times more enriched in gold than the surrounding ultramafic. The now-defunct Barramiya mine, west of Umm Samra, reportedly produced gold from a series of listwaenite zones although a more modern interpretation is of orogenic mineralization superimposed on pre-existing carbonate alteration. Lotus observes listwaenite-style alteration in outcrop on the Eastern Desert Gold Project in three settings: (1) alteration of ultramafic rocks; (2) weathering of shear zones and structures containing quartz and carbonate veining and alteration; and (3) weathering of sedimentary carbonates.

There is also conceptual prospectivity for porphyry copper-gold and epithermal gold deposits within the Eastern Desert.

The Umm Samra property is dominated topographically by Jabal Umm Samra and Jabal Umm Bakra which jointly form part of a larger post-tectonic granitoid massif. The structural grain of the property is characterized by early stage north–south compression (and associated east–west striking, dextral nappes) overprinted by north–south to northwest-southeast striking structures associated with later east–west directed compression. The Jabal Umm Samra massif has intruded across one of the earlier thrust structures but has been deformed by a range of east-northeast to north-northwest striking shear zones and brittle structures that are considered correlatives with the Najd fault structures. Orogenic gold mineralization is generally associated with the later structures that crosscut the early thrust event; these are extensively developed within the Jabal Umm Samra intrusion and strike east-northeast and north-northwest. The northern margin of the intrusion is characterized by extensive orogenic-type quartz veining in orientations ranging from east-southeast, east–west, east-northeast and northeast and these veins are being widely exploited by artisanal miners. Veins are typically steep and range in width between 10 cm and 20 cm. In the central and northern parts of the property, mineralization focused along lithological contacts and in veins along layering/bedding planes have also been observed. Mineralized veins predominantly comprise quartz, quartz-carbonate or quartz-sericite with rare fluorite, red K-felspar and occasional visible sulphides or iron oxides after sulphides.

The Wadi Zeidun property is underlain by ophiolitic, volcanic and volcanoclastic rocks that have been cut by a major east–west trending shear zone. The volcanogenic sequence strikes broadly east–west and has been intruded by broadly north-northwest striking post-tectonic granitoids and a strong, north-northwest brittle fracture fabric is evident that is correlated with the Najd faulting. Vein-hosted mineralization is prevalent across the property and occurs in a variety of geological settings, particularly at/near the contacts of intrusive bodies. Shows of copper staining are present in quartz-carbonate veins in the north of the property.

Lotus will commence exploration on two new properties: Siqdid and Umm Salim. These properties are underlain by ophiolitic, volcanic and volcanoclastic rocks similar to Umm Samra and Wadi Zeidun. The Umm Salim property is crosscut by a major northeast trending structure similar to those controlling the gold mineralization at the Barramiya gold mine.

Exploration

As of May 19, 2025, exploration work carried out by Lotus on the Eastern Desert Gold Project has included field reconnaissance, remote sensing interpretation, geological mapping, regional stream sediment and rock-chip sampling. Identified prospects are being followed up by systematic rock-chip sampling, trenching and scout drilling.

Lotus has applied an Eastern Desert Gold Project-scale strategy to identify target areas using satellite image interpretation to directly detect likely alteration zones and for the interpretation of geological structure. In addition, Lotus has completed drainage sampling covering the Eastern Gold Desert Project area. Targets identified in regional studies are followed up by geological observation and rock-chip sampling and where positive results are found, systematic exploration is undertaken at the prospect scale. The understanding gained as exploration progresses is then applied to refining the regional targeting model.

Lotus has acquired Landsat 8 multi-band imagery, ASTER™ imagery, and high-resolution Pleiades™ imagery. The use of multi-band ASTER™ imagery is a particularly effective tool in the generation of lithological discrimination maps and the mapping of alteration mineral assemblages that may be related to various styles of mineralization. Alteration and lithological discrimination mapping by ASTER™ rely on the wavelength of light reflected by mineral types and mineral groups. The technique works exceptionally well in unvegetated areas with limited surficial cover and the success of the method has been repeatedly demonstrated in the Eastern Desert. Lineament mapping was also undertaken.

The mapping of small-scale/artisanal workings was carried out by Lotus using high-resolution satellite imagery in conjunction with ground truthing and has been useful in elucidating broad structural trends across the Eastern Desert Gold Project, particularly in identifying the most commonly mineralized structural orientations.

Lotus has trialed ground geophysical methods such as induced polarization (“IP”), magnetics, and radiometrics. These methods show promising results and will be applied to prospects to aid targeting and interpretation.

Lotus has also carried out systematic exploration at identified prospects by taking chip channel samples or trenching along lines over prospective outcrops and then drilling to test for mineralization in the subsurface. Geological mapping and structural interpretation have been undertaken, however, further work is required to define the geometry and extents of mineralization.

Lotus has ranked the targets to prioritize their planned work programs, with a focus placed on the priority targets discussed above.

The author, a qualified person, of the Eastern Desert Report is of the opinion that the work programs executed to date are appropriate and have aided the generation of targets for follow-up work as it has identified substantial strike lengths of zones that are known, and have been confirmed by Lotus, to host mineralization locally.

Drilling

As of the effective date of the Eastern Desert Report, a total of 24 diamond and 14 reverse circulation (RC) holes have been completed on the Wadi Zeidun and Umm Samara properties by Lotus for a total of 7,204.7 m. A total of 7,900 samples have been assayed from these holes.

Significant intercepts (>3 m at 0.3 ppm Au cut-off grade) have been reported for the prospects tested in this scout drilling program (Table 2). Due to the early stage of exploration and the complexity of prospect-scale geology, drilled or sampled widths are reported by Lotus and the true width and geometry of mineralization is not yet fully understood.

Table 2: Significant Gold Intercepts

Hole ID	From	To	Width (m)	Au ppm
ASHDD005	16.5	25.2	8.70	0.671
JNDD002	146.6	150	3.40	0.475
JNDD003	20	23	3.00	0.493
JNRC001	198	203	5.00	0.579
JNRC001	204	212	8.00	0.450
UBDD003	60	65	5.00	1.019
UBDD004	106	111	5.00	0.488
UBDD004	163	167	4.00	0.958
UBDD005	11	19	8.00	0.936
UBDD005	24	38	14.00	2.286
UBDD006	30	33	3.00	0.409
UBDD006	64	74	10.00	0.843
UBDD007	85	88	3.00	0.337
UBRC003	0	4	4.00	0.793
USRC001	39	42	3.00	0.600

Sample Preparation, Analyses and Security

Prior to November 2023, all samples were submitted to the ALS Laboratories Marsa Alam facility. After November 2023, samples were submitted to MSA Labs (“MSA”) in Marsa Alam who offer a faster turnaround time. MSA only

offers preparation and gold by fire assay analysis. Both ALS and MSA are independent of Lotus and are accredited laboratories meeting ISO-certification.

At the ALS Laboratories Marsa Alam facility rock-chip and drilling samples were crushed to 70% passing 2 mm, split, and then a pulverized sample prepared for assay. This pulp sample was sent, by ALS, to their analytical facility in Loughrea, Ireland.

Initial rock-chip (grab) samples were riffle split to 250 g then pulverized (ALS code Prep 31). This was changed to 1 kg and rotary split (ALS code Prep 31BY) from the start of the drilling program in October 2022 for all samples.

Following an orientation study drainage samples were delivered to ALS in Marsa Alam for onward shipment for sample preparation and analysis at ALS in Ireland. Samples were dried and sieved to -80 mesh (ALS code Prep-41).

The following analytical methods were used by ALS Loughrea:

- Gold– 50 g fire assay with ICP-AES finish (ALS code Au-ICP22)
- Gold– 30 g fire assay with ICP-AES finish (ALS code Au-ICP21)
- Gold– 30 g fire assay with ICP-AES finish (ALS code Au-ICP21)
- Over-limit samples (>10 g/t Au) – 50 g fire assay with gravimetric finish (Au-GRA22)
- Multi-element suite (35 elements) – aqua regia digest and ICP-AES analysis (ME-ICP41)

The following methods were used by MSA

- 30 g fire assay with AA finish

From May 2023, Lotus replaced the multi-element ICP suite with an in-house multi-element XRF analysis on the pulp rejects returned from ALS. Lotus uses a Hitachi X-Met 8000 XRF. The Lotus database records 22,562 analyses by XRF. This includes 4,777 half-core and 49 quarter-core samples, 3,074 RC samples, and 14,279 channel samples. There are 1,086 QAQC samples associated with the data recorded in Lotus' database for portable XRF analyses, mainly carried out as part of the screening of drill samples. This represents approximately 5% of the total number of samples analyzed by portable XRF.

The analytical methods used are industry standard and considered appropriate for the style of mineralization, expected concentrations and stage of the Eastern Desert Gold Project. ALS is ISO17025:2017 accredited for all three analytical methods utilized (i.e. Au-ICP21, Au-ICP22 and ME-ICP41). MSA in Marsa Alam is ISO/IEC 17025 accredited for gold fire assay analysis.

Mineral Resource Estimate

No mineral resources have been estimated for the Eastern Desert Gold Project, nor are there any previous mineral resource estimates.

Interpretation and Conclusions

The ANS in the Central Eastern Desert is highly prospective for gold and base metal mineralization associated with regional shear-related structures (i.e. orogenic gold), within listwaenite and in VMS deposits. The properties held by Lotus have been extensively worked, apparently over a protracted period, for gold by artisanal and small-scale, semi-formalized miners.

The work carried out by Lotus has enhanced the prospectivity of the Eastern Desert Gold Project and demonstrates the presence of gold mineralization, particularly within orogenic veins. Structures known to host the mineralization

locally demonstrate significant (hundreds of metres to a few kilometres) strike extent and there is extensive small-scale mining along these strike extents. Significant portions of the Eastern Desert Gold Project are yet to be explored, even at a reconnaissance level. However, the results of exploration to date indicate elevated gold grades and in the opinion of the author of the Eastern Desert Report the Eastern Desert Gold Project is considered prospective for gold mineralization, subject to certain risks and uncertainties. Potential risks include access rights to artisanal workings for testing purposes. Technical risks are common to all exploration projects at this stage of development, but the work conducted to date by Lotus provides sufficient encouragement to continue exploration in a risk-mitigative manner.

Recommendations

The following recommendations are made:

- The author of the Eastern Desert Report recommends a staged approach to exploration with continued target generation and testing. Encouraging results from more advanced prospects should be followed up with additional drilling and trenching/chip channel lines.
- Detailed prospect scale geological mapping is fundamental to understanding the geometry of mineralized zones and determining the mineralization potential. Prospect scale mapping is recommended as the basis to plan systematic geochemical sampling and drilling.
- The Eastern Desert Gold Project would benefit from continued structural interpretation combining field data and available remote sensing datasets to guide target generation throughout the properties, i.e. in areas less well explored and with lower levels of artisanal mining activity.
- The ground geophysical survey at Jabal Umm Samra (IP, magnetics and radiometrics) has demonstrated the utility of such surveys. It is logical to apply these techniques across known prospects to assist with interpretation and targeting.
- Mineralization intersected at the ASH prospect is likely of VMS style. Ground electrical geophysical surveys have widely applied to targeting massive sulphide lenses in other districts. It is recommended to consider how these techniques can be applied at Ash.
- The ASTER™ band-ratioing work (i.e. multi-spectral satellite imagery) already carried out has generated the ideal dataset for refining surface geological maps across the Eastern Desert Gold Project. Revised geological interpretations should be digitized from these coverages and used to generate updated geological maps that will form the basis for systematic targeting work going forward.
- Exploration activities should continue to include a significant amount of channel sampling of exposed veins and trenching across postulated strike extensions. Channel and trench sampling would generate critical grade over width data and should be carried out along the strike extensions of potentially mineralized structures.
- A grade vs vein orientation study should be carried out on the sampling dataset to ascertain which structural orientations are most prospective. A similar study of gold grade vs base metal correlations may assist in defining mineralization types and prospectivity.

Lotus has prepared staged work programs for all four areas comprising the Eastern Desert Gold Project through the current licence periods.

The work programs summarized in Table 3 below have been reviewed by the author of the Eastern Gold Report and are considered appropriate for the current stage of exploration and suitable for the advancement of the Eastern Desert Gold Project. Phase 2 will be conducted upon satisfactory results being achieved by Phase 1.

Table 3: Recommended Program Budget

PHASE 1				
Exploration block	Umm Samra/Zeidun	Siqdid	Umm Salim	Total
Reporting period	Apr-Dec 2025	Apr-Dec 2025	Apr-Dec 2025	
Technical Budget Phase 1 total	\$75,000	\$35,000	\$165,000	\$275,000
Fixed Assets – Geology	\$10,000	\$10,000	\$10,000	\$30,000
Exploration – Other			\$10,000	\$10,000
Exploration – Assay	\$25,000	\$25,000	\$50,000	\$100,000
Exploration – Drilling			\$75,000	\$75,000
Exploration – Geophysics/Remote Sensing	\$40,000		\$20,000	\$60,000
PHASE 1 TOTAL (USD)				\$275,000
PHASE 2				
Exploration block	Umm Samra/Zeidun	Siqdid	Umm Salim	Total
Reporting period	Year 5 & 6	Year 3 & 4	Year 3 & 4	
Fixed Assets – Geology	\$15,000	\$15,000	\$15,000	\$45,000
Exploration – Other	\$396,000	\$309,000	\$314,000	\$1,019,000
Exploration – Assay	\$360,000	\$253,750	\$424,250	\$1,038,000
Exploration – Drilling	\$1,500,000	\$475,000	\$1,250,000	\$3,225,000
Exploration – Geophysics/Remote Sensing	\$425,000	\$200,000	\$200,000	\$825,000
PHASE 2 TOTAL (US\$)	\$2,696,000	\$1,252,750	\$2,203,250	\$6,152,000
PHASE 1 TOTAL (C\$: C\$/US\$ = 1.3728)				\$377,520
PHASE 2 TOTAL (C\$: C\$/US\$ = 1.3728)				\$8,445,466

**SELECTED FINANCIAL INFORMATION
AND MANAGEMENT DISCUSSION AND ANALYSIS**

Annual Information

The following selected financial information is derived from the audited financial statements for fiscal years ended December 31, 2024 and 2023 (which are attached hereto as Schedule “F”):

	Fiscal Year Ended December 31, 2024 (\$)	Fiscal Year Ended December 31, 2023 (\$)
Current assets		
Cash	1,966,083	2,384,194
HST recoverable	46,396	69,536
Prepaid expenses	23,692	204,681
Term deposits	1,291,920	1,624,213
Bid bond receivable	-	199,026
Property and equipment	85,916	177,776
Restricted cash	372,425	456,891
Totals assets	3,786,432	5,116,317
Current liabilities		
Accounts payable and accrued liabilities	1,135,179	379,369
Warrant component of debentures	1,488,098	1,647,854
Total liabilities	2,623,277	2,027,223
Shareholders equity and reserves (net of deficit)	1,163,155	3,089,094
Expenses		
Consulting fees	545,200	1,093,351
General and administrative	73,605	65,300
Professional fees	284,786	191,544
Corporate fees	43,692	41,743
Travel expenses	74,420	59,458
Wages and salaries	340,773	271,500
Amortization expense	103,151	153,644
Exploration expense	2,766,203	4,012,607
Bank charges and interest	49,794	58,020
Foreign exchange (gain)/loss	(26,041)	42,953
Loss (gain) on revaluation of warrant component of debentures	159,756	(265,459)
Interest income	137,048	135,752
Net Loss for the year	(3,958,779)	(6,119,827)
Net loss and comprehensive loss for the year	(3,922,518)	(6,161,566)
Basic and diluted loss per common share	(0.06)	(0.10)

Quarterly Information

	First Quarter ended Mar 31, 2023 (\$)	Second Quarter ended Jun 30, 2023 (\$)	Third Quarter ended Sept 30, 2023 (\$)	Fourth Quarter ended Dec 31, 2023 (\$)	First Quarter ended Mar 31, 2024 (\$)	Second Quarter ended Jun 30, 2024 (\$)	Third Quarter ended Sept 30, 2024 (\$)	Fourth Quarter ended Dec 31, 2024 (\$)
Total assets	5,684,565	4,483,319	3,313,615	5,116,317	4,197,829	4,983,623	3,621,976	3,786,432
Loss and comprehensive loss	1,030,577	956,338	843,073	3,331,578	1,023,303	857,729	734,431	1,307,055
Loss per share – basic and diluted	0.02	0.02	0.01	0.05	0.01	0.01	0.01	0.02

Management’s Discussion and Analysis

Lotus’ Management’s Discussions and Analyses for the fiscal years ended December 31, 2024 and 2023 provide an analysis of Lotus’ financial results for such periods, and should be read in conjunction with the audited consolidated financial statements and related notes for such periods. Lotus’ Management’s Discussions and Analyses for the fiscal years ended December 31, 2024 and 2023 are attached hereto as Schedule “G”.

Certain information included in Lotus’ Management’s Discussions and Analyses is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of the uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See “*Cautionary note regarding forward-looking information*” above for further details.

Trends

Other than the proposed RTO with GQ, Lotus’ management is unaware of any trend, commitment, event or uncertainty both presently known and reasonably expected to have a material effect on Lotus’ business, financial condition or results of operations.

Liquidity and Capital Resources

Lotus does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its Common Shares to fund its operations. As of December 31, 2024, the last fiscal year end, its capital resources consisted of a cash and cash equivalents balance of approximately \$1,966,083 term deposits of \$1,291,920, sales tax receivable of \$46,396, and accounts payable of \$1,135,179. Lotus expects that it will be able to meet its current obligations as they come due with its existing cash and other receivable balances.

As of June 30, 2025, Lotus had an unadjusted working capital deficiency of approximately \$564,333. Please see table titled “*Funds Available*” in Schedule “E”. Lotus expects to incur losses for the foreseeable future and there can be no assurance that Lotus will ever make a profit. To achieve profitability, Lotus must advance the Khorixas Property through further exploration in order to bring the Khorixas Property to a stage where Lotus can attract the participation of a major resource company, which has the expertise and financial capability to place such property into commercial production..

Lotus’ ability to continue as a going-concern is dependent upon its ability to achieve profitability and fund any additional losses it may incur. The financial statements are prepared on a going-concern basis, which implies that Lotus will realize its assets and discharge its liabilities in the normal course of business. The financial statements do

not reflect adjustments to the carrying value of assets and liabilities that would be necessary if Lotus were unable to achieve and maintain profitable operations.

CONSOLIDATED CAPITALIZATION

Other than as disclosed in this Schedule "C" there have been no material changes to the share capital of Lotus, on a consolidated basis, since the date of the unaudited interim consolidated financial statements of Lotus for the most recent fiscal year ended December 31, 2024.

As of the Record Date, Lotus had 73,320,674 Lotus Shares, and 14,623,281 Lotus Share purchase warrants to acquire Lotus Shares, issued and outstanding.

Designation of Security	Amount authorized or to be authorized	Amount outstanding as of the date of December 31, 2024	Amount outstanding as of August 10, 2025
Lotus Shares	Unlimited	72,819,689	73,320,674
Lotus Warrants		14,369,288	14,623,281

DESCRIPTION OF LOTUS SHARES

Lotus is authorized to issue an unlimited number of Lotus Shares. As of the Record Date there were 73,320,674 Lotus Shares issued and outstanding. The holders of Lotus Shares are entitled to receive notice of and to attend any meeting of the Lotus Shareholders and are entitled to one vote for each Lotus Share held (except at meetings at which only the holders of another class of shares are entitled to vote). The holders of Lotus Shares are entitled to receive dividends, on a pro rata basis, if, as and when declared by the Lotus Board and, subject to the prior satisfaction of all preferential rights, to participate rateably in the net assets of Lotus in the event of any dissolution, liquidation or winding-up of Lotus, whether voluntary or involuntary, or other distribution of assets of Lotus among shareholders for the purposes of winding up its affairs. The Lotus Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Dividends

The holders of Lotus Shares are entitled to receive dividends if, and when, declared by the Lotus Board. Lotus has no source of cash flow, and anticipates using all available cash resources toward its stated business objectives. As such, Lotus does not anticipate the payment of dividends in the foreseeable future. At present, Lotus' policy is to retain earnings, if any, to finance its business operations. The payment of dividends in the future will depend upon, among other factors, Lotus' earnings, capital requirements and operating financial conditions.

Prior Sales

During the 12-month period before the date of this Circular, Lotus has issued the following Lotus Shares and securities convertible into or exchangeable into Lotus Shares.

Security	Date of Issue	Aggregate Number Issued	Price (C\$)
Units ⁽¹⁾	February 17, 2025	507,985	\$0.50
Units ⁽¹⁾	June 30, 2024	164,924	\$0.50
Units ⁽¹⁾	June 18, 2024	2,750,100	\$0.50

Notes:

- (1) Each Unit consisting of one Lotus Share and one-half of one Lotus Share purchase warrant with each whole Lotus Share purchase warrant entitling the holder thereof to purchase an additional Lotus Share at a price of \$0.75 per Lotus Share for a period of two years from the date of issuance. See the section under the heading “*General Development of the Business – Three Year History – Fiscal 2024 Developments*”.

Stock Exchange Price

There is currently no public market for the Lotus Shares.

EXECUTIVE COMPENSATION

Definitions

If a term is used in this Form 51-102F6 but is not defined in this section, refer to subsection 1.1(1) of National Instrument 51-102 or to National Instrument 14-101 Definitions.

In this Form 51-102F6:

“**Board**” or the “**Board of Directors**” means the board of directors of Lotus;

“**CEO**” of Lotus means an individual who acted as Chief Executive Officer of Lotus, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” of Lotus means an individual who acted as Chief Financial Officer of Lotus, or acted in a similar capacity, for any part of the most recently completed financial year;

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**NEO**” or “**Named Executive Officer**” means each of the following individuals:

- (a) each individual who, in respect of Lotus, during any part of the most recently completed financial year, served as a Chief Executive Officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of Lotus, during any part of the most recently completed financial year, served as a Chief Financial Officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of Lotus and its subsidiaries, the most highly compensated executive officer, other than individuals identified in paragraphs (a) and (b) above at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a NEO under paragraphs (a), (b) or (c) above, but for the fact that the individual was not an executive officer of Lotus, and was not acting in a similar capacity, at the end of that financial year.

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by Lotus or one of its subsidiaries for services provided or to be provided, directly or indirectly, to Lotus or any of its subsidiaries;

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities

“**plan**” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

Director and Named Executive Officer Compensation

Director and NEO Compensation, excluding Compensation Securities

The following table provides a summary of compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by Lotus or a subsidiary of Lotus to each NEO and director of Lotus during the fiscal years ended December 31, 2024 and 2023:

Table of Compensation Excluding Compensation Securities

Name and Principal Position	Year	Salary, Consulting Fee, Retainer of Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
Michael Silver CEO and Director	2024	150,000	Nil	Nil	Nil	Nil	150,000
	2023	150,000	Nil	Nil	Nil	Nil	150,000
Heye Daun Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	44,742	Nil	Nil	Nil	Nil	44,742
Alan Friedman Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	44,742	Nil	Nil	Nil	Nil	44,742
Omar Nasser Director	2024	120,000	Nil	Nil	Nil	Nil	120,000
	2023	120,000	Nil	Nil	Nil	Nil	120,000
Dave Underwood Director	2024	39,375	Nil	Nil	Nil	Nil	39,375
	2023	52,500	Nil	Nil	Nil	Nil	52,500
Tony da Silva CFO	2024	Nil	Nil	Nil	Nil	30,600	30,600
	2023	Nil	Nil	Nil	Nil	120,949	120,949

Stock Options and Other Compensation Securities

Lotus did not grant any compensation securities or stock options for the financial year ended December 31, 2024.

Exercise of Compensation Securities by Directors and NEOs

Lotus does not have any stock options outstanding as of the Record Date.

Stock Option Plans and Other Incentive Plans

Lotus has not adopted any stock option plan.

Employment, Consulting and Management Agreements

Management functions of Lotus are generally performed by directors and executive officers of Lotus and not, to any substantial degree, by any other person to whom Lotus has contracted. Except as disclosed herein below, Lotus did not have any employment, consulting or management agreements or any formal arrangements with Lotus’ current

NEOs or directors regarding compensation during the most recently completed financial year ended December 31, 2024, in respect of services provided to Lotus or subsidiaries thereof:

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of Directors

The Lotus Board, through discussions without any formal objectives, criteria or analysis, is responsible for determining all forms of compensation to be granted to the directors of Lotus. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other mining issuers or strategic growth platforms in the mining industry of comparable size and stage of development, and the availability of financial and other resources of Lotus. Since incorporation, Lotus has paid no cash compensation (including salaries, director's fees, commissions, options, bonuses paid for services rendered, bonuses paid for services rendered in a previous year or any other compensation) to the directors for services rendered in their capacity as directors.

Compensation of Named Executive Officers

The Lotus Board, are responsible for determining all forms of compensation to be paid to the Named Executive Officers of Lotus, and reviewing such compensation from time to time, to ensure such arrangements reflect the responsibilities and risks associated with each position. In order to achieve these objectives, the compensation paid to Named Executive Officers of Lotus currently consists of base compensation, as set out below. In determining specific compensation amounts for executive officers, the Lotus Board consider factors such as experience, individual performance, length of service, contribution towards the achievement of corporate objectives and positive corporate and financial results, stock price, and compensation compared to other employment opportunities for executives.

Elements of Named Executive Officer Compensation

The NEOs received fees comprised of consulting fees for services rendered to the Company.

PROMOTERS

Other than its directors and officers, there is no person who is or who has been within the two years immediately preceding the Record Date, a 'promoter' of Lotus as defined under applicable Canadian securities laws.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Lotus is not a party to any material legal proceedings or any regulatory actions. Lotus knows of no such proceedings currently contemplated or threatened.

AUDITORS AND REGISTRAR AND TRANSFER AGENT

Auditors

The independent auditors of Lotus are McGovern Hurley LLP, Chartered Professional Accountants, of Toronto, Ontario. McGovern Hurley LLP are independent of Lotus within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Ontario.

Transfer Agent and Registrar

The registrar and transfer agent of the Lotus Shares is De Novo Group in Vancouver, British Columbia.

LEGAL MATTERS

Certain legal matters relating to the Arrangement will be passed upon by Boughton Law Corporation, on behalf of Lotus.

As of the date of this Circular, the shareholders and associates of Boughton Law Corporation, as a group, beneficially owns, or will beneficially own securities of Lotus following the Arrangement, directly or indirectly, representing less than 1% of the issued and outstanding Lotus Shares, and none of the above-described law firm or its shareholders or associates has received or will receive any direct or indirect interests in the properties of Lotus.

MATERIAL CONTRACTS

The only material contracts entered into by Lotus, other than those entered into in the ordinary course of business, within the most recently completed financial year, or before the most recently completed financial year but are still in effect as of the date of this Circular, are set out below. Copies of these material contracts are available for review at the head office of Lotus during business hours until the GQ Meeting and for a period of 30 days thereafter:

1. The Arrangement Agreement dated June 26, 2025 sets out the terms and conditions by which the Arrangement is to be completed. Particulars of the Arrangement are set out in further detail in this Circular;
2. Voting and Support Agreements with certain shareholders of GQ in respect of the RTO (see: “*The Voting and Support Agreements*” in the Circular for further details);
3. Deed of Assignment with B2Gold Corp. dated March 2024;
4. Asset Purchase Agreement dated June 1, 2023 among B2Gold Corp., Lotus and Lotus Gold Corporation Egypt (S.A.E.); and
5. Preferred Supplier Agreement dated January 15, 2024 with Capital Limited.

NON-ARM’S LENGTH PARTY TRANSACTIONS

Except as disclosed elsewhere in the Circular, Lotus has not entered into any transactions that were not Arm’s Length Transactions.

INTEREST OF EXPERTS

All scientific and technical information in this Schedule "C" has been reviewed and approved by Mark Allen, BA, B.A. mod (Geology), Ph.D. MAIG, Michael Cronwright, M.Sc., FGSSA, Pr.Sci.Nat., and Charlie Gianfriddo, B.Sc., MAIG, who are each a qualified person as such term is defined in NI 43-101. As of the date hereof, none of them held any interests in the securities or properties of Lotus.

McKnight Minerals Advisory Services was retained by the Lotus Board to provide financial advice to the Lotus Board on an exclusive basis in connection with the Arrangement and to prepare a fairness opinion.

As of the date of this Circular, the above-described experts or their respective associates or affiliates beneficially own, or will beneficially own securities of Lotus following the Arrangement, directly or indirectly, representing less than 1% of the issued and outstanding common shares of either such entities, and none of the above-described experts or their respective associates or affiliates has received or will receive any direct or indirect interests in the properties of Lotus.

FINANCIAL STATEMENTS OF LOTUS

Please see the audited consolidated financial statements of Lotus as at and for the fiscal years ended December 31, 2024 and 2023, together with the notes thereto and the independent auditor's report thereon attached as Schedule "F" to this Circular.

RISK FACTORS

Whether or not the RTO is completed, Lotus will continue to face many risk factors that it currently faces with respect to its business and affairs. Readers should carefully consider the risk factors discussed throughout Lotus' Management's Discussions and Analyses for the fiscal years ended December 31, 2024 and 2023 and for the six months ended June 30, 2025 attached hereto as Schedule "F" and the risks described under "*Risk Factors*" in this Circular.

SCHEDULE "D"
INFORMATION CONCERNING GQ

INFORMATION CONCERNING GQ

The following information concerning GQ should be read in conjunction with the documents incorporated by reference into this “Schedule “D” and the information concerning GQ appearing elsewhere in the Circular.

Capitalized terms used but otherwise not defined in this “Schedule “D” shall have the meaning ascribed to them in the Circular under the heading “Glossary”.

Cautionary note regarding forward-looking information

The following information contains forward-looking information about GQ, including information about GQ following completion of the RTO. See “Cautionary Statement Regarding Forward-Looking Statements” in this Circular in respect of forward-looking information that is included in this Schedule “D” and in the documents incorporated by reference herein. The following information was prepared and provided by GQ for inclusion in this Information Circular and GQ is responsible for its completeness and accuracy. The information contained in this Schedule “D”, unless otherwise indicated, is given as of the date of this Circular and should be read in conjunction with the information about GQ contained elsewhere or incorporated by reference herein.

Notice to United States Investors Regarding Technical Disclosure

Technical disclosure in this “Schedule “D” have been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. Such technical disclosure includes mineral reserves and mineral resources classification terms made in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”). 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. These standards differ from the requirements of the SEC applicable to domestic United States reporting companies. Accordingly, technical disclosure in this “Schedule “D” that describes GQ’s mineral reserves and mineral resources estimates may not be comparable with information made public by United States companies subject to the SEC’s reporting and disclosure requirements.

Financial Information and Currency

GQ has prepared its consolidated financial statements in Canadian dollars, attached hereto as “Schedule “H”. Dollar amounts in this “Schedule “D” are listed in Canadian dollars unless stated otherwise. References to “US\$” are to U.S. dollars.

CORPORATE STRUCTURE

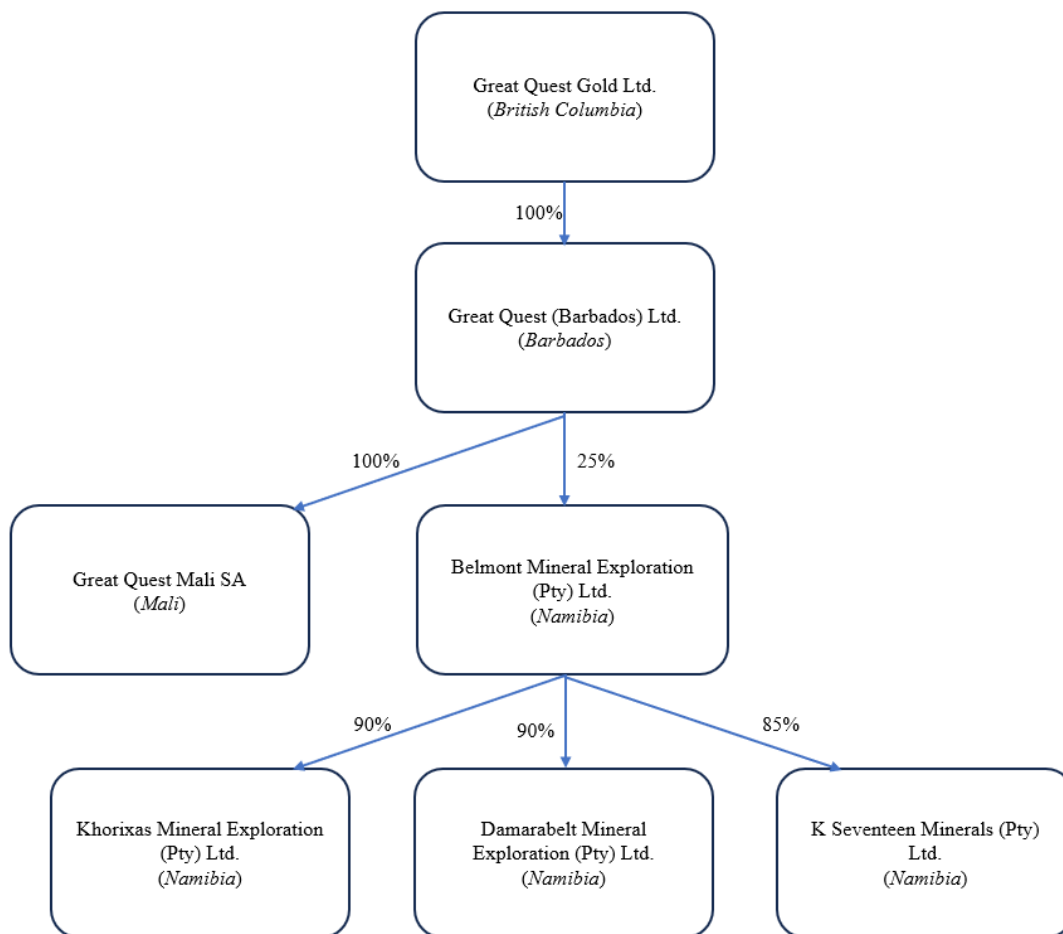
Name and Incorporation

GQ was incorporated under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) on March 10, 1989 as “WestPine Metals Ltd.” On July 8, 1998, the name of GQ was changed to “Great Quest Metals Ltd.”, and was later changed to “Great Quest Fertilizer Ltd.” on June 9, 2014. On June 24, 2024, GQ changed its name to its current name “Great Quest Gold Ltd.”

GQ’s head office is located at 10th Floor, 595 Howe Street, Vancouver, BC V6C 2T5 and the registered and records office is located at 10th Floor, 595 Howe Street, Vancouver, BC V6C 2T5.

GQ commenced trading on the TSXV on July 8, 1998, under the trading symbol “GQ”, and is a reporting issuer in British Columbia and Alberta.

GQ currently has two wholly owned subsidiaries, Great Quest (Barbados) Ltd. and Great Quest Mali S.A. (“**GQ Mali**”). GQ anticipates completing the disposition of GQ Mali on or prior to the Effective Date. GQ’s current corporate structure is set out in the diagram below:



GENERAL DEVELOPMENT OF THE BUSINESS

Business Description

GQ is engaged in the exploration and development of mineral resource properties, focusing at the present time on the GQ Material Properties (as defined below), located in Namibia.

History

GQ was incorporated under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) on March 10, 1989 as “WestPine Metals Ltd.” On July 8, 1998, the name of GQ was changed to “Great Quest Metals Ltd.”, and was later changed to “Great Quest Fertilizer Ltd.” on June 9, 2014. On June 24, 2024, GQ changed its name to its current name “Great Quest Gold Ltd.”

In February of 2022, GQ completed a non-brokered private placement of 3,490,000 units at a price of \$0.05 per unit for gross proceeds of \$174,500. Each unit consisted of one GQ Share and one GQ Share purchase warrant, which entitled the holder thereof to purchase an additional GQ Share at a price of \$0.10 per GQ Share for a period of two years subject to an acceleration provision whereby in the event that at any time after the expiry of the statutory hold period the GQ Shares trade at \$0.20 or higher on the TSXV for a period of 10 consecutive days, GQ had the right to accelerate the expiry date of the GQ Share purchase warrants to a date that was 30 days after GQ issued a news release announcing its election to exercise the acceleration right.

On December 21, 2023, GQ entered into an assignment and assumption agreement (the “**Assignment Agreement**”) with Sulliden Mining Capital Inc. (“**Sulliden**”), an arm’s length party to GQ, pursuant to which GQ became a party to a share purchase and subscription agreement (the “**Belmont Agreement**”) pursuant to which, GQ committed to subscribing for up to 70% of the total issued and authorized ordinary shares of Belmont Mineral Exploration (PTY) Ltd. (“**Belmont**”), a Namibian private company. Belmont holds, directly or through option agreements, 14 exclusive prospecting licences covering 307,778 hectares of exploration licenses including the Khorixas Gold Project, the Omatjete Gold & Lithium Project and the Outjo Gold Project.

Pursuant to the Belmont Agreement, GQ agreed to pay the following consideration for 25% equity interest in Belmont:

1. cash payment of US\$60,000 to the Belmont at the time of closing; and
2. exploration expenditures within 24 months of closing of the equivalent of US\$1,400,000 in Namibian dollars.

To acquire an additional 26% ownership in Belmont, GQ may complete exploration expenditures of the equivalent of US\$1,400,000 in Namibian dollars during the one-year period after the closing date. To acquire an additional 19% ownership in Belmont, GQ may complete exploration expenditures of the equivalent of US\$4,000,000 in Namibian dollars.

Pursuant to the Assignment Agreement, GQ agreed to pay to Sulliden the following consideration:

1. cash payment of US\$50,000 within 90 days of execution of the Assignment Agreement;
2. cash payment of US\$50,000 within 180 days of execution of the Assignment Agreement;
3. reimbursement of Sulliden’s costs of US\$80,000 within 90 days of closing; and
4. issuance of 5,000,000 GQ Shares.

GQ announced on April 23, 2024 that it had entered into loan agreements with its CEO, Jed Richardson, the following directors, Albert Yuen, David Shaw, John Clarke and its VP, Aidan Sullivan for an aggregate amount of \$490,000 (collectively referred to as the “**Loans**”). The Loans are unsecured, accruing interest at 20%, and maturing 18 months from the date of the Loan. The proceeds from the Loans were used to facilitate the consideration under the Belmont Agreement and Assignment Agreement as decided above.

On July 15, 2024, GQ announced that it closed the first tranche of a non-brokered private placement (the “**July 2024 Financing**”) of up to up to 40,000,000 units at a price of \$0.05 per unit for total gross proceeds of up to \$2,000,000 by issuing 10,739,100 units for gross proceeds of \$536,955. Each unit consisted of one GQ Share and one-half of one GQ Share purchase warrant with each whole GQ Share purchase warrant entitling the holder thereof to purchase an additional GQ Share at a price of \$0.10 per GQ Share for a period of two years from the date of issuance. GQ paid finder’s fees consisting of \$10,500 and issued 210,000 finder’s warrants entitling the holder thereof to purchase a GQ Share at \$0.05 for a period of 24 months.

On July 17, 2024, GQ closed the acquisition of a 25% equity interest in Belmont and as consideration GQ has paid the Namibian dollar equivalent of US\$60,000 to the Belmont; and agreed to fund exploration expenditures within 24 months of closing of the equivalent of US\$1,400,000 in Namibian dollars. Furthermore, pursuant to the Assignment Agreement, GQ has: (i) issued 5,000,000 GQ Shares to Sulliden; (ii) paid Sulliden US\$50,000 in cash within 90 days of closing the transaction and US\$50,000 within 180 days of closing the transaction; and (iii) reimbursed Sulliden’s costs of CAD\$115,825 within 90 days of closing the transaction. The GQ Shares issued to Sulliden were subject to a four-month statutory hold period.

On July 31, 2024, GQ announced that it closed the second tranche of its non-brokered private placement by issuing 29,078,479 units for gross proceeds of \$1,453,924 with each unit consisting of one GQ Share and one-half of one GQ Share purchase warrant. The size of the placement was increased from \$2,000,000 to \$3,000,000 due to increased investor

demand. In connection with the closing of the second tranche, GQ paid finder's fees of \$41,409 in cash and issued 760,182 finder's warrants. On August 12, 2024, GQ announced that the placement was further upsized to \$3,851,429.

On August 16, 2024, GQ announced that it had closed the final tranche of its non-brokered private placement by issuing 37,011,000 units for gross proceeds of \$1,850,550. GQ paid finder's fees of \$27,825 in cash and 520,000 finder's warrants.

On August 27, 2024, GQ announced an update on the discovery of a major conductor below the K17 target of the Khorixas Project. Interpretation of new data suggests that an Iron Oxide Copper Gold mineral system is a preferred model as opposed to the previously proposed Orogenic Gold mineral system for the K17 target. GQ provided the following highlights:

Major conductor identified as potential source for K17 Cu/Au/Ag/U mineralization.

- Multiple shallow conductors identified immediately below surface mineralization at K17 target.
- A section line of 51km of deep penetrating Magnetotellurics complete through the Khorixas basin.
- A grid comprising 30 square kilometres of Magnetotellurics complete across the K17 target area.

On September 30, 2024, GQ announced drill results from its maiden diamond drilling campaign at the Belmont project totalling 570 m with the following highlights:

- Hole BKDD003 intersected 18m of 1.72 g/t Au from 74m including 8m of 3.72 g/t Au.
- BKDD003 also intersected multiple points of visible gold within the 18m zone of mineralization.
- BKDD003 confirms the down-dip extension of the previously intersected 6m of 6.85 g/t Au from 20m at the BK2 target.

On November 7, 2024, GQ provided the following updates to its exploration activities at the Omatjete and Belmont project areas:

- Major conductor identified as potential source for K17 Cu/Au/Ag/U mineralization.
- Multiple shallow conductors identified immediately below surface mineralization at K17 target.
- A section line of 51km of deep penetrating Magnetotellurics complete through the Khorixas basin.
- A grid comprising 30 square kilometres of Magnetotellurics complete across the K17 target area.

On December 10, 2024, GQ announced progress updates to the Belmont project including that a combination of surface geochemistry, geophysics and geological mapping led to the definition of 18 individual targets at the Belmont project in Namibia forming the basis of a drilling campaign planned for early 2025. The following highlights were provided:

- Major conductor identified as potential source for K17 Cu/Au/Ag/U mineralization.
- Multiple shallow conductors identified immediately below surface mineralization at K17 target.
- A section line of 51km of deep penetrating Magnetotellurics complete through the Khorixas basin.
- A grid comprising 30 square kilometres of Magnetotellurics complete across the K17 target area.

DESCRIPTION OF THE BUSINESS

Khorixas Gold Project

The Khorixas gold project (the “**Khorixas Gold Project**” or the “**Khorixas Gold Property**”) encompasses nine Exclusive Prospecting Licences (“**EPLs**”) totalling 154,308 hectares near the town of Khorixas, Namibia. The EPLs are held by various subsidiaries of Ongwe Minerals (Pty) Ltd. (“**Ongwe Minerals**”), a Namibian registered company and are in the process of being transferred to Belmont. GQ currently owns a 25% equity interest in Belmont and pursuant to the Belmont Agreement, GQ can acquire up to a 70% interest in Belmont.

The bulk of the information in this section is derived or extracted from the technical report titled “*Great Quest Fertilizer Ltd. – NI 43-101 Technical Report on the Khorixas Gold Project*”, dated with an effective date of November 22, 2023 (the “**Khorixas Report**”), which was filed with Canadian securities regulatory authorities and prepared pursuant to NI 43-101. The Khorixas Report was prepared Dr. Andreas Rompel Pr. Sci. Nat., FSAIMM, in accordance with the disclosure and reporting requirements set forth in NI 43-101. Readers are referred to the entire text of the Khorixas Report for complete details of the Khorixas Gold Property, which is available for review under GQ’s profile SEDAR+ located at www.sedarplus.ca.

Property Description and Location

The Khorixas Project area is situated on communal lands primarily utilized for cattle, goat, and sheep farming. Accessible from Windhoek (the capital city) via the B1 paved road through Outjo at 452 km, and from the port of Walvisbay via the Uis all-weather gravel road at 350 km, the Khorixas Gold Project benefits from the town’s robust communication network, reliable electrical grid, and water supply (Figure 1).

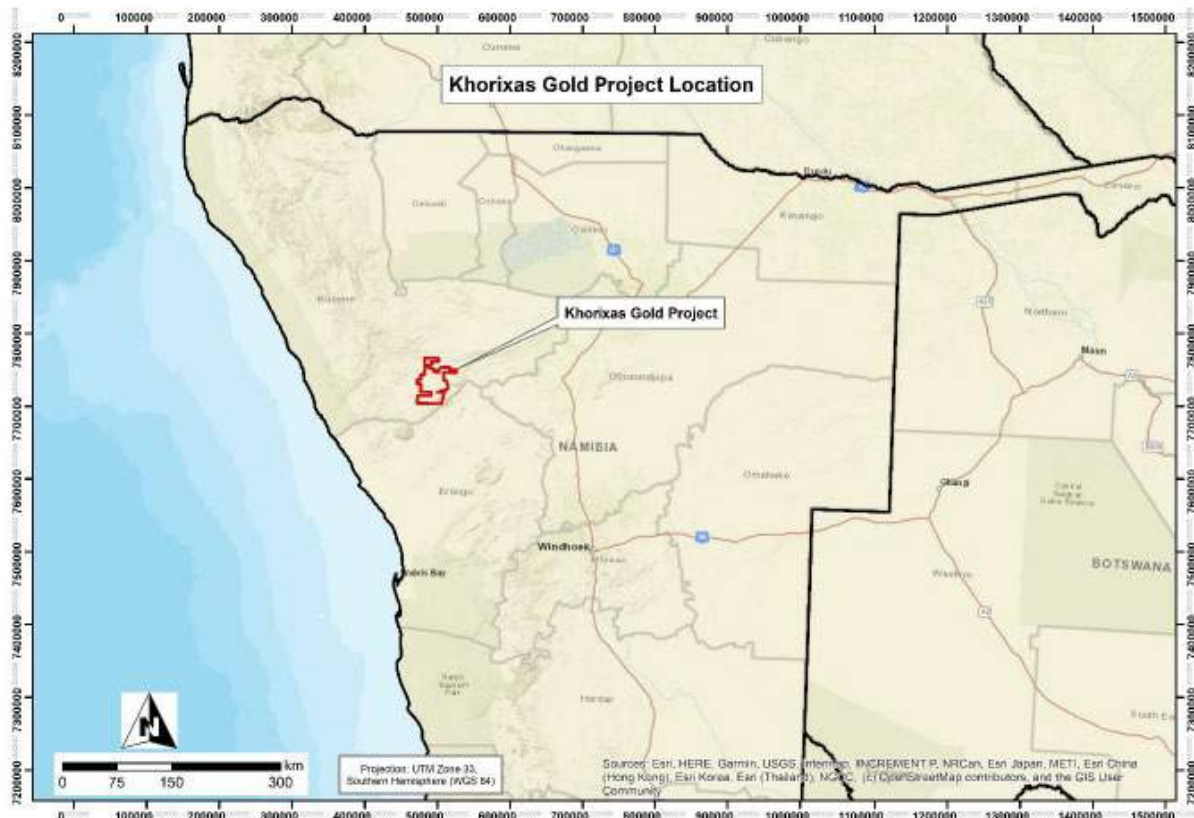


Figure 1: Khorixas Gold Project Map

Property and Title

Six of the nine EPLs are active with the other two EPLs granted pending Environmental Clearance Certificates and the remaining one under application. Figure 2 provides a project tenement overview.

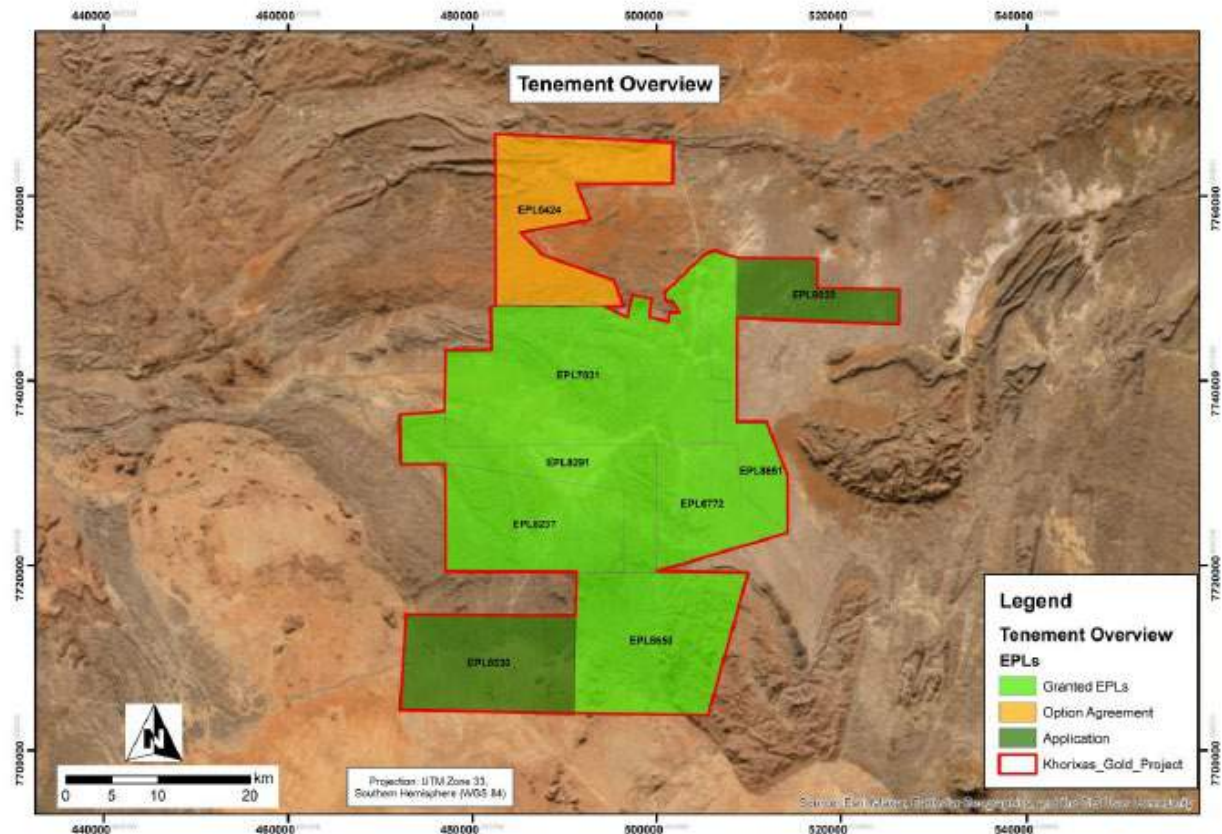


Figure 2: Khorixas Gold Project Tenement Overview Map

The nine EPLs all fall within communal farm land owned by the state. The Aodaman Traditional Authority are the custodians of the farm land covering the entirety of the project area. A land access agreement is in place that allows Ongwe Minerals full access to the project area. All EPLs under the Namibian law allow the holder to conduct all exploration activities deemed necessary including bulk sampling, provided that Environment Clearance Certificates have been issued. As a condition of retention of the EPLs, which is enforced by the Ministry of Mines and Energy of Namibia, the tenement owner must prove that active exploration is taking place within the EPL boundaries by submitting quarterly work progress reports. This work progress is reviewed every 2 to 3 years during the EPL renewal process. Table I outlines the different EPL ownership and expiry dates.

Table 1: Exclusive Prospecting Licences

EPL	Size (ha)	Owner	Expiry Date	Status
6772	9,581	Damarabelt Mineral Exploration	July 4, 2026	Active
7031	31,094	Khorixas Mineral Exploration	July 4, 2026	Active
8237	14,958	K Seventeen Minerals	July 4, 2026	Active
8291	14,194	Belmont	February 2, 2027	Active
8530	19,875	Ongwe Minerals	Pending	Pending Application
8650	25,703	Belmont	December 10, 2026	Granted*
8651	9,869	Belmont	September 10, 2026	Active
9022	9,060	Ongwe Minerals	Pending	Granted*
9987	19,974	Belmont	Pending	Granted*
TOTAL:	154,308			

* Pending Environmental Clearance Certificates.

GQ entered into the Assignment Agreement with Sulliden pursuant to which GQ became a party to the Belmont Agreement with Belmont and Ongwe Minerals to acquire up to a 70% interest in Belmont. Belmont holds directly or through option agreements 15 EPLs including the Khorixas Gold Project. See the section with the heading “*General Development of the Business – Three-Year History – Fiscal 2023 Development*”.

Environmental Liabilities and Permitting

It’s important to note potential mineral exploration environmental liabilities in the project area. The central and southern portions rest on communal farm lands, while the northern part intersects with municipal townland. When planning exploration activities, caution is crucial to minimize the impact on flora and fauna. Environmental Management Plans have been defined during the Environmental Impact Assessment. These have to be carefully reviewed and followed as closely as possible. Some of the major environmental risks that have been identified include trenching and drilling. To mitigate environmental risks, exploration trenches must be securely fenced off and promptly rehabilitated. Additionally, proper capping of all drill holes is mandatory to uphold responsible environmental practices.

EPLs, together with Environmental Clearance Certificates have been issued for EPL6772, EPL7031, EPL8237 and EPL8651. These permits allow the holder to conduct all exploration activities as is required by the work program. EPLs have also been granted for EPL9022 and EPL9987, and applications have been submitted for Environmental Clearance Certificates.

Royalties and Payments

No royalties are applicable to EPLs in Namibia. Annual payments for all EPLs are up-to-date. Other than as described above, the Khorixas Gold Property is not subject to any back-in rights, payments, agreements or encumbrances.

Other Significant Factors and Risks

There is a risk of starting unintentional fires. No open fires will be permitted to discourage wood collection and possible fires.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Khorixas Gold Project area can be accessed via the C35, C39, D2625 and the D2610 roads. The C39 road runs through the property from east to the west, while the C35 road runs from north to south. Branching off from the C35 road, the D2610 road leads to the southeastern end of the Khorixas Gold Project. The D2625 road branches off from the C39 road and passes through the northwestern part of the Khorixas Gold Property. The majority of these roads are in good condition and are regularly maintained by the state. There are vast amounts of single-track farm roads that provide access to most of the Khorixas Gold Property. The Khorixas Gold Project area can also be accessed through the small landing strip located 10 km, east of Khorixas on the C39 road.

The Khorixas Gold Project area is in a part of Namibia which receives between 200 and 250 mm of rain per year, with a variation coefficient of 40 - 50%. Rainfall events are limited to the summer months, mainly between December and March, in the form of thunderstorms often associated with heavy downpours. Potential evaporation can exceed 2,100 mm per year, meaning an average water deficit of between 1,900 and 2,100 mm per year. Relative humidity is low, rarely more than 20% in winter but may reach 85% in summer before or after thunderstorm build-up. Maximum temperatures average around 32 - 34°C, mainly recorded during the afternoons between November and January, while minimum temperatures are around 6 - 8°C and are normally recorded during nights in June and July. Deviations from these averages are common, with the highest temperatures reaching 38 - 40°C and the lowest temperatures below 6°C. Frost does not occur (Mendelsohn et al., 2002). Exploration work is not affected and can continue all year long.

The town of Khorixas, located in the Khorixas constituency, south of the Kunene Region of the republic of Namibia, is the nearest town to the Khorixas Gold Project area and has a population of about 6,000 inhabitants. Basic services such as food, lodging and fuel can be found. Apart from housing, the town hosts schools, clinic, a police station and a variety of lodges in the surrounding area. Khorixas is linked via the four gravel network roads and one tarred road network with a small landing strip east of Khorixas.

The location of the Khorixas Gold Project area south of the town of Khorixas allows for access to the national power grid, water via the pipeline infrastructure servicing the town and non-skilled mining and exploration working personnel. Skilled labour can be sourced from the larger towns in Namibia such as Windhoek, Swakopmund and Walvisbay. The Khorixas Gold Project is accessible from Windhoek (the capital city) via the B1 paved road through Outjo at 452 km, and from the port of Walvisbay via the Uis all-weather gravel road at 350 km.

The Khorixas Gold Project is bordered by the Namib desert to the west and exposed by rugged landscapes of mountains, hills, valleys and plains with sparse vegetation. The area is characterised by a rocky terrane with calcrete at places. The elevation ranges from 950 – 1000 m above mean sea level (“**amsl**”). Vegetation in the region is dominantly with rocky outcrops generally covered by low shrubs to thorny, bushveld-type trees.

History of Exploration, Development and Mining

Apart from limited historical exploration work done between the 1980's and 1990's on small portions that overlap the current project area by Tsumeb Corporation Limited and Anglo-American Prospecting Services Namibia, there has been no prior ownership of the project area by any exploration entity. Ongwe Minerals, through new exploration permit applications and various option agreements for existing exploration licenses, was able to compile the Khorixas Gold project.

Data archives and exploration reports has shown work that was done by Tsumeb Corporation Limited from 1980 to 1986 on the northern extent of the project area. Exploration activities, however, were solely focused on base metal exploration within the Huab and Mulden formations. Anglo American Prospecting Services Namibia also did some reconnaissance exploration work between 1987 and 1992, with a focus of both base metals and gold within the Huab basement formation in the northwest of the current project area. More recent exploration work was done by Ongwe Minerals between 2021 and 2023, focusing on gold and base metal exploration in the Kuiseb formation.

A total of 2,122 meters of percussion drilling was drilled on the Khorixas Gold Property to date. This drilling was done by Ongwe Minerals in 2022 and all the data is stored within a Datashed database.

There have been no prior resource estimates, reserve estimates or production in the Khorixas Gold Project area.

Geology and Mineralization

Regional Geologic Setting

The Damara Orogenic Belts consists of the coastal and intracontinental arms of the late Proterozoic Damara orogen (800 to 500 Ma) underlie much of the northwestern and central Namibia with stable platform carbonates in the north, and a diverse metasedimentary rock pointing to more variable depositional conditions further south (D. R Gray et al, 2008). The major components of the Damara orogen are the Archaean-Proterozoic basement inliers, the Damara sequence spanning most of the Neoproterozoic, the carbonates that rimmed the marine floors, the deeper water turbidites and the foreland basin deposits (Miller, 1983). The mineralisation is associated with successive phases of intracontinental rifting, spreading and the formation of passive continental margins. The area is flanked by the Kalahari craton on the eastern, southern direction and the Congo Craton on the northern direction (Figure 3). The Damara is correlated to the greater Lufilian arc of southern Africa. This is a prospective region for iron oxide copper – gold deposits.

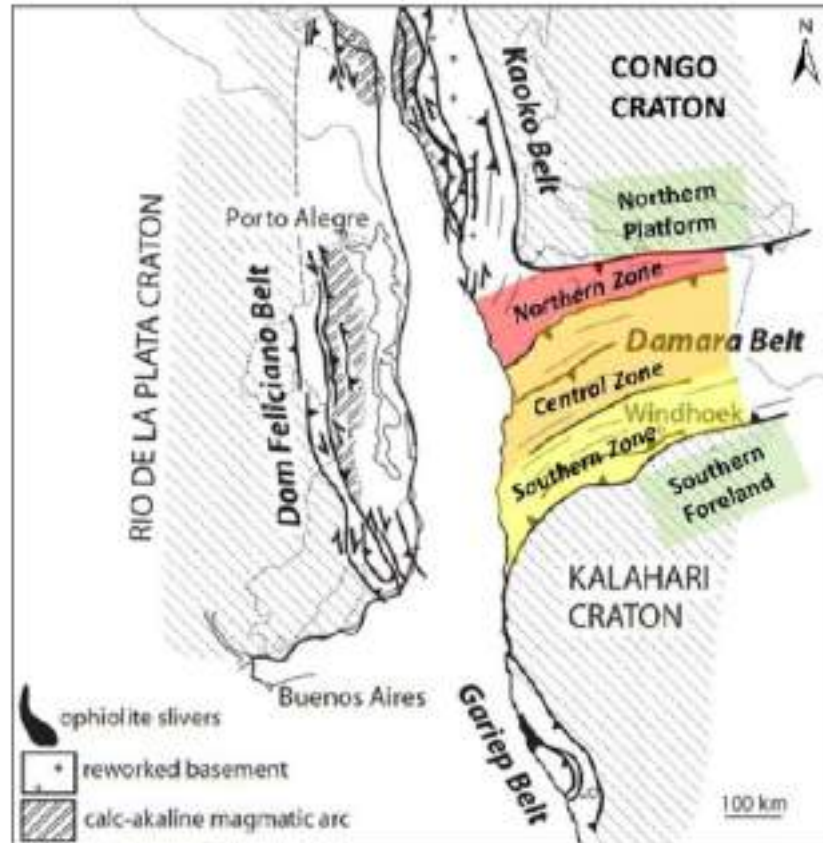


Figure 3: Geological Map of Damara Orogen with Different Major Zones and Cratons (D.R. Gray *et al*, 2008)

Local Geology

The oldest rocks of the map sheet belong to the Palaeoproterozoic Huab Metamorphic Complex, Khoabendus Group and Fransfontein Granite Suite, which outcrop in the northwestern part of the area (Figure 4). They comprise a variety of gneisses, as well as metasedimentary and intrusive rocks, which are overlain in the south by Damara metasediments and in the west by the Etendeka lavas of Cretaceous age. In the east they are covered by young superficial deposits.

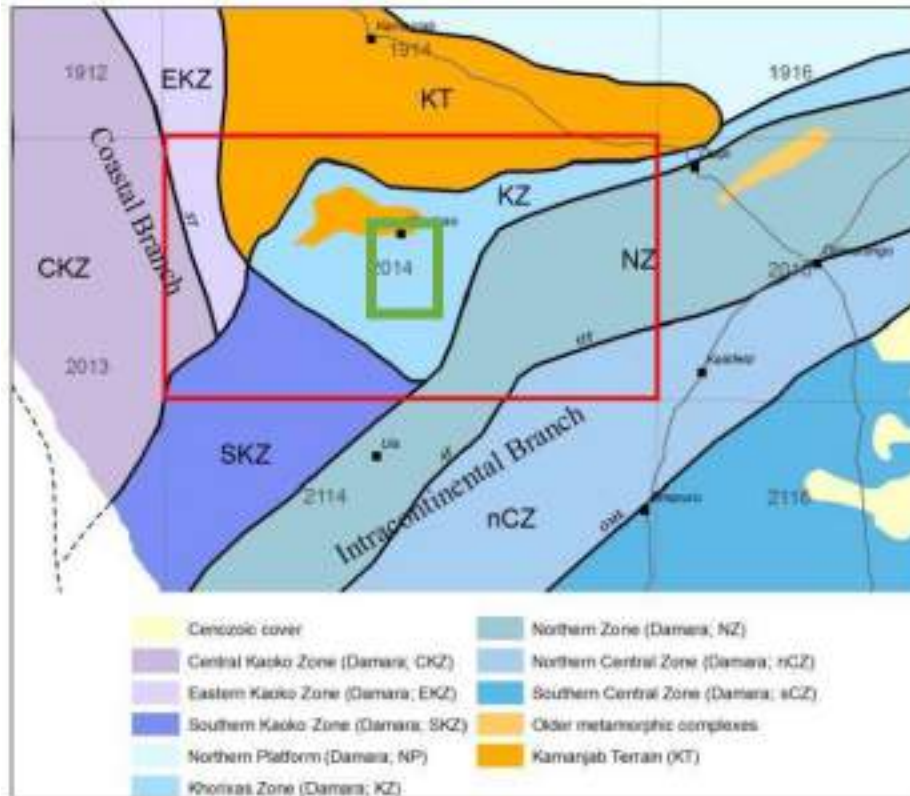


Figure 4: Zones of Damara Orogen (ST- Sesfontein Thrust, AF – Autseib Fault, OT – Otjohorongo Thrust, OML – Omaruru Lineament); area 2014 Fransfontein marked in red and the Khorixas Gold Project Area by green outline (modified after Schreiber, 2011).

Mineralisation

The most advanced prospect within the property is the Belmont prospect. The gold Mineralisation style at the Belmont Prospect, located in the northeast end of the project area, can be broadly categorised as orogenic. The Belmont Prospect and the extensions thereof, is located along and adjacent to the Khorixas-Gaseneirob Thrust (“KGT”), a major crustal scale structure, where rocks from the south have been thrust towards the north along the contact of the Huab Metamorphic Complex. The KGT is generally accepted to dip steeply to the south (i.e., a reverse fault) and represents a normal fault which formed during the opening of a large half-graben which has subsequently been reversed during continental collision. Gold mineralisation is hosted primarily in Kuiseb Formation turbidites (schists and arkoses), which have been intensely folded and overturned, with a northerly vergence. Mineralisation is assumed to have taken place 510-530 Ma, which is consistent with the accepted age of Namibian gold deposits. An NNE trending fold axis (Figure 5), which transects the area is believed to be a likely pathway whereby mineralised fluids were channeled and possibly relates to the significant jog seen in structures within the area. This would also support the post-peak metamorphism age of 510-530 Ma, as the NNE trending fold axis is likely D3 in age. Mineralisation occurs along a strike length of >10km, on and adjacent to the KGT. To date, not enough exploration work has been done to define the length, width and depth of any particular zones within the Belmont prospect.

At a prospect scale, mineralisation is related to several NW to NNW trending 1st and 2nd order structures (dip direction unknown), within and adjacent to a large jog of the KGT. Wall-rock alteration is commonly observed in the form of iron-carbonate and more locally, silicification and chloritisation. Foliation parallel sulphide rich quartz veins and millimetre-scale sulphide veinlets are the host of gold mineralisation. Gold is associated with pyrite, pyrrhotite, arsenopyrite, galena, chalcopyrite and bismuth.

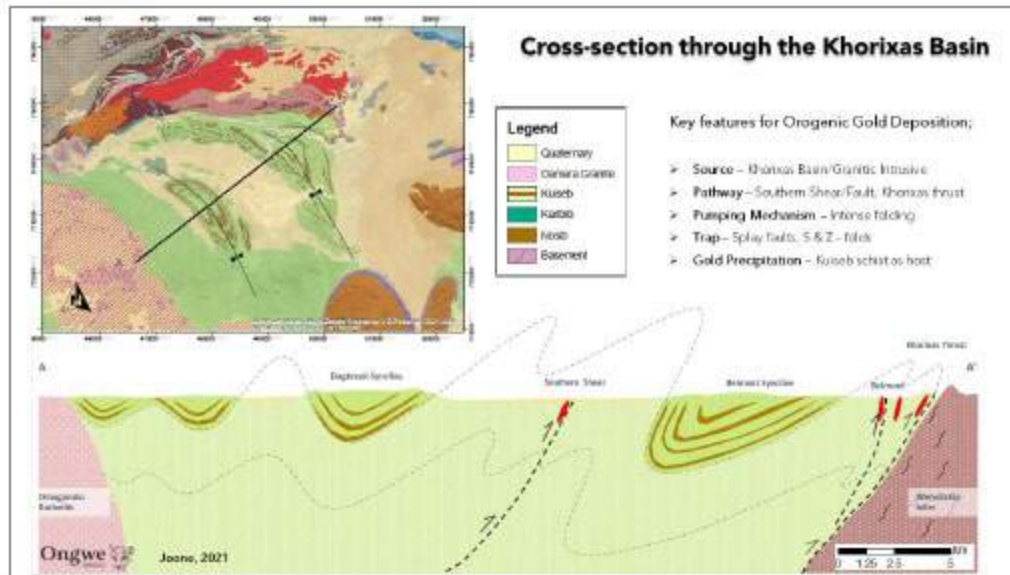


Figure 5: Schematic Cross-Section Through Khorixas Basin

Deposit Types

Orogenic gold deposits occur in Archean to Tertiary aged metamorphic belts where accretion or collision has taken place. Although certain details of orogenic deposits remain controversial, it is generally agreed that these deposits formed from metamorphic fluids, commonly sourced from the metamorphism and de-volatilization of intra-basinal rock sequences. Orogenic deposits are further classified according to host rock environment, being either: greenstone-hosted, turbidite-hosted or BIF-hosted. These deposits generally have a late timing within the structural evolution of the orogen, often during a late change from a compressional to transpressional regime. Deposits have strong structural controls, involving faults, shears, folds and other areas of competency contrasts. World-class deposits are commonly located along second-order structures, which lie adjacent to deep-seated, first-order faults and shears, commonly along jogs and bends. Proximal wall-rock alteration varies from sericite-carbonate-pyrite at high crustal levels, to biotite-amphibolite-pyrite at deep crustal levels with significant vertical and horizontal zoning. Complex arrays of mineralised quartz-carbonate veins are common, as is sulphidised, mineralised wall-rock (Groves et al., 2018; Figure 6).

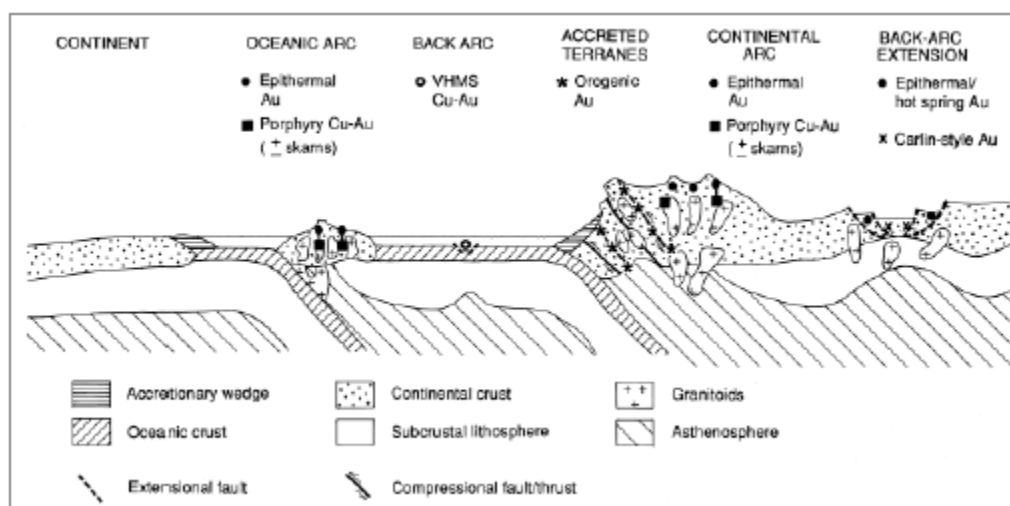


Figure 6: Tectonic Setting of Orogenic Deposits (Groves et al. 1997)

Exploration

Exploration by Ongwe Minerals at the Khorixas Gold Project followed a systematic process of reconnaissance work, grab-sampling followed by regional soil or calcrete sampling, infill sampling, mapping and finally trenching or drilling. Results were used to identify areas with Mineralisation potential and ultimately to generate drill targets. Approximately 28,300 surface samples have been collected, including 25,800 soil samples, 1,500 calcrete samples and 1,000 grab samples. All samples were collected using industry best practice sampling methods. Grid sampling methods were applied in order to avoid any biasness during sampling and all reported samples are considered to be representative. Sampling has been biased towards outcropping areas or areas with shallow cover.

Rock samples were collected from outcrops or float, where deemed appropriate by experienced geologists, with the goal of locating new mineralised areas or gaining a better understanding of mineralisation styles and controls. Sample size commonly ranged from half a kilogram to three kilograms and field notes, sample site UTM coordinates were recorded. All grab samples are assayed for both gold and multi-elements.

Soil Sampling

Soil samples were collected on a set grid with a handheld GPS, initially at a regional sample spacing of 200m by 400m, followed by a tighter prospect appropriate sample spacing, where deemed necessary (Figure 7). Samples were collected in paper envelopes, >20cm below the surface and sieved in the field to <212 microns. Sample sizes generally ranged from approximately 200-350 grams. All samples were analyzed for multi-elements via a mobile XRF at the field-camp based in Khorixas. Based on the XRF results, samples from areas of interest were selected and submitted for gold assay by aqua regia extraction with ICP-MS finish.

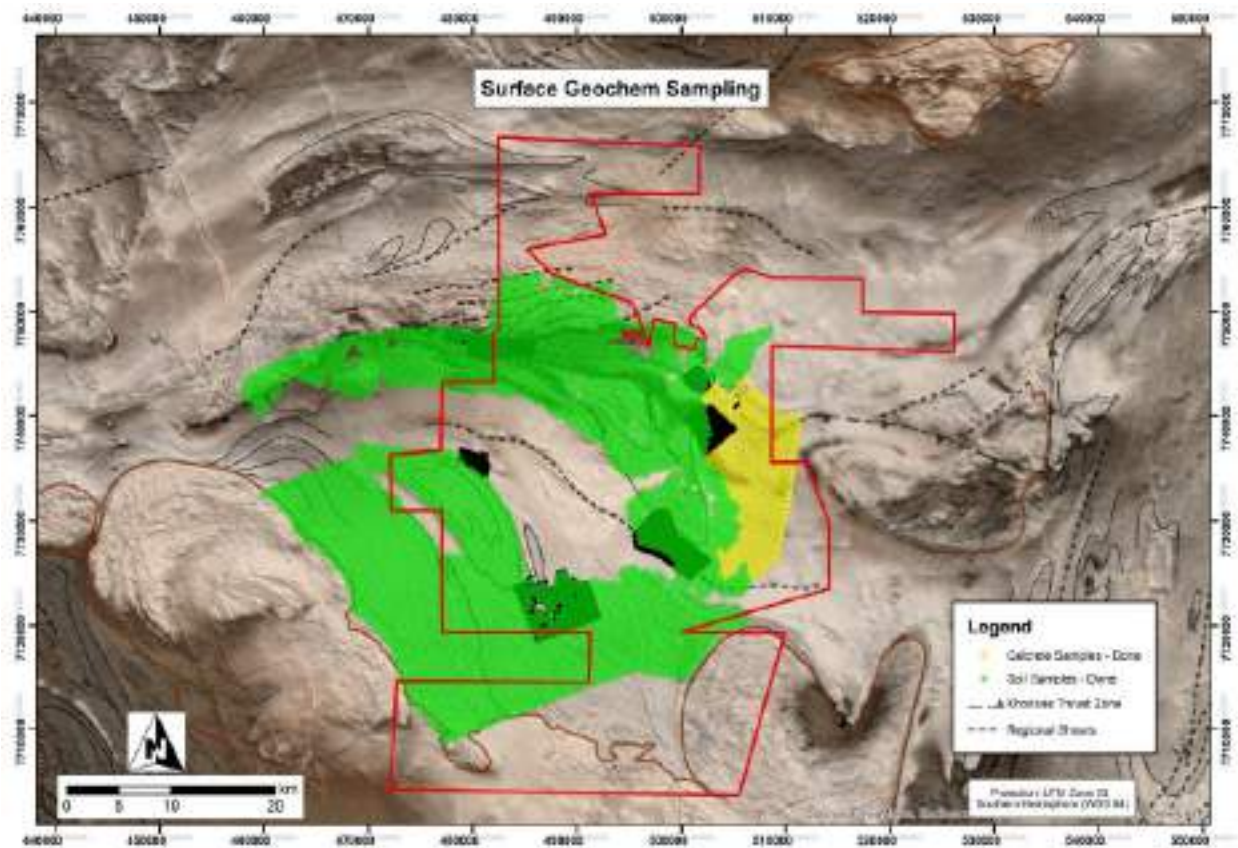


Figure 7: Soil and Calcrete Samples

Calcrete Sampling and Trenching

Calcrete samples were collected with a hammer and chisel at designated sampling sites. Generally, the calcrete sampling protocol involved collecting 4 to 5 palm sized samples within a 5-meter radius of a central sampling point. These samples were then combined to form a composite of between one and two kilograms for each site. All calcrete samples were submitted for gold assay, as the XRF pathfinder strategy was deemed unreliable in calcrete. Gold assay was done via cyanide leach with an ICP finish due to the low detection limit and reduced nugget effect resulting from possible detrital gold in quartz.

A total of 6 trenches, amounting to 1,284 metres, was trenched at the Belmont Prospect. One of the trenches, BK8-T1, was done by way of picks and shovels. The other 5 trenches were all dug by a 20t excavator. In total, 1,284 meters was assayed for multi-elements using a PXRF and 780 meters was assayed for gold via fire assay. All samples were collected in one-to-four-meter composites. One of the trenches was located on the BK1 target, 4 targeted the BK2 target and one targeted BK8. The trenches were dug in an NNE (BK2) to NE (BK1 & BK8) orientation and were based on soil/calcrete geochemistry as well as grab samples and field observations.

Results and Interpretation of Exploration Information

The regional soil sampling campaign produced several pathfinder anomalies, which were subsequently re-assayed for gold and followed-up with mapping and grab sampling. The most promising target was discovered along the north-eastern edge of the soil sampling grid and subsequently chased under cover with calcrete sampling and grab sampling where possible (Figure 8). This target, now known as the Belmont Prospect, has since become the main area of interest. The Belmont Prospect occupies an area of roughly 12 by 6 kilometers, along several first and second order structures, most notably the Khorixas-Gaseneirob Thrust Zone. Exploration has identified 10 target areas within the prospect, as highlighted by calcrete, soil and grab sampling (Figs. 9, 10, 11). Targets are typically first identified by anomalous gold in calcrete or highly anomalous grab samples, cover permitting. Geochem anomalies generally have a WNW to NW trend, mimicking the trend of major structures as evident on the magnetics data.

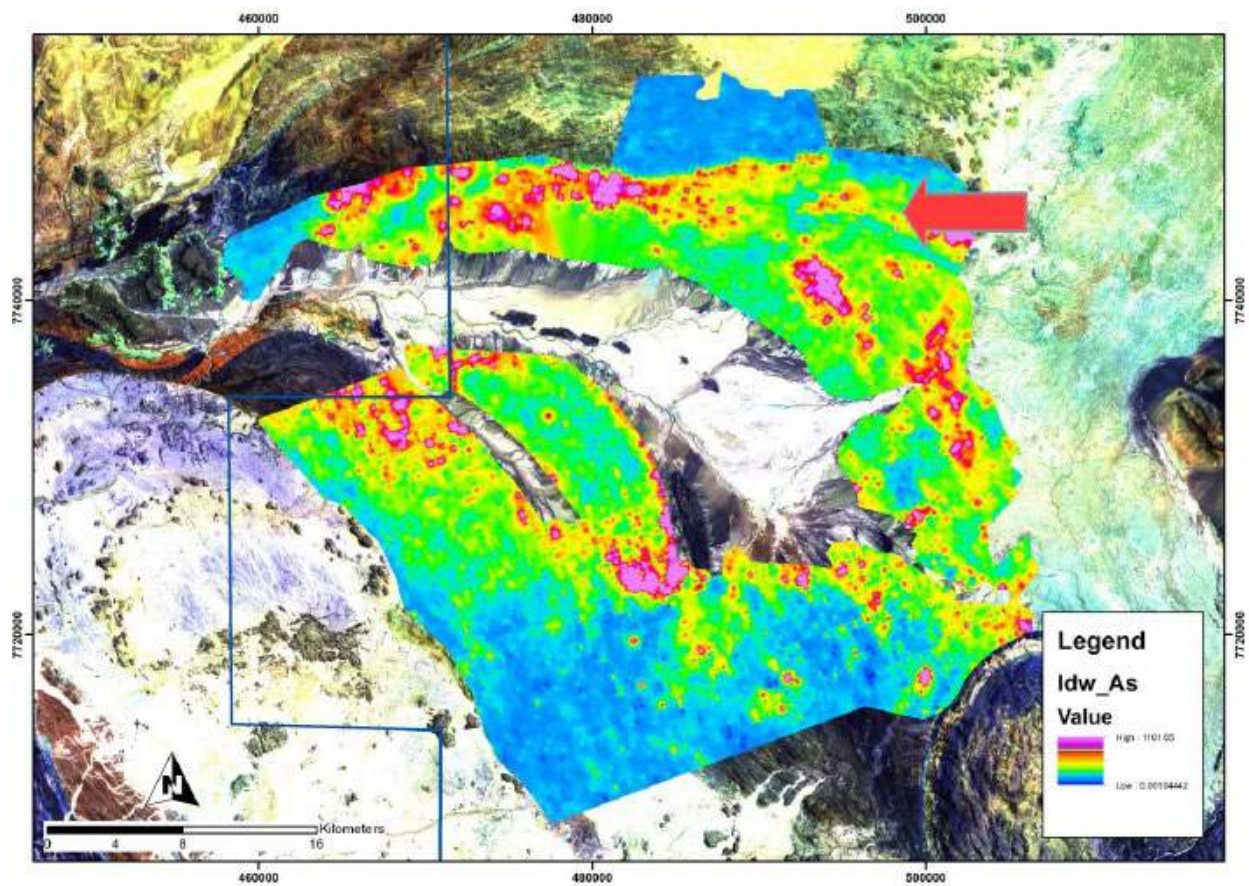


Figure 8: Arsenic Heatmap Derived from Regional Soil Sampling Data, Belmont Target Shown

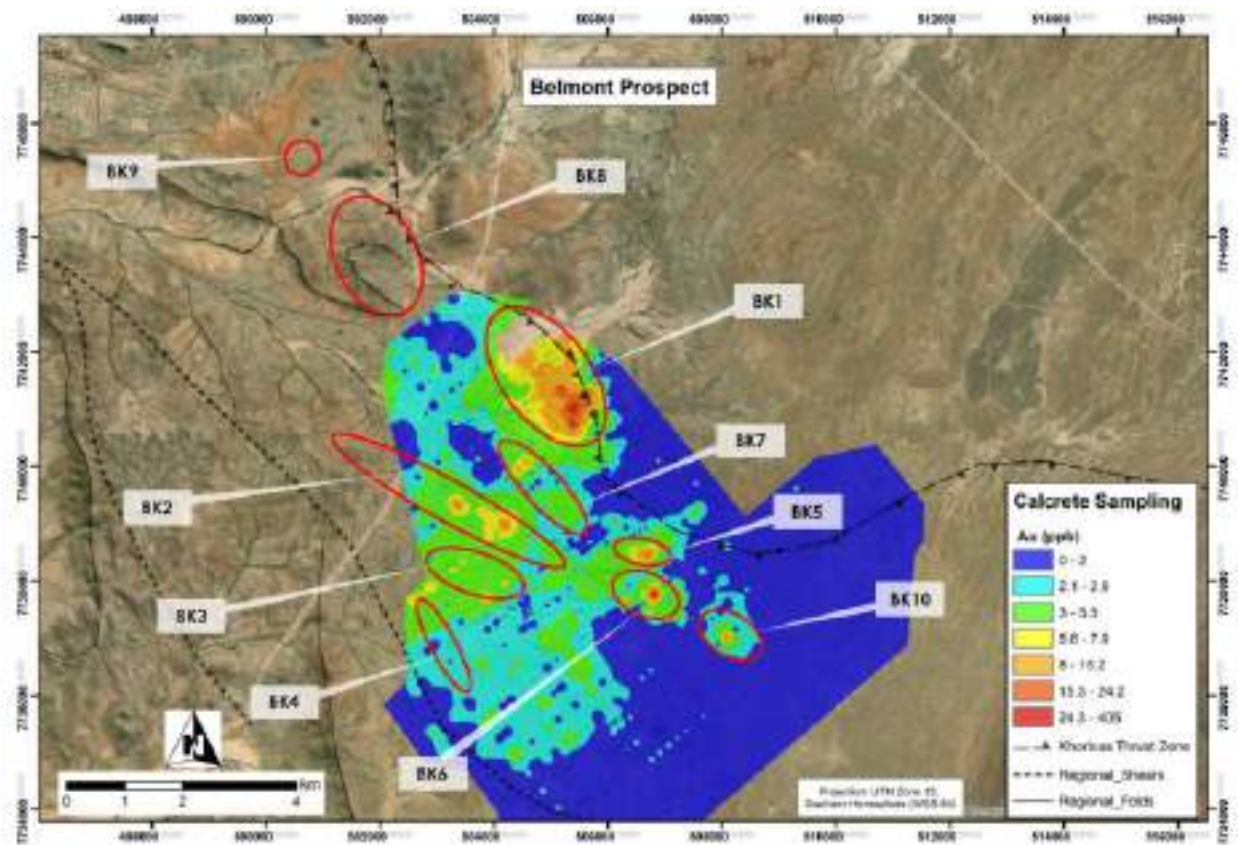


Figure 9: Belmont Prospect Au in Calcrete Heatmap

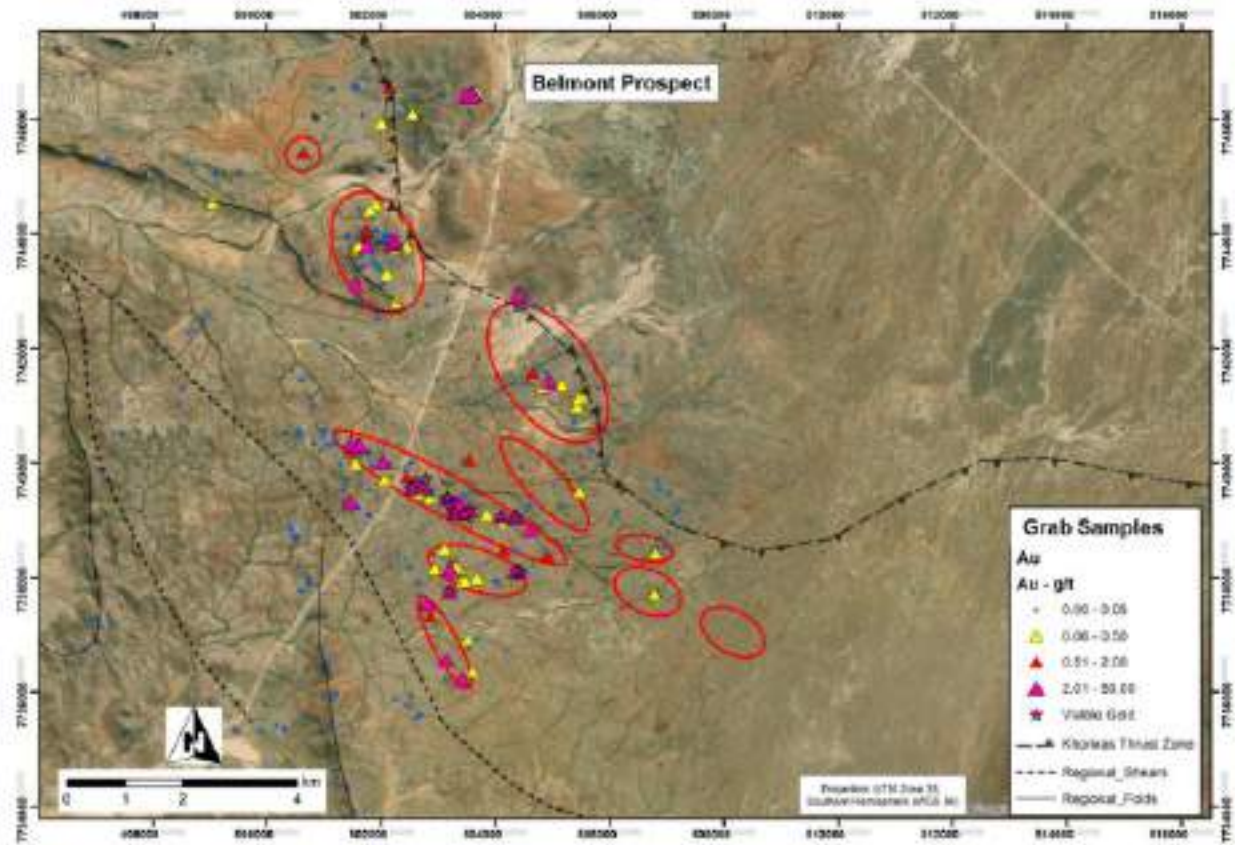


Figure 10: Location of Grab Samples

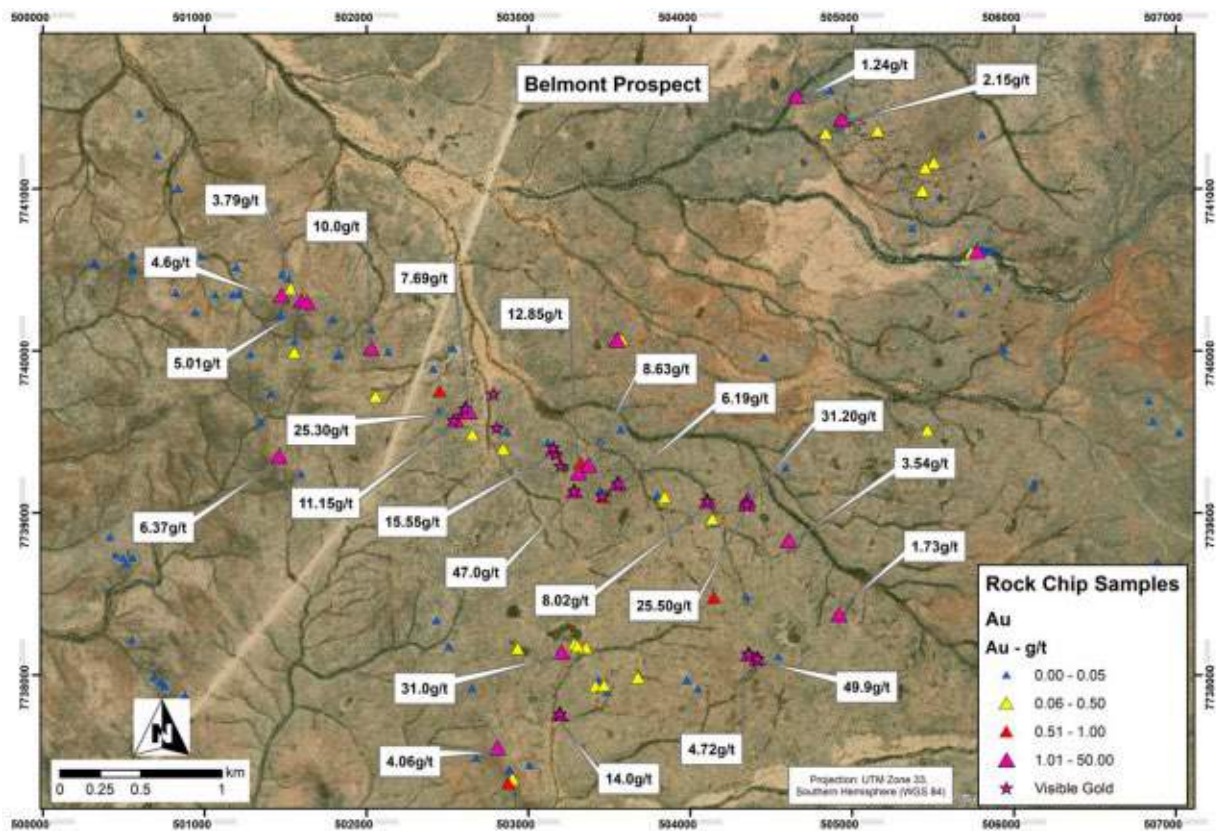


Figure 11: Grab Samples with Grade, Au – g/t

Apart from the Belmont Prospect, a number of additional gold and gold/copper targets were identified through the same systematic exploration process. One of these, known as the K17 target has produced a large area of highly anomalous copper and gold in rock chip results. The current footprint is approximately 6 by 6 kilometers with Mineralisation disappearing under cover to the north. Exploration has been limited to surface work, with follow up geophysical surveys and drilling to follow.

Drilling

In 2022, Ongwe Minerals embarked on a maiden drilling campaign. A total of 45 percussion holes were drilled cumulating 2,122 meters. All drilling was limited to a maximum of 52 meters due to limitations from the drill rig. All holes, apart from the ones targeting the Southern Shear target, were inclined at 60 degrees in varied directions depending on the target.

Drilling was open hole percussion drilling and therefore the possibility of contamination within the hole is one of the major concerns. Drilling was mostly within competent rock and very little water was intersected, which minimizes the effect of contamination within the hole. Very few cavities were intersected and if intersected, the holes were abandoned. Another general concern with percussion drilling is contamination during the sampling process. This concern was largely mitigated by applying a capping on every hole and channeling the sample through a cyclone. Every meter was sampled separately, and the cyclone was cleaned thoroughly after every sample. Quality assurance and quality control samples were also inserted throughout the drilling campaign to ensure the reporting of accurate data.

A total of 45 percussion holes were drilled during the period starting on September 19, 2022 and ending on October 22, 2022.

Sample Preparation, Analyses and Security

Only one drilling campaign has been complete on the project to date and drilling was limited to percussion drilling. All samples were collected via a cyclone. Samples were taken every meter and collected in a laminated polyester sample bag. Each bag was weighed as to record drill hole recoveries. Each sample was then split by a riffler splitter into an A, B and C sample. Sample A and B weighed approximately 3 to 5 kilograms and was meant for analytical purposes whereas the C sample was discarded back into the hole once complete. A qualified geologist employed by Ongwe Minerals was present at all times during drilling and sampling as to ensure validity and integrity of the samples taken and to ensure industry best practice is followed at all times.

All A samples were composited into 2-meter composites and sent to ALS Global in Okahandja, Namibia, for sample preparation via the PREP-31B* method. Pulverized samples were then sent to ALS Global for fire assay via the Au-ICP22 method. Both ALS laboratories are ISO/IEC 17025:2017 accredited and have ISO 9001:2015 certifications and neither of the laboratories have any connections or relation with Ongwe Minerals. All pulp rejects were collected from the sample prep facility and stored in Ongwe Minerals' secure storage facility in Khorixas. All B samples were analysed for multi-elements via the onsite PXRF lab. This analysis was done for every meter whereafter all the B samples were stored as duplicates in Ongwe Minerals' secure storage facility in Khorixas.

Standard Operating Procedures were outlined and explained to all parties involved during drilling and sampling in order to ensure a clear understanding of each work station. An experienced geologist was present at all times to ensure adherence to SOPs and a high standard of quality control and quality assurance is achieved.

Data Verification

A number of anomalous soil, rock chip and drill zones were selected for data verification. Original lab certificates were requested and compared to the data in the database. In certain cases, the original results were requested to be viewed on the ALS Global website which stores all historical assay values. All the data reviewed was consistent with the data in the database.

A total of 3 site visits were conducted during which ground truthing of borehole and trench collars was conducted. A number of mineralized sites were also visited and a total of 6 rock chip samples were collected from zones that was considered to be mineralized. These rock chip samples were independently sent to ALS Global for fire assay analysis via the Au-ICP22 method. Four out of the 6 samples reported anomalous gold values with the highest yielding 7.04g/t Au. Table 2 shows the Assay results.

	WEI-21	CRU-QC	PUL-QC	Au-ICP22
SAMPLE	Recvd Wt	Pass2mm	Pass75um	Au
DESCRIPTION	kg	%	%	ppm
DETECTION	0.02	0.01	0.01	0.001
AR1	2.18	80	91.7	0.145
AR2	2.18		90.2	0.001
AR3	1.39			0.028
AR4	2.55			7.04
AR5	1.83			1.155
AR6	1.37			0.048

Table 2: Fire Assay Results from Independent Rock Chip Sampling

Interpretation and Conclusions

Initial exploration in the Khorixas Gold Project area was conducted according to best practice in exploration and was highly successful in finding targets with high gold values (up to 49.9g/t). Several priority targets have been identified however, are not fully understood and further exploration is justified. Approximately 50% of the area is covered by calcrete and sand, and it is therefore of importance to engage in geophysical surveys to better understand the structures at play. The geological fundamentals of the project coupled with the early exploration success makes the project a reasonable target for potential gold or gold/copper discoveries.

It should be noted that this project classifies as an early-stage Greenfields project and therefore carries significant geological risk. The project falls within a part of the Damara Orogeny that has had next to no historical exploration and therefore no geological base to leverage from. In an effort to mitigate these risks, continuous data collection and geological interpretation is required. The greatest risk therefore remains that there is no certainty of any economical discoveries within the project area.

Recommendations

A total budget of **USD \$500,000** has been allocated for exploration activities over the next **12 months**. The exploration program will focus on advancing target delineation and testing at **K17**, with a phased approach beginning with geophysical surveying and followed by reverse circulation (RC) and diamond drilling.

The key exploration activities include:

- **Induced Polarization (IP) Survey:** Aimed at refining structural and lithological interpretations and generating high-confidence drill targets.
- **RC Drilling:** Conducted to test shallow anomalies and gather initial subsurface geological information.
- **Diamond Drilling:** Follow-up drilling targeting deeper structures and confirming mineralization.

The phased approach ensures that initial results from the geophysics will inform the subsequent drilling campaigns, improving efficiency and cost-effectiveness.

Task	Cost (US\$)
Diamond Drilling K17	140000
RC Drilling K17	80000
IP geophysical survey K17	80000
Geologist (2x)	100000
Labour	25000
Food & Accommodation	30000
Transport	45000
Total	500000

Table 3: 12 Month Exploration Budget

Subsequent Developments

GQ has entered into the Arrangement Agreement with Lotus to acquire all of the issued and outstanding shares of Lotus by way of a plan of arrangement (See the sections of the Circular under the following headings: “*The Arrangement*” and “*The Arrangement Agreement*”), which is subject to the approval of the Lotus Shareholders and at the Lotus Meeting.

On July 14, 2025, GQ closed the first tranche of the Bridge Financing for gross proceeds of \$289,000.

On August 29, 2025, GQ closed the second tranche of the Bridge Financing for gross proceeds of \$211,000.

Bridge Financing

In connection with the RTO, on July 14, 2025, GQ completed the first tranche of the Bridge Financing by issuing 11,560,000 GQ Shares at a price of \$0.025 per share for gross proceeds of \$289,000 and on August 29, 2025, GQ completed the second tranche of the Bridge Financing for gross proceeds of \$211,000. The aggregate gross proceeds from the Bridge Financing will be used for costs associated with the RTO. GQ paid cash finder’s fees of \$6,625 in respect of the Bridge Financing to eligible finders.

In addition to the foregoing, Lotus advanced an aggregate amount of \$300,000 to GQ on September 8, 2025 pursuant to the terms of a secured promissory note in connection with the Lotus Advance bearing interest at a rate of 10% per annum, maturing on the earlier of the closing of the RTO or January 15, 2026 and secured by a general security agreement from GQ in favour of Lotus granting security over all present and after acquired personal property of GQ, and subject to conversion, at the sole option of Lotus, into GQ Shares at a pre-Consolidation price of \$0.025 per share. The proceeds from the loan were used for working capital purposes. The Lotus Advance is subject to TSXV approval.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Annual Information

The following selected financial information is derived from the audited financial statements for fiscal years ended December 31, 2024 and 2023 (which are attached to the Circular as Schedule “H”) and the interim financial statements for the six-month period June 30, 2025 (which are attached to the Circular as Schedule “H”):

	Six Month Period Ended June 30, 2025 (\$)	Fiscal Year Ended December 31, 2024 (\$)	Fiscal Year Ended December 31, 2023 (\$)
Total Expenses	(\$638,370)	(\$3,300,507)	(\$619,880)
Amounts deferred in connection with the RTO	Nil	Nil	Nil

Management’s Discussion and Analysis

GQ’s Management’s Discussions and Analyses for the fiscal years ended December 31, 2024 and 2023 and for the six--month period ended June 30, 2025 provide an analysis of GQ’s financial results for such periods, and should be read in conjunction with the audited consolidated financial statements of GQ and related notes for such periods and the interim unaudited financial statements of GQ. GQ’s Management’s Discussions and Analyses for the fiscal years ended December 31, 2024 and 2023 and for the six-month period ended June 30, 2025 are attached hereto as Schedule “D”.

Certain information included in GQ’s Management’s Discussions and Analyses is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of the uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See “*Cautionary note regarding forward-looking information*” above for further details.

DESCRIPTION OF GQ SHARES

GQ is authorized to issue an unlimited number of GQ Shares. As of the Record Date there were 186,674,661 GQ Shares issued and outstanding. The holders of GQ Shares are entitled to receive notice of and to attend any meeting of the GQ Shareholders and are entitled to one vote for each GQ Share held (except at meetings at which only the holders of another class of shares are entitled to vote). The holders of GQ Shares are entitled to receive dividends, on a pro rata basis, if, as and when declared by the GQ Board and, subject to the prior satisfaction of all preferential rights, to participate rateably in the net assets of GQ in the event of any dissolution, liquidation or winding-up of GQ, whether voluntary or involuntary, or other distribution of assets of GQ among shareholders for the purposes of winding up its affairs. The GQ Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Dividends

The holders of GQ Shares are entitled to receive dividends if, and when, declared by the GQ Board. GQ has no source of cash flow, and anticipates using all available cash resources toward its stated business objectives. As such, GQ does not anticipate the payment of dividends in the foreseeable future. At present, GQ’s policy is to retain earnings, if any, to finance its business operations. The payment of dividends in the future will depend upon, among other factors, GQ’s earnings, capital requirements and operating financial conditions.

OPTION PLAN

For information regarding the Option Plan, refer to Schedule “K” under the section with the heading “*Option Plans and Other Incentive Plans*”.

Prior Sales

During the 12-month period before the date of this Circular, GQ has issued the following GQ Shares and securities convertible into or exchangeable into GQ Shares.

Security	Date of Issue	Aggregate Number Issued	Issue/Exercise Price (C\$)
Units ⁽¹⁾	August 16, 2024	37,011,000	\$0.05
Finder Warrants ⁽²⁾	August 16, 2024	520,000	\$0.05
GQ Shares ⁽²⁾	July 14, 2025	11,560,000	\$0.025
GQ Shares ⁽³⁾	August 29, 2025	8,440,000	\$0.025

Notes:

- (1) Each Unit consisting of one GQ Share and one-half of one GQ Share purchase warrant with each whole GQ Share purchase warrant entitling the holder thereof to purchase an additional GQ Share at a price of \$0.10 per GQ Share for a period of two years from the date of issuance. See the section under the heading “*General Development of the Business – History*”.
- (2) Issued to certain finders on closing of the third tranche of the July 2024 Financing.
- (3) Issued on closing of the first tranche of the Bridge Financing.
- (4) Issued on closing of the second tranche of the Bridge Financing.

Stock Exchange

The GQ Shares are listed and posted for trading on the TSXV under the symbol “GQ”.

The following table sets forth information relating to the trading of the GQ Shares on the TSXV for the months indicated.

Month	High (C\$)	Low (C\$)	Volume
August 2024	0.09	0.05	1,650,391
September 2024	0.07	0.05	2,198,625
October 2024	0.06	0.04	1,113,717
November 2024	0.04	0.02	593,754
December 2024	0.04	0.02	1,772,650
January 2025	0.05	0.03	448,120
February 2025	0.04	0.03	1,791,000
March 2025	0.05	0.03	517,000
April 2025	0.04	0.03	1,123,784
May 2025	0.03	0.025	126,300
June 2025	0.025	0.025	-
July 2025	0.025	0.025	-
August 2025	0.025	0.025	-

At the close of business on the Record Date, the price of the GQ Shares as quoted by the TSXV was C\$0.025.

EXECUTIVE COMPENSATION

For information regarding executive compensation of GQ refer to Schedule “K” under the section with the heading “*Statement of Executive Compensation*”.

LEGAL PROCEEDINGS

GQ is not a party to any material legal proceedings or any regulatory actions. GQ knows of no such proceedings currently contemplated or threatened.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The independent auditors of GQ are McGovern Hurley LLP, Chartered Professional Accountants. McGovern Hurley LLP are independent of GQ within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Ontario.

Transfer Agent and Registrar

The registrar and transfer agent of the GQ Shares is Odyssey Trust Company at its offices in Calgary, Alberta.

LEGAL MATTERS

Certain legal matters relating to the RTO will be passed upon by Wildeboer Dellelce LLP, on behalf of GQ.

As of the date of this Circular, the partners and associates of Wildeboer Dellelce LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding GQ Shares or shares of any of GQ’s associates or affiliates.

MATERIAL CONTRACTS

The only material contracts entered into by GQ, other than those entered into in the ordinary course of business, within the most recently completed financial year, or before the most recently completed financial year but are still in effect as of the date of this Circular, are set out below. Copies of these material contracts are available under GQ's SEDAR+ profile at www.sedarplus.ca:

1. The Arrangement Agreement sets out the terms and conditions by which the Arrangement is to be completed. Particulars of the Arrangement are set out in further detail in this Circular;
2. Voting and Support Agreements with certain shareholders of Lotus in respect of the Arrangement (see: "*The Voting and Support Agreements*" in the Circular for further details); and
3. the Belmont Agreement.

NON-ARM'S LENGTH PARTY TRANSACTIONS

Except as disclosed elsewhere in the Circular, GQ has not entered into any transactions that were not Arm's Length Transactions. The RTO is an Arm's Length Transaction.

INTEREST OF EXPERTS

All scientific and technical information in this "*Schedule 'D'*" has been reviewed and approved by Dr. Andreas Rompel, Pr. Sci. Nat., FSAIMM., who is a qualified persons as such term is defined in NI 43-101. As of the date hereof, he has not held any interests in the securities or properties of GQ.

As of the date of this Circular, the above-described experts or their respective associates or affiliates beneficially own, or will beneficially own securities of GQ following the Arrangement, directly or indirectly, representing less than 1% of the issued and outstanding common shares of either such entities, and none of the above-described experts or their respective associates or affiliates has received or will receive any direct or indirect interests in the properties of GQ.

FINANCIAL STATEMENTS OF GQ

Please see the audited consolidated financial statements of GQ as at and for the fiscal years ended December 31, 2024 and 2023, together with the notes thereto and the independent auditor's report thereon, and the unaudited financial statements of GQ for the six months ended June 30, 2025 attached as Schedule "*H*" to this Circular and filed with the Canadian securities regulators and available under GQ's profile on SEDAR+ at www.sedarplus.ca.

RISK FACTORS

Whether or not the RTO is completed, GQ will continue to face many risk factors that it currently faces with respect to its business and affairs. An investment in GQ Shares or other securities of GQ is subject to certain risk factors, which may differ or be in addition to the risks applicable to the business of GQ. Investors should carefully consider the risk factors discussed throughout GQ's Management's Discussions and Analyses for the fiscal years ended December 31, 2024 and 2023 and for the six months ended June 30, 2025 attached hereto as Schedule "*H*". The completion of the RTO is subject to certain risks. In assessing the RTO, GQ Shareholders should carefully consider the risks described under "*Risk Factors*" in this Circular.

SCHEDULE "E"
INFORMATION CONCERNING THE RESULTING ISSUER

INFORMATION CONCERNING RESULTING ISSUER

The following information is presented on a post-Arrangement basis and reflects the projected consolidated business, financial and share capital position of GQ assuming the completion of the Arrangement. It contains significant amounts of forward-looking information. Readers are cautioned that actual results may vary. See “*Cautionary Statement Regarding Forward Looking Statements*” in this Circular and “*Cautionary Statement Regarding Forward Looking Statements*” in Schedule “D”. This Schedule “E” only includes information respecting GQ after completion of the Arrangement that is materially different from information provided elsewhere in this Circular. See the disclosures in Schedule “D” and “C” to this Circular for additional information regarding the GQ and Lotus, respectively.

Corporate Structure

Name and Incorporation

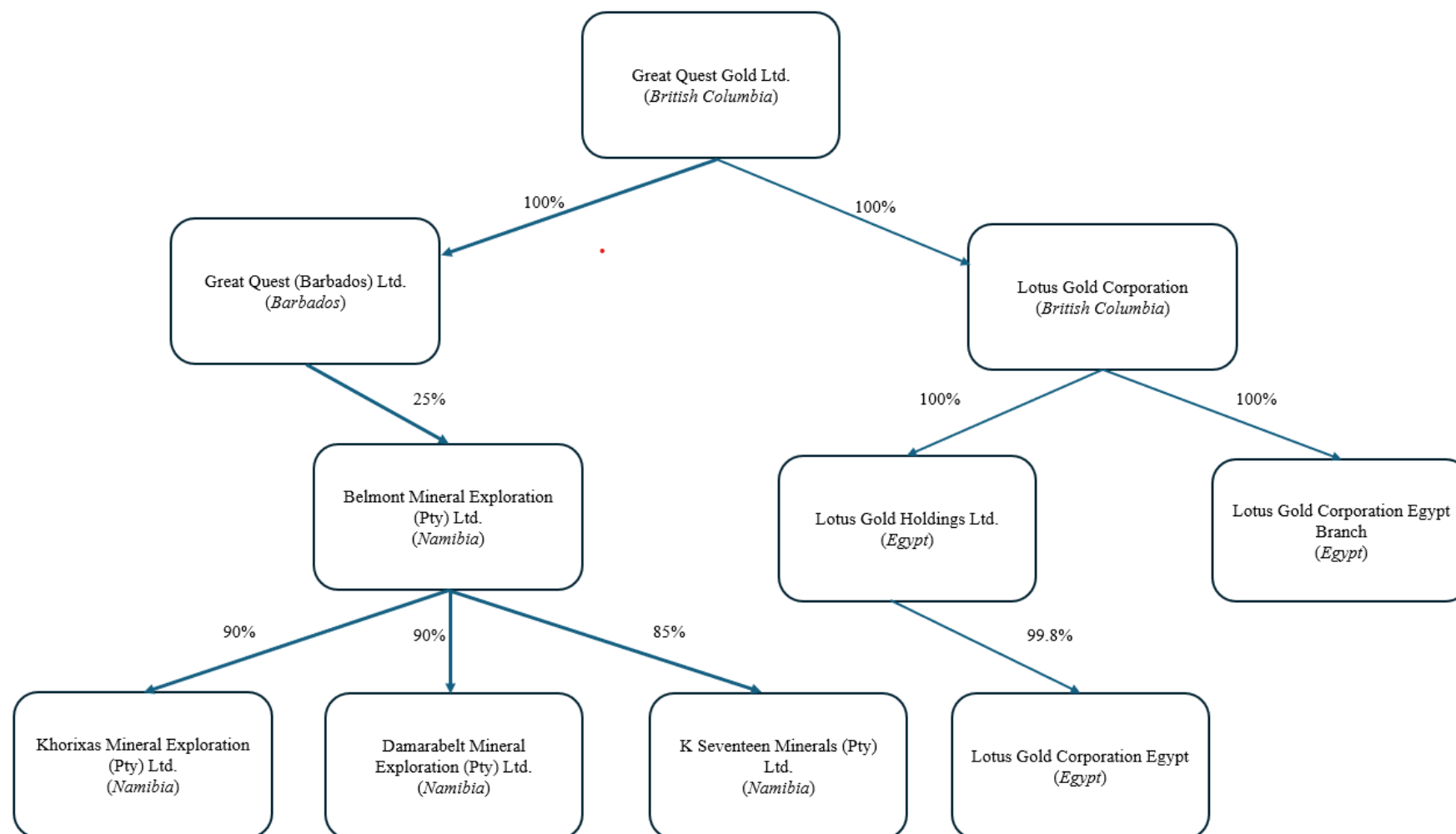
On completion of the Arrangement, GQ will directly own all of the issued and outstanding Lotus Shares, Lotus will become a wholly-owned subsidiary of GQ, with the GQ Shareholders expected to hold approximately 35.4% of the Resulting Issuer and Former Lotus Shareholders are expected to own approximately 64.6% of the Resulting Issuer based on the number of securities outstanding on the Record Date.

As part of the Reverse Takeover, GQ will complete the Consolidation and change its name to Ongwe Minerals Inc. (“**Resulting Issuer**”) under the symbol “OGW” subject to TSXV approval and will continue to be governed by the BCBCA.. The registered office of Resulting Issuer will be located at 1890 – 1075 West Georgia Street, Vancouver, BC, V6E 3C9 and the head office of the Resulting Issuer will be located at 1890 – 1075 West Georgia Street, Vancouver, BC V6E 3C9.

The constating documents of Resulting Issuer will be amended to effect the name change from GQ to Ongwe Minerals Inc.

Intercorporate Relationships

Upon the completion of the Reverse Takeover, Lotus will become a wholly-owned subsidiary of the Resulting Issuer. The below corporate chart sets forth the Resulting Issuer's direct and indirect subsidiaries together with the jurisdiction of incorporation of each company and the percentage of voting securities beneficially owned, controlled or directed, directly or indirectly, by GQ as the Resulting Issuer following completion of the Arrangement.



Narrative Description Of The Business

Stated Business Objectives and Milestones

Following completion of the Reverse Takeover, the Resulting Issuer will be the parent company of Lotus. The Resulting Issuer' objective will be to carry out the combined business of Lotus and GQ, as described below.

Namibia

The primary business objective will be to accelerate the early-stage gold projects in Namibia by providing the required capital and technical resources. Exploration to date, on the Khorixas and Omatjete projects in northern Namibia, has resulted in the discovery of three new gold prospects with large-scale gold in soil anomalies and visible gold in at surface. The next phase will be to rapidly advance these prospects to the stage where we have well defined drill targets with a high potential for success. The initial phase of exploration will include:

- gold assay of soil sample back log
- accelerated soil sample program to expand and better define soil anomalies
- bedrock sampling through thick calcrete cover, to define tight drill targets
- high resolution drone magnetic surveys using in-house equipment
- high resolution geological mapping from ground and remote data

Once these foundational elements have been put in place, a robust and aggressive drill program will be designed to drive a discovery.

Egypt

The exploration in Egypt to date has resulted in the identification of two early-stage prospects, the Bisillah North shear hosted gold prospect and the Ash VMS mineralization. Both of these targets are new greenfields discoveries which speaks to the effective exploration carried out to date.

In tandem with advancing these two prospects, the business focus of the Egyptian operation is on securing a deal on a past producing gold asset in country and securing highly prospective licences in the southern Eastern Desert, where there has been significant recent exploration success by Egyptian companies.

For a detailed description of the existing business of GQ and Lotus, see Schedule "D" under the heading "History" and Schedule "C" under the heading "Description of the Business", respectively.

Milestones

Upon the completion of the Reverse Takeover, the Resulting Issuer Board will adopt such board committee charters, codes and policies as it deems necessary in accordance with good corporate governance practices.

In the first half of 2026:

- in connection with Eastern Desert Gold Project, the deals on past producers and licences in the Southern Eastern Desert will be completed including the advancement of Bisillah and Ash to follow-up drill status; and
- in connection with the Khorixas Gold Project, foundational exploration of Khorixas and Omatjete will be completed, in addition to the development of the diamond drill program.

In the second half of 2026:

- in connection with the Eastern Desert Gold Project, the Resulting Issuer will proceed with aggressive exploration of new projects and reach decision milestones on Bisillah and Ash; and
- in connection with the Khorixas Project, diamond drill programs will be completed to test priority targets.

Exploration and Development

Following the closing of the Reverse Takeover, the Resulting Issuer intends to begin mineral resource estimation on the Resulting Issuer Project as sufficient historical exploration work has been completed. Before commencing that process, the Resulting Issuer will update historical and outdated studies into compliance in accordance with CIM best practice guidelines and standards for exploration, and estimation of mineral resources. This will include independent and up-to-date confirmation of the historical database covering the Resulting Issuer Project, including confirmation of all geographically registered data such as drill collar locations and elevations, additional check analysis of historical drill core, and review of all historical QA/QC protocols and procedures, prior to proceeding.

Concurrently, Resulting Issuer intends to review all permits, historically filed studies, historical community outreach and any and all other non-technical matters and issues relevant to maintaining the Resulting Issuer Project licences in good standing, and maintaining and further enhancing community relations and the accompanying social licence. Following the completion of these initial steps, Resulting Issuer will look to complete the following:

1. ensure that all permits are in good standing and up-to-date;
2. prepare the technical database for the purpose of the resource estimation;
3. ensure that all historical drill collars are clearly marked and all historical drill core and sample rejects are available for independent inspections; and
4. commission an independent mineral resource estimate by a reputable firm.

For a description of Lotus' Eastern Desert Gold Project and the contemplated exploration and development activities, please see Schedule "C" under the heading "*Description of the Business*". For a description of GQ's Khorixas Gold Project and the contemplated exploration and development activities, please see Schedule "D" under the heading "*Description of the Business*".

Description of Securities

Upon completion of the RTO, the authorized share capital of the Resulting Issuer will continue to be the same as the authorized share structure of GQ and will be authorized to issue an unlimited number of common shares without nominal or par value (the "**Resulting Issuer Shares**"). For a description of the Resulting Issuer Shares, see Schedule "D" under the heading "*Description of GQ Shares*" in the Circular.

At the closing of the Reverse Takeover, it is anticipated that there will be 21,588,154 Resulting Issuer Shares issued and outstanding, of which: (i) the current GQ Shareholders will hold an aggregate of 6,222,489 Resulting Issuer Shares (approximately 35.4% of the issued and outstanding Resulting Issuer Shares, on an undiluted basis); (ii) current Lotus Shareholders will hold 11,365,665 Resulting Issuer Shares (approximately 64.6% of the issued and outstanding Resulting Issuer Shares, on an undiluted basis); and (iii) 4,000,000 Resulting Issuer Shares will be from the Concurrent Financing.

Pro Forma Consolidated Capitalization

The following table sets out the pro forma capitalization of Resulting Issuer based on the unaudited pro forma consolidated financial statements of the Resulting Issuer as at June 30, 2025, included in Schedule “J” to this Circular, and should be read in conjunction with such pro forma financial statements and the notes thereto:

Designation of Security	Amount authorized or to be authorized	Amount Outstanding Prior to Giving Effect to the Reverse Takeover	Amount Outstanding after Giving Effect to Reverse Takeover ²
Resulting Issuer Shares	Unlimited	186,674,661	21,588,154 ¹
Options of the Resulting Issuer	10% of the Issued and Outstanding of the Resulting Issuer	400,000	553,664
Warrants of the Resulting Issuer	N/A	39,904,471	3,596,949

Notes:

1. Includes maximum number of 4,000,000 Resulting Issuer Shares being issued under the Concurrent Financing.
2. On a post-Consolidation basis, assuming Consolidation of 30:1.

Fully-Diluted Share Capital

The following table sets out the number and percentage of securities of Resulting Issuer proposed to be outstanding on a fully-diluted basis after giving effect to the Reverse Takeover.

Designation of Security	Number	Percentage
Resulting Issuer Shares issued and outstanding	6,222,489	24.18%
Resulting Issuer Shares issued as Consideration Shares	11,365,665	44.16%
Concurrent Financing ¹	4,000,000	15.53%
Total non-diluted share capital of Resulting Issuer	21,588,154	83.87%
GQ Options post-Consolidation	13,333	0.05%
GQ Warrants post-Consolidation	1,330,149	5.17%
Lotus Warrants post-Consolidation	2,266,800	8.81%
Lotus Options post-Consolidation ²	540,331	2.10%
Total Fully Diluted	25,738,767	100.00%

Notes:

1. Assumes maximum number of RI Shares issued in connection with the Concurrent Financing.
2. Lotus Options subject to same terms as the Lotus Warrants under the Plan of Arrangement.

Available Funds and Principal Purposes

Funds Available

Type of Funds	Amount
Estimated consolidated working capital of GQ as at August 31, 2025	(\$260,000) ¹
Estimated consolidated working capital of Lotus as at August 31, 2025	\$536,090 ²
Expected Funds made available through Bridge Financing ³	\$500,000
Estimated RTO transaction costs	(\$579,000)
Expected Funds made available through Concurrent Financing ⁴	\$3,000,000
Total	\$3,197,090

Note:

1. Current assets of Great Quest as at June 30, 2025 of \$63,199 less current liabilities of \$1,130,890 as adjusted for the anticipated forgiveness of accounts payable of \$370,421 and anticipated forgiveness due to related parties amount of \$437,270, equals (\$260,000).
2. Current assets of Lotus as at June 30, 2025 of \$2,426,965 less current liabilities of \$2,991,298 as adjusted for \$1,330,423 debenture liability maturity that was extended by 18 months so no longer current liability less \$230,000 payment made to Belmont, equals \$536,090.
3. For more information regarding the Bridge Financing and the Lotus Advance, see section of the Circular under the heading “*Bridge Financing*”. The Lotus Advance is not included in this table as it is eliminated upon consolidation and treated as a intercompany loan of \$300,000.
4. For more information regarding the Concurrent Financing, see the section titled “*Concurrent Financing*” in the Circular.

Principal Purposes of Funds

The funds available to the Resulting Issuer are estimated at \$3,197,090. The following budgeted amounts are estimates of the principal purposes to which these available funds of Resulting Issuer will be applied:

Principal Purpose	Amount
Exploration development in Egypt	\$377,520 ¹
Exploration development in Namibia	\$2,329,000 ²
General and administrative costs	\$390,570 ³
Unallocated working capital	\$100,000
Total	\$3,197,090

Notes:

1. Includes Phase 1 recommended work program of \$377,520 over the next 12 months.
2. Assuming a USD/CAD exchange rate of \$1.37CAD/USD. Includes recommended work program for the Khorixas Gold Project of US\$500,000 plus additional exploration program of US\$1,200,000, required for earn-in of 26% to increase ownership of Belmont to 51%, which is expected to include field costs of US\$343,406; Sampling and trenching costs US\$403,589; Geophysics US\$15,876; Environmental and land costs US\$14,818; Tenement Payments US\$69,856 and Drilling costs US\$352,455.
3. General and administrative costs includes audit and accounting costs, office costs, investor relations and regulatory costs.

The Resulting Issuer will spend the funds available to it after completion of the Reverse Takeover to carry out its business objectives. For more information, see “*Narrative Description of the Business*”. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is anticipated that additional funds will be required to complete the Mineral Resource Estimate, and that the primary source of these funds is anticipated to be equity and/or debt financings.

Dividends

There will be no restrictions in the Resulting Issuer’s charter documents or elsewhere which would prevent the Resulting Issuer from paying dividends following the completion of the RTO. It is expected that the Resulting Issuer will retain future profits to finance further growth and that the Resulting Issuer will not pay dividends in the near future.

Principal Securityholders

To the knowledge of GQ and Lotus, there are no persons who are expected to own of record or beneficially, directly or indirectly, or exercise control or direction over, more than 10% of the Resulting Issuer Shares after giving effect to the Reverse Takeover.

Directors, Officers and Promoters

Name, Address, Occupation and Security Holdings

If the Reverse Takeover is successfully completed, it is expected that the Resulting Issuer Board will be comprised of Jed Richardson, Heye Daun, and Alan Friedman. It is expected that the management of the Resulting Issuer will consist of Dave Underwood (President and Chief Executive Officer), Tony da Silva (Chief Financial Officer), and Leanne Ratzlaff (Corporate Secretary).

The following table sets out the name of each of the persons who will serve as directors and officers of the Resulting Issuer, their respective proposed positions and offices with the Resulting Issuer, their respective principal occupations during the five preceding years and the number of the Resulting Issuer Shares that each will own upon completion of the Reverse Takeover.

Name, municipality of residence and proposed position with Resulting Issuer	Principal Occupations for the Previous Five Years	Number	Percentage
Jed Richardson Ontario, Canada <i>Director</i>	CEO and Director of GQ since April 2010 and Trigon Metals Inc. since September 2018	549,431	3.1%
Heye Daun South Africa <i>Director</i>	President, CEO and Director of Koryx Copper Inc. since September 2024; CEO and Director of Osino Resources Corp. between June 2018 to August 2024; Director of Lumina Gold Corp. between November 2016 and June 2025	52,675	0.3%
Alan Friedman Ontario, Canada <i>Director</i>	Director of Koryx Copper Inc. since September 2024; Director of Osino Resources Corp. between June 2018 to August 2024; Director of Eco (Atlantic) Oil & Gas Ltd. since December 2011; Director of AIM6 Ventures Inc. since March 2021; Director of Psyence Group Inc. since March 2021; Director of Flow Beverage Corp. since November 2016; Grey Wolf Animal Health Corp. between May 2021 and November 2022; Director of AIM5 Ventures Inc. since October 2020	601,182	3.4%
Dave Underwood South Africa <i>Interim Chief Executive Officer</i>	VP of Exploration of Osino Resources Corp. between January 2017 and August 2024; technical advisor for Lotus since June 2020	163,568	0.9%
Carl Joone Namibia <i>President</i>	Co-founder and Head of Exploration of Ongwe Minerals (Pty) Ltd. since February 2021; Exploration Manager of Exploration18 between October 2018 to February 2021	Nil	Nil

Name, municipality of residence and proposed position with Resulting Issuer	Principal Occupations for the Previous Five Years	Number	Percentage
Tony da Silva South Africa <i>Chief Financial Officer</i>	CFO of Lotus since August 2020; CFO of Osino Resources Corp. between March 2021 and August 2024	Nil	Nil
Leanne Ratzlaff British Columbia, Canada <i>Corporate Secretary</i>	Corporate Secretary of Koryx Copper Inc since October 1, 2024; Corporate Secretary of Osino Resources Corp. between October 11, 2018 and August 29, 2024	Nil	Nil

If the Reverse Takeover is completed, the proposed directors and officers of the Resulting Issuer as a group will control, directly or indirectly, an aggregate of 1,366,856 Resulting Issuer Shares, representing approximately 7.7% of the outstanding Resulting Issuer Shares on a non-diluted basis.

Each director will hold office until the next annual meeting of Resulting Issuer shareholders or until the election of his or her successor, unless he or she resigns or his or her office becomes vacant by removal, death or other cause.

The following is a brief biography of each of the proposed directors and officers of Resulting Issuer.

Jed Richardson, Director

Mr. Richardson is an experienced mining and finance executive, particularly with his career in capital markets and his background in the exploration and resource development as Executive Chairman and CEO of Trigon Metals Inc. active in Morocco and Namibia, and formerly as an executive at Amazon Mining developing resource assets in Brazil. Mr. Richardson spent a large portion of his career in capital markets working as a research analyst at Sprott Securities and RBC Capital Markets. He also worked as a Mining Engineer for Alcan Aluminum after graduating from the University of Toronto. Mr. Richardson holds a B.A.Sc in Mineral and Geological Engineering.

Heye Daun, Director

Heye Daun is a Namibian-born mining engineer with a long history of mining value creation in Namibia. Together with his business partner Alan Friedman he has founded, financed, advanced and divested a number of successful mining projects in Namibia. Since the end of 2024 he is the President & CEO of Koryx Copper Inc., which is developing the large-scale Haib Copper Project in Namibia. Between 2016 and 2024 he was the co-founder and former President & CEO of Osino Resources Corp. and led the sale of Osino to Shanjin International Gold Co. Ltd. (formerly Yintai Gold Co., Ltd.) for CDN\$368m. Before that he was the co-founder of Auryx Gold Corp. which advanced the Otjikoto gold project in Namibia until its sale to B2 Gold Corp for US\$160m in 2011. As the former President & CEO of Ecuador Gold & Copper Corp. (formerly listed on the TSXV: EGX), he was instrumental in the formation of Lumina Gold Corp. through the C\$200m merger of EGX with Odin Mining. Lumina Gold was recently acquired by China Molybdenum Co. Ltd. (SHA: CMOC) for CDN\$581m. Heye is a mining engineer and MBA and has extensive experience in mining operations, working for Rio Tinto, AngloGold-Ashanti and Gold Fields, and stints in mining finance with South Africa's Nedbank Capital and Old Mutual Investment Group. Heye is a Director and also co-founder of Lotus.

Alan Friedman, Director

Alan Friedman (BCom, BProc) is a former South African trained lawyer, based in Canada, with an established track record of over 25 years as a public markets entrepreneur. Mr. Friedman has played an integral role in the financings, go-public transactions and subsequent exits for many companies listed on the TSX and AIM. He is also on the Senior board of Advisors of the Canada-Africa Chamber of Business. Alan is a Co-founder and is or was on the Boards of TSXV-listed Auryx Gold Corp. and Osino Resources Corp. (both successfully sold); Eco (Atlantic) Oil and Gas Ltd., and is a Director and co-founder of Lotus.

Dave Underwood, *President and Chief Executive Officer*

Dave Underwood has 30 years of broad exploration experience in Africa and other parts of the world acting in executive and senior technical roles for major and junior exploration and mining companies. He was the Vice President of Exploration of Osino Resources Corp. in Namibia between January 2017 and August 2024. Since June 2020, Mr. Underwood has been a technical advisor for Lotus. He was a co-founder of BHK Mining Corp., where he served as the Vice President of Exploration from 2014 to 2015, operating in Gabon. Between 2008 and 2013, Mr. Underwood has held roles with Newmont Mining Corporation, AngloGold Ashanti Limited and Anglo American, focused throughout Africa, as well as various consulting assignments including for RoxGold in Burkina Faso. He has a BSc (Hons) degree, is a Fellow of the Society of Economic Geology, and is a Registered Professional Scientist with the South African Council for Natural Scientific Professions.

Tony da Silva, *Chief Financial Officer*

Tony da Silva has been consulting to Lotus in the capacity of Chief Financial Officer since August 2020. He had been the Finance Director of the subsidiary companies of Osino Resources Corp. in Namibia since 2017, and as of March 2021, was appointed as the Chief Financial Officer of Osino Resources Corp., a gold exploration company previously listed on the TSXV with its corporate head office in Vancouver, Canada. He was part of the executive team responsible for the listing of Osino Resources Corp. on the TSXV and was an integral member of the management team as the point person on all equity raising initiatives for Osino. Osino was subsequently sold in 2024 to Shanzin International. Tony has been a key member in setting up the corporate structure of Lotus, managing all aspects of the financial administration and reporting responsibilities and working with its CEO in anticipation of listing Lotus Gold in the foreseeable future via RTO. Tony has a BCompt., BCom. (Hons) degree, and is a Registered Chartered Accountant in South Africa (CA(SA)) since 2004.

Leanne Ratzlaff, *Corporate Secretary*

Leanne Ratzlaff has over 11 years of corporate governance, board administration, securities compliance, and corporate records experience. She is currently employed as Senior Corporate Advisor for De Novo Group and serves as Corporate Secretary for Koryx Copper Inc. Previously, Ms. Ratzlaff served as Corporate Secretary of Osino Resources Corp. Ms. Ratzlaff has completed the Public Companies and Corporate Governance course at Simon Fraser University and holds a Paralegal Diploma.

Other than as set out herein, Lotus is not aware of the existence of any existing or potential material conflicts of interest between Resulting Issuer and any of the individuals proposed for appointment as directors or officers of Resulting Issuer upon completion of the Reverse Take-Over, as of the date of this Circular.

Promoter Consideration

The following persons may be considered to have been promoters of GQ, Lotus or Resulting Issuer for the two years immediately preceding the date of this Circular:

Name, municipality of residence	Resulting Issuer Shares to be beneficially owned or over which control will be exercised		Value of other consideration received from Resulting Issuer
	<u>Number</u>	<u>Percentage ⁽¹⁾</u>	
Jed Richardson Ontario, Canada	549,431	3.1%	NA
Alan Friedman Ontario, Canada	601,182	3.4%	NA
Heye Daun Western Cape, South Africa	52,675	0.3%	NA

Corporate Cease Trade Orders or Bankruptcies

Except as set out below, no proposed director officer or promoter of Resulting Issuer or a securityholder anticipated to hold a sufficient number of securities of Resulting Issuer to affect materially the control of Resulting Issuer, has been, during the ten years prior to the date of this Circular, a director, officer or promoter of any person or company that, while that person was acting in that capacity,

- (a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

None of the foregoing proposed directors, officers or promoters of Resulting Issuer, or securityholders anticipated to hold a sufficient number of securities of Resulting Issuer, to affect materially the control of Resulting Issuer has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would likely to be considered important to a reasonable security holder making a decision about the Reverse Take-Over or Reverse Take-Over Resolution.

Personal Bankruptcies

No proposed director, officer or promoter of Resulting Issuer, or any securityholder anticipated to hold a sufficient number of securities of Resulting Issuer, or a personal holding company of any such person, has, within the ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

Audit Committee

Assuming completion of the Reverse Takeover, it is proposed that the Resulting Issuer Board will establish an Audit Committee comprised of Heye Daun, Alan Friedman and Jed Richardson, all of whom will be considered “independent” of the Resulting Issuer as that term is defined in National Instrument 52-110 – Audit Committees. Also, two of the Audit Committee members are “financially literate” as defined in National Instrument 52-110 – Audit Committees, being Heye Daun and Alan Friedman. The Audit Committee will oversee the retention, performance and compensation of Resulting Issuer’s independent auditor, and oversee and establish procedures concerning systems of internal accounting and control.

Financial Literacy

National Instrument 52-110 – Audit Committees provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Resulting Issuer’s financial statements. All the proposed members of the Audit Committee of Resulting Issuer are financially literate as such term is defined in National Instrument 52-110 – Audit Committees.

Relevant Education and Experience

A description of the relevant education and experience of the three persons expected to be members of the Audit Committee is set out above. See the section under the heading “*Directors, Officers and Promoters - Name, Address, Occupation and Security Holdings*”.

Compensation and Governance Committee

Assuming completion of the Reverse Takeover, it is proposed that the Resulting Issuer Board will also establish a Compensation and Governance Committee comprised of Alan Friedman (Chair), Heye Daun and [Jed Richardson]. All will be considered “independent” as that term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. The Compensation and Governance Committee will be charged with reviewing, overseeing and evaluating the governance and nominating policies and the compensation policies of Resulting Issuer. In addition, the Compensation and Governance Committee will be responsible for:

- assessing the effectiveness of the Resulting Issuer Board, each of its committees and individual directors;
- overseeing the recruitment and selection of candidates as directors of Resulting Issuer;
- organizing an orientation and education program for new directors and coordinating continuing director development programs;
- considering and approving proposals by the directors to engage outside advisers on behalf of the Resulting Issuer Board as a whole or on behalf of the independent directors;
- reviewing and making recommendations to the Resulting Issuer Board concerning any change in the number of directors composing the Resulting Issuer Board;
- administering any stock option or purchase plan of Resulting Issuer Board or any other compensation incentive programs;
- assessing the performance of the officers and other members of the executive management team of Resulting Issuer;
- reviewing and approving the compensation paid by Resulting Issuer, if any, to consultants of Resulting Issuer; and
- reviewing and making recommendations to the Resulting Issuer Board concerning the level and nature of the compensation payable, if any, to the directors and officers of Resulting Issuer.

Conflicts of Interest

Certain proposed directors and officers of Resulting Issuer currently, or may in the future, act as directors or officers of other companies and, consequently, it is possible that a conflict may arise between their duties as a director or officer of Resulting Issuer and their duties as a director or officer of any other such company. There is no guarantee that while performing their duties for Resulting Issuer, the directors or officers of Resulting Issuer will not be in situations that could give rise to conflicts of interest. There is no guarantee that these conflicts will be resolved in favor of Resulting Issuer.

In accordance with the BCBCA, directors must keep the Resulting Issuer Board advised, on an ongoing basis, of any interest that could potentially conflict with those of Resulting Issuer. Resulting Issuer will also establish protocols setting out:

- the structures and procedures which are in place to ensure that the consideration by the Resulting Issuer Board and management of Resulting Issuer’ business and the business of its subsidiaries is undertaken free from any actual, or the appearance of any, conflict of interest; and

- the requirement and process for each director to declare any interest he or she has in the matter being considered by the Resulting Issuer Board and appropriate measures to be taken upon that declaration.

Where the Resulting Issuer Board believes a significant conflict exists, the director concerned will not receive the relevant board documentation and will not be present at the Resulting Issuer Board's meeting while the item is considered.

The proposed directors and officers of Resulting Issuer are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors and officers of conflicts of interest and the fact that Resulting Issuer will rely upon such laws in respect of any director's or officer's conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts must be disclosed by such directors or officers in accordance with the BCBCA, and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Other Reporting Issuer Experience

The following table sets out the proposed directors and officers of Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position	From	To
Jed Richardson	Great Quest Gold Ltd. <i>British Columbia</i>	TSXV and FSE	Director and Senior Officer	April 7 2010	Present
	Trigon Metals Inc. <i>Canada</i>	TSXV	Director and Senior Officer	September 27, 2018	Present
Heye Daun	Koryx Copper Inc. <i>British Columbia</i>	TSXV	Director and Senior Officer	September 4, 2024	Present
	Osino Resources Corp. <i>British Columbia</i>	TSXV, NSX, FSE, OTCQX	Director and Senior Officer	June 26, 2018	August 29, 2024
	Lumina Gold Corp. <i>British Columbia</i>	TSXV and OTCQB	Director	November 1, 2016	June 23, 2025
Alan Friedman	Koryx Copper Inc. <i>British Columbia</i>	TSXV	Director	September 4, 2024	Present
	Osino Resources Corp. <i>British Columbia</i>	TSXV, NSX, FSE, OTCQX	Director	June 28, 2018	August 29 2024
	Eco (Atlantic) Oil & Gas Ltd. <i>Ontario</i>	TSXV and AIM	Director	December 6, 2011	Present
	AIM6 Ventures Inc. <i>Ontario</i>	TSXV	Director	March 25, 2021	Present
	Psyence Group Inc. <i>Ontario</i>	CSE	Director	March 4, 2021	Present
	Flow Beverage Corp. <i>Ontario</i>	TSX and OTCQX	Director	November 15, 2016	June 29, 2021
	Grey Wolf Animal Health Corp. <i>Ontario</i>	TSXV	Director	May 19, 2021	November 15, 2022
	AIM5 Ventures Inc. <i>Ontario</i>	TSXV	Director	October 19, 2020	Present
Dave Underwood	Osino Resources Corp. <i>British Columbia</i>	formerly TSXV, FSE and OTCQX	Senior Officer	June 26, 2018	August 29, 2024
Tony da Silva	Koryx Copper Inc. <i>British Columbia</i>	TSXV, NSX	Senior Officer	September 24, 2024	Present
	Osino Resources Corp. <i>British Columbia</i>	formerly TSXV, FSE and OTCQX	Senior Officer	June 26, 2018	August 29, 2024
Leanne Ratzlaff	Reliq Health Technologies Inc.	formerly TSXV	Senior Officer	November 30, 2018	October 11, 2024
	Osino Resources Corp. <i>British Columbia</i>	formerly TSXV, FSE and OTCQX	Senior Officer	October 11, 2018	August 29, 2024
	Koryx Copper Inc. <i>British Columbia</i>	TSXV, NSX	Senior Officer	October 1, 2024	Present

The above information was provided by the proposed directors and officers of Resulting Issuer.

Proposed Statement of Executive Compensation

Compensation Discussion and Analysis

The purpose of the Compensation Discussion and Analysis is to provide information about Resulting Issuer's executive compensation objectives and process and to discuss compensation relating to the President and Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") and the three most highly compensated executive officers, other than the CEO and CFO, regardless of the amount of such compensation (collectively, the "**Named Executive Officers**"). It is anticipated that the Named Executive Officers of Resulting Issuer will be as follows: Dave Underwood (Chief Executive Officer), and Tony da Silva (Chief Financial Officer).

The Resulting Issuer Board plans to discuss and determine management compensation without reference to formal criteria. The general objective of Resulting Issuer's compensation will be to: (i) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (ii) align management's interests with the long-term interests of shareholders; and (iii) ensure that the total compensation package is designed in a manner that takes into account the constraints under which Resulting Issuer will operate given that it will be a development-stage company.

Compensation for the Named Executive Officers of Resulting Issuer will be determined following the closing of the Reverse Takeover and will be in line with similar development-stage companies in the mining industry.

Compensation Governance

It is proposed that the Resulting Issuer Board will establish a Compensation and Governance Committee. For more information, see "*Directors, Officers and Promoters – Compensation and Governance Committee*". The Compensation and Governance Committee will ensure that total compensation paid to all Named Executive Officers is fair and reasonable and accomplishes the long-term objectives of Resulting Issuer noted above.

Stock Option Plans and Other Incentive Plans

It is expected that the Resulting Issuer Board will grant Awards pursuant to the Omnibus Plan. For a summary of the material terms and conditions of the Omnibus Plan, see the section of the Circular under the heading "*Omnibus Plan*".

Pension Plan Benefits

No benefits are proposed to be paid to any of Resulting Issuer's Named Executive Officers or directors of Resulting Issuer under any pension or retirement plan or under any deferred compensation plan during the twelve months following completion of the Reverse Take-Over.

Termination and Change of Control Benefits

The employment contracts of the CEO, CFO and other senior executives of Resulting Issuer may include provisions with respect to compensation that will become payable on termination (equivalent to six months of salary) or on a change in control (equivalent to twelve months salary but subject to "double trigger").

Other than in respect to the employment contracts of its CEO, CFO and other senior executives, it is expected that Resulting Issuer will not have any employment or consulting agreements for the provision of management services with any third parties, and such employment or consulting agreements will not contain any provisions for the payment of termination or severance fees other than as is customary at common law or as is required under applicable employment legislation.

Proposed Compensation of Directors

The Compensation and Governance Committee will determine the amount and form of the compensation provided to directors who are also not Named Executive Officers to be paid during the twelve-month period following the completion of the Reverse Takeover. The compensation provided is expected to be determined by the Resulting Issuer Board with reference to industry practice and may take the form of fees, share-based awards and option-based awards,

as determined by the Resulting Issuer Board. Resulting Issuer will reimburse directors for out-of-pocket expenses related to their attendance at meetings.

Directors' and Officers' Insurance

After completion of the Reverse Takeover, Resulting Issuer expects to maintain insurance for its benefit and the benefit of its directors and officers as a group consistent with industry practice and with reference to Resulting Issuer's stage of development.

Indebtedness of Directors and Officers

No person who is a director or officer of Lotus or GQ or is proposed to be a director or officer of Resulting Issuer, and no other individual who at any time during the most recently completed financial year of Lotus or GQ was a director or officer of Lotus or GQ, nor any associate of such individual, (i) is indebted to Lotus or GQ or a subsidiary of Lotus or GQ, or (ii) was indebted to another entity, which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Lotus, GQ or a subsidiary of Lotus or GQ.

Investor Relations Arrangements

Neither Lotus nor GQ have entered into any written or oral agreement or understanding with any person to provide any promotional or investor relations services for Lotus, GQ or the Resulting Issuer.

Options to Purchase Securities

Stock Option Plan

The stock option plan of Resulting Issuer is proposed to be the Omnibus Plan. For a summary of the material terms and conditions of the Omnibus Plan, see "*Omnibus Plan*" in the Circular.

Options to Purchase Securities

At the closing of the Reverse Takeover, subject to approval of the Omnibus Plan Resolution at the GQ Meeting, there will be 13,333 Stock Options issued and outstanding. These Stock Options will have exercise prices of \$0.05 per Resulting Issuer Share and with expiry dates varying between December 7, 2026 and January 23, 2028, all of which will be subject to the Omnibus Plan.

Subject to approval of the Omnibus Plan Resolution at the GQ Meeting, it is expected that the Resulting Issuer Board will grant Awards under the Omnibus Plan to directors, officers and employees of, and consultants to, Resulting Issuer from time to time. The following table provides information as to Stock Options to subscribe for Resulting Issuer Shares that, as of the date of this Circular, are expected to be outstanding immediately following the completion of the Reverse Takeover:

Category	Number of Options to acquire Resulting Issuer Shares	Exercise Price
All of the Resulting Issuer's proposed officers, as a group (Nil in total)	Nil	N/A
All of the Resulting Issuer's proposed directors who are not also executive officers, as a group (Nil in total)	Nil	N/A
All of the Resulting Issuer's other employees, as a group (Nil in total)	Nil	N/A
All of the Resulting Issuer's consultants, as a group (Nil in total)	Nil	N/A
All officers, past officers, directors and past directors of Lotus (Nil), as a group (Nil)	Nil	N/A
Total	Nil	N/A

Warrants to Acquire Resulting Issuer Shares

GQ Warrants and Lotus Warrants will be outstanding to acquire up to 1,330,149 Resulting Issuer Shares and 2,266,800 Resulting Issuer Shares, respectively, following completion of the Reverse Takeover but not including the Consolidation. Upon closing of the Reverse Takeover, Resulting Issuer Warrants will be outstanding to acquire up to 3,596,949 Resulting Issuer Shares.

Escrowed Securities

Resulting Issuer Shares held by certain persons, including persons who have acted as promoters of Resulting Issuer, directors and senior officers of Resulting Issuer, and certain significant shareholders of Resulting Issuer are subject to escrow requirements under Policy 5.4 of the TSXV. However, given the expected market capitalization of Resulting Issuer and certain other factors, the Resulting Issuer Shares would not be subject to any escrow requirements under applicable securities legislation or the rules of other stock exchanges and hence Resulting Issuer is seeking a discretionary exemption from the escrow requirements of the TSXV. As a result, there can be no assurance whether any escrow requirements will be imposed on Resulting Issuer Shares held by promoters, directors, officers or certain significant shareholders of Resulting Issuer.

Auditor, Transfer Agent and Registrar

It is expected that following the completion of the Reverse Takeover, McGovern Hurley LLP, Chartered Professional Accountants, Toronto, Ontario, will become the auditors of Resulting Issuer.

It is proposed that Odyssey Trust Company, 409 Granville Street, Vancouver, BC V6C 1T2, will be the transfer agent and registrar for the Resulting Issuer Shares.

Risk Factors

There are certain risk factors relating to the Resulting Issuer and the business it intends to carry which should be carefully considered by GQ Shareholders. In assessing the Reverse Takeover, GQ Shareholders should also carefully consider the risk factors for the RTO, Lotus and GQ by referring to the section in the Circular under the heading “*Risk Factors*”.

SCHEDULE "F"
FINANCIAL STATEMENTS OF LOTUS

LOTUS GOLD CORPORATION

Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian Dollars)

LOTUS GOLD CORPORATION
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(EXPRESSED IN CANADIAN DOLLARS)

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Independent Auditor's Report

To the Shareholders of Lotus Gold Corporation

Opinion

We have audited the consolidated financial statements of Lotus Gold Corporation and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and 2023 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended December 31, 2024 and, as of that date, the Company has an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

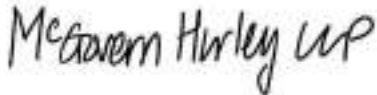
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

McGovern Hurley LLP



**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
August 29, 2025

LOTUS GOLD CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)

		As at December 31, 2024	As at December 31, 2023
	Note	\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	5	1,966,083	2,384,194
Prepays and deposits	6	23,692	204,681
Sales tax receivable		46,396	69,536
Term deposits	5	1,291,920	1,624,213
		3,328,091	4,282,624
Non-current assets			
Bid bond receivable	3	-	199,026
Property and equipment	4	85,916	177,776
Restricted cash	3	372,425	456,891
		458,341	833,693
TOTAL ASSETS		3,786,432	5,116,317
LIABILITIES			
Current liabilities payable			
Accounts payables and accrued liabilities	13	1,135,179	379,369
Warrant component of debentures	10	1,488,098	1,647,854
		2,623,277	2,027,223
TOTAL LIABILITIES		2,623,277	2,027,223
SHAREHOLDERS' EQUITY			
Share capital	9	17,877,011	16,757,026
Reserve	9	2,246,086	1,369,492
Accumulated other comprehensive income		37,253	992
Accumulated deficit		(18,997,195)	(15,038,416)
TOTAL SHAREHOLDERS' EQUITY		1,163,155	3,089,094
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,786,432	5,116,317

Nature and continuance of operations (Note 1)
Commitments and contingencies (Note 12)
Events after the reporting period (Note 19)

Approved on behalf of the Board on August 29, 2025.

“Michael Silver”

Director

“Omar Nasser”

Director

LOTUS GOLD CORPORATION
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)

		Year ended December 31, 2024 \$	Year ended December 31, 2023 \$
	Note		
Expenses			
Consulting fees	13	545,200	1,093,351
General and administrative		73,605	65,300
Professional fees		284,786	191,544
Corporate fees		43,692	41,743
Travel expenses		74,420	59,458
Wages and salaries		340,773	271,500
Amortization expense	4	103,151	153,644
Exploration expense	8	2,766,203	4,012,607
Bank charges and interest		49,794	58,020
Foreign exchange (gain)/loss		(26,041)	42,953
Loss before other income		(4,255,583)	(5,990,120)
Other income			
Loss (gain) on revaluation of warrant component of debentures	10	159,756	(265,459)
Interest income		137,048	135,752
Total other income		296,804	(129,707)
Net loss for the year		(3,958,779)	(6,119,827)
Other comprehensive income / (loss)			
Foreign exchange income / (loss) on translating foreign operations		36,261	(41,739)
Net loss and comprehensive loss for the year		(3,922,518)	(6,161,566)
Loss per share – basic and diluted	14	(0.06)	(0.10)
Weighted average number of common shares outstanding	14	71,457,571	60,878,286

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

LOTUS GOLD CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(EXPRESSED IN CANADIAN DOLLARS)

		Share capital		Accumulated other comprehensive income \$	Reserve \$	Deficit \$	Total \$
		Number of shares #	Amount \$				
Balance at December 31, 2022		59,970,760	12,855,025	42,731	738,611	(8,918,589)	4,717,778
Private placement	9	5,754,000	2,255,692	-	621,308	-	2,877,000
Shares for consulting fees	9,13	515,595	201,082	-	-	-	201,082
Shares for debt settlement	9,13	171,600	85,800	-	-	-	85,800
Shares for acquisition of mineral rights	8,9	3,485,710	1,359,427	-	-	-	1,359,427
Options granted for acquisition of mineral rights	8,9	-	-	-	9,573	-	9,573
Loss and comprehensive loss for the year		-	-	(41,739)	-	(6,119,827)	(6,161,566)
Balance at December 31, 2023		69,897,665	16,757,026	992	1,369,492	(15,038,416)	3,089,094
Private placement	9	2,915,024	1,119,985	-	337,527	-	1,457,512
Options granted for acquisition of mineral rights	8,9	-	-	-	539,067	-	539,067
Loss and comprehensive income for the year		-	-	36,261	-	(3,958,779)	(3,922,518)
Balance at December 31, 2024		72,812,689	17,877,011	37,253	2,246,086	(18,997,195)	1,163,155

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

LOTUS GOLD CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)

		For the year ended December 31, 2024 \$	For the year ended December 31, 2023 \$
Operating activities			
Net loss for the year		(3,958,779)	(6,119,827)
Items not affecting cash:			
Amortization		103,151	153,644
Foreign exchange		34,880	(34,610)
Loss (gain) on revaluation of warrant component of debenture	10	(159,756)	265,459
Shares for debt settlement		-	85,800
Shares issued for acquisition of mineral rights		-	1,359,427
Shares issued for consulting fees		-	201,082
Vesting of options for acquisition of mineral rights		539,067	9,573
Changes in non-cash working capital items:			
Prepays and deposits		180,989	(127,348)
Sales tax receivable		23,140	(27,769)
Accounts payable and accrued liabilities		755,810	(287,147)
Cash used in operating activities		(2,481,498)	(4,521,716)
Investing activities			
Refund of bid bonds	3	199,026	67,720
Purchase of bid bonds	3	-	(132,260)
Purchase of property and equipment	4	(9,910)	(38,200)
Redemption (purchase) of term deposits	5	332,293	(1,624,213)
Transfer out of restricted cash	3	84,466	-
Cash provided by (used in) investing activities		605,875	(1,726,953)
Financing activities			
Collection of subscription receivable	7	-	40,131
Proceeds from private placements	9	1,457,512	2,877,000
Cash provided by financing activities		1,457,512	2,917,131
Change in cash and cash equivalents		(418,111)	(3,331,538)
Cash and cash equivalents, beginning of year (Note 5)		2,384,194	5,715,732
Cash and cash equivalents, end of year (Note 5)		1,966,083	2,384,194
Supplementary cash flow information			
Interest received		137,048	135,752

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

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

1. Nature and continuance of operations

Lotus Gold Corporation (the “Company”) was incorporated as 1251721 B.C. Ltd. on May 29, 2020 under the laws of the province of British Columbia, Canada. The Company is in the process of acquiring exploration and development rights of gold mining properties in areas of the Arabian Nubian Shield region of Egypt.

The head office and registered office of the Company are located at 1890-1075 West Georgia Street, Vancouver, BC, Canada, V6E 3C9.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The continuance of the Company is dependent upon completion of the acquisition of the exploration and evaluation properties, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write downs of the carrying values of the Company's assets.

Going concern

These consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business rather than through a process of forced liquidation. The consolidated financial statements do not reflect adjustments to the carrying amounts of assets and liabilities, the reported expenses and the statement of financial position classification used that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material. To date, the Company has not earned revenue, has incurred a net loss of \$3,958,779 for the year ended December 31, 2024 (2023 - \$6,119,827) and has an accumulated deficit of \$18,997,195 as at December 31, 2024 (2023 - \$15,038,416). At December 31, 2024, the Company had cash and cash equivalents of \$1,966,083 (2023 - \$2,384,194) and working capital of \$704,814 (2023 - \$2,255,401). The Company has historically relied on financings to fund its operations and repay its liabilities; while the Company has been successful in the past, there can be no assurance that it will be able to raise sufficient funds in the future. These conditions and events indicate the existence of material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

Management believes that the Company will be able to continue as a going concern for the foreseeable future and realize its assets and discharge its liabilities and commitments in the normal course of business. These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary should the going concern assumption be inappropriate, and those adjustments could be material.

2. Statement of compliance and material accounting policies

Statement of compliance

The consolidated financial statements of the Company comply with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) effective for the Company's year ended December 31, 2024.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

2. Statement of compliance and material accounting policies (Cont'd)

The consolidated financial statements were approved and authorized for issuance by the Board of Directors on August 29, 2025.

Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, with the exception of financial instruments classified at fair value through profit or loss ("FVTPL"). In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Basis of consolidation

A subsidiary is an entity the Company controls when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Where control of an entity is obtained during a financial period, its results are included in the consolidated statement of loss and other comprehensive loss from the date on which control commences. Where control of an entity ceases during a financial period, its results are included for that part of the period during which control existed.

These consolidated financial statements include the accounts of the Company and its subsidiaries:

	Ownership Interest	Jurisdiction
Lotus Gold Holdings Ltd	100%	Cyprus
Lotus Gold Corporation - Egypt Branch	100%	Egypt
Lotus Gold Corporation Egypt - Joint Stock Company	100%	Egypt

All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Material estimates, assumptions and judgements

In the preparation of these consolidated financial statements, management is required to make estimates, assumptions, and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of expenses during the period. Actual results could differ from these estimates. Of particular significance are the following:

Going concern assumption

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The determination of the functional currency for the Company and its subsidiaries is based on management's judgment of the underlying transactions, events and conditions relevant to each entity.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

2. Statement of compliance and material accounting policies (Cont'd)

Material estimates, assumptions and judgements (cont'd)

Recoverability of property and equipment

The carrying value and the recoverability of property and equipment, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing for observable indications of decline in asset values, significant changes in the technological, market, economic or legal environment, changes in market interest rates, changes in the manner the assets are utilized, and other indicators that the economic performance of an asset is less than expected.

Income taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Valuation of share-based payments, warrants and debentures with conversion rights

The Company makes certain estimates and assumptions when calculating the estimated fair values. The significant assumptions used include estimate of share price, expected volatility, expected life, expected dividend rate and expected risk-free rate of return. Changes in these assumptions may result in a material change to the amounts recorded.

Recoverability of bid bonds receivable

The Company determines an expected credit loss allowance for bid bonds receivable, which is subject to various estimates and assumptions.

Contingencies

By their nature, contingencies will only be resolved when one or more future events transpire. The assessment of contingencies inherently involves estimating the outcomes of future events.

Liquidity event

The Company projected a listing date which was used to calculate an estimated fair value of certain financial and equity instruments. The projection inherently involves significant estimates and judgements.

Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined to be the Canadian dollar for the parent Company. The functional currency is the US Dollar "USD" for Lotus Gold Holdings Ltd., Lotus Gold Corporation Egypt, and its branch in Egypt. Foreign operations are comprised of subsidiaries of the Company that have a functional currency other than the Canadian dollar. Assets and liabilities of foreign operations are translated into Canadian dollars using the exchange rate in effect at the reporting date.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Statement of compliance and material accounting policies (Cont'd)

Functional and presentation currency (Cont'd)

The revenue and expenses of foreign operations are translated into Canadian dollars using the average exchange rate for the period. The gains or losses resulting from such translation are recognized as foreign currency adjustments ("CTA") included in other comprehensive income. The presentation currency for the consolidated financial statements is the Canadian Dollar.

When a subsidiary is disposed of, in full, the relevant amount of CTA is transferred to net loss in the consolidated statements of loss and comprehensive loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than an operation's functional currency are recognized in profit or loss.

Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses and property interests and other costs, costs associated with exploration and evaluation activities and are expensed as incurred.

When it has been determined that a mineral property can be economically developed as a result of establishing probable and proven reserves, future costs incurred to develop such property will be capitalized. Such costs will be amortized using the unit of production method over the estimated life of the probable reserve. If properties are abandoned or the carrying value is determined to be in excess of possible future recoverable amounts the Company will write off the appropriate amount.

Government tax credits received are recorded as a reduction to the cumulative costs incurred to be eligible for such government credit.

Property and equipment

Property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statement of loss and comprehensive loss.

Where an item of property and equipment comprises major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Statement of compliance and material accounting policies (Cont'd)

Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Full month depreciation is charged in the month of acquisition and no depreciation is charged in the month of sale, and is computed using the straight-line method according to the estimated useful life of the asset as follows:

Furniture and fixtures – 5 years
Camp facilities – 5 years
Machinery & equipment – 4 years
Computers – 2 years
Right-of-use asset - straight-line over lesser of useful life and term of lease

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

IFRS 16 Right of use assets and leases

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease is recognized as a right-of-use asset and corresponding liability at the commencement date. Each lease payment included in the lease liability is apportioned between the repayment of the liability and a finance cost. The finance cost is recognized in “finance and other costs” in profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. Lease liabilities represent the net present value of fixed lease payments (including in-substance fixed payments); variable lease payments based on an index, rate, or subject to a fair market value renewal condition; amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if it is probable that the lessee will exercise that option.

The Company’s lease liability is recognized net of lease incentives receivable. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee’s incremental borrowing rate. The period over which the lease payments are discounted is the expected lease term, including renewal and termination options that the Company is reasonably certain to exercise.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis in profit or loss. Short term leases are defined as leases with a lease term of 12 months or less. Variable lease payments that do not depend on an index, rate, or subject to a fair market value renewal condition are recognized as an expense in profit or loss.

Right-of-use assets are measured at cost, which is calculated as the amount of the initial lease liability plus any lease payments made at or before the commencement date, any initial direct costs and related restoration costs. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. The depreciation is recognized from the commencement date of the lease.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Statement of compliance and material accounting policies (Cont'd)

If a right-to-use asset is determined to be impaired, the impairment is immediately recorded, thereby reducing the carrying amount of the asset. Its subsequent measurement is calculated as the carrying amount immediately after the impairment transaction, minus any subsequent accumulated amortization. At the termination of a lease, the right-to-use asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a profit or loss at that time.

Loss per share

Basic loss per share is calculated by dividing the net loss attributable to common shareholders by the weighted average number of common shares outstanding in the year. In calculating the diluted income/loss per share, the weighted average number of common shares outstanding assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the year. In a loss year, potentially dilutive common shares are excluded from the loss per share calculations as the effect would be anti-dilutive.

Financial instruments

Below is a summary showing the classification and measurement of the Company's financial instruments:

Classification	IFRS 9
Cash and cash equivalents	Amortized cost
Restricted cash	Amortized cost
Bid bond receivable	Amortized cost
Term deposits	Amortized cost
Accounts payables and accrued liabilities	Amortized cost
Warrant component of debentures	FVTPL

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives).

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method.

LOTUS GOLD CORPORATION
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2. Statement of compliance and material accounting policies (Cont'd)

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are recognized in the consolidated statements of loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss.

Convertible debentures

The convertible debenture is convertible into units in US Dollars and the Company's functional currency is Canadian Dollars. As a result, the instrument contains an embedded derivative liability. The proceeds received on issuance of the Company's convertible debenture are allocated to the host debt and derivative liability components.

The host debt component was discounted using interest rates that would have been applicable to a non-convertible debenture of the Company at the time of issue. The host debt component accretes up to the principal balance at maturity with the accretion expense included in profit and loss.

The derivative liability feature, including the conversion instrument and warrants issued, were measured using the residual method. The derivative liability is adjusted to its estimated fair value at each statement of financial position date using valuation models. The derivative liability component will be reclassified to capital stock on conversion.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

2. Statement of compliance and material accounting policies (Cont'd)

Impairment of assets

The carrying amount of the Company's long-lived assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the consolidated statement of loss and comprehensive loss.

The recoverable amount is the greater of an asset's fair value, less cost to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate cash inflows, largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Share-based payments

The fair value of stock options granted to employees, directors and officers of the Company is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted.

At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. Stock-based compensation incorporates an expected forfeiture rate of Nil.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Income taxes

Taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Statement of compliance and material accounting policies (Cont'd)

Deferred tax

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not recognized on the initial recognition of goodwill, on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction, and on temporary differences relating to investments in subsidiaries and jointly controlled entities where the reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured, without discounting, at the tax rates that are expected to apply when the assets are recovered and the liabilities settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities and assets are expected to be settled or recovered.

Restoration and environmental obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when an environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant, other site preparation work, and water and soil management, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset or expensed if related to exploration and valuation activity, along with a corresponding liability as soon as the obligation to incur such costs arises.

The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operation license conditions and, when applicable, the environment in which the mine operates. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value of the liability.

These costs are charged against profit or loss over the economic life of the related assets, through amortization using either the unit-of-production or the straight-line method or expensed as exploration and evaluation expenditures. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to \$Nil and the remaining adjustment is recognized in profit or loss.

The Company has no material restoration, rehabilitation or environmental obligations as at December 31, 2024 and 2023.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

2. Statement of compliance and material accounting policies (Cont'd)

Other provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows to present value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash with original maturities of three months or less and which are subject to an insignificant risk of changes in value. The cash held in short-term deposits is held in both Canadian and United States Dollars.

Restricted cash

Restricted cash represents amounts included in savings accounts as required by the terms of exploration license agreements (see note 3).

New and amended accounting policies

The Company has adopted new and revised IFRS standards and amendments, effective for annual periods beginning January 1, 2024. Many are not applicable or do not have a material impact to the Company and have been excluded. These changes were made in accordance with the applicable transitional provisions, but their adoption had no impact on the consolidated financial statements of the Company.

IAS 1 – Presentation of Financial Statements (“IAS 1”)

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company’s right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024.

New accounting pronouncements issued but not effective

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.

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

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2. Statement of compliance and material accounting policies (Cont'd)

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments – Disclosures*. The amendments clarify the derecognition of financial liabilities and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI.

The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

The Company will adopt these amendments as of the effective date and is currently assessing the impacts of adoption.

3. Bid bonds and restricted cash

Bid bonds consist of:

	December 31, 2024 \$	December 31, 2023 \$
Balance at beginning of year	199,026	135,440
Investment of bid bonds	-	132,260
Refunds received	(199,026)	(67,720)
Foreign exchange loss	-	(954)
Balance at end of year	-	199,026

On June 30, 2021, the Company submitted applications to the Egyptian Mineral Resources Authority (“EMRA”) in respect of various “Blocks” in Bid Round 2 and enclosed bid-bonds in the amount of \$25,356 (USD\$20,000), which was subsequently increased to USD\$50,000 within 15 days of EMRA awarding the requested Block. During the year-ended December 31, 2022, the Company was awarded the Bid Bond Round 2 blocks and advanced \$40,632 (USD\$30,000) in bid bonds as per the terms of the agreement. In addition, the Company was refunded bid bonds in the amount of \$27,088 (USD\$20,000) during the year ended December 31, 2022.

In 2022, the Company also submitted a request to terminate one of the exploration licenses and requested for a return of the bid bond value of \$67,720 (USD\$50,000). This Bid Bond was returned during the year ended December 31, 2023.

The Company also supplied irrevocable letters of guarantee representing 10% of the minimum exploration commitment during the first exploration period amounting to \$456,891 (2023 - \$456,891) (USD\$329,000 plus 5%) as per the agreed terms of the Siqdid agreement. This amount was subsequently reduced during 2024 to \$372,425 (US\$246,500) and the difference was released during 2024 (refer to note 12(a)). The amount is held in a savings account and restricted to the Company’s performance of the minimum spend commitment and is valid for the term of the initial two years of the exploration period plus six months. This amount is recorded in restricted cash.

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3. Bid bonds and restricted cash (Cont'd)

In December 2023, the Company advanced of \$132,260 (USD\$100,000) as a bid bond to be signed with the Shalateen Mineral Resources Company (“Shalateen”) in terms of the International Bid Round No (1) of 2023 for the Al Baramiya Sector (note 8). This Bid Bond was returned to the Company during the year ended December 31, 2024.

4. Property and equipment

	Camp facilities	Furniture & fixtures	Machinery & equipment	Computers	Total
	\$	\$	\$	\$	\$
Cost:					
December 31, 2022	98,385	27,447	44,792	188,685	359,309
Additions	-	-	38,200	-	38,200
December 31, 2023	98,385	27,447	82,992	188,685	397,509
Additions	9,910	-	-	-	9,910
December 31, 2024	108,295	27,447	82,992	188,685	407,419
Amortization:					
At December 31, 2022	(4,751)	(2,784)	(8,368)	(54,998)	(70,901)
Charge for the year	(20,241)	(5,547)	(35,775)	(92,081)	(153,644)
Foreign exchange	2,336	611	180	1,685	4,812
At December 31, 2023	(22,656)	(7,720)	(43,963)	(145,394)	(219,733)
Charge for the year	(21,101)	(5,631)	(34,880)	(41,539)	(103,151)
Foreign exchange	(1,643)	(1,081)	5,857	(1,752)	1,381
December 31, 2024	(45,400)	(14,432)	(72,986)	(188,685)	(321,503)
Net book value:					
December 31, 2023	75,729	19,727	39,029	43,291	177,776
December 31, 2024	62,895	13,015	10,006	-	85,916

5. Cash and cash equivalents

Cash and cash equivalents consist of:

	December 31, 2024	December 31, 2023
	\$	\$
Cash in bank and on hand	1,932,700	2,350,811
Cash held in cashable GIC's	33,383	33,383
	1,966,083	2,384,194

As at December 31, 2024, the Company held \$1,291,920 in Guaranteed Investment Certificates (“GIC”) (USD\$800,000 and USD\$96,000) with contractual maturities in January and July 2025, respectively, that are classified as term deposits.

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5. Cash and cash equivalents (Cont'd)

As at December 31, 2023, the Company held \$1,624,213 in Guaranteed Investment Certificates ("GIC") (USD\$417,000 and USD\$800,000) with contractual maturities in April and November 2024, respectively, that are classified as term deposits. Refer to note 12.

6. Prepaid and deposits

	December 31, 2024	December 31, 2023
	\$	\$
Advances to third-party suppliers	1,260	4,851
Advances to employees	6,028	-
Prepaid deposits (refer to note 8)	16,404	199,830
	23,692	204,681

7. Subscription received in advance and subscriptions receivable

During the year ended December 31, 2022, the Company recorded subscriptions receivable of \$40,131 pursuant to the December 2022 private placement. The funds were received during the year ended December 31, 2023 (refer to note 9).

8. Mineral rights

In November 2020 the Company was awarded seven gold exploration license blocks (sectors) by the Egyptian Mineral Resources Authority "EMRA" in the Eastern Desert of Egypt. The sectors awarded to the Company are located within the Nubian Shield, the western subdivision of the Arabian Nubian Shield. They are grouped into three project areas and are covered by two Exploration Agreements with EMRA.

On January 20, 2021, the Company and EMRA signed the exploration license agreements to explore for gold and associated minerals in Egypt (refer to note 12). As at December 31, 2023, the Company had also prepaid \$146,326 (USD\$110,636) in rental commitments to be expensed over the next 12 months and Letters of Guarantee issued in favor of EMRA related to these concessions as (refer to note 6). As at December 31, 2024, the prepaid rental commitments are fully expensed.

On June 1, 2023, the Company entered into an asset purchase agreement with B2Gold Corp. ("B2Gold") for the acquisition and assignment of mineral rights in the Arab Republic of Egypt within the Eastern Arabian Nubian-Shield. On December 22, 2023, the Company issued 3,485,710 common shares as share consideration to B2Gold with an estimated fair value of \$1,359,427 (refer to note 9).

Additionally, B2Gold will have the option to acquire up to an additional 3,485,710 common shares of the Company at an exercise price of \$0.50 per share for a period of 24 months from the date (the "Listing Date") that the Company's common shares or listed common shares, as the case may be, become listed and posted for trading on a public stock exchange (refer to note 9).

9. Share capital and reserves

Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consist only of common shares.

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9. Share capital and reserves (Cont'd)

Issued share capital

The following table summarizes the continuity of the Company's common shares:

	Number of Shares	\$ Value
Balance as at December 31, 2022	59,970,760	12,855,025
Private placement	5,754,000	2,255,692
Shares for consulting services	515,595	201,082
Shares for debt settlement	171,600	85,800
Shares for acquisition of mineral rights	3,485,710	1,359,427
Balance as at December 31, 2023	69,897,665	16,757,026
Private placement	2,915,024	1,119,985
Balance as at December 31, 2024	72,812,689	17,877,011

Year-ended December 31, 2024

On June 18, 2024, the Company closed the third tranche of a non-brokered private placement that raised gross proceeds of \$1,375,050 by the issuance of 2,750,100 units of the Company at a price per unit of \$0.50. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24-months from the issue date at a price of \$0.75 per share. The fair value of the warrants was calculated at \$318,408 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on a recent financing- \$0.38; exercise price - \$0.75; expected life – 2.00 years; estimated volatility based on comparable entities – 146%; expected dividend yield - 0%; and risk-free-rate – 3.82%.

On June 30, 2024, the Company closed the first tranche of a strategic non-brokered private placement following a supplier agreement that raised gross proceeds of \$82,462 by the issuance of 164,924 units of the Company at a price per unit of \$0.50. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24-months from the issue date at a price of \$0.75 per share. The fair value of the warrants was calculated at \$19,119 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on a recent financing- \$0.38; exercise price - \$0.75; expected life – 2.00 years; estimated volatility based on comparable entities – 146%; expected dividend yield - 0%; and risk-free-rate – 3.99%.

Year-ended December 31, 2023

During November 2023, the Company closed the first tranche of a non-brokered private placement that raised gross proceeds of \$2,370,750 by the issuance of 4,741,500 units of the Company at a price per unit of \$0.50. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24-months from the issue date at a price of \$0.75 per share. The fair value of the warrants was calculated at \$512,115 using the Black-Scholes Option Pricing Model with the following assumptions: share

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9. Share capital and reserves (Cont'd)

price based on a recent financing- \$0.39; exercise price - \$0.75; expected life – 2.00 years; estimated volatility based on comparable entities – 133%; expected dividend yield - 0%; and risk-free-rate – 4.45%.

During December 2023, the Company closed the second tranche of a non-brokered private placement that raised gross proceeds of \$506,250 by the issuance of 1,012,500 units of the Company at a price per unit of \$0.50. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24-months from the issue date at a price of \$0.75 per share. The fair value of the warrants was calculated at \$109,193 using the Black-Scholes Option Pricing Model with the following assumptions: share price - \$0.39; exercise price - \$0.75; expected life – 2.00 years; estimated volatility based on comparable entities – 133%; expected dividend yield - 0%; and risk-free-rate – 4.15%.

During December 2023, the Company issued 515,595 common shares of the Company with a fair value of \$201,082 based on a per share value per recent financing of \$0.39 per share, for consulting and other services rendered to the Company (note 13).

During December 2023, the Company issued 171,600 common shares of the Company to settle \$85,800 of debt.

During December 2023, the Company issued 3,485,710 common shares of the Company with a fair value of \$1,359,427 pursuant to an asset purchase agreement with B2Gold dated June 1, 2023 (refer to note 8).

The fair value was estimated based on recent financing of \$0.39 per share.

Warrants

The following table summarizes the continuity of the Company's warrants classified as equity:

	Number of Warrants Issued	Weighted Average Exercise Price \$
Balance, December 31, 2022	5,157,376	0.75
Issued	2,877,000	0.75
Balance, December 31, 2023	8,034,376	0.75
Issued	1,457,512	0.75
Balance, December 31, 2024	9,491,888	0.75

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9. Share capital and reserves (Cont'd)

Warrants (Cont'd)

Details of warrants outstanding, which are classified as equity, at December 31, 2024 are as follows:

Expiry Date	Number of Warrants Outstanding and Exercisable	Issue Date	Fair Value on Issue Date \$	Weighted Average Remaining Life (Years)	Exercise Price \$
August 16, 2025*	5,157,376	February 16, 2022	738,611	0.62	0.75
November 6, 2025	2,370,750	November 6, 2023	512,115	0.85	0.75
December 8, 2025	506,250	December 8, 2023	109,193	0.94	0.75
June 18, 2026	1,375,050	June 18, 2024	318,408	1.46	0.75
June 30, 2026	82,462	June 30, 2024	19,119	1.50	0.75
	9,491,888		1,697,446	1.76	0.75

*On June 1, 2023, the warrants were extended to expire on August 16, 2025. Effective July 2025, the Company extended the expiry date to February 2026. See Note 19 for disclosure regarding the extension of all warrant expiry dates. Of these warrants, 30,000 were held by directors of the Company (2023 – 30,000 were held by a director of the Company).

See Note 10 for warrants outstanding and classified as financial instruments.

Options

During the year ended December 31, 2023, the Company entered into an agreement with B2Gold (refer to note 8) where B2Gold was granted the option to acquire an additional 3,485,710 common shares of the Company at an exercise price of \$0.50 per share for a period of 24 months from the date (the "Listing Date") that the Company's common shares or listed common shares, as the case may be, become listed and posted for trading on a public stock exchange. On initial issuance, management estimated the Listing Date at the time to be December 31, 2026. During the year ended December 31, 2024, management revised the estimate of the Listing Date to December 31, 2025. The options are subject to cliff vesting as all of the options vest immediately on the Listing Date. As such, the stock based compensation expense is amortized over the expected time to the Listing Date.

During the year ended December 31, 2024, the estimated Listing Date was amended to December 31, 2025, refer to Subsequent Events, Note 19. As a result, the fair value of the options was estimated at \$1,084,078 using the Black-Scholes Option Pricing Model, based on the following assumptions: share price based on a recent financing- \$0.39; exercise price - \$0.50; expected life – 4 years; estimated volatility based on comparable companies – 131%; expected dividend yield - 0%; and risk-free-rate – 3.44%. The Company recorded stock-based compensation expense of \$539,067 for the year ended December 31, 2024 (2023 - \$9,573).

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9. Share capital and reserves (Cont'd)

Options (Cont'd)

The following table summarizes the change in management estimates related to the valuation of the options on the initial issuance date:

	Initial	Revised
Share price	\$0.39	\$0.39
Exercise price	\$0.50	\$0.50
Expected life	5 years	4 years
Volatility	133%	131%
Dividend yield	0%	0%
Risk free rate	3.18%	3.44%

Details of options outstanding at December 31, 2024 are as follows:

Grant Date	Number of Options Outstanding	Number of Options Exercisable	Exercise Price \$	Weighted Average Remaining Life (Years)	Expiry Date	Grant Date Fair value \$
December 22, 2023	3,485,710	-	0.50	3.00	December 31, 2027	1,084,078

Details of options outstanding at December 31, 2023 are as follows:

Grant Date	Number of Options Outstanding	Number of Options Exercisable	Exercise Price \$	Weighted Average Remaining Life (Years)	Expiry Date	Grant Date Fair value \$
December 22, 2023	3,485,710	28,650	0.50	5.00	December 31, 2028	1,164,000

10. Debenture liability

The following table reconciles the recorded value of the liability and the derivative components of the convertible debentures:

	Liability component of Convertible debenture \$	Derivative component of convertible debenture \$	Warrant component of convertible debenture \$	Total \$
Balance, December 31, 2022	-	-	1,382,395	1,382,395
Changes in fair value	-	-	265,459	265,459
Balance, December 31, 2023	-	-	1,647,854	1,647,854
Changes in fair value	-	-	(159,756)	(159,756)
Balance, December 31, 2024	-	-	1,488,098	1,488,098

On November 23, 2020, the Company, under a subscription agreement with various subscribers, issued \$1,465,675 (USD\$1,100,000) of senior secured convertible debentures bearing interest of 10% per annum

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10. Debenture liability (Cont'd)

with the interest paid bi-annually, and the principal due and payable at a date (the "Maturity Date") which is 18 months from the date of issuance.

In addition, at the time of issuance, a commitment fee equal to 4% of the principal amount of the debentures purchased as well as such number of common share purchase warrants (the "Bonus Warrants") equal to the aggregate subscription amount divided by the price per common share of the next private placement financing and sale of common shares (the "Next Share Price"); and each Bonus Warrant will entitle the holder to acquire a common share of the Issuer (or successor of the Issuer) at an exercise price per share equal to the Next Share Price at any time within the later of 36 months from the date of issuance and 18 months after the date the Issuer completes a Liquidity Event. As of December 31, 2023, 36 months had elapsed since the issuance date, and therefore, as at December 31, 2023 and 2024, the bonus warrants expire 18 months after the date of the liquidity event, estimated to be December 31, 2025.

The Next Share Price was \$0.30 which resulted in the issuance of 4,877,400 Bonus Warrants, each exercisable into one common share at \$0.30 per share until June 30, 2027.

The Debentures were secured by a first charge on all present and acquired personal property of the Issuer, as described in further detail under the Terms and Conditions and Term Sheet attached thereto. All or any portion of the principal amount owing under the Debentures may be converted, at the holder's option, into common shares (the "Shares") of the Issuer (or successor thereof), following the date of issuance, at a price per Share (the "Conversion Price") equal to the Next Share Price, less a 25% discount thereof, following this offering of Debentures at any time until the Maturity Date. A total of USD\$575,000 of the principal amount of the debentures was issued to directors, officers, and or entities controlled by directors and or officers of the Company.

Warrant Liability

The following table summarizes the continuity of the Company's warrants:

	Number of Warrants Outstanding	Weighted Average Exercise Price \$
Balance, December 31, 2022, 2023, and 2024	4,877,400	0.30

Details of warrants outstanding as December 31, 2024 are as follows:

Expiry Date	Number of Warrants Outstanding	Exercise Price \$
June 30, 2027	4,877,400	0.30

As at December 31, 2023, the warrant component of the debentures was revalued at \$1,647,854 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on the most recent financing price - \$0.39; exercise price - \$0.30; expected life - 4.50 years; estimated volatility based on comparable entities - 131%; expected dividend yield - 0%; and risk-free-rate - 3.53%.

As at December 31, 2024, the warrant component of the debentures was revalued at \$1,488,098 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on the most recent financing price - \$0.38; exercise price - \$0.30; expected life - 2.50 years; estimated volatility based on comparable entities - 148%; expected dividend yield - 0%; and risk-free-rate - 3%.

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10. Debenture liability (Cont'd)

Of these warrants, 3,325,500 were held by directors or officers of the Company, or companies controlled by the directors.

11. Income taxes

a) A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	December 31, 2024 \$	December 31, 2023 \$
Net loss for the year	(3,958,779)	(6,119,827)
Statutory tax rate	26.5%	26.5%
Expected income tax recovery	(947,000)	(1,512,000)
Change in tax rates and other	(602,000)	(1,151,000)
Expenses not deductible for tax purposes	387,000	482,000
Change in tax benefits not recognized	1,162,000	2,181,000
Income tax recovery	-	-

b) Deferred tax balances

Deferred taxes for the Company have not been recognized in respect of the deductible temporary differences set out below:

	December 31, 2024 \$	December 31, 2023 \$
Non-capital losses carried forward	11,071,000	10,080,000
Financing costs and other	92,000	138,000
Other temporary differences	333,000	222,000
Resource properties	7,916,000	4,486,000
	19,412,000	14,926,000

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

c) Losses

As at December 31, 2024, the Company can carry forward non-capital losses to reduce taxable income in future years expiring as follows:

	\$
2026	61,000
2027	103,000
2028	276,000
2029	186,000
2040	64,000
2041	1,165,000
2042	4,802,000
2043	3,587,000
2044	827,000
	11,071,000

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12. Commitments and contingencies

As at December 31, 2024 and 2023, the Company had the following contractual arrangements and commitments in place for the provision of certain services:

a) Bid bond obligation and Letters of Credit (refer to note 3)

The Company has entered into several bid guarantees for gold exploration rights/concessions in the Arab Republic of Egypt in connection with Bid Round 1, 2020 and Bid Round 2, 2021 and corresponding to various land sectors as per the mining exploration agreements executed with the Company. In order to meet the bid round terms, the Company has committed to agreements for Standby Letters of Credit or Guarantees totaling USD\$950,000, with expiry dates of May 1, 2023. Upon Maturity, the Company secured the release of the Standby Letters of Credit or Guarantees totaling USD\$533,000 effective May 31, 2023. The remaining portion of the Zeidun Letter of Credit totaling USD\$417,000 was extended for a period of 12 months to May 1, 2024 as the termination date and May 31, 2024 as the counter guarantee termination date. Subsequently the Company secured the release of US\$321,000 with respect to the Zedun letter of credit, reducing the balance to US\$96,000 for a period of twelve months to May 1, 2025, as the termination date, and May 31, 2025 as the counter guarantee termination date. Refer to Subsequent events Note 19 for the release of the remaining portion of the Zeidun letter of credit in 2025.

As of December 31, 2024, the Company has no outstanding bid bonds receivable or any commitments with respect to the accompanying letters of credit above for Bid Round 1, 2020 and Bid Round 2, 2021.

In 2021, the Company also supplied letters of guarantee representing 10% of the exploration commitment for the Siqidid blocks during the first exploration period of USD\$329,000 plus 5% as per the agreed terms of the agreement. This Letter of Credit was reduced to USD\$246,500 plus 5% as of December 31, 2024, and remains active. Effective December 31, 2024, the remaining commitment to meet the committed spend total for the Siqidid blocks to release the letter of credit amounts to USD\$697,602.

In 2022, the Company applied for termination of one of the exploration licenses originally applied for and won with Bid Round 1, 2020 and requested for a return of the original letter of guarantee of USD\$270,000. In 2023, the Company secured the release of the letter of credit and a full refund of USD\$270,000 was received by the Company.

b) Egyptian Mineral Resources Authority obligation

On September 15, 2020, the Company submitted applications to the EMRA in respect of various "Blocks" in Bid Round 1 and enclosed Bid Bonds in the amount of USD\$60,000, which was subsequently increased by USD\$90,000 within 15 days of EMRA awarding the requested Block (refer to note 3). The Company supplied letters of guarantee (refer to note 12(a)) representing 10% of the minimum exploration commitment during the first exploration period of USD\$950,000 covering the Umm Samra, Zeidun and Sukari exploration areas. The Company was subject to the following commitments over a 2-year period effective the dates on which the Company secured the right to access the properties by EMRA on payment of the rental value: Umm Samra blocks of USD\$1,800,000 and Zeidun blocks of USD\$4,170,000. The Company took occupation of the Zeidun and Umm Samra blocks on November 29, 2021 and November 1, 2021 respectively when metal marker beacons were placed on the concessions. As of December 31, 2024, the Company has met the committed spend requirements and secured the release of all the letters of guarantee referred to in note 12(a) above and commentary below.

The Company was also awarded four additional blocks (the Sukari blocks) which are located within the Wadi Gamal National Park. The Company successfully terminated the concessions with the government, with no financial impact to the Company.

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12. Commitments and contingencies (Cont'd)

After December 31, 2022, the Company was therefore legally entitled to the reimbursement of the letters of guarantee with respect to the Sukari blocks. An amount of USD\$270,000 was reimbursed to the Company on official termination of the concession areas in February 2023 by securing the release of the Letter of Guarantee for the Sukari blocks from EMRA in the amount of USD \$270,000, together with the associated Bid-bond in the amount of USD \$50,000. Effective May 2023, the Company received formal confirmation of the release of the Letter of Credit for the Umm Samra concession area in the amount of USD \$180,000, as well as the reduction of the value of the Letter of Guarantee for the Wadi Zeidun concession in the amount of USD \$83,000, from USD \$500,000 to USD \$417,000 (Refer to Note 12(a) for further comment on this Letter of Guarantee).

The Company must pay EMRA annual rental fees per km² of land included in the exploration areas. The rental payments are due in advance and shall be payable as follows: EGP5,000 per km² for each year of the first exploration period of 2 years; EGP10,000 per km² for each year of the second exploration period of 2 years; EGP15,000 per km² for each year of the third exploration period of 2 years and EGP20,000 per km² for each year of the fourth and last exploration period of 2 years.

In December 2023, in accordance with the terms of the asset purchase agreement signed with B2Gold, the Company was required to register a letter of guarantee representing 10% of the minimum exploration commitment during the first exploration period of USD\$800,000 covering the Umm Salimm exploration areas. The Company is subject to a spending commitment of USD \$8,000,000 over a 2-year period, initially effective on January 13, 2024.

As of December 31, 2024, the Company has yet to meet the full committed spend for the Umm Salimm blocks. The remaining commitment to meet the committed spend to release the letter of guarantee amounts USD\$7,797,807 with little spend to date across these blocks as the Company has not yet received the required security clearances to access the exploration areas. As a result, the areas underwent only preliminary reconnaissance work during the year. The Company is in discussions with EMRA as to amending the terms of the spending commitment due to these delays.

c) Environmental Contingencies

The Company's mineral 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 has made, and expects to make in the future, expenditures to comply with such laws and regulations. As a triggering event has not taken place, no provisions have been recorded as at December 31, 2024 and 2023.

d) Title to Exploration and Evaluation Properties

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

13. Related parties

Refer to Debenture Liability Note 10 and Share Capital and Reserves Note 9.

Key management compensation

Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the President and Chief Executive Officer, Chief Financial Officer, Executive Chairman and Directors. The following table lists the compensation costs paid directly to, or to companies controlled by, key management personnel for the years ended December 31, 2024 and 2023:

	Consulting and Management Fees 2024 \$	Consulting and Management Fees 2023 \$
Consulting fees paid/accrued to a private company controlled by director and CEO	150,000	150,000
Consulting fees paid/accrued to private companies controlled by directors	189,975	532,933
Total	\$339,975	682,933

As at December 31, 2024, \$79,145 (2023 - \$Nil) of related party payments was owing to the CEO/Director and Country Manager/Directors of the Company. The balances are recorded in accounts payable and are unsecured, non-interest bearing, and due on demand.

During the year ended December 31, 2024, the Company did not issue any common shares to related parties. During the year ended December 31, 2023, the Company issued 171,600 common shares to settle debt of \$85,800 to related parties. Additionally, the Company issued 434,955 common shares as compensation for services to related parties for a total fair value of \$169,632 recorded in consulting fees, calculated based on a per share value per recent financing of \$0.39 per share (note 9). In addition, the Company agreed to pay two directors of the Company 15% of their compensation through the issuance of shares.

14. Loss per share

The calculation of basic and diluted loss per share for the year ended December 31, 2024 was based on the loss attributable to common shareholders of \$3,958,779 (2023 – \$6,119,827) and the weighted average number of common shares outstanding of 71,457,571 (2023 – 60,878,286). Diluted loss per share did not include the effect of stock options, warrants or the convertible debentures as they are anti-dilutive.

15. Capital management

As at December 31, 2024, the capital structure of the Company consists of total shareholders' equity of \$1,163,155 (2023 – \$3,089,094).

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its exploration and evaluation assets, acquire additional exploration and evaluation interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

15. Capital management (Cont'd)

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Company's Board of Directors. The Company currently is not subject to externally imposed capital requirements.

There have been no significant changes in the Company's capital management during 2024 and 2023.

16. Financial instrument fair value and risk factors

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments include cash and cash equivalents, term deposits, restricted cash, bid bond receivable, accounts payable and accrued liabilities, and warrant component of debentures. The carrying value of these financial instruments approximates their fair value.

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at December 31, 2024 and 2023:

As at December 31, 2024			
	Level 1	Level 2	Level 3
	\$	\$	\$
Warrant component of debentures	-	-	1,488,098

As at December 31, 2023			
	Level 1	Level 2	Level 3
	\$	\$	\$
Warrant component of debentures	-	-	1,647,854

The Company estimated the fair value of the warrant component of the debentures using the Black-Scholes Pricing Model. Note 10 outlines the key assumptions used by the Company in determining the estimated fair value of the warrant liability. The Company uses significant unobservable inputs to estimate the fair value of this liability at each reporting date, such as the estimated share price and time to expiry.

Significant unobservable inputs are classified as Level 3 inputs under IFRS. The significant unobservable inputs used in measuring the fair value of the liability include the estimated share price, expected volatility, risk-free interest rate, and time to expiry. These inputs are determined based on management's best estimate of assumptions that market participants would use, considering the characteristics of the instrument, historical data, and available market information. Changes in these assumptions could materially affect the reported fair value. A +/-5% change in the share price, risk free rate, estimated volatility and time to expiry would

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

16. Financial instrument fair value and risk factors (Cont'd)

result in an approximately +/- \$142,000 (2023 - \$140,000) change in the loss and comprehensive loss of the Company for the year then ended.

Risk factors

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to minimal credit risk on cash and cash equivalents, term deposits, restricted cash, and bid bonds. The risk is mitigated by cash and cash equivalents, term deposits and restricted cash being held with chartered banks and bid bonds held with EMRA and Shalateen. The Company holds cash and cash equivalents in the form of GIC's.

Currency Risk

Currency risk is due to monetary assets and liabilities being denominated in currencies other than its functional currencies. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company has a portion of its assets and cash reserves in United States Dollar and the Egyptian Pound. The following assets were denominated in foreign currencies and presented in Canadian dollars:

	December 31, 2024 EGP	December 31, 2024 USD	December 31, 2023 EGP	December 31, 2023 USD
Cash and cash equivalents	1,719,052	395,614	10,294,759	119,075
Bid bonds	-	-	-	150,000
Term deposits	-	896,000	-	1,217,000
	1,719,052	1,291,614	10,294,759	1,486,075

A fluctuation of +/-5% provided as an indicative range in currency movement, on assets that are denominated in foreign currencies other than Canadian dollars, with all other things being equal, have an effect on the after-tax loss and comprehensive loss for the year of approximately +/- \$96,000 (2023 -\$121,000).

Interest Rate Risk

Interest rate risk is the risk due to variability of interest rates. The Company has cash balances and interest-bearing debt with fixed rates; therefore, interest rate risk is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due. The Company takes steps to ensure that it has sufficient working capital and available sources of financing to meet future cash requirements for capital programs and operations.

The Company intends to issue equity to ensure the Company has sufficient access to cash to meet current and foreseeable financial requirements. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support its financial obligations and the Company's capital programs. There is no assurance that the Company will be able to raise additional sources of financing.

The contractual maturity of non-derivative and derivative liabilities in 2027.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

16. Financial instrument fair value and risk factors (Cont'd)

Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

17. Segmented information

The Company currently operates in a single segment: the acquisition, exploration and development of mining properties. The Company operated in three geographical jurisdictions: Canada, Egypt and Cyprus.

	Canada \$	Cyprus \$	Egypt \$
Year ended December 31, 2024			
Net loss	841,206	188,674	2,928,899
As at December 31, 2024			
Total assets	2,878,255	28,106	880,071
Total non-current assets	-	-	458,340

	Canada \$	Cyprus \$	Egypt \$
Year ended December 31, 2023			
Net loss	1,541,067	263,331	4,315,429
As at December 31, 2023			
Total assets	3,438,119	28,076	1,650,122
Total non-current assets	27,088	-	349,714

18. Reclassification of comparative figures

Certain comparative figures in the consolidated statements of loss and comprehensive loss have been reclassified to conform with the current year's presentation. These include consulting fees, general and administrative expenses, bank charges and interest and interest income.

19. Events after the reporting period

- (a) Effective February 17, 2025, the Company closed a non-brokered private placement, following a supplier agreement, that raised gross proceeds of \$253,993 by the issuance of 507,985 units of the Company at a price per unit of \$0.50. The non-brokered private placement at \$0.50 per unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24 months from the issue date at a price of \$0.75 per share.

LOTUS GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)

19. Events after the reporting period (Cont'd)

- (b) On June 26, 2025, the Company entered into an arrangement with Great Quest Gold Ltd. (the "Arrangement") pursuant to which the Company agreed to sell all of its outstanding common shares to Great Quest Gold Ltd. in exchange for 63.3% of the shares of Great Quest Gold Ltd. Pursuant to the Arrangement, Great Quest Gold Ltd. is to complete a non-brokered private placement bridge financing, to raise gross proceeds of up to \$500,000 and up to 20,000,000 shares. The Company is to provide an advance to Great Quest Gold Ltd. in the amount of \$300,000, in exchange for a convertible debenture of Great Quest Gold Ltd., bearing interest at 10% per annum, due six months from the date of the advance, secured by a general security agreement from Great Quest Gold Ltd. in favour of the Company granting security over all present and after acquired personal property, and subject to conversion, at the sole option of the Company, into Great Quest Gold Ltd. shares at a pre-Consolidation price of \$0.025 per share. Great Quest Gold Ltd. is to execute a share consolidation on a 30:1 basis. The Arrangement constitutes a "reverse takeover" under securities law. Pursuant to the Arrangement, as the Company's shareholders are to become the ultimate shareholders, which is to result in the ongoing reporting entity from the Arrangement date to be Lotus Gold Corporation Ltd. Concurrent with the execution of the Arrangement, Great Quest Gold Ltd. is to complete a private placement for aggregate proceeds of up to \$3,000,000. The completion of the Arrangement is subject to various approvals, final due diligence, and a definitive agreement. There can be no assurances that the Arrangement will be completed as disclosed herein, or at all.
- (c) Pursuant to the arrangement, Lotus is expected to enter into a secured loan agreement with GQ for the loan amount of \$300,000 bearing interest at 10% per annum, subject to conversion into GQ Shares at a pre-Consolidation price of \$0.025 per share should the Arrangement not close by the November 30, 2025 deadline.
- (d) In June 2025 the Company secured the release of the remaining portion of the Zeidun letter of credit, in the amount of US\$96,000.
- (e) Effective July 2025, the Company extended the expiry dates of all outstanding common share purchase warrants. A summary of the revised warrant expiry dates is presented below.

Amended Expiry Date	Number of Warrants Outstanding and Exercisable	Issue Date
February 16, 2027	5,157,376	February 16, 2022
May 6, 2027	2,370,750	November 6, 2023
June 8, 2027	506,250	December 8, 2023
December 18, 2027	1,375,050	June 18, 2024
December 30, 2027	82,462	June 30, 2024
August 17, 2028	253,993	February 17, 2025
	9,745,881	

- (f) Effective June 30, 2025, the Company, following a supplier agreement signed in 2024, has a commitment to issue 1,922,481 units at a price of per unit of \$0.50 via a non-brokered private placement that is expected to raise gross proceeds of \$961,241. The non-brokered private placement, at \$0.50 per unit, consists of one common share of the Company and one half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24 months from the issue date at a price of \$0.75 per share. There can be no assurances that this financing will close on these terms, or at all.

LOTUS GOLD CORPORATION

Condensed Interim Consolidated Financial Statements
For the three and six months ended June 30, 2025 and 2024
(Expressed in Canadian Dollars - Unaudited)

LOTUS GOLD CORPORATION
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(EXPRESSED IN CANADIAN DOLLARS)

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LOTUS GOLD CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

		As at June 30, 2025 \$	As at December 31, 2024 \$
	Note		
ASSETS			
Current assets			
Cash and cash equivalents	5	1,100,160	1,966,083
Prepays and deposits	6	57,588	23,692
Sales tax receivable		49,163	46,396
Term deposits	5	1,220,054	1,291,920
		2,426,965	3,328,091
Non-current assets			
Property and equipment	4	69,946	85,916
Restricted cash		353,116	372,425
		423,062	458,341
TOTAL ASSETS		2,850,027	3,786,432
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11	1,660,875	1,135,179
Warrant component of debentures	9	1,330,423	1,488,098
TOTAL LIABILITIES		2,991,298	2,623,277
SHAREHOLDERS' EQUITY			
Share capital	8	18,082,638	17,877,011
Reserve	8	2,562,170	2,246,086
Accumulated other comprehensive income		26,919	37,253
Accumulated deficit		(20,812,998)	(18,997,195)
TOTAL SHAREHOLDERS' EQUITY		(141,271)	1,163,155
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,850,027	3,786,432

Nature and continuance of operations (Note 1)
Commitments and contingencies (Note 10)
Events after the reporting period (Note 18)

Approved on behalf of the Board on September 11, 2025:

"Michael Silver"
Director

"Omar Nasser"
Director

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

LOTUS GOLD CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE
LOSS
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

		Three months ended June 30,		Six months ended June 30,	
		2025	2024	2025	2024
	Note	\$	\$	\$	\$
Expenses					
Consulting fees	11	88,260	124,503	216,181	241,002
General and administrative		11,348	17,825	34,762	57,527
Professional fees		13,969	49,787	79,802	117,375
Corporate fees		10,500	11,229	21,000	22,692
Travel expenses		22,227	33,226	26,845	47,860
Wages and salaries		67,963	137,508	112,825	244,282
Amortization expense	4	8,927	32,049	20,093	68,119
Exploration expense	7, 8	320,958	580,390	1,366,128	1,153,035
Bank charges and interest		17,462	10,836	27,595	18,741
Foreign exchange loss/(gain)		84,928	4,326	86,057	120,173
Income tax expense		(162)	-	8,935	-
Loss before other income		(646,380)	(1,001,679)	(2,000,223)	(2,090,806)
Other income					
Interest income		8,344	37,284	26,745	57,691
Gain on revaluation of warrant component of debentures	9	46,897	51,174	157,675	72,591
Total other income		55,241	88,458	184,420	130,282
Net loss for the period		(591,139)	(913,221)	(1,815,803)	(1,960,524)
Other comprehensive income / (loss)					
Foreign exchange income / (loss) on translating foreign operations		(9,748)	55,492	(10,334)	79,492
Net loss and comprehensive loss for the period		(600,887)	(857,729)	(1,826,137)	(1,881,032)
Loss per share – basic and diluted	12	(0.01)	(0.01)	(0.02)	(0.03)
Weighted average number of common shares outstanding	12	73,547,059	70,256,374	73,185,960	70,079,992

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

LOTUS GOLD CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

		<u>Share capital</u>		Accumulated other comprehensive income \$	Reserve \$	Deficit \$	Total \$
		Number of shares #	Amount \$				
Balance at December 31, 2023		69,897,665	16,757,026	992	1,369,492	(15,038,416)	3,089,094
Private placement	8	2,915,024	1,119,985	-	337,527	-	1,457,512
Options granted for acquisition of mineral rights	7,8	-	-	-	269,533	-	269,533
Income/ (loss) and comprehensive income/ (loss) for the period		-	-	79,492	-	(1,960,524)	(1,881,032)
Balance at June 30, 2024		72,812,689	17,877,011	80,484	1,976,552	(16,998,940)	2,935,107
Balance at December 31, 2024		72,812,689	17,877,011	37,253	2,246,086	(18,997,195)	1,163,155
Private placement	8	507,985	205,627	-	48,366	-	253,993
Options granted for acquisition of mineral rights	7,8	-	-	-	267,718	-	267,718
Loss and comprehensive loss for the period		-	-	(10,334)	-	(1,815,803)	(1,826,137)
Balance at June 30, 2025		73,320,674	18,082,638	26,919	2,562,170	(20,812,998)	(141,271)

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

LOTUS GOLD CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

		For the six months ended June 30, 2025 \$	For the six months ended June 30, 2024 \$
	Note		
Operating activities			
Net loss for the period		(1,815,803)	(1,960,524)
Items not affecting cash:			
Amortization		20,093	68,119
Foreign exchange		77,636	112,287
Gain on revaluation of warrant component of debentures	9	(157,675)	(72,591)
Vesting of options for acquisition of mineral rights		267,718	269,533
Changes in non-cash working capital items:			
Prepays and deposits		(33,896)	106,449
Sales tax receivable		(2,767)	14,417
Subscription receivable		-	(82,462)
Accounts payable and accrued liabilities		525,696	93,884
Cash used in operating activities		(1,118,998)	(1,450,888)
Investing activities			
Purchase of property and equipment		(918)	-
Transfer out of restricted cash		-	102,636
Cash used in investing activities		(918)	102,636
Financing activities			
Proceeds from private placements	8	253,993	1,457,512
Cash provided by financing activities		253,993	1,457,512
Change in cash and cash equivalents		(865,923)	109,260
Cash and cash equivalents, beginning of year	5	1,966,083	2,384,194
Cash and cash equivalents, end of period	5	1,100,160	2,493,454
Supplementary cash flow information			
Interest received		26,745	57,691

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

LOTUS GOLD CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

1. Nature and continuance of operations

Lotus Gold Corporation (the "Company") was incorporated as 1251721 B.C. Ltd. on May 29, 2020 under the laws of the province of British Columbia, Canada. The Company is in the process of acquiring exploration and development rights of gold mining properties in areas of the Arabian Nubian Shield region of Egypt.

The head office and registered office of the Company are located at 1890-1075 West Georgia Street, Vancouver, BC, Canada, V6E 3C9.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The continuance of the Company is dependent upon completion of the acquisition of the exploration and evaluation properties, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write downs of the carrying values of the Company's assets.

Going concern

These condensed interim consolidated financial statements ("financial statements") have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business rather than through a process of forced liquidation. The condensed interim consolidated financial statements do not reflect adjustments to the carrying amounts of assets and liabilities, the reported expenses and the statement of financial position classification used that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material. To date, the Company has not earned revenue, has incurred a net loss of \$591,139 and \$1,815,803 for the three and six months ended June 30, 2025, respectively (2024 - \$913,221 and \$1,960,524, respectively) and has an accumulated deficit of \$20,812,998 as at June 30, 2025 (December 31, 2024 - \$18,997,195). At June 30, 2025, the Company had cash and cash equivalents of \$1,100,160 (December 31, 2024 - \$1,966,083) and working capital deficiency of \$564,333 (working capital as at December 31, 2024 - \$704,814). The Company has historically relied on financings to fund its operations and repay its liabilities; while the Company has been successful in the past, there can be no assurance that it will be able to raise sufficient funds in the future. These conditions and events indicate the existence material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

Management believes that the Company will be able to continue as a going concern for the foreseeable future and realize its assets and discharge its liabilities and commitments in the normal course of business.

LOTUS GOLD CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

2. Statement of compliance and material accounting policies

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), including International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These condensed consolidated interim financial statements do not include all the disclosures required for the annual audited financial statements. These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2024.

The condensed interim consolidated financial statements were approved and authorized for issuance by the Board of Directors on September 11, 2025.

Basis of presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, with the exception of financial instruments classified at fair value through profit or loss (“FVTPL”). In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Basis of consolidation

A subsidiary is an entity the Company controls when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Where control of an entity is obtained during a financial period, its results are included in the condensed interim consolidated statement of loss and other comprehensive loss from the date on which control commences. Where control of an entity ceases during a financial period, its results are included for that part of the period during which control existed.

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries:

	Ownership Interest	Jurisdiction
Lotus Gold Holdings Ltd	100%	Cyprus
Lotus Gold Corporation – Egypt Branch	100%	Egypt
Lotus Gold Corporation Egypt - Joint Stock Company	100%	Egypt

All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined to be the Canadian dollar for the parent Company. The functional currency is the US Dollar “USD” for Lotus Gold Holdings Ltd., Lotus Gold Corporation Egypt, and its branch in Egypt. Foreign operations are comprised of subsidiaries of the Company that have a functional currency other than the Canadian dollar. Assets and liabilities of foreign operations are translated into Canadian dollars using the exchange rate in effect at the reporting date.

LOTUS GOLD CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

2. Statement of compliance and material accounting policies (Cont'd)

Functional and presentation currency (Cont'd)

The revenue and expenses of foreign operations are translated into Canadian dollars using the average exchange rate for the period. The gains or losses resulting from such translation are recognized as foreign currency adjustments ("CTA") included in other comprehensive income. The presentation currency for the consolidated financial statements is the Canadian Dollar.

When a subsidiary is disposed of, in full, the relevant amount of CTA is transferred to net loss in the consolidated statements of loss and comprehensive loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than an operation's functional currency are recognized in profit or loss.

Material estimates, assumptions and judgements

In the preparation of these condensed interim consolidated financial statements, management is required to make estimates, assumptions, and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amount of expenses during the period. Actual results could differ from these estimates. Of particular significance are the following:

Going concern assumption

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The determination of the functional currency for the Company and its subsidiaries is based on management's judgment of the underlying transactions, events and conditions relevant to each entity.

Recoverability of property and equipment

The carrying value and the recoverability of property and equipment, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing for observable indications of decline in asset values, significant changes in the technological, market, economic or legal environment, changes in market interest rates, changes in the manner the assets are utilized, and other indicators that the economic performance of an asset is less than expected.

Income taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities.

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2. Statement of compliance and material accounting policies (Cont'd)

Material estimates, assumptions and judgements (Cont'd)

All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Valuation of share-based payments, warrants and debentures with conversion rights

The Company makes certain estimates and assumptions when calculating the estimated fair values. The significant assumptions used include estimate of share price, expected volatility, expected life, expected dividend rate and expected risk-free rate of return. Changes in these assumptions may result in a material change to the amounts recorded.

Contingencies

By their nature, contingencies will only be resolved when one or more future events transpire. The assessment of contingencies inherently involves estimating the outcomes of future events.

Liquidity event

The Company projected a listing date which was used to calculate an estimated fair value of certain financial and equity instruments. The projection inherently involves significant estimates and judgements.

Material accounting policies

These condensed interim consolidated financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as the Company's audited annual consolidated financial statements for the year ended December 31, 2024 and should be read in conjunction with those annual consolidated financial statements and notes thereto. These were adopted as of their effective date and did not have a significant impact on the Company

New accounting pronouncements issued

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2025. These were adopted as of their effective date and did not have a significant impact on the Company.

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

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2. Statement of compliance and material accounting policies (Cont'd)

New accounting pronouncements issued but not effective (cont'd)

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments – Disclosures*. The amendments clarify the derecognition of financial liabilities and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI.

The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

The Company will adopt these amendments as of the effective date and is currently assessing the impacts of adoption.

3. Bid bonds and restricted cash

Bid bonds consist of:

	\$
Balance, December 31, 2023	199,026
Refunds received	(199,026)
Balance, June 30, 2025 and December 31, 2024	-

At December 31, 2023, the Company had outstanding bid bonds of \$199,096 related to exploration licenses in Egypt. During the year ended December 31, 2024, the Company received refunds totaling \$199,026, primarily relating to the \$132,260 (USD \$100,000) bid bond advanced in December 2023 for the Al Baramiya Sector under the International Bid Round No. 1 of 2023, resulting in a nil balance of bid bonds at December 31, 2024.

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4. Property and equipment

	Camp facilities \$	Furniture & fixtures \$	Machinery & equipment \$	Computers \$	Total \$
Cost:					
December 31, 2023	98,385	27,447	82,992	188,685	397,509
Additions	9,910	-	-	-	9,910
December 31, 2024	108,295	27,447	82,992	188,685	407,419
Additions	-	-	918	-	918
June 30, 2025	108,295	27,447	83,910	188,685	408,337
Amortization:					
At December 31, 2023	(22,656)	(7,720)	(43,963)	(145,394)	(219,733)
Charge for the year	(21,101)	(5,631)	(34,880)	(41,539)	(103,151)
Foreign exchange	(1,643)	(1,081)	5,857	(1,752)	1,381
At December 31, 2024	(45,400)	(14,432)	(72,986)	(188,685)	(321,503)
Charge for the period	(11,479)	(2,897)	(5,717)	-	(20,093)
Foreign exchange	1,343	374	1,488	-	3,205
June 30, 2025	(55,536)	(16,955)	(77,215)	(188,685)	(338,391)
Net book value:					
December 31, 2023	75,729	19,727	39,029	43,291	177,776
December 31, 2024	62,895	13,015	10,006	-	85,916
June 30, 2025	52,759	10,492	6,695	-	69,946

5. Cash and cash equivalents

Cash and cash equivalents consist of:

	June 30, 2025 \$	December 31, 2024 \$
Cash in bank and on hand	1,066,777	1,932,700
Cash held in cashable GIC's	33,383	33,383
	1,100,160	1,966,083

As at June 30, 2025, the Company holds \$1,220,054 in Guaranteed Investment Certificates ("GIC") (USD\$800,000 and USD\$96,000) with contractual maturities on a monthly basis and July 2025, respectively, that are classified as term deposits. As at December 31, 2024, the Company holds \$1,291,920 in Guaranteed Investment Certificates ("GIC") (USD\$800,000 and USD\$96,000) with contractual maturities in January and July 2025, respectively, that are classified as term deposits. Refer to Note 10.

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6. Prepaid and deposits

	June 30, 2025	December 31, 2024
	\$	\$
Advances to third-party suppliers	4,348	1,260
Advances to employees	15,156	6,028
Prepaid deposits	38,084	16,404
	57,588	23,692

7. Mineral rights

In November 2020 the Company was awarded seven gold exploration license blocks (sectors) by the Egyptian Mineral Resources Authority “EMRA” in the Eastern Desert of Egypt. The sectors awarded to the Company are located within the Nubian Shield, the western subdivision of the Arabian Nubian Shield. They are grouped into three project areas and are covered by two Exploration Agreements with EMRA.

On January 20, 2021, the Company and EMRA signed the exploration license agreements to explore for gold and associated minerals in Egypt (refer to note 10). As at December 31, 2023, the Company had also prepaid \$146,326 (USD\$110,636) in rental commitments to be expensed over the next 12 months and Letters of Guarantee issued in favor of EMRA related to these concessions. As at December 31, 2024, the prepaid rental commitments were fully expensed.

On June 1, 2023, the Company entered into an asset purchase agreement with B2Gold Corp. (“B2Gold”) for the acquisition and assignment of mineral rights in the Arab Republic of Egypt within the Eastern Arabian Nubian-Shield. On December 22, 2023, the Company issued 3,485,710 common shares as share consideration to B2Gold with an estimated fair value of \$1,359,427 (refer to note 8).

Additionally, B2Gold will have the option to acquire up to an additional 3,485,710 common shares of the Company at an exercise price of \$0.50 per share for a period of 24 months from the date (the "Listing Date") that the Company’s common shares or listed common shares, as the case may be, become listed and posted for trading on a public stock exchange (refer to note 8).

8. Share capital and reserves

Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consist only of common shares.

Issued share capital

The following table summarizes the continuity of the Company’s common shares:

	Number of Shares	\$ Value
Balance as at December 31, 2023	69,897,665	16,757,026
Private placement	2,915,024	1,119,985
Balance as at December 31, 2024	72,812,689	17,877,011
Private placement	507,985	205,627
Balance as at June 30, 2025	73,320,674	18,082,638

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8. Share capital and reserves (Cont'd)

Issued share capital (Cont'd)

Period-ended June 30, 2025

On February 17, 2025, the Company closed a non-brokered private placement that raised gross proceeds of \$253,993 by the issuance of 507,985 units of the Company at a price per unit of \$0.50. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24-months from the issue date at a price of \$0.75 per share. The fair value of the warrants was calculated at \$48,366 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on a recent financing- \$0.405; exercise price - \$0.75; expected life – 2.00 years; estimated volatility based on comparable entities – 116%; expected dividend yield - 0%; and risk-free-rate – 2.72%.

Year-ended December 31, 2024

On June 18, 2024, the Company closed the third tranche of a non-brokered private placement that raised gross proceeds of \$1,375,050 by the issuance of 2,750,100 units of the Company at a price per unit of \$0.50. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24-months from the issue date at a price of \$0.75 per share. The fair value of the warrants was calculated at \$318,408 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on a recent financing- \$0.38; exercise price - \$0.75; expected life – 2.00 years; estimated volatility based on comparable entities – 146%; expected dividend yield - 0%; and risk-free-rate – 3.82%.

On June 30, 2024, the Company closed the first tranche of a non-brokered private placement following a supplier agreement that raised gross proceeds of \$82,462 by the issuance of 164,924 units of the Company at a price per unit of \$0.50. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24-months from the issue date at a price of \$0.75 per share. The fair value of the warrants was calculated at \$19,119 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on a recent financing- \$0.38; exercise price - \$0.75; expected life – 2.00 years; estimated volatility based on comparable entities – 146%; expected dividend yield - 0%; and risk-free-rate – 3.99%.

Warrants

The following table summarizes the continuity of the Company's warrants classified as equity:

	Number of Warrants Issued	Weighted Average Exercise Price \$
Balance, December 31, 2023	8,034,376	0.75
Issued	1,457,512	0.75
Balance, December 31, 2024	9,491,888	0.75
Issued	253,993	0.75
Balance, June 30, 2025	9,745,881	0.75

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8. Share capital and reserves (Cont'd)

Warrants (Cont'd)

Details of warrants outstanding, which are classified as equity, at June 30, 2025 are as follows:

Expiry Date ¹	Number of Warrants Outstanding and Exercisable	Issue Date	Fair Value on Issue Date \$	Weighted Average Remaining Life (Years)	Exercise Price \$
August 16, 2025	5,157,376	February 16, 2022	738,611	0.12	0.75
November 6, 2025	2,370,750	November 6, 2023	512,115	0.35	0.75
December 8, 2025	506,250	December 8, 2023	109,193	0.44	0.75
June 18, 2026	1,375,050	June 18, 2024	318,408	0.96	0.75
June 30, 2026	82,462	June 30, 2024	19,119	1.00	0.75
August 17, 2028	253,993	February 17, 2025	48,366	1.64	0.75
	9,745,881		1,745,812	1.26	0.75

¹ Effective July 2025, the Company extended the expiry dates of all outstanding common share purchase warrants, see note 18 for further detail.

See note 9 for warrants outstanding and classified as financial instruments.

Options

During the year ended December 31, 2023, the Company entered into an agreement with B2Gold (refer to note 8) where B2Gold was granted the option to acquire an additional 3,485,710 common shares of the Company at an exercise price of \$0.50 per share for a period of 24 months from the date (the "Listing Date") that the Company's common shares or listed common shares, as the case may be, become listed and posted for trading on a public stock exchange. On initial issuance, management estimated the Listing Date at the time to be December 31, 2026. During the year ended December 31, 2024, management revised the estimate of the Listing Date to December 31, 2025. The options are subject to cliff vesting as all of the options vest immediately on the Listing Date. As such, the stock-based compensation expense is amortized over the expected time to the Listing Date, vesting monthly until the listing date.

During the year ended December 31, 2024, the estimated Listing Date was amended to December 31, 2025 refer to Note 16. As a result, the fair value of the options was estimated at \$1,084,078 using the Black-Scholes Option Pricing Model, based on the following assumptions: share price based on a recent financing- \$0.39; exercise price - \$0.50; expected life - 4 years; estimated volatility based on comparable companies - 131%; expected dividend yield - 0%; and risk-free-rate - 3.44%.

The Company recorded stock-based compensation expense of \$133,859 and \$267,718 for the three and six months ended June 30, 2025, respectively (2024 - \$134,766 and \$269,533, respectively).

As at June 30, 2025, the estimated Listing Date remained unchanged.

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8. Share capital and reserves (Cont'd)

The following table summarizes the change in management estimates related to the valuation of the options on the initial issuance date:

	Initial December 31, 2023	Revised December 31, 2024
Share price	\$0.39	\$0.39
Exercise price	\$0.50	\$0.50
Expected life	5 years	4 years
Volatility	133%	131%
Dividend yield	0%	0%
Risk free rate	3.18%	3.44%

Details of options outstanding at June 30, 2025 are as follows:

Grant Date	Number of Options Outstanding	Number of Options Exercisable	Exercise Price \$	Weighted Average Remaining Life (Years)	Expiry Date	Fair value \$
December 22, 2023	3,485,710	-	0.50	2.50	December 31, 2027	1,084,078

9. Debenture liability

The following table reconciles the recorded value of the liability and the derivative components of the convertible debentures:

	Warrant component of convertible debenture \$	Total \$
Balance, December 31, 2023	1,647,854	1,647,854
Changes in fair value	(159,756)	(159,756)
Balance, December 31, 2024	1,488,098	1,488,098
Changes in fair value	(157,675)	(157,675)
Balance, June 30, 2025	1,330,423	1,330,423

On November 23, 2020, the Company, under a subscription agreement with various subscribers, issued \$1,465,675 (USD\$1,100,000) of senior secured convertible debentures bearing interest of 10% per annum with the interest paid bi-annually, and the principal due and payable at a date (the "Maturity Date") which is 18 months from the date of issuance.

In addition, at the time of issuance, a commitment fee equal to 4% of the principal amount of the debentures purchased as well as such number of common share purchase warrants (the "Bonus Warrants") equal to the aggregate subscription amount divided by the price per common share of the next private placement financing and sale of common shares (the "Next Share Price"); and each Bonus Warrant will entitle the holder to acquire a common share of the Issuer (or successor of the Issuer) at an exercise price per share equal to the Next Share Price at any time within the later of 36 months from the date of issuance and 18 months after the date the Issuer completes a Liquidity Event. As of December 31, 2023, 36 months had elapsed since the issuance date, and therefore, as at June 30, 2025 and December 31, 2024, the bonus warrants expire 18 months after the date of the liquidity event, estimated to be December 31, 2025.

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9. Debenture liability (Cont'd)

The Next Share Price was \$0.30 which resulted in the issuance of 4,877,400 Bonus Warrants, each exercisable into one common share at \$0.30 per share until June 30, 2027.

The Debentures were secured by a first charge on all present and acquired personal property of the Issuer, as described in further detail under the Terms and Conditions and Term Sheet attached thereto. All or any portion of the principal amount owing under the Debentures may be converted, at the holder's option, into common shares (the "Shares") of the Issuer (or successor thereof), following the date of issuance, at a price per Share (the "Conversion Price") equal to the Next Share Price, less a 25% discount thereof, following this offering of Debentures at any time until the Maturity Date. A total of USD\$575,000 of the principal amount of the debentures was issued to directors, officers, and or entities controlled by directors and or officers of the Company.

Warrant Liability

The following table summarizes the continuity of the Company's warrants:

	Number of Warrants Outstanding	Weighted Average Exercise Price \$
Balance, December 31, 2024 and June 30, 2025	4,877,400	0.30

Details of warrants outstanding as June 30, 2025 are as follows:

Expiry Date	Number of Warrants Outstanding and Exercisable	Exercise Price \$
June 30, 2027	4,877,400	0.30

As at December 31, 2024, the warrant component of the debentures was revalued at \$1,488,098 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on the most recent financing price - \$0.38; exercise price - \$0.30; expected life - 2.50 years; estimated volatility based on comparable entities - 148%; expected dividend yield - 0%; and risk-free-rate - 3%.

As at June 30, 2025, the warrant component of the debentures was revalued at \$1,330,423 using the Black-Scholes Option Pricing Model with the following assumptions: share price based on the most recent financing price - \$0.38; exercise price - \$0.30; expected life - 2 years; estimated volatility based on comparable entities - 135%; expected dividend yield - 0%; and risk-free-rate - 2.79%.

Of these warrants, 3,103,800 were held by directors of the Company, or companies controlled by the directors.

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10. Commitments and contingencies

As at June 30, 2025 and December 31, 2024, the Company had the following contractual arrangements and commitments in place for the provision of certain services:

a) Bid bond obligation and Letters of Credit (refer to note 3)

The Company has entered into several bid guarantees for gold exploration rights/concessions in the Arab Republic of Egypt in connection with Bid Round 1, 2020 and Bid Round 2, 2021 and corresponding to various land sectors as per the mining exploration agreements executed with the Company. In order to meet the bid round terms, the Company has committed to agreements for Standby Letters of Credit or Guarantees totaling USD\$950,000, with expiry dates of May 1, 2023. Upon Maturity, the Company secured the release of the Standby Letters of Credit or Guarantees totaling USD\$533,000 effective May 31, 2023. The remaining portion of the Zeidun Letter of Credit totaling USD\$417,000 was extended for a period of 12 months to May 1, 2024 as the termination date and May 31, 2024 as the counter guarantee termination date. Subsequently the Company secured the release of US\$321,000 with respect to the Zeidun letter of credit, reducing the balance to US\$96,000 for a period of twelve months to May 1, 2025, as the termination date, and May 31 2025 as the counter guarantee termination date. In June 2025 the Company secured the release of the remaining portion of the Zeidun letter of credit, in the amount of US\$96,000.

As of June 30, 2025, the Company has no outstanding bid bonds receivable or any commitments with respect to the accompanying letters of credit above for Bid Round 1, 2020 and Bid Round 2, 2021.

In 2021, the Company also supplied letters of guarantee representing 10% of the exploration commitment for the Siqdid blocks during the first exploration period of USD\$329,000 plus 5% as per the agreed terms of the agreement. This Letter of Credit was reduced to US\$246,500, plus 5% as of December 31, 2024 per the agreed terms of the agreement. Effective December 31, 2024, the remaining commitment to meet the committed spend total for the Siqdid blocks to release the letter of credit amounts to USD\$697,602, and as at June 30, 2025, the Company had met the committed spend requirement and applied for the release of the letter of credit.

In 2022, the Company applied for termination of one of the exploration licenses and requested for a return of the original letter of guarantee of USD\$270,000. In 2023, the company received the letter of guarantee refunded of USD\$270,000.

b) Egyptian Mineral Resources Authority obligation

On September 15, 2020, the Company submitted applications to the EMRA in respect of various "Blocks" in Bid Round 1 and enclosed Bid Bonds in the amount of USD\$60,000, which was subsequently increased by USD\$90,000 within 15 days of EMRA awarding the requested Block (refer to note 3). The Company supplied letters of guarantee (refer to note 10(a)) representing 10% of the minimum exploration commitment during the first exploration period of USD\$950,000 covering the Umm Samra, Zeidun and Sukari exploration areas. The Company was subject to the following spend commitments over a 2-year period effective the dates on which the Company secured the right to access the properties by EMRA on payment of the rental value: Umm Samra blocks of USD\$1,800,000 and Zeidun blocks of USD\$4,170,000. The Company took occupation of the Zeidun and Umm Samra blocks on November 29, 2021 and November 1, 2021 respectively when metal marker beacons were placed on the concessions. As of December 31, 2024, the Company has met the committed spend requirements and secured the release of all the letters of guarantee referred to in note 10(a) above and commentary below.

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10. Commitments and contingencies (Cont'd)

The Company was also awarded four additional blocks (the Sukari blocks) which are located within the Wadi Gamal National Park. The Company successfully terminated the concessions with the government, with no financial impact to the Company.

After December 31, 2022, the Company was therefore legally entitled to the reimbursement of the letters of guarantee with respect to Sukari blocks. An amount of USD\$270,000 was reimbursed to the Company on official termination of the concession areas in February 2023 by securing the release of the Letter of Guarantee for the Sukari blocks from EMRA in the amount of USD \$270,000, together with the associated Bid-bond in the amount of USD \$50,000. Effective May 2023, the Company received formal confirmation of the release of the Letter of Credit for the Umm Samra concession area in the amount of USD \$180,000, as well as the reduction of the value of the Letter of Guarantee for the Wadi Zeidun concession in the amount of USD \$83,000, from USD \$500,000 to USD \$417,000 (Refer to Note 10(a) for further comment on this Letter of Guarantee).

The Company must pay EMRA annual rental fees per km² of land included in the exploration areas. The rental payments are due in advance and shall be payable as follows: EGP5,000 per km² for each year of the first exploration period of 2 years; EGP10,000 per km² for each year of the second exploration period of 2 years; EGP15,000 per km² for each year of the third exploration period of 2 years and EGP20,000 per km² for each year of the fourth and last exploration period of 2 years.

In December 2023, in accordance with the terms of the asset purchase agreement signed with B2Gold, the Company was required to register a letter of guarantee representing 10% of the minimum exploration commitment during the first exploration period of USD\$800,000 covering the Umm Salimm exploration areas. The Company is subject to a spending commitment of USD \$8,000,000 over a 2-year period, effective on January 13, 2024.

As at June 30, 2025, the Company has yet to meet the full committed spend for the Umm Salimm blocks. The remaining commitment to meet the committed spend to release the letter of guarantee amounts USD\$7,793,098 with little spent to date across these blocks as the Company has not yet received the required security clearances to access the exploration areas. As a result, the areas underwent only preliminary reconnaissance work during the year. The Company is in discussion with EMRA as to amending the terms of the spending commitment due to these delays.

c) Environmental Contingencies

The Company's mineral 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 has made, and expects to make in the future, expenditures to comply with such laws and regulations. As a triggering event has not taken place, no provisions have been recorded as at June 30, 2025 and December 31, 2024.

d) Title to Exploration and Evaluation Properties

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

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10. Commitments and contingencies (Cont'd)

e) Share issuance

The Company is party to a supplier agreement whereby upon certain services being performed, the supplier is expected to subscribe for units of the Company at a price of per unit of \$0.50 in an amount equal to the value of the services performed, to a maximum value of US\$2,000,000 (being up to 5,400,000 units). The subscription proceeds are to be used to compensate the supplier for services received by the Company. As at June 30, 2025, a total of \$971,423 (US \$712,030) has been accrued in accounts payable and accrued liabilities related to this arrangement. Each unit consists of one common share of the Company and one half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24 months from the issue date at a price of \$0.75 per share. During the six months ended June 30, 2025, 507,985 units were issued for proceeds of \$253,993 pursuant to this arrangement. The arrangement was dated January 15, 2024 and is for a term of two years.

11. Related parties

Refer to Note 9, Debenture liability and Note 8, Share capital and reserves.

Key management compensation

Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the President and Chief Executive Officer, Chief Financial Officer, Executive Chairman and Directors. The following table lists the compensation costs paid directly to, or to companies controlled by, key management personnel for the six months ended June 30, 2025 and 2024:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Consulting fees paid/accrued to a private company controlled by director and CEO	37,500	31,875	75,000	63,750
Consulting fees paid/accrued to private companies controlled by directors	30,000	59,771	60,000	98,396
Total	67,500	91,646	135,000	162,146

As at June 30, 2025, \$195,395 (December 31, 2024 - \$79,145) of related party payments was owing to the CEO/Director and Country Manager/Directors of the Company. The balances are recorded in accounts payable and are unsecured, non-interest bearing, and due on demand.

During the six months ended June 30, 2025 and the year ended December 31, 2024, the Company did not issue any common shares to related parties. In addition, the Company agreed to pay two directors of the Company 15% of their compensation through the issuance of shares.

12. Loss per share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2025 was based on the loss attributable to common shareholders of \$600,887 and \$1,826,137, respectively (2024 – \$857,729 and \$1,881,032, respectively) and the weighted average number of common shares outstanding of 73,547,059 and 73,185,960, respectively (2024 – 70,256,374 and 70,079,992, respectively). Diluted loss per share did not include the effect of stock options, warrants or the convertible debentures as they are anti-dilutive.

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13. Capital management

As at June 30, 2025, the capital structure of the Company consists of total shareholders' deficiency of \$141,271 (December 31, 2024 – shareholders' equity of \$1,163,155).

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its exploration and evaluation assets, acquire additional exploration and evaluation interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Company's Board of Directors. The Company currently is not subject to externally imposed capital requirements.

There have been no significant changes in the Company's capital management during 2025 and 2024.

14. Financial instrument fair value and risk factors

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments include cash and cash equivalents, term deposits, restricted cash, bid bond receivable, accounts payable and accrued liabilities, and warrant component of debentures. The carrying value of these financial instruments approximates their fair value.

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at June 30, 2025 and December 31, 2024:

As at June 30, 2025			
	Level 1	Level 2	Level 3
	\$	\$	\$
Warrant component of debentures	-	-	1,330,423
As at December 31, 2024			
	Level 1	Level 2	Level 3
	\$	\$	\$
Warrant component of debentures	-	-	1,488,098

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14. Financial instrument fair value and risk factors (Cont'd)

The Company estimated the fair value of the warrant component of the debentures using the Black-Scholes Pricing Model. Note 9 outlines the key assumptions used by the Company in determining the estimated fair value of the warrant liability. The Company uses significant unobservable inputs to estimate the fair value of this liability at each reporting date, such as the estimated share price and time to expiry.

Significant unobservable inputs are classified as Level 3 inputs under IFRS, reflecting management's best estimate of what market participants would use in valuing the liability at the measurement date and is dependent on the availability of market-based information. A +/-5% change in the share price, risk-free rate, estimated volatility, and time to expiry would result in an approximately +/- \$800 change (June 30, 2024 – \$700) in the loss and comprehensive loss of the Company for the three months ended June 30, 2025, and an approximately +/- \$140,500 change (June 30, 2024 – \$138,200) for the six months then ended June 30, 2025.

Risk factors

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to minimal credit risk on cash and cash equivalents, term deposits, restricted cash, and bid bonds. The risk is mitigated by cash and cash equivalents, term deposits and restricted cash being held with chartered banks and bid bonds held with EMRA and Shalateen. The Company holds cash and cash equivalents in the form of GIC's.

Currency Risk

Currency risk is due to monetary assets and liabilities being denominated in currencies other than its functional currencies. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company has a portion of its assets and cash reserves in United States Dollar and the Egyptian Pound. The following assets were denominated in foreign currencies and presented in Canadian dollars:

	June 30, 2025 EGP	June 30, 2025 USD	December 31, 2024 EGP	December 31, 2024 USD
Cash and cash equivalents	3,929,435	210,567	1,719,052	395,614
Term deposits	-	896,000	-	896,000
	3,929,435	1,106,567	1,719,052	1,291,614

A fluctuation of +/-5% provided as an indicative range in currency movement, on assets that are denominated in foreign currencies other than Canadian dollars, with all other things being equal, have an effect on the after-tax loss and comprehensive loss approximately +/- \$47,000 (June 30, 2024 -\$35,200) for the three months ended June 30, 2025 and approximately +/- \$20,000 (June 30, 2024 -\$60,800) for the six months ended June 30, 2025.

Interest Rate Risk

Interest rate risk is the risk due to variability of interest rates. The Company has cash balances and interest-bearing debt with fixed rates; therefore, interest rate risk is minimal.

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14. Financial instrument fair value and risk factors (Cont'd)

Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due. The Company takes steps to ensure that it has sufficient working capital and available sources of financing to meet future cash requirements for capital programs and operations.

The Company intends to issue equity to ensure the Company has sufficient access to cash to meet current and foreseeable financial requirements. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support its financial obligations and the Company's capital programs. There is no assurance that the Company will be able to raise additional sources of financing.

The contractual maturity of the warrant component of debenture is 2027.

Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

15. Segmented information

The Company currently operates in a single segment: the acquisition, exploration and development of mining properties. The Company operated in three geographical jurisdictions: Canada, Egypt and Cyprus.

	Canada	Cyprus	Egypt
	\$	\$	\$
Period ended June 30, 2025			
Net loss	258,935	58,834	1,498,034
As at June 30, 2025			
Total assets	2,189,237	15,064	645,726
Total non-current assets	-	-	423,062
	Canada	Cyprus	Egypt
	\$	\$	\$
Period ended June 30, 2024			
Net loss	539,786	60,644	1,360,094
As at December 31, 2024			
Total assets	2,878,255	28,106	880,071
Total non-current assets	-	-	458,341

16. Proposed Transaction

On June 26, 2025, the Company entered into an arrangement with Great Quest Gold Ltd. (the "Arrangement") pursuant to which the Company agreed to sell all of its outstanding common shares to Great Quest Gold Ltd. in exchange for 63.3% of the shares of Great Quest Gold Ltd. Pursuant to the Arrangement, Great Quest Gold Ltd. is to complete a non-brokered private placement bridge financing, to raise gross proceeds of up to \$500,000 and up to 20,000,000 shares.

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16. Proposed Transaction (Cont'd)

The Company is to provide an advance to Great Quest Gold Ltd. in the amount of \$300,000, in exchange for a convertible debenture of Great Quest Gold Ltd., bearing interest at 10% per annum, due six months from the date of the advance, secured by a general security agreement from Great Quest Gold Ltd. in favour of the Company granting security over all present and after acquired personal property, and subject to conversion, at the sole option of the Company, into Great Quest Gold Ltd. shares at a pre-Consolidation price of \$0.025 per share. Great Quest Gold Ltd. is to execute a share consolidation on a 30:1 basis.

The Arrangement constitutes a "reverse takeover" under securities law. Pursuant to the Arrangement, as the Company's shareholders are to become the ultimate shareholders, which is to result in the ongoing reporting entity from the Arrangement date to be Lotus Gold Corporation Ltd.

Concurrent with the execution of the Arrangement, Great Quest Gold Ltd. is to complete a private placement for aggregate proceeds of up to \$3,000,000.

The completion of the Arrangement is subject to various approvals, final due diligence, and a definitive agreement. There can be no assurances that the Arrangement will be completed as disclosed herein, or at all.

17. Reclassification of comparative figures

Certain comparative figures in the consolidated statements of loss and comprehensive loss have been reclassified to conform with the current year's presentation. These include consulting fees, general and administrative expenses, bank charges and interest and interest income.

18. Events after the reporting period

Effective July 2025, the Company extended the expiry dates of all outstanding common share purchase warrants. A summary of the revised warrant expiry dates is presented below.

Amended Expiry Date	Number of Warrants Outstanding and Exercisable	Issue Date
February 16, 2027	5,157,376	February 16, 2022
May 6, 2027	2,370,750	November 6, 2023
June 8, 2027	506,250	December 8, 2023
December 18, 2027	1,375,050	June 18, 2024
December 30, 2027	82,462	June 30, 2024
August 17, 2028	253,993	February 17, 2025
	9,745,881	

SCHEDULE "G"
MANAGEMENT'S DISCUSSION AND ANALYSIS OF LOTUS

LOTUS GOLD CORPORATION
1890 – 1075 West Georgia Street
Vancouver, BC V6E 3C9

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) TO ACCOMPANY THE CONSOLIDATED FINANCIAL STATEMENTS OF LOTUS GOLD CORPORATION. (THE “COMPANY” OR “LOTUS”) FOR THE YEAR ENDED DECEMBER 31, 2024

This management's discussion and analysis (“MD&A”), dated August 29, 2025 provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the year ended December 31, 2024, compared to the year ended December 31, 2023. This report prepared as at August 29, 2025 intends to complement and supplement our audited consolidated financial statements (the “financial statements”) as at December 31, 2024 which have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). This report should be read in conjunction with the Company’s financial statements and accompanying notes for the year ended December 31, 2024 and 2023.

Our consolidated financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our consolidated financial statements have been prepared using accounting policies consistent with IFRS. All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Discussion of operations

Lotus Gold Corporation (the “Company” or “Lotus”) was incorporated as 1251721 B.C. Ltd. on May 29, 2020 under the laws of the province of British Columbia (“BC”), Canada. The Company is in the process of acquiring exploration and development rights of gold mining properties in areas of the Arabian Nubian Shield region of Egypt.

The Company is an exploration stage company and is in the process of exploring its mineral properties and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

Forward looking statements:

Where we say “we”, “us”, “our”, “Lotus”, the “Company”, we mean Lotus Gold Corporation, as it may apply.

This management discussion and analysis may contain forward-looking statements in respect of various matters including upcoming events and include without limitation, statements regarding discussions of the Company’s business strategy, future plans, projections, objectives, estimates and forecasts and statements as to management's expectations with respect to, among other things, the development of the Company’s project. These forward-looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, certain transactions, certain approvals, changes in commodity prices, risks inherent in exploration results, timing and success, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and mineral resources), delays in the receipt of government approvals, and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this MD&A, the Company has applied several material assumptions, including without limitation, the assumption that any additional financing needed will be available on reasonable terms.

Additional factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other factors: (1) weak commodity prices and general metal price volatility; (2) the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand and economic and political events affecting supply and demand; and (3) securing and the nature of regulatory permits and approvals and the costs of complying with environmental, health and safety laws and regulations.

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The Company cannot assure you that any of these assumptions will prove to be correct.

The words “expect,” “anticipate,” “estimate,” “may,” “will,” “should,” “intend,” “believe,” “target,” “budget,” “plan,” “projection” and similar expressions are intended to identify forward-looking statements. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present during operations or if and when an undeveloped project is actually developed.

These factors should be considered carefully, and readers should not place undue reliance on the Company’s forward-looking statements. The Company believes that the expectations reflected in the forward-looking statements, including future-oriented financial information, contained in this MD&A and any documents incorporated by reference are reasonable, but no assurance can be given that these expectations will prove to be correct. In addition, although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, including future-oriented financial information, there may be other factors that cause actions, events, or results not to be as anticipated, estimated, or intended. The Company undertakes no obligation to disclose publicly any future revisions to forward-looking statements, including future-oriented financial information, to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events, except as expressly required by law.

Additionally, the forward-looking statements, including future-oriented financial information, contained herein are presented solely for the purpose of conveying our reasonable belief of the direction of the Company and may not be appropriate for other purposes.

The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Overall performance

The Company has acquired and is in the process of acquiring additional exploration and development rights of gold mining properties in areas of the Arabian Nubian Shield region of Egypt. The Company has not earned any revenue to date from its mining operations and is therefore considered to be in the exploration (“exploration”) stage.

Effective February 17, 2025, the Company closed a non-brokered private placement, following a supplier agreement, that raised gross proceeds of \$253,993 by the issuance of 507,985 units of the Company at a price per unit of \$0.50. The non-brokered private placement at \$0.50 per unit, consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24 months from the issue date at a price of \$0.75 per share.

On June 26, 2025, the Company entered into an arrangement with Great Quest Gold Ltd. (the “Arrangement”) pursuant to which the Company agreed to sell all of its outstanding common shares to Great Quest Gold Ltd. in exchange for 63.3% of the shares of Great Quest Gold Ltd. Pursuant to the Arrangement, Great Quest Gold Ltd. is to complete a non-brokered private placement bridge financing, to raise gross proceeds of up to \$500,000 and up to 20,000,000 shares. The Company is to provide an advance to Great Quest Gold Ltd. in the amount of \$300,000, in exchange for a convertible debenture of Great Quest Gold Ltd., bearing interest at 10% per annum, due six months from the date of the advance, secured by a general security agreement from Great Quest Gold Ltd. in favour of the Company granting security over all present and after acquired personal property, and subject to conversion, at the sole option of the Company, into Great Quest Gold Ltd. shares at a pre-Consolidation price of \$0.025 per share. Great Quest Gold Ltd. is to execute a share consolidation on a 30:1 basis. The Arrangement constitutes a “reverse takeover” under securities law. Pursuant to the Arrangement, as the Company’s shareholders are to become the ultimate shareholders, which is to result in the ongoing reporting entity from the Arrangement date to be Lotus Gold Corporation Ltd. Concurrent with the execution of the Arrangement, Great Quest Gold Ltd. is to complete a private placement for aggregate proceeds of up to \$3,000,000. The completion of the Arrangement is subject to various approvals, final due diligence, and a definitive agreement. There can be no assurances that the Arrangement will be completed as disclosed herein, or at all.

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Pursuant to the Arrangement, Lotus is expected to enter into a secured loan agreement with GQ for \$300,000, bearing interest at 10% per annum. Should the Arrangement not close by November 30, 2025, the loan will be subject to conversion into GQ shares at a pre-consolidation price of \$0.025 per share.

In June 2025 the Company secured the release of the remaining portion of the Zeidun letter of credit, in the amount of US\$96,000.

Effective July 2025, the Company extended the expiry dates of all outstanding common share purchase warrants. A summary of the revised warrant expiry dates is presented below.

Amended Expiry Date	Number of Warrants Outstanding and Exercisable	Issue Date
February 16, 2027	5,157,376	February 16, 2022
May 6, 2027	2,370,750	November 6, 2023
June 8, 2027	506,250	December 8, 2023
December 18, 2027	1,375,050	June 18, 2024
December 30, 2027	82,462	June 30, 2024
August 17, 2028	253,993	February 17, 2025
	9,745,881	

Effective June 30, 2025, the Company, following a supplier agreement signed in 2024, has a commitment to issue 1,922,481 units of at a price of per unit of \$0.50 via a non-brokered private placement that will raise gross proceeds of \$961,241. The non-brokered private placement, at \$0.50 per unit, consists of one common share of the Company and one half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24 months from the issue date at a price of \$0.75 per share.

Project Summaries and Activities and Outlook

Mineral rights, Eastern desert of Egypt

In November 2020 the Company was awarded seven gold exploration license blocks (sectors) by the Egyptian Mineral Resources Authority “EMRA” in the Eastern Desert of Egypt. The sectors awarded to the Company are located within the Nubian Shield, the western subdivision of the Arabian Nubian Shield, the western subdivision of the Arabian Nubian Shield. They are grouped into three project areas and are covered by two Exploration Agreements with EMRA.

On January 20, 2021, the Company and EMRA signed the exploration license agreements to explore for gold and associated minerals in Egypt. As at December 31, 2023, the Company had also prepaid \$146,326 (USD\$110,636) in rental commitments to be expensed over the next 12 months and Letters of Guarantee issued in favor of EMRA related to these concessions. As at December 31, 2024, the prepaid rental commitments are fully expensed.

The seven blocks awarded in 2020 consist of two exploration agreements with EMRA, the Wadi Zeidun and Umm Samra agreements. Following the first two-year term, the Wadi Zeidun and Umm Samra properties were renewed for 2 years with a reduction in size. In addition to renewing parts of the Zeidun and Umm Samra properties, the Company also relinquished two blocks that made up part of the Wadi Zeidun exploration agreement with EMRA. These two blocks known as Wadi Ghazah, were relinquished in their entirety at the end of the first exploration period in November 2023.

In May 2022 the Company was awarded an additional three gold exploration license blocks (sectors) in the second round of the competitive bid process implemented by the Egyptian Mineral Resources Authority “EMRA” in the Eastern Desert of Egypt.

On June 1, 2023, the Company entered into an asset purchase agreement with B2Gold Corp. (“B2Gold”) for the acquisition and assignment of mineral rights in the Arab Republic of Egypt within the Eastern Arabian Nubian-Shield. On December

LOTUS GOLD CORPORATION
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For the year ended December 31, 2024 and 2023

22, 2023, the Company issued 3,485,710 common shares as share consideration to B2Gold with an estimated fair value of \$1,359,427.

Additionally, B2Gold will have the option to acquire up to an additional 3,485,710 common shares of the Company at an exercise price of \$0.50 per share for a period of 24 months from the date, the "Listing Date" that the Company's common shares or listed common shares, as the case may be, become listed and posted for trading on a public stock exchange.

The Company was assigned the B2Gold mineral rights by EMRA in January 2024, and these areas are known as the Umm Salimm project. The Umm Salimm project consists of 5.5 blocks.

As of 31 December 2024, the Company has the equivalent of approximately 11 blocks in four different but mostly contiguous project areas totaling approximately 1,930 km².

Work during 2024 focused on regional exploration across the four project areas: Wadi Zeidun, Umm Samra, Siqdid, and Umm Salimm. The objective was to generate and refine targets for follow-up and, where warranted, drill testing. Exploration activities included reconnaissance traverses, geological mapping, rock chip sampling, and regional stream/ drainage sediment surveys. Where results justified, follow-up work comprised channel and trench sampling, supported by detailed ground magnetic surveys.

At Wadi Zeidun and Umm Samra, licenses originally granted in Bid Round One (2021) received their first two-year renewals in May 2024. Work during the year focused on target definition and drill preparation. Ground magnetic surveys were completed at Umm Bisillah North and South, Jindi North, and Ash Shihimiyyah, covering 156 line-km at line spacings of 50 m and 100 m. A diamond drilling program commenced in Q4 2024 to test these priority targets, with drilling continuing into Q1 2025.

The three Siqdid license blocks, awarded in Bid Round Two and effective from December 2023, were advanced through reconnaissance exploration during 2024. Similarly, the Umm Salimm license blocks, assigned to the Company in January 2024 from B2Gold's Bid Round One portfolio, underwent preliminary reconnaissance work during the year.

In total, 7,115 samples were collected across all licenses in 2024. The diamond drill program, which tested Umm Bisillah North, Umm Bisillah South, Ash Shihimiyyah, and Jindi North, totaled 3,300 m and was completed in February 2025.

New Opportunities

The Company is in the process of completing the proposed RTO with Great Quest.

Selected Annual Information

Year Ended:	December 31, 2024	December 31, 2023	December 31, 2022
Financial Results:			
Exploration expenses	\$ 2,766,203	\$ 4,012,607	\$ 3,716,610
Net loss for the year	(3,958,779)	(6,119,827)	(5,720,744)
Basic and diluted loss per share	(0.06)	(0.10)	(0.11)
Balance Sheet Data:			
Cash	\$ 1,966,083	\$ 2,384,194	\$ 5,715,732
Term deposit	1,291,920	1,624,213	-
Property and equipment	85,916	177,776	288,408
Restricted cash	372,425	456,891	467,878
Total assets	3,786,432	5,116,317	6,766,689
Accounts payable and accrued liabilities	1,135,179	379,369	666,516
Warrant component of debentures	1,488,098	1,647,854	1,382,395

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Year Ended:		December 31, 2024		December 31, 2023		December 31, 2022
Shareholders' equity	\$	1,163,155	\$	3,089,094	\$	4,717,778

Cash Flow Data:

Increase (decrease) in cash and cash equivalent for the year	\$	(418,111)	\$	(3,331,538)	\$	3,250,964

The Company did not have any sales, discontinued operations, extraordinary items, and cash dividends during the years. Material factors affecting operations and mineral property expenditures are described elsewhere in the MD&A. There are no general trends regarding the Company's annual results and the Company's business is not seasonal, as it can develop and progress on a year-round basis, funding permitting. Annual results may vary significantly depending mainly on whether the Company has engaged in new activities which may account for material variations in the Company's annual losses which are not predictable. See also the results of operations discussion below.

The Company charges to operations all exploration and evaluation expenses incurred, including acquiring licenses and property interests and other costs associated with exploration and evaluation activities prior to the determination of economically recoverable reserves. The effect of this policy is that the net loss for the year increases, as the exploration expenses increase.

Net loss for the year increased from \$5,720,744 for the year ending December 31, 2022 to \$6,119,827 in the year ending December 31, 2023, and then decreased to \$3,958,779 in the year ending December 31, 2024. These movements have a direct correlation with the exploration activity as \$3,716,610 was spent during the year ending December 31, 2022 and \$4,012,607 was spent on exploration in the year ending December 31, 2023 versus \$2,766,203 being spent during the year ending December 31, 2024. As mentioned above, exploration expenses were charged to operations.

The level of exploration activity is also influenced by the amount of available cash, as can be seen in the table above, with cash levels being \$5,715,732 on December 31, 2022 and \$2,384,194 in December 31, 2023 and \$1,966,083 on December 31, 2024. The movements in cash levels on are mainly influenced by financing activities and the release of letters of credit and bid bonds held by EMRA.

Cash flow analysis

Operating Activities

During the year ended December 31, 2024, cash used in operating activities was \$ 2,481,498 (2023 - \$4,521,716) for the activities as described below, including exploration expenses.

Investing activities

During the year ended December 31, 2024, the Company generated \$ 605,875 (2023 – Cash used \$1,726,953) from investing activities. The Company received \$199,026 (2023 - \$67,720) as refunds from the release of bid bonds by EMRA, purchased \$Nil (2023 - \$132,260) bid bonds, spent \$9,910 (2023 - \$38,200) on purchasing of equipment and redeemed \$332,293 (2023 purchased \$1,624,213) in GIC's on the release of Letters of Credit by EMRA. In addition, the amount of restricted cash was reduced by \$84,466.

Financing activities

During the year ended December 31, 2024, the Company generated net \$1,457,512 (2023 - \$2,877,000) from private placements, being share issuances from financing activities. The Company also generated a further \$Nil (2023 - \$40,131) from the collection of subscriptions receivable.

Results of Operations – For the year ended December 31, 2024

For the year ended December 31, 2024, the Company incurred a net loss of \$3,958,779 compared to the year ended December 31, 2023 of \$6,119,827. The current period includes \$2,766,203 spending on exploration expenses compared to \$4,012,607 for the same period during the prior year. The overall loss before other income was \$4,253,812 compared to \$5,970,495 for

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prior year. The net loss for the year ending December 31, 2024 included an interest income credit of \$135,277 (2023 - \$116,127) and a foreign exchange gain of \$36,261 (2023 -loss of \$41,739).

Some of the significant charges to operations are as follows:

- Exploration expenses of \$2,766,203 (2023 - \$4,012,607) as the Company expends exploration expenses as they are incurred and were all incurred on the Mineral rights in the Eastern Arabian Desert of Egypt. The decrease was mainly as a result of the decrease in drilling and related activities versus that of the programs conducted in 2023, refer to Project summaries and activities and outlook for work completed for the year ended 2024.
- Consulting fees of \$545,200 (2023 - \$1,093,351) include payment of \$339,975 (2023 - \$682,933) to key management, as they are responsible for planning, directing and controlling the activities of the company. The decrease in expenditure in 2024 versus 2023 is directly correlated to the decrease in exploration activities above.
- General and administrative expenses, which comprise office expenses of \$17,943 (2023 - \$21,836), regulatory filing fees of \$5,423 (2023 - \$7,044), meals and entertainment of \$1,199 (2023 - \$3,348), computer and internet costs of \$20,414 (2023 - \$Nil), rent expense of \$10,889 (2023 - \$20,245), taxes of \$1,613 (2023 - \$361), and certain administrative expenses of \$16,124 (2023 - \$12,466), increased to \$73,605 (2023 - \$65,300) during the period primarily mainly due to the increase in computer and internet costs despite lower corporate activity and cost-management initiatives.
- Professional fees of \$284,786 (2023 - \$191,544) include accounting fees, auditing fees and legal fees and was incurred in the process to maintain accounting records and financial statements up to date, deal with regulatory and legal matters in the ordinary course of business and remained within expectation.
- Wages and Salaries of \$340,773 (2023 - \$271,500) include fees paid to on-site personnel. The increase in the expense was mainly on account of payroll increases to field and operational teams in Egypt including that of meeting our regulatory reporting responsibilities with the government of Egypt.

Summary of Quarterly Results

2024 Quarterly Results:	4rd Quarter	3rd Quarter	2nd Quarter	1st Quarter
Loss and comprehensive Loss	\$ 1,307,055	\$ 734,431	\$ 857,729	\$ 1,023,303
Basic and diluted loss per share*	0.02	0.01	0.01	0.01
Total assets	3,786,432	3,621,976	4,983,623	4,197,829
Working capital	704,814	1,494,127	2,256,014	1,534,210

2023 Quarterly Results:	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Loss and comprehensive Loss	\$ 3,331,578	\$ 843,073	\$ 956,338	\$ 1,030,577
Basic and diluted loss per share*	0.05	0.01	0.02	0.02
Total assets	5,116,317	3,313,615	4,483,319	5,684,565
Working capital	2,255,401	1,652,196	1,889,505	2,804,051

* No exercise or conversion is assumed during the quarters in which a net loss is incurred, as the effect is anti-dilutive.

There are no general trends regarding the Company's quarterly results and the Company's business is not seasonal, as it can develop and progress on a year-round basis, funding permitting. Quarterly results may vary significantly depending mainly on whether the Company has engaged in new activities or abandoned any projects and these factors which may account for material variations in the Company's quarterly losses are not predictable. See also the results of operations discussion above.

Liquidity and Capital Resources

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or

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business interests and develop profitable operations or a combination thereof, which is not assured. The Company may revise programs depending on its working capital position.

As at December 31, 2024 the Company had a working capital of \$704,814 (2023 - \$2,255,401) which primarily consisted of cash and cash equivalents of \$1,966,083 (2023 - \$2,384,194), prepaids and deposits of \$23,692 (2023 - \$204,681), GST and other tax credits receivables of \$46,396 (2023 - \$69,536), and term deposit of \$1,291,920 (2023 - \$1,624,213).

Current liabilities of \$2,623,277 (2023 - \$2,027,223), mainly consisting of accounts payable and accrued liabilities of \$1,135,179 (2023 - \$379,369) and warrant component of debentures of \$1,488,098 (2023 - \$1,647,854). As at December 31, 2024 the Company had total assets of \$3,786,432 (2023 - \$5,116,317).

The Company has entered into several bid bonds and letters of guarantee for gold exploration rights/concessions in the Arab Republic of Egypt in connection with Bid Round 1, 2020 and Bid Round 2, 2021 and corresponding to various land sectors as per the mining exploration agreements executed with the Company. In order to meet the bid round terms, the Company committed to agreements for Standby Letters of Credit or Guarantees totaling USD\$950,000, with expiry dates of May 1, 2023. Upon Maturity, the Company secured the release of the Standby Letters of Credit or Guarantees totaling USD\$533,000 effective May 31, 2023. The remaining portion of the Zeidun Letter of Credit totaling USD\$417,000 was extended for a period of 12 months to May 1, 2024 as the termination date and May 31, 2024 as the counter guarantee termination date. Subsequently the Company secured the release of US\$321,000 with respect to the Zeidun letter of credit, reducing the balance to US\$96,000 for a period of twelve months to May 1, 2025, as the termination date, and May 31, 2025 as the counter guarantee termination date. In June 2025, the Company secured the release of the remaining portion of the letter of credit in the amount of USD\$96,000.

In 2021, the Company also supplied letters of guarantee representing 10% of the exploration commitment for the Siqdid blocks during the first exploration period of USD\$329,000 plus 5% as per the agreed terms of the agreement. This Letter of Credit was reduced to US\$246,500 as of December 31, 2024, and remains active.

The Company must pay to EMRA annual rental fees per km² of land included in the exploration areas. The rental payments are due in advance and shall be payable as follows: EGP5,000 per km² for each year of the first exploration period of 2 years; EGP10,000 per km² for each year of the second exploration period of 2 years; EGP15,000 per km² for each year of the third exploration period of 2 years and EGP20,000 per km² for each year of the fourth and last exploration period of 2 years.

In December 2023, in accordance with the terms of the asset purchase agreement signed with B2Gold, the Company was required to register a letter of guarantee representing 10% of the minimum exploration commitment during the first exploration period of USD\$800,000 covering the Umm Salimm exploration areas. The Company is subject to a spending commitment of USD \$8,000,000 over a 2-year period, effective on January 13, 2024.

Effective December 31, 2024, the remaining commitment to meet the required spend for the Siqdid blocks in order to release the related letter of credit was USD \$697,602. As of the same date, the Company had not yet met the full committed spend for the Umm Salimm blocks, with a remaining obligation of USD \$7,797,807. Minimal expenditures have been incurred on these blocks to date as the Company has not yet received the necessary security clearances to access the exploration areas, and only preliminary reconnaissance work was undertaken during the year. The company has fulfilled the full commitment required for Zeidun and Umm Samra blocks.

Other than the above-mentioned current liabilities, the Company has an obligation to maintaining its mineral properties in good standing. The Company has no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

Historically, the Company's sole source of funding has been loans from related parties, private placements and debt financing. The Company's access to financing is always uncertain. There can be no assurance of continued access to

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significant equity funding. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company's liabilities are predominantly due within 90 days of December 31, 2024.

The following table summarizes the Company's cash on hand, working capital and cash flow activities:

As at	December 31, 2024	December 31, 2023
Cash	\$ 1,966,083	\$ 2,384,194
Working capital	704,814	2,255,401
Period ended	December 31, 2024	December 31, 2023
Cash used in operating activities	\$ (2,481,498)	\$ (4,521,716)
Cash provided by (used in) investing activities	605,875	(1,726,953)
Cash provided by financing activities	1,457,512	2,917,131
Change in cash	\$ (418,111)	\$ (3,331,538)

The Company is dependent on the sale of treasury shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company may be required to curtail or reduce its activity levels.

Capital Resources

The Company has no operations that generate cash flow and its long-term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital asset is mineral properties. Exploration expenditures are expensed as incurred.

The Company needs to raise additional working capital to fully fund its corporate activities, to support its permitting requirements and to fund its exploration activities in Egypt for the next year ended December 31, 2025. Further, should the Company acquire additional properties then the Company may require additional capital to fund the acquisition and/or associated exploration activities on the new properties.

There is a risk that the Company may not be able to raise sufficient funds, thus jeopardizing the Company's ability to maintain its mineral projects/properties or continue as a going-concern. A large majority of the exploration expenditures are denominated in the US dollars giving rise to market risk from changes in foreign exchange rates, which may negatively or positively impact the Company's working capital.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet transactions.

Outstanding Share Data

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consist only of common shares.

As at the date of this report, 73,320,674 (2024 – 72,812,689 and 2023 – 69,897,665) common shares were issued and outstanding.

The Company has 9,745,881 (2024 – 9,491,888 and 2023 – 8,034,376) common share purchase warrants exercisable at \$0.75 per common share expiring between February 16, 2027, and December 30, 2027.

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The Company has 3,485,710 (2024 and 2023 - 3,485,710) stock options outstanding with Nil (2024 and 2023 – Nil) exercisable at \$0.50 per stock option expiring December 31, 2027.

Directors and officers

The Directors, Executive Officers, and related companies of the Company are as follows:

Michael Silver	-	Director, President and CEO
Heye Daun	-	Director
Alan Friedman	-	Director
Omar Nasser	-	Director
Dave Underwood	-	Director
Tony Silva	-	Chief Financial Officer
Delta Energy Advisory	-	Company owned by Omar Nasser (Director)
MEC Holdings	-	Company owned by Omar Nasser (Director)
VLCY Capital Partners Ltd.	-	Company owned by Mike Silver (Director)

Related Party Transactions

Key management compensation

Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the President and Chief Executive Officer, Chief Financial Officer, Executive Chairman and Directors. The following table lists the compensation costs paid directly to, or to companies controlled by, key management personnel for the years ended December 31, 2024 and 2023:

During the year ended December 31, 2024 and 2023, the Company incurred the following related party transactions.

	Consulting and Management Fees 2024 \$	Consulting and Management Fees 2023 \$
Consulting fees paid/accrued to a private company controlled by director and CEO	150,000	150,000
Consulting fees paid/accrued to CFO	30,600	-
Consulting fees paid/accrued to private companies controlled by directors	159,375	532,933
Total	\$339,975	682,933

As at December 31, 2024, \$79,145 (2023 - \$Nil) of related party payments was owing to the CEO/Director and Country Manager/Directors of the Company. The balances are recorded in accounts payable and are unsecured, non-interest bearing, and due on demand.

During the year ended December 31, 2024, the Company did not issue any common shares to related parties. During the year ended December 31, 2023, the Company issued 171,600 common shares to settle debt of \$85,800 to related parties. Additionally, during the year ended December 31, 2023 the Company issued 434,955 common shares as compensation for services to related parties for a total fair value of \$169,632 recorded in consulting fees, calculated based on a per share value per recent financing of \$0.39 per share. In addition, the Company agreed to pay two directors of the Company 15% of their compensation through the issuance of shares.

Proposed Transactions

There are no other proposed transactions expected to have a material impact on the Company's performance, aside from the RTO with GQ which is anticipated to close in the third quarter of 2025.

Qualified Person

Jonathan Mark Andrew is the qualified person for the Company as defined in the National Instrument 43-101 and has reviewed the technical information from the properties.

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Accounting Policies and pronouncements

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing consolidated financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Refer to the December 31, 2024 financial statements for all applicable accounting policies adopted by the Company.

Material estimates, assumptions and judgements

In the preparation of the condensed interim consolidated financial statements and management discussion and analysis, management is required to make estimates, assumptions, and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amount of expenses during the period. Actual results could differ from these estimates. Of particular significance are the following:

Going concern assumption

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The determination of the functional currency for the Company and its subsidiaries is based on management's judgment of the underlying transactions, events and conditions relevant to each entity.

Recoverability of property and equipment

The carrying value and the recoverability of property and equipment, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing for observable indications of decline in asset values, significant changes in the technological, market, economic or legal environment, changes in market interest rates, changes in the manner the assets are utilized, and other indicators that the economic performance of an asset is less than expected.

Income taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Valuation of share-based payments, warrants and debentures with conversion rights

The Company makes certain estimates and assumptions when calculating the estimated fair values. The significant assumptions used include estimate of share price, expected volatility, expected life, expected dividend rate and expected risk-free rate of return. Changes in these assumptions may result in a material change to the amounts recorded.

Contingencies

By their nature, contingencies will only be resolved when one or more future events transpire. The assessment of contingencies inherently involves estimating the outcomes of future events.

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Liquidity event

The Company projected a listing date which was used to calculate an estimated fair value of certain financial and equity instruments. The projection inherently involves significant estimates and judgements.

Designation and Valuation of Financial Instruments

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, due to/from related parties, accounts payable and accrued liabilities, convertible debentures, lease liabilities and loan payable. Receivables are classified as loans and receivables, and accounts payable and accrued liabilities, due to/from related parties, lease liabilities and loans payable are classified as other financial liabilities, and recorded at amortized cost using the effective interest rate method. The Company does not hold any derivative financial instruments.

Financial instrument fair value and risk factors

Financial instruments

Below is a summary showing the classification and measurement of the Company's financial instruments:

Classification	IFRS 9
Cash and cash equivalents	Amortized cost
Restricted cash	Amortized cost
Bid bond receivable	Amortized cost
Term deposits	Amortized cost
Accounts payables and accrued liabilities	Amortized cost
Warrant component of debentures	FVTPL

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives).

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss

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allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are recognized in the consolidated statements of loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss.

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments include cash and cash equivalents, term deposits, restricted cash, bid bond receivable, accounts payable and accrued liabilities, and warrant component of debentures. The carrying value of these financial instruments approximates their fair value.

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at December 31, 2024 and 2023:

As at December 31, 2024			
	Level 1	Level 2	Level 3
	\$	\$	\$
Warrant component of debentures	-	-	1,488,098

As at December 31, 2023			
	Level 1	Level 2	Level 3
	\$	\$	\$
Warrant component of debentures	-	-	1,647,854

The Company estimated the fair value of the warrant component of the debentures using the Black-Scholes Pricing Model. The Company uses significant unobservable inputs to estimate the fair value of this liability at each reporting date, such as the estimated share price and time to expiry.

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Significant unobservable inputs are classified as Level 3 inputs under IFRS. The significant unobservable inputs used in measuring the fair value of the liability include the estimated share price, expected volatility, risk-free interest rate, and time to expiry. These inputs are determined based on management's best estimate of assumptions that market participants would use, considering the characteristics of the instrument, historical data, and available market information. Changes in these assumptions could materially affect the reported fair value. A +/-5% change in the share price, risk free rate, estimated volatility and time to expiry would result in an approximately +/- \$142,000 (2023 - \$140,000) change in the loss and comprehensive loss of the Company for the year then ended.

Risk factors

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to minimal credit risk on cash and cash equivalents, term deposits, restricted cash, and bid bonds. The risk is mitigated by cash and cash equivalents, term deposits and restricted cash being held with chartered banks and bid bonds held with EMRA and Shalateen. The Company holds cash and cash equivalents in the form of GIC's.

Currency Risk

Currency risk is due to monetary assets and liabilities being denominated in currencies other than its functional currencies. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company has a portion of its assets and cash reserves in United States Dollar and the Egyptian Pound. The following assets were denominated in foreign currencies and presented in Canadian dollars:

	December 31, 2024 EGP	December 31, 2024 USD	December 31, 2023 EGP	December 31, 2023 USD
Cash and cash equivalents	1,719,052	395,614	10,294,759	119,075
Bid bonds	-	-	-	150,000
Term deposits	-	896,000	-	1,217,000
	1,719,052	1,291,614	10,294,759	1,486,075

A fluctuation of +/-5% provided as an indicative range in currency movement, on assets that are denominated in foreign currencies other than Canadian dollars, with all other things being equal, have an effect on the after-tax loss and comprehensive loss for the year of approximately +/- \$96,000 (2023 -\$121,000).

Interest Rate Risk

Interest rate risk is the risk due to variability of interest rates. The Company has cash balances and interest-bearing debt with fixed rates; therefore, interest rate risk is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due. The Company takes steps to ensure that it has sufficient working capital and available sources of financing to meet future cash requirements for capital programs and operations.

The Company intends to issue equity to ensure the Company has sufficient access to cash to meet current and foreseeable financial requirements. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support its financial obligations and the Company's capital programs. There is no assurance that the Company will be able to raise additional sources of financing.

The contractual maturity of non-derivative and derivative liabilities in 2027.

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Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economic.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral property contains mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments.

The properties that the Company has an option to earn an interest in is in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

There are currently wars and rumors of wars and terrorism ongoing in the middle east, with missiles and acts of violence and vindication of various groups. To date these activities have not influenced the Company's operations, however if ongoing, it may eventually spread out and influence the Company's plans and operations which may be halted, delayed for a period, or terminated.

Environmental Contingencies

The Company's mineral 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 has made, and expects to make in the future, expenditures to comply with such laws and regulations. As a triggering event has not taken place, no provisions have been recorded as at December 31, 2024 and 2023.

Title to Exploration and Evaluation Properties

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

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Trends

Trends in the industry can materially affect how well any junior exploration company is performing and by the capital markets which have made the raising of finance difficult. Under the current economic conditions, the Company is advancing its property as quickly as possible while still remaining prudent when considering large cost items such as drilling and geophysics.

Financial and Disclosure Controls and Procedures

During the year ended December 31, 2024, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the consolidated financial statements of the Company for the year ended December 31, 2024.

Outlook

The outlook for precious metals specifically gold remains positive, supporting the Company's continued operational activity. Gold has increased from levels below US\$2,000 per troy ounce in 2024 to approximately US\$3,400 in August 2025 on account of heightened levels of market turbulence and accelerated demand levels. While capital market conditions for financing remain challenging, management is confident in the Company's ability to remain a viable going concern. The properties will require substantial investment as they advance toward the development stage which management is confident of raising the required capital investment for.

Cautionary Statement

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration plans and our other future plans and objectives are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, (i) estimates of exploration investment and scope of exploration programs, and (ii) estimates of stock-based compensation expense. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statement. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date of statements are made, and the Company endeavors to update corporate information and material facts on a timely basis. Forward-looking statements are subject to risks, uncertainties and other actors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks.

LOTUS GOLD CORPORATION.
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MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) AS OF SEPTEMBER 11, 2025 TO ACCOMPANY THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF LOTUS GOLD CORPORATION. (THE “COMPANY” OR “LOTUS”) FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025

This management's discussion and analysis (“MD&A”) provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the three and six months ended June 30, 2025 and 2024. This report prepared as at September 11, 2025 intends to complement and supplement our condensed interim consolidated financial statements (the “financial statements”) as at June 30, 2025 which have been prepared in accordance with Financial Reporting Standards (“IFRS”), including International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). This report should be read in conjunction with the Company's condensed interim financial statements and accompanying notes for the three and six months ended June 30, 2025 and 2024 and the audited consolidated financial statements for the years ended December 31, 2024 and 2023.

Our condensed interim consolidated financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our condensed interim consolidated financial statements have been prepared using accounting policies consistent with IFRS. All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Discussion of operations

Lotus Gold Corporation (the “Company” or “Lotus”) is a private Canadian gold exploration and development company incorporated as “1251721 BC Ltd.” on May 29, 2020 under the Business Corporations Act (British Columbia) (the “BCBCA”) and changed its name to its present “Lotus Gold Corporation” on August 26, 2020. Lotus is focused on the Egyptian Eastern Desert. Lotus Gold's current interests include mineral properties covering approximately 1,900 square kilometers (190,000 hectares) within the Arabian-Nubian Shield (“Concessions”).

The Company is an exploration stage company and is in the process of exploring its mineral properties and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

Forward looking statements:

Where we say “we”, “us”, “our”, the “Company”, we mean Lotus Gold Corporation., as it may apply.

This management discussion and analysis may contain forward-looking statements in respect of various matters including upcoming events and include without limitation, statements regarding discussions of the Company's business strategy, future plans, projections, objectives, estimates and forecasts and statements as to management's expectations with respect to, among other things, the development of the Company's project. These forward-looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, certain transactions, certain approvals, changes in commodity prices, risks inherent in exploration results, timing and success, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and mineral resources), delays in the receipt of government approvals, and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this MD&A, the Company has applied several material assumptions, including without limitation, the assumption that any additional financing needed will be available on reasonable terms.

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Additional factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other factors: (1) weak commodity prices and general metal price volatility; (2) the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand and economic and political events affecting supply and demand; and (3) securing and the nature of regulatory permits and approvals and the costs of complying with environmental, health and safety laws and regulations.

The Company cannot assure you that any of these assumptions will prove to be correct.

The words “expect,” “anticipate,” “estimate,” “may,” “will,” “should,” “intend,” “believe,” “target,” “budget,” “plan,” “projection” and similar expressions are intended to identify forward-looking statements. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present during operations or if and when an undeveloped project is actually developed.

These factors should be considered carefully, and readers should not place undue reliance on the Company’s forward-looking statements. The Company believes that the expectations reflected in the forward-looking statements, including future-oriented financial information, contained in this MD&A and any documents incorporated by reference are reasonable, but no assurance can be given that these expectations will prove to be correct. In addition, although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, including future-oriented financial information, there may be other factors that cause actions, events, or results not to be as anticipated, estimated, or intended. The Company undertakes no obligation to disclose publicly any future revisions to forward-looking statements, including future-oriented financial information, to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events, except as expressly required by law.

Additionally, the forward-looking statements, including future-oriented financial information, contained herein are presented solely for the purpose of conveying our reasonable belief of the direction of the Company and may not be appropriate for other purposes.

The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Overall performance

The Company has acquired and is in the process of acquiring additional exploration and development rights of gold mining properties in areas of the Arabian Nubian Shield region of Egypt. The Company has not earned any revenue to date from its mining operations and is therefore considered to be in the exploration (“exploration”) stage.

Effective February 17, 2025, the Company closed a non-brokered private placement that raised gross proceeds of \$253,993 by the issuance of 507,985 units of the Company at a price per unit of \$0.50. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24-months from the issue date at a price of \$0.75 per share.

On June 26, 2025, the Company entered into an arrangement with Great Quest Gold Ltd. (the “Arrangement”) pursuant to which the Company agreed to sell all of its outstanding common shares to Great Quest Gold Ltd. in exchange for 63.3% of the shares of Great Quest Gold Ltd. Pursuant to the Arrangement, Great Quest Gold Ltd. is to complete a non-brokered private placement bridge financing, to raise gross proceeds of up to \$500,000 and up to 20,000,000 shares. The Company is to provide an advance to Great Quest Gold Ltd. in the amount of \$300,000, in exchange for a convertible debenture of Great Quest Gold Ltd., bearing interest at 10% per annum, due six months from the date of the advance, secured by a general security agreement from Great Quest Gold Ltd. in favour of the Company granting security over all present and after acquired personal property, and subject to conversion, at the sole option of the Company, into Great Quest Gold Ltd. shares at a pre-Consolidation price of \$0.025 per share. Great Quest Gold Ltd. is to execute a share consolidation on a 30:1 basis. The Arrangement constitutes a “reverse takeover” under securities law.

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Pursuant to the Arrangement, as the Company's shareholders are to become the ultimate shareholders, which is to result in the ongoing reporting entity from the Arrangement date to be Lotus Gold Corporation Ltd. Concurrent with the execution of the Arrangement, Great Quest Gold Ltd. is to complete a private placement for aggregate proceeds of up to \$3,000,000. The completion of the Arrangement is subject to various approvals, final due diligence, and a definitive agreement. There can be no assurances that the Arrangement will be completed as disclosed herein, or at all.

Pursuant to the Arrangement, Lotus is expected to enter into a secured loan agreement with GQ for \$300,000, bearing interest at 10% per annum. Should the Arrangement not close by November 30, 2025, the loan will be subject to conversion into GQ shares at a pre-consolidation price of \$0.025 per share.

In June 2025, the Company secured the release of the remaining portion of the Siqdid letter of credit, in the amount of US\$96,000.

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Effective July 2025, the Company extended the expiry date of all outstanding common share purchase warrants. A summary of the revised warrant expiry dates is presented below.

Amended Expiry Date	Warrants Outstanding and Exercisable	Number of	Issue Date
February 16, 2027		5,157,376	February 16, 2022
May 6, 2027		2,370,750	November 6, 2023
June 8, 2027		506,250	December 8, 2023
December 18, 2027		1,375,050	June 18, 2024
December 30, 2027		82,462	June 30, 2024
August 17, 2028		253,993	February 17, 2025
		9,745,881	

Effective June 30, 2025, the Company, following a supplier agreement signed in 2024, has a commitment to issue 1,922,481 units of at a price of per unit of \$0.50 via a non-brokered private placement that will raise gross proceeds of \$961,241. The non-brokered private placement, at \$0.50 per unit, consists of one common share of the Company and one half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of 24 months from the issue date at a price of \$0.75 per share. There can be no assurances that this financing will close on these terms, or at all.

Project Summaries and Activities and Outlook

Mineral rights, Eastern desert of Egypt

On January 20, 2021, the Company and EMRA signed the exploration license agreements to explore for gold and associated minerals in Egypt. As at December 31, 2023, the Company had also prepaid \$146,326 (USD\$110,636) in rental commitments to be expensed over the next 12 months and Letters of Guarantee issued in favor of EMRA related to these concessions. As at December 31, 2024, the prepaid rental commitments are fully expensed.

The seven blocks awarded in 2020 consist of two exploration agreements with EMRA, the Wadi Zeidun and Umm Samra agreements. Following the first two-year term, the Wadi Zeidun and Umm Samra properties were renewed for 2 years with a reduction in size. In addition to renewing parts of the Zeidun and Umm Samra properties, the Company also relinquished two blocks that made up part of the Wadi Zeidun exploration agreement with EMRA. These two blocks known as Wadi Ghazah, were relinquished in their entirety at the end of the first exploration period in November 2023.

In May 2022 the Company was awarded an additional three gold exploration license blocks (sectors) in the second round of the competitive bid process implemented by the Egyptian Mineral Resources Authority "EMRA" in the Eastern Desert of Egypt.

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On June 1, 2023, the Company entered into an asset purchase agreement with B2Gold Corp. (“B2Gold”) for the acquisition and assignment of mineral rights in the Arab Republic of Egypt within the Eastern Arabian Nubian-Shield. On December 22, 2023, the Company issued 3,485,710 common shares as share consideration to B2Gold with an estimated fair value of \$1,359,427.

Additionally, B2Gold will have the option to acquire up to an additional 3,485,710 common shares of the Company at an exercise price of \$0.50 per share for a period of 24 months from the date, the "Listing Date" that the Company's common shares or listed common shares, as the case may be, become listed and posted for trading on a public stock exchange.

The Company was assigned the B2Gold mineral rights by EMRA in January 2024, and these areas are known as the Umm Salimm project. The Umm Salimm project consists of 5.5 blocks.

As at June 30, 2025, the Company has the equivalent of approximately 11 blocks in four different but mostly contiguous project areas totaling approximately 1,930 km².

Exploration activities during the quarter were directed toward completing diamond core logging and interpretation of results from the drill program finalized in the previous quarter. Complementary field work included geological mapping and sampling on the Siqidid license blocks, from which a total of 1,417 rock grab samples were collected.

Cash flow analysis

Operating Activities

During the six months ended June 30, 2025, cash used in operating activities was \$1,118,998 (2024 - \$1,450,888) for the activities as described below, including exploration expenses.

Investing activities

During the six months ended June 30, 2025, the Company used \$918 in investing activities compared to cash provided by investing activities of \$102,636 during the six months ended June 30, 2024 from the addition of property, plant, and equipment.

Financing activities

During the six months ended June 30, 2025, the Company received net \$253,993 (2024 - \$1,457,512) from private placements, being share issuances in financing activities.

Results of Operations – For the three and six months ended June 30, 2025 and 2024

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Expenses				
Consulting fees	88,260	124,503	216,181	241,002
General and administrative	11,348	17,825	34,762	57,527
Professional fees	13,969	49,787	79,802	117,375
Corporate fees	10,500	11,229	21,000	22,692
Travel expenses	22,227	33,226	26,845	47,860
Wages and salaries	67,963	137,508	112,825	244,282
Amortization expense	8,927	32,049	20,093	68,119
Exploration expense	320,958	580,390	1,366,128	1,153,035
Bank charges and interest	17,462	10,836	27,595	18,741
Foreign exchange loss/(gain)	84,928	4,326	86,057	120,173
Income tax expense	(162)	-	8,935	-
Loss before other income	(646,380)	(1,001,679)	(2,000,223)	(2,090,806)

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	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Other income				
Interest income	8,344	37,284	26,745	57,691
Gain on revaluation of warrant component of debentures	46,897	51,174	157,675	72,591
Total other income	55,241	88,458	184,420	130,282
Net loss for the period	(591,139)	(913,221)	(1,815,803)	(1,960,524)
Other comprehensive income / (loss)				
Foreign exchange income / (loss) on translating foreign operations	(9,748)	55,492	(10,334)	79,492
Net loss and comprehensive loss for the period	(600,887)	(857,729)	(1,826,137)	(1,881,032)
Loss per share – basic and diluted	(0.01)	(0.01)	(0.02)	(0.03)
Weighted average number of common shares outstanding	73,547,059	70,256,374	73,185,960	70,079,992

For the three months ended June 30, 2025, the Company incurred a net loss of \$591,139 compared to the three months ended June 30, 2024 of \$913,221. The current period includes \$320,958 spending on exploration expenses compared to \$580,390 for the same period during the prior year. The overall loss before other income was \$646,380 compared to \$1,001,679 for prior year comparable period.

The net loss for the three months ending June 30, 2025 included an interest income credit of \$8,344 (2024 - \$37,284) and fair value adjustment on revaluation of warrant liability of \$46,897 (2024 - \$51,174).

Some of the significant charges to operations are as follows:

- Exploration expenses of \$320,958 (2024 - \$580,390) as the Company expends exploration expenses as they are incurred, and were mainly incurred on the Mineral rights in the Eastern desert of Egypt.
- Consulting fees of \$88,260 (2024 - \$124,503) includes payment of \$67,500 (2024 - \$91,646) to key management, as they are responsible for planning, directing and controlling the activities of the company. The expenses remained relatively consistent and relates to services rendered by senior management.
- General and administrative expenses, which comprise office expenses of \$3,349 (2024 - \$1,213), regulatory filing fees of \$1,762 (2024 - \$1,433), meals and entertainment of \$1,763 (2024 - \$605), computer and internet costs of \$Nil (2024 - \$7,703), rent expense of \$3,466 (2024 - \$2,918), taxes recovery of \$171 (2024 – expense of \$586), and certain administrative expenses of \$1,179 (2024 - \$3,367), decreased to \$11,348 (2024 - \$17,825) during the period primarily due to lower corporate activity and cost management initiatives.
- Professional fees of \$13,969 (2024 - \$49,787) includes accounting fees, auditing fees and legal fees and was expensed in the process to maintain accounting records and financial statements up to date and remained relatively consistent.

For the six months ended June 30, 2025, the Company incurred a net loss of \$1,815,803 compared to the three months ended June 30, 2024 of \$1,960,524. The current period includes \$1,366,128 spending on exploration expenses compared to \$1,153,035 for the same period during the prior year. The overall loss before other income was \$2,000,223 compared to \$2,090,806 for prior year comparable period.

The net loss for the six months ending June 30, 2025 included an interest income credit of \$26,745 (2024 - \$57,691) and fair value adjustment on revaluation of warrant liability of \$157,675 (2024 - \$72,591).

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Some of the significant charges to operations are as follows:

- Exploration expenses of \$1,366,128 (2024 - \$1,153,035) as the Company expends exploration expenses as they are incurred, and were mainly incurred on the Mineral rights in the Eastern desert of Egypt.
- Consulting fees of \$216,181 (2024 - \$241,002) includes payment of \$135,000 (2024 - \$162,146) to key management, as they are responsible for planning, directing and controlling the activities of the company. The expenses remained relatively consistent and relates to services rendered by senior management.
- General and administrative expenses, which comprise office expenses of \$5,011 (2024 - \$8,406), regulatory filing fees of \$3,689 (2024 - \$2,315), meals and entertainment of \$1,896 (2024 - \$954), computer and internet costs of \$Nil (2024 - \$10,252), rent expense of \$6,978 (2024 - \$22,968), taxes of \$9,410 (2024 - \$586), and certain administrative expenses of \$7,778 (2024 - \$12,046), decreased to \$34,762 (2024 - \$57,527) during the period primarily due to lower corporate activity and cost management initiatives.
- Professional fees of \$79,802 (2024 - \$117,375) includes accounting fees, auditing fees and legal fees and was expensed in the process to maintain accounting records and financial statements up to date and remained relatively consistent.

Summary of Quarterly Results

	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Loss and comprehensive loss	\$ 600,887	\$ 1,225,250	\$ 1,307,055	\$ 734,431
Basic and diluted loss per share*	0.01	0.02	0.02	0.01
Total assets	2,850,027	3,311,432	3,786,432	3,621,976
Working capital (deficiency)	(564,333)	(124,877)	704,814	1,494,127

	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Loss and comprehensive loss	\$ 857,729	\$ 1,023,303	\$ 3,331,578	\$ 843,073
Basic and diluted loss per share*	0.01	0.01	0.05	0.01
Total assets	4,983,623	4,197,829	5,116,317	3,313,615
Working capital	2,256,014	1,534,210	2,255,401	1,652,196

* No exercise or conversion is assumed during the quarters in which a net loss is incurred, as the effect is anti-dilutive.

There are no general trends regarding the Company's quarterly results and the Company's business is not seasonal, as it can develop and progress on a year-round basis, funding permitting. Quarterly results may vary significantly depending mainly on whether the Company has engaged in new activities or abandoned any projects and these factors which may account for material variations in the Company's quarterly losses are not predictable. See also the results of operations discussion above.

Additional disclosure for Venture issuers without significant revenue

During the second quarter of 2025, the Company recorded exploration expenditures of \$320,958. The majority of these costs are related to diamond core logging and interpretation of results from the drill program completed in the prior quarter. Additional fieldwork comprised geological mapping and sampling on the Siqdid license blocks, resulting in the collection of 1,417 rock grab samples, resulting in field and land rental cost of \$114,945. Other expenditures during the quarter included geological expenses of \$131,341, consulting services of \$50,086, and geochemical expenses of \$20,136.

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Use of funds

The Company's uses of funds analysis incorporate all spend and expected spend except for any IFRS non-cash adjusted items, investment income receipts, finance cost expenditure in the form of interest, and fair value adjustments and non-cash accruals.

Concession spending analysis	Net Funds		Cumulative spend for the year to date³	Remaining Commitments at June 30, 2025⁴
	Commitments brought forward Jan 1, 2025¹	available through financing and other forms²		
	\$	\$	\$	\$
Exploration development Egypt ⁵	(11,168,494)	3,607,937	1,059,254	(6,501,303)
General and administrative expenses (Egypt & Corporate) ⁶	(623,880)	437,326	58,826	(127,728)
Unallocated working capital	(431,670)	327,994	918	(102,758)
Total	(12,224,044)	4,373,257	1,118,998	(6,731,789)

Notes:

- (1) Balance relates to the remaining committed spend as reported to EMRA annually for all exploration areas held by the Company. This incorporates all spend against the signed concession agreements.
- (2) Balance includes the funds raised via private placements of common shares and warrants from 2020 to date totaling \$18,810,954, less the committed expenditure incurred on all exploration areas within Egypt's Arabian Nubian Shield as at December 31, 2024 totaling \$14,437,697.
- (3) The actual spend is calculated on a cumulative basis for the year to date to June 30, 2025, across all of the Company's work programs. It excludes any non-cash expenditure including costs allocated to the vesting of stock options relating to mineral rights. The cumulative spend year to date is in line with the approved budget for the year ended December 31, 2025.
- (4) The Company's board of directors has approved the budget for FY2025, as well as the use of any funds raised. The budget is based on the Company's working capital reserves on hand and the approved work program for the ensuing financial year. The majority of the Remaining Commitments as at June 30, 2025 relates to the Umm Salimm licence area (approximately \$11 million) to which the Company has not yet secured the required security clearances and site access permits, and which is fundable over 2 years from the date on which full access is granted to the Company. By eliminating the Umm Salimm licence commitment, it is evident that the Company has sufficient funds on hand to continue operations for the ensuing 12 months period. The Company has also announced a financing of up to amount of \$3 million concurrent with the closing of the Reverse Takeover transaction with Great Quest Gold.
- (5) These Use of Funds was applied to advancing the Company's exploration-stage mineral properties in Egypt's eastern Arabian Nubian Shield.
- (6) Corporate general and administrative expenses include (i) management and consulting fees, (ii) professional fees for assistance on financings and corporate initiatives, (iii) regulatory, secretarial and public relations costs, (iv) costs related to the filing of the amended technical reports, (v) advisory costs to advance the project and (vi) other G&A expenditures.

Qualified Person

Jonathan Mark Andrew is the qualified person for the Company as defined in the National Instrument 43-101 and has reviewed the technical information from the properties.

Liquidity and Capital Resources

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise programs depending on its working capital position.

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As at June 30, 2025 the Company had a working capital deficit of \$564,333 (December 31, 2024 working capital - \$704,814) which primarily consisted of cash and cash equivalents of \$1,100,160 (December 31, 2024- \$1,966,083), prepaids and deposits of \$57,588 (December 31, 2024 - \$23,692), GST and other tax credits receivables of \$49,163 (December 31, 2024 - \$46,396), and term deposit of \$1,220,054 (December 31, 2024 - \$1,291,920).

Current liabilities of \$2,991,298 (December 31, 2024 - \$2,623,277), mainly consisting of accounts payable and accrued liabilities of \$1,660,875 (December 31, 2024 - \$1,135,179) and warrant component of debentures of \$1,330,423 (December 31, 2024 - \$1,488,098). As at June 30, 2025, the Company had total assets of \$2,850,027 (December 31, 2024 - \$3,786,432).

The Company has entered into several bid bonds and letters of guarantee for gold exploration rights/concessions in the Arab Republic of Egypt in connection with Bid Round 1, 2020 and Bid Round 2, 2021 and corresponding to various land sectors as per the mining exploration agreements executed with the Company. In order to meet the bid round terms, the Company committed to agreements for Standby Letters of Credit or Guarantees totaling USD\$950,000, with expiry dates of May 1, 2023. Upon Maturity, the Company secured the release of the Standby Letters of Credit or Guarantees totaling USD\$533,000 effective May 31, 2023. The remaining portion of the Zeidun Letter of Credit totaling USD\$417,000 was extended for a period of 12 months to May 1, 2024 as the termination date and May 31, 2024 as the counter guarantee termination date. Subsequently the Company secured the release of US\$321,000 with respect to the Zeidun letter of credit, reducing the balance to US\$96,000 for a period of twelve months to May 1, 2025, as the termination date, and May 31, 2025, as the counter guarantee termination date. In June 2025, the Company secured the release of the remaining portion of the letter of credit in the amount of USD\$96,000.

In 2021, the Company also supplied letters of guarantee representing 10% of the exploration commitment for the Siqdid blocks during the first exploration period of USD\$329,000 plus 5% as per the agreed terms of the agreement. This Letter of Credit was reduced to US\$246,500, with the committed spend requirement met as of June 30, 2025. The Company has applied for the release of the letter of credit

The Company must pay to EMRA annual rental fees per km² of land included in the exploration areas. The rental payments are due in advance and shall be payable as follows: EGP5,000 per km² for each year of the first exploration period of 2 years; EGP10,000 per km² for each year of the second exploration period of 2 years; EGP15,000 per km² for each year of the third exploration period of 2 years and EGP20,000 per km² for each year of the fourth and last exploration period of 2 years.

In December 2023, in accordance with the terms of the asset purchase agreement signed with B2Gold, the Company was required to register a letter of guarantee representing 10% of the minimum exploration commitment during the first exploration period of USD\$800,000 covering the Umm Salimm exploration areas. The Company is subject to a spending commitment of USD \$8,000,000 over a 2-year period, effective on January 13, 2024.

As at June 30, 2025, the Company had met the committed spend requirement for the Siqdid blocks, while the commitment for the Umm Salimm blocks remains outstanding. Effective December 31, 2024, the remaining commitment to meet the required spend for the Siqdid blocks in order to release the related letter of credit was USD \$697,602, and as at June 30, 2025, the committed spend requirement was met. As of the same date, the Company had not yet met the full committed spend for the Umm Salimm blocks, as at June 30, 2025, the committed spend requirement was USD \$7,793,098. Minimal expenditures have been incurred on these blocks to date as the Company has not yet received the necessary security clearances to access the exploration areas, and only preliminary reconnaissance work was undertaken during the year.

Other than the above-mentioned current liabilities, the Company has an obligation to maintaining its mineral properties in good standing. The Company has no other short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

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Historically, the Company's sole source of funding has been loans from related parties, private placements and debt financings. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company's liabilities are predominantly due within 30 days of June 30, 2025, and the committed spend requirements for Zeidun and Umm Samra have been fully met.

The following table summarizes the Company's cash on hand, working capital and cash flow activities:

As at	June 30, 2025	December 31, 2024
Cash	\$ 1,100,160	\$ 1,966,083
Working capital (deficit)	(564,333)	704,814
Period ended	June 30, 2025	June 30, 2024
Cash used in operating activities	\$ (1,118,998)	\$ (1,450,888)
Cash provided by (used in) investing activities	(918)	102,636
Cash provided by financing activities	253,993	1,457,512
Change in cash	\$ (865,923)	\$ 109,260

The Company is dependent on the sale of treasury shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

Capital Resources

The Company has no operations that generate cash flow and its long-term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital asset is mineral properties. Exploration expenditures are expensed as incurred.

The Company needs to raise additional working capital to fully fund its corporate activities, to support its permitting requirements and to fund its exploration activities in Egypt for the year ended December 31, 2025, in addition to planned RTO requirements during the year. Further, should the Company acquire additional properties then the Company may require additional capital to fund the acquisition and/or associated exploration activities on the new properties.

There is a risk that the Company may not be able to raise sufficient funds, thus jeopardizing the Company's ability to maintain its mineral projects/properties or continue as a going-concern. A large majority of the exploration expenditures are denominated in the US dollars giving rise to market risk from changes in foreign exchange rates, which may negatively or positively impact the Company's working capital.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet transactions.

Outstanding Share Data

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consist only of common shares.

As at the date of this report, 73,320,674 (June 30, 2025 – 73,320,674) common shares were issued and outstanding.

The Company has 9,745,881 (June 30, 2025 – 9,745,881) common share purchase warrants exercisable at \$0.75 per common share expiring between February 2027 and December 2027, and 4,877,400 (March 31, 2025 – 4,877,400) share purchase warrants exercisable at \$0.30 per common share expiring on June 30, 2027.

LOTUS GOLD CORPORATION.
Management discussion and analysis
For the periods ended June 30, 2025 and 2024

The Company has 3,485,710 (June 30, 2025 - 3,485,710) stock options outstanding with Nil (June, 2025 – Nil) exercisable at \$0.50 per stock option expiring December 31, 2027.

Directors and officers

The Directors, Executive Officers, and related companies of the Company are as follows:

Michael Silver	-	Director, President and Chief Executive Officer
Heye Daun	-	Non-executive Director
Alan Friedman	-	Non-executive Director
Omar Nasser	-	Director
Dave Underwood	-	Director, VP Exploration
Tony Silva	-	Chief Financial Officer
Delta Energy Advisory	-	Company owned or controlled by Omar Nasser (Director)
MEC Holdings	-	Company owned or controlled by Omar Nasser (Director)
VLCY Capital Partners Ltd.	-	Company owned or controlled by Mike Silver (Director)

Related Party Transactions

Key management compensation

Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the President and Chief Executive Officer, Chief Financial Officer, Executive Chairman and Directors. The following table lists the compensation costs paid directly to, or to companies controlled by, key management personnel for the six months ended June 30, 2025 and 2024.

During the six months ended June 30, 2025 and 2024, the Company incurred the following related party transactions.

	Consulting and Management Fees 2025	Consulting and Management Fees 2024
	\$	\$
Consulting fees paid/accrued to a private company controlled by director and CEO	75,000	63,750
Consulting fees paid/accrued to private companies controlled by directors	60,000	98,396
Total	135,000	162,146

As at June 30, 2025, \$195,395 (December 31, 2024 - \$79,145) of related party payments was owing to the CEO/Director and Country Manager/Directors of the Company. The balances are unsecured, non-interest bearing, and due on demand.

During the six months ended June 30, 2025 and the year ended December 31, 2024, the Company did not issue any common shares to related parties. In addition, the Company agreed to pay two directors of the Company 15% of their compensation through the issuance of shares.

Proposed Transactions

There are no other proposed transactions that will expect to have a materially impact on the affect the performance of the Company's performance, aside from the RTO with GQ which is anticipated to close in the third quarter of 2025 in addition to those already mentioned.

LOTUS GOLD CORPORATION.
Management discussion and analysis
For the periods ended June 30, 2025 and 2024

Accounting Policies and pronouncements

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing consolidated financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Readers should refer to Note 2 of the Annual Audited Financial Statement for the year ended December 31, 2024 for a summary of the Company's significant accounting policies and critical judgements.

Financial instrument fair value and risk factors

Financial instruments

Below is a summary showing the classification and measurement of the Company's financial instruments:

Classification	IFRS 9
Cash and cash equivalents	Amortized cost
Restricted cash	Amortized cost
Bid bond receivable	Amortized cost
Term deposits	Amortized cost
Accounts payables and accrued liabilities	Amortized cost
Warrant component of debentures	FVTPL

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives).

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise.

LOTUS GOLD CORPORATION.
Management discussion and analysis
For the periods ended June 30, 2025 and 2024

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are recognized in the consolidated statements of loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss.

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
- and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments include cash and cash equivalents, term deposits, restricted cash, bid bond receivable, accounts payable and accrued liabilities, and warrant component of debentures. The carrying value of these financial instruments approximates their fair value.

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at June 30, 2025 and December 31, 2024:

As at June 30, 2025			
	Level 1	Level 2	Level 3
	\$	\$	\$
Warrant component of debentures	-	-	1,330,423
As at December 31, 2024			
	Level 1	Level 2	Level 3
	\$	\$	\$
Warrant component of debentures	-	-	1,488,098

The Company estimated the fair value of the warrant component of the debentures using the Black-Scholes Pricing Model. Note 9 outlines the key assumptions used by the Company in determining the estimated fair value of the warrant liability.

LOTUS GOLD CORPORATION.
Management discussion and analysis
For the periods ended June 30, 2025 and 2024

The Company uses significant unobservable inputs to estimate the fair value of this liability at each reporting date, such as the estimated share price and time to expiry.

Significant unobservable inputs are classified as Level 3 inputs under IFRS, reflecting management's best estimate of what market participants would use in valuing the liability at the measurement date and is dependent on the availability of market-based information. A +/-5% change in the share price, risk free rate, estimated volatility and time to expiry would result in an approximately +/- \$140,500 (June 30, 2024 - \$138,200) change in the loss and comprehensive loss of the Company for the year then ended.

Risk factors

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to minimal credit risk on cash and cash equivalents, term deposits, restricted cash, and bid bonds. The risk is mitigated by cash and cash equivalents, term deposits and restricted cash being held with chartered banks and bid bonds held with EMRA and Shalateen. The Company holds cash and cash equivalents in the form of GIC's.

Currency Risk

Currency risk is due to monetary assets and liabilities being denominated in currencies other than its functional currencies. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company has a portion of its assets and cash reserves in United States Dollar and the Egyptian Pound. The following assets were denominated in foreign currencies and presented in Canadian dollars:

	June 30, 2025 EGP	June 30, 2025 USD	December 31, 2024 EGP	December 31, 2024 USD
Cash and cash equivalents	3,929,435	210,567	1,719,052	395,614
Term deposits	-	896,000	-	896,000
	3,929,435	1,106,567	1,719,052	1,291,614

A fluctuation of +/-5% provided as an indicative range in currency movement, on assets that are denominated in foreign currencies other than Canadian dollars, with all other things being equal, have an effect on the after-tax loss and comprehensive loss for the quarter of approximately +/- \$20,000 (2024 -\$96,000).

Interest Rate Risk

Interest rate risk is the risk due to variability of interest rates. The Company has cash balances and interest-bearing debt with fixed rates; therefore, interest rate risk is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due. The Company takes steps to ensure that it has sufficient working capital and available sources of financing to meet future cash requirements for capital programs and operations.

The Company intends to issue equity to ensure the Company has sufficient access to cash to meet current and foreseeable financial requirements. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support its financial obligations and the Company's capital programs. There is no assurance that the Company will be able to raise additional sources of financing.

The contractual maturity of the warrant component of the debenture is 2027.

LOTUS GOLD CORPORATION.
Management discussion and analysis
For the periods ended June 30, 2025 and 2024

Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

Risks and uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economic.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral property contains mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves. There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments.

The properties that the Company has an option to earn an interest in is in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

There are currently wars and rumors of wars and terrorism ongoing in the middle east, with missiles and acts of violence and vindication of various groups. To date these activities have not influenced the Company's operations, however if ongoing, it may eventually spread out and influence the Company's plans and operations which may be halted, delayed for a period, or terminated.

Environmental Contingencies

The Company's mineral 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 has made, and expects to make in the future, expenditures to comply with such laws and regulations. As a triggering event has not taken place, no provisions have been recorded as at March 31, 2025 and December 31, 2024.

Title to Exploration and Evaluation Properties

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

LOTUS GOLD CORPORATION.
Management discussion and analysis
For the periods ended June 30, 2025 and 2024

Trends

Trends in the industry can materially affect how well any junior exploration company is performing and by the capital markets which have made the raising of finance difficult. Under the current economic conditions, the Company is advancing its property as quickly as possible while still remaining prudent when considering large cost items such as drilling and geophysics.

Financial and Disclosure Controls and Procedures

During the six months ended June 30, 2025, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the financial statements of the Company for the three and six months ended June 30, 2025.

LOTUS GOLD CORPORATION.
Management discussion and analysis
For the periods ended June 30, 2025 and 2024

Outlook

The Company's outlook is supported by the continued strength of the gold market, which remains central to our business and development strategy. Gold has advanced considerably since trading below US \$2,000 per ounce in 2024, with prices holding in the US \$3,330–3,350 per ounce range as of mid-August 2025, reflecting persistent demand and heightened global volatility. Management is also optimistic about the pending reverse takeover with Great Quest, which is expected to close in the third quarter of 2025 and provide a stronger platform for growth. While capital markets remain challenging, we are confident in the Company's ability to continue as a going concern. Our focus remains on advancing projects toward development, and although further financing will be required, we are confident in our ability to secure the funding necessary to achieve these objectives.

Cautionary Statement

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration plans and our other future plans and objectives are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, (i) estimates of exploration investment and scope of exploration programs, and (ii) estimates of stock-based compensation expense. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statement. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date of statements are made, and the Company endeavors to update corporate information and material facts on a timely basis. Forward-looking statements are subject to risks, uncertainties and other actors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks.

SCHEDULE "H"
FINANCIAL STATEMENTS OF GQ



GREAT QUEST GOLD LTD.
(Formerly Great Quest Fertilizer Ltd.)

Consolidated Financial Statements
For the years ended
December 31, 2024 and 2023

Audit. Tax. Advisory.

Independent Auditor's Report

To the Shareholders of Great Quest Gold Ltd. (formerly Great Quest Fertilizer Ltd.)

Opinion

We have audited the consolidated financial statements of Great Quest Gold Ltd. (formerly Great Quest Fertilizer Ltd.) and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and consolidated statements of changes in equity (deficiency) for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended December 31, 2024 and, as of that date, the Company had an accumulated deficit balance. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there were no additional key audit matters to communicate in our report.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner of the audit resulting in this independent auditor's report is Regina Kwong.

McGovern Hurley LLP

A handwritten signature in black ink that reads "McGovern Hurley LLP". The signature is written in a cursive, flowing style.

**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
April 08, 2025

GREAT QUEST GOLD LTD.
(Formerly Great Quest Fertilizer Ltd.)
Consolidated statements of financial position
(Expressed in Canadian dollars)

As at		December 31, 2024	December 31, 2023
ASSETS	Notes		
Current Assets			
Cash		\$ 7,139	\$ 5,473
HST recoverable		25,413	14,338
Prepaid expenses		5,178	5,184
Total current assets		37,730	24,995
Total assets		\$ 37,730	\$ 24,995
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		\$ 306,291	\$ 349,068
Due to related parties	7	160,760	780,436
Total current liabilities		467,051	1,129,504
SHAREHOLDERS' (DEFICIENCY)			
Share capital	6	25,524,393	22,131,686
Share-based payment reserve	6	7,212	7,212
Warrants	6	582,988	19,884
Accumulated deficit		(26,543,914)	(23,263,291)
Total shareholders' (deficiency)		(429,321)	(1,104,509)
Total liabilities and shareholders' (deficiency)		\$ 37,730	\$ 24,995

Nature and continuance of operations and going concern (note 1)

Approved on behalf of the Board of Directors on April 8, 2025

"Jed Richardson"

Jed Richardson – Chief Executive Officer

"John Clarke"

John Clarke – Director

The above consolidated statements of financial position should be read in conjunction with the accompanying notes.

GREAT QUEST GOLD LTD.
(Formerly Great Quest Fertilizer Ltd.)
Consolidated statements of loss and comprehensive loss
(Expressed in Canadian dollars)

	Notes	Year ended December 31,	
		2024	2023
Expenses			
Accounting and audit		\$ 54,560	\$ 46,414
Consulting	7	326,894	115,800
Investor relations	7	78,500	48,000
Legal		8,245	775
Management and director fees	7	314,000	314,000
Office and general		102,267	34,334
Exploration and evaluation expenditures	4	2,380,626	57,383
Share-based compensation expense	6,7	-	3,180
Loss before other items		(3,265,092)	(619,886)
Interest (expense) income		(35,415)	6
Net loss and comprehensive loss for the year		\$ (3,300,507)	\$ (619,880)
Weighted average number of outstanding shares		118,095,869	84,846,082
Basic and diluted loss per share		\$ (0.03)	\$ (0.01)

The above consolidated statements of loss and comprehensive loss should be read in conjunction with the accompanying notes.

GREAT QUEST GOLD LTD.
(Formerly Great Quest Fertilizer Ltd.)
Consolidated statements of cash flows
(Expressed in Canadian dollars)

		For the year ended December 31,	
	Note	2024	2023
CASH FLOWS FROM:			
Operating activities			
Net (loss) for the year		\$ (3,300,507)	\$ (619,880)
Items not involving cash and other adjustments			
Share-based payments	6	-	3,180
Shares issued for acquisition of exploration and evaluation property	4(c)	214,000	-
Accrued interest		35,378	-
		<u>(3,051,129)</u>	<u>(616,700)</u>
Net change in non-cash working capital items:			
HST recoverable		(11,075)	17
Prepaid expenses		6	3,688
Accounts payable and accrued liabilities		(42,777)	198,771
		<u>(53,846)</u>	<u>202,476</u>
Cash flows used in operating activities		<u>(3,104,975)</u>	<u>(414,224)</u>
Financing activities			
Proceeds from private placement	6	3,841,429	-
Share issue costs	6	(79,734)	-
Loan proceeds	5	490,000	-
Repayment of loan payable and accrued interest	5	(525,378)	-
Due to related parties		(619,676)	409,005
Cash flows from financing activities		<u>3,106,641</u>	<u>409,005</u>
Net change in cash		1,666	(5,219)
Cash, beginning of the year		5,473	10,692
Cash, end of the year		\$ 7,139	\$ 5,473
Shares issued for acquisition of property	4(c)	214,000	-

Supplemental cash flow information (note 8)

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Consolidated statements of changes in (deficiency)

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

	Notes	Number of shares	Share capital	Warrants	Share-based payment reserve	Accumulated deficit	Total
Balance January 1, 2023		84,846,082	\$ 22,131,686	\$ 140,316	\$ 196,247	\$ (22,956,058)	\$ (487,809)
Expired stock options	6	-	-	-	(192,215)	192,215	-
Share-based compensation	6	-	-	-	3,180	-	3,180
Warrants expired	6	-	-	(120,432)	-	120,432	-
Net loss for the year		-	-	-	-	(619,880)	(619,880)
Balance at December 31, 2023		84,846,082	\$ 22,131,686	\$ 19,884	\$ 7,212	\$ (23,263,291)	\$ (1,104,509)
Balance at January 1, 2024		84,846,082	\$ 22,131,686	\$ 19,884	\$ 7,212	\$ (23,263,291)	\$ (1,104,509)
Private placement	6	76,828,579	3,841,429	-	-	-	3,841,429
Warrant allocation	6	-	(551,077)	551,077	-	-	-
Share issuance costs	6	-	(79,734)	-	-	-	(79,734)
Finders warrants	6	-	(31,911)	31,911	-	-	-
Shares issued for acquisition of exploration and evaluation property	4(c), 6	5,000,000	214,000	-	-	-	214,000
Warrants expired	6	-	-	(19,884)	-	19,884	-
Net loss for the year		-	-	-	-	(3,300,507)	(3,300,507)
Balance at December 31, 2024		166,674,661	\$ 25,524,393	\$ 582,988	\$ 7,212	\$ (26,543,914)	\$ (429,321)

The above consolidated statements of changes in (deficiency) should be read in conjunction with the accompanying notes.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

1. Nature and continuance of operations and going concern

Great Quest Gold Ltd. (formerly Great Quest Fertilizer Ltd.) (the "Company") is incorporated under the British Columbia *Business Corporations Act* and its principal business activities are the exploration and development of exploration and evaluation mineral properties located in Mali, West Africa. The Company's registered office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia. The Company's name change became effective June 4, 2024.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations, and do not include any adjustments to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

For the year ended December 31, 2024, the Company incurred a net loss and comprehensive loss of \$3,300,507 and as at December 31, 2024, had a working capital deficiency of \$429,321 and an accumulated deficit of \$26,543,914. These matters represent material uncertainties that cast significant doubt as to the Company's ability to continue as a going concern. The continuation of the Company as a going concern is dependent upon the ability of the Company to obtain the necessary equity financing to continue operations, the successful results of mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom or realize proceeds from their sale. The Company periodically aims to raise additional capital to fund projects and continue operations, and while it has been successful in doing so in the past, there can be no assurance the Company will be able to do so in the future. Management believes the Company will obtain the funding required to maintain current levels of operations and continue as a going concern for the following year.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, indigenous claims, and non-compliance with regulatory, social and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

2. Statement of compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), applicable for the reporting period, with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

3. Summary of material accounting policies

(a) Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as fair value through profit or loss, which have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The policies set out in the ensuing paragraphs have been consistently applied to all periods presented unless otherwise noted.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

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(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

3. Summary of material accounting policies *(continued)*

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments in applying accounting policies. Judgments that have the most significant effect on the amounts recognized in these financial statements are described below. Management is also required to make assumptions and critical estimates. Critical estimates are those that are most subject to uncertainty and have the most significant risk of resulting in a material adjustment to the carrying values of assets and liabilities within the next twelve months. Judgments, assumptions and estimates are based on historical experience, current trends and available information. Future events cannot be determined with certainty. As confirming events occur, actual results could differ materially from the assumptions and estimates.

Critical judgments made in the preparation of these financial statements are as follows:

- Verification of title to its interests in exploration and evaluation properties.
- Functional currency of the Company. Judgment was used in determining the currency that primarily determines or influences the costs of goods and services.
- Going concern. Please see note 1.
- Accounting for the acquisition of Belmont in accordance with its substance. See Note 4(c).

Significant assumptions and estimates used are as follows:

- Share-based payments and warrants – Management determines costs for share-based payments and warrants using market-based valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments for share-based payments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Assumptions and judgments for determining the value of warrants include estimating the future volatility of the share price, expected dividend yield and expected risk-free rate of return. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.
- Provisions - Assumptions were made to determine whether obligations exist and to estimate the amount of the obligations believed to exist. Please see note 3 (j).
- Deferred income taxes - The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.
- Income, value added, withholding and other taxes - The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

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(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

3. Summary of material accounting policies (continued)

- Estimation of decommissioning and restoration costs and the timing of expenditure - The cost estimates are updated annually during the life of a mine to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Company's subsidiaries are as follows:

<u>Name</u>	<u>Country of Incorporation</u>	<u>Ownership Interest</u>
Great Quest (Barbados) Limited	Barbados	100%
Great Quest Mali S.A. ("GQ Mali")	Mali	100%

(b) Foreign currencies

The consolidated financial statements are presented in Canadian dollars. The functional currency of the Company, Great Quest (Barbados) Limited, and GQ Mali is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effect of Changes in Foreign Exchange Rates*.

These consolidated financial statements have been translated to the Canadian dollar in accordance with IAS 21, *The Effects of Changes in Foreign Exchange Rates*. This standard requires that monetary assets and liabilities be translated using the exchange rate at period-end, and income and expenses are translated using the exchange rates at the dates of the transactions (where there is not significant fluctuation in the exchange rates used, the average rate for the period is applied to income and expense balances). The exchange differences are recognized in profit or loss.

At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(c) Financial instruments

(i) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- those measured at amortized cost.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

3. Summary of material accounting policies (continued)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

• *Amortized cost:*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains or losses. Impairment losses are presented as separate line items in the statement of loss.

• *FVTPL:*

Assets that do not meet the criteria for amortized cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity investments: The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Company assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(ii) Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized as the proceeds received net of direct issuance costs.

GREAT QUEST GOLD LTD.

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Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

3. Summary of material accounting policies (continued)

Financial liabilities

The Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was assumed. The Company's accounting policy for each category is as follows:

- Fair value through profit or loss - This category comprises derivatives, liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term or liabilities designated upon initial recognition as FVTPL. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.
- Subsequently measured at amortized cost - financial liabilities initially recorded at fair value and subsequently measured at amortized cost, using the effective interest rate method.

The Company's financial assets and liabilities are recorded and measured as follows:

Financial assets and liabilities	Classification and measurement
Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
Loans payable	Amortized cost

(d) Cash

Cash includes cash, bank deposits, and all highly liquid investments. The Company minimizes its credit risk by investing in cash equivalents with major international banks and financial institutions. Management believes that no concentration of credit risk exists with respect to investment in its cash. As at December 31, 2024 and 2023, the Company did not have any cash equivalents.

(e) Impairment of non-financial assets

Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether an impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

An asset or cash generating unit's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized.

GREAT QUEST GOLD LTD.

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Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

3. Summary of material accounting policies *(continued)*

(f) *Exploration and evaluation expenditures*

Pre-acquisition costs are expensed in the year in which they are incurred. Exploration and evaluation costs include such costs as the acquisition of rights to explore; sampling and surveying costs; costs related to topography, geology, geochemistry and geophysical studies; drilling costs and costs in relation to technical feasibility and commercial feasibility of extracting a mineral resource. Exploration and evaluation costs are expensed as incurred and included in the consolidated statement of loss until technical feasibility and commercial viability of extraction of reserves are demonstrable. Once a mine development decision has been made by the Company, subsequent expenditures incurred to develop the mine are capitalized to mine development assets and included as a component of property, plant and equipment.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to exploration expenses.

(g) *Income taxes*

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable loss and is not a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates substantively enacted at the date of the statement of financial position.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(h) *Share-based payment transactions*

The Company has a stock option plan that allows certain officers, directors, consultants, and related company employees to acquire shares of the Company. The fair value of the options is recognized as an expense with a corresponding increase in equity.

Share-based payments to employees and others providing similar services are measured at grant date at the fair value of the instruments issued. Fair value is determined using the Black Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Each tranche of an award with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis.

Share-based payments to non-employees are measured at fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

GREAT QUEST GOLD LTD.

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(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

3. Summary of material accounting policies *(continued)*

The share-based payments are recorded as an operating expense and as share-based payment reserve. No expense is recognized for awards that do not ultimately vest. When options are exercised, the consideration received is recorded as share capital. In addition, the related share-based payments originally recorded as share-based payment reserve are transferred to share capital. The amounts recorded as share-based payments for options that have expired unexercised or have vested but have been forfeited following the termination of agreement with the option holders are transferred to accumulated deficit. Unamortized amounts of share-based payments with respect to options that have been cancelled are immediately charged to profit or loss on the cancellation date.

(i) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(j) Restoration, rehabilitation, and environmental obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset and the environment in which the mine operates.

Pre-tax discount rates that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations at December 31, 2024 and 2023 as the disturbance to date on the Company's exploration and evaluation properties is not significant.

GREAT QUEST GOLD LTD.

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Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

3. Summary of material accounting policies *(continued)*

(k) Loss per share

The Company presents the basic loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding for the year, if dilutive.

The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting period. During the years ended December 31, 2024 and 2023, all outstanding stock options and warrants were anti-dilutive.

(l) Share capital

Common shares are classified as equity. New issuance of common shares is valued at the consideration received for those shares. When new shares are issued following the exercise of a share purchase warrant or stock option, in addition to the consideration received, the share-based payment originally recorded as share-based payment reserve is also recorded as share capital. Incremental costs directly attributable to the issue of the common shares are recognized as a deduction from equity, net of any tax effects. The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants ("Warrants"). Depending on the terms and conditions of each equity financing agreement ("Agreement"), the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement.

Warrants that are issued as payment for agency fee or other transaction costs are accounted for as share-based payments and are recognized in equity. When warrants are forfeited or are not exercised at the expiry date the amount previously recognized in reserves is transferred to accumulated deficit.

In situations where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received, or given up is not readily determinable, the fair market value (as defined) of the shares is used to record the transaction. The fair market value of the shares issued, or received, is based on the trading price of those shares on the appropriate Exchange on the date shares are issued or received.

(n) Accounting standards and amendments issued but not yet effective

During the year ended December 31, 2024, the Company adopted a number of amendments and improvements of existing standards. These included IAS 1 – Disclosure of Accounting Policies and IAS 8 – Definition of Accounting Estimates. These new standards and changes did not have any material impact on the Company's financial statements.

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. Management is currently evaluating the impact of these pronouncements on the Company's financial statements.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

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(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

3. Summary of material accounting policies *(continued)*

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) - In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

IFRS 18 - Presentation and Disclosure in Financial Statements - In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

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(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

4. Exploration and evaluation expenditures

	Year ended December 31, 2024	Year ended December 31, 2023
Mali Phosphate properties	\$	\$
Office, personnel and other	54,000	-
	54,000	-
Mali Gold property	\$	\$
Office, personnel and other	-	54,450
Land taxes and penalties	-	2,933
	-	57,383
Namibia properties	\$	\$
Acquisition costs	334,614	-
Exploration costs	1,815,592	-
Geological	155,000	-
Travel	21,420	-
	2,326,626	-
Total exploration and evaluation expenses	2,380,626	57,383

(a) Mali Phosphate Properties - Tilemsi Phosphate Project

The Tilemsi project comprises two contiguous properties namely the Tilemsi and Tarkint Est. The Company holds a 100% interest in the permits and two optionors hold 2.07% and 1.47% Net Profit Interest respectively in the project.

Northern Mali, where the Tilemsi project is located has been a conflict zone since January 2012. Management understands that the conflict situation in North Mali constitutes a case of force majeure and has resulted in all exploration commitments being put on hold until the force majeure is lifted. There can be no assurance as to the timing of any resolution of such state of force majeure.

GREAT QUEST GOLD LTD.

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4. Exploration and evaluation expenditures *(continued)*

i. Tilemsi Phosphate Research Permit

On November 19, 2019, the permit was issued for an initial period of three years, renewable two times, for a period of three years each. There are minimum expenditure requirements on the permits as per below:

- \$487,000 (210,000,000 Mali FCFA) for the first year;
- \$313,000 (135,000,000 Mali FCFA) for the second year; and
- \$359,000 (155,000,000 Mali FCFA) for the third year.

ii. Tarkint Est Phosphate Research Permit

In 2010 and 2011, the Company, acquired the Tarkint Est research permit in Mali, for an aggregate of 115,000,000 FCFA (\$230,000). At December 31, 2018, the Company has paid a total of 101,300,000 FCFA (\$204,870) towards the acquisition price. The balance of 13,700,000 FCFA (\$30,309) is due six months after the resumption of activities on the property.

On October 21, 2019, the permit was issued for an initial period of three years, renewable two times, for a period of three years each. On October 6, 2021, the permit was renewed. There are minimum expenditure requirements on the permits as per below:

- \$162,000 (70,000,000 Mali FCFA) for the first year;
- \$267,000 (115,000,000 Mali FCFA) for the second year; and
- \$325,000 (140,000,000 Mali FCFA) for the third year.

The Company did not meet the minimum expenditure requirement for the first, second or third years for either Tilemsi or Tarkint Est research permits given the ongoing force majeure.

(b) Mali Gold Properties

Sanoukou Gold Exploration Permit

On November 30, 2021, Ministry of Mines of Mali re-issued the Sanoukou gold exploration permit until February 21, 2024 with one renewal option remaining.

The minimum expenditure requirements on the permit are as per below:

- \$140,000 (60,000,000 Mali FCFA) for the first year;
- \$300,000 (130,000,000 Mali FCFA) for the second year; and
- \$325,000 (140,000,000 Mali FCFA) for the third year.

The Company allowed the Sanoukou Gold Exploration permit to lapse on February 21, 2024 as it did not complete any of its annual exploration commitments. The Company has no further obligations with respect to the lapsed Sanoukou property.

(c) Namibian Properties

On December 21, 2023, the Company entered into an assignment and assumption agreement with Sulliden Mining Capital Inc. ("Sulliden") to acquire up to 70% of the issued and outstanding shares of Belmont Mineral Exploration (PTY) ("Belmont") from Ongwe Minerals (Pty) Ltd. ("Ongwe"). Belmont holds certain prospecting licenses in Namibia for the following projects: Khorixas Gold Project, Omatjete Gold and Lithium Project, Outjo Gold Project.

GREAT QUEST GOLD LTD.

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Notes to the consolidated financial statements

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For the years ended December 31, 2024 and 2023

4. Exploration and evaluation expenditures *(continued)*

Pursuant to the assignment agreement, the Company has agreed to pay an amount of US\$100,000 (\$143,890) (with US\$50,000 (\$71,945) payable within 90 days and US\$50,000 (\$71,945) payable within 180 days, later amended to payable by March 31, 2025 and then further amended to July 31, 2025 with an additional USD\$10,000 (\$14,389) payable as additional consideration for the payment extension) and \$115,825 in cash and issue 5,000,000 common shares to Sulliden. The Company will also assume the obligations under the original acquisition agreement and pay US\$60,000 (\$81,394 paid) in cash to Ongwe on the closing date of the agreement and complete up to US\$1,400,000 (\$2,014,460) in exploration expenditures within two years of the closing date to acquire 25% of the shares of Belmont. The closing date of the original acquisition agreement was July 5, 2023. If the Company has not advanced the US\$1,400,000 (\$2,014,460) by the end of the two year period, the Belmont shares are to be returned to Ongwe. The Company has the right to fund a further US\$1,400,000 (\$2,014,460) in exploration expenditures over a two-year period from the closing date to acquire up to an additional 26% of the shares, resulting in total ownership of 51% of the shares of Belmont. The Company has the right to fund a further US\$4,000,000 (\$5,755,600) in exploration expenditures over a three-year period from the closing date to acquire up to an additional 19% of the shares, resulting in total ownership of 70% of the shares of Belmont. During the year ended December 31, 2024, the Company paid USD\$1,234,408 towards its exploration commitment.

On July 17, 2024, the Company closed the acquisition of a 25% ownership interest in Belmont by issuing 5,000,000 common shares of the Company, valued at the then current market value of \$0.0428 per share for a total of \$214,000. The Company paid an amount of USD\$50,000 (\$68,971) and \$115,825 to Sulliden per the terms of the assignment and assumption agreement. Prior to closing the acquisition, the Company incurred exploration and evaluation expenditures of \$415,115 on the Namibian properties. This amount is included in the first USD\$1,400,000 funding commitment listed above. An additional USD\$50,000 due to Sulliden by March 31, 2025 was accrued in accounts payable and accrued liabilities at December 31, 2024. Subsequent to December 31, 2024, this amount was deferred until July 31, 2025 for an additional USD\$10,000 that will also be due on July 31, 2025. Significant judgement was required in determining the accounting for this transaction. The Company recorded the transaction in accordance with its substance as an option agreement to acquire the exploration and evaluation asset

5. Loans payable

During the year ended December 31, 2024, the Company entered into loan agreements totaling \$490,000 (\$470,000 with Directors of the Company). The loans were unsecured and bear interest at 20% and had a maturity date of September 30, 2025. For the year ended December 31, 2024, the Company accrued interest on the loans of \$35,378 up to the date of repayment, which is included in Office and general on the consolidated statements of loss. During the year ended December 31, 2024, the Company repaid the loans payable including interest in full.

6. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Closing of Private placement

(a) On July 15, 2024, the Company closed the first tranche of its previously announced non-brokered private placement. The Company issued 10,739,100 units pursuant to a first tranche for gross proceeds of \$536,955.

Each Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.10 per warrant for a period of two years.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

6. Share capital (continued)

In connection with the first tranche, the Company paid cash finder's fees of \$10,500 and issued 210,000 finder's warrants to eligible finders. Each finder's warrant entitles the holder thereof to acquire one common share at a price of \$0.05 for a period of two years. An officer of Company subscribed for 2,339,100 units for gross proceeds of \$116,955.

The issue date fair value of the warrants and finder's warrants were estimated at \$77,325 and \$4,515, respectively using the Black Scholes option pricing model with the following weighted average assumptions: stock price \$0.0428; expected dividend yield of 0%; expected volatility of 100% (based on a blended historical volatility of the Company and industry averages); risk-free interest rate of 3.8%, and an expected life of 2 years.

(b) On July 31, 2024, the Company closed the second tranche of its previously announced non-brokered private placement. The Company issued 29,078,479 units pursuant to the second tranche for gross proceeds of \$1,453,924.

Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.10 per warrant for a period of two years.

In connection with the second tranche, the Company paid cash finder's fees of \$41,409 and issued 760,182 finder's warrants to eligible finders. Each finder's warrant entitles the holder thereof to acquire one common share at a price of \$0.05 for a period of 24 months following the date hereof. An officer and directors of the Company subscribed for 11,354,718 units for gross proceeds of \$567,736.

The issue date fair value of the warrants and finder's warrants were estimated at \$208,648 and \$16,268, respectively using the Black Scholes option pricing model with the following weighted average assumptions: stock price \$0.0428; expected dividend yield of 0%; expected volatility of 100% (based on a blended historical volatility of the Company and industry averages); risk-free interest rate of 3.46%, and an expected life of 2 years.

(c) On August 16, 2024, the Company closed the third and final tranche of its previously announced non-brokered private placement. The Company issued 37,011,000 units pursuant to the final tranche for gross proceeds of \$1,850,550.

Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.10 per warrant for a period of two years.

In connection with the final tranche, the Company paid cash finder's fees and filing fees of \$27,825 and issued 520,000 finder's warrants to eligible finders. Each finder's warrant entitles the holder thereof to acquire one common share at a price of \$0.05 for a period of 24 months following the date hereof. An officer of Company subscribed for 16,220,000 units for gross proceeds of \$811,000.

The issue date fair value of the warrants and finder's warrants were estimated at \$265,104 and \$11,128, respectively using the Black Scholes option pricing model with the following weighted average assumptions: stock price \$0.0428; expected dividend yield of 0%; expected volatility of 100% (based on a blended historical volatility of the Company and industry averages); risk-free interest rate of 3.31%, and an expected life of 2 years.

Shares issued for the acquisition of Belmont

On July 17, 2024, the Company issued 5,000,000 common shares of the Company to Sulliden for the assignment of its 25% interest in Belmont, valued at the then quoted market value of \$0.0428 per share for a total of \$214,000. See Note 4(c).

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

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(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

6. Share capital (continued)

Stock options

The Company has adopted an incentive stock option plan (the "Plan") which was approved at the Company's Annual General Meeting on July 5, 2018. The essential elements of the Plan provide that the aggregate number of common shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the total number of issued and outstanding shares on a non-diluted basis. Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the market price of the common shares (defined as the last closing market price of the Company's common shares immediately preceding the issuance of a news release announcing the granting of the options), or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange.

A summary of the status of the Company's stock option plan as of December 31, 2024 and 2023 is provided below. Changes during the periods then ended were as follows:

	Number of Options	Weighted Average Exercise price
Stock options outstanding December 31, 2022	2,050,000	\$ 0.10
Granted	200,000	0.05
Expired	(1,850,000)	0.10
Stock options outstanding at December 31, 2023 and 2024	400,000	\$ 0.05

During the year ended December 31, 2023, the Company granted 200,000 stock options for the purchase of 200,000 shares at a price of \$0.05 per share for a period of five years from the date of grant, which vested immediately. The total fair value of the stock options granted was \$3,180.

The following table summarizes information about the stock options outstanding and exercisable at December 31, 2024:

Expiry Date	Exercise Price	Number of Options Outstanding	Number of Exercisable Options	Average Remaining Life (Years)
December 7, 2026	\$0.05	200,000	200,000	1.93
January 23, 2028	\$0.05	200,000	200,000	3.06
	\$0.05	400,000	400,000	2.50

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

6. Share capital (continued)

The fair values of options granted during the year ended December 31, 2023 were estimated at the grant date using the Black-Scholes option pricing model with the following weighted average assumptions:

	2023
Expected annual volatility	96.1%
Risk-free interest rate	2.97%
Expected life	5
Stock price	\$0.025
Expected dividend yield	0%
Estimated forfeitures	0%

In estimating the fair value of options issued using the Black-Scholes option pricing model, the Company is required to make assumptions. The expected volatility assumption is based on the historical volatility of the Company's common shares price on the TSX Venture Exchange. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture, and employee termination within the valuation model. The Company has historically not paid dividends on its common shares.

Warrants

Warrants outstanding	Number	Weighted Average Exercise Price (\$)
Balance at December 31, 2022	31,198,815	0.11
Expired	(27,638,815)	0.11
Balance at December 31, 2023	3,560,000	0.10
Expired	(3,560,000)	0.10
Warrants granted	38,414,289	0.10
Finder's warrants granted	1,490,182	0.05
Balance at December 31, 2024	39,904,471	0.10

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

7. Related party transactions and balances

Key management personnel are officers and directors, or their related parties, who hold positions in the Company and its subsidiaries, that result in these officers and directors having control or significant influence over the financial or operating policies of those entities. These include the members of the Board, current and former Chief Executive Officers, Presidents, Chief Financial Officers and the Chief Operating Officers.

The following transacted with the Company in the reporting year.

Transactions with key management personnel

The aggregate value of transactions with key management personnel being directors and key management personnel were as follows:

Compensation	Year ended December 31,	
	2024	2023
Short term benefits, including consulting, management and director fees	\$ 469,000	\$ 314,000
Investor relations	24,000	48,000
Share-based compensation (see note 6)	-	3,180
Total	\$ 493,000	\$ 365,180

During the year ended December 31, 2024, four directors and an officer of the Company advanced \$470,000 to the Company as a loan payable, see Note 5. These loans and accrued interest of \$33,907 were also repaid during the year ended December 31, 2024.

During the year ended December 31, 2024, five directors and four executive officers of the Company participated and acquired a total of 29,913,818 units of the July 15, 2024, July 31, 2024 and August 16, 2024 private placements for gross proceeds of \$1,495,691.

At December 31, 2024 and 2023, the due to related parties included amounts due to officers or directors of the Company as follows:

Related party balances payable	December 31, 2024	December 31, 2023
	\$	\$
Outstanding amount due within one year		
With respect to advances on expenses from related party	146	33,160
With respect to management fees	160,614	747,276
	160,760	780,436

The amounts due to related party are non-interest bearing, unsecured and due on demand.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

8. Supplemental cash flow information

Year ended December 31	2024	2023
Cash received (paid) for interest	\$ 14	\$ -
Finder's warrants issued	31,911	-

9. Segmented information

The Company's activities are all in the one industry segment of exploration and evaluation property acquisition, exploration and development.

Net loss by geographical segment are as follows:

	Mali	Namibia	Canada	Total
For the year ended December 31, 2024				
Net loss for the year	\$ 54,483	\$2,326,626	\$ 919,398	\$ 3,300,507
For the year ended December 31, 2023				
Net loss for the year	\$ 57,681	\$ -	\$ 562,199	\$ 619,880

10. Capital disclosures and financial risk management

The Company includes cash, issued common shares and accumulated deficit in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of its mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financing to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the years ended December 31, 2024 and 2023. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than those of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2024, the Company believes it is not compliant with the policies of the TSXV.

Financial risk management:

The Company is exposed in varying degrees to a variety of financial instrument-related risks.

Credit risk:

The Company is exposed to credit risk by holding cash. This risk is minimized by holding the investments in large Canadian financial institutions. The Company has minimal accounts receivable exposure in the form of refundable GST due from the Canadian government.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

10. Capital disclosures and financial risk management (*continued*)

Currency risk:

The Company's functional currency is the Canadian dollar. There is foreign exchange risk to the Company as some of its exploration and evaluation property interests and resulting commitments are located in Mali and Namibia. Management monitors its foreign currency balances and makes adjustments based on anticipated needs for currencies. The Company does not engage in any hedging activities to reduce its foreign currency risk.

As at December 31, 2024, the Company was exposed to currency risk through the following monetary assets and liabilities in Mali FCFA:

		Canadian\$ equivalent
Cash	\$	4,976
Foreign exchange rate at December 31, 2024		0.0022

Based on the net exposures at December 31, 2024, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the Mali FCFA would not have a material impact on the Company's net loss.

Interest rate risk:

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash and cash equivalents is relatively unaffected by changes in short term interest rates. The income earned on certain bank accounts is subject to the movements in interest rates. The Company's loans payable have a fixed interest rate.

Price risk:

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

Liquidity risk:

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company had a net working deficiency of \$429,321 at December 31, 2024 (2023 – \$1,104,509). Accounts payable are due in 30 days.

11. Commitments and contingencies

The Company's exploration and evaluation activities are subject to 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 activities 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 party to certain management contracts. The Company is committed to payments upon termination of approximately \$598,000 (as at December 31, 2023 - \$74,000) which are due within one year and additional contingent payments of approximately \$1,277,000 (as at December 31, 2023 - nil) upon the occurrence of a change of control. As a triggering event has not taken place, these amounts have not been recorded in these consolidated financial statements.

See also Note 4.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the consolidated financial statements

(Expressed in Canadian dollars)

For the years ended December 31, 2024 and 2023

12. Income tax

Income tax expense varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before taxes as follows:

	2024	2023
Net (loss) before tax for the year	\$ (3,300,507)	\$ (619,880)
Statutory Canadian corporate tax rate	27%	27%
Anticipated tax (recovery)	(891,000)	(164,000)
Change in tax resulting from:		
Share based compensation	-	1,000
Expenses not deductible for tax purposes	46,000	14,000
Difference in tax rates in other jurisdictions	18,000	-
Unrealized tax benefits	827,000	149,000
Income tax recovery	\$ -	\$ -

The unrecognized deductible temporary differences are comprised of the following:

	December 31 2024	December 31 2023
Exploration deductions	\$ 6,521,000	\$ 6,521,000
Non-capital loss carry forwards	12,440,000	11,453,000
Capital loss	173,000	173,000
Share issue costs	67,000	7,000
Investments	2,082,000	-
	\$ 21,283,000	\$ 18,154,000

The Company has available non-capital losses for Canadian income tax purposes, which may be carried forward to reduce taxable income in future years. If not utilized, the non-capital losses in the amount approximately \$12,298,000 will expire as follows:

2027	\$ 278,000
2028	626,000
2029	553,000
2030	616,000
2032	1,352,000
2033	1,371,000
2034	1,218,000
2035	924,000
2036	499,000
2037	664,000
2038	776,000
2039	576,000
2040	260,000
2041	620,000
2042	558,000
2043	619,000
2044	930,000
	<u>\$ 12,440,000</u>

At December 31, 2024, the Company has available capital losses of approximately \$173,000 for Canadian income tax purposes, which may be carried forward indefinitely; and unclaimed Canadian resource deductions of approximately \$706,000, which may be deducted against future Canadian taxable income on a discretionary basis. The Company also has certain unused foreign deductions, which may be deducted against future foreign taxable income.



GREAT QUEST GOLD LTD.
(Formerly Great Quest Fertilizer Ltd.)

Condensed Interim Consolidated Financial Statements
For the three and six months ended
June 30, 2025 and 2024

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Condensed interim consolidated statements of financial position

(Unaudited - Expressed in Canadian dollars)

As at		June 30, 2025	December 31, 2024
ASSETS	Notes		
Current Assets			
Cash		\$ 30,451	\$ 7,139
HST recoverable		31,289	25,413
Prepaid expenses		1,459	5,178
Total assets		\$ 63,199	\$ 37,730
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		\$ 693,620	\$ 306,291
Due to related parties	7	437,270	160,760
Total liabilities		1,130,890	467,051
SHAREHOLDERS' (DEFICIENCY)			
Share capital	6	25,524,393	25,524,393
Share-based payment reserve	6	7,212	7,212
Warrants	6	582,988	582,988
Accumulated deficit		(27,182,284)	(26,543,914)
Total shareholders' (deficiency)		(1,067,691)	(429,321)
Total liabilities and shareholders' (deficiency)		\$ 63,199	\$ 37,730

Nature and continuance of operations and going concern (note 1)

Subsequent event (note 12)

Approved on behalf of the Board of Directors on August 19, 2025

"Jed Richardson"

Jed Richardson – Chief Executive Officer

"John Clarke"

John Clarke – Director

The above condensed interim consolidated statements of financial position should be read in conjunction with the accompanying notes.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Condensed interim consolidated statements of loss and comprehensive loss

(Unaudited - Expressed in Canadian dollars)

	Notes	Three months ended June 30,		Six months ended June 30,	
		2025	2024	2025	2024
Expenses					
Accounting and audit		\$ 70,202	\$ 25,546	\$ 78,402	\$ 32,044
Consulting	7	94,375	33,950	189,638	62,900
Investor relations	7	25,500	12,000	42,000	24,000
Legal		22,869	531	23,340	531
Management and director fees	7	78,500	78,500	157,000	157,000
Office and general		2,682	8,361	16,543	26,983
Exploration and evaluation expenditures	4	58,500	301,347	131,376	538,508
Loss before other items		(352,628)	(460,235)	(638,299)	(841,966)
Interest income		(81)	(27,323)	(71)	(27,314)
Net loss and comprehensive loss for the period		\$ (352,709)	\$ (487,558)	\$ (638,370)	\$ (869,280)
Weighted average number of outstanding shares		166,674,661	84,846,082	166,674,661	84,846,082
Basic and diluted loss per share		\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)

The above condensed interim consolidated statements of loss and comprehensive loss should be read in conjunction with the accompanying notes.

GREAT QUEST GOLD LTD.
(Formerly Great Quest Fertilizer Ltd.)
Condensed interim consolidated statements of cash flows
(Unaudited - Expressed in Canadian dollars)

		For the six months ended June 30,	
	Note	2025	2024
CASH FLOWS FROM:			
Operating activities			
Net (loss) for the period		\$ (638,370)	\$ (869,280)
Items not involving cash and other adjustments			
Accrued interest		-	27,323
		<u>(638,370)</u>	<u>(841,957)</u>
Net change in non-cash working capital items:			
HST recoverable		(5,876)	(4,323)
Prepaid expenses		3,719	3,729
Accounts payable and accrued liabilities		387,329	203,534
Loan receivable		-	(2,283)
		<u>385,172</u>	<u>200,657</u>
Cash flows used in operating activities		<u>(253,198)</u>	<u>(641,300)</u>
Financing activities			
Loan proceeds	5	-	490,000
Due to related parties		276,510	163,428
Cash flows from financing activities		<u>276,510</u>	<u>653,428</u>
Net change in cash		23,312	12,128
Cash, beginning of the period		7,139	5,473
Cash, end of the period		\$ 30,451	\$ 17,601

Supplemental cash flow information (note 8)

The above condensed interim consolidated statements of cash flows should be read in conjunction with the accompanying notes.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Condensed interim consolidated statements of changes in (deficiency)

(Unaudited - Expressed in Canadian dollars)

For the six months ended June 30, 2025 and 2024

	Notes	Number of shares	Share capital	Warrants	Share-based payment reserve	Accumulated deficit	Total
Balance January 1, 2024		84,846,082	\$ 22,131,686	\$ 19,884	\$ 7,212	\$ (23,263,291)	\$ (1,104,509)
Warrants expired	6	-	-	(19,884)	-	19,884	-
Net loss for the period		-	-	-	-	(869,280)	(869,280)
Balance at June 30, 2024		84,846,082	\$ 22,131,686	\$ -	\$ 7,212	\$ (24,112,687)	\$ (1,973,789)
Balance at January 1, 2025		166,674,661	\$ 25,524,393	\$ 582,988	\$ 7,212	\$ (26,543,914)	\$ (429,321)
Net loss for the period		-	-	-	-	(638,370)	(638,370)
Balance at June 30, 2025		166,674,661	\$ 25,524,393	\$ 582,988	\$ 7,212	\$ (27,182,284)	\$ (1,067,691)

The above condensed interim consolidated statements of changes in (deficiency) should be read in conjunction with the accompanying notes.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the condensed interim consolidated financial statements

(Unaudited - Expressed in Canadian dollars)

For the three and six months ended June 30, 2025 and 2024

1. Nature and continuance of operations and going concern

Great Quest Gold Ltd. (formerly Great Quest Fertilizer Ltd.) (the "Company") is incorporated under the British Columbia *Business Corporations Act* and its principal business activities are the exploration and development of exploration and evaluation mineral properties located in Mali, West Africa. The Company's registered office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia. The Company's name change became effective June 4, 2024.

These condensed consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations, and do not include any adjustments to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

For the three and six months ended June 30, 2025, the Company incurred a net loss and comprehensive loss of \$352,709 and \$638,370, respectively, and as at June 30, 2025, had a working capital deficiency of \$1,067,691 and an accumulated deficit of \$27,182,284. These matters represent material uncertainties that cast significant doubt as to the Company's ability to continue as a going concern. The continuation of the Company as a going concern is dependent upon the ability of the Company to obtain the necessary equity financing to continue operations, the successful results of mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom or realize proceeds from their sale. The Company periodically aims to raise additional capital to fund projects and continue operations, and while it has been successful in doing so in the past, there can be no assurance the Company will be able to do so in the future. Management believes the Company will obtain the funding required to maintain current levels of operations and continue as a going concern for the following year.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, indigenous claims, and non-compliance with regulatory, social and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

2. Statement of compliance

These condensed interim financial statements for the three and six months ended June 30, 2025 and 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company's 2024 annual financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim financial statements have been prepared using accounting policies consistent with those used in the Company's 2024 annual financial statements except for new standards, interpretations and amendments mandatorily effective for the first time from January 1, 2025, with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. Ongoing operations of the Company are dependent upon its ability to receive continued financial support, complete public equity financings, or generate profitable operations in the future.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the condensed interim consolidated financial statements

(Unaudited - Expressed in Canadian dollars)

For the three and six months ended June 30, 2025 and 2024

3. Summary of material accounting policies

The accounting policies as set out in Note 3 of the Company's annual financial statements for the year ended December 31, 2024 have been consistently applied to all the periods presented except for new accounting policies and the adoption of the following new standards and amendments issued by the IASB that were effective for annual periods beginning on or after January 1, 2025. These policies are outlined below.

(a) Basis of preparation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as fair value through profit or loss, which have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The policies set out in the ensuing paragraphs have been consistently applied to all periods presented unless otherwise noted.

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments in applying accounting policies. Judgments that have the most significant effect on the amounts recognized in these financial statements are described below. Management is also required to make assumptions and critical estimates. Critical estimates are those that are most subject to uncertainty and have the most significant risk of resulting in a material adjustment to the carrying values of assets and liabilities within the next twelve months. Judgments, assumptions and estimates are based on historical experience, current trends and available information. Future events cannot be determined with certainty. As confirming events occur, actual results could differ materially from the assumptions and estimates.

Critical judgments made in the preparation of these financial statements are as follows:

- Verification of title to its interests in exploration and evaluation properties.
- Functional currency of the Company. Judgment was used in determining the currency that primarily determines or influences the cost of goods and services.
- Going concern. Please see Note 1.
- Accounting for the acquisition of Belmont in accordance with its substance. See Note 4(c).

Significant assumptions and estimates used are as follows:

- Share-based payments - Assumptions were used in applying valuation techniques to determine the costs for these payments, in particular, in estimating the future volatility of the stock price, expected dividend yield, future employee turnover rate, and risk-free interest rate.
- Provisions - Assumptions were made to determine whether obligations exist and to estimate the amount of the obligations believed to exist.
- Deferred income taxes - The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

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3. Summary of significant accounting policies *(continued)*

- Income, value added, withholding and other taxes - The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.
- Estimation of decommissioning and restoration costs and the timing of expenditure - The cost estimates are updated annually during the life of a mine to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Company's subsidiaries are as follows:

<u>Name</u>	<u>Country of Incorporation</u>	<u>Ownership Interest</u>
Great Quest (Barbados) Limited	Barbados	100%
Great Quest Mali S.A. ("GQ Mali")	Mali	100%

Accounting standards and amendments issued but not yet effective

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. Management is currently evaluating the impact of these pronouncements on the Company's financial statements.

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3. Summary of material accounting policies (continued)

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) - In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

IFRS 18 - Presentation and Disclosure in Financial Statements - In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

4. Exploration and evaluation expenditures

	Six months ended June 30, 2025	Six months ended June 30, 2024
Mali Phosphate properties	\$	\$
Office, personnel and other	27,000	27,000
	27,000	27,000
Namibia properties	\$	\$
Acquisition costs	14,376	81,394
Exploration costs	-	415,114
Geological	90,000	15,000
	104,376	511,508
Total exploration and evaluation expenses	131,376	538,508

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4. Exploration and evaluation expenditures *(continued)*

(a) Mali Phosphate Properties - Tilemsi Phosphate Project

The Tilemsi project comprises two contiguous properties namely the Tilemsi and Tarkint Est. The Company holds a 100% interest in the permits and two optionors hold 2.07% and 1.47% Net Profit Interest respectively in the project.

Northern Mali, where the Tilemsi project is located has been a conflict zone since January 2012. Management understands that the conflict situation in Northern Mali constitutes a case of force majeure and has resulted in all exploration commitments being put on hold until the force majeure is lifted. There can be no assurance as to the timing of any resolution of such state of force majeure.

i. Tilemsi Phosphate Research Permit

On November 19, 2019, the permit was issued for an initial period of three years, renewable twice, for a period of three years each. There are minimum expenditure requirements on the permits as shown below:

- \$487,000 (210,000,000 Mali FCFA) for the first year;
- \$313,000 (135,000,000 Mali FCFA) for the second year; and
- \$359,000 (155,000,000 Mali FCFA) for the third year.

ii. Tarkint Est Phosphate Research Permit

In 2010 and 2011, the Company acquired the Tarkint Est research permit in Mali, for an aggregate of 115,000,000 FCFA (\$230,000). At December 31, 2018, the Company has paid a total of 101,300,000 FCFA (\$204,870) towards the acquisition price. The balance of 13,700,000 FCFA (\$30,309) is due six months after the resumption of activities on the property.

On October 21, 2019, the permit was issued for an initial period of three years, renewable two times, for a period of three years each. On October 6, 2021, the permit was renewed. There are minimum expenditure requirements on the permits as per below:

- \$162,000 (70,000,000 Mali FCFA) for the first year;
- \$267,000 (115,000,000 Mali FCFA) for the second year; and
- \$325,000 (140,000,000 Mali FCFA) for the third year.

The Company did not meet the minimum expenditure requirements for the first, second or third years for either Tilemsi or Tarkint Est research permits given the ongoing force majeure.

(b) Mali Gold Properties

Sanoukou Gold Exploration Permit

On November 30, 2021, the Ministry of Mines of Mali re-issued the Sanoukou gold exploration permit until February 21, 2024 with one renewal option remaining.

The minimum expenditure requirements on the permit are as per below:

- \$140,000 (60,000,000 Mali FCFA) for the first year;
- \$300,000 (130,000,000 Mali FCFA) for the second year; and
- \$325,000 (140,000,000 Mali FCFA) for the third year.

The Company allowed the Sanoukou Gold Exploration permit to lapse on February 21, 2024 as it did not complete any of its annual exploration commitments. The Company has no further obligations with respect to the lapsed Sanoukou property.

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4. Exploration and evaluation expenditures *(continued)*

(c) Namibian Properties

On December 21, 2023, the Company entered into an assignment and assumption agreement with Sulliden Mining Capital Inc. ("Sulliden") to acquire up to 70% of the issued and outstanding shares of Belmont Mineral Exploration (PTY) ("Belmont") from Ongwe Minerals (Pty) Ltd. ("Ongwe"). Belmont holds certain prospecting licenses in Namibia for the following projects: Khorixas Gold Project, Omatjete Gold and Lithium Project, Outjo Gold Project.

Pursuant to the assignment agreement, the Company has agreed to pay an amount of US\$100,000 (\$136,430) (with US\$50,000 (\$68,215) payable within 90 days and US\$50,000 (\$68,215) payable within 180 days, later amended to payable by March 31, 2025 and then further amended to July 31, 2025 with an additional USD\$10,000 (\$13,643) payable as additional consideration for the payment extension) and \$115,825 in cash and issue 5,000,000 common shares to Sulliden. The Company will also assume the obligations under the original acquisition agreement and pay US\$60,000 (\$81,394 paid) in cash to Ongwe on the closing date of the agreement and complete up to US\$1,400,000 (\$1,910,020) in exploration expenditures within two years of the closing date to acquire 25% of the shares of Belmont. The closing date of the original acquisition agreement was September 1, 2023. If the Company has not advanced the US\$1,400,000 (\$1,910,020) by the end of the two year period, the Belmont shares are to be returned to Ongwe. The Company has the right to fund a further US\$1,400,000 (\$1,910,020) in exploration expenditures over a two-year period from the closing date to acquire up to an additional 26% of the shares, resulting in total ownership of 51% of the shares of Belmont. The Company has the right to fund a further US\$4,000,000 (\$5,457,200) in exploration expenditures over a three-year period from the closing date to acquire up to an additional 19% of the shares, resulting in total ownership of 70% of the shares of Belmont. As at June 30, 2025 and December 31, 2024, the Company has paid USD\$1,234,408 (\$1,684,103) towards its exploration commitment.

On July 17, 2024, the Company closed the acquisition of a 25% ownership interest in Belmont by issuing 5,000,000 common shares of the Company, valued at the then current market value of \$0.0428 per share for a total of \$214,000. The Company paid an amount of USD\$50,000 (\$68,971) and \$115,825 to Sulliden per the terms of the assignment and assumption agreement. Prior to closing the acquisition, the Company incurred exploration and evaluation expenditures of \$415,115 on the Namibian properties. This amount is included in the first USD\$1,400,000 funding commitment listed above. An additional USD\$50,000 (\$68,215) due to Sulliden by March 31, 2025 was accrued in accounts payable and accrued liabilities at December 31, 2024 and June 30, 2025. Subsequent to December 31, 2024, this amount was deferred until July 31, 2025 for an additional USD\$10,000 (\$13,643) that will also be due on July 31, 2025, which has also been accrued in accounts payable and accrued liabilities at June 30, 2025. Significant judgement was required in determining the accounting for this transaction. The Company recorded the transaction in accordance with its substance as an option agreement to acquire the exploration and evaluation asset.

5. Loans payable

During the year ended December 31, 2024, the Company entered into loan agreements totaling \$490,000 (\$470,000 with Directors of the Company). The loans were unsecured and bear interest at 20% and had a maturity date of September 30, 2025. For the year ended December 31, 2024, the Company accrued interest on the loans of \$35,378 up to the date of repayment, which is included in Office and general on the consolidated statements of loss. During the year ended December 31, 2024, the Company repaid the loans payable including interest in full.

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6. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Closing of Private placement

(a) On July 15, 2024, the Company closed the first tranche of its previously announced non-brokered private placement. The Company issued 10,739,100 units pursuant to a first tranche for gross proceeds of \$536,955.

Each Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.10 per warrant for a period of two years.

In connection with the first tranche, the Company paid cash finder's fees of \$10,500 and issued 210,000 finder's warrants to eligible finders. Each finder's warrant entitles the holder thereof to acquire one common share at a price of \$0.05 for a period of two years. An officer of the Company subscribed for 2,339,100 units for gross proceeds of \$116,955.

The issue date fair value of the warrants and finder's warrants were estimated at \$77,325 and \$4,515, respectively using the Black Scholes option pricing model with the following weighted average assumptions: stock price \$0.0428; expected dividend yield of 0%; expected volatility of 100% (based on a blended historical volatility of the Company and industry averages); risk-free interest rate of 3.8%, and an expected life of 2 years.

(b) On July 31, 2024, the Company closed the second tranche of its previously announced non-brokered private placement. The Company issued 29,078,479 units pursuant to the second tranche for gross proceeds of \$1,453,924.

Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.10 per warrant for a period of two years.

In connection with the second tranche, the Company paid cash finder's fees of \$41,409 and issued 760,182 finder's warrants to eligible finders. Each finder's warrant entitles the holder thereof to acquire one common share at a price of \$0.05 for a period of 24 months following the date hereof. An officer and directors of the Company subscribed for 11,354,718 units for gross proceeds of \$567,736.

The issue date fair value of the warrants and finder's warrants were estimated at \$208,648 and \$16,268, respectively using the Black Scholes option pricing model with the following weighted average assumptions: stock price \$0.0428; expected dividend yield of 0%; expected volatility of 100% (based on a blended historical volatility of the Company and industry averages); risk-free interest rate of 3.46%, and an expected life of 2 years.

(c) On August 16, 2024, the Company closed the third and final tranche of its previously announced non-brokered private placement. The Company issued 37,011,000 units pursuant to the final tranche for gross proceeds of \$1,850,550.

Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.10 per warrant for a period of two years.

In connection with the final tranche, the Company paid cash finder's fees and filing fees of \$27,825 and issued 520,000 finder's warrants to eligible finders. Each finder's warrant entitles the holder thereof to acquire one common share at a price of \$0.05 for a period of 24 months following the date hereof. An officer of the Company subscribed for 16,220,000 units for gross proceeds of \$811,000.

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6. Share capital (continued)

The issue date fair value of the warrants and finder's warrants were estimated at \$265,104 and \$11,128, respectively using the Black Scholes option pricing model with the following weighted average assumptions: stock price \$0.0428; expected dividend yield of 0%; expected volatility of 100% (based on a blended historical volatility of the Company and industry averages); risk-free interest rate of 3.31%, and an expected life of 2 years.

Shares issued for the acquisition of Belmont

On July 17, 2024, the Company issued 5,000,000 common shares of the Company to Sulliden for the assignment of its 25% interest in Belmont, valued at the then quoted market value of \$0.0428 per share for a total amount of \$214,000. See Note 4(c).

Stock options

The Company has adopted an incentive stock option plan (the "Plan") which was approved at the Company's Annual General Meeting on July 5, 2018. The essential elements of the Plan provide that the aggregate number of common shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the total number of issued and outstanding shares on a non-diluted basis. Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the market price of the common shares (defined as the last closing market price of the Company's common shares immediately preceding the issuance of a news release announcing the granting of the options), or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange.

A summary of the status of the Company's stock option plan as of June 30, 2025 and December 31, 2024 is provided below. Changes during the periods then ended were as follows:

	Number of Options	Weighted Average Exercise price
Stock options outstanding at December 31, 2023, 2024 and June 30, 2025	400,000	\$ 0.05

The following table summarizes information about the stock options outstanding and exercisable at June 30, 2025:

Expiry Date	Exercise Price	Number of Options Outstanding	Number of Exercisable Options	Average Remaining Life (Years)
December 7, 2026	\$0.05	200,000	200,000	1.44
January 23, 2028	\$0.05	200,000	200,000	2.57
	\$0.05	400,000	400,000	2.00

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6. Share capital (continued)

Warrants

Warrants outstanding	Number	Weighted Average Exercise Price (\$)
Balance at December 31, 2023	3,560,000	0.10
Expired	(3,560,000)	0.10
Warrants granted	38,414,289	0.10
Finder's warrants granted	1,490,182	0.05
Balance at December 31, 2024 and June 30, 2025	39,904,471	0.10

The following table summarizes information about the warrants outstanding and exercisable at June 30, 2025:

Expiry Date	Exercise Price	Number of Warrants Outstanding	Average Remaining Life (Years)
July 15, 2026	\$0.10	5,369,550	1.04
July 15, 2026	\$0.05	210,000	1.04
July 31, 2026	\$0.10	14,539,239	1.08
July 31, 2026	\$0.05	760,182	1.08
August 16, 2026	\$0.10	18,505,500	1.13
August 16, 2026	\$0.05	520,000	1.13
	\$0.10	39,904,471	1.10

7. Related party transactions and balances

Key management personnel are officers and directors, or their related parties, who hold positions in the Company and its subsidiaries, that result in these officers and directors having control or significant influence over the financial or operating policies of those entities. These include the members of the Board, current and former Chief Executive Officers, Presidents, Chief Financial Officers and the Chief Operating Officers.

The following transacted with the Company in the reporting period.

Transactions with key management personnel

The aggregate value of transactions with key management personnel being directors and key management personnel were as follows:

Compensation	Six months ended June 30,	
	2025	2024
Short term benefits, including consulting, management and director fees	\$ 247,000	\$ 157,000
Investor relations	-	24,000
Total	\$ 247,000	\$ 181,000

During the year ended December 31, 2024, four directors and an officer of the Company advanced \$470,000 to the Company as a loan payable, see Note 5. These loans and accrued interest of \$33,907 were also repaid during the year ended December 31, 2024.

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7. Related party transactions and balances (continued)

During the year ended December 31, 2024, five directors and four executive officers of the Company participated and acquired a total of 29,913,818 units of the July 15, 2024, July 31, 2024 and August 16, 2024 private placements for gross proceeds of \$1,495,691.

At June 30, 2025 and December 31, 2024, the due to related parties included amounts due to officers or directors of the Company as follows:

	June 30, 2025	December 31, 2024
Related party balances payable		
Outstanding amount due within one year		
With respect to advances on expenses from related party	146	146
With respect to management fees	437,124	160,614
	437,270	160,760

The amounts due to related party are non-interest bearing, unsecured and due on demand.

8. Supplemental cash flow information

Six months ended June 30,	2025	2024
Cash received for interest	\$ 22	\$ 9

9. Segmented information

The Company's activities are all in the one industry segment of exploration and evaluation property acquisition, exploration and development.

Net loss by geographical segment are as follows:

	Mali	Namibia	Canada	Total
For the six months ended June 30, 2025				
Net loss for the period	\$ 27,653	\$ 104,376	\$ 506,341	\$ 638,370
For the six months ended June 30, 2024				
Net loss for the period	\$ 27,334	\$ 511,508	\$ 330,438	\$ 869,280

10. Capital disclosures and financial risk management

The Company includes cash, issued common shares and accumulated deficit in the definition of capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of its mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financing to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

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10. Capital disclosures and financial risk management (continued)

There were no changes in the Company's approach to capital management during the three and six months ended June 30, 2025 and 2024. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than those of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of June 30, 2025, the Company believes it is not compliant with the policies of the TSXV.

Financial risk management:

The Company is exposed in varying degrees to a variety of financial instrument-related risks.

Credit risk:

The Company is exposed to credit risk by holding cash. This risk is minimized by holding the investments in large Canadian financial institutions. The Company has minimal accounts receivable exposure in the form of refundable GST due from the Canadian government.

Currency risk:

The Company's functional currency is the Canadian dollar. There is foreign exchange risk to the Company as some of its exploration and evaluation property interests and resulting commitments are located in Mali and Namibia. Management monitors its foreign currency balances and makes adjustments based on anticipated needs for currencies. The Company does not engage in any hedging activities to reduce its foreign currency risk.

As at June 30, 2025, the Company was exposed to currency risk through the following monetary assets and liabilities in Mali FCFA:

	Canadian\$ equivalent
Cash	\$ 4,324
Foreign exchange rate at June 30, 2025	0.0022

Based on the net exposures at June 30, 2025, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the Mali FCFA would not have a material impact on the Company's net loss.

Interest rate risk:

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash is relatively unaffected by changes in short term interest rates. The income earned on certain bank accounts is subject to the movements in interest rates. The Company's loans payable have a fixed interest rate.

Price risk:

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

Liquidity risk:

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company had a net working deficiency of \$1,067,691 at June 30, 2025 (December 31, 2024 – \$429,321). Accounts payable are due in 30 days.

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11. Commitments and contingencies

The Company's exploration and evaluation activities are subject to 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 activities 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 party to certain management contracts. The Company is committed to payments upon termination of approximately \$598,000 (as at December 31, 2024 - \$598,000) which are due within one year and additional contingent payments of approximately \$1,277,000 (as at December 31, 2024 - \$1,277,000) upon the occurrence of a change of control. As a triggering event has not taken place, these amounts have not been recorded in these condensed interim consolidated financial statements.

See also Note 4.

12. Subsequent events

Private placement

Subsequent to June 30, 2025, the Company announced that it has closed the first tranche of its previously announced non-brokered private placement for gross proceeds of \$289,000. Pursuant to the first tranche, the Company has issued 11,560,000 common shares of the Company at a price of \$0.025 per common share.

Arrangement agreement with Lotus Gold in respect of proposed reverse takeover

On June 27, 2025, Great Quest announced that it has entered into a definitive arrangement agreement dated June 26, 2025 (the "Arrangement Agreement") with Lotus Gold Corporation ("Lotus"), pursuant to which Great Quest intends to acquire all of the issued and outstanding common shares of Lotus (the "Lotus Shares") in exchange for newly issued common shares in the capital of Great Quest ("GQ Shares") as an arm's length transaction to be completed by way of a court-approved plan of arranged under the Business Corporations Act (British Columbia) (the "BCBCA") (the "Arrangement"). Pursuant to the policies of the TSX Venture Exchange (the "TSXV"), the Arrangement will be considered a reverse takeover (the "RTO") of the Company by Lotus, which will become a wholly-owned subsidiary of the resulting issuer (the "Resulting Issuer") following completion of the Arrangement.

The Proposed Transaction

It is currently anticipated that the Company will acquire Lotus by way of a three-cornered amalgamation, share exchange, plan of arrangement or other similar form of transaction as agreed to by the parties to ultimately form the resulting issuer (the "**Resulting Issuer**"). The final structure of the Proposed Transaction is subject to the receipt of tax, corporate and securities law advice for both the Company and Lotus.

Upon completion of the Transaction (the "Closing"), Lotus is expected to amalgamate (the "Amalgamation") as a three-cornered amalgamation with a new wholly-owned subsidiary of the Company ("Subco"), incorporated under the laws of British Columbia, to form an amalgamated company under the laws of British Columbia ("Amalco"), and the shareholders of Lotus are expected to transfer all of their common shares of Lotus (the "Lotus Shares") to the Company in consideration for post-Consolidation common shares (the "RI Shares") of the Company as the Resulting Issuer, based on an exchange ratio (the "Exchange Ratio") of RI Shares for Lotus Shares wherein the number of RI Shares issued by the Resulting Issuer to the Lotus shareholders is estimated to be 63.3% and the number of RI Shares held by the former shareholders of the Company is estimated to be 36.7%.

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For the three and six months ended June 30, 2025 and 2024

12. Subsequent events (continued)

Each Lotus shareholder is expected to receive its pro rata share of such issued RI Shares in proportion to their respective ownership of Lotus Shares. Upon completion of the proposed Transaction, 63.3% of the RI Shares shall be attributable to former shareholders of Lotus and 36.7% shall be attributable to former shareholders of the Company, and the RI Shares are expected to be listed and posted for trading on the Exchange as a Tier 1 or Tier 2 mining issuer.

Transaction Details

Pursuant to the Arrangement Agreement, the shareholders of Lotus will receive such number of common shares of the Resulting Issuer (the "RI Shares") such that the former Lotus shareholders will own 63.3% of the issued and outstanding RI Shares and the number of RI Shares held by the former shareholders of Great Quest will equal 36.7%. The number of RI Shares issued as consideration shares to former holders of Lotus Shares will be determined following completion of the Bridge Financing (as defined below) and announced in a subsequent news release accordingly.

In accordance with the terms of the Arrangement Agreement, all outstanding warrants of Lotus will be exercisable to acquire RI Shares, in amounts and at exercise prices adjusted in accordance with the Arrangement Agreement.

Arrangement Agreement

The Arrangement will be subject to the following approvals:

- approval by the Supreme Court of British Columbia,
- requisite regulatory approval, including the approval of the TSXV; and
- the approval of the directors and the shareholders of each of Great Quest and Lotus.

Among other terms customary for a transaction of this nature, the Arrangement Agreement includes the following terms and conditions:

- A change of name of the Company to such name as is mutually agreed between Great Quest and Lotus and acceptable to the TSXV (the "**Name Change**") effective upon closing of the Arrangement (the "**Closing**");
- a share consolidation (the "**Consolidation**") of Great Quest on the basis of one post-consolidation GQ Share for every 30 pre-consolidation GQ Shares;
- completion of a bridge financing (the "Bridge Financing") by Great Quest for gross aggregate proceeds of up to CAD\$500,000, through the issuance of GQ Shares at a pre-Consolidation price of \$0.025 per share
- directors and officers of Lotus and shareholders of Lotus holding 5% or more entering into support and voting agreements pursuant to which they have agreed to vote their Lotus Shares in favour of the Arrangement;
- each of Great Quest and Lotus will have a working capital deficit and long term debt (excluding non-cash liabilities) of no more than CAD\$110,000 unless agreed otherwise by Lotus and Great Quest respectively in writing
- Lotus will receive a title opinion regarding Great Quest's Namibian mineral project; and
- Great Quest will receive a technical report in compliance with National Instrument 43-103 – Standards of Disclosure for Mineral Projects and a title opinion regarding Lotus' Eastern Desert Gold Project in Eastern Egypt.

GREAT QUEST GOLD LTD.

(Formerly Great Quest Fertilizer Ltd.)

Notes to the condensed interim consolidated financial statements

(Unaudited - Expressed in Canadian dollars)

For the three and six months ended June 30, 2025 and 2024

12. Subsequent events (continued)

Shareholder Approvals

At a special meeting of the shareholders of Great Quest the (the "GQ Meeting") to be held in accordance with the BCBCA, Great Quest will seek the approval of the RTO pursuant to the policies of the TSXV by an ordinary resolution passed by shareholders of Great Quest holding at least 51% of the issued and outstanding GQ Shares present in person or represented by proxy at the GQ Meeting.

At a special meeting of the shareholders of Lotus (the "Lotus Meeting") to be held in accordance with the BCBCA, Lotus will seek the approval of the Arrangement by a special resolution passed by the shareholders of Lotus holding at least 66 2/3 % of the issued and outstanding Lotus Shares present in person or represented by proxy at the Lotus Meeting.

Lotus Advance

In connection with the Arrangement, Lotus will enter into a secured loan agreement with Great Quest for the loan amount of \$300,000 (the "Loan") bearing interest at 10% per annum, subject to conversion into GQ Shares at a pre-Consolidation price of \$0.025 per share should the Arrangement not close by the November 30, 2025 deadline. Great Quest intends to use the funds from the Loan for its working capital requirements.

Bridge Financing

The Company intends to complete the Bridge Financing prior to the Closing. The Bridge Financing is subject to approval by the TSXV.

Insiders, Officers and Board of Directors of the Resulting Issuer

Upon completion of the Proposed Transaction, it is anticipated that the board of directors of the Resulting Issuer shall consist of three directors to be reconstituted to be comprised of Jed Richardson, Heye Daun and Alan Friedman.

There can be no assurance that the Proposed Transaction will be completed as described or at all.

SCHEDULE "I"
MANAGEMENT'S DISCUSSION AND ANALYSIS OF GQ



GREAT QUEST GOLD LTD.
Management's Discussion and Analysis
For the years ended December 31, 2024 and 2023

The information in this management discussion and analysis ("MD&A") is as of April 8, 2025 and should be read in conjunction with the consolidated financial statements for the years ended December 31, 2024 and 2023. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards.

The consolidated financial statements do not include any adjustments to the recoverability and classification of recorded assets, or the amounts, and classification of liabilities that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

DESCRIPTION OF THE CORPORATION

Great Quest Gold Ltd. (formerly Great Quest Fertilizer Ltd.) ("Great Quest" or the "Company") is a resource development company whose principal business activities includes the acquisition, exploration and development of minerals in Africa. The Company holds a gold and lithium resource project (Belmont) located in Namibia and a phosphate resource project (Tilemsi) located in Mali, West Africa. The Company name change became effective on June 4, 2024.

The registered address of the Company is located at the 10th floor, 595, Howe Street, Vancouver, British Columbia. The management of its financing, cash and investments in resource companies is carried out at the Company's head office located in Canada. The Company acquired a 25% interest in Belmont Mineral Exploration (Pty) Ltd. ("Belmont"), a Namibian private company. Belmont holds, directly or through option agreements, 14 exclusive prospecting licenses covering 307,778 hectares of exploration licenses, including the Khorixas Gold Project, the Omatjete Gold and Lithium Project, and the Outjo Gold Project. Corporate direction of the Company's exploration activities in Mali are carried out through the Company's wholly owned subsidiary, Great Quest (Barbados) Limited, which owns Great Quest Mali SA ("GQ Mali"). All interests in the Tilemsi mineral property in Mali are held by GQ Mali. All dollar figures included herein are expressed in Canadian dollars unless otherwise indicated.

Additional information about the Company has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") under the Company's profile at www.sedarplus.ca and is available online on the Company's website at www.greatquest.com. The Company's common shares ("Common Shares") are listed on the TSX Venture Exchange under the symbol "GQ".

HIGHLIGHTS

Private placement

(a) On July 15, 2024, the Company closed the first tranche of its previously announced non-brokered private placement. The Company issued 10,739,100 units pursuant to the first Tranche for gross proceeds of \$536,955.

Each unit consists of one common share in the capital of the Company (each a "Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to purchase one common share in the capital of the Company (a "Warrant Share") at a price of \$0.10 per Warrant Share for a period of two years following the date of issuance.

In connection with the first tranche, the Company paid cash finder's fees of \$10,500 and issued 210,000 finder's warrants (the "Finder Warrants") to eligible finders. Each Finder Warrant entitles the holder thereof to acquire one Share at a price of \$0.05 for a period of 24 months following the date hereof. All of the securities issued pursuant to

the First Tranche are subject to a four-month and one day hold period from the date hereof.

(b) On July 31, 2024, the Company closed the second tranche (the “Second Tranche”) of its previously announced non-brokered private placement (the “Private Placement”). The Company issued 29,078,479 units (the “Units”) pursuant to the Second Tranche for gross proceeds of \$1,453,924. The Company also announced that due to increased investor demand, the Company is increasing the Private Placement from total gross proceeds of up to \$2 million to total gross proceeds of up to \$3,851,429. The Private Placement will now consist of up to 80,000,000 Units.

Each Unit consists of one common share in the capital of the Company (each a “Share”) and one-half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder to purchase one common share in the capital of the Company (a “Warrant Share”) at a price of \$0.10 per Warrant Share for a period of two years following the date hereof.

In connection with the Second Tranche, the Company paid cash finder’s fees of \$41,409 and issued 760,182 finder’s warrants (the “Finder Warrants”) to eligible finders. Each Finder Warrant entitles the holder thereof to acquire one Share at a price of \$0.05 for a period of 24 months following the date hereof. All of the securities issued pursuant to the first tranche are subject to a four-month and one day hold period from the date hereof.

(c) On August 16, 2024, the Company closed the third and final tranche (the “Final Tranche”) of its previously announced non-brokered private placement (the “Private Placement”). The Company issued 37,011,000 units (the “Units”) pursuant to the Final Tranche for gross proceeds of \$1,850,550.

Each Unit consists of one common share in the capital of the Company (each a “Share”) and one-half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder to purchase one common share in the capital of the Company (a “Warrant Share”) at a price of \$0.10 per Warrant Share for a period of two years following the closing date.

In connection with the Final Tranche, the Company paid cash finder’s fees and filing fees of \$27,825 and issued 520,000 finder’s warrants (the “Finder Warrants”) to eligible finders. Each Finder Warrant entitles the holder thereof to acquire one Share at a price of \$0.05 for a period of 24 months following the date hereof. All of the securities issued pursuant to the Final Tranche are subject to a four month and one day hold period from the closing date.

Acquisition of Gold and Lithium projects in Namibia

On July 17, 2024, the Company closed its previously announced acquisition of a 25% ownership interest in Belmont Mineral Exploration (Pty) Ltd. (“Belmont”), a Namibian private company (the “Transaction”).

Belmont holds, directly or through option agreements, 14 exclusive prospecting licenses covering 307,778 hectares of exploration licenses, including the Khorixas Gold Project, the Omatjete Gold and Lithium Project, and the Outjo Gold Project (collectively, the “Projects”).

As consideration for an initial 25% equity interest in Belmont, the Company has:

1. Paid the Namibian dollar equivalent of USD\$60,000 in cash to the vendor; and
2. Agreed to fund the Namibian dollar equivalent of USD\$1,400,000 for exploration expenditures on the Projects within 24 months of closing of the Transaction.

Pursuant to an assignment and assumption agreement dated December 20, 2023, as amended, with Sulliden Mining Capital Inc. (“Sulliden”), the Company has (i) issued 5 million common shares of the Company to Sulliden; (ii) agreed to pay Sulliden (a) USD\$50,000 in cash (paid) within 90 days of closing the Transaction and (b) USD\$50,000 within 180 days of closing the Transaction; and (c) agreed to reimburse Sulliden’s costs of \$115,825 (paid) within 90 days of closing the Transaction. On January 10, 2025, pursuant to a second amendment to the assignment and assumption agreement, the payment terms of USD\$50,000 were amended to no later than March 31, 2025. On March 31, 2025, pursuant to a third amendment to the assignment and assumption agreement, the payment terms of USD\$50,000 were amended to no later than July 31, 2025 with an additional USD\$10,000 payable as additional consideration for the payment extension.

Following the closing of the Initial Acquisition, Great Quest can acquire an additional 26% ownership interest in Belmont by funding the Namibian dollar equivalent of USD\$1,400,000 for exploration expenditures on the Projects

during the one-year period after the closing date. Following that, Great Quest can acquire an additional 19% ownership interest in Belmont by funding a further Namibian dollar equivalent of USD\$4,000,000 for exploration expenditures on the Projects during the three-year period commencing immediately following the closing date unless the seller at the same time opts to co-fund the further exploration costs so as to maintain its equity interest position.

Khorixas Gold

Spanning 168,759 hectares and positioned about 350 km northeast of Walvis Bay in the Northern Zone of Damara Orogenic Belt, the Khorixas Gold Project is poised to catalyze exploration efforts in rich gold and lithium reserves. Noteworthy zones within this venture, such as Belmont, K17, and K15, hold considerable promise for mineralization prospects. At Belmont, two targets were drilled during the last year, and 12 targets were defined.

At the K17 site, rock chip samples have yielded impressive results, with assays revealing 21 g/t gold, 38 g/t silver and 16.25% copper. Extensive visible gold and copper mineralization has been documented across a ellipsoid expanse measuring 10 x 7 km in diameter. Last year a magneto-telluric survey conducted by the University of Muenster, Westfalia, showed results which may be interpreted as a huge conductor located at a depth of around 15 km with feeders upwards towards surface.

Omatjete Gold and Lithium

Covering an expanse of 93,105 hectares and positioned approximately 80 km southeast of the Khorixas Project, the Omatjete Gold/Lithium Project strategically occupies the Northern Central Zone of the Damara Orogenic Belt. With two regional shear zones intersecting its terrain, this project holds significant potential for both gold and lithium deposits, aligning seamlessly with Great Quest's mission to advance projects with considerable growth prospects. Last year two trenches were dug across the interpreted shear zone which displayed a strong Fe-alteration and a multitude of highly frequent quartz veins and veinlets.

Outjo Gold Project

Encompassing an area of 45,914 hectares and located roughly 80 km east of the Khorixas Project, the Outjo Gold Project offers a fresh opportunity within the Damara Orogenic Belt. With no historical exploration conducted on the Kuiseb formation, this project perfectly aligns with Great Quest's exploration strategy, aimed at uncovering the untapped potential of gold rich regions.

During the year ended December 31, 2024, the Company paid US\$60,000 cash to Ongwe owing under the original acquisition agreement and USD\$1,234,408 towards its exploration commitment.

Operations

The Company's Sanoukou gold property was allowed to lapse on February 21, 2024. The property is located to the immediate west of the town of Kenieba and in the vicinity of various highly prolific gold mines in the Kenieba-Kedougou window of the Birimian of West Africa.

Loans payable

During the year ended December 31, 2024, the Company entered into loan agreements totaling \$490,000 (\$470,000 with Directors of the Company). The loans were unsecured and accrued interest at 20% and were due on September 30, 2025. During the year ended December 31, 2024, the loans payable were repaid in full.

Director resignation

On November 11, 2024, Mr. David Shaw resigned from the Board of Directors and the Audit Committee. The Company thanks Mr. Shaw for his contributions. Mr. Albert Yuen has assumed the Chairmanship of the Audit Committee.

OUTLOOK

The Company will focus its resources on developing the Namibian Mineral Property and continue to monitor the situation in Northern Mali to determine whether it allows for further exploration on its Tilemsi phosphate property.

PROPERTIES

Great Quest is advancing its exploration efforts in Namibia through three key projects, each showing significant potential:

1. **Khorixas Gold Project (169,000 ha):**
 - o This project has seen extensive exploration with over 30,000 grab samples collected across the concession.
 - o Khorixas consists of two main projects, Belmont prolific for gold and K-17 which contains Cu, Au, Ag and U anomalies.
 - o Notably high-grade results have been recorded, including a peak grab sample of 49.9 g/t gold.
 - o 4 boreholes were drilled at Belmont, 2 at the so-called VG Hill and 2 at BK2. The diamond drillhole at BK2 returned 18m of 1.72 g/t Au including 8m at 3.72g/t Au.
 - o At the K-17 target area, mineralization is notable for its association with gold (Au), copper (Cu), silver (Ag), bismuth (Bi), and uranium (U). The highest grab samples from this area have yielded 21 g/t gold, 16.25% copper, and 37.8 g/t silver.
 - o Furthermore, a magneto-telluric geophysical survey was conducted along the main trend at K17, indicating a major conductor at depth with feeders to close to surface.
2. **Omatjete Gold and Lithium Project (93,000 ha):**
 - o Located adjacent to the Kokaseb Gold deposit and the Xingeng Lithium mine, this project is well-positioned in a promising area for both gold and lithium.
 - o The presence of numerous visible LCT (lithium-caesium-tantalum) pegmatites suggests significant potential for gold and lithium mineralization.
3. **Outjo Gold Project (46,000 ha):**
 - o This Greenfield project represents a new exploration opportunity, with no prior historical exploration conducted.
 - o Situated within the Kuiseb formation, the geology of the Outjo basin aligns with other major gold-bearing zones in the Damara Belt of Namibia, which bodes well for the discovery of significant gold deposits.

These projects collectively highlight Great Quest's strong position in Namibia's mineral exploration sector, with a focus on gold and lithium resources across diverse and promising geological settings.

EXPLORATION TEAM AND QUALIFIED PERSON

The Company operates from Ongwe's exploration office in Windhoek, Namibia. The geological staff is augmented with independent geologists on contract to assist with all three project areas.

Dr. Andreas Rempel, FSAIMM/Pr. Sci. Nat., PhD, is a "qualified person" as such term is defined in National Instrument 43-101 ("NI 43-101") and CIM definition standards and has reviewed, verified and approved the technical and scientific information and data included in this MD&A related to the Namibian properties. Dr. Rempel is the President and VP Exploration of Great Quest and is not considered independent.

FERTILIZER – TILEMSI PHOSPHATE

A description of the phosphate permits is provided below.

Geology of the Tilemsi Project

Mining operations in Mali are carried out under the Mining Code which came into force on June 21, 2012. The new Mining Code provides for different classes of mineral titles, including the research permit ("Permis de recherche") which the Company holds on each of its properties. The permit is issued through a decree, ("Arrêté"), for a specific

area (“property”). The Arrêté is normally preceded by an agreement, (“Convention”) between the government of Mali and the permit holder. The Company’s Tilemsi Phosphate project encompasses 1,206 km² in the Tilemsi valley of eastern Mali, prospective for phosphate mineralization. The project comprises three properties – Tilemsi, Tarkint Est and Aberfoul held in the name of GQ Mali, which is a subsidiary of the Company.

The Tilemsi property

The Tilemsi research permit (Arrêté No 2011 – 0352/MM-SG DU) which covers an area of 417 km² was issued on February 4, 2011 to EPM and transferred to GQ Mali on February 13, 2014. A new permit was re-issued on October 19, 2019, for an initial period of three years and is renewable for two periods of two years each. The permit is centered at 17°24’ North (N) and 0°17’ East (E) with four corners located at 17°26’30”N and 0°10’00”E, 17°26’30”N and 0°24’35”E, 17°18’07”N and 0°24’35”E, and 17°18’07”N and 0°10’00”E.

The Tilemsi property hosts the two target areas of the Company’s phase I drilling program carried out in June/July 2011, namely Alfatchafa and Tin Hina.

Tarkint Est research permit

Adjoining the north and contiguous to the Tilemsi research permit, the Tarkint Est permit (ARRETE No 2011-4050/MM-SG DU originally issued on February 16, 2011) was re-issued on October 7, 2011 for an expanded area of 589 km² with four corners located at 17°33’17”N and 0°10’00”E, 17°33’17”N and 0°35’56”E, 17°26’30”N and 0°35’56”E, and 17°26’30”N and 0°10’00”E. The permit was acquired through an agreement which provides for Great Quest to earn a 97% interest in the permit, subject to a 3% retained carried net profit interest. On February 20, 2013 the permit was transferred to GQ Mali. A new permit was re-issued on October 19, 2019, for an initial period of three years and is renewable for two periods of two years each.

The Tarkint Est property hosts the three target areas of the Company’s Phase II drilling program carried out in November 2011, namely In Tassit, Chenamaguel and Tagit N’Ouerene.

Inferred resources

(Estimates are rounded since the figures are not precise calculations.)

Phosphate deposits in the Tilemsi area are sedimentary in origin, having been deposited in a marine environment. The deposits are similar to those found in Florida, USA and Morocco.

The Phases I and II drilling programs, completed in 2011 on the Tilemsi and Tarkint Est permits, enabled a combined NI 43-101 compliant inferred resource* of approximately 50 million tonnes (Mt) at an average grade of 24.3% P₂O₅ and cut-off grade of 10% to be generated.

Summary Inferred Resource Estimate* – Tilemsi Project (Phases I and II)

Permit of	Program	Area	Area (km²)	Number of holes drilled	Drilled (m)	Estimate (Mt)
Tilemsi	Phase I	Tin Hina	6.75	142	1,727	32.6
		Alfatchafa	6.70	127	3,156	
Tarkint Est	Phase II	Tin Siriden	12.17	48	608	17.4
		Chenamaguel				
		Tagit				
		N'Ouerene				
Total Phase I & II			25.62	317	5,491	50.0

*** CAUTIONARY NOTE ON INFERRED RESOURCE**

(i) *Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*

(ii) *The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.*

(iii) *The mineral resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.*

EXPLORATION TEAM AND QUALIFIED PERSON

Mr. Jed Diner M.Sc., P.Geol. is the Qualified Person, as defined by NI 43-101 and its Companion Policy, and he is responsible for the review of technical reporting by the Company with respect to the Mali phosphate properties. Mr. Diner graduated with a Bachelor of Science from Hebrew University, Israel, and a M.Sc. in Applied Earth Science, Ore Deposits and Exploration from Stanford University, California. Fluent in several languages, Mr. Diner is an international consultant on mineral deposits including gold and phosphates. Mr. Diner has reviewed and approved the technical contents of this document related to the phosphate properties located in Mali.

Dr. Andreas Rompel, FSAIMM/Pr. Sci. Nat., PhD, is the Qualified person as such term is defined in National Instrument 43-101 ("NI 43-101") and CIM definition standards and has reviewed, verified and approved the technical and scientific information and data included in this MD&A with respect to the gold mineral properties located in Namibia.

OVERVIEW OF PERFORMANCE

During the year ended December 31, 2024, the Company's total assets increased by \$12,735 from \$24,995 to \$37,730. The Company's working capital deficiency at December 31, 2024 was \$429,321 (December 31, 2023 – \$1,104,509).

RESULTS OF OPERATIONS

The Company's operations consist of the exploration and development of mineral concessions in Namibia and Mali and the maintenance of a head office in Canada.

Year ended December 31, 2024 compared with the year ended December 31, 2023

The comprehensive loss for year ended December 31, 2024, was \$3,300,507 or \$0.03 per share compared to \$619,880 or \$0.01 per share for the previous year. The change in comprehensive loss of \$2,680,627 was mainly due to:

- (i) an increase in exploration and evaluation expenditures of \$2,323,243 as a result of the expenditures spent on the Namibian Mineral Property Acquisition;
- (ii) an increase in consulting expense of \$211,094 due to additional consultants hired during the period;
- (iii) an increase in office and general expense of \$67,933 due to an increase in transfer and filing fees;
- (iv) an increase in interest expense of \$35,421 in 2024 due to an increase in loans payable.

LIQUIDITY AND CAPITAL RESOURCES

The Company's working capital deficiency amounted to \$429,321 at December 31, 2024 (2023 – \$1,104,509).

The Company is pursuing its efforts in raising funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. To the extent financing is not available, the Company's financial commitments may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL JUDGEMENTS

Readers should refer to Note 3 of the Annual Audited Financial Statements for the year ended December 31, 2024 for a summary of the Company's significant accounting policies and critical judgements.

RELATED PARTY TRANSACTIONS

Key management personnel are officers and directors, or their related parties, who hold positions in the Company and its subsidiaries, that result in these officers and directors having control or significant influence over the financial or operating policies of those entities. These include the members of the Board, current and former Chief Executive Officers, Presidents, Chief Financial Officers and the Chief Operating Officers.

The following transacted with the Company in the reporting year.

Transactions with key management personnel

The aggregate value of transactions with key management personnel being directors and key management personnel was as follows:

Compensation	Year ended December 31,	
	2024	2023
Short term benefits, including consulting, management and director fees	\$ 469,000	\$ 314,000
Investor relations	24,000	48,000
Share-based compensation	-	3,180
Total	\$ 493,000	\$ 365,180

During the year ended December 31, 2024, four directors and an officer of the Company advanced \$470,000 to the Company as a loan payable. These loans and accrued interest of \$33,907 were also settled via units of the Company during the year ended December 31, 2024.

During the year ended December 31, 2024, five directors and four executive officers of the Company participated and acquired a total of 29,913,818 units of the July 15, 2024, July 31, 2024 and August 16, 2024 private placements for gross proceeds of \$1,495,691.

At December 31, 2024 and 2023, the due to related parties included amounts due to officers or directors of the Company as follows:

Related party balances payable	December 31,	December 31,
	2024	2023
	\$	\$
Current outstanding amount		
With respect to advances on expenses from related party	146	33,160
With respect to management fees	160,614	747,276
	160,760	780,436

The amounts due to related parties are non-interest bearing, unsecured and due on demand.

SUMMARY OF QUARTERLY RESULTS

Selected consolidated financial information for the last 8 quarters is as follows:

Quarter	Revenue	Comprehensive (loss)	Net (loss) per share
2024 4 th Q	\$ -	\$ (1,862,791)	\$ (0.01)
2024 3 rd Q	\$ -	\$ (568,436)	\$ (0.01)
2024 2 nd Q	\$ -	\$ (487,558)	\$ (0.01)
2024 1 st Q	\$ -	\$ (381,722)	\$ (0.00)
2023 4 th Q	\$ -	\$ (192,470)	\$ (0.00)
2023 3 rd Q	\$ -	\$ (145,915)	\$ (0.00)
2023 2 nd Q	\$ -	\$ (164,610)	\$ (0.00)
2023 1 st Q	\$ -	\$ (160,318)	\$ (0.00)

Net loss is primarily a result of administrative costs that coincide with fluctuations in activity within the Company.

SELECTED ANNUAL INFORMATION

Summary of the Company's financial operating results for the years ending December 31, 2024, 2023 and 2022.

	2024	2023	2022
Net (loss) for the year	\$ (3,300,507)	\$ (619,880)	\$ (613,067)
(Loss) per share	(0.03)	(0.01)	(0.01)
Total assets	\$ 37,730	\$ 24,995	\$ 33,919

COMMITMENTS AND CONTINGENCIES

The Company's exploration and evaluation activities are subject to 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 activities 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 party to certain management contracts. The Company is committed to payments upon termination of approximately \$490,000 (as at December 31, 2023 - \$74,000) which are due within one year and additional contingent payments of approximately \$1,277,000 (as at December 31, 2023 - nil) upon the occurrence of a change of control. As a triggering event has not taken place, these amounts have not been recorded in these consolidated financial statements.

RISK AND UNCERTAINTIES

Resource exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to support the commercial production stage are also very substantial. The following sets out the principal risks faced by the Company.

Exploration risks. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Market risks. The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both on short term and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity price risks. The Company's exploration projects for gold and lithium in Namibia and phosphate and gold in Mali have exposure to price risks of both. While there has been an increasing interest in fertilizers and lithium, including phosphates and gold resulting in price increases there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favor this set of commodities. Phosphate prices may be affected by industrial market variations, economic considerations and supply route availability. Gold price volatility can be expected due to a number of political and economic factors, including exchange ratings on the United States dollar. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and the value of its securities and the securities it holds of other companies which are similarly exposed to the commodity price risks of gold, lithium and phosphate rock.

Financing risks. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon raising equity in the capital markets to provide financing for its continuing substantial exploration budgets.

While the Company has been successful in obtaining financing from the capital markets for its projects recently, there can be no assurance that the capital markets will remain favorable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favorable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies such as the Company, have 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 these price fluctuations and volatility will not continue to occur.

Key personnel risks. The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel and management in Namibia and Mali and its ability to attract and retain key management and technical personnel for its projects and provide safety and security of personnel in remote areas. The Company does not maintain "key man" insurance policies on individual employees or consultants to the Company but does hold appropriate operating insurance. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition. Significant and increasing competition exists for the limited number of mineral property acquisition opportunities of merit available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Foreign Countries and Regulatory Requirements. Currently, the Company's principal properties held by its subsidiaries are located in Namibia and Mali. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency fluctuations, inflation, geographical and political risk. Both mineral exploration and mining activities and production activities in foreign countries may be affected in varying degrees by political stability, local conditions, and government changes to the operating environment and regulations relating to the mining industry.

Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business or ability to operate and carry out normal industry operations and engagement of international consultants and personnel. Travel and access to the projects may be curtailed due to political instability, risks to personnel in remote areas, or contagion. Operations may be affected in varying degrees by government regulations with respect to community rights, restrictions on production, price controls, export controls, restriction of earnings,

taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety.

Environmental and Other Regulatory Requirements. The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, personnel and corporate taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in exploration contractor services, production, and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to carry out exploration or to commence production on the Company's properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs. 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. The exploration projects may be in areas where villages exist and parties engaged in mining operations or extraction operations may be required to compensate those suffering loss or damage by reason of such 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 companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties. To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations. The Company has incurred net losses to date. The Company has not yet had any operating revenue from the exploration activities on its properties, nor has the Company yet determined that commercial development is warranted on any of its properties. The Company is an exploration stage company and even if the Company commences development of certain of its properties, the Company may continue to incur losses. There is no certainty that the Company will produce operating revenue, operate profitably or provide a return on investment from its mineral resource projects in the future.

Uninsurable risks. The Company and its subsidiaries may become subject to liability for pollution, fire, explosion, transportation, operational delays, political and other risks or adverse circumstances against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury or additional expenses and liabilities. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

FINANCIAL INSTRUMENTS

(i) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment

at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

• *Amortized cost:*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains or losses. Impairment losses are presented as separate line items in the statement of profit or loss.

• *FVTPL:*

Assets that do not meet the criteria for amortized cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments: The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Company assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(ii) Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized as the proceeds received net of direct issuance costs.

Compound instruments

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issuance, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from

the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to share capital. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to share-based payment reserve. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly as equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

Financial liabilities

The Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was assumed. The Company's accounting policy for each category is as follows:

- Fair value through profit or loss - This category comprises derivatives, liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term or liabilities designated upon initial recognition as FVTPL. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.
- Subsequently measured at amortized cost - financial liabilities initially recorded at fair value and subsequently measured at amortized cost, using the effective interest rate method.

The Company's financial assets and liabilities are recorded and measured as follows:

Financial assets and liabilities	Classification and measurement
Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
Loan payable	Amortized cost

Financial Risk Management:

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

The Company is exposed to credit risk by holding cash and cash equivalents. This risk is minimized by holding the investments in large Canadian financial institutions. The Company has minimal accounts receivable exposure, and its various refundable credits are due from Canadian governments.

Currency Risk

The Company's functional currency is the Canadian dollar. There is foreign exchange risk to the Company as some of its mineral property interests and resulting commitments are located in Mali. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company does not engage in any hedging activities to reduce its foreign currency risk.

As at December 31, 2024, the Company was exposed to currency risk through the following monetary assets and liabilities in Mali FCFA:

	Canadian\$ equivalent
Cash	\$ 4,976
Foreign exchange rate at December 31, 2024	0.0022

Based on the net exposures at December 31, 2024, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the Mali FCFA would not have a material impact on the Company's net earnings.

Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash and cash equivalent is relatively unaffected by changes in short term interest rates. The income earned on certain bank accounts is subject to the movements in interest rates.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Company does not engage in any activities to mitigate this risk.

Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company had a net working capital deficiency of \$429,321 at December 31, 2024. Accounts payable is due in 30 days.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company is continuously evaluating new opportunities, other than those already covered in this MD&A, and while various negotiations may be ongoing at any given time, these may or may not be successful. Expenditures on evaluations are kept to a minimum, and any discussions may or may not result in agreement(s) for consideration by the Board of Directors.

FORWARD LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to Great Quest Gold Ltd. (the "Company" or "Great Quest" or "GQ") and its subsidiaries that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to the business of the Company including, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.



GREAT QUEST GOLD LTD
Corporate Information

CORPORATE HEAD OFFICE

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DIRECTORS & OFFICERS

John A. Clarke, Chairman, Director¹
Jed Richardson, CEO, Director
Dr. Andreas Rompel, President and VP Exploration
Albert Yuen, Director¹
Mama Tapo, Director¹
Paul Bozoki, CFO
Mohammed Bouhsane, Chief Operating Officer

INVESTOR RELATIONS

Toll Free: +1 877 325 3838

¹ *Members of the Audit committee*

STOCK EXCHANGE LISTINGS

TSX Venture Exchange (TSX-V)
Trading Symbol "GQ"

Berlin-Bremen Exchange
Trading Symbol "GQM"

Frankfurt Exchange
Trading Symbol "GQM"

SHARE CAPITAL

Authorized:	Unlimited
Issued:	166,674,661
Options:	400,000
Warrants:	39,904,471
Fully Diluted	206,979,132

TRANSFER AGENT & REGISTRAR

Odyssey Trust Company
Trader's Bank Building, 702 – 67 Yonge Street, Toronto, Ontario, M5E 1J8

AUDITORS

McGovern Hurley LLP, Chartered Professional Accountants
251 Consumers Road, Suite 800, North York, ON, M2J 4R3, Canada



GREAT QUEST GOLD LTD.
Management's Discussion and Analysis
For the three and six months ended June 30, 2025 and 2024

The information in this management discussion and analysis ("MD&A") is as of August 19, 2025 and should be read in conjunction with the condensed interim consolidated financial statements for the three and six months ended June 30, 2025 and 2024. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards.

The condensed interim consolidated financial statements do not include any adjustments to the recoverability and classification of recorded assets, or the amounts, and classification of liabilities that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

DESCRIPTION OF THE CORPORATION

Great Quest Gold Ltd. (formerly Great Quest Fertilizer Ltd.) ("Great Quest" or the "Company") is a resource development company whose principal business activities includes the acquisition, exploration and development of minerals in Africa. The Company, through its 25% ownership interest in Belmont Mineral Exploration (Pty) Limited ("Belmont") holds a portfolio of gold and lithium resource projects located in Namibia (Belmont, Omatjete, and Outjo) and a phosphate resource project (Tilemsi) located in Mali, West Africa. The Company name change became effective on June 4, 2024.

The registered address of the Company is located at the 10th floor, 595, Howe Street, Vancouver, British Columbia. The management of its financing, cash and investments in resource companies is carried out at the Company's head office located in Canada. The Company acquired a 25% interest in Belmont, a Namibian private company. Belmont holds, directly or through option agreements, 14 exclusive prospecting licenses covering 307,778 hectares of exploration licenses, including the Khorixas Gold Project, the Omatjete Gold and Lithium Project, and the Outjo Gold Project. Corporate direction of the Company's exploration activities in Mali are carried out through the Company's wholly owned subsidiary, Great Quest (Barbados) Limited, which owns Great Quest Mali SA ("GQ Mali"). All interests in the Tilemsi mineral property in Mali are held by GQ Mali. All dollar figures included herein are expressed in Canadian dollars unless otherwise indicated.

Additional information about the Company has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") under the Company's profile at www.sedarplus.ca and is available online on the Company's website at www.greatquest.com. The Company's common shares ("Common Shares") are listed on the TSX Venture Exchange under the symbol "GQ".

HIGHLIGHTS

RTO transaction

On June 27, 2025, Great Quest announced that it has entered into a definitive arrangement agreement dated June 26, 2025 (the "Arrangement Agreement") with Lotus Gold Corporation ("Lotus"), pursuant to which Great Quest intends to acquire all of the issued and outstanding common shares of Lotus (the "Lotus Shares") in exchange for newly issued common shares in the capital of Great Quest ("GQ Shares") as an arm's length transaction to be completed by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia) (the "BCBCA") (the "Arrangement"). Pursuant to the policies of the TSX Venture Exchange (the "TSXV"), the Arrangement will be considered a reverse takeover (the "RTO") of the Company by Lotus, which will become a wholly-owned subsidiary of the resulting issuer (the "Resulting Issuer") following completion of the Arrangement.

Lotus Gold Corporation

Lotus is a private Canadian gold exploration and development company incorporated as “1251721 BC Ltd.” on May 29, 2020 under the Business Corporations Act (*British Columbia*) (the “BCBCA”) and changed its name to its present name “Lotus Gold Corporation” on August 26, 2020. Lotus is focused on the Egyptian Eastern Desert. Lotus Gold’s current interests include mineral properties covering approximately 2,000 km² within the highly prospective Arabian-Nubian Shield. Lotus is driven by a strong management team and Board of Directors with extensive experience in exploring and developing mines in addition to successfully executing growth strategies through M&A and exploration. There are no Control Persons of Lotus within the meaning of that term under the policies of the TSX Venture Exchange.

Since starting up in 2021, Lotus has completed extensive field work across its licences including 8,000m of drilling and collection/analysis of 25,000 trench and channel samples, 10,000 rock chip samples and 1,000 stream samples. This geology driven methodical exploration has led to two early-stage discoveries at Umm Bisilla North (UBN) and Ash.

An exploration budget has been approved to move these prospects forward as well as following up on other gold and molybdenum anomalies. In addition, Lotus has been evaluating other licence packages which are available for JV and colonial era gold mines which are coming up for auction in the near future.

The Proposed Transaction

It is currently anticipated that Great Quest will acquire Lotus by way of a three-cornered amalgamation, share exchange, plan of arrangement or other similar form of transaction as agreed to by the parties to ultimately form the resulting issuer (the “**Resulting Issuer**”). The final structure of the Proposed Transaction is subject to the receipt of tax, corporate and securities law advice for both Great Quest and Lotus.

Upon completion of the Transaction (the “Closing”), Lotus is expected to amalgamate (the “Amalgamation”) as a three-cornered amalgamation with a new wholly-owned subsidiary of GQ (“Subco”), incorporated under the laws of British Columbia, to form an amalgamated company under the laws of British Columbia (“Amalco”), and the shareholders of Lotus are expected to transfer all of their common shares of Lotus (the “Lotus Shares”) to GQ in consideration for post-Consolidation common shares (the “RI Shares”) of GQ as the Resulting Issuer, based on an exchange ratio (the “Exchange Ratio”) of RI Shares for Lotus Shares wherein the number of RI Shares issued by the Resulting Issuer to the Lotus shareholders equals 63.3% and the number of RI Shares held by the former GQ shareholders equals 36.7%.

Each Lotus shareholder is expected to receive its pro rata share of such issued RI Shares in proportion to their respective ownership of Lotus Shares. Upon completion of the proposed Transaction, 63.3% of the RI Shares shall be attributable to former shareholders of Lotus and 36.7% shall be attributable to former shareholders of GQ, and the RI Shares are expected to be listed and posted for trading on the Exchange as a Tier 1 or Tier 2 mining issuer.

Transaction Rationale

The proposed combination will create a premier African gold exploration company with assets in Egypt and a new focus on Namibia. This platform will have a broader diversification with its current premium portfolio of assets situated in world class gold production jurisdictions and with a view to assess potential consolidation opportunities in-country and other parts of Africa.

The new company leverages a combined team with a track-record of unlocking shareholder value in Namibia and Egypt through funding, discovery, development and exits including successes with (i) Auryx Gold sold to B2 Gold for \$200m in 2012; (ii) Osino Resources sold to Shanjing International for \$400m in 2024; (iii) and Koryx Copper a TSX Venture 50 2025 top performer.

The opportunity presents a foundation for a meaningful re-rate as the Company advances its assets in a favourable metals price environment. The Company is currently sufficiently capitalized. The team has an established track record of raising significant funds through a broad market network.

Transaction Details

Pursuant to the Arrangement Agreement, the shareholders of Lotus will receive such number of common shares of the Resulting Issuer (the “RI Shares”) such that the former Lotus shareholders will own 63.3% of the issued and outstanding RI Shares and the number of RI Shares held by the former shareholders of Great Quest will equal 36.7%. The number of RI Shares issued as consideration shares to former holders of Lotus Shares will be determined following completion of the Bridge Financing (as defined below) and announced in a subsequent news release accordingly.

In accordance with the terms of the Arrangement Agreement, all outstanding warrants of Lotus will be exercisable to acquire RI Shares, in amounts and at exercise prices adjusted in accordance with the Arrangement Agreement.

Arrangement Agreement

The Arrangement will be subject to the following approvals:

- approval by the Supreme Court of British Columbia,
- requisite regulatory approval, including the approval of the TSXV; and
- the approval of the directors and the shareholders of each of Great Quest and Lotus.

Among other terms customary for a transaction of this nature, the Arrangement Agreement includes the following terms and conditions:

- A change of name of the Company to such name as is mutually agreed between Great Quest and Lotus and acceptable to the TSXV (the “**Name Change**”) effective upon closing of the Arrangement (the “**Closing**”);
- a share consolidation (the “**Consolidation**”) of Great Quest on the basis of one post-consolidation GQ Share for every 30 pre-consolidation GQ Shares;
- completion of a bridge financing (the “**Bridge Financing**”) by Great Quest for gross aggregate proceeds of up to CAD\$500,000, through the issuance of GQ Shares at a pre-Consolidation price of \$0.025 per share
- directors and officers of Lotus and shareholders of Lotus holding 5% or more entering into support and voting agreements pursuant to which they have agreed to vote their Lotus Shares in favour of the Arrangement;
- each of Great Quest and Lotus will have a working capital deficit and long term debt (excluding non-cash liabilities) of no more than CAD\$110,000 unless agreed otherwise by Lotus and Great Quest respectively in writing
- Lotus will receive a title opinion regarding Great Quest’s Namibian mineral project; and
- Great Quest will receive a technical report in compliance with National Instrument 43-103 – Standards of Disclosure for Mineral Projects and a title opinion regarding Lotus’ Eastern Desert Gold Project in Eastern Egypt.

Shareholder Approvals

At a special meeting of the shareholders of Great Quest the (the “GQ Meeting”) to be held in accordance with the BCBCA, Great Quest will seek the approval of the RTO pursuant to the policies of the TSXV by an ordinary resolution passed by shareholders of Great Quest holding at least 51% of the issued and outstanding GQ Shares present in person or represented by proxy at the GQ Meeting.

At a special meeting of the shareholders of Lotus (the “Lotus Meeting”) to be held in accordance with the BCBCA, Lotus will seek the approval of the Arrangement by a special resolution passed by the shareholders of Lotus holding

at least 66 2 /3 % of the issued and outstanding Lotus Shares present in person or represented by proxy at the Lotus Meeting.

Lotus Advance

In connection with the Arrangement, Lotus will enter into a secured loan agreement with Great Quest for the loan amount of \$300,000 (the “Loan”) bearing interest at 10% per annum, subject to conversion into GQ Shares at a pre-Consolidation price of \$0.025 per share should the Arrangement not close by the November 30, 2025 deadline. Great Quest intends to use the funds from the Loan for its working capital requirements.

Bridge Financing

The Company intends to complete the Bridge Financing prior to the Closing. The Bridge Financing is subject to approval by the TSXV.

Great Quest is at arm’s length to Lotus, and no director, officer or insider of Great Quest or Lotus beneficially owns, or controls or directs, directly or indirectly, any securities of the other party. Therefore, the Proposed Transaction is expected to be an “Arm’s Length Proposed Transaction”, as defined under TSXV Policy 1.1 *Interpretation*, and does not constitute a “related party transaction” for the purpose of Multilateral Instrument 61-101 *Protection of Minority*

Security Holders in Special Transactions.

Trading in the GQ Shares has been halted in accordance with the policies of the TSXV and will remain halted until such time as all required documentation in connection with the Proposed Transaction has been filed with and accepted by, and permission to resume trading has been obtained from, the TSXV. There can be no assurance that trading of GQ Shares will resume prior to the completion of the Proposed Transaction.

Insiders, Officers and Board of Directors of the Resulting Issuer

Upon completion of the Proposed Transaction, it is anticipated that the board of directors of the Resulting Issuer shall consist of three directors to be reconstituted to be comprised of Jed Richardson, Heye Daun and Alan Friedman.

Private placement

(a) On July 15, 2024, the Company closed the first tranche of its previously announced non-brokered private placement. The Company issued 10,739,100 units pursuant to the first Tranche for gross proceeds of \$536,955.

Each unit consists of one common share in the capital of the Company (each a “Share”) and one-half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder to purchase one common share in the capital of the Company (a “Warrant Share”) at a price of \$0.10 per Warrant Share for a period of two years following the date of issuance.

In connection with the first tranche, the Company paid cash finder’s fees of \$10,500 and issued 210,000 finder’s warrants (the “Finder Warrants”) to eligible finders. Each Finder Warrant entitles the holder thereof to acquire one Share at a price of \$0.05 for a period of 24 months following the date of issuance. All of the securities issued pursuant to the First Tranche are subject to a four-month and one day hold period from the date of issuance.

(b) On July 31, 2024, the Company closed the second tranche (the “Second Tranche”) of its previously announced non-brokered private placement (the “Private Placement”). The Company issued 29,078,479 Units (the “Units”) pursuant to the Second Tranche for gross proceeds of \$1,453,924. The Company also announced that due to increased investor demand, the Company is increasing the Private Placement from total gross proceeds of up to \$2 million to total gross proceeds of up to \$3,851,429. The Private Placement will now consist of up to 80,000,000 Units.

Each Unit consists of one Share and one-half of one Warrant. Each Warrant entitles the holder to purchase one Warrant Share at a price of \$0.10 per Warrant Share for a period of two years following the date of issuance.

In connection with the Second Tranche, the Company paid cash finder’s fees of \$41,409 and issued 760,182 Finder

Warrants to eligible finders. Each Finder Warrant entitles the holder thereof to acquire one Share at a price of \$0.05 for a period of 24 months following the date of issuance. All of the securities issued pursuant to the first tranche are subject to a four-month and one day hold period from the date of issuance.

(c) On August 16, 2024, the Company closed the third and final tranche (the “Final Tranche”) of its previously announced non-brokered private placement (the “Private Placement”). The Company issued 37,011,000 Units pursuant to the Final Tranche for gross proceeds of \$1,850,550.

Each Unit consists of one Share and one-half of one Warrant. Each Warrant entitles the holder to purchase one Warrant Share at a price of \$0.10 per Warrant Share for a period of two years following the closing date.

In connection with the Final Tranche, the Company paid cash finder’s fees and filing fees of \$27,825 and issued 520,000 Finder Warrants to eligible finders. Each Finder Warrant entitles the holder thereof to acquire one Share at a price of \$0.05 for a period of 24 months following the date of issuance. All of the securities issued pursuant to the Final Tranche are subject to a four month and one day hold period from the closing date.

Acquisition of Gold and Lithium projects in Namibia

On July 17, 2024, the Company closed its previously announced acquisition of a 25% ownership interest in Belmont, a Namibian private company (the “Transaction”).

Belmont holds, directly or through option agreements, 14 exclusive prospecting licenses covering 307,778 hectares of exploration licenses, including the Khorixas Gold Project, the Omatjete Gold and Lithium Project, and the Outjo Gold Project (collectively, the “Projects”).

As consideration for an initial 25% equity interest in Belmont, the Company has:

1. Paid the Namibian dollar equivalent of USD\$60,000 in cash to the vendor; and
2. Agreed to fund the Namibian dollar equivalent of USD\$1,400,000 for exploration expenditures on the Projects within 24 months of closing of the Transaction.

Pursuant to an assignment and assumption agreement dated December 20, 2023, as amended, with Sulliden Mining Capital Inc. (“Sulliden”), the Company has (i) issued 5 million common shares of the Company to Sulliden; (ii) agreed to pay Sulliden (a) USD\$50,000 (\$68,215) in cash (paid) within 90 days of closing the Transaction and (b) USD\$50,000 (\$68,215) within 180 days of closing the Transaction; and (c) agreed to reimburse Sulliden’s costs of \$115,825 (paid) within 90 days of closing the Transaction. On January 10, 2025, pursuant to a second amendment to the assignment and assumption agreement, the payment terms of USD\$50,000 (\$68,215) were amended to no later than March 31, 2025. On March 31, 2025, pursuant to a third amendment to the assignment and assumption agreement, the payment terms of USD\$50,000 (\$68,215) were amended to no later than July 31, 2025 with an additional USD\$10,000 (\$13,643) payable as additional consideration for the payment extension.

Following the closing of the 25% interest in Belmont, Great Quest can acquire an additional 26% ownership interest in Belmont by funding the Namibian dollar equivalent of USD\$1,400,000 (\$1,910,020) for exploration expenditures on the Projects during the one-year period after the closing date. Following that, Great Quest can acquire an additional 19% ownership interest in Belmont by funding a further Namibian dollar equivalent of USD\$4,000,000 (\$5,457,200) for exploration expenditures on the Projects during the three-year period commencing immediately following the closing date unless the seller at the same time opts to co-fund the further exploration costs so as to maintain its equity interest position.

As at June 30, 2025 and December 31, 2024, the Company has paid USD\$1,234,408 (\$1,684,103) towards its initial USD\$1,400,000 (\$1,910,020) exploration commitment to earn into 25% of the property.

Khorixas Gold

Spanning 168,759 hectares and positioned about 350 km northeast of Walvis Bay in the Northern Zone of Damara Orogenic Belt, the Khorixas Gold Project is poised to catalyze exploration efforts in rich gold and lithium reserves. Noteworthy zones within this venture, such as Belmont, K17, and K15, hold considerable promise for mineralization prospects. At Belmont, two targets were drilled during the last year, and 12 targets were defined. The drillholes at

the VG Hill and Belmont 2 targets proved the existence of gold mineralization along a shear zone of approximately 30 km strike length.

At the K17 site, rock chip samples have yielded impressive results, with assays revealing 21 g/t gold, 38 g/t silver and 16.25% copper. Extensive visible gold and copper mineralization has been documented across an ellipsoid expanse measuring 10 x 7 km in diameter. Last year a magneto-telluric survey conducted by the University of Muenster, Westfalia, showed results which may be interpreted as a huge conductor located at a depth of around 15 km with feeders upwards towards surface. K17 has the potential for a sizeable IOCG deposit.

Omatjete Gold and Lithium

Covering an expanse of 93,105 hectares and positioned approximately 80 km southeast of the Khorixas Project, the Omatjete Gold/Lithium Project strategically occupies the Northern Central Zone of the Damara Orogenic Belt. With two regional shear zones intersecting its terrain, this project holds significant potential for both gold and lithium deposits, aligning seamlessly with Great Quest's mission to advance projects with considerable growth prospects. Last year two trenches were dug across the interpreted shear zone which displayed a strong Fe-alteration and a multitude of highly frequent quartz veins and veinlets. Follow-up RC drilling confirmed gold mineralization in highly frequent quartz veinlets in and around the shear zone.

Outjo Gold Project

Encompassing an area of 45,914 hectares and located roughly 80 km east of the Khorixas Project, the Outjo Gold Project offers a fresh opportunity within the Damara Orogenic Belt. With no historical exploration conducted on the Kuiseb formation, this project perfectly aligns with Great Quest's exploration strategy, aimed at uncovering the untapped potential of gold rich regions.

During the year ended December 31, 2024, the Company paid US\$60,000 cash to Ongwe owing under the original acquisition agreement and USD\$1,234,408 towards its exploration commitment.

Operations

The Company's Sanoukou gold property was allowed to lapse on February 21, 2024. The property is located to the immediate west of the town of Kenieba and in the vicinity of various highly prolific gold mines in the Kenieba-Kedougou window of the Birimian of West Africa.

Loans payable

During the year ended December 31, 2024, the Company entered into loan agreements totaling \$490,000 (\$470,000 with Directors of the Company). The loans were unsecured and accrued interest at 20% and were due on September 30, 2025. During the year ended December 31, 2024, the loans payable were repaid in full.

Director resignation

On November 11, 2024, Mr. David Shaw resigned from the Board of Directors and the Audit Committee. The Company thanks Mr. Shaw for his contributions. Mr. Albert Yuen has assumed the Chairmanship of the Audit Committee.

Subsequent event

Subsequent to June 30, 2025, the Company announced that it has closed the first tranche of its previously announced non-brokered private placement for gross proceeds of \$289,000. Pursuant to the first tranche, the Company has issued 11,560,000 common shares of the Company at a price of \$0.025 per common share.

OUTLOOK

The Company will focus its resources on developing the Namibian Mineral Property and continue to monitor the situation in Northern Mali to determine whether it allows for further exploration on its Tilemsi phosphate property.

PROPERTIES

Great Quest is advancing its exploration efforts in Namibia through three key projects, each showing significant potential:

1. **Khorixas Gold Project (169,000 ha):**
 - o This project has seen extensive exploration with over 30,000 grab samples collected across the concession.
 - o Khorixas consists of two main projects, Belmont prolific for gold and K-17 which contains Cu, Au, Ag and U anomalies.
 - o Notably high-grade results have been recorded, including a peak grab sample of 49.9 g/t gold.
 - o 4 boreholes were drilled at Belmont, 2 at the so-called VG Hill and 2 at BK2. The diamond drillhole at BK2 returned 18m of 1.72 g/t Au including 8m at 3.72g/t Au.
 - o At the K-17 target area, mineralization is notable for its association with gold (Au), copper (Cu), silver (Ag), bismuth (Bi), and uranium (U). The highest grab samples from this area have yielded 21 g/t gold, 16.25% copper, and 37.8 g/t silver.
 - o Furthermore, a magneto-telluric geophysical survey was conducted along the main trend at K17, indicating a major conductor at depth with feeders to close to surface.
2. **Omatjete Gold and Lithium Project (93,000 ha):**
 - o Located adjacent to the Kokaseb Gold deposit and the Xingeng Lithium mine, this project is well-positioned in a promising area for both gold and lithium.
 - o The presence of numerous visible LCT (lithium-caesium-tantalum) pegmatites suggests significant potential for gold and lithium mineralization.
3. **Outjo Gold Project (46,000 ha):**
 - o This Greenfield project represents a new exploration opportunity, with no prior historical exploration conducted.
 - o Situated within the Kuiseb formation, the geology of the Outjo basin aligns with other major gold-bearing zones in the Damara Belt of Namibia, which bodes well for the discovery of significant gold deposits.

These projects collectively highlight Great Quest's strong position in Namibia's mineral exploration sector, with a focus on gold and lithium resources across diverse and promising geological settings.

EXPLORATION TEAM AND QUALIFIED PERSON

The Company operates from Ongwe's exploration office in Windhoek, Namibia. The geological staff is augmented with independent geologists on contract to assist with all three project areas.

Dr. Andreas Rempel, FSAIMM/Pr. Sci. Nat., PhD, is a "qualified person" as such term is defined in National Instrument 43-101 ("NI 43-101") and CIM Definition Standards and has reviewed, verified and approved the technical and scientific information and data included in this MD&A related to the Namibian properties. Dr. Rempel is the President and VP Exploration of Great Quest and is not considered independent.

FERTILIZER – TILEMSI PHOSPHATE

A description of the phosphate permits is provided below.

Geology of the Tilemsi Project

Mining operations in Mali are carried out under the Mining Code which came into force on June 21, 2012. The new Mining Code provides for different classes of mineral titles, including the research permit ("Permis de recherche") which the Company holds on each of its properties. The permit is issued through a decree, ("Arrêté"), for a specific

area (“property”). The Arrêté is normally preceded by an agreement, (“Convention”) between the government of Mali and the permit holder. The Company’s Tilemsi Phosphate project encompasses 1,206 km² in the Tilemsi valley of eastern Mali, prospective for phosphate mineralization. The project comprises three properties – Tilemsi, Tarkint Est and Aberfoul held in the name of GQ Mali, which is a subsidiary of the Company.

The Tilemsi property

The Tilemsi research permit (Arrêté No 2011 – 0352/MM-SG DU) which covers an area of 417 km² was issued on February 4, 2011 to EPM and transferred to GQ Mali on February 13, 2014. A new permit was re-issued on October 19, 2019, for an initial period of three years and is renewable for two periods of two years each. The permit is centered at 17°24’ North (N) and 0°17’ East (E) with four corners located at 17°26’30”N and 0°10’00”E, 17°26’30”N and 0°24’35”E, 17°18’07”N and 0°24’35”E, and 17°18’07”N and 0°10’00”E.

The Tilemsi property hosts the two target areas of the Company’s phase I drilling program carried out in June/July 2011, namely Alfatchafa and Tin Hina.

Tarkint Est research permit

Adjoining the north and contiguous to the Tilemsi research permit, the Tarkint Est permit (ARRETE No 2011-4050/MM-SG DU originally issued on February 16, 2011) was re-issued on October 7, 2011 for an expanded area of 589 km² with four corners located at 17°33’17”N and 0°10’00”E, 17°33’17”N and 0°35’56”E, 17°26’30”N and 0°35’56”E, and 17°26’30”N and 0°10’00”E. The permit was acquired through an agreement which provides for Great Quest to earn a 97% interest in the permit, subject to a 3% retained carried net profit interest. On February 20, 2013 the permit was transferred to GQ Mali. A new permit was re-issued on October 19, 2019, for an initial period of three years and is renewable for two periods of two years each.

The Tarkint Est property hosts the three target areas of the Company’s Phase II drilling program carried out in November 2011, namely In Tassit, Chenamaguel and Tagit N’Ouerene.

Inferred resources

(Estimates are rounded since the figures are not precise calculations.)

Phosphate deposits in the Tilemsi area are sedimentary in origin, having been deposited in a marine environment. The deposits are similar to those found in Florida, USA and Morocco.

The Phases I and II drilling programs, completed in 2011 on the Tilemsi and Tarkint Est permits, enabled a combined NI 43-101 compliant inferred resource* of approximately 50 million tonnes (Mt) at an average grade of 24.3% P₂O₅ and cut-off grade of 10% to be generated.

Summary Inferred Resource Estimate* – Tilemsi Project (Phases I and II)

Permit of	Program	Area	Area (km²)	Number of holes drilled	Drilled (m)	Estimate (Mt)
Tilemsi	Phase I	Tin Hina	6.75	142	1,727	32.6
		Alfatchafa	6.70	127	3,156	
Tarkint Est	Phase II	Tin Siriden	12.17	48	608	17.4
		Chenamaguel				
		Tagit				
		N'Ouerene				
Total Phase I & II			25.62	317	5,491	50.0

* CAUTIONARY NOTE ON INFERRED RESOURCE

(i) *Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*

(ii) *The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.*

(iii) *The mineral resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.*

EXPLORATION TEAM AND QUALIFIED PERSON

Mr. Jed Diner M.Sc., P.Geol. is the Qualified Person, as defined by NI 43-101 and its Companion Policy, and he is responsible for the review of technical reporting by the Company with respect to the Mali phosphate properties. Mr. Diner graduated with a Bachelor of Science from Hebrew University, Israel, and a M.Sc. in Applied Earth Science, Ore Deposits and Exploration from Stanford University, California. Fluent in several languages, Mr. Diner is an international consultant on mineral deposits including gold and phosphates. Mr. Diner has reviewed and approved the technical contents of this document related to the phosphate properties located in Mali.

Dr. Andreas Rompel, FSAIMM/Pr. Sci. Nat., PhD, is the Qualified person as such term is defined in National Instrument 43-101 and CIM definition standards and has reviewed, verified and approved the technical and scientific information and data included in this MD&A with respect to the gold mineral properties located in Namibia.

OVERVIEW OF PERFORMANCE

During the six months ended June 30, 2025, the Company's total assets increased by \$25,469 from \$37,730 to \$63,199. The Company's working capital deficiency at June 30, 2025 was \$1,067,691 (December 31, 2024 – \$429,321).

RESULTS OF OPERATIONS

The Company's operations consist of the exploration and development of mineral concessions in Namibia and Mali and the maintenance of a head office in Canada.

Three months ended June 30, 2025 compared with the three months ended June 30, 2024

The comprehensive loss for three months ended June 30, 2025, was \$352,709 or \$0.00 per share compared to \$487,558 or \$0.01 per share for the previous period. The change in comprehensive loss of \$134,849 was mainly due to:

- (i) a decrease in exploration and evaluation expenditures of \$242,847 as a result of the decrease in expenditures spent on the Namibian Mineral Property Acquisition;
- (ii) an increase in consulting expense of \$60,425 due to additional consultants hired during the period;
- (iii) an increase in accounting and audit of \$44,656 due to an increase in audit fees.

Six months ended June 30, 2025 compared with the six months ended June 30, 2024

The comprehensive loss for six months ended June 30, 2025, was \$638,370 or \$0.00 per share compared to \$869,280 or \$0.01 per share for the previous year. The change in comprehensive loss of \$230,910 was mainly due to:

- (i.) a decrease in exploration and evaluation expenditures of \$407,132 as a result of the decrease in expenditures spent on the Namibian Mineral Property Acquisition;
- (ii.) an increase in consulting expense of \$126,738 due to additional consultants hired during the period;
- (iii.) a decrease in interest expense of \$27,243 in 2025 due to the repayment of the loans payable in 2024.

LIQUIDITY AND CAPITAL RESOURCES

The Company's working capital deficiency amounted to \$1,067,691 at June 30, 2025 (December 31, 2024 – \$429,321).

The Company is pursuing its efforts in raising funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. To the extent financing is not available, the Company's financial commitments may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL JUDGEMENTS

Readers should refer to Note 3 of the Annual Audited Financial Statements for the year ended December 31, 2024 for a summary of the Company's significant accounting policies and critical judgements.

RELATED PARTY TRANSACTIONS

Key management personnel are officers and directors, or their related parties, who hold positions in the Company and its subsidiaries, that result in these officers and directors having control or significant influence over the financial or operating policies of those entities. These include the members of the Board, current and former Chief Executive Officers, Presidents, Chief Financial Officers and the Chief Operating Officers.

The following transacted with the Company in the reporting year.

Transactions with key management personnel

The aggregate value of transactions with key management personnel being directors and key management personnel was as follows:

Compensation	Six months ended June 30,	
	2025	2024
Short term benefits, including consulting, management and director fees	\$ 247,000	\$ 157,000
Investor relations	-	24,000
Total	\$ 247,000	\$ 181,000

During the year ended December 31, 2024, four directors and an officer of the Company advanced \$470,000 to the Company as a loan payable. These loans and accrued interest of \$33,907 were also settled via units of the Company during the year ended December 31, 2024.

During the year ended December 31, 2024, five directors and four executive officers of the Company participated and acquired a total of 29,913,818 units of the July 15, 2024, July 31, 2024 and August 16, 2024 private placements for gross proceeds of \$1,495,691.

At June 30, 2025 and December 31, 2024, the due to related parties included amounts due to officers or directors of the Company as follows:

	June 30, 2025	December 31, 2024
Related party balances payable		
Outstanding amount due within one year		
With respect to advances on expenses from related party	146	146
With respect to management fees	437,124	160,614
	437,270	160,760

The amounts due to related parties are non-interest bearing, unsecured and due on demand.

SUMMARY OF QUARTERLY RESULTS

Selected consolidated financial information for the last 8 quarters is as follows:

Quarter	Revenue	Comprehensive (loss)	Net (loss) per share
2025 2 nd Q	\$ -	\$ (352,709)	\$ (0.00)
2025 1 st Q	\$ -	\$ (285,661)	\$ (0.00)
2024 4 th Q	\$ -	\$ (1,862,791)	\$ (0.01)
2024 3 rd Q	\$ -	\$ (568,436)	\$ (0.01)
2024 2 nd Q	\$ -	\$ (487,558)	\$ (0.01)
2024 1 st Q	\$ -	\$ (381,722)	\$ (0.00)
2023 4 th Q	\$ -	\$ (192,470)	\$ (0.00)
2023 3 rd Q	\$ -	\$ (145,915)	\$ (0.00)

Net loss is primarily a result of administrative costs that coincide with fluctuations in activity within the Company.

COMMITMENTS AND CONTINGENCIES

The Company's exploration and evaluation activities are subject to 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 activities 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 party to certain management contracts. The Company is committed to payments upon termination of approximately \$598,000 (as at December 31, 2024 - \$598,000) which are due within one year and additional contingent payments of approximately \$1,277,000 (as at December 31, 2024 - \$1,277,000) upon the occurrence of a change of control. As a triggering event has not taken place, these amounts have not been recorded in these condensed interim consolidated financial statements.

RISK AND UNCERTAINTIES

Resource exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to support the commercial production stage are also very substantial. The following sets out the principal risks faced by the Company.

Exploration risks. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Market risks. The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both on short term and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity price risks. The Company's exploration projects for gold and lithium in Namibia and phosphate and gold in Mali have exposure to price risks of both. While there has been an increasing interest in fertilizers and lithium, including phosphates and gold resulting in price increases there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favor this set of commodities. Phosphate prices may be affected by industrial market variations, economic considerations and supply route availability. Gold price volatility can be expected due to a number of political and economic factors, including exchange ratings on the United States dollar. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and the value of its securities and the securities it holds of other companies which are similarly exposed to the commodity price risks of gold, lithium and phosphate rock.

Financing risks. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon raising equity in the capital markets to provide financing for its continuing substantial exploration budgets.

While the Company has been successful in obtaining financing from the capital markets for its projects recently, there can be no assurance that the capital markets will remain favorable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favorable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies such as the Company, have 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 these price fluctuations and volatility will not continue to occur.

Key personnel risks. The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel and management in Namibia and Mali and its ability to attract and retain key management and technical personnel for its projects and provide safety and security of personnel in remote areas. The Company does not maintain "key man" insurance policies on individual employees or consultants to the Company but does hold appropriate operating insurance. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition. Significant and increasing competition exists for the limited number of mineral property acquisition opportunities of merit available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Foreign Countries and Regulatory Requirements. Currently, the Company's principal properties held by its subsidiaries are located in Namibia and Mali. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency fluctuations, inflation, geographical and political risk. Both mineral exploration and mining activities and production activities in foreign countries may be affected in varying degrees by political stability, local conditions, and government changes to the operating environment and regulations relating to the mining industry.

Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business or ability to operate and carry out normal industry operations and engagement of international consultants and personnel. Travel and access to the projects may be curtailed due to political instability, risks to personnel in remote areas, or contagion. Operations may be affected in varying degrees by government regulations with respect to community rights, restrictions on production, price controls, export controls, restriction of earnings,

taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety.

Environmental and Other Regulatory Requirements. The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, personnel and corporate taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in exploration contractor services, production, and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to carry out exploration or to commence production on the Company's properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs. 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. The exploration projects may be in areas where villages exist and parties engaged in mining operations or extraction operations may be required to compensate those suffering loss or damage by reason of such 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 companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties. To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations. The Company has incurred net losses to date. The Company has not yet had any operating revenue from the exploration activities on its properties, nor has the Company yet determined that commercial development is warranted on any of its properties. The Company is an exploration stage company and even if the Company commences development of certain of its properties, the Company may continue to incur losses. There is no certainty that the Company will produce operating revenue, operate profitably or provide a return on investment from its mineral resource projects in the future.

Uninsurable risks. The Company and its subsidiaries may become subject to liability for pollution, fire, explosion, transportation, operational delays, political and other risks or adverse circumstances against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury or additional expenses and liabilities. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

FINANCIAL INSTRUMENTS

(i) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment

at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

- *Amortized cost:*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains or losses. Impairment losses are presented as separate line items in the statement of profit or loss.

- *FVTPL:*

Assets that do not meet the criteria for amortized cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments: The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Company assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(ii) Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized as the proceeds received net of direct issuance costs.

Compound instruments

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issuance, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from

the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to share capital. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to share-based payment reserve. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly as equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

Financial liabilities

The Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was assumed. The Company's accounting policy for each category is as follows:

- Fair value through profit or loss - This category comprises derivatives, liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term or liabilities designated upon initial recognition as FVTPL. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.
- Subsequently measured at amortized cost - financial liabilities initially recorded at fair value and subsequently measured at amortized cost, using the effective interest rate method.

The Company's financial assets and liabilities are recorded and measured as follows:

Financial assets and liabilities	Classification and measurement
Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
Loan payable	Amortized cost

Financial Risk Management:

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

The Company is exposed to credit risk by holding cash and cash equivalents. This risk is minimized by holding the investments in large Canadian financial institutions. The Company has minimal accounts receivable exposure, and its various refundable credits are due from Canadian governments.

Currency Risk

The Company's functional currency is the Canadian dollar. There is foreign exchange risk to the Company as some of its mineral property interests and resulting commitments are located in Mali. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company does not engage in any hedging activities to reduce its foreign currency risk.

As at June 30, 2025, the Company was exposed to currency risk through the following monetary assets and liabilities in Mali FCFA:

	Canadian\$ equivalent
Cash	\$ 4,324
Foreign exchange rate at June 30, 2025	0.0022

Based on the net exposures at June 30, 2025, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the Mali FCFA would not have a material impact on the Company's net earnings.

Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash and cash equivalent is relatively unaffected by changes in short term interest rates. The income earned on certain bank accounts is subject to the movements in interest rates.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Company does not engage in any activities to mitigate this risk.

Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company had a net working capital deficiency of \$1,067,691 at June 30, 2025. Accounts payable is due in 30 days.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

FORWARD LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to Great Quest Gold Ltd. (the "Company" or "Great Quest" or "GQ") and its subsidiaries that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to the business of the Company including, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.



GREAT QUEST GOLD LTD
Corporate Information

CORPORATE HEAD OFFICE

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Website: www.greatquest.com

Email: info@greatquest.com

DIRECTORS & OFFICERS

John A. Clarke, Chairman, Director¹

Jed Richardson, CEO, Director

Dr. Andreas Rompel, President and VP Exploration

Albert Yuen, Director¹

Mama Tapo, Director¹

Paul Bozoki, CFO

Mohammed Bouhsane, Chief Operating Officer

INVESTOR RELATIONS

Toll Free: +1 877 325 3838

¹ *Members of the Audit committee*

STOCK EXCHANGE LISTINGS

TSX Venture Exchange (TSX-V)
Trading Symbol "GQ"

Berlin-Bremen Exchange
Trading Symbol "GQM"

Frankfurt Exchange
Trading Symbol "GQM"

SHARE CAPITAL

Authorized:	Unlimited
Issued:	178,234,661
Options:	400,000
Warrants:	39,904,471
Fully Diluted	218,539,132

TRANSFER AGENT & REGISTRAR

Odyssey Trust Company

Trader's Bank Building, 702 – 67 Yonge Street, Toronto, Ontario, M5E 1J8

AUDITORS

McGovern Hurley LLP, Chartered Professional Accountants

251 Consumers Road, Suite 800, North York, ON, M2J 4R3, Canada

SCHEDULE "J"
PRO FORMA FINANCIAL STATEMENTS

LOTUS GOLD CORPORATION

PRO-FORMA STATEMENT OF FINANCIAL POSITION

June 30, 2025
(Expressed in Canadian Dollars)

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<i>(in Canadian dollars)</i>	Lotus Gold Corp. (As at June 30, 2025)	Great Quest Gold Ltd. (As at June 30, 2025)		Pro-Forma Adjustments	Pro-Forma Resulting Issuer
ASSETS					
Current Assets:					
Cash and cash equivalents	1,100,160	30,451	(a)	500,000	3,821,611
			(a)	(230,000)	
			(b)	300,000	
			(b)	(300,000)	
			(c)	(579,000)	
			(d)	3,000,000	
Term deposits	1,220,054	-		-	1,220,054
Sales tax receivable	49,163	31,289		-	80,452
Intercompany loan	-	-	(b)	300,000	-
			(b)	(300,000)	
Prepaid expenses	57,588	1,459		-	59,047
	2,426,965	63,199		2,691,000	5,181,164
Non-current Assets:					
Restricted cash	353,116	-		-	353,116
Property and equipment	69,946	-		-	69,946
Total Assets	2,850,027	63,199		2,691,000	5,604,226
LIABILITIES					
Current Liabilities:					
Accounts payable and accrued liabilities	1,660,875	693,620	(h)	(370,421)	1,984,074
Due to related parties	-	437,270	(h)	(437,270)	-
Warrant component of debentures	1,330,423	-	(i)	(1,330,423)	-
	2,991,298	1,130,890		(2,138,114)	1,984,074
Non-current Liabilities:					
Warrant component of debentures	-	-	(i)	1,330,423	1,330,423
Total Liabilities	2,991,298	1,130,890		(807,691)	3,314,497
EQUITY					
Share capital	18,082,638	25,524,393	(a)	500,000	25,749,505
			(d)	3,000,000	
			(e)	4,666,867	
			(f)	(26,024,393)	
Warrants reserve	1,745,812	582,988	(g)	(582,988)	1,790,989
			(g)	45,177	
Share based payments	816,358	7,212	(g)	(7,212)	819,441
			(g)	3,083	
Accumulated other comprehensive gain	26,919	-		-	26,919
Accumulated deficit	(20,812,998)	(27,182,284)	(a)	(230,000)	(26,097,125)
			(c)	(579,000)	
			(e)	(4,666,867)	
			(f)	26,024,393	
			(g)	590,200	
			(g)	(48,260)	
			(h)	807,691	
Total Equity	(141,271)	(1,067,691)		3,498,691	2,289,729
Total Liabilities & Equity	2,850,027	63,199		2,691,000	5,604,226

Lotus Gold Corporation

Notes to the Pro-Forma Statement of Financial Position as at June 30, 2025

(unaudited)

Pro-forma assumptions:

- a) Record the completion of the bridge financing of gross aggregate proceeds of up to \$500,000 through the issuance of 20,000,000 common shares of Great Quest Gold Ltd. at a price of \$0.025 – see note 3(b).

In addition, an amount of \$230,000, funded separately, was used to complete the initial earn-in agreement between GQ and Belmont Mineral Exploration (Pty) Ltd. (“Belmont”).

- b) Lotus entered into a secured loan agreement with GQ for the loan amount of \$300,000. See Note 3(d).
- c) Record the estimated RTO transaction costs of \$579,000.
- d) Record the proceeds of up to \$3,000,000 concurrent financing to be raised. It is assumed that no finder’s fees are payable in connection with the concurrent financing. See Note 3(f).
- e) Record the ordinary share consideration paid for the acquisition, being 6,222,489 common shares issued at \$0.75 per share. See Note 3(b).
- f) Record the acquisition of net liabilities of GQ being acquired– see note 3(b).
- g) To record the net impact of the Resulting Issuer warrants and options to be issued as part of the consideration.
- h) To record the settlement and adjustment of accounts payable in GQ and amounts due to related parties, resulting in a revised maximum negative working capital position of \$260,000.
- i) Reclassification of debentures from current to non-current liabilities on account of the extension of the expiry term of the warrant component of the debentures to 18 months from the date of the Liquidity Event.

The accompanying notes are an integral part of the unaudited pro-forma statement of financial position.

Lotus Gold Corporation

Notes to the Pro-Forma Statement of Financial Position as at June 30, 2025

(unaudited)

1. Basis of Presentation

The accompanying unaudited pro-forma statement of financial position has been prepared by management for inclusion in an Information Circular (the “Circular”) dated September 10, 2025 being filed by Great Quest Gold Ltd.(“GQ”) with the TSX Venture Exchange in connection with the plan of arrangement transaction between GQ and Lotus Gold Corp.(“Lotus”), as described in note 2 (the “Proposed Transactions”) and note 3 (b) (the “Reverse Take Over”).

The unaudited pro-forma statement of financial position has been derived from the unaudited condensed interim financial statements of GQ and Lotus for the six months ended June 30, 2025. The unaudited pro-forma statement of financial position as at June 30, 2025 has been prepared as if the Reverse Take over of GQ with Lotus had occurred on June 30, 2025.

The unaudited pro-forma statement of financial position should be read in conjunction with the following financial statements included elsewhere in the Filing Statement:

- (a) The unaudited condensed interim consolidated financial statements of GQ for the six month period ended June 30, 2025; and
- (b) The unaudited condensed interim consolidated financial statements of Lotus for the six month period ended June 30, 2025.

The unaudited pro-forma statement of financial position has been prepared for illustrative purposes only and is not necessarily indicative of the actual results that would have occurred had the Reverse Take Over of GQ with Lotus been concluded at the dates indicated. The pro-forma adjustments are based on currently available information and management estimates and assumptions. Actual adjustments may differ from the pro-forma adjustments. Management believes such adjustments provide a reasonable basis for presenting all of the significant effects of the Proposed Transaction in accordance with International Financial Reporting Standards (“IFRS”).

Lotus Gold Corporation

Notes to the Pro-Forma Statement of Financial Position as at June 30, 2025

(unaudited)

2. Background Information

(a) About Great Quest Gold Ltd. ("GQ")

Great Quest Gold Ltd. is incorporated under the British Columbia Business Corporations Act (the "BCBCA") and is a Canadian mineral exploration company focused on the exploration and development of highly prospective gold projects in the Republic of Namibia. GQ is a public company listed on the TSX Venture Exchange ("TSX-V") under the trading symbol GQ. The Company's registered office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia ("BC"), Canada. GQ's wholly-owned subsidiaries include Great Quest (Barbados) Limited and Great Quest Mali S.A. ("GQ Mali").

(b) About Lotus Gold Corporation ("Lotus")

Lotus Gold Corporation ("Lotus") is a private Canadian gold exploration and development company incorporated under the BCBCA as 1251721 B.C. Ltd. on May 29, 2020, and subsequently changed its name to Lotus Gold Corporation on August 26, 2020. Lotus is focused on the exploration and development of gold projects in the Eastern Desert of the Arab Republic of Egypt. The head office and registered office of the Company are located at 1890-1075 West Georgia Street, Vancouver, BC, Canada, V6E 3C9. Lotus's wholly-owned subsidiaries include Lotus Gold Holdings Ltd. (100% owned, Cyprus) and Lotus Gold Corporation Egypt (100% owned, Egypt).

3. Pro-Forma Assumptions and Adjustments with Respect to the Proposed Transaction

The pro-forma adjustments described below are based upon available information and certain assumptions management believes are reasonable.

(a) GQ Equity Financing

Immediately before the completion of the Proposed Transaction and as a condition of the Reverse Take Over, GQ completed a bridge financing for gross aggregate proceeds of \$500,000 through the issuance of 20,000,000 GQ common shares at a pre-Consolidation price of \$0.025 per share.

(b) Reverse Take Over of GQ and Lotus

The accompanying unaudited pro-forma statement of financial position gives effect to the Reverse take over of GQ by Lotus to be completed by way of a court-approved plan of arrangement as if it had occurred on June 30, 2025. The unaudited pro-forma statement of financial position has been derived from the statement of financial position of GQ as of June 30, 2025 and the statement of financial position of Lotus as of June 30, 2025. After the Reverse take over, the former shareholders of Lotus will own 64.6%¹ of the outstanding shares of the resulting issuer from the Reverse take over after receiving GQ shares as consideration for all of the issued and outstanding Lotus Shares. In accordance with IFRS 3, Business Combinations, the substance of the transaction is a reverse acquisition of a non-operating company. The transaction does not constitute a business combination as GQ does not meet the definition of a business under the standard. As a result, the transaction will be accounted for as a capital transaction with Lotus being identified as the acquirer and the equity consideration being measured at fair value. The resulting statement of financial position is presented as a continuance of Lotus.

⁽¹⁾ Subsequent to the original agreement, Lotus shareholders will hold 64.6% of the outstanding shares of the resulting issuer.

Lotus Gold Corporation**Notes to the Pro-Forma Statement of Financial Position as at June 30, 2025***(unaudited)*

Common share consideration to be paid by Lotus is as follows:

	Fair value (\$)
Issuance of 6,222,489 common shares ⁽²⁾	\$4,666,867
Total	\$4,666,867

⁽²⁾ The total number of common shares comprises 166,674,661 original GQ shares plus 20,000,000 shares issued under the GQ equity financing. Following the 1-for-30 share consolidation, the resulting 6,222,489 post-consolidation shares are recorded at a fair value of \$0.75 per common share, being the expected concurrent financing share price.

	Fair value (\$)
Issuance of 1,330,149 resulting issuer warrants ³	\$45,177
Issuance of 13,333 resulting issuer options	3,083
Total	\$48,260

⁽³⁾ Resulting issuer warrants comprise of 1,280,476 post consolidation warrants and 49,673 post consolidation finders warrants, after adjusting for expected 30:1 consolidation ratio.

	Fair value (\$)
Total consideration	\$4,715,127

Based on the statement of financial position of GQ at June 30, 2025, the net liabilities at estimated fair values to be acquired by Lotus are as follows:

	Fair value (\$)
Cash	\$30,451
Sales tax receivable	31,289
Prepaid expense	1,459
Accounts payable and accrued liabilities	(693,620)
Due to related parties	(437,270)
	\$(1,067,691)

In accordance with IFRS 2, Share-Based Payments, any excess of the fair value of the consideration paid by Lotus over the value of the net assets of GQ is recognized in the statement of operations and comprehensive income (loss). For the purposes of this pro-forma statement of financial position, the net amount of \$5,782,818 was charged to net loss and accumulated deficit.

(c) Consolidation of GQ Shares

Prior to the completion of the transaction described in note 3(b) and as a condition of the Reverse Take Over, GQ will consolidate its 186,674,661 common shares issued and outstanding on the basis of 30-to-1.

(d) Lotus loan advance

Lotus will enter into a secured loan agreement with GQ for the loan amount of \$300,000 bearing interest at 10% per annum, due the earlier of closing of the Arrangement or January 15, 2026, secured by a general security agreement from GQ in favour of the Company, and subject to conversion into GQ Shares at a pre-Consolidation price of \$0.025 per share

Lotus Gold Corporation

Notes to the Pro-Forma Statement of Financial Position as at June 30, 2025

*(unaudited)***(e) Working capital requirements**

Lotus and GQ will have a working capital deficit and long-term debt (excluding non-cash liabilities) of no more than \$110,000 and \$260,000 respectively, preceding the Reverse Take Over transaction.

(f) Concurrent financing

As part of the Reverse Take Over, a concurrent financing for gross proceeds of up to \$3,000,000, assumed at \$0.75 a common share will be completed. The final issue price per share will be determined by market conditions and will comply with TSX Venture Exchange policies and applicable securities laws.

(g) Share Capital Continuity

A continuity of the Resulting Issuer share capital post the Reverse Take Over transaction after giving effect to the pro-forma transactions is described below:

Common Shares	Shares (#)	Amount (\$)
Balance – as at June 30, 2025	11,365,665	\$18,082,638
Pro-forma adjustments:		
Shares retained by GQ shareholders(see note 3(a))	6,222,489	4,666,867
Adjustment to record the shares issued under the concurrent financing (see note 3(f))	4,000,000	3,000,000
Balance – resulting issuer	21,588,154	\$25,749,505

(h) Warrants Reserve Continuity

A continuity of the resulting issuer's warrants reserve after giving effect to the pro-forma transactions is described below:

Warrants Reserve	Exercise Price (\$)	Equity Warrants (#)	Amount (\$)
Balance – as at June 30, 2025	\$4.84 ⁴	2,266,800 ⁴	\$1,745,812
Pro-forma Adjustments:			
Warrants retained by GQ shareholders	\$3.00	1,280,476	39,733
Finders warrants retained by GQ shareholders	\$1.50	49,673	5,444
Balance – resulting issuer		3,596,949	\$1,790,989

⁽⁴⁾ Included in the total are the Resulting Issuer debenture warrants, adjusted to 756,061 each with an exercise price of \$1.94 per share.

Lotus Gold Corporation

Notes to the Pro-Forma Statement of Financial Position as at June 30, 2025

*(unaudited)***(i) Unvested Stock Options**

Unvested Stock options	Exercise Price (\$)	Options (#)	Amount (\$)
Balance – as at June 30, 2025	\$3.23	540,331	\$816,358
Pro-forma Adjustments:			
Stock options retained by GQ shareholders	\$1.50	13,333	\$ 3,083
Balance – resulting issuer		553,664	\$819,441

(j) Estimated Transaction Costs

Transaction costs are estimated to be \$579,000 and the amount is charged to net loss as a Transaction Expense as part of the accumulated deficit on the pro-forma statement of financial position.

(k) Working Capital adjustment

Adjustment to accounts payable and amounts due to related parties to align current liabilities of GQ to reflect expected settlements and align current liabilities with the amended working capital arrangement requirements per the Agreement. This ensures presentation of a maximum negative working capital position of \$260,000 in the pro forma financial statements, reflecting the agreed capital structure and funding arrangements between Lotus and GQ.

(l) Warrant component of convertible debentures

Reclassification of debenture warrants from current to non-current to reflect their terms and expected timing of settlement post completion of the Reverse Take Over, regarded as a "Liquidity Event". The term of the warrants have been extended to 18 months from the date of the Reverse Take Over.

4. Pro-Forma Statutory Income Tax Rate

The pro-forma statutory income tax rates of the combined companies is 27%. No taxes are payable or accrued therefore the effective tax rate is 0%.

SCHEDULE "K"
GQ AGM MATTERS

GQ AGM MATTERS

The information contained in this Schedule “K” is furnished in connection with the annual matters to be presented to GQ Shareholders at the GQ Meeting. Reference should be made to the Circular under the heading “*GQ Proxy Information*” for detailed information related to the manner in which the GQ Meeting will be conducted, attending the GQ Meeting, voting by GQ Shareholders in person or by proxy on the matters described in the Notice of Meeting, the Circular and this Schedule “K” and other information.

Capitalized terms not otherwise defined in this Schedule “K” have the meanings given to them in the Circular under the heading “*Glossary*”.

STATEMENT OF EXECUTIVE COMPENSATION

Director and NEO Compensation, Excluding Compensation Securities

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years, by GQ to the directors, and to the following persons (collectively, the “**Named Executive Officers**” or “**NEOs**”):

- (a) each individual who, in respect of GQ, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of GQ, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer (“**CFO**”);
- (c) in respect of GQ and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of GQ, and was not acting in a similar capacity, at the end of that financial year.

Name and position	Financial Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jeddiah Richardson <i>CEO & Director</i> ⁽¹⁾	2024	144,000	Nil	Nil	Nil	Nil	144,000
	2023	168,000	Nil	Nil	Nil	Nil	168,000
Dr. Andreas Rompel <i>President & VP Exploration</i> ⁽²⁾	2024	155,000	Nil	Nil	Nil	Nil	155,000
	2023	Nil	Nil	Nil	Nil	Nil	Nil

Name and position	Financial Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Paul Bozoki <i>CFO</i>	2024	54,000	Nil	Nil	Nil	Nil	54,000
	2023	54,000	Nil	Nil	Nil	Nil	54,000
John Clarke <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
David Shaw <i>Director⁽²⁾</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Jon Karas <i>Former Director⁽³⁾</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Albert Yuen <i>Director⁽⁴⁾</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	3,180	3,180
Mama Tapo <i>Director</i>	2024	40,000	Nil	Nil	Nil	Nil	40,000
	2023	40,000	Nil	Nil	Nil	Nil	40,000
Rennie Morkel <i>Consultant⁽¹⁾</i>	2024	68,594	100,000	Nil	Nil	Nil	168,594
	2023	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Compensation has been paid as consulting fees under the independent contractor agreement with the Named Executive Officer as described under the heading “Statement of Executive Compensation – Termination of Employment, Change in Responsibilities and Employment Contracts” of this Schedule “K”.
- (2) Mr. Shaw resigned as a director of GQ on November 11, 2024.
- (3) Mr. Karas resigned as a director of GQ in April 2023.
- (4) Mr. Yuen was appointed as a director of GQ on October 27, 2022.

Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each director and NEO by GQ or one of its subsidiaries in the most recently completed financial year for services provided or to be provided, directly or indirectly, to GQ or any of its subsidiaries.

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Jeddiah Richardson <i>CEO & Director</i>	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Dr. Andreas Rompel <i>President & VP Exploration⁽¹⁾</i>	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Paul Bozoki <i>CFO</i>	Nil	Nil	N/A	N/A	N/A	N/A	N/A
John Clarke <i>Director</i>	Nil	Nil	N/A	N/A	N/A	N/A	N/A
David Shaw <i>Director⁽²⁾</i>	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Jon Karas <i>Former Director⁽³⁾</i>	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Albert Yuen <i>Director⁽⁴⁾</i>	Stock Options	200,000	Jan 23, 2023	\$0.05	\$0.035	\$0.01	Jan 23, 2028
Rennie Morkel <i>Consultant</i>	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Mama Tapo <i>Director⁽³⁾</i>	Stock Options	200,000	Dec 7, 2021	\$0.05	\$0.035	\$0.045	Dec 7, 2026

Notes:

(1) Dr. Rompel was appointed as President and Vice President of Exploration of GQ on June 3, 2024.

(2) Mr. Shaw resigned as a director of GQ on November 11, 2024.

(3) Mr. Karas resigned as a director of GQ on April 27, 2023.

(4) Mr. Tapo holds 200,000 stock options with an exercise price of \$0.05 that expire on December 7, 2026.

(5) Mr. Yuen was appointed as a director of GQ on October 27, 2022 and holds 200,000 stock options with an exercise price of \$0.05 that expire on January 23, 2028.

Exercise of Stock Options

No Named Executive Officer or director of GQ exercised stock options or compensation securities in the financial year ended December 31, 2024.

Option Plans and Other Incentive Plans

Options are granted pursuant to GQ's Option Plan and in accordance with the rules of the TSXV. The GQ Option Plan is administered by the GQ Board, upon the recommendations of the Compensation and Governance Committee.

The Option Plan is a 10% rolling Option Plan to allow GQ to grant options to Directors, officers, employees, and consultants, as additional compensation, and as an opportunity to participate in the success of GQ. The granting of such options is intended to align the interests of such persons with that of the shareholders. Under the Option Plan, options are exercisable over periods of up to ten (10) years as determined by the GQ Board and are required to have an exercise price no less than the closing market price of the GQ Shares prevailing on the day that the option is granted, less applicable discount, if any, permitted by the policies of the TSXV.

The Option Plan authorizes the GQ Board to grant, in its absolute discretion, stock options to directors, officers, employees or consultants on such terms, limitations, conditions and restrictions as it deems necessary and advisable.

The number of GQ Shares which may be issuable under the Option Plan and all of GQ's other previously established or proposed share compensation arrangements, within a one-year period, and included in the maximum mentioned above: (a) subject to (b) and (c) below, to any one optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the grant date on a non-diluted basis, unless GQ has obtained the requisite disinterested shareholder approval; (b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding GQ Shares on the grant date on a non-diluted basis; (c) to any one consultant shall not exceed 2% of the total number of issued and outstanding GQ Shares on the grant date on a non-diluted basis; and (d) to all eligible persons who undertake investor relations activities, including consultants, employees or Directors whose role and duties primarily consist of investor relations activities, shall not exceed 2% in the aggregate of the total number of issued and outstanding GQ Shares on the grant date on a non-diluted basis. On the death or disability of an option holder, all vested options will expire at the earlier of one year after the date of death or disability and the expiry date of such options.

Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by GQ other than for cause, then all vested options held by such optionee will expire at the earlier of: (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases to be an eligible person under the Option Plan. The GQ Board may, in its sole discretion if it determines such is in the best interests of GQ, extend this 90 day termination date to a later date within a reasonable period not exceeding one year. If a change of control (as defined therein) occurs, or if GQ is subject to a take-over bid, all GQ Shares subject to stock options shall immediately become vested and may thereupon be exercised in whole or in part by the option holder. The GQ Board of Directors may also accelerate the expiry date of outstanding stock options in connection with a take-over bid.

The table below sets out the outstanding options under the GQ Option Plan, being GQ's only compensation plan under which GQ Shares are authorized for issuance, as of December 31, 2024.

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available under equity compensation plans (excluding securities reflected in column (a)) as of December 31, 2024 (c)
Equity compensation plans approved by security holders	400,000	\$0.05	16,267,466
Equity compensation plans not approved by security holders	-	-	-
TOTAL	400,000	\$0.05	16,267,466

Pension Plan Benefits

GQ does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Employment, Consulting and Management Agreements

The following describes the respective consulting and employment agreements entered into by GQ and its NEOs as of the date hereof.

Name	Monthly Fees (\$)	Severance on Termination (\$)	Severance on Change of Control (\$) ⁽¹⁾
Jeddiah Richardson CEO and Director	10,000	120,000	240,000
Andy Rompel President	15,000	45,000	180,000
Paul Bozoki CFO	4,500	13,500	54,000
Rennie Morkel Consultant	US\$10,000	US\$120,000	US\$240,000

Notes:

- (1) Severance upon a change of control becomes payable in the event of a Change of Control of GQ and within one year following the date of the Change of Control GQ either terminates the executive officer's appointment or alters the executive officer's position and/or responsibilities in a materially adverse manner.

For the purpose of the agreements set forth above, "Change of Control" is defined as (a) the acquisition by any person (person being defined as an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual and an associate or affiliate of any thereof as such terms are defined in the BCBCA of: (1) shares or rights or options to acquire shares of GQ or securities which are convertible into shares of GQ or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 50% or more of the votes entitled to be cast at a meeting of the GQ Shareholders; (2) shares or rights or options to acquire shares of any material subsidiary of GQ or securities which are convertible into shares of the material subsidiary or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 50% or more of the votes entitled to be cast a meeting of the shareholders of the material subsidiary; or (3) more than 50% of the material assets of GQ, including the acquisition of more than 50% of the material assets of any material subsidiary of GQ, or (b) as a result of or in connection with: (1) a contested election of directors; or (2) a consolidation, merger, amalgamation, arrangement or other reorganization of acquisitions involving GQ or its affiliates and another corporation or other entity, the nominees named in the most recent management information circular of GQ for election to the GQ Board shall not constitute a majority of the GQ Board.

Summary of Termination Payments

The estimated incremental payments, payables and benefits that might be paid to the officers pursuant to the above noted agreements in the event of termination without cause or after a Change of Control (assuming such termination or Change of Control is effective as of the Record Date) are detailed below:

Named Executive Officer	Termination not for Cause (\$)	Termination on a Change of Control Approved (\$)
Jeddiah Richardson		
Salary and Quantified Benefits	120,000	240,000
Bonus	Nil	Nil
Total	120,000	240,000
Andy Rompel		
Salary and Quantified Benefits	45,000	180,000
Bonus	Nil	Nil
Total	45,000	180,000
Paul Bozoki		
Salary and Quantified Benefits	13,500	54,000
Bonus	Nil	Nil
Total	13,500	54,000
Rennie Morkel		
Salary and Quantified Benefits	US\$120,000	US\$240,000
Bonus	Nil	72,700
Total	US\$120,000	US\$312,700

Indebtedness of Directors and Executive Officers

As at December 31, 2024, there was no indebtedness outstanding of any current or former Director, executive officer or employee of GQ or its subsidiaries which is owing to GQ or its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by GQ or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of GQ, no proposed nominee for election as a Director of GQ and no associate of such persons:

1. is or at any time since the beginning of the most recently completed financial year has been, indebted to GQ or its subsidiaries; or

2. whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by GQ or its subsidiaries,

in relation to a securities purchase program or other program.

Interest Of Certain Persons In Matters To Be Acted Upon

Except as set out herein, no person who has been a Director or executive officer of GQ at any time since the beginning of the GQ's last financial year, no proposed nominee of management of GQ for election as a Director of GQ and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

Interest Of Informed Persons In Material Transactions

No informed person or proposed Director of GQ and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of GQ's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect GQ or its subsidiaries.

Appointment Of Auditors

McGovern Hurley LLP, Chartered Professional Accountants, of Toronto, Ontario are the auditors of GQ. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of McGovern Hurley LLP as the auditors of GQ to hold office for the ensuing year.

Management Contracts

No management functions of GQ or its subsidiaries are performed to any substantial degree by a person other than the Directors or executive officers of GQ or its subsidiaries.

Corporate Governance Disclosure

National Policy 58-201 - *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. GQ has reviewed its own corporate governance practices in light of these guidelines. In certain cases, GQ's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for GQ at its current stage of development and therefore certain guidelines have not been adopted. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices, which is set out below.

Independence of Members of Board

GQ's Board currently consists of four Directors, two of whom are independent based upon the tests for independence set forth in National Instrument 52-110 *Audit Committees* ("**NI 52-110**"). The members who are independent are John Clarke and Mama Tapo.

GQ Management Supervision by Board

The operations of GQ do not support a large board of directors and the Board has determined that the constitution of the GQ Board is appropriate for GQ's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are, however, able

to meet at any time without any members of management, including the non-independent Directors, being present. The independent Directors also have access to GQ's legal counsel and its officers.

Risk Management

The GQ Board is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of GQ under applicable securities laws and regulations.

The Committee (as hereinafter defined) is responsible for the risk management items set out in the Audit Committee charter, as described below under the heading "Audit Committee".

Participation of Directors in Other Reporting Issuers

The participation of the Directors of GQ in other reporting issuers is described in the table provided under "Election of Directors" in this Schedule.

Orientation and Continuing Education

While GQ does not have formal orientation and training programs, new Board members are provided with:

- information respecting the functioning of the Board of Directors, committees and copies of GQ's corporate governance policies;
- access to recent, publicly filed documents of GQ, internal documents and technical reports and GQ's internal financial information;
- access to management and technical experts and consultants; and
- a summary of significant corporate and securities responsibilities.

GQ Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with GQ's operations, industry trends and developments and changes in legislation and the international business environment of GQ. With management's assistance, Board members are encouraged to attend related industry seminars and visit GQ's operations. Board members have full access to GQ's records

Ethical Business Conduct

The GQ Board views good corporate governance as an integral component to the success of GQ and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code. GQ follows industry initiatives with respect to corporate social responsibility (CSR) and contributes to local endeavors in the regions in which it operates.

Nomination of Directors

The GQ Board has responsibility for identifying potential GQ Board candidates. The GQ Board assesses potential GQ Board candidates to fill perceived needs on the GQ Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for recommendations on possible candidates.

Compensation of Directors and the CEO

John Clarke and Albert Yuen, serve on the Nominating, Compensation and Governance Committee, which has prime responsibility for determining compensation for the Directors and senior management.

To determine compensation, the Nominating, Compensation and Governance Committee reviews compensation paid to executives and Directors of companies of similar size and stage of development in the mineral exploration industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management, while taking into account the financial and other resources of GQ. In setting the compensation, the Nominating, Compensation and Governance Committee annually reviews the performance of the President and CEO in light of GQ's objectives and considers other factors that may have impacted the success of GQ in achieving its objectives.

Board Committees

Other than the Committee, the GQ Board has determined that the standing committees at this stage of GQ's development are as below.

Committee	Members
Nominating, Compensation and Governance	John Clarke (Chair) Albert Yuen
Environmental, Health & Safety and Social Responsibility	John A. Clarke Albert Yuen

Assessments

The GQ Board does not consider that formal assessments would be useful at this stage of GQ's development. The GQ Board conducts informal annual assessments of its effectiveness, the individual Directors and each of its committees. To assist in its review, the GQ Board conducts informal surveys of its Directors, requests an annual report from the Nominating, Compensation and Governance Committee on its assessment of the functioning of the GQ Board and reports from each committee respecting its own effectiveness. As part of the assessments, the GQ Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

Nominating, Compensation and Governance Committee

The Nominating, Compensation and Governance Committee has adopted a formal written mandate to provide its members with minimum guidelines to assist the Nominating, Compensation and Governance Committee with fulfilling its responsibilities. The main duties of the Nominating, Compensation and Governance Committee include the following:

- to annually evaluate the performance of the President and CEO of GQ;
- to annually review the compensation of the President and CEO of GQ, including annual, long-term and other compensation;
- to annually review the compensation of senior management, other executive officers and key employees of GQ, including annual, long-term and other compensation;
- to annually review the compensation of Directors in light of risks and responsibilities;

- to consider the implementation of short and long-term incentive plans proposed by management, to make recommendations to the GQ Board with respect to the same and to annually review such plans after their implementation; and
- to annually review any other benefit plans proposed by management and to make recommendations to the Board with respect to their implementation.
- GQ's response to applicable rules, policies and guidelines respecting corporate governance matters;
- assessing the effectiveness of the Board as a whole, the committees of the GQ Board and the contribution of individual Directors on a periodic basis, which will include monitoring the quality of the relationship between management and the GQ Board and recommending any improvements, if necessary;
- ensuring that, where necessary, appropriate structures and procedures are in place to ensure that the GQ Board can function independently of management;
- preparing or reviewing any disclosure that must be made or approved by the Board that relates to corporate governance matters;
- periodically examining the size of the GQ Board, with a view to determining the impact of the number of Directors upon effectiveness, and making recommendations where appropriate to the GQ Board as to any programs the committee determines to be appropriate to reduce or increase the number of Directors to a number which facilitates more effective decision making;
- to conduct a periodic review of GQ's Directors' and officers' insurance and the adequacy of coverage and monetary limits thereof;
- developing, with the assistance of management, an orientation and education program for new recruits to the Board, where necessary;
- considering questions as to the appropriateness of a Director engaging an outside advisor at the expense of GQ in the circumstances required by applicable policies of the Board; and
- proposing new nominees, when deemed appropriate, for appointment or election to the GQ Board, and for assessing Directors on an ongoing basis.

Environmental, Health & Safety and Social Responsibility Committee

The Environmental, Health & Safety and Social Responsibility Committee is responsible for overseeing and directing GQ's approach to environmental objectives and targets and protecting the health and safety of its workers, and is responsible for the following specific matters:

- assist senior management to draft an environmental health and safety ("EHS") policy for approval by the Board of Directors, and to review the policy on an annual basis and recommend updates as necessary;
- to work with senior management to develop and approve specific EHS objectives and targets, and to monitor achievement thereof;

- to commission and review reports from management concerning compliance with governmental orders or conduct of litigation or other proceedings relating to environmental, health and safety matters;
- to commission and review reports from management concerning the nature of GQ's contingency plans and any tests to determine the effectiveness thereof;
- to meet with management to discuss EHS issues generally and to review with management the budgetary and personnel resources allocated to various aspects of EHS matters;
- to review with management, outside consultants and legal advisors, the environmental, health and safety implications of major corporate undertakings such as the exploration and development of its properties and the acquisition or expansion of facilities or the decommissioning of facilities on its properties;
- to conduct a periodic review of GQ's environmental and health and safety insurance and the adequacy of coverage and monetary limits thereof; and
- to monitor the relationship with regulatory authorities and others outside GQ (including neighboring property owners and shareholders) on environmental issues.

AUDIT COMMITTEE

The Audit Committee's Charter

Mandate

The primary function of the Audit Committee (the “**Committee**”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by GQ to regulatory authorities and shareholders, GQ's systems of internal controls regarding finance and accounting and GQ's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, GQ's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor GQ's financial reporting and internal control system and review GQ's financial statements.
- Review and appraise the performance of GQ's external auditors.
- Provide an open avenue of communication among GQ's auditors, financial and senior management and the Board of Directors.

Please see Appendix “A” appended to this Schedule “K” for a copy of the Audit Committee Charter of GQ.

Composition

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

For the purposes of GQ's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by GQ's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee meets, at least annually, with the CFO and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review GQ's financial statements, MD&A and any annual and interim earnings, press releases before GQ publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (c) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of GQ.
- (d) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and GQ, consistent with Independence Standards Board Standard 1.
- (e) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (f) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (g) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

- (h) At each meeting, consult with the external auditors, without the presence of management, about the quality of GQ's accounting principles, internal controls and the completeness and accuracy of GQ's financial statements.
- (i) Review and approve GQ's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of GQ.
- (j) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (k) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by GQ's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to GQ constitutes not more than five percent of the total amount of revenues paid by GQ to its external auditors during the fiscal year in which the non-audit services are provided;
 - (ii) such services were not recognized by GQ at the time of the engagement to be non-audit services; and
 - (iii) such services are promptly brought to the attention of the Committee by GQ and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.
- (l) Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of GQ's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of GQ's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to GQ's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of GQ of concerns regarding questionable accounting or auditing matters.

Risk Management

The Committee shall meet:

1. To review, at least annually, and more frequently if necessary, GQ's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
2. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
3. To request the external auditor's opinion of management's assessment of significant risks facing GQ and how effectively they are being managed or controlled.
4. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

Other

Review any related-party transactions.

Composition of the Audit Committee

The following are the members of the Committee as at the date hereof.

Mama Tapo	Independent ⁽¹⁾	Financially literate ⁽¹⁾
John Clarke	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Albert Yuen	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾

⁽¹⁾As defined by NI 52-110.

Audit Committee Member Education and Experience

Jeddiah Richardson is the Chief Executive Officer and Executive Chairman of Trigon Metals Inc. Mr. Richardson is an experienced mining and finance executive, particularly with his career in capital markets and formerly as an executive at Amazon Mining developing resource assets in Brazil. Mr. Richardson spent a large portion of his career in capital markets working as a research analyst at Sprott Securities and RBC Capital Markets. He also worked as a Mining Engineer for Alcan Aluminum after graduating from the University of Toronto. Mr. Richardson holds a B.A.Sc in Mineral and Geological Engineering.

John Clarke is a former President and CEO of Banro Corporation. He has considerable experience in mineral exploration, corporate acquisition and development in the gold mining sector in Africa. Mr. Clarke has held roles as President/CEO and Vice-Chairman of Nevsun Resources and, prior to joining Nevsun, he was Executive Director of Ashanti Goldfields Corporation Limited of Ghana. He has been the Director of several companies which had exploration and development activities in Africa. Mr. Clarke holds a B.Sc. in metallurgy from University College Cardiff, a Ph.D. in metallurgy from Cambridge University and an MBA

from Middlesex Polytechnic. Mr. Clarke is non-independent by reason of his position as chairman of the board of directors.

Albert Yuen is a Managing Director and Founder of DesVoeux Guilford LLC, a family office, research consultant, and advisor. Albert also serves as a Managing Partner and Co-Founder of HRN, a multi-family office and advisory platform with investments across real estate, venture tech, life sciences, and alternative investment funds. He carries a registration with TigerBridge Capital a New York-based broker-dealer. Mr. Yuen graduated cum laude with a degree in Finance and Accounting from Northeastern University in Boston, MA and is a recipient of the Public Leadership Credential from the Harvard Kennedy School in Cambridge, MA. He is a holder of the CFA designation.

Audit Committee Oversight

At no time since the commencement of GQ's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of GQ's most recently completed financial year has GQ relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. GQ is relying upon the exemption in Section 6.1 of NI 52-110 from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

External Auditors Service Fees (By Category)

The aggregate fees billed by GQ's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees (\$)	Audit Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
December 31, 2024	36,000	Nil	4,500	40,500
December 31, 2023	25,000	Nil	4,000	29,000

Expectations of Management

The GQ Board expects management to operate the business of GQ in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute GQ's business plan and to meet performance goals and objectives.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements and Auditors Report

The GQ Board has approved the audited financial statements for the fiscal years ended December 31, 2023 and December 31, 2024, together with the auditor's report thereon, copies of which have been sent to those shareholders who have requested receipt of same. Copies of these materials are available on SEDAR+ at www.sedarplus.ca.

2. Appointment of Auditors

GQ Shareholders will be asked to vote for the appointment of McGovern Hurley LLP, Chartered Professional Accountants, as auditors of GQ to hold office until the next annual general meeting of GQ Shareholders.

McGovern Hurley LLP were appointed auditors for GQ on October 16, 2023, following the resignation of Crowe Mackay LLP at GQ's request.

3. Election of Directors

The articles of GQ provide that the GQ Board may fix the number of directors from time to time by a resolution of the GQ Board, subject to a minimum of three directors. At the GQ Meeting, GQ Shareholders will be asked to consider, and if thought appropriate, to pass an ordinary resolution to (A) elect the four (4) directors of GQ (the "**Current Slate**") listed below to serve from the close of the GQ Meeting until the earlier of (i) the close of the next annual meeting of GQ Shareholders, (ii) the time of completion of the Arrangement (the "**Change of Board Time**"), and/or (iii) such time that their successors are elected or appointed, all as the case may be, unless his or her office is earlier vacated in accordance with the articles of GQ or the provisions of the BCBCA; and (B) to elect the three (3) directors of GQ (the "**New Slate**") listed below to serve from the Change of Board Time until the close of the next annual meeting of GQ Shareholders or until their successors are elected or appointed (the "**Director Election Resolution**"), the full text of which is set out below.

Pursuant to the Arrangement Agreement, the parties covenanted and agreed that the New Slate, comprising Jed Richardson, Heye Daun and Alan Friedman be elected, effective at the Change of Board Time, as directors of GQ.

GQ currently has four (4) Directors, and the GQ Board has determined to set the number of directors effective immediately prior to the Change of Board Time at four (4) Directors. Conditional upon completion of the Arrangement, the GQ Board has determined to set the number of directors effective immediately following the Change of Board Time at three (3) Directors.

At the time of the GQ Meeting, the Arrangement will not yet have been completed and, as such, there can be no assurance that it will be completed.

At the GQ Meeting, GQ Shareholders will be asked to consider and, if deemed advisable, to approve and authorize the following resolutions in respect of the director election:

"BE IT HEREBY RESOLVED THAT:

1. the election of Jed Richardson, John Clark, Mama Tapo and Albert Yuen as directors of GQ to hold office until the earlier of:
 - (i) the close of the next annual meeting of shareholders of GQ;
 - (ii) the Change of Board Time (as defined in the management information circular of GQ dated September 10, 2025); and
 - (iii) their successors are elected or appointed, all as the case may be, unless his or her office is earlier vacated in accordance with the articles of GQ or the provisions of the *Business Corporations Act* (British Columbia),

is hereby approved; and

2. conditional upon completion of the Arrangement, the election of Jed Richardson, Heye Daun and Alan Friedman as directors of GQ to hold office from the Change of Board Time until the next annual meeting of the shareholders of GQ, or until their successors are elected or appointed, is hereby approved.”

The GQ Board unanimously recommends that GQ Shareholders vote FOR the Director Election Resolution. In order to be effective, the Director Election Resolution requires approval of a majority of the eligible votes cast in respect thereof by GQ Shareholders, present in person or by proxy at the GQ Meeting. Unless the GQ Shareholder has specified in the enclosed form of proxy that the GQ Shares represented by such proxy are to be withheld from voting in favour of the Director Election Resolution, the persons named in the enclosed form of proxy will vote FOR the Director Election Resolution.

GQ does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed director nominees do not stand for election or are unable to serve as such, proxies held by the persons designated as proxyholders in the accompanying instrument of proxy will be voted FOR another director nominee in their discretion unless the GQ Shareholder has specified in its form of proxy that its GQ Shares are to be withheld from voting in the election of directors.

See below for detailed information regarding the Current Slate and the New Slate under the corresponding headings.

Current Slate

The following table sets out the names of the persons proposed to be nominated by Management for election as a Director as part of the Current Slate, the province or state and country in which he or she is ordinarily resident, the positions and offices which each presently holds with GQ, the period of time for which he or she has been a Director, the respective principal occupations or employment during the past five years and the number of GQ Shares which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular. The four nominees are all currently directors of GQ. The nominees of the Current Slate for the office of Director and information concerning them as furnished by the individual nominees are as below.

Name, Province and Country of Ordinary Residence and Positions Held with GQ	Principal Occupation ⁽¹⁾	Date First Became a Director	No. of Shares Beneficially Owned, Directly or Indirectly ⁽¹⁾
Jeddiah Richardson⁽²⁾ Ontario, Canada CEO	Mr. Richardson is the Chief Executive Officer of GQ and the Chief Executive Officer of Trigon Metals Inc.	Apr. 7, 2010	16,482,941
John Clarke⁽²⁾ Cardiff, United Kingdom Chairman	Retired Company Executive	Jun. 16, 2009	2,772,880
Mama Tapo Bamako, Mali Director	Retired Company Executive	Nov. 8, 2021	3,034,160
Albert Yuen⁽²⁾ Boston, Massachusetts Director	Head of Precious Metals Strategy for GQ and Managing Director of DesVoeux Guilford LLC	Oct. 27, 2022	1,036,438

Notes:

- (1) Based on information provided by the Directors themselves.
- (2) Member of the Audit Committee.

Pursuant to National Instrument 52-110, GQ is required to have an audit committee of its board. The current members of the Committee are Albert Yuen, John Clarke (Chair) and Jed Richardson.

New Slate

The following table sets out the names of the persons proposed to be nominated by Management for election as a Director as part of the New Slate, the province or state and country in which he or she is ordinarily resident, the positions and offices which each presently holds with GQ, the period of time for which he or she has been a Director, the respective principal occupations or employment during the past five years and the number of GQ Shares which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular. The nominees of the New Slate for the office of Director and information concerning them as furnished by the individual nominees are as below.

Name, Province and Country of Ordinary Residence and Positions Held with GQ	Principal Occupation ⁽¹⁾	Date First Became a Director	No. of Shares Beneficially Owned, Directly or Indirectly ⁽¹⁾
Jeddiah Richardson⁽²⁾ Ontario, Canada CEO	CEO and Director of GQ since April 2010 and Trigon Metals Inc. since September 2018	Apr. 7, 2010	16,482,941
Heye Daun South Africa <i>Director</i>	President, CEO and Director of Koryx Copper Inc. since September 2024; CEO and Director of Osino Resources Corp. between June 2018 to August 2024; Director of Lumina Gold Corp. since November 2016	N/A	Nil
Alan Friedman Ontario, Canada <i>Director</i>	Director of Koryx Copper Inc. since September 2024; Director of Osino Resources Corp. between June 2018 to August 2024; Director of Eco (Atlantic) Oil & Gas Ltd. since December 2011; Director of AIM6 Ventures Inc. since March 2021; Director of Psyence Group Inc. since March 2021; Director of Flow Beverage Corp. since November 2016; Grey Wolf Animal Health Corp. between May 2021 and November 2022; Director of AIM5 Ventures Inc. since October 2020	N/A	1,680,000

The following are brief biographies of each of the New Slate nominees that are not Current Slate nominees set out above:

Heye Daun

Heye Daun, (BSc (Eng) (Mining), MBA) is a Namibianborn mining engineer with 30 years of experience in mining and finance. After 10 years in uranium and gold mining in Namibia and West Africa with Rio Tinto, AngloGold and Goldfields, Heye spent three years in mining project finance and fund management. Since 2009 he has become a mining entrepreneur with multiple successful exits. He was a co-founder (with Alan Friedman) and President of Aurix Gold Corp., which advanced the Otjikoto gold project in Namibia and in 2012 was sold to B2Gold Corp. for CS\$180 million. He then led a turn-around and subsequent merger of Ecuador Gold & Copper Corp. with Odin Mining, a Ross Beaty company, to form Lumina Gold Corp. before founding Osino Resources Corp. with Alan Friedman in 2016 and

recently closing the sale of Osino to Shanjin International Gold Co. Ltd (formerly Yintai Gold Co., Ltd.) for C\$368m.

Alan Friedman

Alan Friedman (BCom, BProc) is a South African admitted lawyer, based in Canada, with an established track record of over 25 years as a public markets entrepreneur. Mr. Friedman has played an integral role in the financings, go-public transactions and subsequent exits for many TSX, AIM and NASDAQ listed companies. He is a co-founder and Director of TSX-V listed Eco (Atlantic) Oil and Gas Ltd., and co-founder and former executive of Aurix Gold Corp. and co-founder and Chairman of Osino Resources Corp.

Other Information about the Director Nominees

No director or executive officer of GQ is, as of the date hereof, or has been, within the ten years before the date of this Circular, a director or executive officer of any corporation (including GQ) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of GQ .

No director or executive officer has, as of the date hereof, within the 10 years before the date of this Circular become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

No proposed director has, as of the date hereof, been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

No director or executive officer of GQ is, as of the date hereof, or within ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any corporation (including GQ) that, (i) was subject to an order that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the director ceased to be a director, chief executive officer or chief financial officer, and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

4. Approval and Ratification of Option Plan

Under the policies of the TSXV, a rolling Option Plan must be approved and ratified by shareholders on an annual basis.

As described above under “*Option Plans and Other Incentive Plans*”, the GQ Board has approved the adoption of the Option Plan, which is substantially the same as the previously adopted Option Plan.

A description of the material terms of the Option Plan is provided above under the heading “*Option Plans and Other Incentive Plans*”. Further details with regard to stock options in relation to the NEOs as at the most recently completed financial year is provided under the heading “*Stock Options and Other Compensation Securities*”.

All existing and outstanding options will count against the number of shares reserved for issuance under the Option Plan as long as such options remain outstanding and will continue to be governed by the Option Plan following shareholder approval at the GQ Meeting.

The full text of the Option Plan is available for viewing during normal business hours up to the date of Meeting at GQ's registered office at 10th Floor, 595 Howe Street, Vancouver, BC, V6C 2T5.

At the GQ Meeting, GQ Shareholders will be asked to pass an ordinary resolution to approve and ratify the Option Plan. If the Arrangement Resolution and RTO Resolution are not approved by the Lotus Shareholders and the GQ Shareholders, respectively, the approval of the Omnibus Plan will be withdrawn and will not be considered at the GQ Meeting. In addition, if the Omnibus Plan Resolution is not approved by the GQ Shareholders, then in each case the Option Plan in the current form will continue to be valid, if approved by the GQ Shareholders at the GQ Meeting. See "Omnibus Plan" in the Circular for more information and the full text of the Omnibus Plan set out in Schedule "L".

All shareholders present at the GQ Meeting, whether in person or by proxy, will be entitled to vote on the following resolution:

"UPON MOTION IT WAS RESOLVED that:

1. GQ approve and ratify, subject to regulatory approval, the Option Plan as described in GQ's management information circular dated September 10, 2025 (the "**Circular**"); and
2. any one officer or director of GQ is hereby authorized to execute and deliver all such documents and do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution; and
3. notwithstanding that this resolution has been duly passed by the shareholders of GQ, approval of the 10% rolling Option Plan is conditional upon not receiving final approval of the reverse takeover transaction with Lotus Gold Corporation from the TSX Venture Exchange or approval of the proposed omnibus long-term incentive plan of GQ as described in the Circular and the directors of GQ are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of GQ, at any time if such revocation is considered necessary or desirable by the directors."

The GQ Board believes the approval and ratification of the Option Plan as described above is in the best interests of GQ and recommends that shareholders vote in favour of the ordinary resolution approving and ratifying the Option Plan. In order to be passed, a majority of the votes cast at the GQ Meeting or in person or by proxy must be voted in favour of the resolution. Unless such authority is withheld, the persons named in the enclosed GQ Proxy intend to vote for the approval of the 2025 Option Plan.

ADDITIONAL INFORMATION

Additional information relating to GQ is on SEDAR+ at www.sedarplus.ca. GQ Shareholders may contact GQ at 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5, to request copies of GQ's financial statements and MD&A.

Financial information is provided in GQ's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR+.

OTHER MATTERS

Management of GQ is not aware of any other matter to come before the GQ Meeting other than as set forth in the notice of GQ Meeting. If any other matter properly comes before the GQ Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

APPENDIX "A"

AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

The Audit Committee (the "Committee") of the board of directors (the "Board") of Great Quest Gold Ltd. (the "Corporation") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Corporation's financial statements;
- (b) the Corporation's compliance with legal and regulatory requirements, as they relate to the Corporation's financial statements;
- (c) the qualifications, independence and performance of the Corporation's auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Corporation's internal audit function;
- (f) consideration and approval of certain related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority

The Committee has the authority to:

- (a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (b) communicate directly with the Corporation's auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

3. Composition and Expertise

The Committee shall be composed of a minimum of three members, each of whom is a director of the Corporation. The majority of the Committee's members must not be officers or employees of the Corporation or an affiliate of the Corporation.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Corporation.

The Board shall appoint one member of the Committee to act as Chairman of the Committee. If the Chairman of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

4. Meetings

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chairman shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Corporation's auditor shall be given notice of every meeting of the Committee and, at the expense of the Corporation, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Corporation's auditor shall attend every meeting of the Committee held during the term of office of the Corporation's auditor.

A majority of the Committee who are not officers or employees of the Corporation or an affiliate of the Corporation shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Business may also be transacted by the unanimous written consent resolutions of the members of the Committee, which when so approved shall be deemed to be resolutions passed at a duly called and constituted meeting of the Committee.

The Committee may invite such directors, officers and employees of the Corporation and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Corporation. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

5. Committee and Charter Review

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Canadian Securities Exchange and shall recommend changes to the Board thereon.

6. Reporting to the Board

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

7. Duties and Responsibilities

- (a) Financial Reporting

The Committee is responsible for reviewing and recommending approval to the Board of the Corporation's annual and interim financial statements, any auditor's report thereon, MD&A and related news releases, before they are published.

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) engaging the Corporation's auditor to perform a review of the interim financial statements and receiving from the Corporation's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Corporation's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Corporation's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) Auditor

The Committee is responsible for recommending to the Board:

- (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and
- (ii) the compensation of the Corporation's auditor.

The Corporation's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Corporation's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the Corporation's auditor regarding financial reporting.

(c) Relationship with the Auditor

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (i) establishing effective communication processes with management and the Corporation's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;

- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) Accounting Policies

The Committee is responsible for:

- (i) reviewing the Corporation's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (v) discussing with management and the auditor the clarity and completeness of the Corporation's financial disclosures.

(e) Risk and Uncertainty

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Corporation's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board. The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Corporation and how effectively they are managed or controlled.

(f) Controls and Control Deviations

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

(g) Compliance with Laws and Regulations

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Corporation's compliance with financial related laws and regulations, such as:

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

(h) Related Party Transactions

All transactions between the Corporation and a related party (each a "related party transaction"), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the Securities Act (Ontario), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Corporation carrying more than 10% of the voting rights attached to all of the Corporation's outstanding voting securities (each "10% shareholders").

Related party transactions involving general related parties which are not material to the Corporation require review and approval by the Committee. Related party transactions that are material to the Corporation or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

8. Non-Audit Services

All non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's auditor must be pre-approved by the Committee.

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and

- (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chairman of the Audit Committee and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

10. Procedure For Reporting Of Fraud Or Control Weaknesses

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously, and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Corporation that may result in errors or omissions in financial information, or that create a risk of potential fraud or loss of the Corporation's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Corporation that the employee (the "whistleblower") has anonymous and direct access to the Chairman of the Audit Committee. Should a new Chairman be appointed prior to the updating of this document, the current Chairman will ensure that the whistleblower is able to reach the new Chairman in a timely manner. In the event that the Chairman of the Audit Committee cannot be reached, the whistleblower should contact the Chairman of the Board.

In addition, it is the policy of the Corporation that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

11. Hiring Policies

The Committee is responsible for reviewing and approving the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Corporation.

SCHEDULE "L"
OMNIBUS PLAN

ONGWE MINERALS INC.
OMNIBUS LONG-TERM INCENTIVE PLAN

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ONGWE MINERALS INC.

OMNIBUS LONG-TERM INCENTIVE PLAN

Ongwe Minerals Inc. (the “**Company**”) hereby establishes an Omnibus Long-Term Incentive Plan for certain qualified directors, officers, employees and Consultants (as defined herein), providing ongoing services to the Company and/or its Subsidiaries (as defined herein) that can have a significant impact on the Company’s long-term results.

ARTICLE 1—DEFINITIONS

Section 1.1 Definitions.

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

“**Act**” means the *Business Corporations Act* (British Columbia) and the regulations thereto;

“**Affiliates**” has the meaning given to this term in Policy 1.1 – *Interpretation* of the TSXV Corporate Finance Policies;

“**Associate**”, has the meaning given to this term in Policy 1.1 – *Interpretation* of the TSXV Corporate Finance Policies;

“**Award Agreement**” means, individually or collectively, an Option Agreement, RSU Agreement, PSU Agreement, DSU Agreement and/or the Employment Agreement, as the context requires;

“**Awards**” means Options, RSUs, PSUs and/or DSUs granted to a Participant pursuant to the terms of the Plan;

“**Black-Out Period**” means a period during which the Company prohibits Participants from exercising, redeeming or settling their Awards;

“**Board**” means the board of directors of the Company as constituted from time to time;

“**Broker**” has the meaning ascribed thereto in Section 3.7(1) hereof;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Toronto, Ontario for the transaction of banking business;

“**Cancellation**” has the meaning ascribed thereto in Section 2.4(1) hereof;

“**Cash Equivalent**” means:

- (a) in the case of Share Units, the amount of money equal to the Market Value multiplied by the number of vested Share Units in the Participant’s Account, net of any applicable taxes in accordance with Section 8.4, on the Share Unit Settlement Date;
- (b) in the case of DSU Awards, the amount of money equal to the Market Value multiplied by the whole number of DSUs then recorded in the Participant’s Account which the Non-Employee Director requests to redeem pursuant to the DSU Redemption Notice, net of any applicable taxes in accordance with Section 8.4, on the date the Company receives, or is deemed to receive, the DSU Redemption Notice;

“Change of Control” means unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:

- (a) any transaction (other than a transaction described in clause (b) below) pursuant to which any person or group of persons acting jointly or in concert acquires the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company's then issued and outstanding securities entitled to vote in the election of directors of the Company, other than any such acquisition that occurs upon the exercise or settlement of options or other securities granted by the Company under any of the Company's equity incentive plans.
- (b) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Company immediately prior thereto do not beneficially own, directly or indirectly, either (i) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (ii) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such transaction;
- (c) the sale, lease, exchange, license or other disposition of all or substantially all of the Company's assets to a person other than a person that was an Affiliate of the Company at the time of such sale, lease, exchange, license or other disposition;
- (d) the passing of a resolution by the Board or shareholders of the Company to substantially liquidate the assets of the Company or wind up the Company's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Company in circumstances where the business of the Company is continued and the shareholdings remain substantially the same following the re-arrangement);
- (e) individuals who, on the Effective Date, are members of the Board (the **“Incumbent Board”**) cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of the Plan, be considered as a member of the Incumbent Board; or
- (f) any other matter determined by the Board to be a Change of Control.

“Code of Business Ethics and Conduct” means any code of ethics adopted by the Company, as modified from time to time;

“Company” means Ongwe Minerals Inc., a corporation existing under the *Business Corporations Act* (British Columbia);

“Compensation Committee” means the Compensation Committee of the Board or an equivalent committee of the Board;

"Consultant" has the meaning given to this term in Policy 4.4 – *Securities Based Compensation* of the TSXV Corporate Financial Policies;

"Discounted Market Price" has the meaning given to this term in Policy 1.1 – *Interpretation* of the TSXV Corporate Financial Policies;

"Dividend Share Units" has the meaning ascribed thereto in Section 6.2 hereof;

"DSU" means a deferred share unit, which is a bookkeeping entry equivalent in value to a Share credited to a Participant's Account in accordance with Article 4 hereof;

"DSU Agreement" means a written notice from the Company to a Participant evidencing the grant of DSUs and the terms and conditions thereof, substantially in the form set out in Schedule "A", or such other form as the Board may approve from time to time;

"DSU Redemption Deadline" has the meaning ascribed thereto in Section 4.3(1) hereof;

"DSU Redemption Notice" has the meaning ascribed thereto in Section 4.3(1) hereof;

"Eligible Participants" has the meaning ascribed thereto in Section 2.3(1) hereof;

"Employment Agreement" means, with respect to any Participant, any written employment agreement between the Company or a Subsidiary and such Participant;

"Exchange" means the TSX, TSXV and such other stock exchange on which the Shares may be listed;

"Exchange Hold Period" has the meaning ascribed thereto in Section 6.1(8) hereof;

"Exercise Notice" means a notice in writing signed by a Participant and stating the Participant's intention to exercise or settle a particular Award, if applicable;

"Exercise Price" has the meaning ascribed thereto in Section 3.2 hereof;

"Expiry Date" has the meaning ascribed thereto in Section 3.4 hereof;

"Insider" has the meaning given to this term in Policy 1.1 – *Interpretation* of the TSXV Corporate Financial Policies;

"Investor Relations Activities" has the meaning given to this term in Policy 1.1 – *Interpretation* of the TSXV Corporate Financial Policies;

"Investor Relations Service Provider" includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;

"Market Value" means at any date when the market value of Shares of the Company is to be determined, the closing price of the Shares on the trading day prior to such date on the Exchange, or if the Shares of the Company are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith based on the reasonable application of a reasonable valuation method not inconsistent with Canadian tax law and subject to the Discounted Market Price;

"NCIB" or Normal Course Issuer Bid has the meaning ascribed to such term in Policy 5.6.

“Non-Employee Directors” means members of the Board who, at the time of execution of an Award Agreement, if applicable, and at all times thereafter while they continue to serve as a member of the Board, are not officers or employees of the Company or a Subsidiary;

“Option” means an option granted by the Company to a Participant entitling such Participant to acquire one Share from treasury at the Exercise Price, but subject to the provisions hereof;

“Option Agreement” means a written notice from the Company to a Participant evidencing the grant of Options and the terms and conditions thereof, substantially in the form set out in Schedule “B”, or such other form as the Board may approve from time to time;

“Participants” means Eligible Participants that are granted Awards under the Plan;

“Participant’s Account” means an account maintained to reflect each Participant’s participation in RSUs, PSUs and/or DSUs under the Plan;

“Performance Criteria” means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance, the financial performance of the Company and/or of its Subsidiaries and/or achievement of corporate goals and strategic initiatives, and that may be used to determine the vesting of the Awards, when applicable;

“Performance Period” means the period determined by the Board pursuant to Section 5.3 hereof;

“Person” means, without limitation, an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate and a trustee executor, administrator, or other legal representative, and pronouns which refer to a Person shall have a similarly extended meaning;

“Plan” means this Omnibus Long-Term Incentive Plan, as amended and restated from time to time;

“Policy 4.4” means Policy 4.4 – *Security Based Compensation* of the TSXV Corporate Finance Policies;

“Policy 5.6” means Policy 5.6 – *Normal Course Issuer Bids* of the TSXV Corporate Finance Policies;

“PSU” means a right awarded to a Participant to receive a payment in the form of Shares (or the Cash Equivalent) as provided in Article 4 hereof and subject to the terms and conditions of the Plan;

“PSU Agreement” means a written notice from the Company to a Participant evidencing the grant of PSUs and the terms and conditions thereof, substantially in the form set out in Schedule “C”, or such other form as the Board may approve from time to time;

“Regulatory Authorities” means the Exchange and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation;

“RSU” means a restricted share unit awarded to a Participant to receive a payment in the form of Shares (or the Cash Equivalent) as provided in Article 5 hereof and subject to the terms and conditions of the Plan;

"RSU Agreement" means a written notice from the Company to a Participant evidencing the grant of RSUs and the terms and conditions thereof, substantially in the form set out in Schedule "C", or such other form as the Board may approve from time to time;

"Share Compensation Arrangement" means a stock option, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more Eligible Participants of the Company or a Subsidiary. For greater certainty, a "Share Compensation Arrangement" does not include a security based compensation arrangement used as an inducement to person(s) or company(ies) not previously employed by and not previously an Insider of the Company which require disinterested shareholder approval as required by Policy 4.4;

"Shares" means the common shares in the capital of the Company;

"Share Unit" means a RSU and/or PSU, as the context requires;

"Share Unit Settlement Notice" means a notice by a Participant to the Company electing the desired form of settlement of vested RSUs or PSUs;

"Share Unit Vesting Determination Date" has the meaning described thereto in Section 5.4 hereof;

"Subsidiary" means a corporation which is a subsidiary of the Corporation as defined under the Act;

"Surrender" has the meaning ascribed thereto in Section 3.7(3);

"Surrender Notice" has the meaning ascribed thereto in Section 3.7(3);

"Tax Act" means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

"Termination Date" means (i) with respect to a Participant who is an employee or officer of the Company or a Subsidiary, such Participant's last day of active employment and does not include any period of statutory, reasonable or contractual notice or any period of deemed employment or salary continuance, (ii) with respect to a Participant who is a Consultant, the date such Consultant ceases to provide services to the Company or a Subsidiary, and (iii) with respect to a Participant who is a Non-Employee Director, the date such Person ceases to be a director of the Company or Subsidiary, effective on the last day of the Participant's actual and active Board membership whether such day is selected by agreement with the individual, unilaterally by the Corporation and whether with or without advance notice to the Participant, provided that if a Non-Executive Director becomes an employee of the Company or any of its Subsidiaries, such Participant's Termination Date will be such Participant's last day of active employment and does not include any period of statutory, reasonable or contractual notice or any period of deemed employment or salary continuance, and **"Terminate"** and **"Terminated"** have corresponding meanings.

"Trading Day" means any day on which the Exchange is opened for trading;

"transfer" includes any sale, exchange, assignment, gift, bequest, disposition, mortgage, lien, charge, pledge, encumbrance, grant of security interest or any arrangement by which possession, legal title or beneficial ownership passes from one Person to another, or to the same Person in a different capacity, whether or not voluntary and whether or not for value, and any agreement to effect any of the foregoing and **"transferred"**, **"transferring"** and similar variations have corresponding meanings;

“**TSX**” means the Toronto Stock Exchange; and

“**TSXV**” means the TSX Venture Exchange.

“**VWAP**” has the definition given to this term in Policy 4.4.

ARTICLE 2—PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS

Section 2.1 Purpose of the Plan.

The purpose of the Plan is to advance the interests of the Company by: (i) providing Eligible Participants with additional incentives; (ii) encouraging share ownership by such Eligible Participants; (iii) increasing the proprietary interest of Eligible Participants in the success of the Company; (iv) promoting growth and profitability of the Company; (v) encouraging Eligible Participants to take into account long-term corporate performance; (vi) rewarding Eligible Participants for sustained contributions to the Company and/or significant performance achievements of the Company; and (vii) enhancing the Company's ability to attract, retain and motivate Eligible Participants.

Section 2.2 Implementation and Administration of the Plan.

- (1) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by the Compensation Committee. If the Compensation Committee is appointed for this purpose, all references to the term “Board” will be deemed to be references to the Compensation Committee, except as may otherwise be determined by the Board.
- (2) Subject to the terms and conditions set forth in the Plan, the Board shall have the sole and absolute discretion to: (i) designate Participants; (ii) determine the type, size, and terms, and conditions of Awards to be granted; (iii) determine the method by which an Award may be settled, exercised, canceled, forfeited, or suspended; (iv) determine the circumstances under which the delivery of cash with respect to an Award may be deferred either automatically or at the Participant's or the Board's election; (v) interpret and administer, reconcile any inconsistency in, correct any defect in, and supply any omission in the Plan and any Award granted under, the Plan; (vi) establish, amend, suspend, or waive any rules and regulations and appoint such agents as the Board shall deem appropriate for the proper administration of the Plan; (vii) accelerate the vesting, delivery, or exercisability of, or payment for or lapse of restrictions on, or waive any condition in respect of, Awards; and (viii) make any other determination and take any other action that the Board deems necessary or desirable for the administration of the Plan or to comply with any applicable law.
- (3) No member of the Board will be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan, any Award Agreement or other document or any Awards granted pursuant to the Plan.
- (4) The day-to-day administration of the Plan may be delegated to such officers and employees of the Company as the Board determines.
- (5) Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions regarding the Plan or any Award or any documents evidencing any Award granted pursuant to the Plan shall be within the sole discretion of the Board, may be made at any time, and shall be final, conclusive, and binding upon all persons or entities, including, without limitation, the Company, any Subsidiary, any Participant, any holder or beneficiary of any Award, and any shareholder of the Company.

Section 2.3 Eligible Participants.

- (1) The Persons who shall be eligible to receive Options, RSUs and PSUs shall be the directors, officers, employees or Consultants of or to the Company or a Subsidiary, providing ongoing services to the Company and/or its Subsidiaries, or a company designated by such Person subject to Policy 4.4, and the Persons who shall be eligible to receive DSUs shall be the Non-Employee Directors (collectively, "**Eligible Participants**").
- (2) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship, employment or appointment with the Company or a Subsidiary.
- (3) Notwithstanding any express or implied term of the Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee of employment or appointment by the Company or a Subsidiary.
- (4) For security based compensation granted to or issued to Employees, Consultants or Management Company Employees, the Company and Participant represent respectively that each will ensure and confirm that the Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

Section 2.4 Shares Subject to the Plan.

- (1) Subject to Section 2.4(2) and subject to adjustment pursuant to provisions of Article 7 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan, and pursuant to awards or grants under any other Share Compensation Arrangement of the Company, shall not exceed ten percent (10%) of the total issued and outstanding Shares from time to time, or such other number as may be approved by the Exchange and the shareholders of the Company from time to time. For the purposes of this Section 2.4(1), in the event that the Company cancels or purchases to cancel any of its issued and outstanding Shares ("**Cancellation**") and as a result of such Cancellation, the Company exceeds the limit set out in this Section 2.4(1), unless required pursuant to the TSXV Corporate Finance Policies or by the TSXV, no approval of the Company's shareholders will be required for the issuance of Shares on the exercise of any Options which were granted prior to such Cancellation. The Plan is considered an "evergreen" plan, since the Shares covered by Awards which have been exercised shall be available for subsequent grants under the Plan and the number of Awards available to grant increases as the number of issued and outstanding Shares increases from time to time.
- (2) For greater certainty, any issuance of Awards by the Company that is or was granted and issued as an inducement and in reliance upon an exemption from disinterested shareholder approval pursuant to Subsection 6.4(a) of Policy 4.4 shall not be included in determining the maximum Shares reserved and available for grant and issuance under Section 2.4(1) provided that the maximum number of Shares issuable to any one Person (or Company wholly owned by such Person) not previously employed by and not previously an Insider of the Company, to enter into a contract of full time employment as an Officer or Employee of the Company, does not exceed 1% of the number of the issued Shares, calculated immediately prior to the date of grant or issuance of such Shares to the Person in compliance with Subsections 6.4(c) to (f) of Policy 4.4. Should the Company wish to issue any Shares in excess of the limits set-out in this Section 2.4(2), it must first obtain disinterested shareholder approval as described in Section 6.1 of Policy 4.4.
- (3) Shares in respect of which an Award is exercised, granted under the Plan but not exercised prior to the termination of such Award, not vested or settled prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, or settled in cash in lieu of settlement in Shares, shall, in each case, be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Shares issued from treasury pursuant to the exercise or the vesting of the Awards granted under the Plan shall, when the applicable Exercise Price, if

any, is received by the Company in connection therewith, be so issued as fully paid and non-assessable Shares.

Section 2.5 Participation Limits.

- (1) Subject to adjustment pursuant to provisions of Article 7 hereof, the aggregate number of Shares (i) issuable to Insiders under the Plan or any other proposed or established Share Compensation Arrangement within any 12 month period is limited to ten percent (10%) of the issued Shares calculated on the date of grant, and (ii) issuable to Insiders under the Plan together with any other proposed or established Share Compensation Arrangement, shall not exceed ten percent (10%) of the total issued Shares, at any point in time. Any Awards granted pursuant to the Plan to a Participant exceeding the limits set out in this Section 2.5 must receive the requisite disinterested shareholder approval pursuant to the policies of the TSXV.
- (2) Subject to adjustment pursuant to provisions of Article 7 hereof, the aggregate number of Shares issued to any Person under the Plan or any other proposed or established Share Compensation Arrangement within any 12 month period shall not exceed five percent (5%) of the total issued and outstanding Shares of the Company, calculated as at the date any Award is granted or issued to the Person. Any Awards granted pursuant to the Plan to a Participant exceeding the limits set out in this Section 2.5 must receive the requisite disinterested shareholder approval pursuant to the policies of the TSXV.
- (3) Subject to adjustment pursuant to provisions of Article 7 hereof, the aggregate number of Shares issued to a Consultant under the Plan or any other proposed or established Share Compensation Arrangement within any 12 month period shall not exceed two percent (2%) of the total issued and outstanding Shares of the Company, calculated as at the date any Award is granted or issued to the Consultant.
- (4) Subject to adjustment pursuant to provisions of Article 7 hereof, the aggregate number of Shares issued to all Investor Relations Service Providers under the Plan or any other proposed or established Share Compensation Arrangement within any 12 month period shall in aggregate not exceed two percent (2%) of the total issued and outstanding Shares of the Company, calculated at the date any Option is granted to any such Investor Relations Service Provider.
- (5) Upon the “cashless exercise” of an Option pursuant to Section 3.7(2) and Section 3.7(3), the aggregate number of Options exercised, surrendered or converted, but not the number of Shares issued by the Company, is limited pursuant to Section 2.4 and Section 2.5(1) to (4) above.

ARTICLE 3—OPTIONS

Section 3.1 Nature of Options.

Each Option is an option granted by the Company to a Participant entitling such Participant to acquire one Share from treasury at the Exercise Price not less than the Discounted Market Price, subject to the provisions hereof. No other securities based compensation granted under the Plan other than Options will be granted to an Investor Relations Service Provider.

Section 3.2 Option Awards.

- (1) The Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) determine the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted, (iii) determine the price per Share to be payable upon the exercise of each such Option (the “**Exercise Price**”), (iv) determine the relevant vesting provisions (including Performance Criteria, if applicable) and (v) determine the Expiry Date, the whole subject to the terms and conditions prescribed in the Plan, in any Option Agreement and any applicable rules of the Exchange.

- (2) All Options granted herein shall vest in accordance with the terms of the resolutions of the Board approving such Options and the terms of the Option Agreement entered into in respect of such Options.

Section 3.3 Exercise Price.

Subject to Section 3.1, the Exercise Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, but shall not be less than \$0.05 of such Shares at the time of the grant; notwithstanding which any reduction in the Exercise Price for the Shares that are subject of any Option, if the Participant is an Insider of the Company at the time of the proposed amendment, disinterested shareholder approval must be obtained.

Section 3.4 Expiry Date; Blackout Period.

Each Option must be exercised no later than ten (10) years after the date the Option is granted or such shorter period as set out in the Participant's Option Agreement, at which time such Option will expire (the "**Expiry Date**"). Notwithstanding any other provision of the Plan, each Option that would expire during a Black-Out Period shall expire on the date that is ten (10) Business Days immediately following the expiration of the Black-Out Period so long as the Company formally imposes a formal blackout period failing which the term of the Option will not automatically be extended and no automatic extension will be permitted where the Company is subject to a cease trade order.

Section 3.5 Option Agreement.

Each Option must be confirmed by an Option Agreement. The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any Regulatory Authority. Notwithstanding any other provision of the Plan, the extension of the term of an Option if held by an Insider is subject to disinterested shareholder approval.

Section 3.6 Exercise of Options.

- (1) Subject to the provisions of the Plan, a Participant shall be entitled to exercise an Option granted to such Participant, subject to vesting limitations which may be imposed by the Board and Section 3.6(4) at the time such Option is granted and set out in the Option Agreement.
- (2) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board may determine in its sole discretion.
- (3) No fractional Shares will be issued upon the exercise of Options granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise of an Option, or from an adjustment pursuant to Section 7.1, such Participant will only have the right to acquire the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.
- (4) Options granted to Investor Relations Service Providers will vest in stages over a period of not less than twelve (12) months with no more than a quarter of the Options granted vesting in any three-month period and the vesting of such Options granted to Investor Relations Service Providers may only be accelerated upon approval from the TSXV.

Section 3.7 Method of Exercise and Payment of Purchase Price.

- (1) Subject to the provisions of the Plan and the alternative exercise procedures set out herein, an Option granted under the Plan may be exercisable (from time to time as provided in Section 3.6 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of

the estate of the Participant) by delivering an exercise notice substantially in the form appended to the Option Agreement (an “**Exercise Notice**”) to the Company in the form and manner determined by the Board from time to time, together with a bank draft, certified cheque, wire transfer or other form of payment acceptable to the Company in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Options and any applicable tax withholdings.

- (2) Pursuant to the Exercise Notice, and subject to the approval of the Board, a Participant may choose to undertake a “cashless exercise” with the assistance of a broker (the “**Broker**”) in order to facilitate the exercise of such Participant's Options. The “cashless exercise” procedure may include a sale of such number of Shares as is necessary to raise an amount equal to the aggregate Exercise Price for all Options being exercised by that Participant under an Exercise Notice and any applicable tax withholdings. Pursuant to the Exercise Notice, the Participant may authorize the Broker to sell Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Company to satisfy the Exercise Price and any applicable tax withholdings, promptly following which the Company shall issue the Shares underlying the number of Options as provided for in the Exercise Notice.
- (3) In addition, in lieu of exercising any vested Option in the manner described in this Section 3.7(1) or Section 3.7(2), and pursuant to the terms of this Section 3.7(3) but subject to Section 3.6(3), a Participant who is not an Investor Relations Service Provider may, by net exercising an Option (“**Net Exercise**”) with a properly endorsed notice of Net Exercise to the Corporate Secretary of the Company, substantially in the form appended to the Option Agreement (a “**Net Exercise Notice**”), elect to receive that number of Shares calculated using the following formula, subject to acceptance of such Net Exercise Notice by the Board and provided that arrangements satisfactory to the Company have been made to pay any applicable withholding taxes:

$$X = A / B$$

Where:

X = the number of Shares to be issued to the Participant upon exercising such Options; provided that if the foregoing calculation results in a negative number, then no Shares shall be issued

A = the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options

B: VWAP of the underlying Shares

- (4) No share certificates shall be issued and no person shall be registered in the share register of the Company as the holder of Shares until actual receipt by the Company of an Exercise Notice and payment for the Shares to be purchased.
- (5) Upon the exercise of an Option pursuant to Section 3.7(1) to Section 3.7(3), the Company shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to deliver to the Participant (or as the Participant may otherwise direct) such number of Shares as the Participant shall have then paid for and as are specified in such Exercise Notice.

Section 3.8 Termination of Employment or Consulting Services.

- (1) Subject to a written Employment Agreement or consulting agreement of a Participant or Option Agreement and as otherwise determined by the Board, each Option shall be subject to the following conditions:

- (a) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for “cause”, all unexercised vested or unvested Options granted to such Participant shall terminate on the Termination Date as specified in the notice of termination. For the purposes of the Plan, the determination by the Company that the Participant was discharged for cause shall be binding on the Participant. Subject to the terms of the Employment Agreement, “cause” shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Company’s Code of Ethics and any reason determined by the Company to be cause for termination.
 - (b) **Resignation, Retirement and Termination other than for Cause.** In the case of a Participant ceasing to be an Eligible Participant due to such Participant’s resignation, retirement, or termination other than for “cause”, as applicable, subject to any later expiration dates determined by the Board, all Options shall expire on the earlier of ninety (90) days after the effective date of such Termination Date or the expiry date of such Option, to the extent such Option was vested and exercisable by the Participant on the effective date of such Termination Date, and all unexercised unvested Options granted to such Participant shall terminate on the effective date of such resignation, retirement or termination.
 - (c) **Death or Long-term Disability.** In the case of a Participant ceasing to be an Eligible Participant due to death or long-term disability, as applicable, subject to any later expiration dates determined by the Board, all Options shall expire on the earlier of twelve (12) months after the effective date of such death or long-term disability, or the expiry date of such Option, to the extent such Option was vested and exercisable by the Participant on the effective date of such death or long-term disability, and all unexercised unvested Options granted to such Participant shall terminate on the effective date of such death or long-term disability. Notwithstanding the foregoing, the maximum period in which an heir or administrator of a Participant who may make a claim regarding any Options, which were previously granted to such Participant, is 12 months.
- (2) For the avoidance of doubt, subject to applicable laws, no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant’s Termination Date will be considered as extending the Participant’s period of employment for the purposes of determining his entitlement under the Plan.
 - (3) The Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any awards which would have settled or vested or accrued to the Participant after the Termination Date.

ARTICLE 4—DEFERRED SHARE UNITS

Section 4.1 Nature of DSUs.

A DSU is a unit granted to Non-Employee Directors representing the right to receive a Share or the Cash Equivalent, subject to restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing service as a Non-Employee Director (or other service relationship), vesting terms and/or achievement of pre-established Performance Criteria.

Section 4.2 DSU Awards.

- (1) Subject to the Company’s director compensation policy determined by the Board from time to time, each Non-Employee Director may elect to receive all or a portion of his or her annual retainer fee in the form of a grant of DSUs in each fiscal year. The number of DSUs shall be calculated as the amount of the Non-Employee Director’s annual retainer fee elected to be paid

by way of DSUs divided by the Discounted Market Price. At the discretion of the Board, fractional DSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

- (2) Each DSU must be confirmed by a DSU Agreement that sets forth the terms, conditions and limitations for each DSU and may include, without limitation, the vesting and terms of the DSUs and the provisions applicable on a Termination Date, and shall contain such terms that may be considered necessary in order that the DSU will comply with any provisions respecting DSUs in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any Regulatory Authority.
- (3) Any DSUs that are awarded to a Non-Employee Director who is a resident of Canada or employed in Canada (each for purposes of the Tax Act) shall be structured so as to be considered to be a plan described in section 7 of the Tax Act or to meet requirements of paragraph 6801(d) of the Income Tax Regulations adopted under the Tax Act (or any successor to such provisions).
- (4) Subject to vesting of the DSUs no earlier than 12 months from the date of grant so long as the Shares are listed on the TSXV (unless otherwise permitted under the policies of the TSXV) and other conditions and provisions set forth herein and in the DSU Agreement, the Board shall determine whether each DSU awarded to a Non-Employee Director shall entitle the Non-Employee Director: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one Share; (iii) to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares, as the Board may determine in its sole discretion on redemption; or (iv) to entitle the Non-Employee Director to elect to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares.

Section 4.3 Redemption of DSUs.

- (1) Each Non-Employee Director shall be entitled to redeem his or her DSUs during the period commencing on the Business Day immediately following the Termination Date and ending on the date that is not later than the 90th day following the Termination Date, or such shorter redemption period set out in the relevant DSU Agreement (the “**DSU Redemption Deadline**”), by providing a written notice of settlement to the Company setting out the number of DSUs to be settled and the particulars regarding the registration of the Shares issuable upon settlement, if applicable (the “**DSU Redemption Notice**”). In the event of the death of a Non-Employee Director, the Notice of Redemption shall be filed by the administrator or liquidator of the estate of the Non-Employee Director.
- (2) If a DSU Redemption Notice is not received by the Company on or before the DSU Redemption Deadline, the Non-Employee Director shall be deemed to have delivered a DSU Redemption Notice on the DSU Redemption Deadline and, if not otherwise set out in the DSU Agreement, the Board shall determine the number of DSUs to be settled by way of Shares, the Cash Equivalent or a combination of Shares and the Cash Equivalent and delivered to the Non-Employee Director, administrator or liquidator of the estate of the Non-Employee Director, as applicable.
- (3) Subject to Section 8.4 and the DSU Agreement, settlement of DSUs shall take place promptly following the Company’s receipt or deemed receipt of the DSU Redemption Notice through:
 - (a) in the case of settlement DSUs for their Cash Equivalent, delivery of bank draft, certified cheque, wire transfer or other acceptable form of payment to the Non-Employee Director representing the Cash Equivalent;
 - (b) in the case of settlement of DSUs for Shares, delivery of a Share to the Non-Employee Director; or

- (c) in the case of settlement of DSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

ARTICLE 5—SHARE UNITS

Section 5.1 Nature of Share Units.

A Share Unit is an Award entitling the recipient to acquire Shares, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives.

Section 5.2 Share Unit Awards.

- (1) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs and/or PSUs under the Plan, (ii) fix the number of RSUs and/or PSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs and/or PSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions (including, in the case of PSUs, the applicable Performance Period and Performance Criteria, if any) and Restriction Period of such RSUs and/or PSUs, the whole subject to the terms and conditions prescribed in the Plan and in any RSU Agreement or PSU Agreement, as applicable.
- (2) Each RSU must be confirmed by an RSU Agreement that sets forth the terms, conditions and limitations for each RSU and may include, without limitation, the vesting and terms of the RSUs and the provisions applicable in the event employment or service terminates, and shall contain such terms that may be considered necessary in order that the RSUs will comply with any provisions respecting RSUs in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any Regulatory Authority. RSUs granted will be subject to the following vesting schedule: 2/3 of the RSUs granted will vest at 12 months from the date of grant and the remaining 1/3 of the RSUs will vest 24 months from the date of grant unless otherwise determined by the Board.
- (3) Each PSU must be confirmed by a PSU Agreement that sets forth the terms, conditions and limitations for each PSU and may include, without limitation, the applicable Performance Period and Performance Criteria, vesting and terms of the PSUs and the provisions applicable in the event employment or service terminates, and shall contain such terms that may be considered necessary in order that the PSUs will comply with any provisions respecting RSUs in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any Regulatory Authority.
- (4) Any RSUs or PSUs that are awarded to an Eligible Participant who is a resident of Canada or employed in Canada (each for purposes of the Tax Act) shall be structured so as to be considered to be a plan described in section 7 of the Tax Act or in such other manner to ensure that such award is not a “salary deferral arrangement” as defined in the Tax Act (or any successor to such provisions).
- (5) Subject to the vesting of the RSUs and PSUs no earlier than 12 months from the date of grant so long as the Shares are listed on the TSXV (unless otherwise permitted under the policies of the TSXV) and other conditions and provisions set forth herein and in the RSU Agreement and/or PSU Agreement, the Board shall determine whether each RSU and/or PSU awarded to a Participant shall entitle the Participant: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one Share; (iii) to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares, as the Board may determine

in its sole discretion on settlement; or (iv) to elect to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares.

- (6) The applicable settlement period in respect of a particular Share Unit shall be determined by the Board. Except as otherwise provided in the Award Agreement or any other provision of the Plan, all vested RSUs and PSUs shall be settled as soon as practicable following the Share Unit Vesting Determination Date but in all cases prior to (i) three (3) years following the date of grant of Share Unit, if such Share Unit are settled by payment of Cash Equivalent or through purchases by the Company on the Participant's behalf on the open market, or (ii) ten (10) years following the date of grant of Share Unit, if such Share Unit are settled by issuance of Shares from treasury. Following the receipt of such settlement, the PSUs and RSUs so settled shall be of no value whatsoever and shall be removed from the Participant's Account.

Section 5.3 Performance Criteria and Performance Period Applicable to PSU Awards.

- (1) For each award of PSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the PSUs held by such Participant (the "**Performance Period**").
- (2) For each award of PSUs, the Board shall establish any Performance Criteria and other vesting conditions in order for a Participant to be entitled to receive Shares in exchange for his or her PSUs.

Section 5.4 Share Unit Vesting Determination Date.

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU and/or PSU have been met (the "**Share Unit Vesting Determination Date**"), and as a result, establishes the number of RSUs and/or PSUs that become vested, if any.

ARTICLE 6—GENERAL CONDITIONS

Section 6.1 General Conditions applicable to Awards.

Each Award, as applicable, shall be subject to the following conditions:

- (1) **Employment** - The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Company to grant any awards in the future nor shall it entitle the Participant to receive future grants.
- (2) **No Rights as a Shareholder** - Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such person's name on the share register for the Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued or entry of such person's name on the share register for the Shares.
- (3) **Conformity to Plan** – In the event that an Award is granted or an Award Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.

- (4) **Non-Transferability** – Except as set forth herein, Awards are non-assignable and non-transferable. Awards may be exercised only by:
- (a) the Participant to whom the Awards were granted;
 - (b) upon the Participant's death, by the legal representative of the Participant's estate pursuant to the terms of this Plan; or
 - (c) upon the Participant's incapacity, the legal representative having authority to deal with the property of the Participant;
- provided that any such legal representative shall first deliver evidence satisfactory to the Company of entitlement to exercise any Award. A person exercising an Award may subscribe for Shares only in the person's own name or in the person's capacity as a legal representative.
- (5) **No Guarantee** – For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any Awards in the future nor shall it entitle the Participant to receive future grants. No amount will be paid to or in respect of a Participant under the Plan or pursuant to any other arrangement, and no Awards will be granted to such Participant to compensate for any downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon or in respect of the Participant for such purpose.
- (6) **Acceptance of Terms** – Participation in the Plan by any Participant shall be construed as acceptance of the terms and conditions of the Plan by the Participant and as to the Participant's agreement to be bound thereby.
- (7) **Expiry Upon Ineligibility of Participant** – Notwithstanding any terms of this Plan, pursuant to Policy 4.4, any grants or issuances of an Award will expire within a period not exceeding 12 months following the date on which the Eligible Participant ceased to be an Eligible Participant under the Plan. The maximum period to make a claim following the death of an Eligible Participant will be no greater than 12 months.
- (8) **Hold Period** – All Awards are subject to any applicable hold period pursuant to the TSXV Corporate Finance Policies ("**Exchange Hold Period**"), if applicable, whereby all Options and any Shares issued under Options exercised prior to the expiry of an Exchange Hold Period must be legended with the Exchange Hold period commencing on the date that the Options were granted with wording for the legend to comply with the TSV Corporate Finance Policies.

Section 6.2 Dividend Share Units.

With respect to DSUs, RSUs and/or PSUs (but excluding Options), when dividends (other than stock dividends) are paid on Shares, Participants holding DSUs, RSUs and/or PSUs shall receive additional DSUs, RSUs and/or PSUs, as applicable ("**Dividend Share Units**") as of the dividend payment date. The number of Dividend Share Units to be granted to the Participant shall be determined by multiplying the aggregate number of DSUs, RSUs and/or PSUs, as applicable, held by the Participant on the relevant record date by the amount of the dividend paid by the Company on each Share, and dividing the result by the Market Value on the dividend payment date, which Dividend Share Units shall be in the form of DSUs, RSUs and/or PSUs, as applicable. Dividend Share Units granted to a Participant in accordance with this Section 6.2 shall be subject to the same vesting conditions applicable to the related DSUs, RSUs and/or PSUs in accordance with the respective Award Agreement. The Dividend Share Units granted pursuant to this Section 6.2 will be included in the calculation of the participation limits as set out at Section 2.4 and Section 2.5. Notwithstanding the foregoing, should the number of Dividend Share Units to be paid under this Section 6.2 exceed the applicable participation limits set out in Section 2.5, then the Company will settle these entitlements with cash.

Section 6.3 Unfunded Plan.

Unless otherwise determined by the Board, the Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company.

ARTICLE 7—ADJUSTMENTS AND AMENDMENTS

Section 7.1 Adjustment to Shares Subject to Outstanding Awards.

- (1) In the event of any stock dividend, stock split, combination or exchange of Shares, merger, consolidation, spin-off or other distribution (other than normal cash dividends) of the Company's assets to shareholders, or any other change in the Shares, the Board will make such proportionate adjustments, if any, as the Board in its discretion, subject to regulatory approval, may deem appropriate to reflect such change (for the purpose of preserving the value of the Awards), with respect to (i) the number or kind of Shares or other securities reserved for issuance pursuant to the Plan; and (ii) the number or kind of Shares or other securities subject to unexercised Awards previously granted and the exercise price of those Awards provided, however, that no substitution or adjustment will obligate the Company to issue or sell fractional Shares. The existence of any Awards does not affect in any way the right or power of the Company or an Affiliate or any of their respective shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the capital structure or the business of, or any amalgamation, merger or consolidation involving, to create or issue any bonds, debentures, shares or other securities of, or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of or any sale or transfer of all or any part of the assets or the business of, or to effect any other corporate act or proceeding relating to, whether of a similar character or otherwise, the Company or such Affiliate, whether or not any such action would have an adverse effect on the Plan or any Award granted hereunder. Notwithstanding the foregoing, any adjustment to the Awards granted or issued under this Plan other than a stock split or consolidation is subject to the prior acceptance of the TSXV including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

Section 7.2 Amendment or Discontinuance of the Plan.

- (1) The Board may, in its sole discretion, suspend or terminate the Plan at any time or from time to time and/or amend or revise the terms of the Plan or of any Award granted under the Plan and any agreement relating thereto, provided that such suspension, termination, amendment, or revision shall:
 - (a) not adversely alter or impair any Award previously granted except as permitted by the terms of the Plan or upon the consent of the applicable Participant(s); and
 - (b) be in compliance with applicable law and with the prior approval, if required, of the shareholders of the Company and of the Exchange.
- (2) If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Award or any rights awarded or granted under the Plan remain outstanding and, notwithstanding the termination of the Plan, the Board will have the ability to make such amendments to the Plan or the Awards as they would have been entitled to make if the Plan were still in effect.

- (3) Subject to Section 7.2(4), the Board may from time to time, in its discretion and without the approval of shareholders, make changes to the Plan or any Award that do not require the approval of shareholders under Section 7.2(1) as follows:
 - (a) any amendment made to clarify the meaning of an existing provision of the Plan to clarify existing provisions of the Plan; or
 - (b) any amendment made to correct any grammatical or typographical errors or amend the definitions in the Plan regarding administration of the Plan.
- (4) Notwithstanding the foregoing or any other provision of the Plan, disinterested shareholder approval is required for the following amendments to the Plan:
 - (a) any increase in the maximum number of Shares that may be issuable from treasury pursuant to awards granted under the Plan, other than an adjustment pursuant to Section 7.1;
 - (b) any reduction in the exercise price of an Award benefitting an Insider, except in the case of an adjustment pursuant to Section 7.1;
 - (c) any extension of the Expiration Date of an Award benefitting an Insider, which will require disinterested shareholder approval;
 - (d) any amendment to remove or to exceed the insider participation limit set out in Section 2.5;
 - (e) any amendment to Section 7.2(3) or Section 7.2(4) of the Plan; and
 - (f) any other amendment to the Plan or Award which requires shareholder approval as required by Policy 4.4.

Section 7.3 Change of Control.

- (1) Despite any other provision of the Plan, but subject to Section 7.2(3), in the event of a Change of Control, all unvested Awards then outstanding will, as applicable, be substituted by or replaced with awards of the surviving corporation (or any Affiliate thereof) or the potential successor (or any Affiliate thereto) (the “**continuing entity**”) on the same terms and conditions as the original Awards, subject to appropriate adjustments that do not diminish the value of the original Awards and the approval of the TSXV and shareholders of the Company as applicable.
- (2) If, upon a Change of Control, the continuing entity fails to comply with Section 7.3(1), the vesting of all then outstanding Awards (and, if applicable, the time during which such Awards may be exercised) will be accelerated in full subject to the following:
 - (a) vesting of the Options granted to Investor Relations Service Providers may be accelerated only with the prior approval of the TSXV; and
 - (b) no Awards granted or issued pursuant to the Plan, other than Options granted pursuant to the Plan, may vest before one year from the date of issuance or grant of the Award and the vesting of any Awards (other than Options) may be accelerated for an Eligible Participant who dies or ceases to be an Eligible Participant under the Plan in connection with a change of control, take-over bid, RTO or other similar transaction.
- (3) No fractional Shares or other security will be issued upon the exercise of any Award and accordingly, if as a result of a Change of Control, a Participant would become entitled to a fractional Share or other security, such participant will have the right to acquire only the next

lowest whole number of Shares or other security and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

- (4) Subject to Section 7.3(2)(a), in the event of a take-over bid, reverse take-over or other transaction leading to a Change of Control, the Board has the power, in its sole discretion, to accelerate the vesting of Options to at least one year following the date it is granted or issued and to permit Participants to conditionally exercise their Options, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of the take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the potential Change of Control referred to in this Section 7.3(4) is not completed within the time specified (as the same may be extended), then despite this Section 7.3(4) or the definition of "Change of Control", (i) any conditional exercise of vested Options will be deemed to be null, void and of no effect, and such conditionally exercised Options will for all purposes be deemed not to have been exercised, and (ii) Options which vested pursuant to this Section 7.3(4) will be returned by the Participant to the Company and reinstated as authorized but unissued Shares and the original terms applicable to such Options will be reinstated.
- (5) Subject to Section 7.3(2)(a), if the Board has, pursuant to the provisions of Section 7.3(4) permitted the conditional exercise of Options in connection with a potential Change of Control, then the Board will have the power, in its sole discretion, to terminate, immediately following actual completion of such Change of Control and on such terms as it sees fit, any Options not exercised (including all vested and unvested Options).

ARTICLE 8—MISCELLANEOUS

Section 8.1 Currency.

Unless otherwise specifically provided, all references to dollars in the Plan are references to Canadian dollars.

Section 8.2 Compliance and Award Restrictions.

- (1) The Company's obligation to issue and deliver Shares under any Award is subject to: (i) the completion of such registration or other qualification of such Shares or obtaining approval of such Regulatory Authority as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Shares to listing on any stock exchange on which such Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Company shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any stock exchange on which such Shares are then listed.
- (2) The Participant agrees to fully cooperate with the Company in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance by the Company with such laws, rule and requirements, including all tax withholding and remittance obligations.
- (3) No Awards will be granted where such grant is restricted pursuant to the terms of any trading policies or other restrictions imposed by the Company.
- (4) The Company is not obliged by any provision of the Plan or the grant of any Award under the Plan to issue or sell Shares if, in the opinion of the Board, such action would constitute a violation

by the Company or a Participant of any laws, rules and regulations or any condition of such approvals.

- (5) If Shares cannot be issued to a Participant upon the exercise or settlement of an Award due to legal or regulatory restrictions, the obligation of the Company to issue such Shares will terminate and, if applicable, any funds paid to the Company in connection with the exercise of any Options will be returned to the applicable Participant as soon as practicable.
- (6) At the time a Participant ceased to hold Awards which are or may become exercisable, the Participant ceases to be a Participant.
- (7) Nothing contained herein will prevent the Board from adopting other or additional compensation arrangements for the benefit of any Participant or any other Person, subject to any required regulatory, shareholder or other approval.
- (8) Notwithstanding the foregoing and subject to Policy 4.4, the Board may at its discretion settle all Awards granted herein by way of Shares.

Section 8.3 Use of an Administrative Agent and Trustee.

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan. Should the Company engage a trust company or similar organization to make purchases on the open market to settle Awards to Eligible Participants, such securities purchased will count towards the limits on purchases in compliance with Section 4.14 of Policy 4.4 as applicable, treating such purchases as part of a NCIB and comply with the limits and requirements in Policy 5.6. If no NCIB is active, the purchases must comply with Parts 8 and 9 of Policy 5.6.

Section 8.4 Tax Withholding.

- (1) Notwithstanding any other provision of the Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 8.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules. Notwithstanding any other provision of the Plan, the Company shall not be required to issue any Shares or make payments under this Plan until arrangements satisfactory to the Company have been made for payment of all applicable withholdings obligations.
- (2) The sale of Shares by the Company, or by a Broker, under Section 8.4(1) or under any other provision of the Plan will be made on the Exchange. The Participant consents to such sale and grants to the Company an irrevocable power of attorney to effect the sale of such Shares on his behalf and acknowledges and agrees that (i) the number of Shares sold will be, at a minimum, sufficient to fund the withholding obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such Shares, the Company or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Company nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing,

manner or timing of the sales or any delay in transferring any Shares to a Participant or otherwise.

- (3) The Participant further acknowledges that the sale price of the Shares will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale. The Company makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting the participant resulting from the grant or exercise of an Awards and/or transactions in the Shares. Neither the Company, nor any of its directors, officers, employees, shareholders or agents will be liable for anything done or omitted to be done by such person or any other person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares under the Plan, with respect to any fluctuations in the market price of Shares or in any other manner related to the Plan.
- (4) Notwithstanding the first paragraph of this Section 8.4, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.
- (5) Notwithstanding the foregoing, the application of this Section 8.4, will be subject to compliance with the TSXV Corporate Finance Policies and the approval of the TSXV, the shareholders of the Company or both, as applicable.

Section 8.5 Reorganization of the Company.

The existence of any Awards shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Section 8.6 Governing Laws.

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

Section 8.7 Successors and Assigns.

The Plan shall be binding on all successors and permitted assigns of the Company and a Participant, including without limitation, the personal legal representatives of a Participant.

Section 8.8 Severability.

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

Section 8.9 No liability.

No member of the Board or of the Compensation Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder.

Section 8.10 Effective Date of the Plan.

The Plan was approved by the Board and shall take effect on ♦, 2025.

SCHEDULE "A"

FORM OF NON-EMPLOYEE DIRECTOR DSU AWARD AGREEMENT

ONGWE MINERALS INC. DSU AWARD AGREEMENT

This DSU Award Agreement (this "**Agreement**"), dated as of ●, is made by and between Ongwe Minerals Inc. (the "**Company**") and ● (the "**Grantee**").

WHEREAS, the Company has adopted the Omnibus Long-Term Incentive Plan (as may be amended from time to time, the "**Plan**");

AND WHEREAS, the Board has determined that the non-employee directors of the Company shall receive ●% of his or her then current annual Board retainer fee, which retainer fee shall be payable in four equal quarterly instalments (the "**Director Remuneration**") in the form of DSUs (as defined in the Plan).

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, for themselves and for their successors and assigns, hereby agree as follows:

1. Grant of DSUs.

(a) **Grant.** The portion or percentage of the Director's Remuneration credited as DSUs shall be determined on the first business day following the last day of each fiscal quarter for which the Grantee's Director Remuneration is payable and with respect to which such deferral election, if any, is effective (with respect to each such quarter, the "**Date of Grant**"), and shall equal a number of DSUs, rounded down to the nearest whole number, determined by dividing the dollar amount of such Director's Remuneration so deferred for such quarter by the Market Value (as defined in the Plan) of one Share as of such Date of Grant. All DSUs to be credited to the Grantee shall be subject to the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. DSUs shall be credited to a separate book-entry account maintained on the books of the Company for the Grantee.

(b) **Incorporation by Reference, Etc.** The provisions of the Plan are incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules, and regulations promulgated by the Compensation Committee from time to time pursuant to the Plan. In the event of any inconsistency or conflict between the provisions of the Plan and any this Agreement, the provisions of the Plan shall prevail. Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Compensation Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon the Grantee and his or her legal representatives in respect of any questions arising under the Plan or this Agreement.

2. **Vesting; Forfeiture.** Notwithstanding any other provision hereof, for so long as the common shares of the Company are listed on the TSXV, the DSUs shall be fully vested on the date that is 12 months plus one day from the applicable Date of Grant and shall vest no earlier other than when accelerated under the Plan for a Grantee who dies or who ceases to be eligible under the Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction, and once vested shall not be subject to forfeiture. For greater certainty, all DSUs granted to the Grantee shall remain eligible for vesting for a period of 12 months after the Grantee ceases to be a non-employee director and the Grantee shall remain an eligible person under the Plan during that period.

3. Settlement. The Company shall settle the DSUs granted hereunder as soon as possible after receiving or being deemed to receive a DSU Redemption Notice, at which time the Company shall, subject to any required federal, state, provincial, and local income and employment taxes required to be withheld (collectively, the "**Withholding**") and the execution of any required documentation, deliver to the Grantee either:

- (a) a number of Shares equal to the remaining amount of Director DSU Remuneration after settling any applicable Withholding divided by the Market Value (rounded down to the nearest whole number); or
- (b) at the election of the Grantee, the remaining amount of Director DSU Remuneration after settling any applicable Withholding paid 30% in cash to the Grantee and 70% in Shares based on the Market Value (rounded down to the nearest whole number), and such settlement will, subject to section 2 hereof, occur not later than the 90th day following the Termination Date.

4. Method of Electing to Defer Director's Remuneration. Unless otherwise permitted or determined by the Compensation Committee, to elect to receive DSUs, the Grantee shall complete and deliver to the Company a written election (as set out in Appendix I attached). The Grantee's written election shall, subject to any minimum or maximum amount that may be determined by the Compensation Committee from time to time, designate the portion or percentage of the Director's Remuneration to be paid in the form of DSUs, with the remaining portion or percentage to be paid in cash in accordance with the Company's regular practices of paying such cash compensation. In the absence of a designation to the contrary, the Grantee's election set forth in Appendix I shall continue to apply to all subsequent Director's Remuneration payments until the Grantee submits another written election in accordance with this paragraph. A Grantee shall only file one election no later than the last day of the fiscal year preceding the fiscal year in respect of which the Director's Remuneration becomes payable and the election shall be irrevocable for that fiscal year.

5. Tax Withholding. The Company shall be entitled to require, as a condition to the payment of any cash in settlement of the DSUs granted hereunder, that the Grantee remit an amount in cash or other property having a value sufficient to satisfy all federal, state, provincial, and local or other applicable withholding taxes relating thereto. In addition, the Company shall have the right and is hereby authorized to withhold from the cash otherwise deliverable upon settlement of the DSUs, or from any compensation or other amount owing to the Grantee, the amount (in cash or, in the discretion of the Company, other property) of any applicable withholding taxes in respect of the settlement of the DSUs and to take such other action as may be necessary in the discretion of the Company to satisfy all obligations for the payment of such taxes.

6. Compliance with Legal Requirements. The granting and settlement of the DSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, state, provincial and local laws, rules, and regulations and to such approvals by any regulatory or governmental agency (including stock exchanges) as may be required. The Committee shall have the right to impose such restrictions on the DSUs as it deems reasonably necessary or advisable under applicable securities laws and the rules and regulations of the Exchange.

7. Miscellaneous.

(a) **Transferability.** The DSUs are not-transferable or assignable except in accordance with the Plan.

(b) **Inconsistency.** This Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this Agreement and the Plan, the terms of the Plan shall govern.

(c) **Severability.** Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

(d) **Entire Agreement.** This Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

(e) **Successors and Assigns.** This Agreement shall bind and enure to the benefit of the Grantee and the Corporation and their respective successors and permitted assigns in accordance with the Plan.

(f) **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.

(g) **Governing Law.** This Agreement and the DSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

(h) **Counterparts.** This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this Agreement, the Grantee acknowledges that the Grantee has been provided a copy of and has read and understands the Plan and agrees to the terms and conditions of the Plan and this Agreement.

IN WITNESS WHEREOF the parties hereof have executed this Agreement as of the _____ day of _____, 20__.

Ongwe Minerals Inc.

By: _____

Authorized Signing Officer

[Insert Participant's Name]

APPENDIX "I"

ONGWE MINERALS INC.
(THE "COMPANY")

DEFERRED SHARE UNIT ELECTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the DSU Award Agreement.

Pursuant to the Omnibus Long-Term Incentive Plan of the Company (the "**Plan**"), I hereby elect to receive 70% or 100% (circle one) of my DSU Director Remuneration in the form of DSUs that are settled in Shares in lieu of cash.

I confirm that:

- (a) I have received and reviewed a copy of the terms and conditions of the Plan and have reviewed, considered and agreed to be bound by the terms of this Election Notice, the Plan and the DSU Award Agreement.
- (b) I have requested and am satisfied that the Plan, the DSU Award Agreement and the foregoing be drawn up in the English language. *Le soussigné reconnaît qu'il a exigé que le Régime et ce qui précède soient rédigés et exécutés en anglais et s'en déclare satisfait.*
- (c) I recognize that when DSUs are redeemed in accordance with the terms of the Plan and the DSU Award Agreement, income tax and other withholdings as required will arise at that time.
- (d) The value of DSUs is based on the Market Value of the Shares of the Company and therefore is not guaranteed.

The foregoing is only a brief outline of certain key provisions of the Plan and the DSU Award Agreement. For more complete information, reference should be made to the Plan.

Date: _____

(Name of Participant)

(Signature of Participant)

SCHEDULE "B"
FORM OF OPTION AGREEMENT

ONGWE MINERALS INC.
OPTION AGREEMENT

This Stock Option Agreement (the "**Option Agreement**") is granted by Ongwe Minerals Inc. (the "**Company**"), in favour of the optionee named below (the "**Optionee**") pursuant to and on the terms and subject to the conditions of the Company's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this Option Agreement shall have the meanings set forth in the Plan.

The terms of the option (the "**Option**"), in addition to those terms set forth in the Plan, are as follows:

1. **Optionee.** The Optionee is ●.
2. **Number of Shares.** The Optionee may purchase up to ● Shares of the Company (the "**Option Shares**") pursuant to this Option, as and to the extent that the Option vests and becomes exercisable as set forth in section 6 of this Option Agreement.
3. **Exercise Price.** The exercise price is Cdn \$● per Option Share (the "**Exercise Price**").
4. **Date Option Granted.** The Option was granted on ●.
5. **Expiry Date.** The Option terminates on ●. (the "**Expiry Date**").
6. **Vesting.** The Option to purchase Option Shares shall vest and become exercisable as follows:
●
7. **Exercise of Options.** In order to exercise the Option, the Optionee shall notify the Company in the form annexed hereto as Appendix I, pay the Exercise Price to the Company as required by the Plan, whereupon the Optionee shall be entitled to receive a certificate representing the relevant number of fully paid and non-assessable Shares in the Company.
8. **Transfer of Option.** The Option is not-transferable or assignable except in accordance with the Plan.
9. **Inconsistency.** This Option Agreement is subject to the terms and conditions of the Plan and any Employment Agreement and, in the event of any inconsistency or contradiction between the terms of this Option Agreement and the Plan or any Employment Agreement, the terms of the Employment Agreement shall govern.
10. **Severability.** Wherever possible, each provision of this Option Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Option Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Option Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
11. **Entire Agreement.** This Option Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

12. **Successors and Assigns.** This Option Agreement shall bind and enure to the benefit of the Optionee and the Company and their respective successors and permitted assigns in accordance with the plan.
13. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.
14. **Governing Law.** This Agreement and the Option shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
15. **Counterparts.** This Option Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this Agreement, the Optionee acknowledges that the Optionee has been provided a copy of and has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

IN WITNESS WHEREOF the parties hereof have executed this Option Agreement as of the _____ day of _____, 20__.

Ongwe Minerals Inc.

By: _____
Authorized Signing Officer

[Insert Participant's Name]

**APPENDIX I
ONGWE MINERALS INC.**

ELECTION TO EXERCISE STOCK OPTIONS

TO: Ongwe Minerals Inc. (the "**Company**")

The undersigned Optionee hereby elects to exercise Options granted by the Company to the undersigned pursuant to an Option Agreement dated _____, 20__ under the Company's Omnibus Long-Term Incentive Plan (the "**Plan**"), for the number Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Shares to be Acquired:

Exercise Price (per Share):

Cdn.\$ _____

Aggregate Purchase Price:

Cdn.\$ _____

Amount enclosed that is payable on account of any source deductions relating to this Option exercise (contact the Company for details of such amount):

Cdn.\$ _____

☐ Or check here if alternative arrangements have been made with the Company.

and hereby tenders a bank draft, certified cheque, wire transfer or other form of payment confirmed as acceptable by the Company for such aggregate purchase price, and, if applicable, all source deductions, and directs such Shares to be registered in the name of _____.

I hereby agree to file or cause the Company to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this ____ day of _____, _____.

Signature of Participant

Name of Participant (Please Print)

**APPENDIX II
ONGWE MINERALS INC.**

NET EXERCISE NOTICE

TO: Ongwe Minerals Inc. (the “**Company**”)

The undersigned Optionee hereby elects to net exercise _____ Options granted by the Company to the undersigned pursuant to an Award Agreement dated _____, 20____ under the Company’s Omnibus Long-Term Incentive Plan (the “**Plan**”) in exchange for Shares as calculated in accordance with Section 3.7(3) of the Plan. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Amount enclosed that is payable on account of any source deductions relating to this net exercise of Options (contact the Company for details of such amount):

Cdn.\$ _____

☐ Or check here if alternative arrangements have been made with the Company

Please issue a certificate or certificates representing the Shares in the name of _____.

I hereby agree to file or cause the Company to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this ____ day of _____, _____.

Signature of Participant

Name of Participant (Please Print)

SCHEDULE "C"
FORM OF RSU / PSU AGREEMENT

ONGWE MINERALS INC.
[RSU / PSU] GRANT AGREEMENT

This **[RSU / PSU]** grant agreement ("**Grant Agreement**") is entered into between Ongwe Minerals Inc. (the "**Company**") and the Participant named below (the "**Recipient**") of the **[RSUs / PSUs]** ("**Units**") pursuant to the Company's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this Grant Agreement shall have the meanings set forth in the Plan.

The terms of the Units, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is ●.
2. **Grant of [RSUs / PSUs].** The Recipient is granted ● Units.
3. **Vesting.** The Units shall vest as follows: ●.
4. **[Performance Criteria. Settlement of the Units shall be conditional upon the achievement of the following Performance Criteria within the Performance Period set forth herein: ●.]**
5. **Settlement.** The Units shall be settled as follows: ●
6. **Date of Grant.** The Units were granted to the Recipient on ●.
7. **Transfer of Units.** The Units are not-transferable or assignable except in accordance with the Plan.
8. **Inconsistency.** This Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this Grant Agreement and the Plan, the terms of the Plan shall govern.
9. **Severability.** Wherever possible, each provision of this Grant Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Grant Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Grant Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
10. **Entire Agreement.** This Grant Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
11. **Successors and Assigns.** This Grant Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns in accordance with the Plan.
12. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.

13. **Governing Law.** This Grant Agreement and the Units shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
14. **Counterparts.** This Grant Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this Grant Agreement, the Recipient acknowledges that the Recipient has been provided a copy of and has read and understands the Plan and agrees to the terms and conditions of the Plan and this Grant Agreement.

IN WITNESS WHEREOF the parties hereof have executed this Grant Agreement as of the _____ day of _____, 20__.

Ongwe Minerals Inc.

By: _____
Authorized Signing Officer

[Insert Participant's Name]

SCHEDULE "M"
GQ BOARD OF DIRECTORS APPROVAL

The contents and the sending of this Circular has been approved by the GQ Board.

Lotus has provided the information contained in this Circular concerning Lotus, and its subsidiary, business, operations, financial information and financial statements. GQ assumes no responsibility for the or completeness of such information, nor for any omission on the part of Lotus disclosed facts or events which may affect the accuracy of any such information.

DATED at Vancouver, BC this September 10, 2025.

BY ORDER OF THE BOARD

(signed) "*Jed Richardson*"

Jed Richardson and Executive Chairman
Chief Executive Officer

SCHEDULE "N"
CERTIFICATE OF GREAT QUEST GOLD LTD.

September 10, 2025

The foregoing document as it relates to Great Quest Gold Ltd. constitutes full, true and plain disclosure of all material facts relating to the securities of Great Quest Gold Ltd.

"Jed Richardson"

Jed Richardson
Chief Executive Officer, Executive Chairman and
Director

"Paul Bozoki"

Paul Bozoki
Chief Financial Officer

On behalf of the Board of Directors of Great Quest Gold Ltd.

"Albert Yuen"

Albert Yuen
Director

"Mama Tapo"

Mama Tapo
Director

SCHEDULE "O"
CERTIFICATE OF LOTUS GOLD CORPORATION

September 10, 2025

The foregoing document as it relates to Lotus Gold Corporation constitutes full, true and plain disclosure of all material facts relating to the securities of Lotus Gold Corporation

"Michael Silver"

Michael Silver
Chief Executive Officer and Director

"Tony da Silva"

Tony da Silva
Chief Financial Officer

On behalf of the Board of Directors of Lotus Gold Corporation

"Heye Daun"

Heye Daun
Director

"Dave Underwood"

Dave Underwood
Director