



HAYASA METALS INC.

Hayasa Metals Inc.

An Exploration Stage Company

MANAGEMENT DISCUSSION & ANALYSIS

YEAR ENDED MARCH 31, 2026

Dated: July 28, 2026

Hayasa Metals Inc.

Management Discussion and Analysis
For the year ended March 31, 2026

Management Discussion and Analysis

The following Management Discussion and Analysis (“MD&A”) of Hayasa Metals Inc. (“Hayasa” or the “Company”) has been prepared as at July 28, 2026. It should be read in conjunction with the Company’s audited consolidated financial statements of the company as at and for the year ended March 31, 2026.

The consolidated financial statements are prepared in accordance with IFRS Accounting Standards (as issued by the International Accounting Standards Board) (“IFRS”) unless otherwise noted.

All monetary amounts, including comparatives, are expressed in Canadian dollars unless otherwise noted.

Dennis Moore, P.G., Chairman of the Board and President of the Company and a Qualified Person as defined by National Instrument 43-101, has reviewed and approved the technical information presented in this MD&A.

Cautionary Statement on Forward-Looking Information

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company as of the reporting period under this disclosure. When used in this document, the words “anticipate”, “believe”, “estimate”, “expect”, “significant” 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, among other things, regulatory compliance, the sufficiency of current working capital, the estimated costs 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 achievement 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.

Overview

Since 2021, Hayasa has been actively seeking project development opportunities in the central Tethyan Mineral Belt focussing on Armenia where the Company currently holds interests in two properties. The Company has an option to acquire up to 100% of an Armenian corporation that holds the exploration license over the Vardenis copper-gold project in central Armenia; in Q2 2026, the Company entered into an option agreement with Teck Resources Limited (“Teck”) relating to the property. The Company also holds an exploration license relating to Urasar, a copper-gold property located in northern Armenia. The Company is investigating other opportunities in Armenia and Georgia.

The option to acquire the corporation holding the Vardenis exploration license is held directly by Hayasa. Hayasa’s wholly owned subsidiary, Hayasa Resources Corp. (“HRC”), administers the Company’s activities in Armenia and holds the license to the Urasar property.

Highlights

The year ended March 31, 2026 and the period ended July 28, 2026 were highlighted by the following activities and initiatives:

Finance

- The balance of cash and cash equivalents as at March 31, 2026 was \$1,580,358 (March 31, 2025: \$1,074,738) and the net working capital balance as at this date was \$855,548 (March 31, 2025: \$841,677)
- In August 2025, the Company entered into an amended and restated option and joint venture agreement which grants Teck Resources Limited (“Teck”) the sole and exclusive option to acquire up to an 80% interest in Mendia Resources LLC (“Mendia”), the company that owns the geological exploration license relating to the Vardenis copper-gold project located in east-central Armenia. The agreement supersedes the option agreement previously entered into by the Company to acquire up to a 100% interest in Mendia (see ‘Vardenis – Teck option agreement’)
- In September 2025, the Company closed an over-subscribed non-brokered private placement for gross proceeds of \$1,898,098 (see ‘Liquidity and going concern – September 2025 private placement’)

Exploration and evaluation

- Fiscal 2025 exploration activity at the Company’s Urasar copper-gold property included a 2,142 m, nine-hole diamond drill program within five target areas that was completed in Q3 2025; results were announced in Q4 2025. A Phase 2 diamond drill program comprising 2,040 metres over eleven holes commenced in June 2025 and was completed in late July 2025. One additional diamond drill hole at Urasar was collared in October 2025 but was not completed to target depth of 500m and had to be abandoned in early November (see ‘Urasar - Q1 and Q2 2026 exploration activity’). This hole returned 39m of 0.50% Copper between 11m and 50m, and 52m at 0.11% Copper from 163 to 215m
- Exploration activity undertaken at the Company’s Vardenis copper-gold project in Q1 2026 included a Phase 2 diamond drill program comprising 4,561 metres over ten holes which commenced in August 2025 and was completed in October 2025. In addition, a magnetotelluric geophysical survey and access road rehabilitation and construction was also undertaken prior to the drill campaign (see ‘Vardenis - Q1 and Q2 2026 exploration activity’)

Other

- Ms. Mishina replaced Paul Hansed as the CFO effective January 1, 2026 as Mr. Hansed retired effective December 31, 2025.
- On April 1, 2026, the Company granted 150,000 stock options to advisors of the Company.

Armenia, overview

Each of the Vardenis and Urasar properties are discussed below. Urasar was first investigated by Hayasa management in September 2021, while Vardenis was evaluated in the spring of 2022. The two properties were two of a total of fifteen Armenian prospects that were sampled and evaluated. The Company is currently pursuing other exploration opportunities within the Tethyan Mineral Belt of Armenia.

In May 2024, the Company signed a memorandum of understanding between HRC and Yerevan State University, pursuant to which the university will provide office space and the use of certain geophysical equipment to the Company, while the Company will train and mentor enrolled geology students in field exploration techniques and practices.

The Company enjoys a close working relationship with the local communities of both the Urasar and Vardenis properties.

Urasar

In October 2023, the Company was granted an exploration permit for the Urasar copper-gold mineral district in northern Armenia comprising 33.8 km².

Urasar was ranked the highest priority of the 15 Armenian prospects initially reviewed by the Company due to wide-spread surface alteration/mineralization and encouraging geochemical results that comprised eight surface rock chip and channel samples, ranging from a minimum of 0.123 g/t gold to a maximum of 12.5 g/t gold, and averaging 2.65 g/t gold. Thirty follow-up rock chip samples were collected in November 2022 from other parts of the license area and returned an average of 0.75 g/t gold and 0.63% copper.

Historical Soviet data reveals a series of more than 16 exploration adits and several drill holes, the best of which returned 25 metres containing 1.67% copper from 205 to 231 m. Underground copper assays were recovered from a 1960 Soviet report showing multiple zones containing grades of >1% copper from adits in the Yellow River area. A qualified person has not done sufficient work to classify any of this historical work as current mineral resources.

Calendar 2025 exploration activity

Geological consultant, Simon Meldrum, a specialist in porphyry-epithermal mineralizing systems, spent 12 days at Urasar in May 2025 advising management on overall system architecture, integration of historic underground assays into the Company's data base and resultant drill targeting for 2025. A draft of his report was received in June 2025, and his insights were utilized in designing the drill targeting for the recently completed diamond drill program.

In September 2025, the Company announced that it had received the final Natural Source Audio Magnetotelluric ("NSAMT", or shortened to AMT) sections from a three-line, 26-station trial AMT survey executed at the Urasar copper-gold property in July 2025. The survey was undertaken by Terratec Geophysical Services GmbH & Co. ("Terratec") based in Heitersheim, Germany and covered only the western end of the license within the Oxide Basin to Golden Vein areas. Magnetotelluric AMT surveys are 'passive' surveys using the earth's electrical storms (atmospherically charged particles, including lightning) to measure the natural resistance/conductance of the earth at depth. AMT surveys are able to look deeper than traditional induced polarization (IP) surveys and as such, the survey was directed to identify conductive and resistive zones often associated with porphyry-style mineralization at depth or epithermal-style mineralization at shallower levels. Drill core from the 2025 Phase 2 program hosts occurrences of potassic alteration which are associated with porphyry copper deposits, indicating a possible larger porphyry system at depth.

Calendar 2026 exploration activity

The primary exploration initiative for Urasar in fiscal 2026 (calendar 2025) was a Phase 2 diamond drill program which comprised 2,040 metres over eleven holes focussing on the Copper Creek, Golden Vein, Black River and Oxide Basin targets within the Urasar property. The program commenced in early June 2025 and was completed in late July 2025 while the trial AMT survey was carried out concurrently.

Assay results were reported in October and November 2025. Sulfide mineralization was found to be present throughout the majority of the drill holes, including over 25 m of massive sulfide mineralization intersected in the eastern Black River zone including 24m @ 0.42 ppm Au and 0.18% Cu from 14 to 38m in hole UDD-016 and **4.1m @ 2.98 g/t Au** with 0.25% Cu from 51.9m to 56.0m in UDD-017. Only a small number of assays reported below the laboratory detection limits for gold or copper. Molybdenum values generally

correlated with gold and copper, typically ranging in the tens of ppm, but with values up to 355 ppm Mo. Significant sulfide mineralization occurs throughout every drill hole.

In November 2025, the Company commenced the drilling of one additional hole targeting an AMT conductivity anomaly between the Oxide Basin and Copper Creek targets at the western end of the Urasar property. This late season hole at Oxide Basin returned 39m of 0.50% Copper between 11m and 50m, and 52m at 0.11% Copper from 163 to 215m but was not completed to the target depth due to drilling issues and impending winter weather.

In summer 2026, the Company is following up on the 2025 exploration results with an expanded AMT survey comprising 53 station readings over six additional lines; four lines over the western part of the license where the three original lines are located, and two lines in the eastern part of the licence. Two deep diamond drill holes targeting distinct vertically-oriented resistivity low anomalies revealed in the latest 2026 expanded AMT survey, are planned for summer of 2026. That drilling program holes is currently underway at the Oxide Basin and Silica West prospects.

Vardenis

In April 2023, the Company entered into a letter of intent to acquire up to a 100% interest in Mendia, an Armenian corporation, with Mendia's sole shareholder (the "**Optionor**"). Mendia holds the exploration license over the Vardenis copper-gold project in central Armenia.

In June 2023, the Company executed a definitive option agreement with the Optionor. The agreement provided the Company with the exclusive option to acquire up to 100% of Mendia via staged option payments over 4.5 years. The terms of the definitive agreement were amended in September 2024 and March 2025.

In August 2025, the Company entered into an amended and restated option and joint venture agreement which grants Teck the sole and exclusive option to acquire up to an 80% interest in Mendia. The agreement supersedes the option agreement previously entered into by the Company to acquire up to a 100% interest in Mendia referred to above.

The Vardenis copper-gold property is a high-sulfidation, possible Cu-Mo-Au porphyry mineralized system formerly held by Dundee Precious Metals Corp. ("**DPMC**") between 2015 and 2018. It occurs 25 km along strike and in the same Eocene volcanic sequences which host the 4.8-million-ounce Amulsar gold deposit currently under construction. The closing of sovereign backed financing for the project took place in May 2025. The first gold pour at the projected 200,000 ounce per annum Amulsar mine is expected in 2026.

Historic exploration work on the Vardenis copper-gold property comprised early Soviet-era trenching, pits and limited drilling from the early 1960s followed by more recent exploration undertaken by Canadian-based companies during the past decade. This recent work includes 1,246 m of diamond drilling in seven holes, over 6,000 geochemical samples (both soils and streams), alteration mapping and trenching. (Two of the seven drill holes executed by DPMC are located within Mendia's license; the other five are located on the license boundary and are directed towards/into the Mendia license). This work has defined a NW-SE arcuate-shaped, gold-in-soil anomaly approximately seven km in length, as well as a separate 3.5 x 2.4-km copper anomaly located 1.4 km to the south of the gold anomaly.

The project's historical attributes include the following:

- A large 35 km² altered and mineralized system comprising the largest alteration footprint in Armenia
- Hosted in Armenia's prospective Tertiary volcanic belt
- At-surface copper-molybdenum-gold mineralization within widespread high-sulfidation-style alteration
- Historical drilling limited to 1,246 m within one small area as well as two holes drilled by the Company totaling 770 m in late 2023.

See further information regarding Vardenis in the Company's news release of May 9, 2023.

2026 exploration activity

Geological consultant, Simon Meldrum, a specialist in porphyry-epithermal mineralizing systems, undertook a detailed overview of Vardenis in May 2025. Mr. Meldrum prepared a report detailing his insights into the Vardenis area which was received in late July 2025.

In anticipation of the Phase 2 diamond drill program, the Company also retained Terratec to conduct a minimum 70-point magneto-telluric survey designed to look for deep conductors associated with porphyry copper mineralization (as described previously). The survey was undertaken in mid-July 2025 following completion of a smaller survey at Urasar.

The Company commenced a Phase 2 diamond drill program targeting the northern area of the Vardenis license in August 2025. The program was initially expected to comprise approximately 3,400 m over ten to twelve holes focussing on the Soviet, Razmik and Artsiv targets within the Vardenis property. The drill program ultimately comprised 4,561 m over ten holes.

The Phase 2 program was designed to test both surface geochemical anomalies and geophysical targets identified through AMT and IP surveys conducted over the preceding 15 months and followed from the Phase 1 program comprising 770 m undertaken in late 2023 (calendar). Insights previously gained resulted in the focus of drilling being directed to the Soviet zone in the northern area of the license where the highest molybdenum soil geo-chemical results were obtained and where surface rocks displaying advanced argillic alteration are indicative of an overlying 'lithic cap'. As planned, the drill holes were sited in the northern section of the Vardenis permit area, within the Soviet, Razmik and Artsiv prospects.

Assays were received in January, 2026 along with short-wave infrared spectral analysis in June of 2026. No drill intercepts of economic mineralization were encountered, although the drilling proves that Vardenis is a sulfide rich system showing typical porphyry style alteration and veining. The infrared spectral data is currently being analyzed.

Teck option agreement

In August 2025, the Company entered into an amended and restated option and joint venture agreement (the "Agreement") which grants Teck Resources Limited ("Teck") the sole and exclusive option to acquire up to an 80% interest in Mendia Resources LLC ("Mendia", the "Optionor"), the company that owns the geological exploration license relating to the Vardenis copper-gold project located in east-central Armenia. The Agreement supersedes the option agreement previously entered into by the Company in June 2023 (as subsequently amended) to acquire up to a 100% interest in Mendia.

The Agreement provides for the following:

- The Company and the Optionor will grant Teck the sole and exclusive option to acquire a 70% interest in Mendia (the "Initial Option"), which may be exercised by Teck upon (i) incurring an aggregate of US\$ 15 million in exploration expenditures on the Vardenis project by December 31, 2029, including fulfilling its firm commitment to complete 4,300 m of diamond drilling on the Vardenis Project by October 31, 2026 (completed in October 2025), including 3,000 m by December 31, 2025, and (ii) making any required payments to the Optionor.
- During the term of the Initial Option (which commenced May 3, 2025) and, if applicable, the Second Option, Teck will be solely responsible for funding all expenditures and costs relating to the Vardenis project, including costs related to maintaining the Vardenis project in good standing
- If Teck exercises the Initial Option, it will have a further sole and exclusive option to acquire an additional 10% interest in Mendia, which would bring Teck's total interest in Mendia to 80% (the

“Second Option”). Teck may exercise the Second Option by delivering to Hayasa and the Optionor a National Instrument 43-101 compliant pre-feasibility study in respect of the Vardenis project on or before the sixth anniversary of the exercise date of the Initial Option. Teck will receive the remaining 10% interest in Mendia held by the Optionor for a US\$3.5 million payment.

- If Teck incurs a minimum of US\$2.5 million in the 30-month period following the date of the Agreement but chooses not to exercise the Initial Option, the Agreement will terminate and Teck will be granted a 1.0% net smelter return royalty on the Vardenis property, payable by Mendia.
- If Teck exercises the Initial Option and elects not to pursue the Second Option, or if Teck exercises the Second Option, a corporate joint venture (the “Joint Venture”) will be deemed to be formed between Teck and Hayasa (and if applicable, the Optionor) in accordance with the terms of the Agreement. Existing shareholder’s interest in Mendia will be converted to a 1.0% net smelter return if its interest is diluted to below 10% or if it defaults on cash calls in certain circumstances.
- For a period of 18 months from the Joint Venture formation date (the “Deferral Period”), Hayasa may elect to defer the contribution of its proportionate share of the costs of approved programs, which costs will be contributed by Teck on behalf of Hayasa and will become repayable by Hayasa within 18 months from the end of the Deferral Period.

Pursuant to the Agreement, Hayasa will be the manager of the Vardenis project during the term of the Initial Option, with Teck having the right to replace Hayasa as the manager at any time. The manager of the project is entitled to receive a management fee based on a percentage of the expenditures incurred (5% to 10% depending on the nature of the expenditure). The management fee earned by the Company for the period from May 3 to March 31, 2026 was \$149,172.

Funding provided by Teck in advance of the applicable spend is based on mutually agreed budgets. Any advances not spent at the end of the period are classified as a liability, which is amortized as exploration costs on Vardenis are incurred. As at March 31, 2026, the balance of project cost advances received was \$505,123.

Pursuant to the agreement with Mendia, Hayasa maintains certain of its rights to acquire interests in the capital of Mendia as set out in the option agreement entered into in June 2023 (as subsequently amended by the Teck Agreement) as long as such rights do not derogate from Teck’s rights under the Agreement. This option to acquire interest in Mendia is held by Hayasa Metals Inc. (not HRC). Specifically:

- The Company shall be entitled to 51% of the issued and outstanding Mendia shares on a fully-diluted basis (inclusive of any Mendia shares held by Hayasa as of the date of the Agreement) upon the completion of an aggregate 2,500 metres of diamond drilling on the property on or before October 31, 2025 (completed).
- The Company shall be entitled to an additional 29% of the issued and outstanding Mendia shares on a fully-diluted basis (inclusive of any Mendia shares held by Hayasa as of the date of the Agreement) upon the completion of an additional 2,500 metres of diamond drilling on the property on or before October 31, 2026 (completed October 31, 2025).
- The Company shall be entitled to an additional 9% of the issued and outstanding Mendia shares on a fully-diluted basis (inclusive of any Mendia shares held by Hayasa as of the date of the Agreement) upon the payment to the Optionor of US\$100,000 and the issuance to the Optionor of 1,000,000 Hayasa common shares on or before December 3, 2027.

As at March 31, 2026, the Company had fulfilled all requirements – including the diamond drilling requirements - to acquire a total of 80% of the issued and outstanding Mendia shares on a fully-diluted basis. However, the Company has not exercised the option to acquire shares of Mendia at the date of these consolidated financial statements.

Proposed transactions

There were no announced asset or business acquisitions or dispositions other than as described herein. The Company is, however, pursuing other opportunities in Armenia.

New exploration permits applications

The Company has applied for an exploration permit over the Amasia antimony-nickel prospect in northern Armenia. The area has been subjected to several episodes of surface exploration, including several exploration adits from Soviet times, and two limited drill programs, one as late as 2012. There is a historical non-43-101 compliant report over the antimony zone stating resources of approximately 11 million tonnes containing >1% Sb. A qualified person has not done sufficient work to classify any of this historical work as current mineral resources. Two public meetings with the local community were successfully completed in the spring of 2026, the government paperwork, budgets and reports were submitted in May, and the company expects to be awarded the permit before the end of the year.

The company is also in the early stages of acquiring three additional exploration permits. Progress on these efforts will be reported in the next quarter.

Selected annual information

The table below provides selected financial information derived from the audited consolidated financial statements of the Company for each of the past three years ended March 31:

	Mar 31, 2026	Mar 31, 2025	Mar 31, 2024
Years ended	\$	\$	\$
Total revenues	-	-	-
Net loss	(2,030,506)	(1,230,482)	(3,943,310)
Loss and comprehensive loss	(1,999,400)	(1,179,176)	(3,943,798)
Net income (loss) per share	(0.03)	(0.02)	(0.13)
Total assets	2,523,990	1,909,592	968,490
Total non-current liabilities	-	31,309	13,816

Selected financial information

The following table sets forth selected financial information from the Company's unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended March 31, 2026. No cash dividends were declared in any of the reported periods.

Certain financial statement items presented in previous financial statements have been reclassified to conform with current presentation.

	Mar 31, 2026	Dec 31, 2025	Sep 30, 2025	Jun 30, 2025
Three months ended	\$	\$	\$	\$
Total revenues	-	-	-	-
Net income (loss)	(488,016)	(222,060)	(799,106)	(521,324)
Loss and comprehensive loss for the period	(469,170)	(193,037)	(773,985)	(563,208)
Net income (loss) per share	(0.01)	(0.00)	(0.01)	(0.01)

	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024
Three months ended	\$	\$	\$	\$
Total revenues	-	-	-	-
Net income (loss)	949,268	(904,678)	(904,704)	(370,368)
Loss and comprehensive loss for the period	771,377	(894,959)	(690,995)	(364,599)
Net income (loss) per share	0.00	(0.01)	(0.01)	(0.01)

** The aggregate of quarterly per share amounts may not equal the annual per share amount due to rounding in the calculations.*

The changes in quarterly net loss from fiscal 2025 to fiscal 2026 are primarily driven by the changes in and the timing of the Company's exploration activities and share-based compensation. Income during the three months ended March 31, 2025 was a result of the 1.25% NRS sale occurring in that period. In January 2025, the Company sold a 1.25% NSR royalty covering all minerals produced from the Urasar copper-gold property to Franco-Nevada Corporation ("Franco-Nevada") and EMX Royalty Corporation ("EMX") for total cash proceeds of US\$ 1,000,000. See Note 5 (b) to the audited financial statements.

Results of operations

Three months ended March 31, 2026:

Net loss for the three months ended March 31, 2026 decreased to \$488,016 from income of \$949,268 in the same period of 2025.

	2026	2025
Expenses		
Exploration and evaluation	\$ 203,244	\$ 116,187
Earned project costs advanced	(90,616)	-
	112,628	116,187
Administrative expenses		
Management	80,011	114,431
Professional fees	116,029	28,660
Stock-based compensation	67,650	40,057
Marketing	12,155	33,082
General and administration	24,352	14,106
Travel	14,822	21,000
Project development	1,319	1,963
Listing and transfer agent	5,277	31,525
Depreciation	1,803	455
	(323,418)	(285,279)
Other income and expenses		
Net proceeds on the sale of NSR	-	1,353,257
Foreign exchange gain (loss)	10,573	(6,043)
Other income (loss)	(79,780)	-
Vardenis management fee	11,977	-
Interest income	5,260	3,520
Net (loss) income for the period	\$ (488,016)	\$ 949,268

Overall increase of the net loss in 2026 is due to the following:

- Exploration expenses increased to \$203,244 in the three months ended March 31, 2026 compared to \$116,187 in the same period of 2025. These expenses are largely offset by the Teck advances of \$90,616 in 2026.
- Decrease in management fees to \$80,011 in the three months ended March 31, 2026 compared to \$114,431 in the same period of 2025 is due to management changes during the period. CFO fees for the three months ended March 31, 2026 are allocated to professional fees.
- Increase in professional fees to \$116,029 in the three months ended March 31, 2026 from \$28,660 is due additional legal fees in connection with the Teck agreement and the management changes during the period and additional fees required in relation to the change.
- The majority of administrative expenses in the three months ended March 31, 2026 are consistent with the same period of 2025.
- In 2025, the Company received income of \$1,353,257 from the sale of NSR to Franco-Nevada and EMX for total cash proceeds of US\$ 1,000,000. As this was a one-time transaction that closed in 2025, there is no comparative income in 2026.

Year ended March 31, 2026:

Net loss for the years ended March 31, 2026 increased to \$2,030,506 from \$1,230,482 in the same period of 2025.

	2026	2025
Expenses		
Exploration and evaluation	\$ 3,197,482	\$ 1,528,260
Earned project costs advanced	(2,262,212)	-
	935,270	1,528,260
Administrative expenses		
Management fees	411,038	358,677
Professional fees	305,366	131,734
Stock-based compensation	183,064	163,706
Marketing	109,719	220,936
General and administration	66,684	45,985
Travel	50,643	70,418
Listing and transfer agent	16,183	42,413
Project development	14,198	19,775
Depreciation	4,349	1,540
	(1,161,244)	(1,055,184)
Other income and expenses		
Foreign exchange loss	(99,944)	(17,579)
Net proceeds on sale of NSR	-	1,353,257
Vardenis management fee	149,172	-
Other income	1,564	-
Interest income	15,216	18,879
Loss on marketable securities	-	(1,595)
Net loss for the year	\$ (2,030,506)	\$ (1,230,482)

Overall increase of the net loss in 2026 is due to the following:

- Exploration and evaluation expenses increased to \$3,197,482 during the year ended March 31, 2026 compared to \$1,528,260 in the same period of 2025. These costs were offset by the earned project costs received from Teck. The Company entered into the agreement with Teck in August 2025,

which explains the lack of a comparative in the prior year, and received \$2,262,212 from Teck for Vardenis exploration expenses. No such fees were received in 2025.

- Share-based compensation increased to \$183,064 during the year ended March 31, 2026 compared to \$163,706 in 2025. The increase is due to more options vesting in 2026 compared to 2025.
- Management fees increased to \$411,038 during the year ended March 31, 2026 compared to \$358,677 in the same period of 2025. The increase is due to the Company bringing management fees to the level consistent with similar-sized mining companies and the foreign exchange fluctuations as some of the fees are paid in USD.
- Vardenis management fee increased to \$149,172, during the year ended March 31, 2026 compared to \$nil in 2025. The management fee is earned by the Company via the agreement with Teck based on certain factors. The Company entered into the agreement with Teck in August 2025, which explains the lack of a comparative in the prior year.
- In 2025, the Company received income of \$1,353,257 from the sale of NSR to Franco-Nevada and EMX for total cash proceeds of US\$ 1,000,000. As this was a one-time transaction that closed in 2025, there is no comparative income in 2026.
- Professional fees increased to \$305,366 during the year ended March 31, 2026 compared to \$131,734 in the same period of 2025 due to the additional legal fees in connection with the Teck agreement.
- Marketing expenses decreased to \$109,719 in fiscal 2026 compared to \$220,936 in the same period of 2025. The change is due to the timing of the conferences and other promotional events the Company attended during the year.
- The remainder of expenses remained relatively consistent from year to year.

Liquidity and going concern

As at March 31, 2026, the Company had a cash balance of \$1,580,358 (March 31, 2025: \$1,074,738), and a net working capital balance of \$855,548 (March 31, 2025: \$841,677).

Going concern

The nature of the Company's operations results in significant expenditures for the acquisition, maintenance and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations as it is considered to be in the exploration stage.

Given the Company's liquidity situation in recent years, management took a number of steps to preserve cash which resulted in the accumulation of a large balance owing to management. The balance was addressed in full in Q4 2025 and Q2 2026 through the issuance of common shares, the payment of cash and the write off of part of the balance (see 'Management debt settlement', below).

In the year ended March 31, 2026, the Company raised funds through the following means:

- The Teck option agreement pursuant to which exploration and claim maintenance expenditures relating to the Vardenis project are to be funded by Teck (August 2025; see 'Vardenis – Teck option agreement')
- Closing of an over-subscribed non-brokered private placement for gross proceeds of \$1,898,098 (September 2025; see 'Liquidity and going concern – September 2025 private placement').

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from equity financings provided by the Company's existing shareholders and/or new shareholders or through other arrangements. Although management has been successful in obtaining financing in the past, there is no assurance that the Company will continue to be successful in raising capital through private placements or other means.

In the event the Company is unable to arrange appropriate financing, the carrying value of its assets and liabilities could be subject to material adjustment and the Company may not be able to meet its obligations as they become due in the normal course of business. Furthermore, these conditions indicate the existence of a material uncertainty that raises significant doubt as to the Company's ability to continue as a going concern.

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

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

September 2025 private placement

On September 23, 2025, the Company closed a non-brokered private placement financing pursuant to which a total of 11,165,282 units were issued at a price of \$0.17 per unit for gross proceeds of \$1,898,098. Each unit was comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a purchase price of \$0.22 for the period of 18 months from September 23, 2025. The Company incurred cash issuance costs of \$83,121.

The net proceeds of the private placement will be used to advance exploration at the Company's Urasar property, evaluate other mineral property opportunities and for general working capital purposes.

Subscribers to the private placement included Teck which acquired 934,500 units to maintain its 9.9% ownership on a partially diluted basis.

Current directors and officers of the Company participated in the private placement subscribing for an aggregate of 738,400 units for gross proceeds of \$125,528, an amount of \$62,764 was applied to outstanding debts.

Management debt settlement

Given the Company's liquidity situation in recent years, management introduced various initiatives to preserve cash in Q1 2022 including the deferral of payment of management remuneration and amounts owing to management in respect of expense reimbursement. In addition, the Company's President advanced a total of \$200,000 to the Company during Q2 2024 for various purposes (of which \$100,000 was repaid in Q3 2024 with a portion of the proceeds of the October 2023 non-brokered private placement).

A liability due to the President, CFO and former VP Exploration totalling \$539,515 (excluding the \$100,000 due to the President) had accumulated through June 30, 2024 as a result of the aforementioned deferrals. Certain of this balance was repaid subsequent to June 30, 2024 leaving a remaining liability of \$499,333. In October 2024, the Company agreed the terms of a restructuring arrangement with the three individuals which was submitted to the TSXV for approval. This proposed debt settlement arrangement provided for the following:

- Issuance by the Company to the debtors of a total of 2,097,760 common shares at a deemed price of \$0.10 per share (being the unit price of the non-brokered private placement that closed in July 2024) having a total deemed value of \$209,776
- Immediate payment of a total of \$100,000

- Deferred payment of a total of \$109,777 to take place following the closing of the Company's next equity financing, and
- The two current members of the management team agreed to forgive a total of \$79,780 in debt (being 20% of the total amount owing to each).

In January 2025, the Company received TSXV approval to proceed with the execution of the debt settlement agreements at which time the 2,097,760 common shares were issued and the balance of the immediate payment of \$100,000 was made. The common shares issued were subject to a four-month hold period in accordance with applicable securities laws.

The deferred payment amount of \$109,777 was repaid in September 2025. Upon repayment of this amount, the remaining balance of \$79,780 was forgiven by the two current members of management. This amount was treated as an additional capital contribution and was recognised within other reserves in the consolidated statement of changes in shareholder's equity.

All balances owing to members of management were unsecured and non-interest bearing.

Dividends

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

Contractual commitments

The Company is responsible for remediating ground on its Urasar property on which it undertook a soil sampling program in Q3 2024 and diamond drill programs in each of Q3 2025 and Q1 – Q4 2026. The Company provided a refundable deposit to a ministry of the Armenian government amounting to the AMD equivalent of \$22,857. The Company has estimated the cost of reclamation of the Urasar property as at March 31, 2026 to be \$78,867.

The Company is responsible for remediating ground on its Vardenis property on which it undertook a diamond drill program in Q3 2024 and Q2 – Q4 2026. The Company provided a refundable deposit to a ministry of the Armenian government amounting to the AMD equivalent of \$21,460. The Company has estimated the cost of reclamation of the Vardenis property as at March 31, 2026 to be approximately \$24,092.

In order to maintain the option agreement associated with the Vardenis property in good standing, the Company is required to make option payments (including the issuance of common shares) and complete certain exploration work (see 'Vardenis').

In addition to the foregoing, the Company has entered into agreements with local communities in connection with both the Urasar and Vardenis mineral properties pursuant to which it is required to make periodic payments to the local communities for specific purposes including surface access payments.

Other than remediation obligations discussed above and commitments pertaining to Teck and Mendia agreements, the Company had no significant medium- or long-term contractual commitments as at March 31, 2026 or July 28, 2026

Legal proceedings

The Company was not involved in any legal proceedings as at either March 31, 2026 or July 28, 2026.

Off-balance sheet arrangements

The Company is not a party to any off-balance sheet arrangements.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's audited consolidated financial statements for the years-ended March 31, 2026 and 2025, available on its SEDAR+ at www.sedarplus.ca.

Transactions with related parties

Key management includes the President, the Chief Executive Officer, the Chief Financial Officer and Directors. The compensation paid or payable to key management for services during the year ended March 31, 2026 and 2025 is as follows:

	March 31, 2026	March 31, 2025
Management fees	\$ 384,712	\$ 357,605
Professional fees	27,228	-
Stock-based compensation	159,792	124,763
	\$ 571,732	\$ 482,368

Management debt settlement

In October 2024, the Company agreed to settle outstanding debts owing to two current and one former member of its management team totaling \$499,333. The debt settlement agreements were subject to TSXV approval and provided for the following:

- Issuance by the Company to the debtors of a total of 2,097,760 common shares at a deemed price of \$0.10 per share (being the unit price of the non-brokered private placement that closed in July 2024) having a total deemed value of \$209,776
- Immediate payment of a total of \$100,000
- Deferred payment of a total of \$109,777 to take place following the closing of the Company's next equity financing, and
- The two current members of the management team agreed to forgive a total of \$79,780 in debt (being 20% of the total amount owing to each).

In January 2025, the Company received TSXV approval to proceed with the execution of the debt settlement agreements at which time the 2,097,760 common shares were issued and the balance of the immediate payment of \$100,000 was made. The common shares issued were subject to a four-month hold period in accordance with applicable securities laws.

The deferred payment amount of \$109,777 was repaid in September 2025. Upon repayment of this amount, the remaining balance of \$79,780 was forgiven by the two current members of management; this amount was recognized within other reserves in the consolidated statement of changes in shareholder's equity.

All balances owing to members of management were unsecured and non-interest bearing.

Related party balances

The Company owed the following amounts to related parties including officers and directors and companies that are controlled by officers and directors of the Company:

	March 31, 2026	March 31, 2025
Amounts owing to directors and officers relating to deferred remuneration and expense reimbursement	\$ 19,044	\$ 203,424
Advance provided by the President	-	100,000
	\$ 19,044	\$ 303,424

In August 2023, the President loaned \$200,000 to the Company of which \$100,000 was repaid with the proceeds of the October 2023 private placement. The remaining balance was repaid in September 2025. The amounts owing to related parties are unsecured, non-interest bearing and are due under normal business terms.

Outstanding share data

The Company has authorized capital of an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares without nominal or par value.

Capital structure

The Company had the following common shares, warrants, stock options and performance share units outstanding as at July 28, 2026:

	Number of shares	Exercise price, \$	Remaining life, years
Share capital	72,499,139	-	-
Performance share units ("PSUs")	4,080,000	-	1.47
Stock options	5,800,000	0.06 - 0.17	3.09
Warrants	5,582,641	0.22	0.60
Fully diluted	87,961,780		

The details of PSUs outstanding as at March 31, 2026 and July 28, 2026 are as follows:

	Number of shares subject to PSUs March 31, 2026	Number of shares subject to PSUs July 28, 2026
Expiry date		
January 1, 2028	4,080,000	4,080,000
Total	4,080,000	4,080,000

The details of warrants outstanding as at March 31, 2026 and July 28, 2026 are as follows:

Expiry date	Exercise price, \$	Number outstanding March 31, 2026	Number outstanding July 28, 2026
July 21, 2026	0.22	500,000	-
March 23, 2027	0.22	5,582,641	5,582,641
		6,082,641	5,582,641

The details of stock options outstanding as at March 31, 2026 and July 28, 2026 are as follows:

Expiry date	Exercise price, \$	Number outstanding March 31, 2026	Number outstanding July 28, 2026
December 31, 2026	0.09	650,000	650,000
April 23, 2028	0.09	850,000	850,000
December 20, 2028	0.09	500,000	500,000
July 5, 2029	0.10	150,000	150,000
August 21, 2029	0.095	600,000	600,000
November 8, 2029	0.15	550,000	550,000
June 26, 2030	0.12	600,000	600,000
September 23, 2030	0.17	600,000	600,000
January 12, 2031	0.07	1,150,000	1,150,000
April 1, 2031	0.06	-	150,000
Total		5,650,000	5,800,000

Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the year ended March 31, 2026 and this accompanying MD&A (together, the "Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

For further information, and other information relating to the Company, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with its filings on SEDAR+ at www.sedarplus.ca.

Risk Factors

The Company is engaged in the acquisition, exploration and development of mineral properties. The properties of the Company are without a known body of commercial ore. The exploration programs undertaken and proposed constitute an exploratory search and there is no assurance that the Company will be successful in its search. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. The amounts shown as

property acquisition costs represent acquisition and holding cost, less amounts written off, and do not necessarily represent present or future values.

No assurances can be given that title defects to the mineral properties held by the Company do not exist. The mineral properties and any other property which the Company may acquire as a mineral exploration company may be subject to prior unregistered agreements, transfers or claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title and interest in and to the mineral properties.

If the Company loses or abandons its interest in all or part the mineral properties, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the TSX-V. Should the Company wish to acquire any additional properties, whether by option or otherwise, there is no guarantee that suitable properties will be available. If TSX-V approval is required for the acquisition of additional properties by the Company, there is also no guarantee that such approval will be obtained.

In the course of exploration, development and production of mineral properties, certain risks, and, in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

As a mineral exploration company, environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations. In all major developments, the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

The mining industry is intensely competitive in all its phases. The Company will compete for the acquisition or mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to acquire suitable properties or prospects for mineral exploration in the future.

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

The Company's properties are located in Armenia, and certain payments and transfers are made in United States dollars. As a result, while financings have all been conducted in Canadian dollars, the Company will maintain accounts in Canadian, U.S. and Armenian currencies. The value of the Canadian dollar relative to the United States dollar and Armenian Dram is subject to fluctuations. Accordingly, the failure to adequately

manage foreign exchange risk could adversely affect the Company's business, financial condition and results of operations.

Certain directors and officers of the Company also serve as directors and/or officers of other companies. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest, in accordance with the procedures set forth in the BCBCA and other applicable laws.

The success of the Company is largely dependent on the abilities, experience, efforts and industry knowledge of its directors, officers and other key employees. The long-term loss of the services of any of these persons for any reason could have a material adverse effect on the Company's business, financial condition, results of operations or future prospects. There can be no assurance that the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business, and any failure to do so could have a material adverse effect on its business, financial condition, results of operations and future prospects.

The Company is also subject to possible political and/or military risk associated with Armenia's proximity to the disputed region of Nagorno Karabakh, also known as Artsakh. Nagorno Karabakh is a mountainous area located between Armenia and Azerbaijan that has been in dispute since the break-up of the Soviet Union in 1991. Military actions directed against the ethnic Armenian majority in Nagorno Karabakh have recently been undertaken by Azerbaijan.