Desert Gold Ventures Inc.

Form 51-102F1

Management's Discussion and Analysis

Year Ended December 31, 2025

Desert Gold Ventures Inc. (the “Company” or “Desert Gold”) is an exploration stage company and is engaged in the acquisition, exploration and development of mineral resource properties. The principal business of the Company is conducting mineral property exploration in Mali. The Company’s shares are traded on the TSX Venture Exchange (the “TSX-V”) under the symbol DAU and on the OTC market of the USA (OTCQB) under the symbol DAUGF.

The following management’s discussion and analysis (“MD&A”) is dated April 29, 2026, to provide an analysis of the Company’s business and operating results for the year ended December 31, 2025. All the amounts presented within this MD&A are in US dollars, unless specified otherwise. Readers are encouraged to review the Company’s statutory filings, including consolidated financial statements and other disclosure documents through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR+) at www.sedarplus.ca, or to review general information, including maps, on the Company’s website at www.desertgold.ca.

FORWARD-LOOKING INFORMATION

This MD&A contains “forward-looking information”, which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, its projects, exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining exploration, environmental risks, title disputes or claims and limitations of insurance coverage.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only to management’s views as of the date the statements were made. Often, but not always, forward-looking statements can be identified by words and phrases about the future, such as anticipate, expect, plan, intend, predict, goal, target, project, potential, strategy and outlook.

There are a number of factors that may cause results to vary considerably from these predictions, involving known and unknown risks and uncertainties. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual cost of conducting our exploration program may differ significantly from estimates; we may be adversely affected by foreign currency exchange rates or taxes, including fluctuations in the relative value of US and Canadian currency; we are subject to the risk inherent in variations in ore grade or recovery rates and commodity prices; equipment may fail; we may experience labour unrest, accidents and other risks inherent in mining; we may be subject to political risks in developing countries, insurrection or war; or delays in obtaining required permits, licenses and approvals. More specifically, although Desert Gold primarily operates in African countries with stable democratic governments with mining regulations in place, these countries may still be subject to political upheaval, such as military coups or rebel insurrection by factions within the country; we discuss geopolitical, economic and other such factors in more depth in the section entitled “Risks and Uncertainties” in this MD&A. Although Desert Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. The Company does not undertake or assume any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by securities law.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	***Assumptions***	***Risk factors***
The Company will need to raise additional funds to meet its long-term business objectives.	*The Company will continue its exploration and development activities in 2026*	*Unexpected downturn of the price of precious metal and the capital markets*

Corporate Update

Warrant exercise

During the year ended December 31, 2025, the Company issued 29,347,500 common shares for the exercise of the same number of the Company's warrants at CAD$0.08 per share for cash proceeds of $1,679,685. The Company also issued 500,000 common shares for the acquisition of an option of a mineral properties located in Ivory Coast.

Option grant

On March 28, 2025, and June 24, 2025, the Company granted 3,100,000 and 1,000,000 stock options respectively to directors, officers, and consultants. Each stock option is exercisable into one common share of the Company at an exercise price of CAD$0.08 until 5 years after issuance ranged from March 28, 2030 to June 24, 2030.   All options granted were fully vested when granted.

Exploration Update

Permits in Mali

Majority of the Company's exploration permits focused around key areas of interest in Mali (Figure 1).

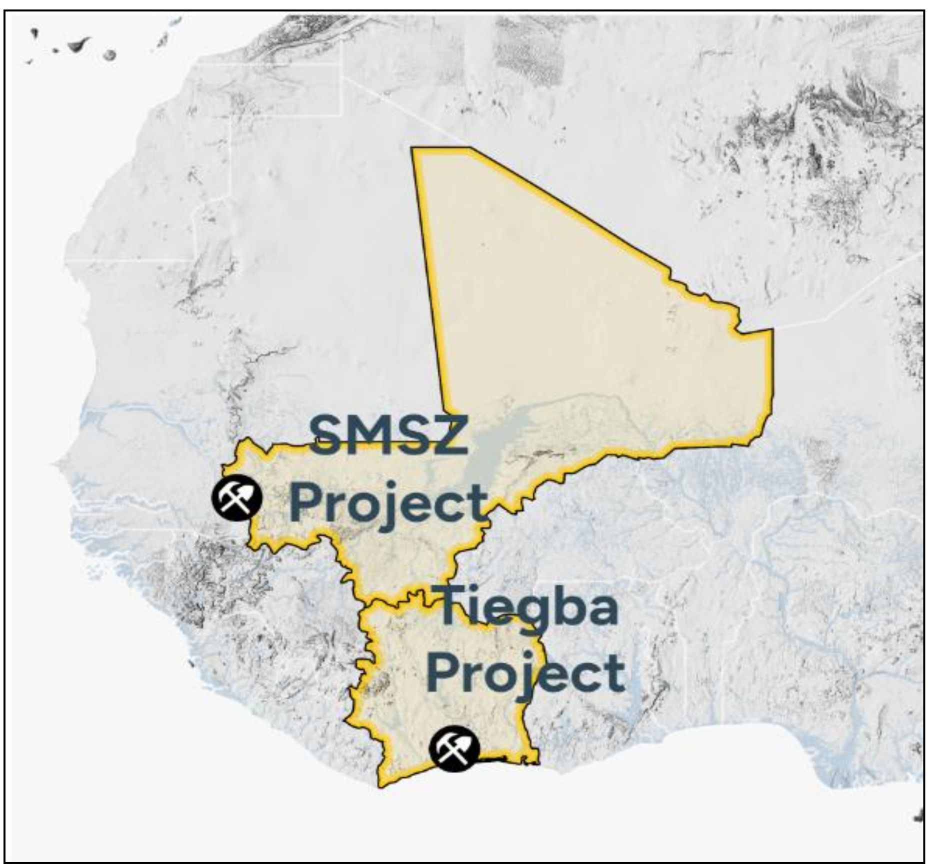

Figure 1. Map of West Africa – General Project Locations

We invite readers to visit our website at www.desertgold.ca to view details, including the exploration programs and results of Desert Gold's projects in Mali.

In Mali, the Company is exploring the Senegal Mali Shear Zone ("SMSZ") project. The SMSZ Project lies within in the Kenieba, Birimian-formation geological inlier along Mali's western border (see Figure 2).

In Mali, the mining code allows for the application and granting of an exploration permit, which is good for three years and can be renewed for two additional three-year terms. It is also common to be allowed to apply for and be granted a new exploration permit after the original permit expires if the company has incurred or predominantly incurred the required exploration expenditures and completed and filed all regulatory-required renewals and reports.

A mining permit (permis d'exploitation) may be granted for 12 years and is renewable for further periods of ten years until the mineral reserves have been exhausted. A mining permit may be granted to the holder of an exploration permit or a prospecting license. Holders of a mining permit are required to enter an agreement referred to as a "Convention d'Établissement" or "Mining Convention Agreement" with the Malian government prior to the commencement of exploration or mining activities and must begin work within three years. A non-dilutable 10% share is owned by the Malian government, which reserves the right to acquire an additional 30%.

Gold explorers and miners are subject to a tax called "Impôt Spécial sur Certains Produits (ISCO)" (Special Tax on Certain Products). An additional tax called "taxé ad Valorem" has a taxable base equal to the starting value of the tonnage extracted minus intermediary fees and expenses. This amount is equal to approximately a 3% net smelter return royalty ("NSR"). Gold and other precious metals are levied at a 3% royalty rate. There is also a Local Development Mining Fund (Fonds minier de développement local), funded by way of a combination of state funding – up to 20% of the royalties collected – and contributions from exploitation titleholders – up to 0.25% of their monthly turnover before tax or the value of the products extracted during the month.

During 2020, the Company completed two exploration programs on the SMSZ Project. The first program, which commenced in December 2019, was completed in March 2020, with drilling completed in January. The second exploration program commenced in late June and was completed in late July. Results from the drilling were released on August 31, 2020 with highlight drill intercepts of 3.09 grams per tonne ("g/t") gold over 25 metres and 2.54 g/t gold over 15 metres (~65% true width) from a hole at the Gourbassi East Zone.

In late 2020, the Company commenced it largest ever exploration program at the SMSZ. During 2021 the Company completed 21,051 metres of drilling (air core ("AC") and reverse circulation ("RC") and core), 21,111 metres of auger drilling, 90.8-line kilometres (or "km") of induced polarization ("IP") geophysical surveys, the collection of 7,703 soil samples and mapping/prospecting. The goal of the program comprised drilling to advance known gold zones and soil, auger and IP surveys to identify new targets, with real-time follow-up with drill testing of newly developed targets. The first phase of the program was competed by the end of July 2021.

Drilling resumed over the Gourbassi West North (or "GWN") target on the project in late December 2021 with 72 AC holes totaling 2,890 metres completed before year-end.

This program was followed up with a 98-hole 4,965.5 metre drill program, in April to June 2022, that focussed on the GWN Zone. In addition, two holes were drilled at Mogoyafara South, one hole at Linneguekoto West and one hole at Barani East zones.

In Q1 2023, the Company completed 445 auger holes totaling 2,067 metres over the Mogoyafara South Deposit area and the Kousilli West concession in the northwesternmost portion of the property. This work identified four new anomalous gold-in-auger trends proximal to the Mogoyafara Deposit that remain to be tested.

In Q2 and Q3 2023, Company staff completed select mapping, prospecting and site management on the project. Several new artisanal mining sites were noted, both over known areas of gold mineralization and in new areas. Insights gained from this work will likely lead to better drill targeting. As well, Desert Gold commissioned a hyperspectral satellite data review over the project area, which added over 80 new data layers. This work has led to both confirmation of some existing targets and the definition of a series of new exploration targets. Additional review will be carried out as time permits.

In Q4 2023, the Company developed a plan to complete a Preliminary Economic Assessment ("PEA") covering the oxide-gold portions of the Barani East and Gourbassi West deposits.

In Q1 2024, the Company completed 12 metallurgical core holes totaling 905 metres and 4 exploration core holes totaling 725 metres.

In Q2 2024, Desert Gold completed 71 AC and RC holes totaling 3.162 metres. The holes were completed over targets in the Mogoyafara South, Frikidi, Keniegoulou, Kolon and Soa areas (see Figure 4 for locations).

In Q3-Q4 2024, Desert Gold continued compiling the project's exploration data and assay results as received. Limited fieldwork was carried out over the breadth of the property to further document gold showings and track artisanal mine activities.

In Q1 2025, Desert Gold acquired, assessed, and integrated new geological data from Golden Rim Resources, including 1,419 soil samples, 1,042 prospecting samples, 2,393 trench samples, and RC drilling results focused on the Mogoyafara South and Linnguekoto West deposits. Fieldwork at Linnguekoto West refined the structural framework and verified 20 historical drill collars.

In Q2 2025, the Company completed a maiden Preliminary Economic Assessment for the Barani and Gourbassi oxide deposits and signed an option agreement to acquire a 90% interest in the 297 km² Tiegba Gold Project in Côte d'Ivoire. Additional fieldwork at Manakoto expanded the mineralized footprint to over 2 km and outlined multiple high-priority targets for future drilling.

In Q3 2025, Desert Gold's technical team completed surface geological mapping and prospecting across the southern sector of the SMSZ Project. This work increased overall surface mapping coverage to 60%, significantly improving the understanding of the project's structural framework and near-surface mineralization patterns.

In Q4 2025, The Company has released a positive updated on the Preliminary Economic Assessment for the Barani and Gourbassi oxide deposits which incorporates Gourbassi East Deposit.

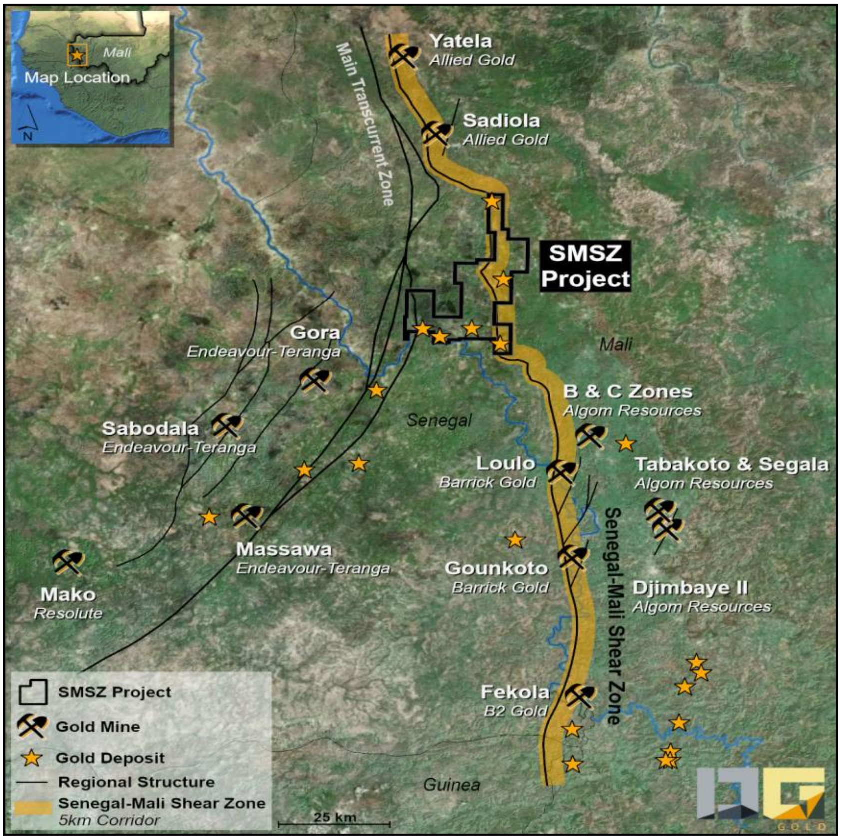

Figure 2. Location Map and regional setting of the SMSZ projects.

SMSZ Project

The SMSZ Project is centered 50 km south of the Sadiola Mine and spans both sides of the Senegal-Mali Shear Zone, which, regionally, is related to the Loulo, Gara, Sadiola, Yatela, Loulo, Gounkoto and Fekola gold mines (Figure 2). The property was previously explored by other companies, whose work delineated more than 18 zones of gold mineralization within the project area (Figure 3). Additional exploration opportunities include a significant number of gold-in-soil anomalies that need to be evaluated, and large, laterite-covered areas, associated with the SMSZ, which, in management's opinion, could hide a significant gold deposit. Exploration work has been carried out, and has been proposed, to test many of these exploration target areas.

As of the date of this report, the SMSZ project consists of a total of ten contiguous tenements (including a small-scale mining license over the Barani East Zone) totaling 440 km^2 (see Table 1, Figure 3). All tenements are governed by a standard Convention Minière detailing the fiscal and legal regime under which the exploration permits are granted. The project consists of the original 100% owned Farabantourou Concession area (now the Farabantourou West (Quest) permit and the Petit Mine permits). In Q3 2019, Desert Gold closed the acquisition of Ashanti Gold Corp. ("Ashanti") and the acquisition of two concessions, Kousilli West and Keniebandi East, from Mineral Management Consulting ("MMC"). A two-concession block (Djelimangara and Sebessounkoto) was acquired from Altus Strategies PLC ("Altus") in 2019, and option deals for the Linguekoto and Sola West concessions were also completed in late 2019 and 2020. In September 2021, the Company was granted the rights to the Kolomba Concession from the government. Desert Gold has been informed by its joint venture partners that it has met the option deal conditions and thus acquired 95% to 100% interest in the concessions.

Table 1. SMSZ concessions

Concession	Concession Granted/renewed	Size km^2	Ownership	Royalties/Other Ownership
Djelimangara (expired in 2021) and renewed as Kamana (i)	2022-10-21	55	100%	2.5% NSR to Altus with 1.5% buyable
Sebessounkoto Sud (iv)	2022-10-11	28	100%	2.5% NSR to Altus with 1.5% buyable
Keniebandi Est (ii) (iii)	2019-07-16	60	100%	2% NSR to MMC
Kousilli West (ii)(iii)	2018-12-07	44	100%	2% NSR to MMC
Petit Mine (iv)	2022-12-15	28	100%	-
Farabantourou West (Ouest) (ii) (iii)	2018-11-27	82.3	100%	-
Linnguekoto (ii) (iii)	2019-09-26	30	95%*	5% carried interest by Sud Mining SARL
Farikounda (ii)	2019-11-25	66.41	100%	
Sola Ouest (ii)	2020-12-31	15	100%*	2% to Harmattan with 1% buyable
Kolomba	2021-11-1	32	100%	-

(i) A new exploration permit, Kamana, was granted on October 21, 2022 as a replacement of the Djelimangara Permit.
(ii) Renewals in progress as of the date of this report.
(iii) The Company has paid for renewals and is waiting for final approval from the Mail government.
(iv) Renewed in 2022 and the second renewal is in progress.

Impact of change of Mali government to the Company's exploration and evaluation properties

In August 2020 and May 2021, a coup was staged by Mali's military resulting in the dissolution of the Malian government. Mali is currently governed by a transitional government. The Company's exploration activities have not been disrupted.

The Company's exploration and evaluation properties may potentially expose the Company to risks and different considerations in North America. The Company's ability to retain its exploration and evaluation properties, raise and deploy capital may be adversely affected by changes in governing regimes, policies, laws and regulations, all of which are beyond the Company's control.

In August 2023, the Mali interim government adopted a new mining code and, as part of their review of the mining sector, suspended the issuance and renewal of permits and exploration licenses.

Following the approval of the implementation decree by the Council of Ministers and the President of Mali, the new mining code is now functioning. Subsequently a number of agreements have been publicly announced by the Mali government and operating mining companies. In addition, in March 2025, the suspension of permit renewal has been partially lifted.

The Company has resumed discussion aimed at reaching agreements with the authorities and the renewal of the Company's exploration and evaluation permits that expired during the suspension period. Although the Company has taken steps to verify title to exploration and evaluation properties in which it has an interest, these procedures do not guarantee the Company's title. The success of the Company relies on the Company's ability to retain their titles, subject to prior agreements or transfers, and title may be affected by undetected defects.

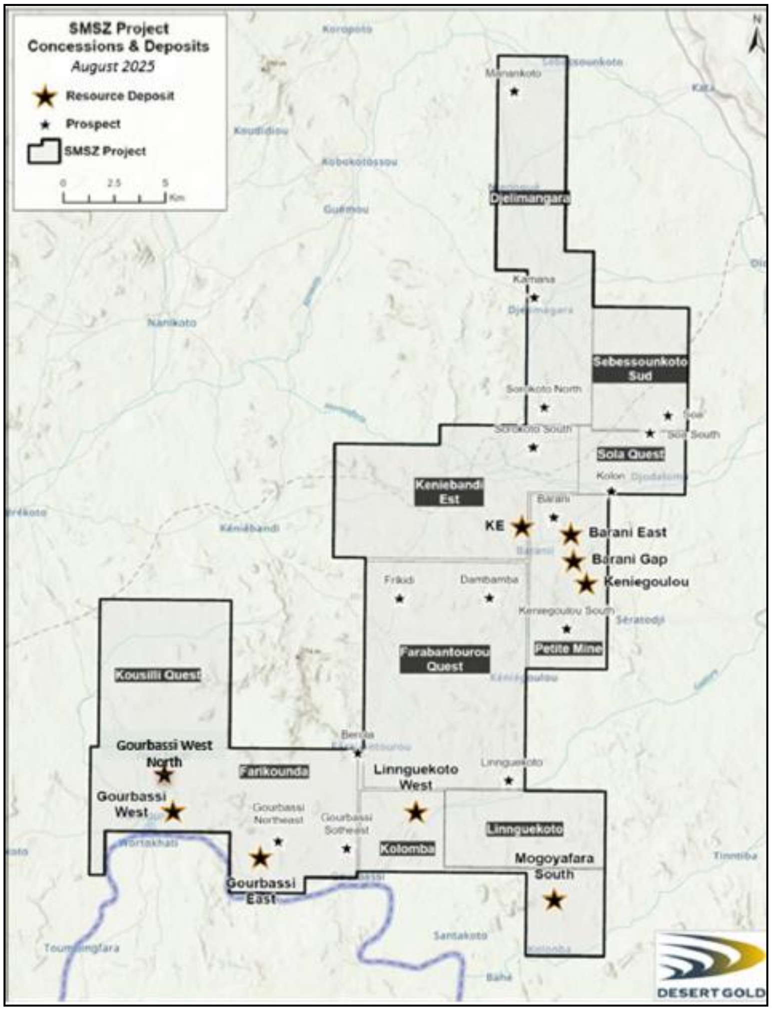

Figure 3. Concession Plan map

SMSZ 2020-2025 Exploration

2020

During 2020, the Company completed two exploration programs on the SMSZ Project, including soil geochemistry, geophysical surveys, auger drilling, and AC/RC/DD drilling. In total, 7,701 soil samples were collected, 90.8 line-km of gradient IP surveys were completed, and 42,162 metres of drilling (auger and AC/RC/DD) were undertaken.

This work resulted in the delineation of new gold-in-soil and auger anomalies, extensions to known mineralized zones, and the identification of new zones of gold mineralization, including the discovery of the Gourbassi West North Zone.

Follow-up soil sampling in previously untested areas along the western portion of the property defined a 6.5 km long, north-trending gold anomaly associated with the interpreted extension of the Main Transcurrent Fault Zone.

2021

In 2021, the Company completed 21,111 metres of auger drilling in 2,498 holes, generating 4,996 samples. Of these, 195 samples returned gold values greater than 50 ppb, including 48 samples exceeding 200 ppb, with a maximum value of 4,179 ppb gold. Most of these anomalies have been subsequently tested by AC drilling.

A summary of 2021 intercepts, by zone and target area, are presented in Figure 4.

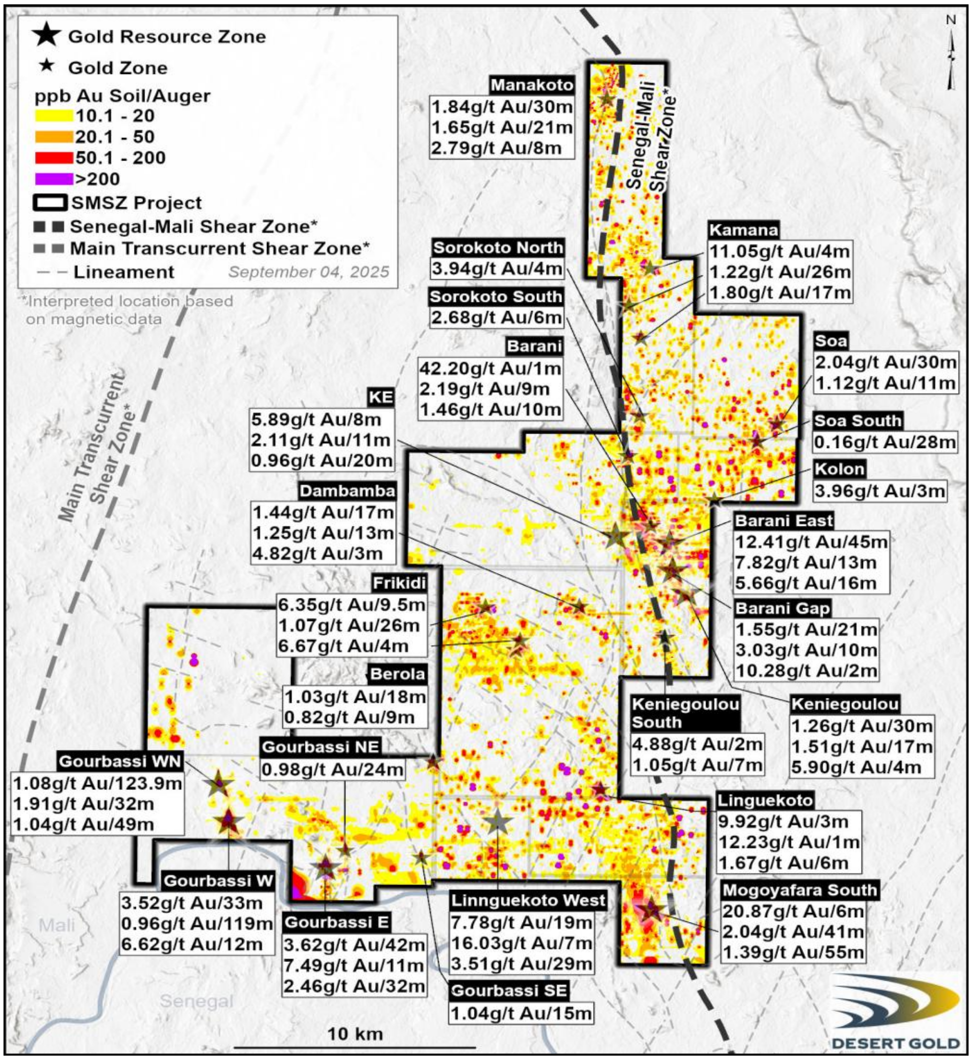

Figure 4. Plan Map Mineral Deposits and Zones, significant drill hole intercepts*, soil geochem summary on color-contoured analytical signal; magnetic data

*All gold grades over width, with the exception of the Soa, Berola and Gourbassi prospects, represent drill holes with the true widths, for most holes, ranging from 65 to 95%. Estimated true widths for the Soa and Berola prospects are unknown. Estimated true widths at the Gourbassi Zones are estimated to range from 60 to 90%.

2022

NI 43-101 Compliant Mineral Resource Estimate – Completed Q1 2022
An initial NI 43-101 compliant Mineral Resource Estimate for the SMSZ Project was completed by Minxcon with an effective date of January 12, 2022, and filed on SEDAR on March 3, 2022. The estimate incorporated multiple deposits, including Gourbassi West, Gourbassi East, Gourbassi NE, Linnguekoto West, Mogoyafara South, and Barani East.

The 2022 Mineral Resource comprised Measured and Indicated resources totaling 310,300 ounces of gold and Inferred resources of 769,200 ounces, constrained within conceptual open pits.

This initial resource formed the basis for subsequent exploration and evaluation work and has since been updated in 2025, with results to be presented in an updated Preliminary Economic Assessment (see News Release dated on Nov 25, 2025).

2022 Exploration Program
In 2022, the Company focused exploration activities on the Gourbassi West North ("GWN") Zone, completing 98 drill holes totaling 4,965.5 metres, primarily through AC, RC, and limited diamond drilling. Additional drilling was conducted at Linnguekoto West, Mogoyafara South, and Barani East.

Drilling at GWN confirmed a significant gold-bearing system extending over approximately 1.6–1.8 km along strike to depths of up to 175 metres, with multiple mineralized lenses identified. Results demonstrated continuity of mineralization and supported expansion of the zone.

Selective drilling at other zones returned encouraging results, including confirmation of mineralization at Linnguekoto West and Mogoyafara South, as well as high-grade intercepts from a metallurgical hole at Barani East, although the latter is considered non-representative for resource evaluation.

Preliminary metallurgical test work indicated variable recoveries, with strong results from Mogoyafara South and lower recoveries from GWN and Linnguekoto West, suggesting the need for further metallurgical optimization.

<u>2023</u>

2023 Exploration
In 2023, the Company completed 445 auger drill holes totaling 2,067 metres across the Mogoyafara South Deposit area and the Kousilli West concession. This work identified multiple new gold-in-auger anomalies, including a high-value result of 2,680 ppb gold within a broader 100-metre-wide anomalous zone. Several additional anomalous trends were delineated, including extensions along interpreted structural corridors associated with the Mogoyafara South Deposit and the Mali-Senegal Shear Zone, highlighting potential for mineralization beyond current resource limits.

At Kousilli West, auger drilling tested portions of a 9 km gold-in-soil trend and returned anomalous values, supporting continued exploration along this prospective corridor.

Additional metallurgical test work conducted on samples from the Gourbassi West North and Linnguekoto West zones confirmed previously observed low cyanidation recoveries, with results generally below 50%. Limited improvement was achieved through additional processing, indicating the need for alternative metallurgical approaches to optimize gold recovery.

<u>2024</u>

1H, 2024 Exploration

In the first half of 2024, the Company completed 16 diamond drill holes totaling approximately 1,630 metres, including 12 metallurgical holes and 4 exploration holes across the Gourbassi West, Gourbassi West North, Barani East, Frikidi, and Mogoyafara South zones.

Metallurgical drilling was focused on supporting ongoing engineering and evaluation work for the planned Preliminary Economic Assessment ("PEA"), including sample collection from oxide and transition material. Results confirmed the presence and continuity of mineralization within the targeted zones and will support updated geological models and resource wireframing for inclusion in the PEA.

Supporting work included updated mineralization wireframes and a drone survey to refine topographic data for mine planning and infrastructure design.

In the second quarter of 2024, an additional 65 AC and RC drill holes were completed across multiple targets, with assay results in 2H, 2024

2H, 2024 Exploration

During the second half of 2024, the Company received assay results from a 3,892-metre, 65-hole Phase 2 drill program completed across key targets at the SMSZ Project, including Mogoyafara South, Frikidi, Barani Gap, and the Kolon–Soa corridor. The program was designed to support resource expansion and advance technical inputs for the Preliminary Economic Assessment ("PEA").

Results confirmed multiple zones of gold mineralization and validated interpretations from earlier 2024 work, particularly at Mogoyafara South and Frikidi, where drilling returned locally higher-grade intercepts and supported potential extensions of mineralization.

At Barani Gap and along the Kolon–Soa corridor, drilling intersected moderate gold values within structurally complex zones, contributing to an improved understanding of mineralization controls. Additional drilling at Sola West and Sebessounkoto confirmed the continuity of the Barani East mineralized trend, although grades were generally lower.

Compilation, validation, and interpretation of the 2024 drill data remain ongoing for the rest of the year and supported the updated geological models, future targeting, and potential resource expansion across the SMSZ Project.

During Q3 and Q4 2024, the Company completed field verification, mapping, and re-logging of historical and recent drill data across the SMSZ Project to refine structural and lithological interpretations. This work improved the understanding of geological controls on mineralization and confirmed characteristics consistent with structurally controlled orogenic gold systems along the Senegal-Mali Shear Zone.

Targeted mapping at Gourbassi East and Mogoyafara identified key structural intersections and prospective corridors associated with mineralization, including areas that remain untested by drilling and represent priority targets for future programs.

Integration of structural, geological, and geochemical data has resulted in an updated geological model that will support ongoing drill targeting, resource modelling, and exploration planning.

Additional work included ongoing mapping across Barani East, Gourbassi West, and Mogoyafara South to further refine exploration targets for 2025.

Site infrastructure activities were also initiated at Barani East, including perimeter fencing of the economic zone, with completion expected in early 2025.

Metallurgical test work

Metallurgical test work is ongoing, with results expected to be released in conjunction with the Preliminary Economic Assessment ("PEA"), targeted for Q2 2025.

Concurrent with PEA-related activities, the Company is updating project datasets and refining gold target interpretations to support the prioritization of future drill targets.

<u>2025</u>

1H, 2025

In early 2025, the Company acquired and integrated historical exploration data from Golden Rim Resources, including soil sampling, trenching, and drilling datasets across the Mogoyafara South and Linnguekoto West areas.

At Mogoyafara South, trenching and drilling results confirm and locally extend mineralization beyond the current resource model, with indications of strike extensions to the north and south. These results support the potential for resource growth, subject to further validation and drilling.

At Linnguekoto West, historical work identified additional mineralized zones and geochemical anomalies south of the existing resource area. While some high-grade trench results were not consistently reproduced at depth, integrated mapping and data interpretation have improved the understanding of structural controls and identified priority targets for follow-up drilling.

The Company completed a review of historical QA/QC protocols and drill collar locations, with results indicating generally acceptable data quality, although some limitations remain, including incomplete datasets and limited verification of certain historical results.

Additional mapping and interpretation at the Manakoto area defined a >2 km mineralized corridor with multiple parallel trends, enhancing the overall exploration potential of the project.

The integration of these datasets has significantly improved geological and structural models and will support refined drill targeting, resource expansion opportunities, and future exploration programs across the SMSZ Project.

Tiegba Acquisition
In June 2025, the Company entered into an option agreement to acquire up to a 90% interest in the 297 km² Tiegba Gold Project in Côte d'Ivoire. The Project is located within the Tehini Greenstone Belt and hosts a ~4.2 km long gold-in-soil anomaly associated with the Tehini Shear Zone.

Historical exploration is limited and has not included drilling, and no mineral resource estimates have been defined. The Project is considered prospective for structurally controlled gold mineralization and represents an early-stage exploration opportunity.

The Company plans to advance the Project through data validation, geochemical sampling, mapping, geophysical surveys, and initial drill testing of priority targets.

2H 2025

Revised PEA, August
In August 2025, the Company released a maiden Preliminary Economic Assessment ("PEA") for the SMSZ Project in Mali, focused on oxide and transitional mineralization from the Barani and Gourbassi deposits.

The PEA outlines a phased, open-pit mining operation with an initial processing rate of approximately 220,000 tonnes per annum and a mine life of over 17 years. The mine plan includes approximately 113,500 ounces of contained gold, with 97,600 ounces of recoverable gold based on an average metallurgical recovery of 86%.

At a base-case gold price of US$2,500/oz, the project demonstrates an after-tax NPV (5%) of approximately $24 million and an IRR of 34%, with a payback period of approximately 3.25 years. Sensitivity analysis at higher gold prices indicates improved project economics.

The PEA is based on a subset of the current Mineral Resource Estimate, incorporating oxide and transitional material from select deposits. A significant portion of the overall resource, including sulfide mineralization and additional deposits, remains excluded from the mine plan and represents potential upside, subject to further drilling and technical studies.

Metallurgical test work supports a conventional processing flowsheet incorporating gravity recovery and carbon-in-leach (CIL), with oxide and transitional material demonstrating generally favourable recovery characteristics.

***The PEA was subsequently updated in November 2025, and the results of that update supersede the initial study released in August 2025.**

2H, Exploration

Initiated in Q3 2025, the field data collection program was interpreted during Q4 2025. The combined objectives of the new field data and the historical data review were to characterize the property-scale geology and mineralization setting, thereby supporting the design of an efficient, staged exploration program focused on high-priority targets for discovery and resource growth. This review delineated three principal mineralized corridors within the SMSZ Project, defined by structurally favourable traps and coherent geochemical anomaly footprints: 1) The Gourbassi Gold Corridor; 2) The Mogoyafara-Linnguekoto-Frikidi Corridor; and 3) The Barani-Manakoto corridor and Kolon-Soa corridor.

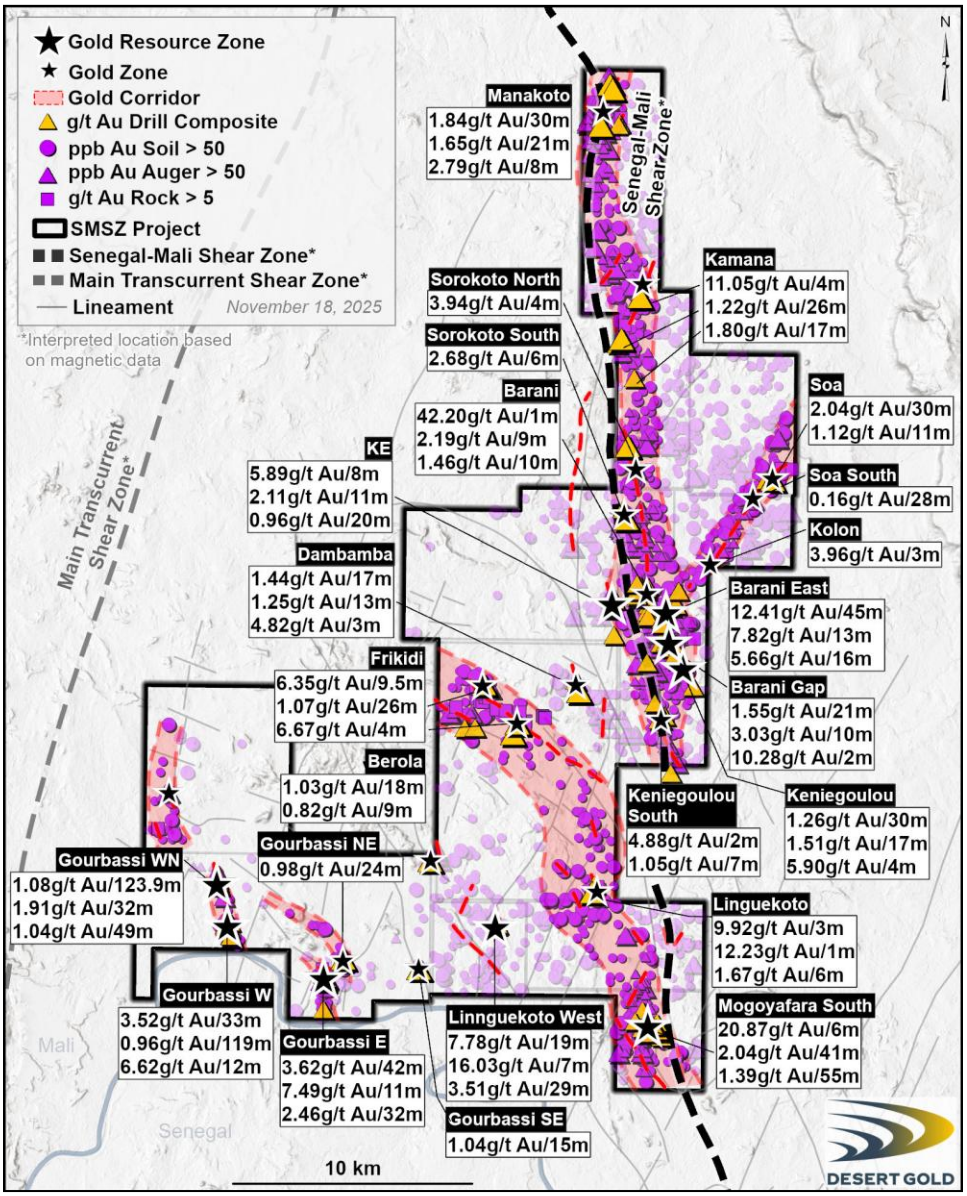

Figure 5: SMSZ Project – Gold Corridors with Major Occurrences, Summary Drill and Geochemistry Results

1) Gourbassi Corridor

The Gourbassi Gold Corridor is a ~10 km long, shear-parallel structural zone trending NW to N–S, offset by ENE–E–W cross-structures indicative of a transpressional regime. The corridor shows a strong spatial relationship between gold-in-soil anomalies, mapped quartz-vein arrays, and existing resource footprints at Gourbassi East, Gourbassi West, and Gourbassi West-North. Undrilled right-step jogs, fold hinges, and overlapping soil-geochemical anomalies represent immediate opportunities for additional resource and new discovery potential. At Gourbassi area, surface geochemistry, drill results and structural interpretation indicate that the mineralized trend remains open to the north and south, with several undrilled gaps along strike. Proposed exploration programs will aim to test these extensions and strengthen continuity between the two resource zones.

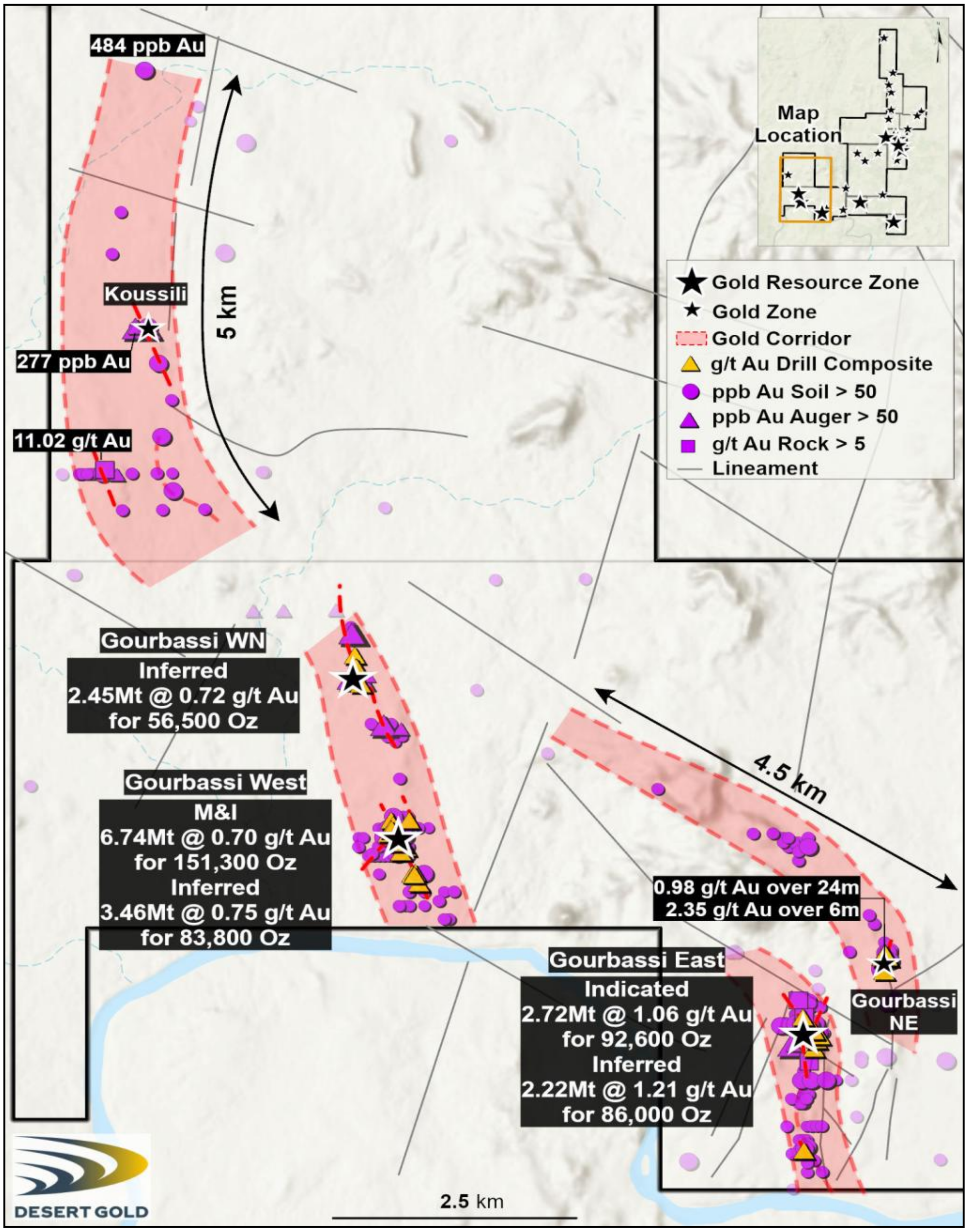

Figure 6: SMSZ Project – Gourbassi Gold Corridor with Key Deposits, Integrated Drill and Surface Geochemistry Results

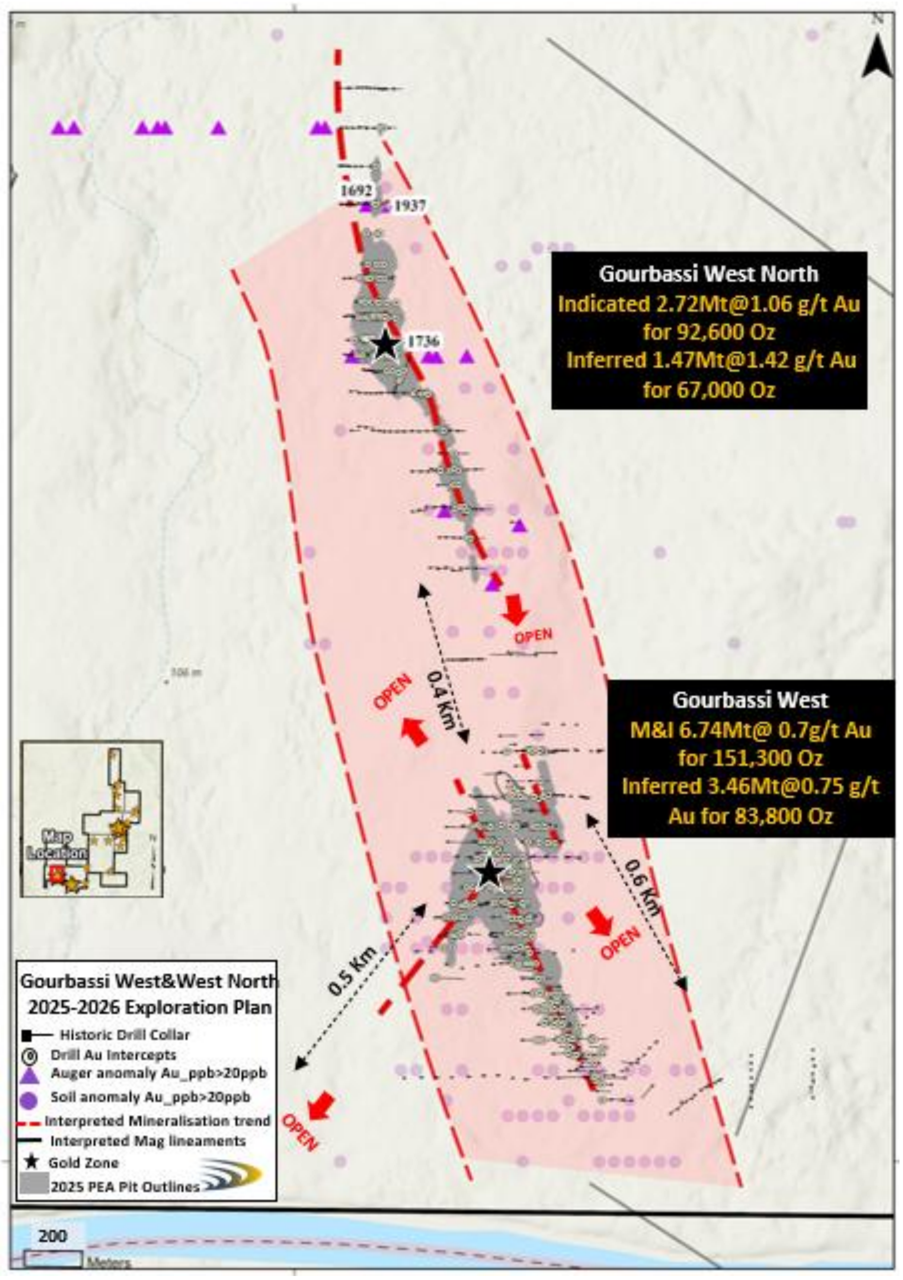

Figure 7: SMSZ Project – Gourbassi Corridor – Resource Footprints and Exploration Targets

2) Mogoyafara-Linnguekoto-Frikidi Corridor

The Corridor lies within the Birimian crustal-scale gold-bearing, the Senegal Mali Shear Zone (SMSZ) and extends over ~20 km in strike length. It is a structurally complex zone with multiple shear zones, folding, and interpreted gold zones represented by high-density of soil and auger anomalies > 50 ppb Au, rock chips top grading > 100 g/t Au. The Mogayafara-Linnguekoto-Frikidi Corridor represents a strategic location which robust geochemical & structural support indicate clear path to resource growth and discovery.

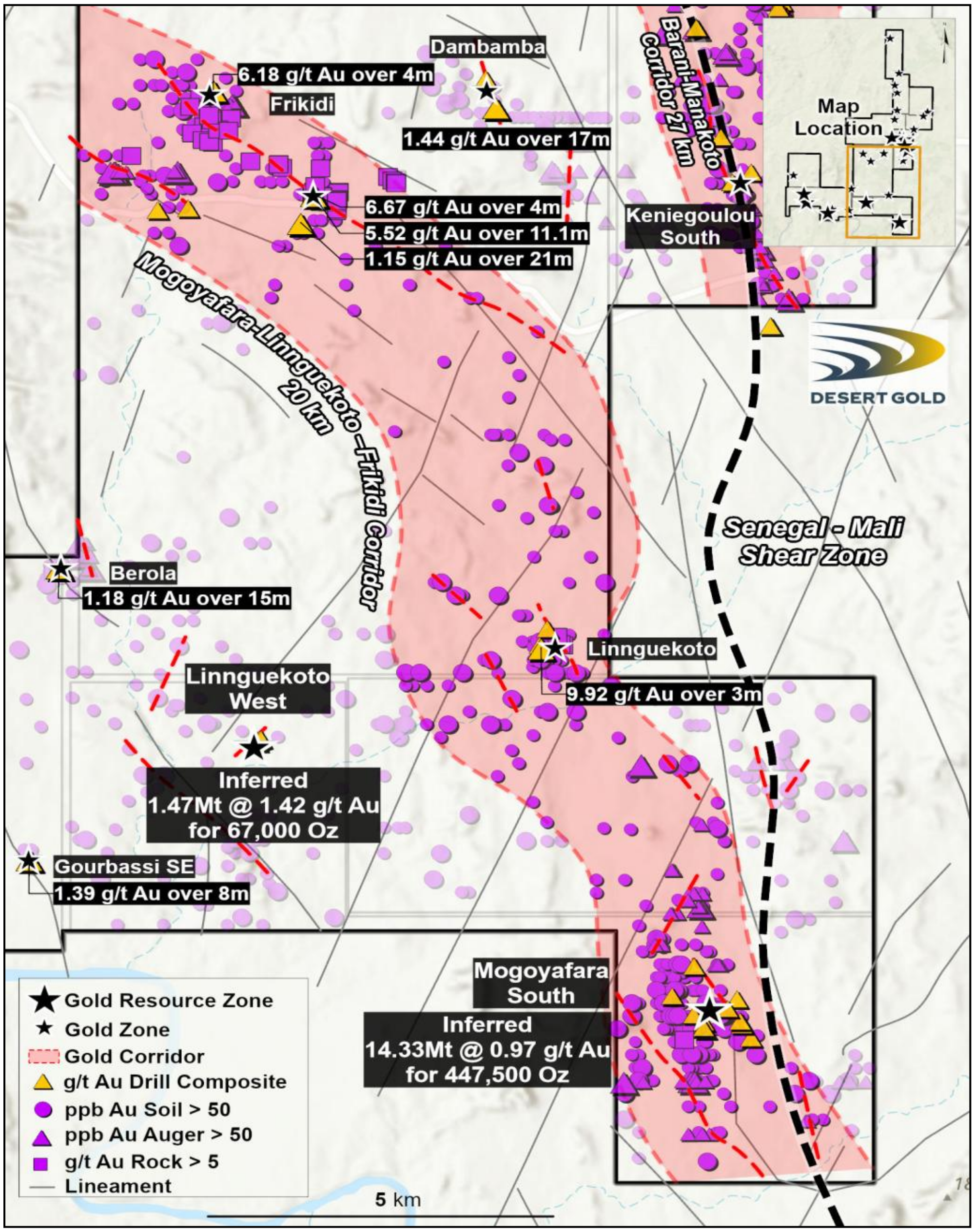

Figure 8: SMSZ Project – Mogoyafara-Linnguekoto-Frikidi Gold Corridor with Key Deposits, Integrated Drill and Surface Geochemistry Results

Gold mineralization within the Mogoyafara–Linnguekoto–Frikidi corridor is primarily developed in dilation zones formed at the intersection of bedding and shear-related structures. Mapping, drill results and geophysical interpretation outline multiple mineralized trends with down-plunge orientations, supporting the potential for continuous ore shoots at depth. Several target areas along the corridor remain undertested, particularly where structural intersections coincide with artisanal workings, and extensional veins intersecting bedding and/or fold flexure zones. These zones represent priority targets for follow-up drilling.

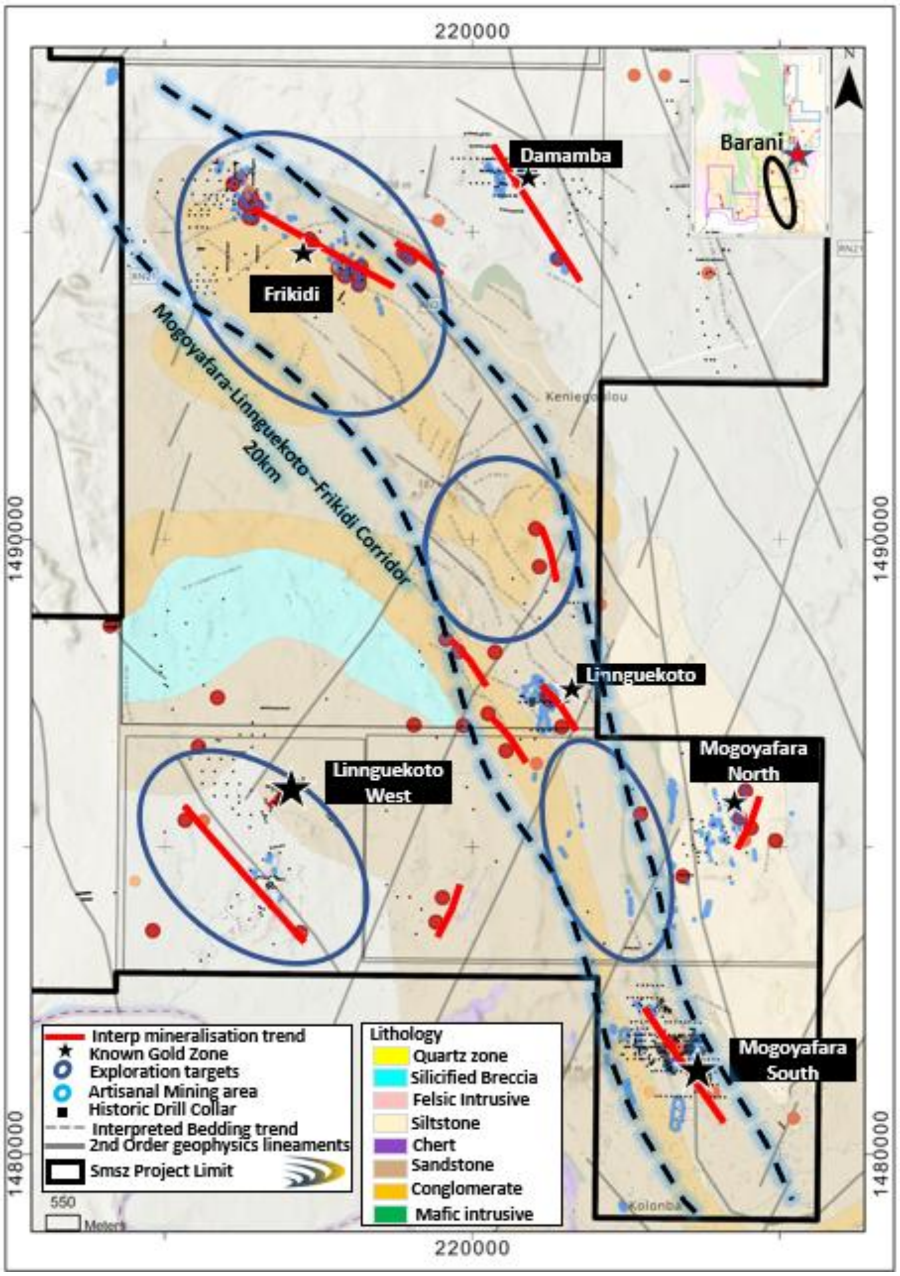

Figure 9: SMSZ Project – Mogoyafara–Linnguekoto–Frikidi Corridor – Interpreted Mineralization Trends and Priority Exploration Targets

3) Barani-Manakoto corridor and Kolon-Soa corridor

The Barani–Manakoto Corridor extends over 27 km along the Senegal–Mali Shear Zone (SMSZ) while the Kolon–Soa Corridor ~8 km is the eastern splay corridor at structural intersections and flexures between NE-trending and N–S shear zones. underexplored despite significant drill intercepts and favorable geometry the corridor offers potential for new resource zones; The Barani–Manakoto and Kolon–Soa Corridors indicate a large-scale. With proven resource footprints and multiple untested structural intersections, the corridor offers a clear path for near-term drilling and future development.

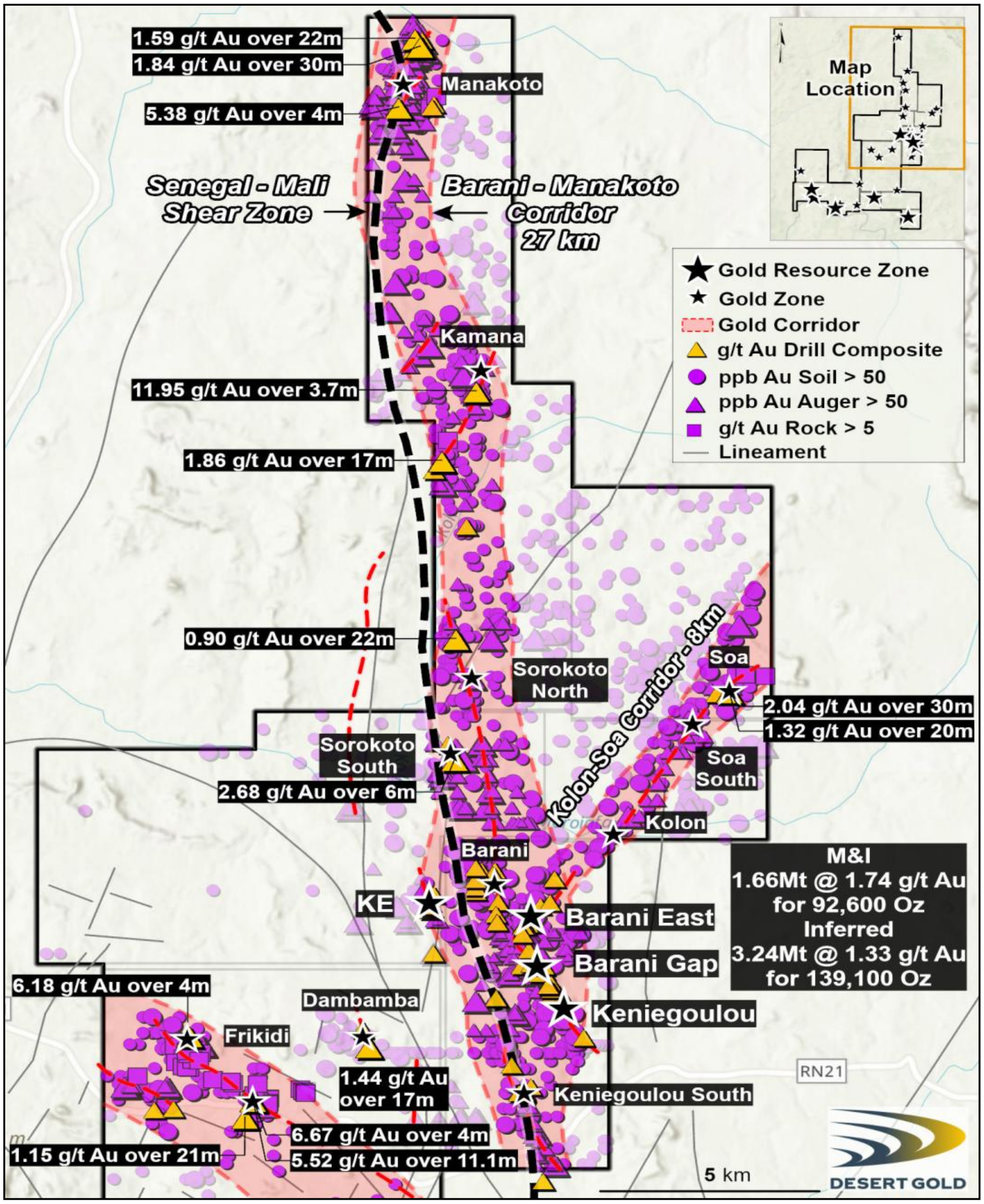

Figure 10: SMSZ Project – Barani Gold Corridors with Principal Mineral Occurrences and Integrated Drill and Geochemical Results

Mineralization is primarily localized along the main N–S shear corridor and at intersections with NE- and WNW-trending vein sets. Additional gold zones occur where NE structural lineaments cross the SMSZ. These patterns indicate that structural intersections, cross-cutting vein trends, and late-stage reactivation represent the key controls on mineralization. The Barani–Manakoto corridor displays characteristics consistent with a Yalea-style SMSZ orogenic system, with ore shoots expected where NE structures intersect N–S shear segments.

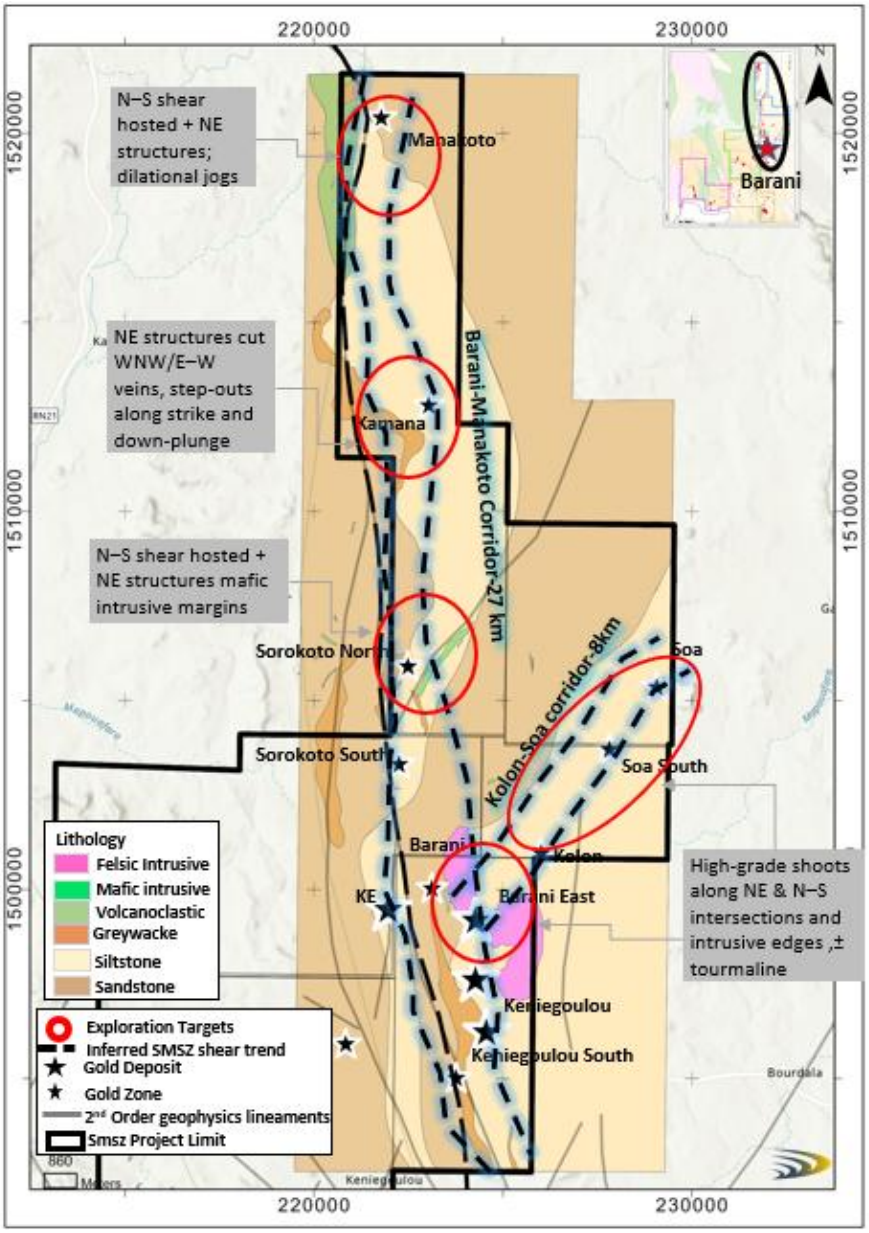

Figure 11: SMSZ Project – Barani Gold Corridors - Highlighted Gold Exploration Targets and Structural Controls

Preliminary Economic Assessment Update, released November 25, 2025

Desert Gold Ventures has released a positive maiden Preliminary Economic Assessment (PEA) update for its 100%-owned SMSZ Gold Project in western Mali, focused on the Barani and Gourbassi oxide-gold deposits (News Release November 25th, 2025).

The updated PEA incorporates the Gourbassi East Deposit and outlines a significant expansion of the open-pit oxide operation. Projected production increases from 18,300 tonnes per month to 36,000 tonnes per month representing an increase in planned throughput from 220,000 tpa to 432,000 tpa. The updated mine plan contains 130,700 ounces of gold, up 15% from the previously reported 113,500 ounces, with an estimated 113,100 ounces recovered, an increase of 16% compared to the prior 97,600 recovered ounces.

At a base-level gold price of USD $2,850/oz, after-tax Net Present Value (NPV) at 10% discount rate increases from USD $24 million to USD $61 million (+154%), while IRR improves from 34% to 57% and payback shortens from 3.25 to 2.5 years.

At the current spot gold price of USD $4,070/oz (at the time of the news release), after-tax NPV10% rises from USD $54 million to USD $124 million (+130%), with IRR increasing from 64% to 101% and payback improving from 2.5 to 2.1 years.

Average metallurgical recovery has improved slightly from 86% to 87%. The updated scenario supports a steady-state, higher-throughput operation over a 10-year mine life compared to the >17-year schedule presented in August 7th release.

The mining plan is still designed to be broken out into two phases, starting with open-pit operations at Barani East before transitioning to the Gourbassi deposits. A modular gravity and CIL processing plant will be commissioned at Barani for the first phase of production and later moved to Gourbassi as operations shift. This staged approach helps keep initial capital costs low, avoids duplicating infrastructure, and allows the Company to unlock value from multiple oxide gold zones across the SMSZ Project in a flexible and cost-effective manner.

Table 2: Preliminary Economic Assessment Update Highlights for Barani and Gourbassi Combined

2025 SMSZ Updated Preliminary Economic Assessment (PEA) Highlights (Barani & Gourbassi Combined)	
Production	
Mine Life (years)	10.0
Total Gold Production (oz)	130,700
Average Annual Gold production (oz)	11,400
Total mineralized mine (kt)	4,239
Total waste mined (kt)	11,040
Total material mined (kt)	15,278
Total waste-to mineralization ratio	2.60
Average gold grade (g/t)	0.96
Gold process recovery (%)	87
Average Process Plant Throughput (ktpm)	36
Operating Costs	
Mining costs per tonne (Total Material)	$2.80
Mining cost per tonne (Mineralization)	$2.96
Mining cost per tonne processed	$10.10
G&A cost per tonne processed	$5.80
Processing cost per tonne processed	$13.90
Total Cash cost per tonne processed	$29.70
Total Cash cost (per ounce sold)	$1,114
Mine site all in sustaining cost (per ounce sold)	$1,137
Capital Costs	
Initial Capital Expenditure (Initial Capex)	$20.4 M
Sustaining Capital Expenditures[1]	$15.8 M
Net Reclamation costs (cost less salvage value)	$0
Total Capital Expenditure – Life of Mine	$36.5 M
Total Capital Expenditure (per ounce sold)- life of mine	$323/oz
Base Case Economic Assessment: $2,850/oz Gold Price	
IRR (after tax)	57%
NPV @0% Discount rate (millions, after tax)	$126 M
NPV @10% Discount Rate (millions, after tax)	$61 M
Payback (years)	2.50
Economic Assessment: $4,070/oz Gold Price (as of Nov.24, 2025)	
IRR (after tax)	101%

NPV@0% Discount Rate (millions, after tax)	236 M
NPV @10% Discount Rate (millions, after tax)	124 M

Updated Total Mineral Resource Estimate for SMSZ

The current PEA evaluates only oxide and transitional material from optimized open pits at Barani East, Barani Gap, Gourbassi West, Gourbassi West North and Gourbassi East, contributing to 130,700 oz of contained gold and 113,100 oz based on an average grade of 0.96 g/t Au at an average 87% projected metallurgical recovery. Several smaller pits were excluded and may be assessed in future evaluations.

The broader SMSZ Resource totals 11.12 Mt at 0.94 g/t Au (336,800 oz) M&I and 27.16 Mt at 1.01 g/t Au (879,900 oz) Inferred at a 0.2 g/t Au cutoff. Significant sulfide resources (45% of the MRE at Barani and Gourbassi) were not incorporated into the PEA. The five main deposits contain ~648 Koz across all oxidation states, of which ~285 Koz are oxide and transitional material relevant to this study.

Key targets such as Mogoyafara South, Linnguekoto West and Keniegoulou remain outside the current pit shells, leaving more than 1 Moz of gold unmined and representing clear potential for future expansion.

Table 3: Total Mineral Resource Update for SMSZ Project
**Only the highlighted resource blocks, specifically those within the Gourbassi West, Gourbassi West North, Gourbassi East, Barani Gap and Barani East oxide/transitional zones, are incorporated into the current PEA mine plan. All other resources, including sulfide material and smaller or deeper pits, are excluded from the economic analysis at this current stage.

<table>
<tr><th rowspan="2">Mineral Resource Category</th><th rowspan="2">Project</th><th rowspan="2">Project Sub Division</th><th>Tonnes (In Situ)</th><th>Gold Grade</th><th colspan="2">Gold Content</th></tr>
<tr><th>Mt</th><th>g/t</th><th>kg</th><th>oz</th></tr>
<tr><td rowspan="3">Measured</td><td>Gourbassi</td><td>Gourbassi West</td><td>2.46</td><td>0.78</td><td>1,920</td><td>61,600</td></tr>
<tr><td>Barani</td><td>Barani East</td><td>0.68</td><td>2</td><td>1,360</td><td>43,900</td></tr>
<tr><td colspan="2">Total Measured</td><td>3.14</td><td>1.05</td><td>3,280</td><td>105,500</td></tr>
<tr><td rowspan="4">Indicated</td><td rowspan="2">Gourbassi</td><td>Gourbassi East</td><td>2.72</td><td>1.06</td><td>2,880</td><td>92,600</td></tr>
<tr><td>Gourbassi West</td><td>4.28</td><td>0.65</td><td>2,790</td><td>89,700</td></tr>
<tr><td>Barani</td><td>Barani East</td><td>0.98</td><td>1.56</td><td>1,520</td><td>49,000</td></tr>
<tr><td colspan="2">Total Indicated</td><td>7.98</td><td>0.9</td><td>7,190</td><td>231,300</td></tr>
<tr><td colspan="3">Total M&I</td><td>11.12</td><td>0.94</td><td>10,470</td><td>336,800</td></tr>
<tr><td rowspan="8">Inferred</td><td>Mogoyafara</td><td>Mogoyafara South</td><td>14.33</td><td>0.97</td><td>13,920</td><td>447,500</td></tr>
<tr><td>Linnguekoto</td><td>Linnguekoto West</td><td>1.47</td><td>1.42</td><td>2,080</td><td>67,000</td></tr>
<tr><td rowspan="3">Gourbassi</td><td>Gourbassi East</td><td>2.22</td><td>1.21</td><td>2,670</td><td>86,000</td></tr>
<tr><td>Gourbassi West</td><td>3.46</td><td>0.75</td><td>2,610</td><td>83,800</td></tr>
<tr><td>Gourbassi West North</td><td>2.45</td><td>0.72</td><td>1,760</td><td>56,500</td></tr>
<tr><td rowspan="3">Barani</td><td>Barani East</td><td>1.24</td><td>1.38</td><td>1,710</td><td>55,100</td></tr>
<tr><td>Barani Gap</td><td>1.07</td><td>0.88</td><td>940</td><td>30,200</td></tr>
<tr><td>Keniegoulou</td><td>0.46</td><td>2.4</td><td>1,090</td><td>35,200</td></tr>
</table>

Mineral Resource Category	Project	Project Sub Division	Tonnes (In Situ)	Gold Grade	Gold Content	
			Mt	g/t	kg	oz
		KE	0.47	1.23	580	18,600
Total Inferred			**27.16**	**1.01**	**27,370**	**879,900**

1. Cut off grade applied at 0.2 g/t
2. No Geological loss has been applied
3. This resource is redrived from the base case study using $2,850/oz
4. Mineral Resources are stated inclusive of Mineral Reserves
5. Mineral Resources are reported as total Mineral Resources and are not attributed
6. Columns might not add up due to rounding
7. Inferred Mineral Resources have a low level of confidence and while it would be reasonable to expect that the majority of the inferred Mineral Resources would upgrade to Indicated with continued exploration, due the uncertainty of the Inferred Mineral Resources, it should not be assumed that such upgrading will occur.

The newly updated Preliminary Economic Assessment reflects the combined impact of higher throughput in the updated mine plan, improved metallurgical performance, and the strong leverage of the project to higher gold prices. Relative to the August 7 scenario this PEA update demonstrates a material uplift in value and a more rapid capital recovery profile. The expanded operational scale and significant sensitivity to gold price reinforce the project's potential as a high-margin, robust oxide development opportunity.

Côte d'Ivoire – Tiegba Project Updates
As part of its ongoing permitting activities in Côte d'Ivoire, the Company continued to advance the application process for the Tiegba exploration licence. In alignment with regulatory requirements and land-use constraints, the permit boundaries were adjusted accordingly. Following the administrative review, the mining authorities confirmed that the application is compliant and may now proceed through the final steps toward potential permit issuance.

Highlights and Next steps

During H2 2025, integration of newly acquired and historical datasets significantly refined the geological and structural framework across the SMSZ Project, supporting updated resource models and identifying additional high-priority exploration targets across key corridors, including Gourbassi, Mogoyafara–Linnguekoto–Frikidi, and Barani–Manakoto.

The updated Preliminary Economic Assessment for the Barani–Gourbassi deposits reinforced a phased, low-capex development approach supported by favourable metallurgy and project economics.

SMSZ Project - Mali
The Company's immediate focus is to advance the Project through a targeted and staged drilling strategy aimed at testing extensions of known mineralization and high-priority undrilled structural targets within the first half of 2026. Ongoing integration and refinement of geological and 3D models will support resource growth, improved targeting efficiency, and optimization of future exploration programs.

Additional technical work, including geotechnical assessments, are being evaluated to further optimize pit design and development parameters at Barani East. In parallel, the Company continues to evaluate financing alternatives to support advancement toward development.

Tiegba Project – Cote d'Ivoire
Progress during Q4 2025 advanced the Tiegba Project through permitting and initial technical evaluation, confirming the presence of multiple prospective corridors within a favourable Birimian structural setting.

The Company's near-term objective is to complete permitting and advance the Project toward first-pass field programs, including geochemical sampling, mapping, and target definition, with the goal of generating drill-ready targets

SUMMARY OF EXPLORATION EXPENDITURES

Exploration expenditures incurred the years ended December 31, 2025 and 2024 are as follows:

	2025		2024	
	SMSZ	TGP	SMSZ	TGP
	$	$	$	$
Option payment		197,646	-	-
Permit renewal and maintenance	16,150	-	64,584	-
Drilling	-	-	588,238	-
Geo-analysis (i)	347,431	-	93,594	-
Camp supplies, exploration and office	137,570	-	393,773	-
Labour and consulting	221,167	-	394,494	-
Total	722,318	197,646	1,534,683	-

(i) The Company incurred higher geo-analysis for the PEA released during the current year.

SELECTED ANNUAL INFORMATION

	2025	2024	2023
	$	$	$
Total revenue	-	-	-
Loss from operations	(1,789,598)	(2,479,674)	(984,929)
Loss per share, basic and diluted	(0.01)	(0.01)	(0.01)
Total assets	494,924	359,448	299,084
Total non-current financial liabilities	(8,174)	-	-
Dividend declared per share	-	-	-

Loss in 2023 was less as the Company incurred less exploration during that year.

SUMMARY OF QUARTERLY RESULTS

Following are the Company's quarterly information of the Company's most recent eight quarters ended on:

	31-Dec-25	30-Sep-25	30-June-25	31-Mar-25
	$	$	$	$
Revenue	-	-	-	-
Net loss	(525,903)	(273,927)	(514,348)	(475,420)
Loss per share, basic and diluted	(0.01)	(0.00)	(0.00)	(0.00)

	31-Dec-24	30-Sep-24	30-June-24	31-Mar-24
	$	$	$	$
Revenue	-	-	-	-
Net loss	(668,176)	(377,475)	(723,960)	(710,063)
Loss per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)

The Company is in the business of exploration and development of resource properties; thus, the income and loss are not subject to seasonal fluctuations. The fluctuation of the Company's loss is directly related to the amount of exploration work done in each quarter, as well as the occurrence of incidental events, such as disposition of the Company's assets or issuance of stock options to employees and consultants. Management expects the Company's quarterly results may fluctuate in the future with the amount of actual exploration done and with the occurrence of any incidental events (e.g., acquisition of mineral interests) that may happen in the future.

DISCUSSION OF OPERATIONS

Years ended December 31.	**2025**	**2024**
	$	$
Amortization and accretion	5,614	1,275
Investors and shareholders relationship	186,970	228,752
Office, occupancy, travel, and administration(i)	188,744	103,327
Professional and consulting fees	435,717	443,445
Prospecting rights and exploration (ii)	919,964	1,534,683
Share-based compensation (iii)	174,988	121,916
Transfer agent and listing fees	33,232	46,276
Loss before the following:	(1,945,229)	(2,479,674)
Gain from disposition of an exploration permit (iv)	115,000	-
Gain on extinguishment of accounts payable	40,631	-
Net loss	(1,789,598)	(2,479,674)

(i) The Company's management/technical team incurred extra travelling costs during 2025 for meeting with potential investors, and for reviewing the TGP located in Ivory Coast.

(ii) Expenditures of exploration activities varies from time to time depending on the progress of the Company's exploration program.

(iii) Share-based compensation has changed from time to time depending on the timing of options granted and vested.

(iv) Gain from disposition of exploration and evaluation assets are incidental and non-recurring in nature.

Three months ended December 31.	**2025**	**2024**
	$	$
Amortization and accretion	5,614	111
Investors and shareholders relationship	176,752	174,102
Office, occupancy, travel, and administration	76,632	50,756
Professional and consulting fees	128,018	163,476
Prospecting rights and exploration (v)	123,492	262,119
Share-based compensation	47,772	(1,393)
Transfer agent and listing fees	7,754	21,732
Loss before the following:	(566,034)	(670,903)
Gain from disposition of an exploration permit	(500)	-
Gain on extinguishment of accounts payable (vi)	40,631	-
Net loss	(525,903)	(670,903)

(v) Expenditures of exploration activities varies from time to time depending on the progress of the Company's exploration program.

(vi) Gain on extinguishment of accounts payable *are incidental and non-recurring in nature.*

During the year ended December 31, 2025, the Company used $1.67 million in operations, which was financed by the receipt of $1.68 million from the issuance of common shares for warrants exercised and the receipt of $115,000 from the disposition of an exploration permit the Company ceased to work on in prior year.

The Company expects to secure additional equity financing to finance more exploration expenditure and operating expenses in the next twelve months.

LIQUIDITY AND CAPITAL RESOURCES

The Company is not subject to external capital commitments.

On December 31, 2025, the Company had a working capital of $0.24 million. During the first quarter of 2026, the Company raised C$7.2 million ($5.16 million) through a private placement by issuance of 90,147,500 security units in order to improve the liquidity and to finance the operations in 2026.

The Company realizes that resources on hand is not adequate to finance the Company to achieve its long-term business goals. The Company intends to raise additional capital through equity or long-term debt financing in the future to finance the Company's future operations. Even though the Company has a history of raising funds when needed in the past, there is no guarantee that the Company can do so in the future.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

TRANSACTIONS WITH RELATED PARTIES

(a) Transactions with key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers. The aggregate values of transactions relating to key management and companies related to key management are as follows:

Years ended December 31,	**2025**	**2024**
	$	$
Consulting fees	234,612	248,149
Rent	17,170	17,521
Geo-analysis (i)	13,434	-
Share-based compensation	52,390	98,696

(i) A company related to a director provided geo-related consulting services to the Company during the year ended December 31, 2025.

The Company issued 1,250,000, and 937,500 common shares respectively on warrant exercise to two entities related to a Company's director at CAD$0.08/share. The warrants were exercised in accordance with their original terms and conditions. The total proceeds received by the Company from the exercise amounted to $125,000 (CAD$175,000).

b) Balances due to related parties

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment. The Company's accounts payable and accrued liabilities included the following balances owing to related parties:

Due to related parties	**Nature**	**December 31, 2025**	**December 31, 2024**
		$	$
Directors and officer	Consulting fees	11,855	9,425

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments:

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure as far as possible that it will always have sufficient cash on demand to meet its liabilities when they fall due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company is subject to liquidity risk.

Interest rate risk

As at December 31, 2025, the Company did not have any significant exposure to the risk of changes in market interest rates, as the Company did not have any financial instruments that are exposed to changes in interest rates.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from optionees and investment securities.

The potential concentration of credit risk consists solely of cash. The Company limits its counterparty exposures from its cash by only dealing with well-established financial institutions of a high-quality credit standing. The maximum exposure to credit risk is represented by the carrying amount of each financial asset on the consolidated statement of financial position.

At the reporting date most of the Company's cash resources were deposited with reputable established financial institutions. As a result, management believes the Company is not exposed to significant credit risk due to the credit worthiness of these counterparties.

Foreign currency risk

Foreign currency risk arises from holdings of financial assets and liabilities in currencies other than the functional currency to which they relate. The Company has not hedged the foreign currency risk.

As of December 31, 2025, a 10% change in the foreign exchange rate between the US and CAD dollars would have an impact of $30,000 (2024/12/31 - $29,000) to the Company's other comprehensive loss.

Classification of Financial Instruments

Financial instruments included in the consolidated statement of financial position are as follows:

		December 31, 2025	December 31, 2024
		$	$
Cash	Amortized cost	445,077	348,601
Accounts payable and accrued liabilities	Amortized cost	(205,526)	(175,390)

Fair Value

At the respective reporting dates, all of the Company's financial instruments had maturities less than one year. As a result, the carrying amounts of cash and accounts payable approximated the fair values due to the short-term maturities.

MATERIAL ACCOUNTING POLICIES

The Company has not adopted new accounting policies since its recent year ended December 31, 2024. Details of the Company's material accounting policies have been disclosed in the Note 2 of the Company's audited annual consolidated financial statements as at December 31, 2025.

SHARE DATA

As of the date of this MD&A, the Company has 360,639,099 common shares outstanding.

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 risks, including, but not limited to, environmental, political, financing, and economic risks.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral properties contain 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 Company has options to earn an interest in multiple properties; however, all are in the exploration stage, 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. The Company faces a number of risks in its efforts to conduct its exploration activities and to conduct business, including those described below.

Mining Industry

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. Major expenses may be required to establish ore reserves, to develop metallurgical processes, and to construct mining and processing facilities at a site. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issuance of shares from treasury to investors. These stock issuances depend on numerous factors, including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on many factors, some of which are the attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices, which are highly cyclical, 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 be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of ore, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding 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, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, mining operations are subject to hazards, such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development. Whenever possible, agreements are signed directly with governments and periodic assessment of the political situation in countries where we operate keeps management up to date on factors that may affect our operations.

The Company may operate in foreign countries where government regulation is subject to change without notice, which could have an adverse effect on operations, if the government were to impose taxes or duties that were excessive or unexpected the Company may be unable to meet the obligation to pay such costs and it could result in a slow down or ceasing of operations either temporarily or permanently.

Title, Permits, Licenses and Mineral Rights

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain and retain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

The Company has exercised its best efforts to ensure the titles of mineral interest held by the Company are in good standing. Due to the nature of mining industries, these mineral interests may still have undetected title defects that could have a material adverse impact on the Company's operations.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees.
There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests, which are unknown to the Company at present, which have been caused by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually

limit its liability. Government approvals and permits are currently, and may in the future be, required relating to the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

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

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

Production of mineral properties may involve the use of dangerous and hazardous substances, such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water or the environment, the Company may become subject to liability for hazards that cannot be insured against.

However, the potential for environmental damage is limited during the exploration phase, and a policy of minimal environmental damage has been adopted; consultants have been appointed in Rwanda to conduct detailed environmental impact studies and assessments with no concerns having been identified thus far, and local environmental management programs will ensure compliance with applicable regulations.

Social and Security

Our reputation and credibility may be damaged if we fail to manage social responsibility expectations and commitments to local, governmental and media stakeholders. Factors influencing the risk are population density, level of education and the security situation in the operating countries.

We take a proactive approach to managing social development and engage in government and community relations in the areas in which we operate, and we provide for social responsibility projects in our budgeting.

Artisanal Mining Risk

All exploration activity in west Africa is subject to mining codes that allow artisanal miners the right to mine near-surface gold deposits without using any mechanical equipment. Artisanal mining activity ranges from non-existent to severe, generally driven by gold grade and nearby community pressures. The Company generally allows the artisanal miners to operate on its mineral concessions as long as large-scale mining, utilizing mechanical means, are not used. Artisanal mining activities can result in increased levels of pollution, the reduction of access for continued exploration and the depletion of mineral resources, often less than 5,000 ounces, which considering the scale of deposits the Company is looking for, are deemed immaterial. Artisanal miners do have access to Company news releases and the requirement to release drill hole coordinates along with drill results is an added risk.

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable.

Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient. Any figures for reserves presented by the Company will be estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of gold and other minerals may render reserves uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any accounting period.

Foreign Currency Risk

The Company operates in foreign countries and is subject to foreign currency exchange rates and fluctuations, which may have an impact on our future costs or on future cash flows. The economies of some of the countries in which we have operations may be subject to high rates of inflation, which could adversely affect our financial situation. Funds will be invested in currencies to match the currency profile of forecasted expenditures, considering currency and interest rate movements, and we maintain excess funds in Canadian banking institutions.

Event and Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure. The occurrence of an abnormal event resulting in damage to assets may occur; however, the potential for environmental damage is limited during the exploration phase and local environmental management programs will ensure compliance with applicable regulations.

Internal Control (Fraud)

The Company may be subject to internal risk of financial loss due to fraud or theft; the risk is limited by stringent treasury control over the funds available in each jurisdiction, and the adoption of policies, compliance monitoring by management and low staff complement reduces the risk of collusion.

Reliance on Key Personnel

The Company does not carry insurance on its key personnel and the loss of any one of its directors or officers could have an adverse effect on the Company’s operations. The Company has only one Qualified Person on its team, as that term is defined in NI 43-101, on whom they rely to review and oversee the exploration program, and as such, the loss of such person could result in a setback from which the Company may not be able to recover. The Company has a nominating and governance committee whose role includes maintaining lists of suitable candidates to fill such vacancies should they arise.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Operational Performance

While the Company strives to execute its program as planned, execution may not comply, incurring delays and additional cost due to productivity and climatic factors. We monitor productivity of operations through weekly and monthly reporting from country offices and contractors to evaluate progress and ensure programs are on track, experienced geologists are appointed to head exploration programs, and countries with extreme weather conditions are recognized as a risk to operational performance and planning acknowledges the risk.

Safety and Health in the Workplace

The Company operates in jurisdictions where health risks may exist and may operate in remote camps with limited access to emergency services. The mining industry has inherent risks and injuries or disease to personnel in operational jurisdictions may lead to liabilities for the Company. We conduct risk assessments and promote safe practices on site through instruction, written safety management systems, where applicable, and contractual obligations to comply with health and safety regulations. As activity increases there is provision to put in place a group health and safety manager to lead and monitor compliance.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

The management of the Company is 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. Management is 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 Company's consolidated financial statements.

The management of the Company has filed the Venture Issuer Basic Certificate on www.sedarplus.ca. In contrast to the certificate required for non-venture issuers under NI 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR, as defined in NI 52-109, may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.