2025 MANAGEMENT INFORMATION CIRCULAR

ABOUT THE SHAREHOLDER MEETING

Solicitation of Proxies

You have received this management information circular (the "**Circular**") because you owned common shares (the "**Common Shares**") of Belo Sun Mining Corp. ("**Belo Sun**", the "**Company**" or the "**Corporation**") as of May 14, 2025. You are therefore entitled to vote at the 2025 annual and special meeting of shareholders (the "**Shareholders**") to be held on Monday, June 23, 2025 at 10:30 am, and any postponement(s) or adjournment(s) thereof (the "**Meeting**").

The board of directors of the Corporation has set the record date for the Meeting on May 14, 2025 (the "**Record Date**").

Management is soliciting your proxy for the Meeting and the Corporation will pay the expenses of management's solicitation. The Board has fixed 10:30 am (Toronto time) on June 19, 2025, or 48 hours (excluding Saturdays, Sundays or holidays) before any adjournment(s) of the Meeting, as the time by which proxies to be acted upon at the Meeting shall be deposited with the Corporation's transfer agent.

These materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings have been obtained in accordance with the applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation shall make a list of all persons who are registered Shareholders on the Record Date and the number of Common Shares registered in the name of each person on that date. Each Shareholder is entitled to one vote on each matter to be acted on at the Meeting for each Common Share registered in his/her name as it appears on the list.

Unless otherwise stated, the information contained in this Circular is as of the Record Date. All dollar amount references in this Circular, unless otherwise indicated, are expressed in Canadian dollars. United States dollars are referred to as "United States dollars" or "US$".

Shareholders and/or their appointees may participate in the Meeting by way of conference call however votes cannot be cast on the conference call. Please register https://us02web.zoom.us/meeting/register/IKK43-_5QnO89XFBft19GA to receive conference call details.

Voting

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **You may appoint some other person or entity to represent you at the Meeting** by inserting such person's name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the transfer agent of the Corporation indicated on the enclosed envelope not later than the times set out above. In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy given pursuant to this solicitation by depositing an instrument in writing (including another proxy bearing a later date) executed by the Shareholder or by an attorney authorized in writing at 198 Davenport Road, Toronto, Ontario M5R 1J2 at any time up to and including the last business day preceding the day of the Meeting.

Voting of Proxies

Registered Shareholders

You can vote in person or vote by proxy. Voting by proxy is the easiest way to vote because you can appoint anyone to be your proxyholder to attend the Meeting and vote your shares according to your instructions. This person does not need to be a shareholder. The officers and/or directors named in the proxy form can act as your proxyholder and vote your shares according to your instructions.

If you appoint the Belo Sun nominees as your proxyholder and do not indicate your voting instructions, they will vote your shares for the nominated directors and for the appointment of the auditors.

If you want to appoint someone else as your proxyholder, print that person's name in the blank space provided in the proxy form (or complete another proxy form) and send the form to the Corporation's transfer agent. Make sure this person is aware that you appointed them as your proxyholder and that they must attend the Meeting to vote on your behalf and according to your instructions. If you do not indicate your voting instructions, your proxyholder can vote as he or she sees fit.

As of the date of this Circular, management is not aware of any amendments, variations or other matters to come before the Meeting. If other matters are properly brought before the Meeting, your proxyholder can vote as he or she sees fit.

Non-Registered Shareholders

Non-Registered Shareholders are those holders who beneficially own common shares in the name of an intermediary with whom the Non-Registered Shareholder deals in respect of the Common Shares, such as, banks, trust companies, securities dealers (all, an "**Intermediary**") or in the name of a clearing agency (such as CDS&Co). Securities laws require the Corporation to send the meeting materials to the Intermediaries and clearing agencies so they can distribute them to our non-registered shareholders. In accordance with the requirement of *National Instrument 54-101 Communication With Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), the Company is distributing copies of the Notice of the Meeting together with a voting information form (a "**VIF**"): (i) directly to Non-Registered Shareholders who have advised their Intermediary that they do not object to the Intermediary providing their ownership information to issuers whose securities they beneficially own ("**NOBOs**"), and (ii) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders who have advised their Intermediary that they object to the Intermediary providing their ownership information ("**OBOs**"). The Corporation does not intend to pay for

Intermediaries to forward meeting materials to the OBOs pursuant to NI 54-101. Therefore, OBOs will not receive materials unless their Intermediary assumes the cost of delivery.

This Circular, annual financial statements for the 2024 financial year end and management's discussion and analysis thereon ("**MD&A**") are available electronically on the Corporations website.

Non-Registered Shareholders should carefully follow the instructions of their Intermediary including those regarding when and where the form of proxy or VIF is to be delivered.

Adoption of Notice and Access

In accordance with the notice and access rules adopted by the Ontario Securities Commission under NI 54-101, the Corporation has sent its proxy-related materials directly to registered holders and NOBOs using notice-and-access. Therefore, although Shareholders still receive a Form of Proxy or VIF in paper copy, this Circular, annual consolidated financial statements and related MD&A are not physically delivered. Instead, Shareholders may access these materials at https://docs.tsxtrust.com/2180 or under the Corporation's profile page on SEDAR+ at www.sedarplus.ca.

Registered Shareholders or Non-Registered Shareholders may request paper copies of the Meeting materials be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date the Meeting materials are posted on the Corporation's website. In order to receive a paper copy of the Meeting materials or if you have questions concerning Notice-and-Access, please call toll free at 1-866-600-5869. Requests for paper materials should be received by May 20, 2025 in order to receive the Meeting materials in advance of the Meeting.

Voting Securities and Principal Holders

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares. Each holder of Common Shares has the right to vote at the Meeting. As of the Record Date, the Corporation has 466,716,038 Common Shares issued and outstanding and no preferred shares issued and outstanding. To the knowledge of the directors and officers of the Corporation, as at the Record Date, no person beneficially owns, directly or indirectly, or exercises control or direction over securities carrying more than 10% of the voting rights attached to the Common Shares, other than:

- La Mancha Investments S.a.r.l. holding a total of 84,761,807 Common Shares, representing approximately 18.16% of the Common Shares issued and outstanding).

Interest of Certain Persons in Matters to be Acted Upon

Other than in respect of the election of directors, none of the persons who have been directors or executive officers of the Corporation since the commencement of the Corporation's last completed financial year, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Interest of Informed Persons in Material Transactions

No informed person (as such term is defined under applicable securities laws) of the Corporation or Nominee (and each of their associates or affiliates) has had any direct or indirect material interest in any transaction

involving the Corporation since January 1, 2024 or in any proposed transaction that has materially affected or would materially affect the Corporation or its subsidiaries.

BUSINESS OF THE MEETING

Financial Statements

The financial statements for the financial year ended December 31, 2024, together with the auditor's report thereon will be presented to Shareholders for review at the Meeting and were provided to Shareholders with the Notice of Meeting and this Circular. No vote by the Shareholders is required with respect to this matter.

Appointment of Auditors

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote for the appointment of RSM Canada LLP, Chartered Accountants, as auditors of the Corporation until the close of the next annual meeting of shareholders of the Corporation and to authorize the directors to fix their remuneration. RSM Canada LLP, Chartered Accountants, have been the auditors of the Corporation since July 22, 2004.

The following table sets out the audit and audit-related fees billed by the Corporation's auditors for the years ended December 31, 2024 and 2023.

Service	2024	2023
Audit Fees	$154,750	$77,500
Audit-Related Fees	-	-
Tax Fees	$8,000	$5,500
Other Fees	-	-
Total:	**$162,750**	**$83,000**

For additional information about the Corporation's auditors and the Audit Committee, please refer to the section "Committees of the Board – Audit Committee".

Election of Directors

The Corporation has nominated seven persons (the "**Nominees**") for election as directors of the Corporation, who will hold office until the next annual meeting of the Corporation or until his or her successor is elected or appointed. At the Meeting, Shareholders will be asked to elect these Nominees as directors of the Corporation. **The persons in the enclosed form of proxy intend to vote for the election of the Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director.**

As the Corporation has adopted a Majority Voting Policy, the process for voting for election of each director will be by individual voting and not by slate. The Shareholders can vote for or withhold from voting on the election of each director on an individual basis. See "Corporate Governance Practices" for more information on our Majority Voting Policy.

Director Profiles

Each of the seven nominated directors is profiled below, including his or her background and experience and meeting attendance in 2024, as applicable, share ownership and other public company directorships. All

director nominees were each elected as directors by the Shareholders at the last annual meeting. Each director nominee elected to the board will remain on the board until the earlier of the Corporation's next annual shareholder meeting or until the director resigns.

PETER NIXON
AGE:78 DIRECTOR SINCE FEBRUARY 2020
ONTARIO, CANADA

Mr. Nixon is a Corporate Director. Mr. Nixon spent has spent more than three decades in the investment industry, specializing in the Natural Resource Sector primarily in Research and Institutional Sales. He was also a founder of Goepel Shields & Partners (now Raymond James Canada) and was subsequently President of the firm's U.S. subsidiary. Mr. Nixon was President of Dundee Securities USA from 1998 - 2002 where his mandate was to expand the company in the United States. Mr. Nixon has served on the boards of several publicly traded junior mining companies and has experience in guiding them through the permitting and development stages. Mr. Nixon holds a degree in Economics and History from McGill University. He is also a member of the Institute of Corporate Directors.

Shareholdings: Nil
2024 Board Attendance: 10 of 10 (100%)
Other Public Company Boards: Dundee Corporation

RUI BOTICA SANTOS
AGE: 56 DIRECTOR SINCE JULY 2020
MACAU, CHINA

Mr. Santos is a qualified lawyer in Brazil, Portugal, Macau and Timor-Leste. Mr. Santos is widely regarded as a leading lawyer in the mining sector, with over 25 years of experience representing and advising international corporations in negotiations and disputes with governmental authorities regarding mining businesses activities, namely on M&A, exploration, extraction and environmental licenses, for both the mining and oil and gas industries. Mr. Santos has extensive experience across the legal systems of Portugal, Brazil, Timor-Leste and Macau (China) jurisdictions. Mr. Santos was an independent Director of Belo Sun during the period from 2007 to 2015. Since 2018, he has been a board member of Somincor, a copper and zinc mining operation in Portugal fully owned and operated by Boliden (previously owned by Lundin Mining until April 2025). He also serves on the board of Ascendant Resources Inc, a TSX-listed resource company developing a copper and zinc mining project in Portugal, which is in the final steps of merging with Cerrado Gold, where he will assume the role of director). Mr. Santos is a Partner of CRA - Coelho Ribeiro e Associados – a Portuguese Law Firm, where he leads the firm's Arbitration and Mining practices. He is also the founding partner of CRA Timor-Leste, a law firm based in Timor-Leste focused on mining and Oil & Gas. Mr. Santos is also an expert on dispute resolution matters. Currently has the position of President of the International Tribunal of FIA – Fédération Internationale de Automobile, (Paris, France), Judge of the International Court of Appeal of FIA and arbitrator at the Court of Arbitration for Sport in Lausanne, Switzerland.

Shareholdings: 616,500 (0.13%)
2024 Board Attendance: 10 of 10 (100%)
Other Public Company Boards: Cerrado Gold Inc.

AYESHA HIRA
AGE: 52 DIRECTOR SINCE JUNE 2022
LONDON, UNITED KINGDOM

Ms. Hira is an experienced mining executive and board member with 30 years experience in the mining sector spanning geological exploration, mining and capital markets. Her career as a geologist, working across a variety of commodities and project types, provided the technical foundation for transitioning into capital markets, where she developed extensive experience in asset/company valuation, capital raising and transactional knowledge, and built an international reputation for delivering value to institutional clients and corporates globally. Ms. Hira has been part of the mining teams at CIBC World Markets, and RBC Capital Markets, and was formerly a member of the executive leadership team at Lucara Diamond Corp., a Lundin Group company, where she served as VP Corporate Development and Strategy responsible for the corporate growth strategy, including M&A, capital raising, shareholder and stakeholder communications, and assisting with ESG alignment and implementation. She has held board positions with Lucara Botswana, Clara Diamond Solutions, and the Responsible Jewellery Council representing the Mining Forum. Ms. Hira holds a Bachelor of Science Honours degree in Geology from Queen's University, Canada, is a CFA charterholder, and holds the ICD.D designation from the Institute of Corporate Directors in Canada.

Shareholdings: Nil
2024 Board Attendance: 10 of 10 (100%)
Other Public Company Boards: None

JACK LUNNON
AGE: 38 DIRECTOR SINCE JANUARY 2025
BUCKINGHAMSHIRE, UK

Mr. Lunnon serves as Chief Technical Officer for the La Mancha group, where he is responsible for overseeing all technical aspects of their investments, having started with the group in 2021. He has over fifteen years of experience in geology, mining and investments. Jack also has board-level experience, having previously served as a director of Elemental Altus Royalties Corp. – a TSXV-listed royalties company. Jack is a Chartered Geologist in London (CGeol) and Europe (EurGeol), with a specialism in Resource Geology. Mr. Lunnon is an expert in manipulating geological models and has obtained a Citation in Geostatistics from the University of Alberta. Jack holds a Master of Geology (MGeol) degree from the University of Southampton, UK. Prior to joining the La Mancha group, Mr. Lunnon was a Consultant Geologist for SLR Consulting (formerly RPA), where he performed countless due diligence reviews and audits on numerous projects across the world, and generated NI 43-101-compliant mineral resource and technical reports for multiple clients. Mr. Lunnon also previously worked for Micromine, a major geological software company, developing in-depth knowledge of advanced resource modelling. Mr. Lunnon's resource skills are backed by solid geological exploration experience across Africa, the Middle East, and Australia, working for world-class mining companies.

Shareholdings: Nil
2024 Board Attendance: N/A
Other Public Company Boards: None

CLOVIS TORRES
AGE:58 DIRECTOR NOMINEE
BRAZIL

Mr. Torres is a partner and the co-founder of Mello, Torres law firm, a leading Brazilian law firm specializing in M&A, debt restructuring, crisis management, power, mining and environmental law matters. Mr. Torres had previously been a director, president and Chief Executive Officer of Furnas Centrais Electricas S.A., a

wind farm and hydrogen power plan operator, general counsel of Vale S.A., director of Petrobras S.A. and chairman of the board of BR Distribuidora S.A. Mr. Torres holds a LLM, with specialization in international law, trade and finance from Tulane Law School and a J.D. from Universidade Católica de Salvador, Law School. Mr. Torres is fluent in English, Spanish and Portugese.

Shareholdings: Nil
2024 Board Attendance: N/A
Other Public Company Boards: None

CARLOS BERTONI
AGE: 73 DIRECTOR NOMINEE
BRAZIL

Mr. Bertoni graduated as a geologist in Brazil and obtained his M.Sc. degree in mineral exploration at Queen's University in Canada. His professional experience spans over 45 years, and he has explored and developed mineral projects in a variety of geological environments in Canada, South America, and Africa. At Golden Star, Mr. Bertoni managed the exploration of its projects in the Guiana Shield, including the Omai mine in Guyana and the Rosebel mine in Suriname. Mr. Bertoni co-managed the exploration and development of the Tulawaka gold mine in Tanzania. He was the Brazil country manager for Aura Minerals and managed the exploration and feasibility work at the Serrote copper mine. From 2014 to 2017, led the exploration programs and mineral resource definition for the Copperwood and White Pine sedimentary copper deposits in Michigan, USA, for Highland Copper. At Reunion Gold, he led the exploration and pre-feasibility of Guyana's Mathews Ridge manganese mine. In 2021 and 2022, he was Reunion Gold's CEO and led the exploration work discovering the Oko West gold deposit. Mr. Bertoni is a Professional Geoscientist registered in Ontario, Canada, and a Fellow of the Society of Economic Geologists.

Shareholdings: Nil
2024 Board Attendance: N/A
Other Public Company Boards: None

BORIS DE VRIES
AGE:56 DIRECTOR NOMINEE
BARBADOS

Mr. de Vries is an accomplished mining executive bringing over 30 years' experience in operations, development and assessment of mining projects, mostly in LatAm. He currently serves as the Vice President of Business Development for Franco-Nevada in Barbados responsible for investment opportunity assessments and asset management in the mining sector. Previously, as an executive with Hatch in Brazil he was responsible for the development of several mining projects in Brazil as well as running business development. Boris started his career with Cambior working mostly throughout South America in operations and project development. He serves on the board of a privately held Chilean company investing in mining opportunities in Chile. Boris holds a Master of Science degree in Mining Engineering from Delft University of Technology. Mr. de Vries brings strategic insight and thorough understanding of technical and ESG requirements to successfully develop mining projects in Brazil.

Shareholdings: Nil
2024 Board Attendance: N/A

Other Public Company Boards: None

Meeting Attendance

The following table shows the director attendance record for 2024.

Director	Board	Audit Committee	Compensation Committee	Corporate Governance Committee
Peter Nixon(1)	10 of 10 (100%)	4 of 4 (100%)	7 of 7 (100%)	5 of 5 (100%)
Rui Botica Santos(1)	10 of 10 (100%)	4 of 4 (100%)	7 of 7 (100%)	5 of 5 (100%)
Ayesha Hira	10 of 10 (100%)	2 of 2 (100%)	2 of 2 (100%)	2 of 2 (100%)
Jack Lunnon	N/A	N/A	N/A	N/A
Clovis Torres	N/A	N/A	N/A	N/A
Carlos Bertoni	N/A	N/A	N/A	N/A
Boris De Vries	N/A	N/A	N/A	N/A
Carol Fries(2)	10 of 10 (100%)	4 of 4 (100%)	7 of 7 (100%)	5 of 5 (100%)
Mark Eaton(2)	10 of 10 (100%)	N/A	N/A	N/A

(1) Independent Director.
(2) Ms. Fries and Mr. Eaton are not standing for re-election at the Meeting.

Other Information about the Director Nominees

Other than disclosed below, no director or executive officer of the Corporation is or has been, within the ten years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director:

- Mr. Nixon was a director of Stornoway Diamond Corporation ("**Stornoway**") until May 14, 2019. Stornoway filed for protection under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") on September 9, 2019. The CCAA process was concluded by order of the Superior Court of Quebec in November 2019 and Stornoway's operating subsidiary emerged from such process, continuing its operations on a going concern basis after the successful implementation of Stornoway's restructuring transactions. In November 2019, Stornoway made a voluntary assignment into bankruptcy pursuant to the *Bankruptcy and Insolvency Act* (Canada).

No director or executive officer has, within the ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

No proposed director has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

No director or executive officer of the Corporation is, or within ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, (i) was subject to an order that was issued while the director was acting in the capacity as director, chief

executive officer or chief financial officer; or (ii) was subject to an order that was issued after the director ceased to be a director, chief executive officer or chief financial officer, and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Amendment to By-Laws

On May 20, 2025, the Board approved an amendment to the Company's By-Law's (the "**By-Law Amendment**") to (a) remove the Canadian residency requirement for a quorum for meetings of the Board, (b) remove the majority Canadian residency requirement for qualification to be a director of the Board, (c) remove the requirement for the Corporation to call a special meeting of shareholders to fill a vacancy on the Board if the vacancy has resulted from an increase in the number of directors or in the maximum number of directors, (d) remove the requirement that the majority of the Board be resident Canadians and (e) removed the requirements that the majority of the members of committees of the Board be resident Canadians and the requirement that the managing director shall be a resident Canadian. Changes to the by-laws of the Corporation are set out below:

> "2.2 Number and Quorum. The board of directors shall consist of such number of persons as are from time to time determined by the directors subject to the limitations established by the Articles. The board of directors shall determine the quorum, provided in no event shall a quorum be less than 2/5 of the number of directors or minimum number of directors, as the case may be, subject to the limitations contained in the Act including the limitation that, if the Corporation has fewer than three (3) directors, the quorum shall consist of all directors. ~~However, for a meeting of directors to be validly constituted, a majority of directors present must be resident Canadians as defined by the Act (unless the Corporation has only one or two directors, in which case that director or only one of the two directors need be resident Canadians); provided if a resident Canadian director who is unable to be present at the meeting approves the business transacted thereat and such director together with those resident Canadian directors present at the meeting would have constituted the required number of resident Canadian directors to be present, such meeting shall be validly constituted.~~
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> …
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> 2.3 Qualification. No person shall be qualified for election as a director if he: (i) is less than eighteen years of age; (ii) is of unsound mind and has been so found by a court in Canada or elsewhere; (iii) is not an individual; or (iv) has the status of a bankrupt. A director need not be a shareholder. ~~A majority of the directors shall be resident Canadians provided that if the number of directors is only one or two, that director or only one of the two directors need be a resident Canadian.~~
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> …
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> 2.5 Vacancies. Subject to the Act and the Articles of the Corporation, a quorum of the board may fill a vacancy in the board. In the absence of a quorum of the board, or if the vacancy has arisen from the failure of the shareholders to elect the number of directors required by the Articles, ~~or if the vacancy has resulted from an increase in the number of directors or in the maximum number of directors,~~ the board shall forthwith call a special meeting of shareholders to fill the vacancy. If the board fails to call such a meeting or if there are no such directors, then in office, any shareholder may call such meeting. A director appointed or elected to fill a vacancy holds office for the unexpired term of his predecessor."
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> …
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> ~~2.8 Canadian Majority. The board shall not transact business at a meeting unless a majority of the directors are resident Canadians as defined by the Act, (unless the Corporation has only one or two~~

~~directors, in which case that director or only one of the two directors need be resident Canadians), except where:~~

~~a) a resident Canadian director who is unable to be present approves in writing or by telephone or other communications facilities the business to be transacted at the meeting; and~~
~~b) a majority of resident Canadians would have been present had that director been present at the meeting.~~

…

3.1 Managing Director and Committee of Directors. The board may in its discretion appoint a managing director and such committees of the board as it deems appropriate, and delegate to such managing director and committees any of the powers of the board except those which the board is prohibited by the Act from delegating. ~~A majority of the members of each such committee shall be resident Canadians. The managing director shall be a resident Canadian.~~

Pursuant to the provisions of *Business Corporations Act* (Ontario), the By-Law Amendment will cease to be effective unless confirmed by a resolution passed by a simple majority of the votes cast by Shareholders at the Meeting.

Accordingly, at the Meeting, Shareholders will be asked to approve the following ordinary resolution approving the By-Law Amendments (the "**By-Law Amendment Resolution**"):

Be it resolved by ordinary resolution that:

1 the amendment to By-Law of Belo Sun Mining Corp. (the "**Company**"), as more particularly described in the Management Information Circular of the Corporation dated May 20, 2025, is hereby approved, ratified and confirmed as a by-law of the Company; and

2 any director or officer of the Company, be and hereby is authorized to do all acts and things and execute all documents, as may be necessary or desirable in his opinion to give effect to the foregoing.

The directors of the Corporation recommend that the Shareholders approve By-Law Amendment Resolution, as it will permit the Corporation access a broader pool of potential nominees for directors of the Corporation.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE RESOLUTION APPROVING THE BY-LAW AMENDMENT, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

Amendments to the Corporation's Stock Option Plan

Currently, the Stock Option Plan provides (a) for a maximum number of options (or any other equity grants under other share compensation arrangements) of no more than 8% of the issued and outstanding Common Shares at the time of grant and (b) that the maximum value of options under the Stock Option Plan issued to a non-employee director ("**NED**") shall not exceed $100,000 per annum, and the maximum value of options under the Stock Option Plan and entitlements across all equity plans of the Company issued to a NED shall not exceed $150,000 per annum (the "**NED Limit**"). The Corporation is proposing to amend the Stock Option Plan by adopting an amended and restated Stock Option Plan (the "**A&R Stock Option Plan**") to increase the maximum number of options issuable under the Stock Option Plan or any other share compensation

arrangements to no more than 10% of the issued and outstanding Common Shares at the time of grant and to increase the NED Limit to $150,000 for options and $200,000 across all equity plans of the Company.

At the Meeting, shareholders of the Corporation entitled to vote on the matter will be asked to consider and, if thought advisable, pass an ordinary resolution approving the A&R Stock Option Plan, the full text of which is set out below (the "**Stock Option Plan Resolution**"). A full copy of the A&R Stock Option Plan is attached hereto at Schedule "C". In the event that the Stock Option Plan Resolution is not passed by the requisite number of votes cast at the Meeting, the Corporation maximum number of stock options issuable under the Stock Option Plan will remain at no more than 8% is the issued and outstanding Common Shares at the time of grant and the NED Limit will remain.

These amendments are designed to conserve the Corporation's cash resources while enhancing the Corporation's ability to attract, retain and incentivize highly qualified directors and key personnel. By increasing the option pool and the NED Limit, the Company aims to align the interests of its leadership with those of shareholders, fostering long-term value creation in a competitive market environment.

The rules of the TSX require that the Stock Option Plan Resolution receives the affirmative vote of a majority of the votes cast at the Meeting.

Unless otherwise indicated, the persons named in the accompanying proxy intend to vote for the resolution with respect to the approval of the A&R Stock Option Plan.

BE IT RESOLVED that:

1. the amended and restated Stock Option Plan, as summarized in the Circular dated May 20, 2025 and in the form attached as Schedule "C" thereto (the "**A&R Stock Option Plan**"), be and is approved, ratified and confirmed as the Corporation's stock option plan;

2. pursuant to the A&R Stock Option Plan, the Corporation is authorized (a) to issue for a maximum number of stock options (or any other equity grants under other share compensation arrangements) of no more than 10% of the issued and outstanding common shares of the Corporation at the time of grant and (b) to amend the prior restriction that the maximum value of options under the Stock Option Plan issued to a non-employee director ("**NED**") shall not exceed $100,000 per annum, and the maximum value of options under the Stock Option Plan and entitlements across all equity plans of the Company issued to a NED shall not exceed $150,000 per annum, to $150,000 for maximum value of options under the Stock Option Plan issued to NEDs and $200,000 for entitlements across all equity plans of the Company; and

3. Any one director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to do all acts and things as such director or officer may deem necessary or advisable to give effect to this resolution."

Proposed Name Change

The Corporation intends to change its name to "Belo Sun Gold Corp.", or such other name as the Board may determine and that is acceptable to the Exchange and applicable regulatory authorities (the "**Name Change**"). The Articles will be amended to effect the Name Change.

The Board and management of the Corporation, after careful consideration of a number of factors, has determined unanimously that the Name Change is in the best interests of the Corporation and its Shareholders and authorized the submission of the Name Change to Shareholders for approval by special resolution at the Meeting. The Name Change must be passed, with or without variation, by at least two-thirds of the votes cast by the Shareholders present in person or by proxy at the Meeting. Accordingly, at the Meeting, Shareholders will be asked to approve the following special resolution approving the Name Change:

"**BE IT RESOLVED, AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS, THAT**:

1. subject to Belo Sun Gold Corp. (the "Corporation") first receiving all required regulatory and Toronto Stock Exchange approvals, the name of the Corporation be changed to "Belo Sun Gold Corp.", or such other name as may be approved by the board of directors of the Corporation (the "Board") and applicable regulatory authorities;

2. the articles of the Corporation be amended to reflect the foregoing;

3. the Corporation be and are authorized to file articles of amendment and all other requisite documents with all applicable regulatory authorities in order to give effect to the name change;

4. notwithstanding the passage of this resolution by the shareholders of the Corporation, the Board may, without any further notice or approval of the shareholders of the Corporation, decide not to proceed with the name change or to otherwise give effect to this resolution at any time prior to the name change becoming effective and may revoke this resolution without further approval of the shareholders at any time prior to the completion of the transactions authorized by this resolution; and

5. any one or more of the directors or officers of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Corporation be necessary or desirable to carry out the intent of the foregoing resolution, the execution of any such document or the doing of any such other act or thing by any director or officer of the Corporation being conclusive evidence of such determination, provided such actions are carried out within the limit of the law."

The Board and management recommend that Shareholders vote for the adoption of the special resolution approving the Name Change.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE SPECIAL RESOLUTION APPROVING THE NAME CHANGE, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

CORPORATE GOVERNANCE

The Corporation and the Board recognize the importance of corporate governance in effectively managing the company, protecting employees, shareholders and other stakeholders, and enhancing shareholder value.

The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. The directors are kept informed regarding the Corporation's operations at regular meetings and through reports and discussions with management on matters within their particular areas of expertise. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Corporation's affairs and in light of opportunities or risks that the Corporation faces.

The Corporation believes that its corporate governance practices are in compliance with applicable Canadian requirements. The Corporation is committed to monitoring governance developments to ensure its practices remain current and appropriate.

Ethical Business Conduct

The Board is apprised of the activities of the Corporation and ensures that it conducts such activities in an ethical manner. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of external examples of disciplinary actions for violations of ethical business conduct.

Code of Conduct

The Board has adopted a Code of Business Conduct and Ethics (the "**Code**") for its directors, officers and employees. The Corporate Governance Committee has responsibility for monitoring compliance with the Code by ensuring all directors, officers and employees receive and become thoroughly familiar with the Code and acknowledge their support and understanding of the Code. Any non-compliance with the Code is to be reported to the CEO. In addition, the Board conducts regular audits to test compliance with the Code.

The Board takes steps to ensure that directors, officers and employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or employee of the Corporation has a material interest, which include ensuring that directors, officers and employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from the Corporation's Directors and the Chairman and CEO regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations in all jurisdictions in which the Corporation conducts business; providing guidance to directors, officers and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

A copy of the Code and other corporate governance policies may be found under the profile of the Corporation on SEDAR+ at www.sedarplus.ca or upon request to the Corporation by contacting the Corporate Secretary of the Corporation by email at nsaid@fmresources.ca.

Whistleblower Policy

The Corporation has adopted a Whistleblower Policy that allows its directors, officers, consultants and employees who feel that a violation of the Code has occurred, or who have concerns regarding financial statement disclosure issues, accounting, internal accounting controls or auditing matters, to report such violations or concerns on a confidential and anonymous basis. Reporting a violation of the Code is made by

informing anonymously to the Whistleblower hotline or URL or (if desired) to a member of the Audit Committee, who then investigates each matter so reported and takes corrective and disciplinary action, if appropriate. Reporting concerns regarding financial statement disclosure or other appropriate issues are to be forwarded in a sealed envelope to the Chairman of the Audit Committee who then investigates each matter reported and takes corrective and disciplinary action, if appropriate.

Anti-Corruption and Anti-Bribery Policy

The Corporation has adopted an Anti-Bribery and Anti-Corruption Policy that outlines the requirements that must be fulfilled by all employees, consultants, officers, and directors of the Corporation, as well as any third party working for or acting on behalf of the Corporation. These requirements include the prohibition of bribing government officials and making facilitation payments. The Anti-Bribery and Anti-Corruption Policy also provides the Corporation's employees with further clarity regarding books and records transparency, as well as the conditions with respect to gift giving to government officials, political contributions, charitable contributions, third party oversight and due diligence, internal controls and management's responsibility to promote and create awareness of the Anti-Bribery and Anti-Corruption Policy.

Executive Compensation Clawback Policy

The Corporation has adopted an executive compensation clawback policy, which allows the Board to require reimbursement of excess bonus and equity-based compensation paid or granted to the President and Chief Executive Officer, the Chief Financial Officer or Chief Operating Officer after adoption of the policy in certain circumstances where the Corporation is required to restate its financial statements, the executive engaged in fraud or willful misconduct which caused or significantly contributed to the reason for the restatement, and the bonus and equity-based compensation paid to the executive would have been lower had it been based on the restated financial statements.

ABOUT THE BOARD

Independence of the Board

The Board is currently comprised of seven members, six members of whom the Board has determined are independent. Assuming all of the director nominees will be elected at the Meeting, the Board will be comprised of seven members after the Meeting, all of whom the Board has determined will be independent.

Director	Independent	Not Independent	Reason for Non-Independence
Peter Nixon	*X*		
Rui Botica Santos	*X*		
Ayesha Hira		*X*	
Jack Lunnon(1)	*X*		
Clovis Torres	*X*		
Carlos Bertoni	*X*		
Boris De Vries	*X*		

Note:
(1) Mr. Lunnon is considered independent pursuant to *National Instrument 52-110 – Audit Committees*

To facilitate the functioning of the Board independently of management, the following structures and processes are in place:

- the Board has a Lead Independent Director being Peter Nixon;
- if elected at the Meeting, six of seven directors are not management of the Corporation and are considered independent of the Corporation;
- members of management, including without limitation, the President and CEO of the Corporation, are not present for the discussion and determination of certain matters at meetings of the Board or committees unless required;
- the Audit Committee, Compensation Committee and Corporate Governance Committee of the Board are comprised solely of independent directors;
- under the by-laws of the Corporation, any two directors may call a meeting of the Board;
- the President and the CEO's compensation is considered by the Board, in his or her absence, and by the Compensation Committee when appropriate;
- in addition to the standing committees of the Board, independent committees will be appointed from time to time, when appropriate; and
- the Board policy is to hold in-camera meetings with the independent directors at the end of each Board or committee of the Board meeting to the extent required.

The Board Mandate

The Board has a written mandate attached as Schedule "A" hereto. The duties and responsibilities of the Board are to supervise the management of the business and affairs of the Corporation and to act with a view towards the best interests of the Corporation. In discharging its mandate, the Board is responsible for the oversight and review of:

- the strategic planning process of the Corporation;
- identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;
- succession planning, including appointing, training and monitoring senior management;
- a communications policy for the Corporation to facilitate communications with investors and other interested parties; and
- the integrity of the Corporation's internal control and management information systems.

The Board discharges its responsibilities directly and through its committees, currently consisting of the Audit Committee, the Compensation Committee, the Corporate Governance Committee and the Environmental Social Responsibility Committee.

The Chairman

The Executive Chairman of the Board is currently Mark Eaton. In terms of the governance of the Corporation, the Chairman's primary roles are to chair all meetings of the Board and shareholder meetings in a manner that promotes meaningful discussion, to manage the affairs of the Board, including ensuring the Board is organized properly, functions effectively and meets its obligations and responsibilities. The Chairman's responsibilities include, without limitation, ensuring that the Board works together as a cohesive team with open communication, ensuring that the resources available to the Board are adequate to support its work, and working with the Corporate Governance Committee to ensure that the necessary processes are in place to assess the effectiveness of the Board and its committees at least annually. The Chairman of the Board also acts as the primary spokesperson for the Board, ensuring that management is aware of concerns of the Board, Shareholders, other stakeholders and the public and, in addition, ensures that management strategies, plans and performance are appropriately presented to the Board. The Chairman of the Board maintains communications with the Corporation's executive management and consults regularly with the Board and management on the development and operation of the Corporation's projects.

Lead Independent Director

The Lead Independent Director of the Board is Mr. Nixon. In terms of the governance of the Corporation, the Lead Independent Director, appointed by the Board, is an independent director who is designated to aid and assist the Executive Chair and the remainder of the Board in assuring effective corporate governance in managing the affairs of the Board and the Corporation and to enhance and protect the independence of the Board.

Position Descriptions

The Corporation has developed position descriptions for each of the Executive Chairman of the Board and the Chairman of each of the committees of the Board of the Corporation. The Corporation has not developed a formal position description for the Chief Executive Officer. The Board assists in defining the role of the Chief Executive Officer through its regular meetings. The responsibilities of the Chief Executive Officer are well-known by the Board and the Chief Executive Officer due to their extensive experience and knowledge in the industry and based on customary practice.

Meetings of Independent Directors

The independent directors comprise the committees of the Board and hold in camera sessions without management at their committee meetings to review the business operations, corporate governance, compensation, and financial results of the Corporation. The Board policy is to hold in-camera meetings with the independent directors at the end of each Board or committee of the Board meeting to the extent required. For each Director's attendance at duly scheduled meetings in 2024, please see above under "Business of the Meeting – Election of Directors – Meeting Attendance".

Nomination of Directors

Generally, the Corporate Governance Committee, which is composed of independent directors, is responsible for identifying and recruiting new candidates for nomination to the Board, and reviewing the qualifications of new candidates proposed by other members of the Board. The process by which the Board anticipates that it will identify new candidates is through recommendations of the Corporate Governance Committee. When considering Board composition, the Corporate Governance Committee takes into consideration the following: (a) the independence of each director; (b) the competencies and skills the Board, as a whole, should possess such as financial literacy, integrity and accountability, the ability to engage in informed judgment, governance, strategic business development, excellent communications skills and the ability to work effectively as a team; (c) the current strengths, skills and experience represented by each director, as well as each director's personality and other qualities as they affect Board dynamics; and (d) the strategic direction of the Corporation.

Diversity

The Board of Directors is committed to maintaining high standards of corporate governance in all aspects of the Corporation's business and affairs, and recognizes the benefits of fostering greater diversity in the boardroom. A fundamental belief of the Board of Directors is that a diversity of perspectives maximizes the effectiveness of the Board of Directors and decision-making in the best interests of the Corporation. This belief in diversity was confirmed by including a provision on diversity within the Corporation's Corporate Governance Charter. The provision states that candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board of Directors, including gender. Accordingly, consideration of the number of women on the Board, along with consideration of whether other diverse attributes are sufficiently represented, is an important component in the search for and selection of candidates.

When the Board of Directors selects candidates for executive officer positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Corporation's management to perform efficiently and act in the best interest of the Corporation and its shareholders. The Corporation is aware of the benefits of diversity both on the Board and at the executive level, and therefore female representation is one factor taken into consideration during the search process to fill leadership roles within the Corporation.

The Corporation aspires towards Board composition in which each gender comprises at least one-third of the independent directors. There is currently two women on the Board of Directors of the Corporation and assuming all director nominees are elected, one out of seven directors will be women (representing 14%).

Board Assessments

The Board and its individual directors are assessed on an informal basis continually as to their effectiveness and contribution. The Chairman of the Board and the Lead Independent Director encourages discussion amongst the members of the Board as to evaluate the effectiveness of the Board as a whole and of each individual director. All directors are free to make suggestions for improvement of the practice of the Board at any time and are encouraged to do so.

Majority Voting Policy

The Corporation has adopted a Majority Voting Policy to provide a meaningful way for the Corporation's shareholders to hold individual directors accountable and to require the Corporation to closely examine directors that do not have the support of a majority of Shareholders who vote at the Meeting. The policy provides that forms of proxy for the election of directors will permit a Shareholder to vote in favour of, or to withhold from voting, separately for each director nominee and that where a director nominee has more votes withheld than are voted in favour of him or her, the nominee will be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law. Pursuant to the policy, such a nominee will forthwith submit his or her resignation to the Board, such resignation to be effective on acceptance by the Board. The Board will then establish an advisory committee (the "**Committee**") to which it shall refer the resignation for consideration within an 80 day period. In such circumstances, the Committee will make a recommendation to the Board as to the director's suitability to serve as a director after reviewing, among other things, the results of the voting for the nominee and the Board will consider such recommendation. Any director subject to the Majority Voting Policy will not be a member of the Committee or participate in any Board level discussion where his or her resignation is being considered. Absent exceptional circumstances the Committee and the Board will accept the resignation of the nominee director. Once the Board has made a final decision regarding the resignation, the Company will publicly disclose the Board's decision regarding the resignation, including the reasons for not accepting the resignation, if applicable. If the resignation is accepted, the Board may leave the vacancy unfilled or appoint a new director to fill the vacancy.

This policy does not apply where an election involves a proxy battle (i.e., where proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the management of the Corporation).

Orientation and Continuing Education

Generally, the Corporate Governance Committee is responsible for ensuring that new directors are provided with an orientation and education program, which will include written information about the duties and

obligations of directors, the business and operations of the Corporation, documents from recent board meetings, and opportunities for meetings and discussion with senior management and other directors. Directors are expected to attend all meetings of the board and are also expected to prepare thoroughly in advance of each meeting in order to actively participate in the deliberations and decisions.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Board notes that it has benefited from the experience and knowledge of individual members of the Board in respect of the evolving governance regime and principles. The Board ensures that all directors are apprised of changes in the Corporation's operations and business.

The Board takes an active interest in the progress of the Corporation's properties and assets and members are invited to visit the Corporation's properties in Brazil. In addition, the members of the Board actively participate in mining conferences such as the Prospectors and Developers Association of Canada annual conference where, in addition to meeting with political and industry dignitaries, they attend short courses on developing industry trends and technological advancements within the mining industry. Beginning in Fiscal 2025, the Board has also determined that it will meet in person at least once per annum.

COMMITTEES OF THE BOARD

As of the Record Date, the Board had the following four standing committees:

- Audit Committee,
- Corporate Governance Committee
- Compensation Committee, and
- Environmental and Social Responsibility Committee.

All of the committees are comprised of directors who are independent of management and each of the committees report directly to the Board. From time to time, when appropriate, ad hoc committees of the Board may be appointed by the Board.

Audit Committee

The purposes of the Audit Committee are to assist the Board's oversight of: the integrity of the Corporation's financial statements; the Corporation's compliance with legal and regulatory requirements; the qualifications and independence of the Corporation's independent auditors; and the performance of the independent auditors and the Corporation's internal audit function.

The Corporation's Audit Committee is currently comprised of three directors: Rui Botica Santos, Peter Nixon and Carol Fries (Chair). Each member of the Audit Committee is financially literate and independent, as required by applicable securities laws. Please refer to "Director Profiles", commencing on page 5, for the relevant education and experience of each of the members of the Audit Committee.

The members of the Audit Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

External Auditor

The Audit Committee pre-approves all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditors.

Please see page 4 for the fees paid to external auditors in 2024 and 2023. You can find more information about the audit committee in our 2024 Annual Information Form on SEDAR (www.sedarplus.ca). The Annual information Form includes a copy of the Audit Committee Charter attached thereto.

Corporate Governance Committee

The Corporate Governance Committee is currently comprised of Rui Botica Santos (Chair), Carol Fries and Peter Nixon, each of whom is an independent director. Please refer to “Director Profiles”, commencing on page 5, for the relevant education and experience of each of the members of the Corporate Governance Committee.

The Corporate Governance Committee’s responsibilities include periodically reviewing the charters of the Board and the committees of the Board; assisting the Chairman of the Board in carrying out his responsibilities; considering and, if thought fit, approving requests from directors for the engagement of independent counsel in appropriate circumstances; preparing and recommending to the Board a set of Corporate Governance guidelines, the Code and annually preparing and reviewing the Corporation’s Corporate Governance disclosure to be included in the Corporation’s management information circular; annually reviewing the Board’s relationship with management to ensure the Board is able to, and in fact does, function independently of management; assisting the Board by identifying individuals qualified to become Board members and members of Board committees; and assisting the Board in monitoring compliance by the Corporation with legal and regulatory requirements.

The members of the Corporate Governance Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

Compensation Committee

The Board is responsible for ensuring the Corporation’s total compensation strategy is aligned with the Corporation’s performance and shareholder interests and equitable for participants. To assist with this, the Board maintains a compensation committee (the "**Compensation Committee**") which as at the date of this Circular, consists of four independent directors, Peter Nixon (Chairman), Rui Botica Santos, Carol Fries and Ayesha Hira. The skills and experience in relation to executive compensation of the members of the Compensation Committee are outlined under the section "Director Profiles" above. The members of the Compensation Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

The Compensation Committee’s objective is to support and advise the Board of its oversight responsibility by focusing on the Company’s approach to Board and executive compensation. Further detail on the role of the Compensation Committee is set out in the Compensation Committee Charter, the text of which is attached as Schedule B to this Circular.

The Compensation Committee is responsible for reviewing the salary levels for each of the Corporation’s "Named Executive Officers" or "NEOs" (as defined below) and other senior executives on a regular basis.

The Compensation Committee reviews the performance of senior executive officers with the President and CEO and, in an in-camera session without the presence of the President & CEO, reviews the performance of the President & CEO. In evaluating the performance of the Company’s executives for the award of bonuses or long-term incentive compensation, the Compensation Committee reviews the progress of project specific milestones in the following areas: health, safety, sustainability, permitting, regulatory matters, community relations, indigenous relations, governmental and political relations, environmental responsibility, shareholder value, technical services, exploration and mining, project scoping and engineering studies and the

advancement of projects to development, legal and cost management. In addition, corporate objectives such as successful capital-raising, peer benchmarking (as further discussed below) and market performance are considered.

To ensure the Compensation Committee is fully informed when making compensation decisions, the Compensation Committee may seek external advice, as required, on compensation policies and practices.

In 2022 the Compensation Committee established a clear and defined matrix of evaluation to improve the process and align the Company with the mining resource industry in general and its peer group. The Compensation Committee understands that review evaluations and modifications may be required and beneficial from time to time.

Environmental Social Responsibility Committee

The Board has established a Environmental Social Responsibility Committee (the "**ESR Committee**") to assist the Board in assessing the Corporation's compliance with environmental and social responsibility regulatory requirements and the Corporation's sustainability programs and voluntary initiatives. The ESR Committee's primary function is to assist the Board of Directors in fulfilling its oversight responsibility by:

- determining whether the Corporation is in alignment with their environmental social responsibility ("**ESR**") values;
- reviewing and reassessing ESR priorities regularly to ensure these priorities advance measures for success;
- ensuring best practice approaches when adopting new ESR policies and procedures; and
- periodically review and reassess the Board's role in setting ESR strategies and policy

The ESR Committee shall be comprised of three or more Directors as determined by the Board. One member of the Corporation's management team, preferably from Brazil, will attend ESR Committee meetings. ESR Committee members should have knowledge of mining industry ESR guidelines, standards and initiatives.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The objectives of the Corporation's compensation strategy are to ensure that compensation for the individuals in Senior Management positions (the "**Named Executive Officers**" or "**NEOs**"), is sufficiently attractive to recruit, retain and motivate high performing individuals with regard to the Corporation's business strategy, objectives and financial resources, and with the view of aligning the financial interests of the NEO's with those of the Shareholders.

In the performance of its duties, the Compensation Committee is guided by the following principles:

- Establishing sound corporate governance and compensation practices that are in the interests of Shareholders and that contribute to effective and efficient decision-making;
- Offering competitive compensation to attract, retain and motivate qualified executives in order for the Corporation to meet its goals and remain competitive with peer group companies; and
- Acting in the interests of the Corporation and the Shareholders by being fiscally responsible

The Compensation Committee recognizes the positive benefits to the advancement of the Volta Grande Gold Project of having the senior executive teams renumeration aligned with community and social license acceptance, a good working relationship with government agencies, a successful legal strategy as well as the ongoing technical advancements.

Independent Compensation Consultants and Peer Group

The Compensation Committee for the year 2022 engaged Mercer (Canada) Limited ("**Mercer**") to review the Company's executive compensation against a peer group of 16 companies selected based on the following criteria: (a) listed on the TSX, (b) focused on mining and exploration for gold, (c) in pre-production stage, (d) similarly sized and (e) limited number of projects. Additionally, Mercer was retained by the Compensation Committee to review change of control and termination policies of the Company. The peer group companies included in the review were Sabina Gold & Silver Corp., Marathon Gold Corporation, Orezone Gold Corporation, Perpetua Resources Corp., Ascot Resources Ltd., Liberty Gold Corp., Galiano Gold Inc., International Tower Hill Mines Ltd., First Mining Gold Corp., Freegold Ventures Limited, Moneta Gold Inc., Troilus Gold Corp., Fury Gold Mines Limited, Treasury Metals Inc., Loncor Gold Inc. and Nighthawk Gold Corp.

The table below sets out the aggregate fees billed by Mercer for their services related to determining compensation for the Company's directors and executive officers for each of the two most recently completed financial years:

Financial Year	Fees Billed
2024	$1,358
2023	$1,980

Note:
(1) Represents the fees incurred by the Corporation to engage the Compensation Consultant to review the Corporation's compensation practices and prepare a pay incentive policy.

Components of Compensation

The Compensation Committee attempts to ensure that compensation is fair, balanced and linked to the performance of the Corporation and the individual NEO. Compensation for the NEOs is composed primarily of three components:

- Base fees
- Performance bonuses
- Long-term incentives and options

The determination of each component was based on formal discussions among the members of the Compensation Committee who have drawn upon their experience and broad knowledge of industry standards and performance based on expectations and goals.

In establishing the levels of base fees, performance bonuses, and the award of security-based compensation, the Corporation considered individual performance, responsibilities, and length of service. Performance is broadly reviewed and includes achievement of the Corporation's strategic objective of permit approvals, social licence, and construction of the Volta Grande Project on a timely basis.

During fiscal 2024, the compensation strategy was based on the evaluation and achievement of specific milestones, internal benchmarks and specific quantified measures that delivered value to Shareholders.

In the last few years Belo Sun's annual incentive program has shifted from exploration, and engineering and development achievements to a stronger emphasis on permit approvals, health and safety, and community and indigenous relationships. For fiscal 2024, the Compensation Committee believes it is appropriate to continue to focus on excellence in community and indigenous relationship building, permit approvals and to increase the emphasis on Shareholder returns, financial performance and funding objectives while the development of its assets continues.

Base Fees and Performance Bonus

Base Fees

Base fees form an essential component of the Corporation's compensation strategy as a key to the Corporation remaining competitive, are fixed and therefore not subject to uncertainty, and can be used as the base to determine other elements of compensation and benefits. In determining the base fees of executive officers, the Compensation Committee and Board consider the following:

- comparable compensation of executives of companies in the Benchmark Group
- whether a NEO has met corporate objectives and performance level
- the recommendations of the President and Chief Executive Officer of the Corporation (other than with respect to the compensation of the President and Chief Executive Officer);
- the particular responsibilities related to the position;
- the experience, expertise and level of the executive officer;
- the executive officer's length of service to the Corporation; and
- the executive officer's overall performance based on informal feedback.

The emphasis placed on any of these factors is at the discretion of the Compensation Committee and may vary among the executive officers. In respect of the base fees paid to the President and Chief Executive Officer, the Board also broadly considered the performance of the President and Chief Executive Officer against the Corporation's performance in the previous year, including without limitation, the achievement of corporate objectives set forth below.

Bonus Payments

The purpose of the Corporation's bonus program is to provide NEOs with the opportunity to receive a cash incentive that is broadly related to the progress of the Corporation's short term objectives and individual performance. The Compensation Committee annually evaluates the Corporation's progress to set key objectives for NEOs to achieve. Additionally, the performance of NEOs vis-à-vis such objectives are factored into any bonus payments made to such NEOs.

Long-term Incentives and Equity Compensation

Deferred Share Unit Incentive Plan

In 2015, the Board of Directors approved and authorized the creation of a Deferred Share Unit Incentive Plan (the "**DSU Plan**").

The DSU Plan provides for the issuance of units ("**DSUs**") to directors and employees which may be settled by way of: (i) cash payments to each participant in an amount that represents the value of one Common Share for each DSU held on the date upon which the participant ceases to be a director or employee of the Corporation; or (ii) the transfer of Common Shares purchased in the secondary market by a trustee on the date upon which the participant ceases to be a director or employee of the Corporation.

The purpose of the DSU Plan is to attract, retain and motivate individuals with the requisite training, experience and leadership to carry out key roles with the Corporation, to advance the interests of the Corporation by providing such individuals with appropriate compensation and to strengthen the alignment of the DSU holders' interest with the interests of shareholders.

The DSU Plan is administered by the Compensation Committee, which may determine from time to time, the number and timing of DSUs to be awarded and the applicable vesting criteria. The value of a DSU is based on the trading price of the Common Shares. Each vested DSU held by an eligible participant shall be redeemed by the Corporation once the participant ceases to be a director or employee of the Corporation.

During the year ended December 31, 2024, the Corporation granted NIL DSUs.

Stock Option Awards

The Board believes that granting stock options to officers, directors, consultants and employees encourages retention and more closely aligns the interests of such key personnel with the interests of shareholders while at the same time not drawing on the limited cash resources of the Corporation.

Belo Sun does not utilize a set of formal objective measures to determine long-term incentive entitlements, rather, long-term incentive grants, such as stock options, to NEOs are determined in a discretionary manner on a case by case basis, but having consideration to the number of options previously granted. There are no other specific quantitative or qualitative measures associated with option grants and no specific weights are assigned to any criteria individually, rather, the performance of the Corporation is broadly considered as a whole when determining the stock based compensation (if any) to be granted and the Corporation does not focus on any particular performance metric.

In 2024, the Compensation Committee reviewed the ownership of Shares by the directors of the Company, and the committee is considering adopting a minimum Share ownership threshold for directors of the Company to encourage further alignment of interests of the directors and the Company.

The Corporation has adopted a stock option plan (the "**Stock Option Plan**"). In accordance with TSX policy, the Corporation is required to seek shareholder approval for its Stock Option Plan every three years. The Stock Option Plan was approved by the TSX and shareholders of the Corporation at its annual meeting in 2024. The following is a summary of the terms of the Stock Option Plan, which is qualified in its entirety by the provisions of the Stock Option Plan.

- The number of options that may be granted may not exceed 8% of the number of issued and outstanding Common Shares at the time of the stock option grant, from time to time. The Stock Option Plan is considered to be an "evergreen plan" since the Common Shares covered by options which have been exercised shall be available for subsequent grants under the Stock Option Plan, and the number of options available for grant increases as the number of issued and outstanding Common Shares increase.
- The maximum value of options under the Stock Option Plan issued to a NED shall not exceed $100,000 per annum, and the maximum value of options under the Stock Option Plan and

entitlements across all equity plans of the Company issued to a NED shall not exceed $150,000 per annum.

- Options are non-assignable and may be granted to employees, officers, directors and certain consultants of the Corporation and designated affiliates.
- Upon the termination of an optionholder's engagement with the Corporation, the cancellation or early vesting of any stock option shall be in the discretion of the Board. In general, the Corporation expects that stock options will be cancelled 90 days following an optionholder's termination from the Corporation.
- The aggregate number of Common Shares issuable pursuant to the Stock Option Plan and all other share compensation plans to Insiders shall not exceed 8% of the Shares outstanding at any time.
- The aggregate number of Common Shares issued upon exercise of the Options granted pursuant to the Stock Option Plan and all other share compensation plans to Insiders within a one-year period shall not exceed 8% of the Common Shares then outstanding.
- The Board determines the terms and conditions of each option granted under the Stock Option Plan, including vesting terms, provided that no stock option shall be outstanding for a period greater than five years. However, in the event that the expiry of an option period falls within two days of a trading blackout period imposed by the Corporation, (the "**Blackout Period**"), the expiry date of such Option Period shall be automatically extended to the tenth business day following the end of the Blackout Period.
- The exercise price per Option shall be determined by the Board at the time the Option is granted, but, in any event, shall not be less than the closing price of the Shares on the TSX on the trading day immediately preceding the date of the grant of the Option.
- Amendments to the Stock Option Plan may be made by the Board without shareholder approval, including, but not limited for: (i) amendments of a housekeeping nature; (ii) the addition of or a change to vesting provisions of a security or the Stock Option Plan; (iii) a change to the termination provisions of a security or the Stock Option Plan that does not entail an extension beyond the original expiry date; and (iv) the addition of a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying securities from the Stock Option Plan reserve.
- The Board may not, without shareholder approval, make the following amendments to the Stock Option Plan: (i) any amendment to the number of securities issuable under the Plan, including an increase to a fixed maximum number of securities or a change from a fixed maximum number of securities to a fixed maximum percentage. A change to a fixed maximum percentage which was previously approved by shareholders will not require additional shareholder approval; (ii) any change to the definition of "Eligible Person" which would have the potential of narrowing or broadening or increasing insider participation; (iii) the addition of any form of financial assistance; (iv) any amendment to a financial assistance provision which is more favourable to Optionees; (v) any addition of a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction in the number of underlying securities from the Plan; (vi) the addition of deferred or restricted share unit or any other provision which results in Optionees receiving securities while no cash consideration is received by the Corporation; (vii) any other amendments that may lead to significant or unreasonable dilution in the Corporation's outstanding securities or may provide additional benefits to Optionees, especially to insiders of the Corporation, at the expense of the Corporation and its existing shareholders; (viii) any reduction in exercise price or cancellation and reissue of Options, or other entitlements; (ix) any amendment that extends the term of an award beyond the original expiry date; (x) any amendment which would permit equity based awards granted under the Plan to be transferable or assignable other than for normal estate settlement purposes; and (xi) any amendment to the plan amendment provisions.
- There is no transformation of stock options granted under the Stock Option Plan into stock appreciation rights involving the issuance of securities from the treasury of the Corporation.

- The Corporation will not provide financial assistance to any optionholder to facilitate the exercise of options under the Stock Option Plan.

The table below sets out the outstanding options under the Stock Option Plan, being the Corporation's only compensation plan under which Common Shares are authorized for issuance, as of the Record Date.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available under equity compensation plans (excluding securities reflected in column (a))
Plan Category	**(a)**	**(b)**	**(c)**
Equity compensation plans approved by security holders	21,769,979	$0.31	15,657,304
Equity compensation plans not approved by security holders	NIL	NIL	NIL
TOTAL	**21,769,979**	**$0.31**	**15,657,304**

There are 21,769,979 options currently outstanding representing approximately 4.66% of the outstanding Common Shares and Nil Common Shares from options remain available for issuance under the plan (representing approximately 0% of the issued and outstanding Common Shares).

Risks Associated with Compensation

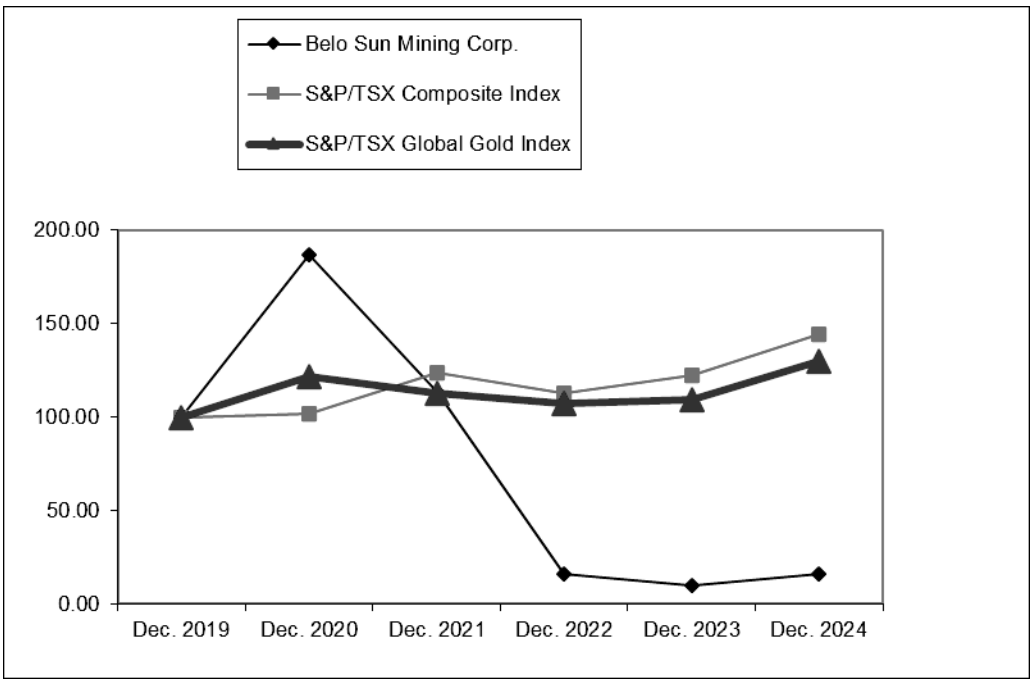
In light of the Corporation's size and the balance between long-term objectives and short-term financial goals with respect to the Corporation's executive compensation program, the Board does not deem it necessary to consider at this time the implications of the risks associated with its compensation policies and practices.

Financial Instruments

The Corporation does not currently have a policy that restricts directors or NEOs from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity. However, to the knowledge of the Corporation as of the date hereof, no director or NEO of the Corporation has participated in the purchase of such financial instruments.

Performance Graph

The following graph compares the yearly percentage change in the cumulative total shareholder return for C$100 invested in Common Shares on the S&P/TSX Composite Index and the S&P/TSX Gold Index for the period of January 1, 2018 to December 31, 2024 assuming the reinvestment of any dividends.



In 2017 injunctions against the Volta Grande Gold Project resulted in a decrease in shareholder value. From 2018 to 2024, the Corporation continued its work in lifting the injunctions against the Volta Grande Gold Project, and while the total shareholder return with respect to the Common Shares over the period were in line with returns on the S&P/TSX Composite Index and the S&P/TSX Gold Index for the same period, total executive compensation decreased in light of the injunction. In 2021, declines were experienced in both the S&P/TSX Gold Index and in the Common Shares, with such declines attributed to a broader decrease in gold prices. In 2022, the drop in the Corporation's share price corresponded with the publication of an Amazon Watch report critical of the Volta Grande Gold Project along with uncertainty in the Brazilian political climate due to the 2022 Brazilian general elections. From 2022 to end of 2024, the price of the Corporation's share price has been relatively stable as it continues to work to lift the injunctions against the Volta Grande Gold Project. A large portion of the compensation paid to management and directors of the Corporation is security-based compensation and, as such, the value of compensation is derived from the Black-Scholes valuation model used for options, and ultimately gains relate to the stock performance of the Corporation.

Other Compensation Matters

Indebtedness of Directors and Officers

Except as disclosed below, as at the date of this Circular, and during the financial year ended December 31, 2024, no director or executive officer of the Corporation or Nominee (as defined herein) (and each of their associates and/or affiliates) was indebted, including under any securities purchase or other program, to (i) the Corporation or its subsidiaries, or (ii) any other entity which is, or was at any time during the financial year ended December 31, 2024, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries.

On April 23, 2018, the Corporation announced that certain of its directors, officers, former directors and former officers (the "**Supporting Directors**") had agreed to acquire an aggregate of 29,850,746 Common

Shares at a price of $0.335 per Common Share by a private purchase from an existing shareholder for the purposes of supporting the Corporation's share price and further align their interests with those of the Shareholders. As of the date of this Circular, all of the Supporting Directors have repaid their loans in full with the exception of Mr. Tagliamonte, the former Chief Executive Officer and a former director of the Corporation, who has repaid $4,115,993 of his loan and repaid $420,764.50 of interest as at the date of this Circular.

Directors' and Officers' Insurance and Indemnification

The Corporation maintains insurance for the benefit of its directors and officers against liability in their respective capacities as directors and officers. The Corporation has purchased in respect of directors and officers an aggregate of $20,000,000 in coverage. The approximate amount of premiums paid by the Corporation during the financial year ended December 31, 2024 in respect of such insurance was $80,532.

2023 Executive Compensation

Summary Compensation Table

The following table summarizes the compensation paid during the three financial years ended December 31, 2024, 2023 and 2022 in respect of the individuals who were carrying out the role of the CEO, the Chief Financial Officer of the Corporation ("**CFO**") and each of the three most highly compensated executive officers other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was individually more than $150,000 for that financial year (the "**Named Executive Officers**" or "**NEOs**").

Name and principal position	Year Ended	Salary ($)[1]	Share awards ($)	Option awards ($)[2]	Non-equity incentive plan compensation ($)		All other compensation ($)[4]	Total compensation ($)
					Annual incentive plans[3]	Long-term incentive plans		
Peter Tagliamonte, Former President and CEO[6]	2024	168,561	Nil	50,759	Nil	N/A	Nil	219,320
	2023	500,000	Nil	177,475	Nil	N/A	Nil	677,475
	2022	500,000	Nil	432,485	400,000	N/A	Nil	1,332,485
Ayesha Hira, Interim President and CEO[6]	2024	300,901	7,792	6,885	Nil	N/A	Nil	315,578
	2023	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mark Eaton Executive Chairman[6]	2024	360,000	Nil	68,203	Nil	N/A	Nil	428,203
	2023	114,000	Nil	419,188	Nil	N/A	Nil	533,188
	2022	360,000	Nil	288,324	Nil	N/A	Nil	648,324
Ryan Ptolemy Chief Financial Officer	2024	120,000	Nil	6,197	10,000	N/A	Nil	136,197
	2023	120,000	Nil	10,859	Nil	N/A	Nil	130,859
	2022	120,000	Nil	25,187	Nil	N/A	Nil	145,187
Stan Bharti Consultant[5]	2024	300,000	Nil	Nil	Nil	Nil	Nil	300,000
	2023	300,000	Nil	Nil	Nil	Nil	Nil	300,000
	2022	300,000	Nil	Nil	Nil	N/A	Nil	300,000

Notes:

(1) Compensation has been paid as consulting fees under the independent contractor agreement with the Named Executive Officer as described under the heading "Executive Compensation – Termination of Employment, Change in Responsibilities and Employment Contracts" of this Circular.

(2) The value ascribed to option grants represents non-cash consideration and has been estimated using the Black-Scholes Model as at the date of grant, as follows: expected dividend yield — 0%; expected volatility —84%; risk-free interest rate — 0.39%; and expected life — 5 years. This is consistent with the accounting values used in the Corporation's financial statements. The Corporation selected the Black-Scholes model given its prevalence of use in North America.

(3) Compensation paid in the form of discretionary performance based bonuses.

(4) Other benefits did not exceed the lesser of $50,000 and 10% of the total annual compensation for the Named Executive Officer

(5) Mr. Bharti was appointed as a director and Executive Chairman on February 23, 2010. He ceased to be the Executive Chairman as of February 1, 2012 and ceased to be a director of the Corporation on June 28, 2019. Compensation paid to Mr. Bharti under "Salary" above, equals amounts paid pursuant to a consulting agreement between the Corporation and Forbes (as defined below), a company of which Mr. Bharti is the Executive Chairman. See "Other Arrangements".

Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each Named Executive Officer outstanding as of December 31, 2024.

Outstanding Share-Based Awards and Option-Based Awards

	Option-Based Awards				Share-Based Awards		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)[1] [2]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Peter Tagliamonte Former President and CEO	Nil	Nil	Nil	Nil	0	0	170,000
Ayesha Hira Interim President and CEO	110,547	110,547 options at $0.07	May 3, 2028	1,658	0	0	21,250
Ryan Ptolemy Chief Financial Officer	225,000	225,000 options at $0.80	July 27, 2025	0	0	0	25,075
Mark Eaton Chairman	2,000,000	1,000,000 options at $0.80 1,000,000 options at $0.97 5,243,698 options at $0.08	July 27, 2025 January 4, 2026 Apr 11, 2028	26,218	0	0	340,000
Stan Bharti Consultant	NIL	NIL	NIL	0	0	0	357,000

Notes:
(1) Based on the closing market price of $0.085 of the Common Shares on December 31, 2024 and subtracting the exercise price of the options.
(2) These options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.

Value on Pay-Out or Vesting of Incentive Plan Awards

None of the Named Executive Officers exercised any options during the year ended December 31, 2024.

Termination of Employment, Change in Responsibilities, and Employment Contracts

The following describes the respective consulting and employment agreements entered into by the Corporation and the Named Executive Officers.

Name	Termination Notice Period	Monthly Fees	Severance on Termination	Severance on Change of Control
Ayesha Hira Interim President and CEO	30 days	GBP 21,000	Nine months' fees	24 months base fees plus aggregate cash bonuses paid in the 24 months prior to the Change in Control and an amount equal to any payments to be received pursuant to any deferred share units issued to such individual. All unvested options and deferred share units shall vest immediately upon a Change in Control.
Ian Pritchard, COO	30 days	$8,350	Six months' fees	36 months base fees at a rate of $29,167 per month plus aggregate cash bonuses paid in the 36 months prior to the Change in Control and an amount equal to any payments to be received pursuant to any deferred share units issued to such individual. All unvested options and deferred share units shall vest immediately upon a Change in Control.
Ryan Ptolemy, CFO	30 days	$15,000	24 months' fees plus aggregate cash bonuses paid in the 24 months prior	36 months base fees per month plus aggregate cash bonuses paid in the 36 months prior to the Change in Control and an amount equal to any payments to be received pursuant to any deferred share units issued to such individual. All unvested options and deferred share units shall vest immediately upon a Change in Control.
Mark Eaton, Chairman	30 days	$30,000	24 months' fees plus aggregate cash bonuses paid in the 24 months prior	36 months base fees plus aggregate cash bonuses paid in the 36 months prior to the Change in Control and an amount equal to any payments to be received pursuant to any deferred share units issued to such individual. All unvested options and deferred share units shall vest immediately upon a Change in Control.
Forbes & Manhattan, Inc. [(1)]	30 days	$25,000	24 months' fees plus aggregate cash bonuses paid in the 24 months prior	36 months base fees plus aggregate cash bonuses paid in the 36 months prior to the Change in Control and an amount equal to any

				payments to be received pursuant to any deferred share units issued to such individual. All unvested options and deferred share units shall vest immediately upon a Change in Control.

(1)The Corporation has entered into an agreement with Forbes & Manhattan Inc. ("**Forbes**"), of which Mr. Bharti is the Executive Chairman, pursuant to which Forbes agreed to provide consulting services to the Corporation through a number of individuals, including administrative, financial and information technology services. Forbes provides various administrative, strategic and technical services to the Corporation through its team of geologists, mining engineers and financial professionals. The nature of services provided includes assistance with strategic planning and development of business plans, development of capital markets strategy, assessment of strategic transactions, including business, technical and geological, and financial due diligence, fostering public and government relationships and fostering relationships with strategic investors and investment banks. The Corporation believes that these services contribute to the success of the Corporation and its ability to complete strategic acquisitions and financings, and the development of its properties.

Change of Control Provisions

For the purpose of the agreements with the Named Executive Officers as set forth above, "Change in Control" is defined as:

a. a takeover bid which is successful in acquiring the majority of the Common Shares;
b. a change of control of the Board resulting from the election of less than a majority of the persons nominated for election by management of the Corporation;
c. the acquisition, directly or indirectly, through one transaction or a series of transactions, by any person or persons, of an aggregate of more than a 50% interest in the Corporation's qualifying mining property for its listing on the Toronto Stock Exchange;
d. the acquisition, directly or indirectly, through one transaction or a series of transactions, by any person or persons, of an aggregate of less than a 50% interest in the Corporation's qualifying mining property for its listing on the Toronto Stock Exchange and where the Corporation loses management or operational control over such qualifying mining property;
e. the sale of all or substantially all the assets of the Corporation;
f. the sale, exchange or other disposition of a majority of the outstanding Common Shares in a single transaction or series of related transactions;
g. the dissolution of the Corporation's business or the liquidation of its assets;
h. a merger, amalgamation or arrangement of the Corporation in a transaction or series of transactions in which the Corporation's shareholders receive less than 51% of the outstanding shares of the new or continuing corporation; or
i. the acquisition, directly or indirectly, through one transaction or a series of transactions, by any person or group of persons acting jointly or in concert (including without limitation, the power to vote), of an aggregate of more than 30% of the outstanding Common Shares.

Such Change of Control payments may be triggered by either the Corporation or the Named Executive Officer who elects from the date of such Change in Control to elect to have such Named Executive Officer's agreement terminated.

Summary of Termination Payments

The estimated incremental payments, payables and benefits that might be paid to the Named Executive Officers pursuant to the above noted agreements in the event of termination without cause or after a Change in Control (assuming such termination or Change in Control is effective as of December 31, 2024) are detailed below:

Named Executive Officer	Termination not for Cause ($)	Value of Unvested Options and DSUs Vested ($) upon termination not for cause	Termination on a Change in Control ($)	Value of Unvested Options and DSUs Vested ($) upon Change in Control
Ayesha Hira				
Salary and Quantified Benefits	GBP 189,000	0	GBP 504,000	21,250
Bonus	0		0	
Total	GBP 189,000		GBP 504,000	
Ian Pritchard				
Salary and Quantified Benefits	50,100	0	1,050,012	127,500
Bonus	-		0	
Total	50,100		1,050,012	
Ryan Ptolemy				
Salary and Quantified Benefits	360,000	0	540,000	25,075
Bonus	10,000		10,000	
Total	370,000		550,000	
Mark Eaton				
Salary and Quantified Benefits	720,000	0	1,080,000	340,000
Bonus	0		0	
Total	720,000		1,080,000	
Forbes & Manhattan				
Salary and Quantified Benefits	600,000	0	900,000	357,000
Bonus	0		0	
Total	600,000		900,000	
TOTAL	**2,080,848**	**0**	**4,488,674**	**870,825**

DIRECTOR COMPENSATION

Compensation of directors for the financial year ended December 31, 2024 was determined on a case-by-case basis with reference to the role that each director provided to the Corporation. The following information details compensation paid in the recently completed financial year.

During the financial year ended December 31, 2024 non-executive Directors did not receive cash bonuses. The amount of options and shares to be granted is based on the relative contribution and involvement of the individual in question as well as taking into consideration previous option and share grants.

Executive officers who also act as directors of the Corporation do not receive any additional compensation for services rendered in their capacity as directors.

During the financial year ended December 31, 2024, directors were granted the fees and bonuses in their capacity as directors, committee chairs or as lead director of the Corporation as set out in the table below, other than Messrs. Tagliamonte and Eaton, whose compensation was included under Executive Compensation in the Summary Compensation Table for NEOs.

Director Summary Compensation Table

The following table provides information regarding the compensation awarded to each director during the year ended December 31, 2024, other than Messrs. Tagliamonte and Eaton, whose compensation was included above.

Name	Fees earned ($)	Share awards ($)	Option awards ($)	Non-equity incentive plan compensation ($)[1]	All other compensation ($)[2]	Total ($)

Carol Fries	39,333	Nil	2,754	Nil	Nil	42,087
Peter Nixon	40,000	Nil	6,885	Nil	Nil	46,885
Rui Botica Santos	36,000	Nil	9,639	Nil	Nil	45,639
Ayesha Hira	13,333	Nil	0	Nil	Nil	13,333
TOTALS	**128,667**	**NIL**	**19,279**	**Nil**	**Nil**	**147,946**

Notes:
(1) Compensation paid in the form of discretionary performance based bonuses.
(2) All other benefits did not exceed the lesser of $50,000 and 10% of the total annual compensation for each director.

Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each director outstanding as of December 31, 2024, other than Messrs. Tagliamonte and Eaton, whose compensation was included above.

Outstanding Share-Based Awards and Option-Based Awards

	Option-Based Awards				Share-Based Awards		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)[1] [2]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share awards that have not vested ($)**	**Market or payout value of vested share-based awards not**
Carol Fries	250,000 138,184	0.80 0.07	July 27, 2025 May 3, 2028	2,073	0	0	38,250
Peter Nixon	350,000 138,184	0.80 0.07	July 27, 2025 May 3, 2028	2,073	0	0	21,250
Rui Botica Santos	250,000 124,356	0.80 0.07	July 27, 2025 May 3, 2028	1,865	0	0	21,250
Ayesha Hira	110,647	0.07	May 3, 2028	1,659	0	0	21,250

Notes:
(1) Based on the closing market price of $0.085 of the Common Shares on December 31, 2024 and subtracting the exercise price of the options.
(2) These options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.

Value on Pay-Out or Vesting of Incentive Plan Awards

None of the independent directors exercised any options during the year ended December 31, 2024.

ADDITIONAL INFORMATION AND CONTACT INFORMATION

Additional Information

Additional information relating to the Corporation may be found under the profile of the Corporation on SEDAR at www.sedarplus.ca and on the Corporation's website at www.belosun.com. Additional financial information is provided in the Corporation's audited financial statements and related management's discussion and analysis for the financial year ended December 31, 2024, which can be found under the profile of the Corporation on SEDAR. Shareholders may also request these documents from the Corporate Secretary of the Corporation by email at nsaid@fmresources.ca.

Board of Directors Approval

The contents of this Circular and the sending thereof to the Shareholders of the Corporation have been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *"Ayesha Hira"*
Interim Chief Executive Officer

Toronto, Ontario
May 20, 2025

SCHEDULE "A"

BELO SUN MINING CORP.
BOARD MANDATE

1. Introduction

The Board of Directors (the "**Board**") has the responsibility for the overall stewardship of the conduct of the business of Belo Sun Mining Corp. (the "**Company**") and the activities of management, which is responsible for the day-to-day conduct of the business. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, and to ensure that the Company meets its obligations on an ongoing basis and operates in a reliable and safe manner. In performing its functions, the Board should also consider the legitimate interests its other stakeholders, such as employees, customers and communities, may have in the Company. In overseeing the conduct of the business, the Board, through the Chief Executive Officer and Executive Chairman, shall set the standards of conduct for the Company.

2. Procedures and Organization

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its chair ("**Chair**") and nominating candidates for election to the Board and constituting committees of the Board. If the Chair is an executive of the Company, in order to further enhance the ability of the Board to act independently of management, the independent directors will select a lead independent director ("**Lead Director**"). Subject to the Articles of the Company and the *Business Corporations Act* (Ontario) (the "**Act**"), the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

A quorum for the transaction of business at any meeting of the Board shall be a majority of the number of directors then in office. The Corporate Secretary of the Company (or in his or her absence, the person appointed by the Board to take minutes) shall have the responsibility for taking minutes of all meetings of the Board and for circulating drafts of such minutes to the Chair promptly following each meeting. The Corporate Secretary of the Company (or in his or her absence, the person appointed by the Board to take minutes) shall present draft minutes from the previous meeting at the next succeeding Board meeting for comments, approval and execution. In the case of an equality of votes at a meeting of the Board, the chair of the meeting shall not have a second or casting vote.

3. Duties and Responsibilities

The Board's principal duties and responsibilities fall into a number of categories which are outlined below.

3.1 Legal Requirements

a. The Board, together with management, has the responsibility to ensure that legal requirements have been met and documents and records have been properly prepared, approved and maintained.

b. The Board has the statutory responsibility to:

i. manage or, to the extent it is entitled to delegate such power, supervise the management of the business and affairs of the Company by the senior officers of the Company;

ii. act honestly and in good faith with a view to the best interests of the Company;

iii. exercise the care, diligence and skill that reasonable, prudent people would exercise in comparable circumstances; and

iv. act in accordance with its obligations contained in the Act and the regulations thereto, the Company's Articles, securities laws of each province and territory of Canada, and other relevant legislation and regulations.

3.2 Independence

The Board has the responsibility to ensure that appropriate structures and procedures are in place to permit the Board to function independently of management, including endeavouring to have a majority of directors who are "independent" as defined by National Instrument 58-101 – Disclosure of Corporate Governance Practices ("**NI 58-101**"). The Board, in consultation with the Corporate Governance and Nominating Committee, will annually review the relationship of each director and the Company to determine if each director is or remains "independent" as defined by NI 58-101. In addition, the independent directors shall hold an in camera session without the presence of management or any non-independent directors at each meeting.

3.3 Strategy Determination

The Board has the responsibility to ensure, at least annually, that there are long-term goals and a strategic planning process in place for the Company and to participate with management, directly or through the Board's committees, in developing and approving the plan by which the Company proposes to achieve its goals, which plan takes into account, among other things, the opportunities and risks of the Company's business.

3.4 Managing Risk

The Board has the responsibility to identify and understand the principal risks of the business in which the Company is engaged, to achieve a proper balance between risks incurred and the potential return to shareholders, and to ensure that there are appropriate systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Company.

3.5 Division of Responsibilities

The Board has the power to:

a. appoint and delegate responsibilities to committees where appropriate to do so; and

b. develop position descriptions for:

i. its individual members and/or the individual members of committees of the Board;

ii. the Chair and/or Lead Director of the Board;

iii. the Chief Executive Officer; and

iv. the Chief Financial Officer.

The Board shall be responsible for ensuring that the Company's officers and the directors and officers of the Company's subsidiaries, if any, are qualified and appropriate in keeping with the Company's corporate governance policies, and that they are provided with copies of the Company's policies for implementation by the Company and its subsidiaries.

To assist it in exercising its responsibilities, the Board establishes four standing committees of the Board: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee and the Health, Safety, Environment & Corporate Social Responsibility Committee. The Board may establish other standing or ad hoc committees from time to time which will function in accordance with such committee's charter.

Each committee shall have a written charter that clearly establishes its purpose, responsibilities, composition, structure and functions. Each committee charter shall be reviewed by the Board at least annually. The Board is responsible for appointing the committee members, including the chair of each committee.

3.6 Appointment, Training and Monitoring Senior Management

The Board has the responsibility:

a. to appoint the Chief Executive Officer, to monitor and assess the Chief Executive Officer's performance and effectiveness, to satisfy itself as to the integrity of the Chief Executive Officer, and to provide advice and counsel in the execution of the Chief Executive Officer's duties;

b. to develop or approve the corporate goals or objectives that the Chief Executive Officer is responsible for;

c. to monitor and assess the Executive Chairman's performance and effectiveness and to satisfy itself as to the integrity of the Executive Chairman;

d. to approve the appointment of all corporate officers, acting on the advice of the Chief Executive Officer, and to satisfy itself as to the integrity of such corporate officers;

e. ensure that adequate provision has been made to train, develop and monitor management and for the orderly succession of management;

f. to create a culture of integrity throughout the Company;

g. to ensure that management is aware of the Board's expectations of management; and

h. to avail itself collectively and individually of the open access to the Company's senior management and to advise the Chair of the Board and / or Lead Director of significant matters discussed.

3.7 Policies, Procedures and Compliance

The Board has the responsibility:

a. to ensure with management that the Company operates at all times within applicable laws, regulations and ethical standards; and

b. to approve and monitor compliance with significant policies and procedures by which the Company is operated.

3.8 Reporting and Communication

The Board has the responsibility:

a. to ensure the Company has in place policies and programs to enable the Company to communicate effectively with its shareholders, other stakeholders and the public generally;

b. to ensure that the financial performance of the Company is adequately reported to shareholders, other securityholders and regulators on a timely and regular basis;

c. to ensure the timely reporting of developments that have a significant and material impact on the market price or value of the Company's securities;

d. to report annually to shareholders on its stewardship of the affairs of the Company for the preceding year;

e. to develop appropriate measures for receiving shareholder feedback; and

f. to develop the Company's approach to corporate governance and to develop a set of corporate governance principles and guidelines.

3.9 Monitoring and Acting

The Board has the responsibility:

a. to monitor the Company's progress towards it goals and objectives and to revise and alter its direction through management in response to changing circumstances;

b. to take action when performance falls short of its goals and objectives or when other special circumstances warrant; and

c. to ensure that the Company has implemented adequate internal control and management information systems which ensure the effective discharge of the Board's responsibilities.

3.10 Membership and Composition

The Board has the responsibility to determine:

a. its appropriate size and composition;

b. the relevant criteria for proposed additions to the Board, having regard to areas of required skills and expertise and other qualities, including independence and diversity;

c. any maximum number of boards or other engagements considered appropriate for directors, having regard to whether they are independent directors or members of management;

d. any appropriate age for retirement of directors;

e. the recommended compensation of directors for their services in that role, after consideration by the Compensation Committee; and

f. the number of meetings of the Board to be held each year and the time and place of such meetings; provided that the Board shall meet at least on a quarterly basis.

3.11 Education and Assessment

Members of the Board are expected to attend all meetings of the Board in person or by phone and to have reviewed board materials in advance and be prepared to discuss such materials.

The Board has responsibility to ensure that all new directors receive a comprehensive orientation and fully understand the role of the Board and its committees, the nature and operation of the Company's business, the expectations for directors and the contribution that individual directors are required to make. In addition to an initial orientation, members of the Board are expected to pursue educational opportunities, such as seminars and conferences, as appropriate to assist them in better performing their duties, and directors and are encouraged to visit one of the Company's sites at least once every two years.

Members of the Board will be required to annually assess their own effectiveness and contribution as directors, and the effectiveness of the Board and its committees.

3.12 Third Party Advisors

The Board, and any individual director with the approval of the Board, may retain at the expense of the Company independent counsel and advisers in appropriate circumstances.

4. Chair of the Board and Independent Lead Director

4.1 The Chair of the Board, with the assistance of the Lead Director (if one is appointed from time to time), will provide leadership to directors in discharging their duties as set out in this Charter, including by:

a. leading, managing and organizing the Board consistent with the approach to corporate governance adopted by the Board from time to time;

b. promoting cohesiveness among the directors; and

c. being satisfied that the responsibilities of the Board and its committees are well understood by the directors.

4.2 The Chair, with the assistance of the Lead Director (if one is appointed from time to time), will assist the Board in discharging its stewardship function, including by:

a. satisfying himself as to the integrity of the senior officers of the Company and ensuring that such senior officers create a culture of integrity throughout the organization;

b. taking part in strategic planning, risk management and succession planning;

c. together with the Chair of the Corporate Governance and Nominating Committee, reviewing the committees of the Board, the composition and chairs of such committees and the charters of such committees; and

d. together with the Chair of the Corporate Governance and Nominating Committee, ensuring that the Board, committees of the Board, individual directors and senior management of the Company understand and discharge their duties and obligations under the Company's system of corporate governance.

4.3 In addition, in conjunction with the Chair of the Corporate Governance and Nominating Committee, the Chair will ensure that:

a. all directors receive updates to Company policy documents and the listing policies of the applicable exchanges;

b. regular discussions relating to corporate governance issues and directors' duties are conducted at Board meetings;

c. the Company's policies are reviewed and updated by the Board as new rules or circumstances dictate; and

d. appropriate funding is allocated to directors to attend seminars or conferences relevant to their positions as directors of the Company.

4.4 In connection with meetings of the directors, the Chair will be responsible for the following (in consultation with the Lead Director, if one is appointed from time to time):

a. scheduling meetings of the directors;

b. coordinating with the chairs of the committees of the Board to schedule meetings of the committees;

c. reviewing items of importance for consideration by the Board;

d. ensuring that all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to manage or supervise the management of the business and affairs of the Company;

e. setting the agenda for meetings of the Board;

f. monitoring the adequacy of materials provided to the directors by management in connection with the directors' deliberations;

g. ensuring that the directors have sufficient time to review the materials provided to them and to fully discuss the business that comes before the Board;

h. presiding over meetings of the directors; and

i. encouraging free and open discussion at meetings of the Board.

4.5 In addition, the Lead Director, if one is appointed from time to time, will be responsible for the following:

a. reviewing items of importance for consideration by the independent directors and setting the agenda for in camera sessions of the independent directors;

b. presiding over meetings of the directors at which the Chair is not present and in camera sessions of the independent directors, and apprising the Chair of the issues considered;

c. encouraging free and open discussion at in camera sessions of the independent directors;

d. serving as liaison between the independent directors and the Chair;

e. being available for consultation and direct communication with the Company's shareholders as appropriate;

f. together with the Chair of the Board and the Chair of the Corporate Governance and Nominating Committee, providing feedback to directors regarding their performance; and

g. performing such other duties as the Board may delegate to the Lead Director from time to time.

The Corporate Governance Committee will annually review this Mandate and submit any recommended changes to the Board for approval.

SCHEDULE "B"

BELO SUN MINING CORP.

CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

1. PURPOSE OF THIS CHARTER

The Compensation Committee is appointed by the Board of Directors (the "**Board**") of Belo Sun Mining Corp. (the "**Corporation**") to assist the Board in setting director and senior executive compensation and to develop and submit to the Board recommendations with respect to other employee benefits as they see fit. In the performance of its duties, the Committee will be guided by the following principles:

a) offering competitive compensation to attract, retain and motivate the very best qualified executives in order for the Corporation to meet its goals; and

b) acting in the interests of the Corporation and its shareholders by being fiscally responsible.

2. COMPOSITION AND MEETINGS

a) The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Ontario Securities Commission ("**OSC**"), the *Business Corporations Act* (Ontario), any stock exchange upon which the securities of the Corporation trade and all other applicable securities regulatory authorities.

b) The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair. The position description and responsibilities of the Chair are set out in Schedule "A" attached hereto.

c) At least two members of the Committee shall be "independent" (as defined under section 1.4 of National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators).

d) Each member of the Committee shall serve at the appointment of the Board and, in any event, only so long as he or she shall be independent. The Committee shall report to the Board.

e) The Committee shall meet at least annually, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements, and a majority of the members of the Committee shall constitute a quorum.

f) If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting, at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.

g) If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.

h) The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by, the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.

i) Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.

j) The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.

k) The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, from time to time, to attend at meetings of the Committee.

l) Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.

m) The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders.

n) The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

3. RESPONSIBILITIES

The responsibilities of the Committee shall be:

a) Having regard to competitive position and individual performance, annually review, approve and recommend to the Board for approval the remuneration of the senior executives of the Corporation, namely, any executives in the offices of Chief Executive Officer, President, Vice-Presidents, Chief Financial Officer and any senior executives of the Corporation having comparable positions as may be specified by the Board (collectively, the "**Senior Executives**"), the remuneration of the Senior Executives other than the Chief Executive Officer shall be subject to review by the Committee in consultation with the Chief Executive Officer.

b) If deemed necessary or advisable, to review the Chief Executive Officer's goals and objectives for the upcoming year and to provide an appraisal of the Chief Executive Officer's performance at the end of the year.

c) To meet with the Chief Executive Officer to discuss goals and objectives of other Senior Executives, their compensation and performance.

d) To review and recommend to the Board for approval any special employment contracts including employment offers, retiring allowance agreements or any agreement to take effect in the event of termination or change in control affecting any Senior Executives.

e) To review and recommend to the Board for its approval the remuneration of directors and senior executives, and to develop and submit to the Board recommendations with regard to bonus entitlements, other employee benefits and bonus plans.

f) To compare on an annual basis, formally or informally, the total remuneration (including benefits) and the main components thereof for the Senior Executives with the remuneration practices of peers in the same industry.

g) To approve and periodically review bonus plans, the stock option plan and other incentive plans and consider these in light of new trends and practices of peers in the same industry.

h) To review and recommend to the Board for its approval the disclosure required in any management information circular of the Corporation relating to annual and/or special meetings of the shareholders of the Corporation relating to executive compensation as may be required pursuant to any applicable securities regulations, rules and policies and to review and finalize the report on executive compensation required in any management information circular of the Corporation.

i) Subject to the powers of the Board, shareholder approval of all stock option plans and other security based compensation arrangement and receipt of all necessary regulatory approvals, to determine those directors, officers, employees and consultants of the Corporation who will participate in long term incentive plans; to determine the number of shares of the Corporation allocated to each participant under such plan; to determine the time or times when ownership of such shares will vest for each participant; and to administer all matters relating to any long term incentive plan and any employee bonus plan to which the Committee has been delegated authority pursuant to the terms of such plans or any resolutions passed by the Board.

j) To determine annually the Chief Executive's entitlement to be paid a bonus under any employee bonus plan.

k) To adopt such policies and procedures as it deems appropriate to operate effectively.

4. AUTHORITY

Until the replacement of this Charter, the Committee shall have the authority to:

a) engage independent counsel and other advisors as it determines necessary to carry out its duties; and

b) set and pay the compensation for any advisors employed by the Committee.

Reviewed and approved by the Compensation Committee on March 25, 2024

Schedule "A"

BELO SUN MINING CORP.

POSITION DESCRIPTION FOR THE CHAIRMAN OF THE COMPENSATION COMMITTEE

1. Purpose

The Chairman of the Compensation Committee of the Board shall be an independent director who is elected by the Board to act as the leader of the Committee in, among other things: (i) reviewing Board compensation on at least an annual basis; (ii) reviewing and recommending to the Board compensation packages of the President and Chief Executive Officer, as well as other members of senior management; and (iii) establishing periodic review of the management benefits and perquisites.

2. Who may be Chairman

The Chairman will be selected amongst the independent directors of the Corporation who have a sufficient level of experience with compensation issues to ensure the leadership and effectiveness of the Committee.

The Chairman will be selected annually at the first meeting of the Board following the annual general meeting of shareholders.

3. Responsibilities

1) The following are the primary responsibilities of the Chairman:

a) Chairing all meetings of the Committee in a manner that promotes meaningful discussion.

b) Ensuring adherence to the Committee's Charter and that the adequacy of the Committee's Charter is reviewed annually.

c) Providing leadership to the Committee to enhance the Committee's effectiveness, including:

1. Ensuring the appropriate research and peer group review is done to identify and assess trends in employment benefits and other compensation data.

d) Managing the Committee, including:

a) Adopting procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;

b) Preparing the agenda of the Committee meetings and ensuring pre-meeting material is distributed in a timely manner, is appropriate in terms of relevance and is efficient in format and detail;

c) Ensuring meetings are appropriate in terms of frequency, length and content;

d) Ensuring that the Committee reviews all executive compensation disclosure before it is publicly disclosed; and

e) Annually reviewing with the Committee, its own performance.

SCHEDULE “B”

BELO SUN MINING CORP.

A&R STOCK OPTION PLAN

(SEE ATTACHED).

BELO SUN MINING CORP.
INCENTIVE STOCK OPTION PLAN

ARTICLE I
INTRODUCTION

1.1 Purpose of Plan

The purpose of the Plan is to secure for the Company and its shareholders the benefits of incentives inherent in the share ownership by the directors, senior officers, key employees and consultants of the Company and its Subsidiaries who, in the judgment of the Board, will be largely responsible for its future growth and success. It is generally recognized that a stock option plan of the nature provided for herein aids in retaining and encouraging employees and directors of exceptional ability because of the opportunity offered them to acquire a proprietary interest in the Company. The number of options that may be granted may not exceed 10% of the number of issued and outstanding Common Shares at the time of the stock option grant, from time to time. The Stock Option Plan is considered to be an "evergreen plan" since the Common Shares covered by options which have been exercised shall be available for subsequent grants under the Stock Option Plan, and the number of options available to grant increases as the number of issued and outstanding Common Shares increase.

1.2 Definitions

(a) "Associate" has the meaning ascribed thereto in the Securities Act.

(b) "Board" means the board of directors of the Company, or any committee of the board of directors to which the duties of the board of directors hereunder are delegated.

(c) 'Change in Control' shall be defined as:

i. a takeover bid which is successful in acquiring the majority of the Shares;
ii. a change of control of the Board of Directors of the Company resulting from the election of less than a majority of the persons nominated for election by management of the Company;
iii. the acquisition, directly or indirectly, through one transaction or a series of transactions, by any Person or Persons, of an aggregate of more than a 50% interest in the Company's qualifying mining property for its listing on the Toronto Stock Exchange;
iv. the acquisition, directly or indirectly, through one transaction or a series of transactions, by any Person or Persons, of an aggregate of less than a 50% interest in the Company's qualifying mining property for its listing on the Toronto Stock Exchange and where the Company loses management or operational control over such qualifying mining property;
v. the sale of all or substantially all the assets of the Company;
vi. the sale, exchange or other disposition of a majority of the outstanding Shares of the Company in a single transaction or series of related transactions;
vii. the dissolution of the Company's business or the liquidation of its assets;
viii. a merger, amalgamation or arrangement of the Company in a transaction or series of transactions in which the Company's shareholders receive less than 51% of the outstanding shares of the new or continuing corporation; or
ix. the acquisition, directly or indirectly, through one transaction or a series of transactions, by any Person or group of Persons acting jointly or in concert (including without limitation, the power to vote), of an aggregate of more than 30% of the outstanding common shares of the Company.

(d) "Company" means Belo Sun Mining Corp., a company duly incorporated under the laws of Ontario.

(e) "Consultant" means a person providing consulting services to the Company or any of its Subsidiaries.

(f) "Consultant Company" means for an individual Consultant, a company or partnership of which the individual is an employee, shareholder or partner.

(g) "Director" means a director of the Company or any of its Subsidiaries.

(h) "Eligible Person" means any employee, Director, senior Officer or Consultant of the Company or any of its Subsidiaries.

(i) "Exchange" means the Toronto Stock Exchange or any other stock exchange on which the Shares are listed.

(j) "Non-Employee Director" means any Director that is not also an Officer, Consultant or employee of the Company;

(k) "Insider" of the Company shall mean an Eligible Person who is an "insider" of the Company that is subject to insider reporting requirements pursuant to National Instrument 55-101 – Insider Reporting Exemptions.

(l) "Option" shall mean an option granted under the terms of the Plan.

(m) "Option Commitment" means the notice of grant of an Option delivered by the Company hereunder to an Optionee and substantially in the form of Exhibit A hereto.

(n) "Option Period" shall mean the period during which an Option may be exercised.

(o) "Optionee" shall mean an Eligible Person to whom an Option has been granted under the terms of the Plan.

(p) "Plan" means this Incentive Stock Option Plan established and operated pursuant to Article II hereof.

(q) "Securities Act" means the *Securities Act* (Ontario) as amended from time to time.

(r) "Share Compensation Arrangement" means the Plan described herein and any other security based compensation arrangements implemented by the Company including stock options, other stock option plans, employee stock purchase plans, share distribution plans, stock appreciation rights, restricted share unit plans or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares of the Company.

(s) "Shares" shall mean the common shares of the Company.

(t) "Subsidiary" has the meaning ascribed thereto in the Securities Act.

ARTICLE II
STOCK OPTION PLAN

2.1 Participation

Options to purchase Shares may be granted hereunder to Eligible Persons.

2.2 Determination of Option Recipients

The Board shall make all necessary or desirable determinations regarding the granting of Options to Eligible Persons and may take into consideration the present and potential contributions of a particular Eligible Person to the success of the Company and any other factors which it may deem proper and relevant.

2.3 Exercise Price

The exercise price per Share shall be determined by the Board at the time the Option is granted, but, in any event, shall not be less than the closing price of the Shares on the Exchange on the trading day immediately preceding the date of the grant of the Option.

2.4 Grant of Options

The Board may at any time authorize the granting of Options to such Eligible Persons as it may select for the number of Shares that it shall designate, subject to the provisions of the Plan. A director of the Company to whom an Option may be granted shall not participate in the decision of the Board to grant such Option. The date of each grant of Options shall be determined by the Board when the grant is authorized.

2.5 Option Commitment

Each Option granted to an Optionee shall be evidenced by an Option Commitment detailing the terms of the Option and upon delivery of the Option Commitment to the Optionee by the Company the Optionee shall have the right to purchase the Shares underlying the Option at the exercise price set out therein, subject to any provisions as to the vesting of the Option.

2.6 Terms of Options

The periods within which Options may be exercised and the number of Shares which may be issuable upon the exercise of Options in any such period shall be determined by the Board at the time of granting the Options provided, however, that all Options must be exercisable during a period not extending beyond five years from the date of the Option grant.

Notwithstanding the foregoing, in the event that the expiry of an Option Period falls within, or within two (2) days of, a trading blackout period imposed by the Company (the "**Blackout Period**"), the expiry date of such Option Period shall be automatically extended to the 10th business day following the end of the Blackout Period.

2.7 Exercise of Option

Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Company of a written notice of exercise specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the exercise price of the Shares to be purchased. Certificates for such Shares shall be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment.

2.8 Vesting

(a) Options granted pursuant to the Plan shall vest and become exerciseable by an Optionee at such time or times as may be determined by the Board.

(b) Should an Eligible Person's contract with the Company provide for a Change of Control, upon a Change of Control, all Options granted to such Eligible Peron pursuant to the Plan, but have not vested, shall vest immediately

2.9 Lapsed Options

If Options are surrendered, terminated or expire without being exercised in whole or in part, new Options may be granted covering the Shares not purchased under such lapsed Options.

2.10 Death of Optionee

If an Optionee ceases to be an Eligible Person due to death, any Option held by it at the date of death shall be exercisable by the Optionee's legal heirs or personal representatives. All such Options shall be exercisable only to the extent that the Optionee was entitled to exercise the Option at the date of death and only for 12 months after the date of death or prior to the expiration of the Option Period in respect thereof, whichever is sooner, subject to the Board determining otherwise.

2.11 Termination of Employment

If an Optionee ceases to be an Eligible Person, other than as a result of termination with cause, or ceases to act as a Director, any Option held by such Optionee at the effective date thereof shall be exercisable only to the extent that the Optionee is entitled to exercise the Option and only for 90 days thereafter (or such longer period as may be prescribed by law) or prior to the expiration of the Option Period in respect thereof, whichever is sooner, subject

to the Board determining otherwise. In the case of an Optionee being dismissed from employment or service for cause, the Option shall immediately terminate and shall no longer be exerciseable as of the date of such dismissal.

2.12 Effect of Take-Over Bid

If a bona fide offer (the "**Offer**") for Shares is made to the Optionee or to shareholders generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror exercising control over the Company within the meaning of the Securities Act, then the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of the full particulars of the Offer. The Board will have the sole discretion to amend, abridge or otherwise eliminate any vesting schedule so that notwithstanding the other terms of this Plan, such Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Shares received upon such exercise (the "**Optioned Shares**") pursuant to the Offer. If:

(a) the Offer is not complied with within the time specified therein;

(b) the Optionee does not tender the Optioned Shares pursuant to the Offer; or

(c) all of the Optioned Shares tendered by the Optionee pursuant to the Offer are not taken up and paid for by the offeror in respect thereof;

then at the discretion of the Board, the Optioned Shares or, in the case of clause (c) above, the Optioned Shares that are not taken up and paid for, shall be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and the terms of the Option as set forth in this Plan and the Option Commitment shall again apply to the Option. If any Optioned Shares are returned to the Company under this Section, the Company shall refund the exercise price to the Optionee for such Optioned Shares.

2.13 Effect of Reorganization, Amalgamation, Merger. etc.

If there is a consolidation, reorganization, merger, amalgamation or statutory amalgamation or arrangement of the Company with or into another corporation, a separation of the business of the Company into two or more entities or a transfer of all or substantially all of the assets of the Company to another entity, the Board will have the sole discretion to amend, abridge or otherwise eliminate any vesting schedule so that notwithstanding the other terms of this Plan, such Option may be exercised in whole or in part by the Optionee and at the discretion of the Board, upon the exercise of an Option under the Plan, the holder thereof shall be entitled to receive any securities, property or cash which the Optionee would have received upon such consolidation, reorganization, merger, amalgamation, statutory amalgamation or arrangement, separation or transfer if the Optionee had exercised his Option immediately prior to the applicable record date or event, as applicable, and the exercise price shall be adjusted as applicable by the Board, unless the Board otherwise determines the basis upon which such Option shall be exercisable, and any such adjustments shall be binding for all purposes of the Plan.

2.14 Adjustment in Shares Subject to the Plan

If there is any change in the Shares through or by means of a declaration of stock dividends of Shares or consolidations, subdivisions or reclassifications of Shares, or otherwise, the number of Shares subject to any Option, and the exercise price thereof and the maximum number of Shares which may be issued under the Plan in accordance with Section 3.1 (a) shall be adjusted appropriately by the Board and such adjustment shall be effective and binding for all purposes of the Plan. An adjustment under Section 2.13 or 2.14 (the "**Adjustment Provisions**") will take effect at the time of the event giving rise to the adjustment, and the Adjustment Provisions are cumulative. The Company will not be required to issue fractional Shares in satisfaction of its obligations hereunder. Any fractional interest in a Share that would, except for this provision, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company. If any questions arise at any time with respect to the exercise price or number of Shares deliverable upon exercise of an Option in connection with any of the events set out in Sections 2.12, 2.13 or 2.14, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants that the Company may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

ARTICLE III
GENERAL

3.1 Maximum Number of Shares

(a) The aggregate number of Shares issuable pursuant to this Plan or any other Share Compensation Arrangement (pre-existing or otherwise) to all Optionees shall not exceed 10% of the issued and outstanding Shares at the time of grant or within any one-year period.

(b) The aggregate number of Shares issuable pursuant to this Plan and any other Share Compensation Arrangement (pre-existing or otherwise) to Insiders shall not exceed 10% of the Shares outstanding at any time.

(c) The aggregate number of Shares issued upon exercise of the Options granted pursuant to this Plan and any other Share Compensation Arrangement (pre-existing or otherwise) to Insiders within a one-year period shall not exceed 10% of the Shares then outstanding.

(d) The aggregate value of Options granted pursuant to this Plan to a Non-Employee Director shall not exceed $150,000 per annum, calculated using the Black-Scholes valuation methodology, and the aggregate value of Options and all compensation under any other Share Compensation Arrangement shall not exceed $200,000 per annum, calculation using the Black-Scholes valuation methodology.

3.2 Transferability

Options are not assignable or transferable other than by will or by the applicable laws of descent. During the lifetime of an Optionee, all Options may only be exercised by the Optionee.

3.3 Employment

Nothing contained in the Plan shall confer upon any Optionee any right with respect to employment or continuance of employment with the Company or any Subsidiary, or interfere in any way with the right of the Company or any Subsidiary, to terminate the Optionee's employment at any time. Participation in the Plan by an Optionee is voluntary.

3.4 No Shareholder Rights

An Optionee shall not have any rights as a shareholder of the Company with respect to any of the Shares covered by an Option until the Optionee exercises such Option in accordance with the terms of the Plan and the issuance of the Shares by the Company.

3.5 Record Keeping

The Company shall maintain a register in which shall be recorded the name and address of each Optionee, the number of Options granted to an Optionee, the details thereof and the number of Options outstanding.

3.6 Necessary Approvals

The Plan shall be effective only upon the approval of both the Board and the shareholders of the Company by ordinary resolution. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of any governmental authority having jurisdiction or any stock exchanges on which the Shares are listed for trading which may be required in connection with the authorization, issuance or sale of such Shares by the Company. If any Shares cannot be issued to any Optionee for any reason including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any exercise price paid by an Optionee to the Company shall be returned to the Optionee.

3.7 Administration of the Plan

The Board is authorized to interpret the Plan from time to time and to adopt, amend and rescind rules and regulations for carrying out the Plan. The interpretation and construction of any provision of the Plan by the Board shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

3.8 Income Taxes

The Company shall have the power and the right to deduct or withhold, or require an Optionee to remit to the Company, the required amount to satisfy federal, provincial, and local taxes, domestic or foreign, required

by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan, including the grant or exercise of any Option granted under the Plan. With respect to any required withholding, the Company shall have the irrevocable right to, and the Optionee consents to, the Company setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Company to the Optionee (whether arising pursuant to the Optionee's relationship as a director, officer, employee or consultant of the Company or otherwise), or may make such other arrangements that are satisfactory to the Optionee and the Company. In addition, the Company may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Shares issuable upon exercise of the Options as it determines are required to be sold by the Company, as trustee, to satisfy any withholding obligations net of selling costs. The Optionee consents to such sale and grants to the Company an irrevocable power of attorney to effect the sale of such Shares issuable upon exercise of the Options and acknowledges and agrees that the Company does not accept responsibility for the price obtained on the sale of such Shares issuable upon exercise of the Options.

3.9 Amendment, Modification or Termination of Plan

Subject to the requisite shareholder and regulatory approvals set forth under subparagraphs 3.9(a) and (b) below, the Board may, from time to time, amend or revise the terms of the Plan or may discontinue the Plan at any time provided however that no such right may, without the consent of the Optionee, in any manner adversely affect his rights under any Option theretofore granted under the Plan.

(a) The Board may, subject to receipt of requisite shareholder and regulatory approval, make the following amendments to the Plan:

(i) any amendment to the number of securities issuable under the Plan, including an increase to a fixed maximum number of securities or a change from a fixed maximum number of securities to a fixed maximum percentage. A change to a fixed maximum percentage which was previously approved by shareholders will not require additional shareholder approval;

(ii) any change to the definition of “Eligible Person” which would have the potential of narrowing or broadening or increasing insider participation;

(iii) the addition of any form of financial assistance;

(iv) any amendment to a financial assistance provision which is more favourable to Optionees;

(v) any addition of a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction in the number of underlying securities from the Plan;

(vi) the addition of deferred or restricted share unit or any other provision which results in Optionees receiving securities while no cash consideration is received by the Company;

(vii) any other amendments that may lead to significant or unreasonable dilution in the Company’s outstanding securities or may provide additional benefits to Optionees, especially to insiders of the Company, at the expense of the Company and its existing shareholders;

(viii) any reduction in exercise price or cancellation and reissue of Options, or other entitlements.

(ix) any amendment that extends the term of an award beyond the original expiry date;

(x) any amendment which would permit equity based awards granted under the Plan to be transferable or assignable other than for normal estate settlement purposes; and

(xi) any amendment to the plan amendment provisions.

(b) The Board may, subject to receipt of requisite regulatory approval, where required, in its sole discretion and without shareholder approval, make all other amendments to the Plan that are not of the type contemplated in subparagraph 3.9(a) above, including, without limitation:

(i) amendments of a housekeeping nature;

(ii) the addition of or a change to vesting provisions of a security or the Plan;

(iii) a change to the termination provisions of a security or the Plan which does not entail an extension beyond the original expiry date; and

(iv) the addition of a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying securities from the Planreserve.

(c) Notwithstanding the provisions of subparagraph 3.9(b), the Company shall additionally obtain requisite shareholders approval in respect of amendments to the Plan that are contemplated pursuant to subparagraph 3.9(b) to the extent such approval is required by any applicable law or regulations.

3.10 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

3.11 Interpretation

The Plan will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

3.12 Compliance with Applicable Law

If any provision of the Plan or any agreement entered into pursuant to the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or the Plan then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

EXHIBIT A

BELO SUN MINING CORP.

INCENTIVE STOCK OPTION PLAN

OPTION COMMITMENT

Notice is hereby given that, effective this_____day of_____, 20 (the "**Effective Date**"), **BELO SUN MINING CORP.** (the "**Company**") has granted to_____(the "**Optionee**"), an Option to acquire _____ Common Shares (the "**Shares**") on or prior to 5:00 p.m. (Toronto Time) on the day of _____(the "**Expiry Date**") at an exercise price of Cdn. $_____per Share.

Shares may be acquired as follows:

◆

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Company's 2017 Stock Option Plan (the "**Stock Option Plan**"), the terms and conditions of which are hereby incorporated herein.

To exercise your Option, deliver a written notice specifying the number of Shares you wish to acquire, together with a certified cheque or bank draft payable to the Company for the aggregate exercise price, to the Company or as otherwise instructed by the Company. A certificate for the Shares so acquired will be issued by the Company's transfer agent as soon as practicable thereafter.

The undersigned hereby acknowledges having read the Stock Option Plan and agrees to the terms and conditions of the Stock Option Plan.

The undersigned Optionee hereby authorizes the Company to withhold any remuneration payable to the undersigned for the purposes of paying any taxes owing as a result of the undersigned's participation in the Stock Option Plan and hereby further authorizes the Company to remit such amounts owing to the relevant taxation authorities on the undersigned's behalf.

BELO SUN MINING CORP.

_____
Authorized Signatory

_____
[Name of Optionee]

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended
December 31, 2024 and 2023

(expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Belo Sun Mining Corp.

Opinion

We have audited the consolidated financial statements of Belo Sun Mining Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessment of impairment indicators on property, plant, and equipment (PP&E)

Refer to note 2e – Material accounting policies – Significant accounting judgments, estimates and assumptions, note 2j – Material accounting policies – Property, plant and equipment, note 4 – Mineral property development and exploration and development and note 7 - Property, plant and equipment to the consolidated financial statements.

The net book value of PP&E amounted to $11,396,415 as at December 31, 2024. Management assesses at each reporting period-end whether there is an indication that PP&E may be impaired. If such indicator exists, the recoverable amount of the PP&E is estimated. The determination of whether there are indicators of impairment is a subjective process involving significant judgment and a number of estimates and interpretations. No impairment indicators were identified by management as at December 31, 2024.

We considered this a key audit matter due to (i) the significance of the PP&E balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgment and the use of a management expert.

How our audit addressed the Key Audit Matter

Our approach to addressing the matter involved the following procedures, among others:

- Assessed the status of the Company's mining rights by inspecting mineral permit status and correspondence with relevant parties involved in licensing matters.
- Evaluated management's assessment of whether any rights were not expected to be reinstated, including the work of management's experts, which were used to evaluate the reasonableness of the current status of the Company's efforts to have the suspension of its construction license removed. As a basis for using this work as audit evidence, we evaluated the competence of management's expert, obtained an understanding of their work, and assessed the reasonableness of their conclusions.
- Assessed whether there has been a significant decline in the Company's market capitalization, which may indicate a decline in value of the Company's net assets.
- Assessed the adequacy of the disclosures in the consolidated financial statements to ensure that they were prepared in accordance with the requirements of the accounting standards.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mark Jakovcic.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
March 19, 2025
Toronto, Ontario

Belo Sun Mining Corp.
Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

	Notes	December 31, 2024	December 31, 2023
Assets			
Current assets			
Cash and cash equivalents		$ 10,881,610	$ 15,101,994
Prepaid expenses and sundry receivables	3	234,777	256,163
Promissory notes receivable	6	234,621	228,080
		11,351,008	15,586,237
Non-current assets			
Property, plant and equipment	4, 7	11,396,415	10,586,391
Term investment	5	591,054	635,685
Total Assets		$ 23,338,477	$ 26,808,313
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	8	$ 3,112,615	$ 1,720,090
		3,112,615	1,720,090
Equity			
Share capital	10	263,929,644	262,771,769
Share-based payments reserve	11	2,785,676	4,284,152
Contributed surplus	12	82,169	71,680
Accumulated other comprehensive income		2,406,206	1,344,015
Deficit		(248,977,833)	(243,383,393)
Total Equity		20,225,862	25,088,223
Total Liabilities and Equity		$ 23,338,477	$ 26,808,313
Commitments and contingencies	18		
Subsequent events	20		

Approved on behalf of the Directors:

"Carol Fries" — Director

"Mark Eaton" — Director

Belo Sun Mining Corp.
Consolidated Statements of Comprehensive Loss

(Expressed in Canadian dollars)

	Notes	Year ended December 31, 2024	2023
Expenses			
Salaries, wages and consulting fees	17	4,354,901	2,582,901
Accounting, audit and tax fees		323,556	111,787
Legal fees		398,677	452,103
General and administration		758,532	743,482
Depreciation	7	37,997	144,117
Share-based payments	11,12	205,866	943,340
Exploration and evaluation expenses	4	1,341,785	1,248,552
Permitting costs		137,979	242,409
Impairment of plant and equipment	7	-	5,274,653
Foreign exchange loss		541,837	33,844
Loss from operations		(8,101,130)	(11,777,188)
Interest income		800,850	1,060,240
Interest expense		-	(231)
Gain on asset disposal		11,987	-
Net loss for the year		(7,288,293)	(10,717,179)
Other comprehensive (loss) income			
Items that may be reclassified to profit/loss:			
Exchange differences on translating foreign operations		1,062,191	(373,869)
Comprehensive loss for the year		$ (6,226,102)	$ (11,091,048)
Loss per share:			
Basic and diluted	14	$ (0.02)	$ (0.02)
Weighted average number of shares outstanding:			
Basic and diluted		455,182,688	455,055,248

Belo Sun Mining Corp.
Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

	Notes	Year ended December 31, 2024	2023
Cash (used in) provided by operations:			
Net loss		$ (7,288,293)	$ (10,717,179)
Items not involving cash:			
Share-based payments	11, 12	205,866	943,340
Depreciation	7	37,997	144,117
Interest income		(800,850)	(1,060,240)
Interest income received		794,309	1,041,040
Unrealized loss on foreign exchange		393,662	(464,337)
Impairment of plant and equipment		-	5,274,653
Working capital adjustments:			
Change in prepaid expenses and sundry receivables		21,386	(14,545)
Change in accounts payables and accrued liabilities		1,392,525	228,763
Net cash (used in) operating activities		(5,243,398)	(4,624,388)
Investing activities			
Expenditures on property, plant and equipment	4, 7	(8,998)	(42,173)
Return of long-term deposit	7	-	1,625,280
Promissory note repayment	6	-	244,115
Promissory note interest payment	6	-	75,885
Net cash (used in) / provided by investing activities		(8,998)	1,903,107
Financing activities			
Payment of principal portion of lease liability		-	(9,651)
Private placement	10	1,166,079	-
Cost of issuance	10	(8,204)	-
Net cash provided by / (used in) financing activities		1,157,875	(9,651)
Change in cash and cash equivalents		(4,094,521)	(2,730,932)
Cash and cash equivalents, beginning of the year		15,101,994	17,584,792
Effect of exchange rate on cash held		(125,863)	248,134
Cash and cash equivalents, end of the year		$ 10,881,610	$ 15,101,994
Cash and cash equivalents are comprised of:			
Cash in bank		$ 9,380,793	$ 13,343,849
Short-term money market instruments		1,500,817	1,758,145
		$ 10,881,610	$ 15,101,994

Belo Sun Mining Corp.
Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Contributed Surplus	Share-Based Payments Reserve	Accumulated Other Comprehensive Income	Deficit	Total
Balance, December 31, 2022	455,055,248	$ 262,771,769	$ 37,648	$ 3,402,844	$ 1,717,884	$ (232,694,214)	$ 35,235,931
Share-based compensation	-	-	34,032	909,308	-	-	943,340
Stock option expiry	-	-	-	(28,000)	-	28,000	-
Other comprehensive loss	-	-	-	-	(373,869)	-	(373,869)
Net loss	-	-	-	-	-	(10,717,179)	(10,717,179)
Balance, December 31, 2023	455,055,248	$ 262,771,769	$ 71,680	$ 4,284,152	$ 1,344,015	$ (243,383,393)	$ 25,088,223
Share-based compensation	-	-	10,489	195,377	-	-	205,866
Private placement	11,660,790	1,166,079	-	-	-	-	1,166,079
Cost of issuance	-	(8,204)	-	-	-	-	(8,204)
Stock option expiry	-	-	-	(1,693,853)	-	1,693,853	-
Other comprehensive loss	-	-	-	-	1,062,191	-	1,062,191
Net loss	-	-	-	-	-	(7,288,293)	(7,288,293)
Balance, December 31, 2024	466,716,038	$ 263,929,644	$ 82,169	$ 2,785,676	$ 2,406,206	$ (248,977,833)	$ 20,225,862

1. Nature of operations

Belo Sun Mining Corp. ("Belo Sun" or the "Company"), through its subsidiaries, is a gold exploration and development company engaged in the exploration and development of properties located in Brazil. The Volta Grande Gold project moved to the development stage in 2017 (Note 4). The other project is in the exploration and evaluation stage. The Company is a publicly listed company incorporated in the Province of Ontario. The Company's shares are listed on the Toronto Stock Exchange and trade under the symbol "BSX". The Company's shares are also listing on the OTCQB venture market and trade under the symbol "BSXGF". The Company's head office is located at 198 Davenport Road, Toronto, Ontario, Canada, M5R 1J2.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and development and in which it has an interest, in accordance with industry standards for the current stage of exploration and development of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, indigenous claims and non-compliance with regulatory and environmental requirements.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. The Company's mining assets that are located outside of North America are subject to the risk of foreign investment, including increases in taxes and royalties, renegotiation of contracts, expropriation and currency exchange fluctuations and restrictions.

2. Material accounting policies

a) Statement of compliance

These consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), effective for the Company's reporting for the year ended December 31, 2024. The policies as set out below were consistently applied to all the periods presented unless otherwise noted. The Board of Directors approved these annual consolidated financial statements for issue on March19, 2025.

b) Basis of preparation

These consolidated financial statements were prepared under the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, and are presented in Canadian dollars. They have been prepared on a going concern basis assuming that the Company will be able to realize its assets and discharge its liabilities in the normal course of business as they come due for the foreseeable future.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

2. Material accounting policies (continued)

c) New and future accounting policies

New and amended accounting standards issued during the year:

The Company has adopted the following revised IFRS amendments effective January 1, 2024. These changes were made in accordance with the applicable transitional provisions and had no impact on the financial statements of the Company.

IAS 1 – Presentation of Financial Statements and IFRS 2 Practice Statement 2

Effective January 1, 2024, the Company adopted the IASB's amendment to IAS 1, Presentation of Financial Statements providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to management's intentions or expectations of exercising the right to defer settlement of the liability. Management would classify debt as non-current only when the Company complies with all the conditions at the reporting date. The amendments further clarify that settlement of a liability refers to the transfer of cash, equity instruments, other assets or services to the counterparty. The adoption of these amendments did not have an impact on the Company's financial statements.

New accounting standards issued but not effective

IFRS 18 – Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

d) Principals of consolidation

(i) Subsidiaries

All entities in which the Company has a controlling interest are fully consolidated from the date that control commences until the date that control ceases. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

(ii) Transactions eliminated on consolidation

Intercompany balances and transactions and any unrealized gains and losses or income and expenses arising from intercompany transactions are eliminated in preparing the consolidated financial statements.

2. Material accounting policies (continued)

e) Significant accounting judgments, estimates and assumptions

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, on a prospective basis. The revision may affect current or both current and future periods.

Information about critical judgments and estimates in applying accounting policies, and areas where assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following areas:

- Impairment of property, plant and equipment

  The Company assesses each Cash-Generating Unit (CGU) at period end, to determine whether there are any indications of impairment or reversal of impairment. Where an indicator of impairment or reversal exists, a formal estimate of the recoverable amount is made. Recoverable amount is the higher of the fair value less cost of disposal and value in use calculated in accordance with accounting policy. These assessments require the use of estimates and assumptions such as commodity prices, discount rates, exchange rates, sustaining capital requirements, operating performance (including the magnitude and timing of related cash flows, production levels and grade of ore being processed), future operating development from certain identified development or exploration targets where there is high degree of confidence in the economic extraction of minerals and conversion of resources (measured and indicated and inferred) and their estimated fair value, including those factors that could be impacted by the Company's current and emerging principal risks such as climate change.

- Recognition of deferred tax assets

  In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company reassesses unrecognized income tax assets at each reporting period.

- Title to land

  In assessing the recognition of land acquired with deferred payment terms as an asset, management must make an assumption as to whether the title of the land has passed. Management has determined that the Company has obtained title to the land upon execution of the land purchase agreements as outlined within the agreements themselves.

2. Material accounting policies (continued)

e) Significant accounting judgments, estimates and assumptions (continued)

• Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

• Assessment of the project stage for mineral properties and activities

In determining whether the Company is in the exploration and evaluation stage or the development stage, management must make an assessment as to whether the technical feasibility and commercial viability of extracting the mineral resource are demonstrable. Management assesses several considerations including technical studies performed by consultants and the status of licences to make this assessment. Effective February 2, 2017, management's judgement was that the Company has moved into the development stage on the Volta Grande project as the Company has received its construction licence and has awarded a contract for the first phase of Engineering, Procurement and Construction ("EPC"), despite the interim suspension of the licence (Note 4).

• Valuation of promissory notes receivable

Estimating the fair value of the promissory notes receivable requires the use of assumptions, the most significant being the discount rate.

• Collectability of promissory notes receivable

Management makes an assessment of whether the promissory notes receivable are collectable for each recipient based on payment history and financial condition. These estimates are continuously evaluated and updated.

• Determination of functional currency

Under IFRS, each entity within the Company has its results measured using the currency of the primary economic environment in which the entity operates (the "functional" currency). Judgment is necessary in assessing each entity's functional currency. The Company considers the currency of expenses and outflows, as well as financing activities as part of its decision-making process.

• Contingencies

Refer to Note 18.

f) Presentation and functional currency

The Company's consolidated financial statements are presented in Canadian dollars. The Company's functional and presentation currency is the Canadian dollar. The Company's subsidiaries' functional currency is the United States dollar. References to R$ refer to the Brazilian Real.

2. Material accounting policies (continued)

g) Foreign currency translation

Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At closing date, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the closing date exchange rate. Non-monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the historical rate effective on the date of the transactions. All foreign currency adjustments are expensed, apart from adjustments on borrowing in foreign currencies, constituting a hedge for the net investment in a foreign entity. These adjustments are allocated directly to equity until the divestiture of the net investment.

Financial statements of subsidiaries for which the functional currency is not the Canadian dollar are translated into Canadian dollars as follows: all asset and liability accounts are translated at the period-end exchange rate and all earnings and expense accounts and cash flow statement items are translated at average exchange rates for the period. The resulting translation gains and losses are recorded as exchange differences on translating foreign operations in Accumulated Other Comprehensive Income ("AOCI").

h) Cash and cash equivalents

Cash and cash equivalents consist of cash in banks, short-term money market instruments, call deposits and other highly liquid investments with initial maturities of three months or less. Investments in securities, investments with initial maturities greater than three months without an early redemption feature and bank accounts subject to restrictions, other than restrictions due to regulations specific to a country or activity sector (exchange controls, etc.) are not presented as cash equivalents but as financial assets.

i) Derivative financial instruments

The Company does not use derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. In accordance with its treasury policy, the Company does not hold or issue derivative financial instruments for trading purposes.

2. Material accounting policies (continued)

j) Property, plant and equipment

(i) Assets owned by the Company

Property, plant and equipment are carried at historical cost less any accumulated depreciation and impairment losses. Historical cost includes the acquisition cost as well as the costs directly attributable to bring the asset to the location and condition necessary for its use in operations. Depreciation is computed using the straight-line method based on the estimated useful life of the assets. Useful life is reviewed at the end of each reporting period.

(ii) Subsequent costs

The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognized in the statement of comprehensive loss as an expense as incurred.

(iii) Mining assets under construction

When a mining project reaches the development phase, subsequent costs are capitalized to mine development costs in property, plant and equipment. The development expenditures are capitalized.

Mining assets under construction consist of property, plant and equipment costs incurred in the course of development and are not depreciated. On completion of construction or development, costs are transferred to property, plant and equipment and/or mining properties as appropriate based on the following criteria:

- Production capacity achieved;
- Recovery grade;
- Completion of reasonable period of testing of the mine plant and equipment;
- Stage of completion of development work;
- Completion of the planned capital expenditures.

(iv) Depreciation

Depreciation is charged to the statement of comprehensive loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Land is not depreciated. The estimated useful lives in the current and comparative periods are as follows:

- Vehicles 5 years
- Furniture and office equipment 5 to 25 years
- Mining equipment 10 years

2. Material accounting policies (continued)

k) Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral property rights, property option payments and exploration and evaluation activities (including care and maintenance costs).

Once a project has been established as commercially viable, technically feasible and the decision to proceed with development has been approved, related development expenditures incurred thereafter are capitalized. This includes costs incurred in preparing the site for mining operations, which are recorded in mining assets under construction in property, plant and equipment.

l) Financial instruments

The Company has classified all financial instruments as amortized cost.

Financial assets are measured at amortized cost if it meets both of the following conditions and is not designated as Fair Value Through Profit or Loss ("FVTPL"):

- it is held with the objective of collecting contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The fair value of quoted investments is determined by reference to market prices at the close of business on the statement of financial position date. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis; and pricing models. Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a hierarchy based on the degree to which the fair value is observable as follows:

- Level 1 fair value measurements are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2. Material accounting policies (continued)

l) Financial instruments (continued)

At each balance sheet date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets carried at amortized cost and Fair Value through Other Comprehensive Income ("FVOCI"). For the impairment of financial assets, a loss allowance for expected credit losses is recognized in Other Comprehensive Income ("OCI") for financial assets measured at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The impairment model does not apply to FVTPL instruments. The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12- month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition.

A financial asset is derecognized when either the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party. If neither the rights to receive cash flows from the asset have expired nor the Company has transferred its rights to receive cash flows from the asset, the Company will assess whether it has relinquished control of the asset or not. If the Company does not control the asset then derecognition is appropriate.

Financial liabilities are measured at amortized cost. A financial liability is derecognized when the associated obligation is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in net earnings.

m) Interest income

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2. Material accounting policies (continued)

n) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the period during which the employee becomes unconditionally entitled to equity instruments, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share-based payments reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

The Company also has a deferred share unit ("DSU") plan. The plan allows for the settlement of DSUs in cash or in shares of the Company at the election of the Company. The Company's expectation is the DSUs will be settled in shares. The Company has purchased its own shares which are held in trust to settle DSUs, as a result, there is no present obligation to settle in cash. Therefore, the value of the DSUs are recorded as equity. Any shares purchased and held in treasury for the purposes of settling the DSUs are recorded as a reduction of contributed surplus.

o) Impairment of non-financial assets

When events or changes in the economic environment indicate a risk of impairment to property, plant and equipment, an impairment test is performed to determine whether the carrying amount of the asset or group of assets under consideration exceeds its or their recoverable amount. Recoverable amount is defined as the higher of an asset's fair value (less costs of disposal) and its value in use. Value in use is equal to the present value of future cash flows expected to be derived from the use and sale of the asset.

2. Material accounting policies (continued)

p) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(Expressed in Canadian dollars unless otherwise noted)

2. Material accounting policies (continued)

q) Provisions

Provisions are recognized when (a), the Company has a present obligation (legal or constructive) as a result of a past event, and (b), it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

r) Decommissioning, restoration and similar liabilities

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and included in profit or loss as extraction progresses.

3. Prepaid expenses and sundry receivables

	December 31, 2024	December 31, 2023
Amounts receivables and other advances	$ 32,961	$ 40,096
Reimbursable court fees pending appeal	39,374	46,429
HST receivable	85,668	85,958
Prepaid insurance	76,774	83,680
	$ 234,777	$ 256,163

The Company has paid fees with respect to appeal proceedings which are expected to be reimbursed. The Company expects to be reimbursed the balance, R$169,205 ($39,374) (December 31, 2023: R$170,318 ($46,429)), upon successful judgment.

4. Mineral property development and exploration and development

The Company has determined that it has moved into the development stage for its Volta Grande Project upon receiving its construction license in February 2017 and awarding a contract for the first phase of EPC, despite the interim suspension of the license received in April 2017. The Company appealed the suspension and, in December 2017, received notice that the suspension would be upheld until an indigenous study was completed in accordance with regulatory guidelines. Since then, the Company's focus has been on completing the indigenous study and limited exploration work. The construction license expired and was to be renewed on February 2, 2020. The Company filed its renewal application in September 2019. The application is pending government approval.

The Volta Grande Gold Project comprises 4 mine concessions submitted, 3 applications for public tender, 11 exploration permits, and 62 exploration permit extensions submitted and to be submitted in 2019, covering a total area of 158,650 hectares; it is located in municipalities including Senador José Porfírio, Anapu, Vitória do Zingu and Pacajá, in the southern region of Pará State in northern Brazil. The Volta Grande Project is located on the Xingu River, north of the Carajás mineral province, approximately 60 km southeast of the city of Altamira. Development costs have been capitalized effective February 2, 2017. The Company continues to incur costs that are not related to the development of the project, and these are expensed to the consolidated statement of comprehensive loss as exploration and evaluation expenses. Exploration and evaluation expenditures expensed immediately in the consolidated statement of comprehensive loss for the year ended December 31, 2024 amounted to $1,341,785 (year ended December 31, 2023: $1,248,552). No amounts were capitalized to property, plant and equipment during the year ended December 31, 2024 ($Nil during the year ended December 31, 2023) related to mine assets under construction.

5. Term investment

The investment consists of a term deposit with Banco do Brasil SA to fund the potential amounts owing to Companhia de Pesquisa de Recursos Minerais ("CPRM"). As at December 31, 2024, the balance in this account was R$2,539,981 ($591,054) (December 31, 2023: R$2,331,935 ($635,685)) and the Company earned 8.9% in interest for the year ended December 31, 2024 (December 31, 2023: 10.62%). The Company intends to renew the term deposit on maturity because it is security against the potential amount owing to the CPRM, a Brazilian state-owned company (Note 18 (1)).

6. Promissory notes receivable

In April 2018, certain directors and officers of the Company ("the Supporting Directors") agreed to acquire an aggregate of 29,850,746 common shares of the Company at a price of $0.335 per share by a private purchase from an existing shareholder for the purposes of supporting the Company's share price and further align their interests with those of the Company's shareholders. The Supporting Directors each acquired the number of common shares as follows: Stan Bharti 12,932,835 common shares; Peter Tagliamonte 12,932,835 common shares; Denis Arsenault 2,985,076 common shares; Mark Eaton 1,000,000 common shares.

To facilitate the Supporting Directors with the foregoing purchases, the Company loaned them an aggregate amount of $10,000,000. Unsecured promissory notes were entered into with each of the Supporting Directors for their respective loans. Under the original terms of the promissory notes, the Company received a per annum interest rate of LIBOR plus 1%, payable on each one-year anniversary of the loans. The principal amount of the loans was due and payable, together with all accrued and unpaid interest thereon, on April 23, 2020. Upon the sale of any shares of the Company acquired with the principal by the recipient, a portion of the principal equal to the amount of the proceeds realized from such sale shall become immediately due. Given the credit worthiness of the recipients, the Company believes credit risk is remote and has not recorded an expected loss.

In May 2019, Mark Eaton repaid his note in full. In September 2019, Denis Arsenault repaid $444,000 of his loan and paid an additional $84,627 in March 2020. In December 2019, Peter Tagliamonte repaid $400,000 of his loan and paid an additional $15,856 in April 2020.

On April 23, 2020, Denis Arsenault and Stan Bharti repaid their loans. Peter Tagliamonte repaid his annual interest owing on April 23, 2020 of $79,987. Peter Tagliamonte's loan repayment date was extended to April 23, 2022, and the loan principal of $3,916,644 remained payable. The interest rate was amended to a per annum interest rate of LIBOR, payable on each one-year anniversary of the loan.

In April 2021, Peter Tagliamonte repaid his annual interest owing of $11,239.

In April 2022, Peter Tagliamonte repaid interest owing of $89,088 and his loan repayment date was extended to October 23, 2022. The interest rate remained unchanged.

In July 2022, Peter Tagliamonte repaid $2,500,000 of principal owing on the loan, and in August 2022, he repaid $956,022 of principal owing on the loan.

In October 2022, Peter Tagliamonte's loan repayment date was extended to October 23, 2023 under the existing terms, with the loan principal of $460,622 remaining payable.

(Expressed in Canadian dollars unless otherwise noted)

6. Promissory notes receivable (continued)

During 2023, Peter Tagliamonte repaid loan interest of $75,885 and repaid loan principal of $244,115 with loan principal of $216,507 remaining payable. To date, the remaining balance has not been repaid. The loan is currently overdue as the repayment date has not been extended and the loan continues to accrue interest after the repayment date. The Company is working with the borrower to arrange repayment as soon as possible.

As at December 31, 2024, the Company recognized a carrying value of $234,621 with respect to these promissory notes (December 31, 2023: $228,080). Interest income of $6,541 was recognized for the year ended December 31, 2024 (year ended December 31, 2023: $19,200).

	December 31, 2024	December 31, 2023
Opening balance	$ 228,080	$ 528,880
Interest accrued	6,541	19,200
Interest repaid	-	(75,885)
Principal repaid	-	(244,115)
Ending balance	$ 234,621	$ 228,080

7. Property, plant and equipment

Cost	Vehicles	Furniture & equipment	Mining equipment	Right of use assets	Mine assets under construction	Land	Total
Balance, December 31, 2022	$ 585,439	$ 1,997,812	$ 852,664	$ 213,713	$ 4,481,840	$ 10,692,444	$ 18,823,912
Additions	-	1,409	40,764	-	-	-	42,173
Fully amortized assets no longer in use	(7,294)	(53,021)	(33,916)	(203,852)	-	-	(298,083)
FX adjustment	34,810	(120,963)	(137,656)	(9,861)	(40,123)	(285,533)	(559,326)
Balance, December 31, 2023	612,955	1,825,237	721,856	-	4,441,717	10,406,911	18,008,676
Additions	-	1,594	7,404	-	-	-	8,998
Fully amortized assets no longer in use	(390,632)	-	-	-	-	-	(390,632)
FX adjustment	19,550	106,053	89,209	-	-	915,110	1,129,922
Balance, December 31, 2024	$ 241,873	$ 1,932,884	$ 818,469	$ -	$ 4,441,717	$ 11,322,021	$ 18,756,964
Accumulated depreciation and impairment							
Balance, December 31, 2022	$ 585,439	$ 1,082,457	$ 812,997	$ 127,509	$ -	$ -	$ 2,608,402
Charge for the year	-	25,949	3,184	114,984	-	-	144,117
Fully amortized assets no longer in use	(7,294)	(53,021)	(33,916)	(203,852)	-	-	(298,083)
Impairment	-	832,936	-	-	4,441,717	-	5,274,653
FX adjustment	34,810	(160,565)	(142,408)	(38,641)	-	-	(306,804)
Balance, December 31, 2023	612,955	1,727,756	639,857	-	4,441,717	-	7,422,285
Charge for the year	-	34,309	3,688	-	-	-	37,997
Fully amortized assets no longer in use	(390,632)	-	-	-	-	-	(390,632)
FX adjustment	19,550	140,796	130,553	-	-	-	290,899
Balance, December 31, 2024	$ 241,873	$ 1,902,861	$ 774,098	$ -	$ 4,441,717	$ -	$ 7,360,549
Net book value, December 31, 2023	$ -	$ 97,481	$ 81,999	$ -	$ -	$ 10,406,911	$ 10,586,391
Net book value, December 31, 2024	$ -	$ 30,023	$ 44,371	$ -	$ -	$ 11,322,021	$ 11,396,415

No development costs were incurred or capitalized to mine assets under construction during the year ended December 31, 2024 (December 31, 2023: $nil). Depreciation for the year ended December 31, 2024 was $37,997 (year ended December 31, 2023: $144,117). Since the mining property is in the development stage, the mine assets under construction are not amortized.

7. Property, plant and equipment (continued)

During the year ended December 31, 2018, the Company amended its agreement to purchase a Semi-Autogenous Grinding ("SAG") mill and a letter of credit was issued by the vendor. The credit of US$1,200,000 ($1,588,800) was to be applied against the purchase of a new SAG mill from the vendor. In March 2023, the Company terminated this agreement and this credit was returned to the Company.

Impairment

For the year ended December 31, 2023, the Company recorded an impairment expense of $5,274,653 for non-current assets. The impairment loss recognized in net loss was related to assets held in Brazil. In 2024, there was $nil impairment expense.

Impairment indicators and testing

The Company assesses each Cash-Generating Unit (CGU) at each reporting date, to determine whether there are any indicators of impairment. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made. The Company has one CGU.

Recoverable amount is the higher of the fair value less cost of disposal and value in use calculated in accordance with the accounting policy in Note 2.

As at December 31, 2023, the market capitalisation of the Company was below the net book value of net assets which is considered an indicator of impairment. The Company has undertaken impairment testing for its CGU. The CGU comprised of the Brazilian mineral property. As at December 31, 2024, there were no indicators of impairment.

Key assumptions and sensitivities used for 2023 impairment assessment performed

For the 2023 impairment assessment performed, the recoverable amount of the Company's CGU has been assessed by reference to the value in use ("VIU").

The Company used discounted cash flow techniques based on the detailed "life of mine" production plan which reflects the net cash flows expected to be realised from extraction, processing and sale of mineral reserves based on the Company's most recently published Resource and Reserve Statement.

The key assumptions used in the assessment were: gold price (US$2,025 per ounce) and pre-tax discount rate (43.7%).

(Expressed in Canadian dollars unless otherwise noted)

7. Property, plant and equipment (continued)

Commodity prices and exchange rates

For the 2023 impairment assessment performed, commodity price and foreign exchange rates were estimated with reference to external market forecasts including brokers' average for the short term and medium term, and views of management for the long term.

Discount rate

For the 2023 impairment assessment performed, in determining the fair value of a CGU, the future cash flows were discounted using rates based on the Company's estimated real after tax weighted average cost of capital ('WACC'), for each functional currency applicable to the CGU, having regard to the geographic location of, and specific risks associated with the CGU.

Production activity, operating costs and capital requirements

For the 2023 impairment assessment performed, life-of-mine operating and capital cost assumptions were based on the Company's latest budget and life of mine plans for operating mines adjusted for inflation.

8. Accounts payable and accrued liabilities

	December 31, 2024	December 31, 2023
Mineral properties suppliers and contractors	$ 344,551	$ 415,635
Property taxes	1,024,442	1,026,870
ANM taxes	1,099	1,287
Corporate payables	1,597,523	183,298
Audit and other accruals	145,000	93,000
	$ 3,112,615	$ 1,720,090

(Expressed in Canadian dollars unless otherwise noted)

9. Lease liabilities

The Company's leases consisted of premise and equipment leases. The contractual terms of the leases had all terminated as of December 31, 2023. At the end of the lease term, all leases converted to monthly leases with no set contractual period. The Company recognized an interest expense of $231 related to these leases for the year ended December 31, 2023.

10. Share capital

As at December 31, 2024 and 2023, the Company's authorized number of common shares was unlimited without par value and an unlimited number of special shares. The special shares have the same features as the common shares with the exception that the special shares take preference over the common shares in the event of liquidation, dissolution or winding up of the Company. The special shares are entitled to the same dividend rights as common shares. No special shares are outstanding.

	Number of Shares		Amount
Balance, December 31, 2022 and December 31, 2023	455,055,248	$	262,771,769
Private placement	11,660,790		1,166,079
Cost of issue			(8,204)
Balance, December 31, 2024	466,716,038	$	263,929,644

On December 27, 2024, the Company closed a private placement issuing a total of 11,660,790 common shares of the Company at a price of $0.10 per common share for gross cash proceeds of $1,166,079.

11. Share-based payments reserve

Stock options

The Company has adopted a Floating Stock Option Plan (the "Plan"), whereby the number of common shares reserved for issuance under the Plan is equivalent to up to 10% of the issued and outstanding shares of the Company. In accordance with the terms of the Plan, officers, non-independent directors, employees and consultants of the Company may be granted options to purchase common shares at exercise prices determined at the time of grant. Options under the Plan which have been exercised or which have expired shall be available for subsequent grants. The option vesting terms are determined at the discretion of the Board of Directors.

(Expressed in Canadian dollars unless otherwise noted)

11. Share-based payments reserve (continued)

Each employee share option converts into one common share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

	Number of Options	Weighted average exercise prices	Carrying amount
December 31, 2022	7,450,000	$0.84	$ 3,402,844
Granted	5,754,979	$0.08	350,501
Vested	-	$0.00	558,807
Expired/cancelled	(200,000)	$0.23	(28,000)
December 31, 2023	13,004,979	$0.51	$ 4,284,152
Vested	-	$0.00	195,377
Expired/cancelled	(3,000,000)	$0.89	(1,693,853)
December 31, 2024	**10,004,979**	**$0.40**	**$ 2,785,676**

The following stock options were outstanding as at December 31, 2024:

					Black-Scholes inputs			
Number outstanding	Number exercisable	Grant date	Expiry date	Exercise price	Expected volatility	Expected life (yrs)	Expected dividend yield	Risk-free interest rate
3,250,000	3,250,000	27-Jul-20	27-Jul-25	$ 0.80	84%	5	0%	0.35%
1,000,000	750,000	4-Jan-21	4-Jan-26	$ 0.97	84%	5	0%	0.39%
5,243,698	5,243,698	11-Apr-23	11-Apr-28	$ 0.08	103%	5	0%	3.06%
511,281	511,281	3-May-23	3-May-28	$ 0.07	104%	5	0%	2.87%
10,004,979	9,754,979			$ 0.40				

During the year ended December 31, 2024, no stock options were granted. The Company recorded $195,377 in stock-based compensation expense for the year ended December 31, 2024 (year ended December 31, 2023: 5,754,979 options were granted, and $909,308 in stock-based compensation expense was recorded). The weighted average life of the outstanding options at December 31, 2024 is 2.18 years (December 31, 2023: 2.87 years). The unvested stock options for the January 4, 2021 grant vest in four equal installments annually on the anniversary of the grant, with the first tranche vesting 12 months from the grant date. The stock options for the July 27, 2020 grant vested in four equal installments annually on the anniversary of the grant, with the first tranche vesting 12 months from the grant date. The stock options granted on April 11, 2023 vested in nine equal installments each month for nine months from the grant date, with the first tranche vesting on grant date. The stock options granted on May 3, 2023 vested in eight equal installments each month for eight months from the grant date, with the first tranche vesting on grant date.

(Expressed in Canadian dollars unless otherwise noted)

12. Contributed surplus

Deferred Share Unit Incentive Plan

In 2016, the Company approved and adopted a Deferred Share Unit ("DSU") incentive plan. In accordance with the terms of the plan, officers, directors and employees of the Company may be granted DSUs. Each vested DSU held shall be redeemed by the Company at the time that the holder ceases to be an officer, director or employee of the Company. The DSUs can be redeemed, at the election of the Company, in cash or in shares of the Company, either held in treasury (subject to shareholder approval) or purchased in the secondary market by a trustee. If the holder of a DSU ceases to be an officer, director or employee of the Company prior to vesting, other than in the event of a change of control, the DSUs shall be deemed cancelled. In the event of a change of control, or termination without cause, each DSU shall automatically vest and be redeemed.

As at December 31, 2024, 14,739,750 DSU's were outstanding (December 31, 2023: 16,739,750).

As at December 31, 2024, 14,508,250 shares are held in trust with an independent trustee at a total recorded cost of $5,629,981 (December 31, 2023: 16,508,250 shares at a cost of $6,229,900) which is included in contributed surplus. The Company is the beneficiary of the shares held and the Company has full control of these shares. Vesting charges are applied against contributed surplus.

On August 3, 2022, 250,000 DSUs were granted to a director of the Company with a value per DSU of $0.38, where one-third vested immediately on grant, one-third vested on August 3, 2023, and the final third vested on August 3, 2024.

The following table displays the vesting activity for outstanding DSUs:

	Vested	Unvested	Total
December 31, 2022	16,573,083	166,667	16,739,750
Vested, previously granted DSUs	83,333	(83,333)	-
December 31, 2023	16,656,416	83,334	16,739,750
Vested, previously granted DSUs	83,334	(83,334)	-
Paid out	(2,000,000)	-	(2,000,000)
December 31, 2024	**14,739,750**	**-**	**14,739,750**

During the year ended December 31, 2024, $10,489 was recorded as share-based compensation expense related to vested DSUs on the consolidated statements of comprehensive loss (year ended December 31, 2023: $34,032).

(Expressed in Canadian dollars unless otherwise noted)

13. Operating segments

Geographical information

The Company operates in Canada where its head office is located and in Brazil where its exploration and development properties are located. Information about the Company's assets by geographical location is detailed below.

	Current assets	Property, plant and equipment	Other non-current assets	Total Assets
December 31, 2023				
Canada	$ 13,004,274	$ 19,985	$ -	$13,024,259
Brazil	2,581,963	10,566,406	635,685	13,784,054
	$ 15,586,237	$ 10,586,391	$ 635,685	$ 26,808,313
December 31, 2024				
Canada	$ 9,038,968	$ 19,985	$ -	$ 9,058,953
Brazil	2,312,040	11,376,430	591,054	14,279,524
	$ 11,351,008	$ 11,396,415	$ 591,054	$ 23,338,477

In the year ended December 31, 2024, net losses of $4,630,921 and $2,657,372 were attributed to Canada and Brazil, respectively (year ended December 31, 2023 - $3,203,424 and $7,513,755, respectively).

14. Loss per share

Basic loss per share is calculated by dividing the loss available to common shareholders by the weighted average number of common shares outstanding in the period. Diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options, warrants and contracts to be settled in shares, in the weighted average number of common shares outstanding during the period. In the Company's case, diluted loss per share is the same as basic loss per share as the effects of including all outstanding options, warrants and contracts to be settled in shares would be anti-dilutive.

(Expressed in Canadian dollars unless otherwise noted)

15. Financial instruments

Financial assets and financial liabilities as at December 31, 2024 and 2023 were classified as follows:

December 31, 2023	Assets at amortized cost	Liabilities at amortized cost	Total
Cash and cash equivalents	$ 15,101,994	$ -	$ 15,101,994
Promissory notes receivable	228,080	-	228,080
Term investment	635,685	-	635,685
Accounts payable and accrued liabilities	-	(1,720,090)	(1,720,090)

December 31, 2024	Assets at amortized cost	Liabilities at amortized cost	Total
Cash and cash equivalents	$ 10,881,610	$ -	$ 10,881,610
Promissory notes receivable	234,621	-	234,621
Term investment	591,054	-	591,054
Accounts payable and accrued liabilities	-	(3,112,615)	(3,112,615)

A fair value hierarchy prioritizes the methods and assumptions used to develop fair value measurements for those financial assets where fair value is recognized on the statement of financial position. These have been prioritized into three levels.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 – Inputs for the asset or liability that are not based on observable market data.

The carrying value of cash and cash equivalents, promissory note receivable and accounts payable and accrued liabilities approximates fair value due to their short-term nature. The carrying value of the term investment is at cost plus accrued interest which approximates fair value.

15. Financial instruments (continued)

Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment.

The Company's risk exposures and their impacts on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the year ended December 31, 2024.

Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's primary counterparties related to its cash and cash equivalents and term investment carry an investment grade rating as assessed by external rating agencies. The Company maintains all of its cash and cash equivalents and term investment with major Canadian and Brazilian financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. The Company's promissory note is held by Peter Tagliamonte. Management has assessed the credit risk associated with this promissory note and based on the credit-worthiness of the party involved, the Company has assessed the chance of loss as remote.

The Company's maximum exposure to credit risk at the statement of financial position date is the carrying value of cash and cash equivalents, promissory notes receivable and term investments.

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at December 31, 2024, the Company had current assets of $11,351,008 to settle current liabilities of $3,112,615. Approximately $2,087,000 of the Company's financial liabilities as at December 31, 2024 have contractual maturities of less than 30 days and are subject to normal trade terms. Of these current liabilities, approximately $2,024,000 has been payable for over 180 days.

Market risk

(a) Interest rate risk

The Company's cash and cash equivalents, term investments, and promissory note are subject to interest rate cash flow risk as they carry variable rates of interest. The Company's interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase.

Based on cash and cash equivalents, term deposit and promissory note balances on hand at December 31, 2024, a 0.1% change in interest rates could result in a corresponding change in net loss of approximately $12,000 (December 31, 2023 - $16,000).

15. Financial instruments (continued)

(b) Currency risk

Foreign exchange risk exposures arise from transactions and balances denominated in foreign currencies. The Company's currency risk arises primarily with respect to the United States dollar and Brazilian Real. Fluctuations in the exchange rates between these currencies and the Canadian dollar could materially affect the Company's business, financial condition, and results of operations. The Company does not mitigate this risk with hedging activity.

A strengthening of $0.01 in the United States dollar against the Brazilian Real would have increased net loss by approximately $8,500 for the year ended December 31, 2024 (year ended December 31, 2023 - $11,600). A strengthening of $0.01 in the Canadian dollar against the United States dollar would have decreased other comprehensive income by approximately $1,400 for the year ended December 31, 2024 (year ended December 31, 2023 - $2,400).

16. Capital management

The Company includes equity, comprised of issued common shares, share-based payment reserve, contributed surplus and deficit, in the definition of capital. The Company's objectives when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business.

The Company's Volta Grande property is in the development stage and, accordingly, the Company is dependent upon external financings to fund activities. In order to carry out planned engineering, test work, advancement and development of the mining projects, and pay for administrative costs, the Company will spend working capital and expects to raise the additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes in the Company's approach to capital management during the year ended December 31, 2024. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian dollars unless otherwise noted)

17. Related party disclosures

The consolidated financial statements include the financial statements of the Company and the subsidiaries at their respective ownership listed in the following table.

	Country of incorporation	% equity interest
Belo Sun Mineracao Ltda	Brazil	100
Intergemas Mineracao e Industrailizacao Ltda	Brazil	100
Aubras Mineracao Ltda	Brazil	98
Oca Mineracao Ltda	Brazil	100
Sun Exploracao Mineral Ltda.	Brazil	100

During the year ended December 31, 2024 and 2023, the Company entered into the following transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

	Purchases of goods/services Year ended December 31,	
	2024	2023
2227929 Ontario Inc.	$ 60,000	$ 60,000
Directors' promissory notes interest	6,541	19,200

The Company shares office space with other companies who may have common officers and directors. The costs associated with the use of this space, including the provision of office equipment and supplies, are administered by 2227929 Ontario Inc. to whom the Company pays a monthly fee of $5,000. Costs paid to 2227929 Ontario Inc. are recorded in general and administrative expenses on the consolidated statement of loss.

The following balances included in the Company's accounts were outstanding at the end of the reporting period:

	Amounts owed by related parties		Amounts owed to related parties	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Directors and officers of the Company	$ 234,621	$ 228,080	$ 331,910	$ 53,049

Amounts owed by related parties reflect the promissory notes entered into with directors of the Company in April 2018.

The amounts owed to related parties are recorded in accounts payable and accrued liabilities. They are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognized in the current or prior periods for expected credit loss in respect of the amounts owed by related parties.

(Expressed in Canadian dollars unless otherwise noted)

17. Related party disclosures (continued)

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the period were as follows:

	Year ended December 31,	
	2024	2023
Short-term benefits	$1,418,528	$ 1,211,650
Share-based payments	163,028	695,016
DSU expense	7,792	34,032
	$1,589,348	$ 1,940,698

In accordance with IAS 24 Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.

18. Commitments and contingencies

1. Under a renegotiated agreement with CPRM in March 2008, the Company maintains an interest-bearing term deposit to cover the future debt obligation plus applicable interest (Note 5). In July 2021, the Company again renegotiated its agreement with CPRM. As a result of this renegotiation, the Company paid R$1,800,000 ($444,060) to CPRM in 2021 and it was agreed that the Company would pay CPRM R$6,871,711 ($1,599,000) upon the issuance of its mining license. The Company had not received its mining license as at December 31, 2024 and as such, no amounts were accrued at year end.

2. Minimum commitments relating to management contracts to be made for termination without cause were approximately $2,393,000 at December 31, 2024. These contracts require that additional payments of up to $6,386,000 be made upon the occurrence of certain events such as a change of control of the Company. The change of control commitment includes a component based on the Company's current share price. As a result of this inclusion, the change of control commitment reported increases or decreases in relation to the change in share price during the period.

3. The Company has agreed with INCRA to provide 60 months of support for any resettled citizens resulting from the Company's mining activities at its Volta Grande Project. The Company's obligation is contingent on resettlement of citizens. No resettlement has occurred to date and as such, no payments have been made nor any expenses accrued in relation to this agreement.

4. The Federal Constitution of Brazil has established that the States, municipalities, federal district and certain agencies of the federal administration are entitled to receive royalties for the exploitation of mineral resources by holders of mining concessions (including extraction permits). The royalty rate for gold is currently 1.5% - Federal law 13,540/17 - arising from the sale of the mineral product, less the sales taxes of the mineral product. No royalties are currently due.

(Expressed in Canadian dollars unless otherwise noted)

18. Commitments and contingencies (continued)

5. The Company is, from time to time, involved in various claims and legal proceedings. The Company cannot reasonably predict the likelihood or outcome of these activities. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reasons thereof, will have a material effect on the financial condition or future results of operations other than certain employment contract litigations that are ongoing. The Company has not disclosed the information pertaining to certain employment contract litigations so as to not prejudice the Company's position in defending litigation.

6. The Company's mining, exploration and development activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public safety, health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

7. Peter Tagliamonte, a former officer and director of the Company has initiated a legal action against the Company seeking approximately $3,700,000 in relation to a purported breach of contract and relating to his dismissal as an officer of the Company. The Company intends to defend the matter vigorously and is confident in its position.

19. Income taxes

The following table reconciles income taxes calculated at a combined Canadian federal and provincial tax rate with income tax expense in these audited annual consolidated financial statements.

	2024	2023
Loss before income taxes	**7,288,293**	10,717,179
Statutory rate	**26.5%**	26.5%
Expected income tax recovery	**1,931,398**	2,840,052
Change in unrecognized deferred tax assets	**2,231,700**	(3,335,300)
Non-deductible expenses and permanent differences	**(55,001)**	(250,476)
Change in foreign exchange rates	**(4,310,930)**	185,287
Effect of foreign tax rates and other	**202,833**	560,437
Income tax expense	**-**	-

(Expressed in Canadian dollars unless otherwise noted)

19. Income taxes (continued)

The significant components of the Company's deferred income tax assets are as follows:

	2024	2023
Deferred income tax assets and liabilities:		
Capital and non-capital tax losses carried forward	**27,701,600**	27,550,600
Capital assets	**(585,600)**	(208,000)
Unusued foreign exploration and evaluation expenses	**12,168,100**	14,174,900
Share issue costs	**1,700**	-
Net deferred income tax assets and liabilities	**39,285,800**	41,517,500
Unrecognized deferred tax assets	**(39,285,800)**	(41,517,500)
Deferred income tax asset (liability)	**-**	-

As at December 31, 2024, the Company has Canadian non-capital losses carried forward for income tax purposes available to reduce taxable income in future years of $66,864,400 expiring as follows:

2026	$ 481,900
2027	1,083,600
2028	869,700
2029	664,700
2030	2,166,200
2031	2,778,900
2032	5,485,200
2033	6,917,700
2034	4,899,500
2035	5,893,000
2036	5,559,400
2037	5,330,900
2038	3,619,100
2039	4,184,600
2040	4,182,100
2041	3,636,900
2042	2,559,900
2043	2,153,500
2043	4,397,600
	66,864,400

20. Subsequent events

On February 4, 2025, the Company granted 11,675,000 options with an exercise price of $0.24 expiring February 4, 2030. The options vest one third on grant date, one third in one year and one third in two years.

On February 4, 2025, the Company granted 2,150,000 DSUs. The DSUs vest one third on grant date, one third in one year and one third in two years.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024

(Containing information through March 19, 2025, unless otherwise noted)

BACKGROUND

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Belo Sun Mining Corp. ("we", "our", "us", "Belo Sun" or the "Company") as of March 19, 2025, unless otherwise noted. The MD&A provides a detailed analysis of the Company's operations and compares its financial results with those of the previous periods and should be read in conjunction with our audited consolidated financial statements and MD&A for the year ended December 31, 2024. The financial statements and related notes of Belo Sun have been prepared in accordance with IFRS accounting standards ("IFRS") and do not reflect the adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

Please refer to the notes of the December 31, 2024 annual audited consolidated financial statements for disclosure of the Company's material accounting policies. Unless otherwise noted, all references to currency in this MD&A refer to Canadian dollars. References to US$ refer to the United States dollar, and R$ refer to the Brazilian Real.

ADDITIONAL INFORMATION

Additional information about the Company, including the Company's annual information form dated March 19, 2025 (the "AIF") and press releases, is available under the Company's profile on SEDAR+ at www.sedarplus.ca. Additional information relating to the Company can be found on the Belo Sun website at www.belosun.com.

David Gower, P.Geo, a Qualified Person under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"), has reviewed all scientific and technical materials in the MD&A. Stéphane Amireault, P.Eng (B.Eng; MScA), Vice-President of Exploration for Belo Sun, is the in-house Qualified Person under NI 43-101 for geology. Mr. Gower and Mr. Amireault have reviewed and approved the scientific and technical information in this MD&A.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to Belo Sun, certain statements contained in this MD&A constitute ‘‘forward-looking statements’’ under the provisions of Canadian securities laws and are referred to herein as ‘‘forward-looking statements’’. When used in this MD&A, the words ‘‘anticipate’’, ‘‘could’’, ‘‘estimate’’, ‘‘expect’’, “indicate”, “intend”, “scheduled”, “guidance”, “opportunity”, ‘‘forecast’’, ‘‘future’’, ‘‘plan’’, “projected”, ‘‘possible’’, ‘‘potential’’, ‘‘will’’, “study” (including, without limitation, as may be qualified by “feasibility” and “pre-feasibility”), “targets”, “models”, or ‘‘believes’’ and similar expressions are intended to identify forward-looking statements. Such statements include, without limitation:

- The Company’s forward-looking production outlook, including estimated ore grades, recovery rates, project timelines, drilling results, metal production, life of mine estimates, total cash costs per ounce, all-in sustaining costs per ounce, mine site costs per tonne, other expenses, and cash flows;
- The estimated timing and conclusions of permitting activities, PBA, ECI reports and technical studies;
- Statements concerning the Company’s Volta Grande Gold Project including the timing, funding, completion and commissioning thereof;
- The methods by which ore will be extracted or processed;
- Statements regarding timing and amounts of capital expenditures, other expenditures and other cash needs, financing costs and expectations as to the funding or reductions thereof;
- Estimates of future mineral reserves, mineral resources, the effect of drill results on future mineral reserves and mineral resources;
- The projected development of certain ore deposits, including estimates of exploration, development and production and other capital costs and estimates of the timing of such, development and production or decisions with respect to exploration, development and production;
- Statements regarding the Company’s ability to obtain the necessary permits and authorizations in connection with its proposed development and mining operations and the anticipated timing thereof;
- Statements regarding the future price of gold or other minerals or mineral resources;
- Statements regarding anticipated future exploration or development;
- The anticipated timing of events with respect to the Company’s Volta Grande Gold Project;

- Statements regarding the sufficiency of the Company's cash resources;
- Statements regarding the Company's future effective tax rate, and the influences on such tax rate;
- Statements regarding anticipated trends with respect to the Company's operations, exploration and the funding thereof; and
- Statements regarding the anticipated timing and outcome of various legal proceedings related to the development of the Volta Grande Gold Project, including the injunction related to the Company's construction licence (also referred to herein as a "suspension"). Please refer to the section titled "Permitting, Licensing and Legal History" and "Risks and Uncertainties" for additional risks related to legal proceedings involving the Volta Grande Gold Project.

Such statements reflect the Company's views as at the date of this MD&A and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements. Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by Belo Sun as of the date of this MD&A, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The material factors and assumptions used in the preparation of the forward-looking statements contained herein, which may prove to be incorrect, include, but are not limited to, the assumptions set forth herein and, in the Company's AIF filed with Canadian securities regulators and available on SEDAR. Economic analyses (including mineral reserve and mineral resource estimates) in technical reports are based on commodity prices, costs, sales, revenue and other assumptions and projections that can change significantly over short periods of time. As a result, economic information in a technical report can quickly become outdated.

Many factors, known and unknown, could cause the actual results to be materially different from those expressed or implied by such forward-looking statements. Such risks include, but are not limited to: the outbreak of war in the Middle East and Europe; which could continue to negatively impact financial markets, including the trading price of the Company's shares and the price of gold, and could adversely affect the Company's ability to raise capital; uncertainty of future production, project development, capital expenditures and other costs; foreign exchange rate fluctuations; tariffs; financing of additional capital requirements; community actions, lawsuits, protests or statements made, including by Indigenous communities, non-governmental organizations ("NGOs") and other groups; risks associated with foreign operations; risks associated with licensing and permitting of the Volta Grande Gold Project; governmental and environmental regulation; revocation of government approvals, authorizations and licences; foreign operations in Brazil; compliance with environmental legislation; environmental licensing; liquidity concerns; the highly speculative nature of mineral exploration; variations in mineral grade and recovery rates; uncertainties inherent in estimating mineral resources and mineral reserves; lack of revenues; commodity prices; title to properties; uninsured risks; competition; dependence on outside parties; dependence on key personnel; litigation; corruption; uncertainty with court systems and the rule of law in foreign jurisdictions where the Company operates; availability of reasonably priced raw materials and mining equipment; conflicts of interest; foreign

mining tax regimes; ability to finalize required agreements for operations; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future mineral prices; failure of equipment or processes to operate as anticipated; accidents, labour or community disputes; and the volatility of the Company's stock price. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements.

For a more detailed discussion of such risks and other factors that may affect the Company's ability to achieve the expectations set forth in the forward-looking statements contained in this MD&A, please see the risk factors identified in the section titled "Risks and Uncertainties" and elsewhere in this MD&A as well as the Company's AIF and other filings with the Canadian securities regulators. Belo Sun disclaims any intention or obligation to update or revise any forward-looking information or to explain any material difference between subsequent events and such forward-looking information, except to the extent required by applicable law and regulations. When used in this MD&A the terms ''including'' and ''such as'' mean including and such as, without limitation.

USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

We use working capital, a non-IFRS financial performance measure, in our MD&A. For a detailed description of this non-IFRS financial performance measure used in this MD&A and a detailed reconciliation to the most directly comparable measure under IFRS please refer to the section titled "Non-IFRS Financial Performance Measures" in this MD&A. The non-IFRS financial performance measures set out in this MD&A are intended to provide additional information to investors and do not have any standardized meaning under IFRS, and therefore may not be comparable to other issuers, and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF INDICATED AND INFERRED RESOURCES

Disclosure regarding mineral reserve and mineral resource estimates included in this MD&A was prepared in accordance with National Instrument 43-101 ("NI 43-101"). NI 43-101 is an instrument developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. NI 43-101 differs significantly from the disclosure requirements of the United States Securities and Exchange Commission ("SEC") generally applicable to U.S. companies. For example, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in NI 43-101. These definitions differ from the definitions in the disclosure requirements promulgated by the SEC. Accordingly, information contained in this MD&A will not be comparable to similar information made public by U.S. companies reporting pursuant to SEC disclosure requirements.

ABBREVIATIONS AND TERMS

The following abbreviations and terms are used throughout this MD&A:

CCA: Câmara de Conciliação Agrária (Agrarian Conciliation Chamber)

CPRM: Companhia de Pesquisa de Recursos Minerais (National Company on the Research of Mineral Resourses)

DPE: Defensoria Pública do Estado do Pará (Pará State Public Defender's Office)

DPU: Defensoria Pública da União (Federal Public Defender's Office)

ECI: Estudo do Componente Indígena (Indigenous Study)

EIA: Environmental Impact Assessment

Feasibility Study: the technical report entitled "Feasibility Study on the Volta Grande Gold Project, Pará, Brazil, NI 43-101 Technical Report" dated May 8, 2015, with an effective date of March 30, 2015, and authorized by Mr. Stefan Gueorguiev, P. Eng. Ontario, Vice President Projects, Lycopodium Minerals Canada Ltd., Mr. Aron Cleugh, P. Eng. Ontario, Lead Process Engineer, Lycopodium, Dr. Oy Leuangthong, PhD., P.Eng. Ontario, Principal Consultant (Geostatistics), SRK Consulting (Canada) Inc. ("SRK"), Dr. Jean-François Couture, PhD, P.Geo, Corporate Consultant, SRK, Dr. Lars Weiershäuser, PhD, P.Geo, Senior Consultant (Geology), SRK, George H. Wahl, P. Geo., British Columbia, Principal Consultant, G H Wahl & Associates Geological Services, Mr. Gordon Zurowski, P.Eng. Ontario, Principal Mining Engineer, AGP Mining Consultants Inc., Mr. Alexandre Luz, AusIMM, Senior Partner, L&M Assessoria Empresarial, Mr. Paulo Franca, Principal Consultant, AusIMM, VOGBR Recursos Hídricos & Geotecnia Ltda, Mr. Derek Chubb, P. Eng. Ontario, Senior Partner, Environmental Resources Management Inc.

FUNAI: Fundação Nacional dos Povos Indígenas (Brazilian Federal Agency of Indigenous Peoples Affairs)

IBAMA: Instituto Brasileiro Do Meio Ambiente E Dos Recursos Naturais Renováveis (Brazilian National Institue of Environment)

INCRA: Instituto Nacional de Colonização e Reforma Agrária (Brazilian National Institute of Colonization and Agrarian Reform)

LI: Licença de Instalação in Brazil (Construction Licence)

LO: Licença de Operação in Brazil (Operation Licence)

LP: Licença Prévia in Brazil (Preliminary Licence)

MDA: Ministério do Desenvolvimento Agrário e Agricultura Familiar (Ministry of Agrarian Development)

MME: Ministério de Minas e Energia (Ministry of Mining and Energy)

MPE: Ministério Público Estadual do Estado do Pará (Pará State Prosecutor's Office)

MPF: Ministério Público Federal (Brazil Federal Prosecutor's Office)

PBA: Plano Básico Ambiental (Basic Environmental Plan)

PBA-CI: Componente Indígena do PBA (Indigenous Component of the PBA)

SEMAS: Secretaria de Estado de Meio Ambiente e Sustentabilidade (Secretariat of Environment and Sustainability of the State of Pará, Brazil)

TRF1 Court: Tribunal Regional Federal da *1ª* Região (Federal Court of the 1st Region of Brazil)

OVERVIEW OF THE COMPANY

Belo Sun is a Toronto Stock Exchange ("TSX") listed and OTCQB Venture Market ("OTCQB") traded development and mineral exploration mining company. Belo Sun's common shares (the "Common Shares") trade on the TSX under the ticker symbol "BSX" and on the OTCQB under the ticker symbol "BSXGF". Belo Sun's principal asset is the Volta Grande Gold Project ("PVG" or "Volta Grande Gold Project") located in Brazil in the State of Pará near the city of Altamira. PVG is a planned open pit mining project with a large mineral resource estimated in the 2015 Feasibility Study containing 4.95 million ounces in the measured and indicated classification and 1.15 million ounces in the inferred classification. The Feasibility Study demonstrates that PVG has positive economic potential with an estimated mineral reserve of 3.79 million ounces. Belo Sun is progressing PVG towards construction and has successfully completed its EIA, its LP, its LI (currently subject to a suspension order) with the Pará State permitting authority SEMAS. The Company has also conducted basic engineering and has completed its required ECI (Indigenous Study) with the Federal authority FUNAI.

Highlights for the year ended December 31, 2024 and subsequent events include:

- In January 2025, the TRF1 unanimously ruled that SEMAS will be the competent authority for the environmental permitting process of Belo Sun Mining Corp.'s Volta Grande Gold Project going forward. This decision reverses the decision made in September 2023, by the TRF1 that designated IBAMA as the competent authority.

- In January 2025, the TRF1 also recognized that Belo Sun complied with the terms of its ruling issued in December 2017, reaffirming the jurisdiction of the Federal Court of Altamira to verify and confirm the Company's compliance. In this sense, the Company can now petition the Federal Court of Altamira and request the lifting of the LI suspension. Following this January 2025 ruling, FUNAI filed a Motion for Clarification before the TRF1.

- In January 2025, the Company appointed Mr. Jack Lunnon to its Board of Directors, as the nominee of La Mancha Investments S.a.r.l ("La Mancha").

- In December 2024, the Company completed a private placement financing with La Mancha whereby La Mancha acquired 11,660,790 Common Shares at a price of C$0.10 per Common

Share for gross proceeds to the Company of approximately C$1,166,079, being approximately 2.5% of the issued and outstanding Common Shares of the Company (the "**Private Placement**"). La Mancha also acquired approximately 68.3 million Common Shares through a private purchase from Sun Valley Gold LLC (the "**Acquisition**"). Following the completion of the Private Placement and the Acquisition, La Mancha owned approximately 17.1% of the issued and outstanding Common Shares. As a condition of the Private Placement, the Company entered into an investors rights agreement with La Mancha, which, in addition to certain participation rights, includes (i) the right for La Mancha to immediately have one nominee appointed to the Company's board, subject to the approval of the TSX, who shall be entitled to participate on two of the existing board committees, and (ii) the right for La Mancha to propose the appointment of a second board nominee, subject to a minimum ownership threshold and approval of the Company's board.

- In December 2024, the Company reported that the Federal Court of Altamira ruled that the agreement among the Company and INCRA is null and void based on procedural grounds. The ruling stated that INCRA had not completed an ordinance required to announce the measure taken by the government to declassify the area from agrarian reform. Both the Company and INCRA have launched appeals on the ruling and are working on next steps.

- The Company, INCRA and local authorities continue to monitor an illegal encampment on PVG land in opposition to the agreement the Company reached with INCRA (see "INCRA Negotiations and Litigation", and "Occupation on PVG Land"). In May 2023, a judge from the local municipality, Senador José Porfírio, ruled in the Company's favour, that the encampment is illegal, and issued an eviction order on the condition of an attempt to conciliate a peaceful eviction. In August 2024, the case was referred to the conciliation commission in Pará but was returned to the Court of Senador José Porfírio in November 2024 and is awaiting a ruling. The case was returned as the Court deemed that conciliation did not apply to this repossession claim as the invaders are not claiming for the possession of the land but rather protesting against PVG.

- As part of the ongoing monitoring, the CCA of INCRA, the MDA, the Ministry of Justice, IBAMA, the DPU, the Federal Police, and NGO representatives visited the occupied site in March and April this year. The occupiers are not registered as beneficiaries of the agreement, nor are they eligible to participate in settlement projects in the region. The occupation has not caused any interruptions to the Company's business and the activities at PVG, although there was an incident of aggression and intimidation by some of the members of the illegal encampment in early 2025.

- There was an incident of vandalism and theft at a Company building on the PVG property in September 2024 and in early 2025 there was an incident of aggression and intimidation by some of the members of the illegal encampment. The incident did not cause a material impact to the Company, but it was reported to local and Federal authorities.

- In June 2024, the Company became aware of a letter to Belo Sun from the United Nations Special Rapporteur on Human Rights Defenders stating that they are examining allegations about the Company's business conduct at PVG. The Company has responded to the

allegations which the Company believes are groundless and without merit. The Company's response letter is publicly available on the UN Special Rapporteur's website and Belo Sun's website.

- On May 3, 2024, Ms. Ayesha Hira, a board member since June 30, 2022, was appointed interim President and CEO of the Company, replacing Mr. Peter Tagliamonte.

- As the Company awaits approval of the PBA-CI working plan from FUNAI and lifting of the suspension of the LI, the Company has been carrying out and updating technical and environmental studies at PVG, where they are permitted to be conducted, in preparation for the permitting process restarting.

- The Company has held meetings with government and regulatory officials, and community leaders to inform and update them on PVG. The Company continues to engage with the local communities by supporting local events, programs and education on PVG and its anticipated impact and benefits to those in the project vicinity.

- Work has been ongoing to maintain the Company's exploration concessions.

- The Company continues to monitor and defend all court cases involving the Volta Grande Gold Project. There are approximately 56 legal cases against the Company before the courts in Brazil. The are only a few cases holding significance in the advancement of PVG. These are outlined under "Permitting, Licensing and Legal History".

- Peter Tagliamonte, a former officer and director of the Company initiated a legal action against Belo Sun in relation to a purported breach of contract related to his dismissal as an officer of the Company. Belo Sun intends to defend the matter vigorously and is confident in its position.

OUTLOOK

The Company continues to focus on the advancement of the Volta Grande Gold Project with the following main objectives:

- The Company is ready to work with the SEMAS to conduct the required work and updates on the Company's environmental, social and technical studies.

- The Company will work to complete the Indigenous consultation upon approval of the PBA-CI working plan by FUNAI. Belo Sun was notified by FUNAI in September 2023 that the approval process is dependent on the analysis of an indigenous community's request to establish Indigenous land in an area called São Francisco, located within 10 km of the Volta Grande Project. The Company continues to communicate with FUNAI to receive updates on the analysis and approval process.

- The Company will continue to engage with government ministries, regulatory agencies, and local communities and leaders to present and promote the anticipated values and benefits of the Volta Grande Gold Project to the surrounding region.

- The Company is investigating the establishment of a benefit fund for the Indigenous Peoples and local communities in the PVG vicinity. The fund would be financed from net profits from the Volta Grande Gold Project and would provide financial resources to assist in local community and Indigenous community projects.

- The Company is considering opportunities for the Volta Grande Gold Project to reduce its carbon emissions footprint, minimize noise and dust emissions, and reduce operating costs. For example, Belo Sun has evaluated near-pit crushing and conveyor transport of mine waste to reduce truck requirements. For mine truck haulage, the Company is evaluating the use of less carbon intensive fuels. For the processing circuit, the Company is investigating the incorporation of high-pressure grinding rolls and secondary crushing rather than semi-autogenous grinding milling.

- The exploration licenses remain in good standing. The Company will continue to monitor and invest where required in additional exploration to maintain the current concessions in good standing.

- The Company is monitoring illegal mining and deforestation activities in the area. The Company has an obligation to notify police if any mechanized equipment appears in the area.

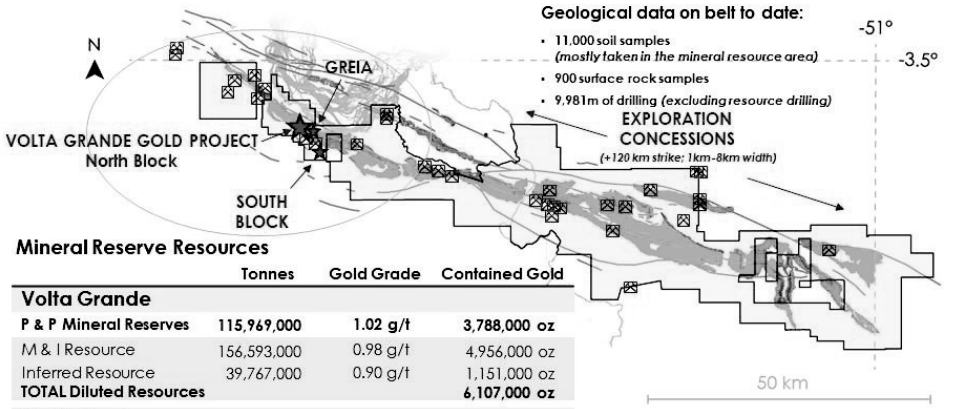
OVERVIEW OF THE VOLTA GRANDE GOLD PROJECT

The Volta Grande Gold Project (100% owned by Belo Sun) is located approximately 49 kilometers southeast of the town of Altamira (est. pop. 150,000) in the northern region of Pará State. Altamira is a prosperous regional center with excellent infrastructure. The development of the Volta Grande Gold Project is the Company's primary focus. The Volta Grande Gold Project is an advanced-stage development project with a completed NI 43-101 Feasibility Study showing robust economic potential with a long mine life and gold mineral reserves currently estimated at 3.79 million ounces.

Gold mineralization in the Volta Grande Gold Project area was identified at numerous sites in the 1990s by past operators TVX Gold Inc. (now part of Kinross Gold Corporation) and Battle Mountain Exploration (now part of Newmont Mining Corporation). Historical drilling by these companies included more than 27,000 meters of combined core, auger, and reverse circulation drilling and several thousand channel and soil samples. Preliminary metallurgical work indicated that the Volta Grande Gold Project mineralization is amenable to conventional milling and cyanidation process methods, with gold recoveries of up to 95% in bottle roll tests.

The shear-hosted main mineral resources are currently contained in the area of the Volta Grande Gold Project called the North Block. The North Block is a string of connected deposits, comprised of Ouro Verde and Grota Seca. The Volta Grande Gold Project Feasibility Study only considered the extraction of mineral resources from the North Block. Belo Sun also has a small mineral resource in an area called Greia which is approximately 1 km from the Volta Grande Gold Project and another mineral resource called the South Block which is approximately 6km from the Volta Grande Gold Project. These mineral resources were not included in the Feasibility Study. Belo

Sun also holds exploration concessions that cover most of the 120 km greenstone belt hosting the mineral reserve and resources.



Mineral Reserve Resources

	Tonnes	Gold Grade	Contained Gold
Volta Grande			
P & P Mineral Reserves	**115,969,000**	**1.02 g/t**	**3,788,000 oz**
M & I Resource	156,593,000	0.98 g/t	4,956,000 oz
Inferred Resource	39,767,000	0.90 g/t	1,151,000 oz
TOTAL Diluted Resources			**6,107,000 oz**
South Block			
M&I Resource	2,503,000	3.06 g/t	246,000 oz
Inferred Resource	2,921,000	3.94 g/t	370,000 oz
Greia			
Inferred Resource	2,020,000	1.79 g/t	115,000 oz

(1) The reserves for the Volta Grande Project are based on the conversion of M&I resources within the current Feasibility Study mine plan. Measured mineral resources are converted directly to Proven mineral reserves and Indicated mineral resources to Probable reserves.
(2) Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Open pit mineral resources are reported at a cut-off grade of 0.4 g/t Au (pass on a gold price of $1,400/oz).
*see notes on slide 2. In particular for identity of qualified persons who prepared these estimates.

Most of the mineralized areas are characterized by a large alteration envelope having numerous narrow zones of high-grade gold mineralization and have had garimpeiros (term used for informal miners in Brazil) workings. There is geological potential at the Volta Grande Gold Project for expansion and the discovery of additional mineralized zones within the large alteration envelope in the host intrusive rocks, which have been traced for more than seven kilometers along strike in the North Block. Two types of gold mineralization are present: primary gold in intrusive rocks and secondary gold in the saprolitic zone overlying the primary mineralization.

In 2005, the Company signed an agreement to acquire 100% interest in the PVG and the exploration concessions along the Tres Palmeiras Green Stone Belt. The transaction was completed in 2006 with full payment to the vendor.

Starting in 2010, Belo Sun has carried out a large drill exploration program that consisted of over 700 drill holes for a total of over 180,000 meters drilled (mostly by diamond drilling) at Ouro Verde, Grota Seca, Greia (mostly reverse circulation drilling) and in the South Block. The results at the North Block outlined the initial size of the mineralized system with a pit-constrained mineral resource extending over 4km on strike and over 500 meters deep for Ouro Verde, Central and Grota Seca and was the mineral resources used in the development of the Volta Grande Gold Project Feasibility Study.

FEASIBILITY STUDY

In March 2015, the Company completed the Feasibility Study on its Volta Grande Gold Project. The Feasibility Study was prepared by Lycopodium Minerals Canada Ltd, VOGBR Recursos Hidricos e Geotencia Ltda, SRK Consulting (Canada) Inc., Environmental Resources Management Inc., AGP Mining Consultants Inc., W.H. Wahl & Associates Consulting and L&M Assessoria Empresarial. The Feasibility Study was prepared in accordance with NI 43-101. Projected economics included:

- Using a gold price of US$1,200/oz and an exchange rate of 3.1:1 (R$3.1: US$1), the project delivered a solid production profile and strong economics:
- Post-tax Internal Rate of Return of 26%.
- Post-tax Net Present Value of US$665 million at a 5% discount rate.
- Annual gold production of 268,000 oz averaged over the first 10 years of the mine life.
- Initial capital costs of US$298 million, including pre-production costs and taxes.
- Average cash operating costs of US$618/oz and all-in sustaining costs of US$779/oz.
- Proven and Probable Mineral reserves of 3.8 million ounces of gold (see table below).

See the section titled “Cautionary Statement Regarding Forward-Looking Information” for certain cautionary statements relating to the forward-looking production outlook, estimates of future mineral reserves and mineral resources, and other items identified in this section.

Summary of Volta Grande Economic Results by Gold Price			
	High Case	Base Case	Low Case
Gold Price (US$ per oz)	$1,300	$1,200	$1,100
Pre-Tax NPV (5%)	$1,171 million	$941 million	$712 million
Pre-Tax IRR	43%	36%	29%
Post-Tax NPV (5%)	$855 million	$665 million	$472 million
Post-Tax IRR	32%	26%	20%

Volta Grande Project Capital Expenditures Estimate Breakdown (Post-tax)

Initial Capital	
Process & Infrastructure	$244 million
Mining	$20 million
Pre-Production Costs - Process	$3 million
Pre-Production Costs - Mining	$32 million
Total -- Initial Capital	$298 million
Total -- Expansion Capital	$63 million
Average Sustaining Capital over life of mine	$7.3 million / year

Notes:
(1) Values have been rounded to the nearest million.

The Feasibility Study capital and operating cost estimates for the Volta Grande Gold Project are summarized below.

Summary of Volta Grande Project Operating Cost Estimates Average Life-of-Mine Operating Cost

Area	**$ / tonne milled**
Mining	$10.62
Processing	$7.26
G&A	$0.84
Total Operating Cost	$18.72
Cash Operating Cost	$618/oz
All in Sustaining Cost	$779/oz

Volta Grande Gold Project Mineral Reserves

The mineral reserves for the Volta Grande Gold Project are fully diluted and are based on the conversion of measured and indicated mineral resources within the current Feasibility Study mine plan. A portion of the measured mineral resources are converted directly to proven mineral reserves and a portion of the indicated mineral resources to probable mineral reserves.

The fully diluted mineral reserves (the mining dilution has been included and considered in the grade and tonnes) for the Volta Grande Gold Project are shown below.

Classification	Reserves Kt	Grade g/t Au	Contained Gold Koz
Proven	41,757	1.07	1,442
Probable	74,212	0.98	2,346
Proven + Probable	115,969	1.02	3,788

**This mineral reserve estimate is as of March 25, 2015 and is based on the new mineral resource estimate dated March 2015. The mineral reserve calculation was completed under the supervision of Gordon Zurowski, P.Eng of AGP Mining Consultants Inc, who is a Qualified Person as defined under NI 43-101. Mineral reserves are stated within the final design pit based on a US$1,020 per ounce gold price pit shell with a US$1,200 per ounce gold price for revenue. The cutoff grade was 0.37 g/t for Ouro Verde and 0.40 g/t for Grota Seca. The mining cost averaged US$10.90/tonne milled, processing was US$7.25/tonne milled and general and administrative costs were US$0.84/tonne milled. The process recovery averaged 93%. The exchange rate assumption applied was R$3.10 equal to US$1.00 The Feasibility Study only considers the Volta Grande open pit Mineralized zones. The Feasibility Study does not include any mineral resources from the South Block, or mineral resources from the Greia Zone (as herein defined). Mineral resources that were part of the March 2015 total mineral resource associated with South Block and underground mineral resources were not included in the scope of the Feasibility Study.*

Mining

The Feasibility Study optimizes the mine plan for the first ten years with an average delivered head grade of 1.38 g/t. The mine has been designed to deliver an initial 3.5 million tonnes per year (10,000 tonnes per day) of mill feed and to expand to 7 million tonnes per year (20,000 tonnes per day) reaching full production in the third year. Material from the last three months of pre-production stripping will be used to commission the process plant. The Feasibility Study considers open pit mining using a 100% owner operated equipment fleet including trucks, loaders and drills.

The average strip ratio for the life of the mine is estimated at 4.3:1. Open pit bench heights of 10 meters will be mined and ore hauled with 136-tonne haul trucks and matching loading equipment. Best practice grade control drilling will be done with reverse circulation drilling and rock sampling on mine benches prior to blasting. This is intended to provide flexibility for grade control during operations while maintaining reasonable mine operating costs and production capability.

Metallurgy

Extensive feasibility level test work was completed by SGS Canada Inc., using representative run-of-mine composites, that confirmed the material from the Volta Grande Gold Project mineral deposit is amenable to a conventional crush, grind, gravity concentration, cyanide leach and carbon-in-pulp flow sheet with overall life of mine gold recovery of 93%.

Infrastructure

The Volta Grande Gold Project is located in Pará State, approximately 49 kilometers south-east of the city of Altamira. The Volta Grande Gold Project is accessible by both road and river. Altamira is a major regional center with a population of 150,000 and is serviced by a local airport and the Trans-Amazonian Highway. Altamira acts as the service center for many large industrial projects in the region.

The climate in the area of the Volta Grande Gold Project is tropical with a rainy season from January to April and a dry season from May to December. The mean temperature is constant throughout the year (25°C to 30°C) and the relative humidity ranges from 65% to 85%.

Access to the mine site from the city of Altamira is available by both road and river. Road access to the PVG site is a distance of approximately 60 km with approximately 30km of road nearest to the city of Altamira being paved, the remaining 30km of access road is gravel and is planned to be upgraded and paved during the mine operation.

Power for the PVG will be from line power coming from the nearby electrical infrastructure and will be brought to the mine project by a 230-kV power line.

Water requirements for the Volta Grande Gold Project were designed to not require the extraction of any water from the Xingu River. Water requirements will be provided by capturing precipitation and surface run-off. The water collected in storage ponds and augmented by reclaimed water from the tailings management facility will meet the operating requirements.

The scientific and technical information contained in the Feasibility Study pertaining to the Volta Grande Gold Project has been reviewed and approved by the following Qualified Persons: Mr. Stefan Gueorguiev, P. Eng. Ontario, Vice President Projects, Lycopodium Minerals Canada Ltd., Mr. Aron Cleugh, P. Eng. Ontario, Lead Process Engineer, Lycopodium, Dr. Oy Leuangthong, PhD., P.Eng. Ontario, Principal Consultant (Geostatistics), SRK, Dr. Jean-François Couture, PhD, P.Geo, Corporate Consultant, SRK, Dr. Lars Weiershäuser, PhD, P.Geo, Senior Consultant (Geology), SRK, George H. Wahl, P. Geo., British Columbia, Principal Consultant, G H Wahl & Associates Geological Services, Mr. Gordon Zurowski, P.Eng. Ontario, Principal Mining Engineer, AGP Mining Consultants Inc., Mr. Alexandre Luz, AusIMM, Senior Partner, L&M Assessoria Empresarial, Mr. Paulo Franca, Principal Consultant, AusIMM, VOGBR Recursos Hídricos & Geotecnia Ltda, Mr. Derek Chubb, P. Eng. Ontario, Senior Partner, Environmental Resources Management Inc., each of whom are independent of Belo Sun.

Volta Grande Gold Project Mineral Resource

The fully diluted mineral resource (the mining dilution has been included and considered in the grade and tonnes) estimate for the North Block of the Volta Grande Gold Project is outlined in the table below with an effective date of March 16, 2015.

Deposit	Category	Quantity Mt	Gold Grade g/t Au	Contained Gold KOz
Ouro Verde Open Pit				
Saprolite	Measured	750	0.96	23
	Indicated	709	0.78	18
	Inferred	216	0.67	5
Unweathered	Measured	18,532	1.16	693
	Indicated	52,647	1.06	1,796
	Inferred	22,576	0.89	643
Grota Seca Open Pit				
Saprolite	Measured	249	0.96	8
	Indicated	1,386	0.74	33
	Inferred	832	0.61	16
Unweathered	Measured	24,270	1.00	782
	Indicated	54,611	0.87	1,519

	Inferred	12,557	0.82	332
Junction Open Pit				
Saprolite	Measured	2	1.53	0
	Indicated	215	0.78	5
	Inferred	82	0.66	2
Unweathered	Measured	271	0.71	6
	Indicated	2,950	0.77	73
	Inferred	1,491	0.75	36
Greia Open Pit				
Saprolite	Inferred	512	1.06	17
Unweathered	Inferred	1,503	2.04	98
Total Open Pit				
	Measured	44,075	1.07	1,512
	Indicated	112,518	0.95	3,444
	Measured + Indicated	156,593	0.98	4,956
	Inferred	39,767	0.90	1,151

*Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Open pit mineral resources are reported at a cut-off grade of 0.4 g/t Au. The cut-off grades are based on a gold price of US $1,400 per troy ounce and metallurgical recoveries of 94% for saprolite and 94% for unweathered material.

Notes:

(1) The 0.4 g/t Au open pit cut-off grade underlying the mineral resource estimates is based on a number of parameters and assumptions including gold price of US$1,400 per troy ounce, pit angles set at 31 degrees for saprolite and 53 degrees for hard rock, and metallurgical gold recovery of 94% for unweathered and weathered rock. Assumed costs for the mineral resource modeling are as follows: open pit mining costs of US$2.05/tonne of ore, process costs of US$8.12/ tonne general and administrative costs of US$0.99/tonne, and royalty of 1%.

(2) The quantity and grade of reported inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define the inferred mineral resources as Indicated or measured mineral resources and it is uncertain if further exploration will result in upgrading them to indicated or measured mineral resource categories.

(3) The mineral resources have been classified according to the Canadian Institute of Mining, Metallurgy and Petroleum Standards for mineral resources and reserves (November 2010). The effective date of the report containing the mineral resource estimate is March 30, 2015.

(4) The mineral resource estimate was authored Dr. Oy Leuangthong, P.Eng, a Qualified Person as defined by NI43-101 and is independent of Belo Sun.

Below is a summary of the mineral resource estimation parameters pertinent to the current mineral resource estimate.

The mineral resource and reserve estimate for the Volta Grande Gold Project was prepared considering only the gold deposits located in the North Block. The North Block is a string of connected deposits that has been defined as the Ouro Verde and Grota Seca deposits.

The mineral resources for Volta Grande consist of four zones. Ouro Verde and Grota Seca (collectively the “North Block”), Greia (the “Greia Zone”) and the South Block. The Greia Zone was separated from Grota Seca and consists of a near-pit target to the north of the Grota Seca deposit. The junction zone is the connection between Ouro Verde and Grota Seca. It highlights some exploration potential along strike length between the two deposits.

The database consists of a total of 33,191 meters of drilling obtained from previously reported drilling and from 180,650 meters of drilling completed and assayed by Belo Sun since April 2010, for the Ouro Verde and Grota Seca deposits.

The mineralized zones at the Ouro Verde deposit extend for about 2,200 m along strike whereas the Grota Seca extends for 2,900m along strike.

For each deposit, very low, low, medium and high-grade gold domains were modelled in hard rock as well as in saprolite. The gold mineralization thickness ranges from 2 to 70 meters.

The composite length selected was 2.0 m. Residual composite lengths of 0.5 m and longer were included in the mineral resource estimation.

Capping analysis was performed on composites for all grade domains. All domains were capped except high grade saprolite.

All estimations are based on a fully diluted block model with unitary dimensions of 5 m E, 5 m N and 5 m elevation rotated -17° clockwise.

Three estimation passes with progressively relaxed parameters were used for each grade domain. The grade estimation was done using ordinary kriging interpolation. Additional restrictions were set to constrain the grade and radius of influence for the high-grade part of the mid-grade domain.

Classification was performed using the density of the informing composites. Measured blocks are informed by composites at average distances of 25m (maximum distance is 40m). Indicated blocks are informed by composites at average distances of 50m (maximum distance of 80m).

Tonnage estimates are based on a rock specific gravity of 2.75 tonnes per cubic meter for the Grota Seca and Ouro Verde deposits, and 1.36 tonnes per cubic meter for the saprolite.

COMMUNITY RELATIONS

The Company operates an information office in the Ressaca Village near the Volta Grande Gold Project, to allow for continuous and accessible communications between the Company and the local communities.

Belo Sun is committed to helping to improve the local population’s access to public services such as health care and education by assisting the municipality with health initiatives, programs, and events. When requested, Belo Sun will assist with the transport of doctors, nurses, dentists

and teachers to the area. Among other things, these efforts promote a higher standard of health and wellbeing in the Volta Grande area.

During 2024, Belo Sun has been involved with the following initiatives in the local communities:

- Conducted a flu vaccination campaign for our employees.
- Supported a breast cancer awareness event with the municipality.
- Assisted in the transportation of community leaders to Altamira, when requested.
- Hosted a tree planting event with the local school.
- Supported the National Service for Rural Learning and the Association of Residents by providing use of the Belo Sun office for training space for classes in the use of machines for small farmers.
- Supported a football tournament by donating uniforms and food to the teams.
- Supported Children's Day events in the local communities.
- Monitored water quality in the local communities
- Participated and sponsored local festivals and events.

The Company is also investigating the establishment of a benefit fund for the Indigenous Peoples and local communities in the PVG vicinity. The fund would be financed from net profits from the Volta Grande Gold Project and would provide financial resources to assist in local community and Indigenous community projects.

PERMITTING, LICENSING AND LEGAL HISTORY

Subsequent to the Company's receipt of the approval for the LI for the Volta Grande Gold Project, the Company has been subject to a number of legal proceedings. These commenced when the TRF1 Court granted an interim suspension order to suspend the LI in 2017, primarily because the ECI had not been presented with primary data.

The following are the primary outstanding proceedings that relate to the Volta Grande Gold Project and its permitting:

LI Suspension and Indigenous Consultation

In 2017, the TRF1 Court issued an interim suspension order of the LI. According to the order, the LI was to be suspended until the ECI was completed by the Company with primary data, under the terms of the ILO Convention 169, and approved by FUNAI.

Since then, the Company has taken all steps necessary to correct the deficiencies in the consultation process. In December 2021, the ECI was approved by FUNAI and in March 2022,

it was approved by the Volta Grande do Xingu Indigenous Peoples in compliance with ILO Convention 169.

Background to the LI Suspension and Indigenous Consultation

The approval of the EIA and receipt of the LP were key milestones in the advancement of the Volta Grande Gold Project towards the construction phase. The Company received its LP in February 2014.

According to Brazilian legislation, mining companies are required to consult with Indigenous Peoples within a designated distance from a proposed mining site. In the case of PVG, there were no Indigenous communities within the prescribed area. Nonetheless, the Company, SEMAS and FUNAI agreed to undertake the ECI to consider Indigenous Peoples outside of the designated range which SEMAS included as a condition in the LP. Due to this undertaking, the TRF1 Court ruled that the commitment to consult with Indigenous Peoples was enforceable.

In 2016, the Company completed its original ECI, covering the nearest Indigenous communities, located 12.6 km and 16 km away from PVG. This original ECI was submitted along with the LI application to SEMAS.

In January 2017, the ECI was accepted by SEMAS, however, the Company did not receive approval for the ECI from FUNAI, primarily because the ECI did not include primary data. This data was not included due to the fact that FUNAI did not grant the Company access to the Indigenous lands during the period of the study. SEMAS advised the Company to continue with the ECI and to submit it with secondary data.

In February 2017, SEMAS granted approval of the LI and the ECI for PVG. The LI is the second step of the environmental permitting process allowing the Company to proceed with construction and development of PVG. The next and final step is to obtain the LO for PVG, allowing for the commencement of mining operations.

In April 2017, the Company received an interim suspension order related to the LI by the TRF1 Court. According to the order, the LI would be suspended until the ECI was completed by the Company with primary data, under the terms of ILO Convention 169 and approved by FUNAI. In December 2017, the TRF1 Court confirmed the suspension of the LI.

Following the decision, the Company commenced working closely with FUNAI and anthropology consulting firms to complete the ECI in compliance with FUNAI's protocols and the TRF1 Court ruling. All fieldwork and consultations respected the provisions of the Protocols of Consultation of the Juruna (Yudjá) Indigenous People and followed all the requirements of the ILO Convention 169 involving extensive meetings, impact assessments, and workshops. The process involved the full participation of the Indigenous Peoples in all phases and included several meetings with the participation of the MPF, DPU and members of NGOs. The Indigenous Peoples had adequate time to discuss and reach an agreement about the studies, the impacts and the conditions for licensing PVG.

In late 2020, FUNAI approved the ECI as accepted for final presentation to the Indigenous communities. In October 2021, the Company completed the presentation of the ECI and received approvals from both the Juruna Indigenous Community and the Arara da Volta Grande do Xingu Indigenous Community completing the FUNAI protocol requirements for the ECI and ILO Convention 169 consultation. In December 2021, FUNAI issued their approval of the ECI, and in March 2022, the Indigenous communities gave their approval. At this time, the final documentation that the ECI has been completed and approved was submitted to the TRF1 Court.

On April 25, 2022, the TRF1 Court issued a ruling related to the lifting of the suspension of the LI following the completion and acceptance by FUNAI of the ECI. Instead of lifting the suspension, the TRF1 Court provided procedural guidance on the steps required to lift the suspension. In effect, the TRF1 Court ruling decided that the matter should be sent to SEMAS for review and confirmation that the ECI conditions had been met.

In January 2023, SEMAS acknowledged that the ECI conditions were met, and gave the Company permission to advance to the next phase of the Indigenous Component and submit the PBA-CI working plan to FUNAI for their approval, which the Company did in March 2023. This is the final step in completing the consultation process with the Indigenous People.

In September 2023, Belo Sun was notified by FUNAI that the approval process is dependent on the conclusion of their analysis of an Indigenous community's request to establish an Indigenous land in an area called São Francisco, which is located within 10 km of the Volta Grande Project. The Company continues to be in touch with FUNAI on the approval process.

In a judgment held on January 22, 2025, the sixth panel of the TRF1 stated that Belo Sun had complied with the terms of the ruling issued in December 2017, reaffirming that the actual fulfillment of the decision should be verified and confirmed by the Federal Court of Altamira. In this sense, the Company can now petition the Federal Court of Altamira and request the lifting of the LI suspension. Following the January 2025 ruling, FUNAI filed a Motion for Clarification before the TRF1, highlighting that they had revised their position that the displaced Indigenous people should be covered by the General PBA and not by the PBA-CI, and, consequently, about the need to complete the studies to include all Indigenous groups likely to be impacted by the project, including those displaced. This argument is procedurally beyond the scope of this type of appeal.

SEMAS and IBAMA Litigation

The Pará State environmental authority, SEMAS, has been the environmental permitting body for the Volta Grande Gold Project issuing PVG's LP and LI in 2014 and 2017, respectively, and reaffirming the validity of the LP in 2022.

Prior to starting the permitting process, the Company contacted both SEMAS and IBAMA and requested a ruling on which agency had the permitting authority for the Volta Grande Gold Project. IBAMA advised that the Volta Grande Gold Project did not have any of the parameters for Federal permitting. SEMAS confirmed that they were the correct permitting authority.

However, the MPF filed a lawsuit before the Federal Court in Altamira requesting that the permitting authority be changed from SEMAS to IBAMA. The history of the SEMAS and IBAMA litigation is described below.

In September 2018, the Federal Court in Altamira ruled that the permitting authority going forward for the PVG would be IBAMA rather than SEMAS. It also ruled that the pass permitting for the LP and LI under SEMAS were valid, but subject to review from IBAMA.

In November 2018, the TRF1 Court rendered an intermediate ruling that suspended the decision of the Federal Court in Altamira and confirmed that SEMAS remained the competent permitting authority until such time as a final decision in the matter is rendered.

On April 25, 2022, the TRF1 Court issued a ruling that postponed the decision on determining the competent Brazilian permitting authority for environmental permitting at PVG. Shortly before the trial, the prosecutors had argued that Norte Energia (responsible for the Belo Monte hydroelectric plant – the "**Belo Monte Project**") was concerned about possible adverse impacts resulting from the combined impact of their project and PVG. IBAMA requested the postponement of the ruling, to present information regarding these concerns.

In September 2023, the TRF1 Court ruled unanimously that IBAMA would be the competent authority for the environmental permitting process of PVG. In its ruling, the TRF1 Court reaffirmed that licenses issued in the past by SEMAS were to remain in place and that the Company was not required to resubmit its applications for those permits to IBAMA. IBAMA was to proceed with reviewing the licensing documents as part of its permitting process.

In January 2025, the TRF1 unanimously ruled that SEMAS will be the competent authority for the environmental permitting process of Belo Sun Mining Corp.'s Volta Grande gold project going forward. This decision reverses the decision made in September 2023, by the TRF1 that designated IBAMA as the competent authority for the environmental permitting process of PVG (see press release dated September 12, 2023).

In the same decision in January 2025, the TRF1 stated that there is no evidence that PVG will directly impact the Xingu River or Indigenous lands. Furthermore, the panel acknowledged that the cumulative impact study between PVG and the Belo Monte Dam was completed in the environmental studies, contrary to what the MPF had claimed in order to justify the need for IBAMA to be the competent authority.

Prior to the decision in September 2023, SEMAS had been conducting the permitting of PVG and, in that capacity, issued PVG's preliminary (LP) and construction (LI) licences in 2014 and 2017, respectively. Though the ruling designating SEMAS as the competent authority subject to an appeal, it is a positive development for PVG due to the SEMAS familiarity with and knowledge of the project. Though the LI remains under suspension, the LP was revalidated by SEMAS in 2022 following FUNAI's approval of the Company's Indigenous study (ECI). The next stage in the permitting process of PVG will be the transferring of files back to SEMAS as the Company begins to work with them on progressing the necessary work to advance PVG.

INCRA Negotiations and Litigation

The PVG exploration concessions were granted in 1974. In 1999, INCRA designated certain land areas for rural development. A small portion of this former INCRA-designated land is covered by the Company's mining concessions and will be affected by the mining operations of PVG ("impacted area"). The impacted area covers some of the planned facilities for PVG, a small portion of the end of the Grota Seca pit and one of the proposed waste pile deposits.

The Company's LI included a relocation plan that was approved by SEMAS. It provided families in the impacted area the option to: a) relocate at any time during the life of the project and at a time of the families' choosing with relocation expenses covered by the Company; or b) stay where they currently live; or c) leave and receive financial compensation for their property.

The impacted area gave rise to administrative and judicial proceedings.

In the administrative sphere, negotiations between the Company and INCRA regarding the impacted area commenced in 2016. However, negotiations were delayed due to various changes in the INCRA administration and the Federal Government, as well as the COVID-19 pandemic.

In the judicial proceedings, an order from the judge of the Agrarian Court of Altamira issued a temporary 180-day injunction halting certain work related to the LI in February 2017. The purpose of the injunction was to provide time for the relocation of certain families living near the PVG site and to finalize the agreement with INCRA involving the impacted area. The Agrarian Court of Altamira lifted this injunction in June 2017.

In November 2019, the Agrarian State Judge of the Court of Altamira ruled that the Company's LI would remain suspended until the following two conditions were fulfilled: 1) a periodic update to SEMAS on the status of the relocation of certain families living in the area directly affected by PVG; and 2) an update be provided to SEMAS on the negotiations with INCRA involving the impacted area.

In a separate ruling, in November 2019, the State Court of Appeal of Pará State ruled to uphold the Company's LI under the condition that the Company complies with the relocation plan terms as submitted by the Company to SEMAS for its LI.

In January 2020, the State Court of Appeal of Pará State overturned the November 2019 court ruling by the Agrarian State Judge of the Court of Altamira.

The Company and INCRA eventually entered into the Land Agreement on the Federal land in November 26, 2021, covering the impacted area ("Land Agreement"). Under this Land Agreement, INCRA will provide the Company access to the designated land for mining activities for 20 years from the execution date, with the ability to further extend the term.

Under the Land Agreement, the Company will provide ongoing program support, including, among other commitments: assisting small local landholders with the proper registration of their

land; assisting the municipality with road and bridge maintenance; a transfer of land outside of the project area to INCRA; and the purchase of certain equipment to assist the local INCRA office in its activities. The Company will also pay royalties to INCRA on the revenues arising from its activities at PVG.

The Land Agreement was officially published in the Brazil Federal Gazette - Diário Oficial da União on November 29, 2021, and was ratified by INCRA's board on December 16, 2021. The INCRA board's decision that ratified the Land Agreement conditioned the commencement of the Company's activities in the area to a meeting between the Company, INCRA, the MPF and the people living in INCRA's area to discuss PVG, which took place May 3, 2022. The Company and INCRA have finalized the documentation for the official register for the land donation.

In December 2024, the Company reported that the Federal Court of Altamira ruled that the agreement among the Company and INCRA is null and void based on procedural grounds. The ruling stated that INCRA had not completed an ordinance required to announce the measure taken by the government to declassify the area from agrarian reform. Both the Company and INCRA have launched appeals on the ruling and are working on next steps.

There are people occupying PVG land in an illegal protest against the Land Agreement which started in June 2022. This is discussed in more detail under "Occupation on PVG Land".

Litigation related to Xingu River Communities

This section covers allegations that the Company did not adequately consult riverine communities during the Company's environmental permitting process. The Brazilian courts have addressed this issue and have ruled in the Company's favour. The background of this litigation is outlined below.

On August 2020, the DPE filed a lawsuit with a local Altamira Judge (Agrarian Court – State Circuit) against the State of Pará and the Company to suspend the environmental permitting process of PVG based on a report submitted by a NGO (Association InterAmericana for Environmental Development ("**AIDA**")) and the allegation from DPE that self-identified riverine communities living along the Xingu River, were not consulted in accordance with ILO Convention 169 in the PVG environmental permitting process that was issued by SEMAS. The AIDA report focused on potential technical issues of PVG which were unfounded.

The Company responded to this request with full documentation that all communities in the area of influence of PVG were fully consulted in the impact assessment and in the LI application. The State of Pará also contested the lawsuit, consistent with the defense presented by the Company. Both the State of Pará and the Company presented technical and legal evidence that the allegations made by AIDA and DPE were false.

On May 24, 2022, an interim suspension order was issued in this matter by a judge of the Agrarian Court of Altamira against the LI and LP.

On July 20, 2022, the State Court of Appeal of Pará State overturned the suspension order on the grounds that there was no evidence of damage or harm to the riverine communities and that they were properly consulted as part of the environmental studies conducted by the Company. The Supreme Court of Pará State also ruled that the decision of the Agrarian Court caused damage to the Company and stated that there should be no obstacles for the Company to continue with the environmental licensing process while complying with the legal requirements determined by the applicable environmental and judicial authorities. While the initial suspension order remains in effect (as discussed above under LI Suspension and Indigenous Consultation) the Brazilian courts have confirmed the adequacy of the Company's consultation process.

OCCUPATION ON PVG LAND

The Volta Grande Gold Project was impacted by an illegal land occupation on June 5, 2022 by a group of people protesting against the Land Agreement between INCRA and the Company. The occupation continues with the people encamped at the PVG site. In May 2023, a judge from the local municipality, Senador José Porfírio, ruled in the Company's favour, designating the occupation an illegal encampment, and issued an eviction order on the condition of an attempt to conciliate a peaceful eviction. In August 2024, the case was submitted to a judicial conciliation body in Pará. In November 2024, the case was returned to the Court of Senador José Porfírio and is awaiting a ruling. The conciliation body returned the case deeming that conciliation did not apply to this repossession claim as the invaders are not claiming for the possession of the land but rather protesting against PVG.

INCRA has confirmed that the people participating in the occupation at the PVG site are not registered as beneficiaries of the Land Agreement, nor are they eligible to participate in settlement projects in the region. INCRA advised the trespassers of these facts during a visit to the encampment on September 8, 2022. This was confirmed in March and April 2024 when the CCA of INCRA, the MDA, the Ministry of Justice, IBAMA, the DPU, the Federal Police, and NGO representatives visited the occupied site. The occupation will continue to be monitored by INCRA and the local authorities.

There have been incidents of violence, vandalism and theft at a Company building on the PVG property related to the land occupation. These incidents have not caused a material impact to the Company but have been reported to local and Federal authorities.

As the Company moves to advance and develop the PVG, the Company anticipates that ongoing and additional legal claims and actions will be brought in the Brazilian courts to attempt to delay or stop the PVG. Please refer to the section titled "Risks and Uncertainties" for additional disclosure of risk factors related to litigation and permitting.

ANNUAL FINANCIAL RESULTS

	2024	2023	2022
Net loss	$ (7,288,293)	$(10,717,179)	$ (13,349,848)
Net loss per share	$ (0.02)	($0.02)	($0.03)
Working Capital*	$ 8,238,393	$13,866,147	$16,855,042
Total Assets	$ 23,338,477	$26,808,313	$36,736,179

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q4-2024 31-Dec-24	Q3-2024 30-Sep-24	Q2-2024 30-Jun-24	Q1-2024 31-Mar-24
Net loss	$ (1,603,434)	$ (1,593,965)	$ (2,718,238)	$ (1,372,656)
Net loss per share	$ (0.00)	$ (0.00)	$ (0.01)	$ -
Working Capital*	$ 8,238,393	$ 8,507,996	$ 10,078,262	$ 12,637,321
Total Assets	$ 23,338,477	$ 22,889,883	$ 24,423,819	$ 25,992,971

	Q4-2023 31-Dec-23	Q3-2023 30-Sep-23	Q2-2023 30-Jun-23	Q1-2023 31-Mar-23
Net loss	$ (6,594,877)	$ (1,483,317)	$ (1,537,772)	$ (1,101,213)
Net loss per share	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.00)
Working Capital*	$ 13,866,147	$ 15,112,817	$ 16,302,667	$ 17,489,637
Total Assets	$ 26,808,313	$ 33,627,379	$ 34,471,892	$ 35,824,459

*Working capital is defined as current assets minus current liabilities. Working capital is a non-IFRS figure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most comparable IFRS measures, see the section titled "Non-IFRS Measures" in this MD&A.

Factors Affecting Comparability of Quarters

Results of operations can vary significantly as a result of a number of factors. The Company's level of activity and expenditures during a specific quarter are influenced by a number of factors,

including the level of working capital, the availability of external financing, the time required to gather, analyze and report on geological data related to its properties and the nature of activity, and the number of personnel required to advance each individual project.

In addition, the granting of stock options and deferred share units ("DSUs") in a particular quarter gives rise to share-based compensation expense. Share-based compensation expense is dependent on vesting terms, and front-loaded accrual methods, and the value of the Company's share price which fluctuates.

Also contributing to fluctuating quarterly net losses are changes in foreign exchange rates. The Company holds a portion of its monetary assets and liabilities in Brazil and therefore changes in the rate of exchange between the Brazilian Real, United States dollar and the Canadian dollar result in reported gains and losses on foreign currency fluctuations.

RESULTS OF OPERATIONS – FINANCIAL

The following is a discussion of the results of operations of the Company for the three and twelve months ended December 31, 2024. This discussion should be read in conjunction with the Company's financial statements for the three and twelve months ended December 31, 2024 and related notes.

	Three months ended December 31,	
	2024	2023
Net (loss)	$ (1,603,434)	$ (6,594,982)
Interest (income)	(163,656)	(279,783)
Salaries, wages and consulting fees	809,888	730,823
Accounting, audit and tax fees	92,481	36,487
Legal fees	79,274	185,172
General and administration	153,846	185,527
Depreciation	8,877	113,862
Share-based payments	29,947	140,341
Exploration and evaluation expenses	284,711	614,950
Permitting costs	37,150	(287,791)
Loss on foreign exchange	282,903	(119,259)
Impairment of plant and equipment	-	5,274,653
(Gain) on asset disposal	(11,987)	-

For the three months ended December 31, 2024, the Company recorded a net loss of $1,603,434 ($0.01 per share) compared to a net loss of $6,594,877($0.01 per share) for the three months ended December 31, 2023.

The Company recorded $809,888 in salary, wages and consulting fees during the three months ended December 31, 2024 compared with $730,823 for the three months ended December 31, 2023. The additional costs in 2024 relate to increased consultant fees compared to 2023 activities.

The Company recorded $79,274 in legal fees during the three months ended December 31, 2024 compared with $185,72 for the three months ended December 31, 2023 due to higher legal activity in the prior year.

The Company recorded $29,947 in share-based payments during the three months ended December 31, 2024 with $nil related to the value of vesting DSUs and $29,947 related to the vesting of options granted in 2020 and 2021 (three months ended December 31, 2023: $3,938 and $136,403, respectively).

During the three months ended December 31, 2024, the Company used $2,636,172 from operations (Q4-2023: $4,043,584 provided by operations). 2023 Operating activities were higher due to working capital adjustments combined with lower net loss in the quarter. $8,998 in investing activity was incurred during the three months ended December 31, 2024 (Q4-2023: provided $1,586,963). Financing activity of $1,157,875 was provided during the three months ended December 31, 2024 (Q4-2023: used $1,756).

	Year ended December 31,	
	2024	2023
Net (loss)	$ (7,288,293)	$ (10,717,179)
Interest (income)	(800,850)	(1,060,240)
Salaries, wages and consulting fees	4,354,901	2,582,901
Accounting, audit and tax fees	323,556	111,787
Legal fees	398,677	452,103
General and administration	758,532	743,482
Depreciation	37,997	144,117
Share-based payments	205,866	943,340
Exploration and evaluation expenses	1,341,785	1,248,552
Permitting costs	137,979	242,409
Loss on foreign exchange	541,837	33,844
Impairment of plant and equipment	-	5,274,653
(Gain) on asset disposal	(11,987)	-
Interest expense	-	231

For the twelve months ended December 31, 2024, the Company recorded a net loss of $7,288,293 ($0.02 per share) compared to a net loss of $10,717,179 ($0.02 per share) for the twelve months ended December 31, 2023.

Interest income decreased by $259,390 in 2024 compared to 2023 due primarily to decreased balances on the promissory notes receivable and bank balances that earn interest in 2024.

The Company recorded $4,354,901 in salary, wages and consulting fees during the twelve months ended December 31, 2024 compared with $2,582,901 for the twelve months ended December 31, 2023. The additional costs in 2024 relate to additional consultant fees and accruals compared to 2023 activities.

The Company recorded $323,556 in accounting, audit and tax fees during the twelve months ended December 31, 2024 compared with $111,787 for the twelve months ended December 31, 2023. The additional costs in 2024 related to the Company's valuation work related to the 2023 annual audit.

The Company recorded $205,866 in share-based payments during the twelve months ended December 31, 2024 with $10,489 related to the value of vesting DSUs and $195,377 related to the vesting of options granted in 2020 and 2021 (twelve months ended December 31, 2023: $34,032 and $909,308, respectively).

Impairment loss of plant and equipment was $nil in the twelve months ended December 31, 2024 compared $5,274,652 in 2023. The Company wrote down the value of its mining assets under construction and furniture and equipment in 2023.

During the twelve months ended December 31, 2024, the Company used $5,243,398 in operations (2023: $4,624,388). $8,998 investing activity was incurred during the twelve months ended December 31, 2024 (2023: provided $1,903,107). $1,157,875 provided by financing activity during the twelve months ended December 31, 2024 (2023: used $9,651).

LIQUIDITY AND CAPITAL RESOURCES

Given the nature of the Company's business is to develop, construct and operate gold mining operations, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures.

The Company's financial success will be dependent upon the development of the Volta Grande Gold Project or other gold properties that lead to the production and sale of gold. Such development may take years to complete and although the Company expects to be successful and have positive income, it is difficult to determine if the Company will achieve this result. Being financially successful in these objectives depends on many factors including the development of the mineral exploration properties and the extent to which it can establish economic mineral reserves and operations based on metal prices and operating costs.

The Company currently has a negative operating cash flow and finances its development and mineral exploration activities through equity financings.

The Company had working capital (see "Non-IFRS Financial Performance Measures" below) of $8,238,393 as at December 31, 2024 (December 31, 2023 - $13,866,147) including cash and

cash equivalents of $10,881,610 (December 31, 2023 - $15,101,994). None of the cash equivalents are invested in asset-backed securities.

As at December 31, 2024, the Company had a promissory note receivable totaling $234,621 outstanding, comprised of principal and interest. The promissory note receivable, owed by Belo Sun's former President and CEO, Peter Tagliamonte, was due on October 23, 2023. To date, the remaining balance has not been repaid. The loan is currently overdue as the repayment date has not been extended and the loan continues to accrue interest after the repayment date. The Company is working with the borrower to arrange repayment as soon as possible.

Term Investment

The Company is carrying a term deposit with Banco do Brasil to partially fund potential amounts owing to CPRM. As at December 31, 2024, the balance of this deposit was R$2,593,981 ($591,054) (December 31, 2023: R$2,331,935 ($635,685)).

NON-IFRS FINANCIAL PERFORMANCE MEASURES

The Company has referred to working capital throughout this MD&A. Working capital is a Non-IFRS performance measure. In the gold mining industry, it is a common Non-IFRS performance measure but does not have a standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, we and certain investors use this information to evaluate the Company's performance and ability to generate cash, profits and meet financial commitments. This Non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following table provides a reconciliation of working capital to the financial statements as at December 31, 2024 and 2023.

	December 31, 2024	December 31, 2023
Current assets		
Cash and cash equivalents	$ 10,881,610	$ 15,101,994
Promissory notes receivable	234,621	228,080
Prepaid expenses and sundry receivables	234,777	256,163
	$ 11,351,008	$ 15,586,237
Current liabilities		
Accounts payable and accrued liabilities	3,112,615	1,720,090
	$ 3,112,615	$ 1,720,090
Working capital, current assets less current liabilities	$ 8,238,393	$ 13,866,147

CAPITAL RISK MANAGEMENT

The Company includes equity, comprised of issued share capital, shares held in trust for the settlement of share-based payments, share-based payment reserve and deficit, in the definition of capital. The Company's objective when managing capital is to maintain its ability to continue

as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition, development and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business.

The Company's properties are in the development stage and, accordingly, the Company is dependent upon external financings to fund activities. To carry out planned engineering, test work, advancement and development of the mining projects, and pay for administrative costs, the Company will spend working capital and expects to raise additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes in the Company's approach to capital management during the year ended December 31, 2024. The Company is not subject to externally imposed capital requirements.

COMMITMENTS AND CONTINGENCIES

Management contract commitments

The Company is party to certain management contracts. Minimum commitments remaining under these contracts were approximately $2,939,000 to be made if they are terminated without cause. These contracts require payments of up to $6,386,000 be made upon the occurrence of certain events such as a change of control of the Company. The change of control commitment includes a component based on the Company's current share price. As a result of this inclusion, the change of control commitment reported increases or decreases in relation to the change in share price during the period.

Legal contingencies

The Company is, from time to time, involved in various claims and legal proceedings (see, for example, the claims and legal proceedings described in the sections titled "Permitting, Licensing and Legal History" and "Risks and Uncertainties"). The Company cannot reasonably predict the likelihood or outcome of these activities.

Environmental commitments

The Company's mining, development and exploration activities are subject to various federal, state and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to be respectful of the culture, the local communities, protect public health and the environment and believes its operations are materially in

compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Other commitments

The Federal Constitution of Brazil has established that the states, municipalities, federal district and certain agencies of the federal administration are entitled to receive royalties for the exploitation of mineral resources by holders of mining concessions (including extraction permits). The royalty rate for gold is currently 1.5% Federal law 13,540/17) arising from the sale of the mineral product, less the sales taxes of the mineral product. No royalties are currently due.

The Volta Grande Gold Project does not have any other royalties attached to the project beyond the aforementioned 1.5% royalty to the Brazilian government.

There is a debt obligation due to CPRM as a result of a risk loan agreement, (the "CPRM Agreement"). The Company maintains a high interest saving account that covers the full amount of the debt payment. As at December 31, 2024, no payments have been paid pursuant to the CPRM Agreement.

Under a renegotiated agreement with CPRM in March 2008, the Company maintains an interest-bearing term deposit to cover the future debt obligation plus applicable interest. In July 2021, the Company again renegotiated its agreement with CPRM. As a result of this renegotiation, it was agreed that the Company would pay CPRM R$6,871,711 ($1,599,500) upon the issuance of its mining license. As at December 31, 2024, no payments have been paid pursuant to the CPRM agreement.

Peter Tagliamonte, a former officer and director of the Company has initiated a legal action against the Company seeking approximately $3,700,000 in relation to a purported breach of contract and relating to his dismissal as an officer of the Company. The Company intends to defend the matter vigorously and is confident in its position.

OFF BALANCE SHEET ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

During the year ended December 31, 2024 and 2023, the Company entered into the following transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

	Purchases of goods/services Year ended December 31,	
	2024	2023
2227929 Ontario Inc.	$ 60,000	$ 60,000
Directors' promissory notes interest	6,541	19,200

The Company shares office space with other companies who may have common officers and directors. The costs associated with the use of this space, including the provision of office equipment and supplies, are administered by 2227929 Ontario Inc. to whom the Company pays a monthly fee of $5,000.

The following balances included in the Company's accounts were outstanding at the end of the reporting period:

	Amounts owed by related parties		Amounts owed to related parties	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Directors and officers of the Company	$ 234,621	$ 228,080	$ 331,910	$ 53,049

Amounts owed by related parties reflect the promissory note entered into with a former officer and director of the Company in April 2018 plus accrued interest.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognized in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties.

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the period were as follows:

	Year ended December 31,	
	2024	2023
Short-term benefits	$1,418,528	$ 1,211,650
Share-based payments	163,028	695,016
DSU expense	7,792	34,032
	$1,589,348	$ 1,940,698

In accordance with IAS 24 Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee having regard to the performance of individuals and market trends.

More detailed information regarding the compensation of officers and directors of the Company is disclosed in the management information circular. The most recent management information circular is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The carrying value of cash and cash equivalents, prepaid expenses, sundry receivable and accounts payable approximate their fair values due to the short maturity of those instruments.

The Company's risk exposures and their impacts on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the year ended December 31, 2024.

Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's primary counterparties related to its cash and cash equivalents and term investment carry an investment grade rating as assessed by external rating agencies. The Company maintains all of its cash and cash equivalents and term investment with major Canadian and Brazilian financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. The Company's promissory note is held by Peter Tagliamonte, a former director and officer. Management has assessed the credit risk associated with this promissory note and based on the credit-worthiness of the party involved, the Company has assessed the chance of loss as remote.

The Company's maximum exposure to credit risk at the statement of financial position date is the carrying value of cash and cash equivalents, promissory notes receivable and term deposits.

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at December 31, 2024, the Company had current assets of $11,351,008 to settle current liabilities of $3,112,615. Approximately $2,087,000 of the Company's financial liabilities as at December 31, 2024 have contractual maturities of less than 30 days and are subject to normal trade terms. Of these current liabilities, approximately $2,024,000 has been payable for over 180 days.

Market risk

(a) Interest rate risk

The Company's cash and cash equivalents are subject to interest rate cash flow risk as they carry variable rates of interest. The Company's interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase.

Based on cash and cash equivalents, term deposit and promissory note balances on hand at December 31, 2024, a 0.1% change in interest rates could result in a corresponding change in net loss of approximately $12,000 (December 31, 2023 - $16,000).

(b) Currency risk

Foreign exchange risk exposures arise from transactions and balances denominated in foreign currencies. The Company's currency risk arises primarily with respect to the United States dollar and Brazilian Real. Fluctuations in the exchange rates between these currencies and the Canadian dollar could materially affect the Company's business, financial condition, and results of operations. The Company does not mitigate this risk with hedging activity.

A strengthening of $0.01 in the United States dollar against the Brazilian Real would have increased net loss by approximately $8,500 for the year ended December 31, 2024 (year ended December 31, 2023 - $11,600). A strengthening of $0.01 in the Canadian dollar against the United States dollar would have decreased other comprehensive income by approximately $1,400 for the year ended December 31, 2024 (year ended December 31, 2023 - $2,400).

As at December 31, 2024 the monetary balances in non-Canadian dollar currencies are as follows:

		Brazilian Reais		United States Dollar
Cash	R$	9,671,739		176
Accounts receivable and prepaid expenses		263,969		-
Long term investment		2,539,981		-
Accounts payable		(5,887,805)		(97,895)
	R$	6,587,884	$	(97,719)

OUTSTANDING SHARE DATA

Authorized unlimited Common Shares without par value – 466,716,038 are issued and outstanding as at March 19, 2025.

Authorized unlimited special shares – zero outstanding.

Stock options outstanding as at March 19, 2025 are as follows:

Number of stock options outstanding	Exercise price		Expiry date
3,250,000	$	0.80	27-Jul-25
1,000,000	$	0.97	04-Jan-26
5,243,698	$	0.08	11-Apr-28
511,281	$	0.07	03-May-28
11,675,000	$	0.24	04-Feb-30
21,679,979	$	0.31	

On February 4, 2025, the Company granted 2,150,000 DSUs. The DSUs vest one third on grant date, one third in one year and one third in two years.

As at March 19, 2025, there were 16,889,750 DSU's outstanding, of which 15,456,417 have vested at March 19, 2025.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which are the acquisition, financing, development and exploration of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company. Please refer to the Company's AIF filed on SEDAR+ for a full description of the Company's risks in addition to those highlighted below.

Nature of Mining, Mineral Exploration and Development Projects

Development projects have no operating history upon which to base estimates of future capital and operating costs. For development projects, mineral resource estimates and estimates of operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of capital and operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the mineral deposit, expected recovery rates of minerals from ore, estimated operating costs, and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production can often occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. There is no certainty that the expenditures made towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore. Further, there is no certainty that even greater expenditures relating to economic analysis or to development will result in a commercially viable project.

Licences and Permits, Laws and Regulations

Belo Sun's main value arises from a single asset referred to as the Volta Grande Gold Project. The Volta Grande Gold Project has been the focus of opposition from various NGO's and other government organizations opposed to the development of the project. The Volta Grande Gold Project has been the focus of legal proceedings from several parties, including the DPU, DPE, MPE and MPF, which has resulted in three injunctions against the Company's Volta Grande Gold Project (including its Construction Licence). See section titled "Permitting, Licensing and Legal History".

The Volta Grande Gold Project has also been highlighted in the media in a negative manner, and has been the subject of complaints by various NGOs (including to the Ontario Securities Commission concerning disclosure-related issues). Investors should also be aware and cautious as negative media could have a significant negative impact on the value of the Company's securities and future operations.

New injunctions, legal actions and/or compliance (including regulatory compliance) filed against Belo Sun and the Volta Grande Gold Project represent a significant and real risk. Investors should be aware and cautious as new legal challenges and proceedings (including civil and regulatory proceeding) could have a significant negative impact on the value of the Company's share price and future operations.

The Company's development and exploration activities, including mine, mill and infrastructure facilities, require permits and approvals from various government authorities, and are subject to extensive federal, state and local laws and regulations governing prospecting, development, production, transportation, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more time consuming and costly. Indigenous land demarcation can change and expand. New protected land can be established and expanded. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no assurance that the Company will be able to secure or maintain or obtain all necessary licences, permits and approvals that may be required to explore and develop its properties, commence construction or to operate its mining facilities.

The costs and potential delays associated with obtaining or maintaining the necessary authorizations and licences and complying with these authorizations, licences and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of the Volta Grande Gold Project. The recent litigation process with the Agrarian Court of Altamira, and other claims and injunctions brought against the Company are examples of legal claims that affect, and may continue to affect, the Volta Grande Gold Project. Any failure to comply with applicable laws, regulations, authorizations or licences, even if inadvertent, could result in interruption or termination of exploration, development or mining operations or logistics operations, or material fines, penalties or other liabilities that could have a material adverse effect on the Company's business, reputation, properties, results of operations, financial condition, prospects or community relations. Claims, lawsuits and injunctions may be brought by

parties looking to prevent the Company from advancing its projects. The Company can make no assurance that it will be able to maintain or obtain all of the required mineral licences and authorizations on a timely basis, if at all. There is no assurance that it will obtain the corresponding mining concessions, or that if they are granted, that the process will not be heavily contested and thus costly and time consuming to the Company. In addition, it may not obtain one or more licences. Any such failure may have a material adverse effect on the Company's business, results of operations and financial condition.

The Volta Grande Gold Project LI outlined a timeframe to complete construction of the PVG within a three-year period. As a result of the delays arising from the court ruling requiring Belo Sun to undertake a new Indigenous Study, the Company engaged SEMAS in discussions regarding this issue. SEMAS has confirmed with the Company that the time schedule of the LI was suspended with the judicial court ruling received on April 2017 and that once the LI is re-instated the timeline for completion of the LI will commence.

Changes in government, ministries, and administrations can result in changes to policies, regulations, and permitting requirements. This could have an adverse and negative impact on the Company and its development projects and on the value of the securities of the Company.

Mineral Resource and Mineral Reserve Estimates May be Inaccurate

There are numerous uncertainties inherent in estimating mineral resources and reserves, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of any mineral resource or reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in geological interpretation. These amounts are estimates only and the actual level of recovery of minerals from such deposits may be different. Differences between management's assumptions, including economic assumptions such as metal prices, market conditions and actual events could have a material adverse effect on the Company's mineral resource and reserve estimates, financial position and results of operations.

Uncertainty Relating to Mineral resources

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty that may attach to mineral resources, there is no assurance that mineral resources will be upgraded to mineral reserves.

Foreign Operations

At present, the mineral properties of Belo Sun are located in Brazil. As a result, the operations of the Company are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties include, but are not limited to, currency exchange rates; price controls; import or export controls; currency remittance; high rates of inflation; labour unrest; renegotiation or nullification of existing permits, applications and contracts; tax disputes; changes in tax policies; restrictions on foreign exchange; changing political conditions; community relations; Indigenous relations; NGO activity; currency controls; and governmental regulations and legislation that may require the

awarding of contracts of local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Changes, if any, in mining or investment policies or shifts in political attitudes in Brazil or other countries in which Belo Sun may conduct business, may adversely affect the operations of the Company. The Company may become subject to local political unrest or poor community relations that could have a debilitating impact on operations and, at its extreme, could result in damage and injury to personnel and site infrastructure.

Failure to comply with applicable laws and regulations may result in enforcement actions and include corrective measures requiring capital expenditures, installing of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Environmental

The Company's activities are subject to extensive federal, state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are more stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Furthermore, any failure to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

The current and future operations of the Company, including development and mining activities, are subject to extensive federal, state and local laws and regulations governing environmental protection, including protection and remediation of the environment and other matters. Activities at the Company's properties may give rise to environmental damage and create liability for the Company for any such damage or any violation of applicable environmental laws. To the extent the Company is subject to environmental liabilities, the payment of such liabilities or the costs that the Company may incur to remedy environmental pollution would reduce otherwise available funds and could have a material adverse effect on the Company. If the Company is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards.

Many of the local, state and federal environmental laws and regulations require the Company to obtain licences for its activities. The Company must update and review its licences from time to time, and is subject to environmental impact analyses and public review processes prior to approval of new activities. In particular, the Company's mineral project is located in the Volta Grande do Xingu region, in the area proximal to the Belo Monte hydroelectric plant, on the Xingu River, which is one of the Amazon's most important rivers. Due to the existence of communities of Indigenous peoples and the region's biodiversity, the environmental licensing process of the Belo Monte dam has attracted a great deal of attention from the local communities, NGOs, the

Federal Public Prosecutor Office, IBAMA, and other Brazilian and foreign institutions. Therefore, environmental licensing of the Volta Grande Gold Project and relations with local communities and local Indigenous communities may be more challenging and time consuming and subject to greater scrutiny as compared to the environmental licensing process and community and social relations for other mineral projects conducted in Brazil. Belo Sun can make no assurance that it will be able to maintain or obtain all of the required environmental and social licences on a timely basis, if at all.

In addition, it is possible that future changes in applicable laws, regulations and authorizations or changes in enforcement or regulatory interpretation could have a significant impact on the Company's activities. Those risks include, but are not limited to, the risk that regulatory authorities may increase bonding requirements beyond the Company's or its subsidiaries' financial capabilities. Developments elsewhere in the Brazilian mining industry or in relation to Brazilian mining legislation may add to regulatory processes and requirements, including additional scrutiny of all current permitting applications.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of the Volta Grande Gold Project. There can be no assurance that the Company will be successful in obtaining the required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt or equity financing on favourable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of the Company's properties or reduce or terminate some or all of its activities. In the event that the Company completes an equity financing, such financing could be extremely dilutive to current shareholders who invested in the Company at higher share prices and dilutive as compared to the Company's estimated net asset value per share and mineral resource or reserve ounces per share.

Title to Properties

The acquisition of title to mineral resource properties is a very detailed and time-consuming process. The Company holds its interest in its properties indirectly through mining concession rights, exploration permits and exploration applications. Title to, and the area of, the permits may be disputed, or applications may lapse. There may be area overlaps as in the case with INCRA. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties. There are garimpeiros (informal miners) operating from time to time within the Company's property, and there may be issues and difficulties that could arise, including title disputes and the risk of the garimpeiros encroaching onto active areas of the Volta Grande Gold Project. The Company always advises the proper authorities of any illegal garimpeiro mining activity on its properties.

The Company may need to acquire title to additional surface rights and property interests for further development and exploration activities. There can be no assurances that the Company will be able to acquire such additional surface rights. To the extent additional surface rights are

available, they may only be acquired at significantly increased prices, potentially adversely affecting the financial performance of the Company.

Project Development Costs

The Company plans to and expects to successfully develop its Volta Grande Gold Project within the current budget expectations. However, there can be no assurance that this project will be fully developed in accordance with the Company's current plans or completed on time or to budget, or at all.

Other Potential Litigation

In addition to the litigation described above, Belo Sun has entered into legal binding agreements with various third parties on a consulting and partnership basis. The rights and obligations that arise from such agreements are open to interpretation and Belo Sun may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Belo Sun to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any current or future disputes could have a material adverse effect on Belo Sun.

Dependence on Key Personnel

The success of the Company is dependent upon the efforts and abilities of its senior management and Board of Directors. The loss of any member of the management team or Board of Directors should not but could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel will be found.

Conflicts of Interest

Certain of the directors and officers of the Company may serve from time to time as directors, officers, promoters and members of management of other companies involved in mining or natural resource development and exploration and therefore it is possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director, officer, promoter or member of management of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable laws and the directors and officers will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

DISCLOSURE CONTROLS AND PROCEDURES

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures. Management has designed such disclosure controls and procedures, or caused them to be designed under its supervision, to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to the Chief Executive Officer and the Chief Financial Officer by others within those entities.

The Chief Executive Officer and the Chief Financial Officer of the Company have evaluated (or caused to be evaluated under their supervision) the effectiveness of the Company's disclosure controls and procedures as at December 31, 2024. Based upon the results of that evaluation, the Chief Executive Officer and Chief Financial Officer of the Company have concluded that as at December 31, 2024, the Company's disclosure controls and procedures were effective.

Internal Control Over Financial Reporting

Management, including the Chief Executive Officer and Chief Financial Officer of the Company, is responsible for establishing and maintaining adequate internal control over financial reporting. Under their supervision, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

▪ Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions, acquisitions and dispositions of the assets of the Company;

▪ Provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual financial statements.

Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control (COSO - 1992) Framework to design the Company's internal control over financial reporting.

The Chief Executive Officer and Chief Financial Officer of the Company have evaluated (or caused to be evaluated under their supervision) the Company's internal control over financial reporting as at December 31, 2024. Based on this assessment, the Chief Executive Officer and Chief Financial Officer of the Company have concluded that the Company's internal control over financial reporting was effective as at December 31, 2024.

There has been no change in the Company's internal control over financial reporting during the year ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that disclosure controls and procedures and internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the controls. The design of any control system also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies can be found in Note 2 of its Annual Financial Statements for the year ended December 31, 2024.

Critical Accounting Estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when development and exploration costs should be capitalized or expensed, and impact estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuations of stock-based compensation and the valuation of income tax accounts. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material. See Note 2 (e) of the December 31, 2024 financial statements for more details.