



# **Trigon Metals Inc.**

## **Management's Discussion and Analysis**

*For the year ended March 31, 2025*

TSX-V: TM

**Trigon Metals Inc.**  
**Management's Discussion and Analysis**  
**For the three and twelve months ended March 31, 2025**

**Date: July 29, 2025**

This Management's Discussion and Analysis ("MD&A") provides a review of the financial position and results of operations of Trigon Metals Inc. and its subsidiaries (the "Company" or "Trigon Metals" or "Trigon") and should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended March 31, 2025 and 2024. This MD&A covers the most recently completed financial period and the subsequent period up to the date of this MD&A. All amounts are expressed in U.S. dollars, except share amounts, unless otherwise stated.

The Company's audited consolidated financial statements have been presented on the basis that the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of the business. The Board premises the going concern assumption on its belief in its ability to close the transaction announced with Horizon Corporation Limited ("Horizon") (see Sale of Kombat Mine section of this MD&A). The reader should be aware that historical results are not necessarily indicative of future performance.

The audit committee of the Company has reviewed this MD&A and the interim condensed consolidated financial statements for the year ended March 31, 2025 and 2024 and the Company's board of directors approved these documents prior to their release.

**Qualified Persons**

Dr. Andreas Rompel, FSAIMM/Pr. Sci. Nat., PhD, is a Qualified Person as defined in National Instrument 43-101 ("NI 43-101") and CIM definition standards and has reviewed, verified and approved the technical and scientific information and data included in this MD&A relating to exploration. Dr. Rompel is the VP Exploration of Trigon and is not considered independent.

Fanie Müller, P.Eng, VP Operations of Trigon, who is a Qualified Person as defined by NI 43-101 and CIM standards has reviewed the technical and scientific information and data in this MD&A related to mining operations. Mr. Müller is not considered independent.

**Overview**

Trigon is a publicly traded Canadian mining, exploration and development company listed on the TSX Venture Exchange ("TSXV") under the symbol "TM", with its core business focused on the exploitation of copper and silver resources in attractive jurisdictions in Africa, where it has substantial assets in place, including the Kombat Copper mine in Namibia as well as the Silver Hill and Addana exploration projects in Morocco.

The Company was incorporated under the *Canada Business Corporations Act* on April 1, 2005. On December 28, 2016, the Company changed its name from Kombat Copper Inc. to Trigon Metals Inc. The Company's head office is located at 658 Lansdowne Avenue, Toronto, Ontario, M6H 3Y8.

## **Summary of Properties**

### ***Trigon Namibia (Kombat project)***

The Company, through Trigon Mining (Namibia) (Pty) Ltd ("Trigon Namibia"), holds an 80% interest in five mining licences and two exclusive prospecting licences together with an underground mine and plant infrastructure in the Otavi Mountain lands, an area of Namibia known for its high-grade copper deposits.

The mining licences were renewed on June 2, 2021 for a period of 10 years. Exclusive prospecting licence EPL7525 was renewed in June 2023 and is valid until June 2025 (renewal application submitted in March 2025) and exclusive prospecting licence EPL8529, which was transferred to Trigon Namibia effective May 2023, is valid until November 2025.

Within these licences is the Company's Kombat mine, where Trigon undertook open pit mining from May 2023 to September 2024, and in early 2024, commenced with the ramp up of underground mining. In addition to the open pit and the refurbished plant, the Kombat mine's extensive infrastructure includes an 800 metre vertical shaft, known as Asis Far West, which was completed in 2006, two further vertical shafts comprising the Asis West shaft complex, ramp systems and extensive underground workings. The Kombat mine originally opened in 1961 and between 1962 and 2007 produced 12.46 million tonnes of ore grading 2.62% copper, 1.55% lead and 18 g/t silver. The restart of the open pit from May 2023 until September 2024 represented the first phase of Trigon's strategy for Kombat, with the second phase being the re-opening of the Asis West underground mine, which was mined from February 2024 until January 2025. The project is linked to vital existing infrastructure, including power, water, roads, and rail to the port of Walvis Bay.

On December 16, 2025, the Company announced that it had signed a binding loan agreement with Horizon Corporation ("Horizon") for a loan for up to \$5 million. Pursuant to the loan agreement, Trigon granted Horizon exclusivity rights to negotiate the purchase of Trigon's interest in the Kombat Mine and on May 29, 2025, Trigon announced that it had entered into a definitive share purchase agreement in respect of this transaction (the "Proposed Horizon Transaction").

The Proposed Horizon Transaction reflects Trigon's strategic focus on advancing its Addana, Silver Hill and Kalahari exploration projects, strengthening the Company's financial position while ensuring operational continuity and promoting expansion for the Kombat Mine.

On January 16, 2025, the Company announced that it experienced a setback in underground pumping due to the failure of both of its main dewatering pumps at the Company's Kombat mine in Namibia. As a result, the Company suspended underground mining as the pump failure resulted in the underground mine flooding. All precautions were taken to ensure safety at the Kombat site throughout the process.

During this pause period, the Company is implementing a comprehensive recovery plan including advanced repairs and upgrades to critical equipment, to ensure long-term operational resilience and efficiency. Also, as part of this operational adjustment, the Company announced the retrenchment of the majority of its onsite employees, in terms of a temporary workforce reduction at the mine site.

## **Silver Hill project**

The Company has a 100% equity interest in Technomine Africa S.A.R.L. (“Technomine”), a Moroccan company holding the high potential Silver Hill copper-silver exploration project in Morocco (“Silver Hill” or the “Silver Hill project”), as well as the early-stage Addana project (“Addana project”). The Company is focusing on an exploration program to build on initial promising drill and sampling results at Silver Hill.

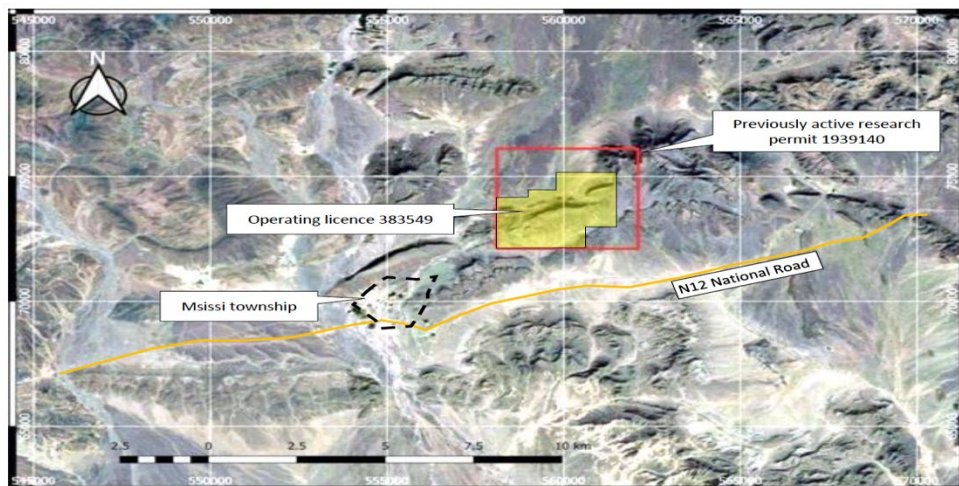
## **History**

On September 24, 2020, the Company acquired 100% of the outstanding shares of Moroccan company, Technomine. The primary asset of Technomine is the Silver Hill project, permitted by an operating licence, located in the eastern region of Morocco. Technomine was also previously the holder of five research permits comprising the Tamdoult property in Morocco, which permits management allowed to lapse when they expired in 2022, in favour of the Addana project, the apparent source rock for the ancient tailings found at Tamdoult.

## **Overview**

The Silver Hill project is located in the eastern region of Morocco towards the border with Algeria, in the Eastern Anti-Atlas belt, approximately 5km north-east of the town Msissi in the Tinghir province. The area is well known for various mineral occurrences, particularly copper and silver.

Technomine is the holder of one operating licence, No. 383548 (Silver Hill project). The operating licence covers an area of 789 ha and is valid until December 2028.



The Silver Hill project is classified as an early-stage exploration project, with no formal exploration program to classify a Mineral Resource having been undertaken in the property's known history. The Company has completed various exploration activities, including both drilling (27 diamond drilling holes, 2,147m drilled in total) and trenching, and a geophysical IP survey covering the majority of the property.

The project can easily be accessed via the national road network which is of high quality and standards. There is limited on-site infrastructure and power, and water infrastructure will have to be developed. There is, however, a 22kV powerline running adjacent to the property as well as good potential for underground water.

### Addana project

## History

In May and June 2023, the Company was granted six exclusive prospecting licences and two mining permits encompassing 112 square kilometres in the Addana Mountains of the AntiAtlas in Southern Morocco.

## Overview

The Addana project is located near Akka, in the province of Tata. It is located about 300 km from Agadir on the road connecting Agadir to Tata. The Addana Range was formed by an anticlinal fold in the Bani series of quartzites and schists, and is of Ordovician age.

The Addana project consists of silver and lead-bearing, polymetallic quartz calcite veins and is located in a district that has seen lead and silver mining for hundreds of years, evident in archaeological sites. Numerous of these veins can be detected on satellite imagery over an area over 40 km in strike length. The veins vary in length from 15 m to 2.5 km, generally about 40 cm thick, often only a few metres and possibly amenable to the use of bulk open pit mining methods.



## Kalahari Copperbelt Project

On March 14, 2024, the Company announced that it had completed the acquisition of Base Metal Investments and Services (“Base Metal”), a private Mauritius domiciled company, that holds an option (the “Copperbelt Option”) to acquire up to a 70% stake in the Kalahari Copperbelt Project. The Copperbelt Option provides Trigon, the right to attain up to 70% interest in Copperbelt Exploration (Pty) Ltd. (“Copperbelt”) which wholly owns the Kalahari Copperbelt Project.

The Kalahari Copperbelt Project encompasses a substantial land package in Namibia with primary Exclusive Prospecting Licences (EPLs) covering 280km along the strike of the Kalahari Copper Belt, which is known for hosting world-class Cu-Ag deposits. The licence area spans a massive 729,501 hectares and is bounded to the northeast by Noronex Limited and to the southwest by Rio Tinto.

The presence of ore-grade results from drill holes, located about 8km from the northeast boundary of the project at the Fiesta Fortuna prospect, reveals 83m at 0.7% Cu and 17 g/t Ag (including 8m at 2.5% Cu and 78g/t Ag). Mineralization typically extends for tens of kilometres along the strike, and the existence of old ore-bearing drill holes suggests the potential to find extensions within the licence area. The controls on mineralization are well understood from various other deposits along the belt.

Due to the extensive Kalahari sand cover, this segment of the belt has seen limited prior exploration. However, geophysical methods—primarily Transient Electromagnetics (TEM) and magnetics—have proven effective in delineating prospective subsurface structures beneath the sand. Existing geophysical data indicate the presence of viable targets, such as fold anticlines, consistent with mineralization patterns observed in analogous ore bodies along the belt in both Namibia and Botswana.

As consideration for the acquisition of Base Metal, Trigon has issued to Commodity Makers International (“Commodity Makers”), the sole shareholder of Base Metal, 2,720,000 Trigon common shares issued at CAD\$0.85 based on the quote market price of the Company’s shares on the date of issuance, for a total value of \$1,712,593. In addition, the Company will issue 320,000 Trigon common shares to Commodity Makers on each of the 6, 12, 18 and 24-month anniversaries from March 14, 2024 for an aggregate total number of 4 million Trigon common shares as compensation for the consulting services to be provided by Mr. Rennie Morkel, Mr. Andreas Rompel and Mr. Grant Sboros after closing of the transaction.

Concurrently with the closing of the acquisition of Base Metal, Trigon acquired a 25% equity interest in Copperbelt (the “Initial Acquisition”). As consideration for the Initial Acquisition, Trigon, on behalf of Base Metal, has paid \$60,000 to Ongwe Minerals (Pty) Ltd., the vendor of Copperbelt, and has committed to funding \$1 million in exploration expenditures on the Kalahari Copperbelt Project over the next 24 months. As of the date of this MD&A, the exploration commitment had not been met. A total of \$303,742 has been spent towards the \$1 million exploration commitment as of the date of this MD&A.

## **Operating Highlights**

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Three Months Ended Dec 31, 2024
<b>MINING</b>			
Open Pit Ore Mined (tonnes)	-	85,365	-
Open Pit Copper Grade %	-	0.98%	-
Open Pit Silver Grade (g/t)	-	6.88	-
Underground Ore Mined (tonnes)	23,008	12,160	67,712
Underground Copper Grade	1.62%	2.36%	1.82%
Underground Silver Grade (g/t)	18.47	6.48	16.14
<b>Total Ore Mined (tonnes)</b>	<b>23,008</b>	<b>97,525</b>	<b>67,712</b>
<b>MILLING</b>			
Ore Processed	15,443	69,354	82,459
Copper recovery (%)	62.8%	80.5%	88.2%
Copper Concentrate Production (tonnes)	776	2,385	4,863
Concentrate Grade (Cu %)	22.1%	23.9%	19.7%
Concentrate Grade (Ag g/t)	276	172	211
Copper Product Produced (tonnes)	141	570	1,005
Copper Product Produced (lbs)	310,190	1,255,752	2,215,202
Silver Product Produced (oz)	6,878	12,920	32,949
<b>SALES</b>			
Copper Concentrate Sold (dry metric tonnes)	1,334	2,095	4,604
Copper Concentrate Sold (lbs)	2,940,963	4,618,679	10,150,070
Copper Product Sold (tonnes)	248	424	995
Copper Product Sold (lbs)	546,746	934,759	2,193,597
Realized copper price (per lb)	\$ 3.51	\$ 4.12	\$ 2.93
<b>FINANCIAL HIGHLIGHTS</b>			
<b>(\$ in 000's, except per share amounts)</b>			
Revenues	\$ 1,920	\$ 3,853	\$ 7,490
Gross (Loss) / Profit	\$ 14,629	\$ (153)	\$ (12,120)
EBITDA	\$ 17,436	\$ 16,260	\$ (10,957)
Adjusted EBITDA	\$ (907)	\$ 168	\$ (968)
Net income (loss) income	\$ 18,101	\$ 13,440	\$ (14,240)
Per share (basic)	\$ 0.38	\$ 0.07	\$ (0.34)
Per share (diluted)	\$ 0.38	\$ 0.07	\$ (0.34)
C1 cash cost/lb (100% payability) <sup>(1)</sup>	\$ 7.50	\$ 3.35	\$ 3.21

(1) See non-IFRS measures

## **Review of Operations**

Our fourth quarter operating highlights are as follows:

- Third quarter copper production was 310,190 pounds at C1 cash cost<sup>(1)</sup> of \$7.50 per pound of copper produced. The high cash cost per pound metric is due to the low copper production (310,190 pounds combined with low copper plant recovery (62.8%) vs. in excess of 2 million pounds in previous three quarters and plant recoveries in excess of 80%) due to operations having been paused in January 2025 as a result of the mine flooding.
- Net realized price of \$3.51 per pound of copper.
- Silver production during the quarter was 6,878 ounces.
- Q4 net income of \$18,101,273, or (\$0.38) per share on a basic and diluted basis. The net income is due to \$13,730,896 of impairment reversals recognized due to signing of the definitive agreement with Horizon to sell the Kombat mine (and its implied valuation) and a \$8,668,107 Sprott stream modification gain to reflect the lower near term expected silver and copper deliveries due to the production pause.
- Q4 negative adjusted EBITDA of \$906,952.
- Following the pause of mining operations announced on January 16, 2025, the Company has withdrawn all production, capex and exploration guidance. The management team is focused on completing the sale transaction to Horizon, as set out below. Mining operations have been temporarily suspended, with the majority of the onsite employees retrenched.

(1) See non-IFRS measures section of this MD&A.

## **Sale of Kombat Mine**

Trigon signed a definitive agreement for the sale of Trigon's interest in the Kombat Mine to Kamino Mineral Ltd., an affiliate of Horizon on May 27, 2025. The transaction was approved on July 4, 2025 by the shareholders at the annual general and special meeting. The Transaction is subject to the satisfaction of a number of other closing conditions, including the approval of the Namibian Competition Commission, the consent of Sprott, approval of the TSX Venture Exchange, as well as other customary conditions.

## **Pre-Closing Reorganization**

Prior to closing of the Transaction, Trigon will undertake an internal reorganisation in terms of which:

- Trigon will incorporate a new wholly owned Ontario subsidiary ("Trigon Ontario");
- Trigon will transfer to Trigon Ontario all of Trigon's rights and obligations under Trigon's stream agreement (the "Sprott stream") with Sprott Private Resource Streaming and Royalty (B) Corp. and Sprott Mining Inc. (collectively, "Sprott") including the release of Trigon from all security and guarantees under the Sprott stream;
- Trigon will transfer to Trigon Ontario a portion of the PNT Loan such that the net asset value of Trigon Ontario will be \$1;
- PNT will transfer to Trigon, or a subsidiary of Trigon, 100% of its interest in Copperbelt Mineral Exploration (Pty) Ltd.

## **Purchase Consideration**

Kamino will pay to Trigon a total purchase consideration of \$24,000,000 in cash (the "Purchase Consideration") for the Transaction comprising:

- \$1 for the shares in Trigon Ontario; and
- \$23,999,999 for the shares in PNT and the PNT Loan, subject to a purchase price adjustment for outstanding liabilities owing to IXM S.A. and Sprott on closing (the "Purchase Price Adjustment").

The Purchase Consideration will be settled in eight equal instalments, with the first instalment payable on the later of closing of the Transaction, being the deal ratification and competition approvals in Namibia, and the date that is nine months after the date of approval of the Transaction by Trigon's shareholders. The seven remaining instalments will be payable every three months from the date of the first instalment.

In addition, the Purchaser will make an additional cash payment (the "Production Payment") to Trigon thirty days following the first date upon which the underground operations of the Project achieve ore production and processing of a daily minimum of 2,250tpd on each day for a 90 consecutive day period. The Production Payment ranges between \$3,500,000



and \$13,000,000, dependent on copper price.

As further consideration, Trigon will be granted a royalty on the Project from Trigon Mining (Namibia) (Pty) Ltd, the registered owner of the Project, of 1.0% of copper net smelter returns on a per invoice basis, payable if the invoiced copper price on final invoicing is greater than \$4.00 per pound (the "Royalty") for up to 20 quarters with 8 allowable deferrals. Such royalty is to be paid exclusively from Horizon's equity ownership. Payments under the Royalty will commence once the Project achieves copper metal production of 1,000 tonnes for each of two consecutive calendar months.

### **Loans from Horizon to Trigon**

On February 11, 2025, Trigon announced the revised terms of the loan agreement entered into with Horizon ("Loan Agreement"), in terms of which the loan amount was reduced to \$4,000,000, with structured advances over five tranches ("Horizon Loan"). The Horizon Loan bears interest at 15% per annum, with interest only commencing after a six month grace period ("Grace Period") and is repayable in 18 equal amortised repayments commencing at the end of the Grace Period. The Horizon Loan is secured by a General Security Agreement over all the property, assets and undertakings of Trigon. A portion of the fourth tranche, and the full fifth tranche are still to be advanced by Horizon.

In terms of the Sale Agreement, the Horizon Loan will be classified between Project Loan Amounts (being amounts applied to costs and expenses in Namibia relating to the Project) and Non-Project Loan Amounts. All obligations to repay Project Loan Amounts, including interest thereon will be transferred to PNT prior to closing. An agreed sale of the project would see this portion of the debts of Trigon cleared. Any remaining Non-Project Loan Amounts will continue to bear interest at 15% per annum, remain secured by the General Security Agreement and be repayable by Trigon on the terms set out above. At this time Trigon anticipates the non-project loan amount at handover will be zero dollars.

In terms of the Loan Agreement, an additional loan amount of \$2,000,000 (the "Additional Loan") was also made available to Trigon on the same terms as the Horizon Loan to provide flexibility for further financing. The Additional Loan is repayable as follows:

- If Trigon shareholder approval is achieved on or before June 30, 2025, the Additional Loan plus accrued interest is deducted from the eight instalment payment for the Transaction; or
- If Trigon shareholder approval is not achieved on or after June 30, 2025, the Additional Loan plus accrued interest is added to the outstanding Horizon Loan balance and the Horizon Loan repayment terms as set out above will apply.

On July 16, 2025, a further amendment between Trigon and Horizon was entered into for an additional \$7,200,000 loan. The purpose of the new loan is to fund Namibian carrying costs including capital projects until transaction closing. The \$7,200,000 loan has the same terms as the initial \$4,000,000 loan. \$500,000 of the \$7,200,000 loan facility was received by Trigon on July 21, 2025.

In terms of the Sale Agreement, the Additional Loan will now be advanced to Trigon no later than thirty calendar days after the date of approval of the Transaction by Trigon shareholders. The Additional Loan will be subject to the terms and conditions of the Horizon Loan, and will be repaid by offsetting the loan amount, including accrued interest, against the eighth instalment payment for the Transaction.

### **Deal Protections**

The Sale Agreement provides for customary deal protection provisions, including non-solicitation covenants on the part of Trigon and a right in favour of the Purchaser to match any unsolicited superior proposal. In the event that the Agreement is terminated in certain circumstances, Trigon has agreed to pay the Purchaser a termination fee equal to one times the principal outstanding under the Loan Agreement. In the event that Trigon shareholder approval has not been obtained by the date (the "Right to Match Expiry Date") that is the earlier of (i) the date that is two months from the date of the Meeting, and (ii) the date that is six months from the date of the Sale Agreement, the Purchaser will retain a right to match with respect to any acquisition proposal or superior proposal received by Trigon which shall expire within 30 days from the date the Purchaser receives the written notice from Trigon of such proposal. This right shall terminate on the date that is six (6) months from the Right to Match Expiry Date.

## Drilling Results

On January 23, 2025, the Company announced the results of the underground drilling at Shaft 1, at levels 1, 3 and 4 at the Kombat mine. The Company also wishes to address a correction to language used in its previous press release dated January 23, 2025. These confirmation holes were targeting orebodies adjacent to historic workings and close to existing underground development. True intercept width is unknown. The holes listed below have extended the known mineralization and mineable tonnes in the upper levels at Shaft 1 (see Figures 1, 2 and 3).

### Highlights – Level 1 sub 1 (45 metres from surface)

- **KWO-238** : 12 metres at 2.27% Cu and 30.41 g/t Ag
- **KWO-239** : 8 metres at 10.44% Cu and 35.34 g/t Ag

### Highlights – Level 3 sub 1 (105 metres from surface)

- **KWO-242**: 3 metres at 6.81% Cu and 87.83 g/t Ag
- **KWO-256** : 5 metres at 1.40% Cu and 21.89 g/t Ag
- **KWO-257**: 6 metres at 1.40% Cu and 13.95 g/t Ag

### Highlights – Level 4 (120 metres from surface)

- **KWO04L-319** : 6 metres at 2.15% Cu and 41.20 g/t Ag
- **KWO04L-323**: 5 metres at 3.08% Cu
- **KWO04L-324**: 9 metres at 1.94% Cu and 21.73 g/t Ag

Drillholes KWO-238 and KWO-239 were drilled on the eastern margin of the Sublevel 1.1 of the mined out orebody, about 45 metres from surface. These two holes intersected significant grade approximately 24 metres from the closest historical drillhole results known as OMEG orebodies (refer to Figure 4). These orebodies are conformed with the regional strike-length of the Kombat trend (E-W).

Drillhole KWO-242 was drilled southwards, defining the orebody thickness which is extending to the East of level 3 sub-1. This area is about 105 metres from surface and the intersections were 5m long (refer to Figure 5). Similarly, drillholes KWO-256 and KWO-257 were drilled at angles of 15 ° to 30 ° to outline vertical continuity of the orebody. These holes also intersected mineralization between 23 and 25 metres, defining a clear zone of mineralisation (refer to Figure 6).

Drillhole KWO04L-319 was drilled towards the western margin of the existing development on level 4, about 155 metres from surface. This drill hole was aimed at defining the vertical extent as a follow up to the closest historical intercepts. Similarly, drillholes KWO04L-323 and KWO04L-324 were drilled on the western margin of the Level 4, where multiple intercepts were drilled between 4 and 20 metres from their nearest historical intercepts (refer to Figure 7).



Figure 1 : Shaft #1 Drill Core from Level 1 Sub-level 1 – KWO-239 — Figure 1 shows massive bornite adjacent to a stope at the end of hole (KWO239).



Figure 2: Shaft #1 Drill Core from Level 3 Sub-level 1 – KWO-256 — Figure 2 shows bornite and chalcopyrite occurring in highly calcified and fractured zone



Figure 3: Shaft #1 Drill Core from Level 4 – KWO04L-319 — Figure 3 shows massive bornite with some galena in a calcitic zone.

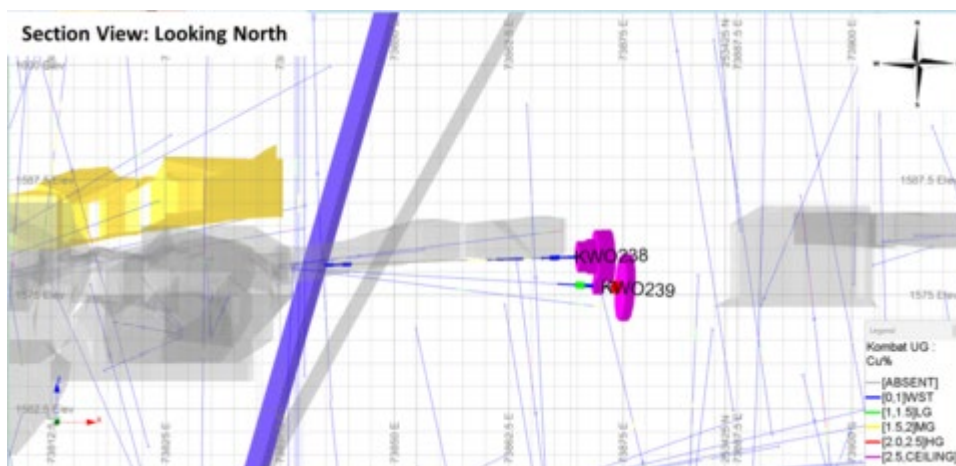


Figure 4: Drilling at Shaft #1, Level 1 Sub 1

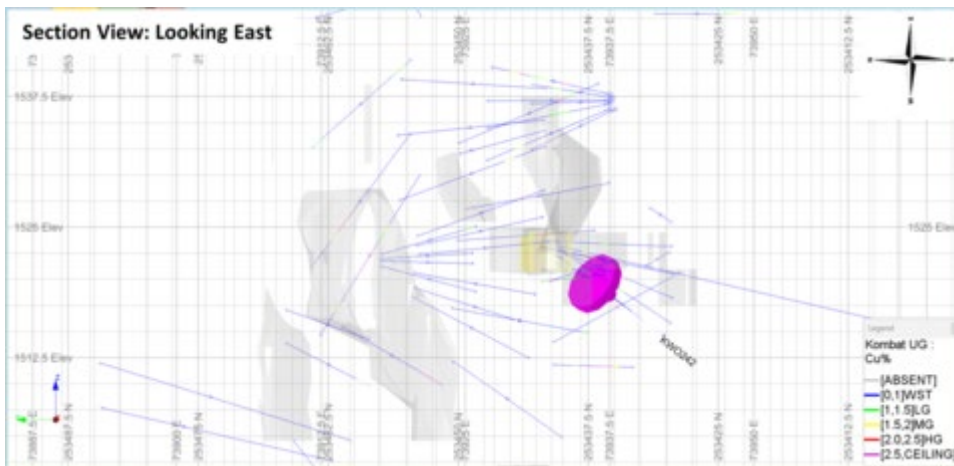


Figure 5: Drilling at Shaft #1, Level 3

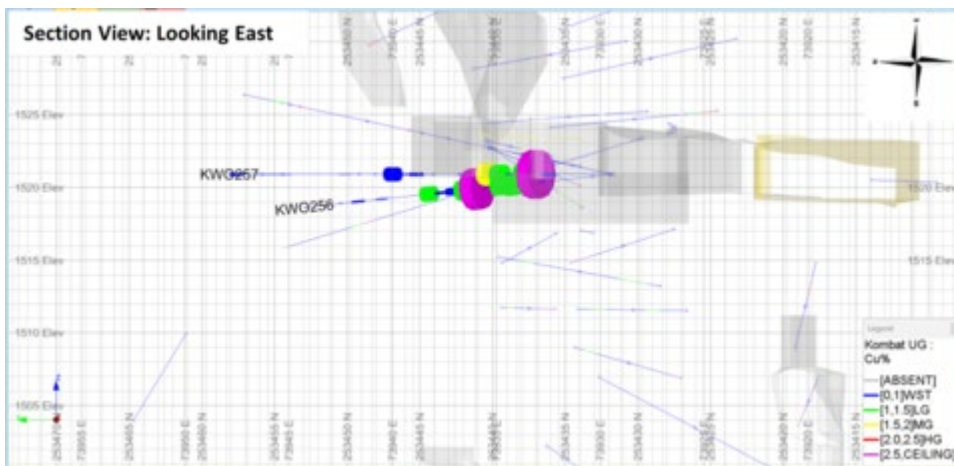


Figure 6: Drilling at Shaft #1, Level 3

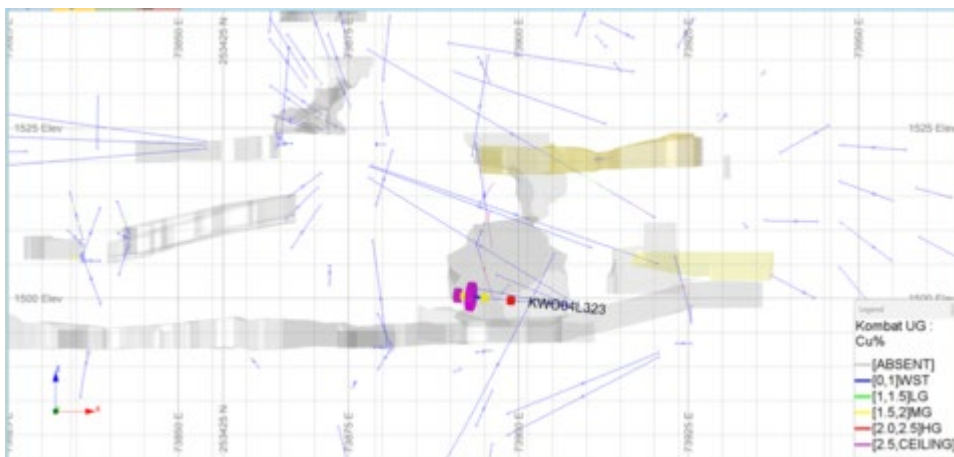


Figure 7: Drilling at Shaft #1, Level 4

## **Private Placement**

On February 21, 2025, the Company closed the first tranche of a non-brokered private placement. The Company issued 4,390,000 common shares at a price of \$0.17 (CAD\$0.25) per share for gross proceeds of \$762,735 (CAD\$1,097,500). The Company paid finders fees \$35,583 (CAD\$51,200) (and issued 15,000 finder's warrants in association with the private placement. Each finder's warrant entitles the holder to acquire one common share of the Company at a price of \$0.17 (CAD\$0.25) for a period of two years.

Due to strong investor demand, the Company increased the size of the Offering from total gross proceeds of \$1.7 million to \$2,533,100 with a second tranche of confirmed orders totaling \$1,435,600 closed on February 28, 2025.

In connection with the First Tranche, the Company paid cash finder's fees of \$51,200 and issued 15,000 finder's warrants (the "Finder Warrants") to eligible finders. Each Finder Warrant entitles the holder thereof to acquire one Share at a price of \$0.25 for a period of 24 months following the date hereof.

All securities issued in connection with the Offering are subject to a statutory hold period of four-months and one-day. The Company has used the net proceeds from the Offering for working capital and general corporate purposes.

## **Environmental, Social and Governance ("ESG")**

Trigon is committed to being a responsible mineral producer, developer and explorer, and to creating long term shared value for all its stakeholders, including employees, local communities in the areas in which it operates, and shareholders.

For Trigon, ESG is about sustainable development throughout the group, creating tangible, practical plans that achieve real results, and embedding these core principles in our day-to-day business operations. Sustainability is key in all aspects of our business including environmental management, health and safety, community engagement, security and human rights.

Trigon's ESG strategy is underpinned by a formal ESG sustainability policy in Namibia, and relevant corporate governance frameworks and policies throughout the company.

### **Environmental**

Trigon is committed to minimizing its footprint in the environments in which it operates.

The Company operates under environmental management plans and standards in both Namibia and Morocco, in compliance with local legislation, as approved in terms of its mining and exploration permits in the relevant jurisdictions.

### **Social**

#### ***Health and Safety***

Trigon places the highest priority on safety in the workplace and has implemented various formal policies to ensure the health and safety of all employees and visitors to the site.

During the quarter under review, following the failure of the two main submersible pumps, mining operations at Kombat were placed on full care and maintenance. The company continues to engage with the Kombat town and community to ensure that essential initiatives, such as the provision of water, continue throughout this pause period. Other community initiatives as previously implemented throughout the year under review will be reinstated once operations are restarted.



## **Review of Financial Results from Continuing Operations**

	Three months ended March 31,		Year ended March 31,	
	2025	2024	2025	2024
<b>Expenses</b>				
Consulting fees	\$ 389,851	334,557	\$ 1,696,109	\$ 1,246,222
Professional fees	28,297	205,686	372,487	429,251
Travel and related costs	29,246	69,692	116,857	163,388
Investors relations, promotion and filing fees	34,281	78,200	183,621	240,377
General and administrative costs	47,104	46,208	154,868	117,077
Exploration and evaluation expenditures	1,000	-	12,586	1,901,478
Share-based compensation	994,000	1,353	1,226,900	27,108
Foreign exchange (gain) loss	1,129,472	262,707	(128,974)	(7,029)
	\$ 2,653,251	\$ 998,403	\$ 3,634,454	\$ 4,117,872
<b>Other items</b>				
Interest income	(4,204)	(62,303)	(1,268)	342,605
Finance charges	(177,255)	-	(192,833)	(19,438)
Change in fair value of warrant liability	212,971	955,856	706,555	367,416
<b>Net loss from continuing operations</b>	\$ (2,621,739)	\$ (104,850)	\$ (3,122,000)	\$ (3,427,289)
<b>Net income (loss) from discontinued operations</b>	20,723,012	12,750,556	(2,300,370)	1,158,777
<b>Net income (loss) and comprehensive income (loss)</b>	\$ 18,101,273	\$ 12,645,706	\$ (5,422,370)	\$ (2,268,512)
<b>Net loss and comprehensive loss from continuing operations attributable to:</b>				
Shareholders of Trigon Metals Inc.	\$ (2,633,325)	\$ (2,006,328)	\$ (3,122,000)	\$ (3,427,289)
<b>Net income (loss) and comprehensive income (loss) from discontinued operations attributable to:</b>				
Shareholders of Trigon Metals Inc.	\$ 18,889,922	\$ 15,120,037	\$ (1,015,652)	\$ 2,653,352
Non-controlling interest	1,844,676	(468,003)	(1,284,718)	(1,494,575)
	\$ 20,734,598	\$ 14,652,034	\$ (2,300,370)	\$ 1,158,777

During the quarter ended December 31, 2024, the Company reclassified its Kombat Mine operating results to discontinued operations given the Proposed Horizon Transaction. The Company has previously classified its Safi Silver assets as discontinued operations. The two items are presented together as “discontinued operations” in the above table. The consolidated financial statements for the three and twelve months ended March 31, 2025 have disaggregated information for Kombat and Safi Silver. The Company continuing operations represent the Company’s Copperbelt Project and its corporate expenses. The comparative results have been restated for consistent presentation.

During the three and twelve months ended March 31, 2025, the Company recorded net income and comprehensive income of \$18,101,273 and net loss and comprehensive loss of \$5,422,370, respectively compared to net income and comprehensive income of \$12,645,706 and net loss and comprehensive loss of \$2,268,512, respectively, for the same periods in the prior year. The increase in annual net loss from the previous period is due to the mine operations stopping due to flooding as discussed in more detail in the “Review of Financial Results from the Kombat Mine- Discounted Operations”. The fourth quarter net income of \$18,101,273 in the period ended March 31, 2025 is due to the reversal of \$13,730,895 impairment charges previously recorded due to the signing of the transaction to sell the mine to Horizon and the implied valuation and a \$8,668,107 stream modification gain. The four quarter net income of \$12,645,706 the period ended March 31, 2024 was due to a \$20,353,417 Sprott stream modification gain recognized due to the new mine plan assumptions in the SRK feasibility study.

During the three and twelve months ended March 31, 2025, the Company recorded consulting fees of \$389,851 and \$1,696,109 compared to \$334,557 and \$1,246,222, respectively in the same period in the prior year. The Company does adjust its team as conditions require. The increase in the year ended March 31, 2025, represents staff additions to assist with increasing operations prior to the operations being paused.

During the three and twelve months ended March 31, 2025, the Company recorded professional fees of \$28,297 and \$372,487 compared to \$205,686 and \$429,251 in the comparative period. The decrease for the twelve months ended March 31, 2025 is due to fees incurred in the prior year related to a potential spinout of one of

the Company's subsidiaries that were not repeated in the current year.

During the three and twelve months ended March 31, 2025, the Company recorded travel costs of \$29,246 and \$116,857 compared to \$69,692 and \$163,388, respectively in the same period in the prior year. The decrease in the year ended March 31, 2025 is the result of cost containment efforts.

During the three and twelve months ended March 31, 2025, the Company recorded investor relations, promotion and filing fees of \$34,281 and \$183,621 compared to \$78,200 and \$240,377, respectively in the same period in the prior year. The decrease in the year ended March 31, 2025 is the result of lower marketing costs in the current year.

During the three and twelve months ended March 31, 2025, the Company recorded a change in the fair value of the warrant liability of \$212,971 (gain) and \$706,555 (gain), compared to \$955,856 (gain) and \$367,616 (gain) in the comparative period. The Company has warrants denominated in Canadian dollars whereas its functional currency is the U.S. dollar. As such the warrants represent a derivative liability and are revalued each period. The warrants value will move opposite the common share price (i.e. as the share price goes up, the value of the warrants will increase resulting in losses in the income statement and conversely as the share price goes down, the value of the warrants will decrease results in gains in the income statement).

### **Review of Financial Results from Kombat Mine Discontinued Operations**

	Three months ended March 31,		Year ended March 31,	
	2025	2024	2025	2024
<b>Revenue</b>	<b>1,920,489</b>	3,852,832	<b>26,606,273</b>	9,587,207
<b>Cost of sales</b>	<b>1,869,249</b>	3,727,486	<b>22,730,432</b>	8,987,139
<b>Cost of sales - depreciation</b>	<b>(846,663)</b>	(11,508)	<b>4,175,718</b>	1,749,294
<b>Cost of sales - impairment</b>	<b>(13,730,896)</b>	-	-	3,483,275
<b>Gross income (loss)</b>	<b>14,628,799</b>	136,854	<b>(299,877)</b>	(4,632,501)
<b>Expenses</b>				
Exploration and evaluation expenditures	519,249	1,313,096	2,217,743	2,565,658
Professional fees	37,020	18,241	118,878	49,152
Accretion expense	601,770	2,550,189	5,531,033	9,605,504
Loss on asset disposal	(8,342)	27,343	210,870	27,343
Finance charges	349,124	121,232	1,051,078	157,430
Change in fair value of buyback option	-	1,442,871	-	1,233,797
Stream modification	(8,668,107)	(20,353,417)	(8,668,107)	(20,353,417)
Foreign exchange loss (gain)	1,117,769	(27,968)	1,117,769	(27,968)
Other expense	10,707	224,985	137,009	157,234
<b>Net (loss) income</b>	<b>\$ 20,669,609</b>	\$ 14,820,282	<b>\$ (2,016,150)</b>	\$ 1,952,766

For the three and twelve months ended March 31, 2025, the Company presented revenues of \$1,920,489 and \$26,606,273, respectively, and cost of sales of \$1,869,249 and \$22,730,432, respectively, on the consolidated statement of loss for the Kombat Mine discontinued operation (three and twelve months ended March 31, 2024: \$3,852,832 and \$9,587,207 of revenue, respectively, and \$3,727,486 and \$8,987,139 in cost of sales, respectively).

The Company's realized revenues were negatively impacted by high penalties, final copper assays being lower than provisional assays and the pricing formula in our offtake contract with IXM that allows for a lowest actual copper price look back adjustment and the production pause from January 2025.

In the year ended March 31, 2025, the Company record an impairment charge reversal of \$13,730,896. The reversal is due to the implied valuation of the Kombat Mine inherent from the Horizon transaction terms. In the year ended March 31, 2024, the Company recorded impairment charges of \$3,483,275 on the Kavango, Kavango North and E400 open pits, as these pits were fully depleted. The Company continued to mine at its Ore Capping open pit thereafter.

The exploration and evaluation expenditures in the three and twelve months ended March 31, 2025 from the Kombat Mine discontinued operation of \$519,249 and \$2,217,743, respectively, are related to the costs of personnel and general and administration activities incurred in respect of the Kombat project in Namibia.

Accretion at Kombat Mine discontinued operation for the three and twelve months ended March 31, 2025 was \$601,770 and \$5,531,033, respectively, compared with an accretion expense of \$2,550,189 and \$9,605,504, respectively, in the comparative period. Accretion expense represents the accounting expense of the Company's Sprott stream calculated using a 23.68% discount rate to discount the expected future silver and copper deliveries owing to Sprott over life of mine using estimates from the SRK Consulting South Africa (Pty) Ltd. Feasibility Study released in March 2024. During the twelve months ended March 31, 2025, the Company delivered \$1,394,840 of silver to Sprott which is recorded as a reduction of the stream obligation.

The Company recorded a stream modification in the twelve months ended March 31, 2025 of \$8,668,107 based on the revised valuation of the stream liability during this period due to the production pause (March 31, 2024: \$20,353,417 modification gain due to lower production estimates from the SRK feasibility study). The Company triggered its 6.5% copper stream delivery obligations during the first quarter of its fiscal year which was linked to achieving an underground mining production threshold.

	Year ended March 31,	
	2025	2024
Drilling and assay	\$ 4,015	\$ 30,525
Field office and support	935,674	1,110,453
Consulting and labour	1,192,074	1,231,101
Licence and permit	14,910	135,416
Travel	71,070	58,163
	<b>\$ 2,217,743</b>	<b>\$ 2,565,658</b>

As of March 31, 2025, the Company had overdue cash amounts owed to Sprott in the amount of \$2,335,257 in relation to the Sprott Streaming Agreement, which amount includes \$144,905 in accrued interest on the overdue amounts. These amounts are included in the accrued liabilities in the financial statements. The Company is also in arrears to Sprott on obligations for periods subsequent to March 31, 2025 bringing the total arrears to approximately \$2.8 million as of the date of these financial statements. The Company signed a waiver and consent agreement with Sprott to July 31, 2025.

Deferred revenue on streaming arrangement as at March 31, 2023	\$	40,622,799
Deferred revenue recognized		(459,422)
Accretion		9,605,504
Recovery of finance costs on deferred revenue		(20,353,417)
<b>Deferred revenue on streaming arrangement as at March 31, 2024</b>		<b>29,415,464</b>
Deferred revenue recognized		(4,671,237)
Accretion		5,467,880
Recovery of finance costs on deferred revenue		(8,668,107)
<b>Deferred revenue on streaming arrangement as at March 31, 2025</b>	<b>\$</b>	<b>21,544,000</b>

#### Cash Flows from Continuing Operations

##### *Operating Activities*

Operating activities used \$1,280,001 and \$870,067, respectively, of cash during the three and twelve months ended March 31, 2025 compared to cash provided by operations of \$11,269,879 and used by operations of \$2,798,810, respectively, during the three and twelve months ended March 31, 2024. The decrease in cash from operating activities is due primarily due to reduced production and revenue partially offset by extending payment terms on creditors (i.e. from a significant reduction in working capital) combined with efforts to reduce spending.

##### *Financing Activities*

Financing activities provided \$2,581,875 and \$3,231,493 during the three and twelve months ended March 31,



2025, respectively, compared to providing \$831,180 and \$4,211,461 during the three and twelve months ended March 31, 2024, respectively. During the twelve months ended March 31, 2025 the main sources of financing were a private placement in the amount of \$1,756,499, a loan of \$1,376,000, and option exercises of \$152,335. During the twelve months ended March 31, 2024, the main source of financing to the Company came from \$3,783,015 from a private placement.

### **Summary of Quarterly Results**

	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
<b>Net Loss</b>	\$	\$	\$	\$
Net income (loss) from continuing operations	(2,621,739)	725,904	322,390	(1,548,555)
Net income (loss) from discontinued operations	20,734,598	(14,966,302)	(7,390,633)	(666,447)
Basic and diluted loss per share from continuing operations	(0.05)	0.02	0.01	(0.04)
Basic and diluted loss per share from discontinued operations	0.43	(0.34)	(0.17)	(0.02)

#### **Balance sheet**

Total assets	35,755,503	22,599,144	37,981,307	39,454,401
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	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
<b>Net Loss</b>	\$	\$	\$	\$
Net loss from continuing operations	(104,850)	(1,128,745)	(1,955,677)	(238,017)
Net loss from discontinued operations	12,750,556	(5,065,589)	(3,659,629)	(2,866,561)
Basic and diluted loss per share from continuing operations	(0.00)	(0.02)	(0.00)	(0.01)
Basic and diluted loss per share from discontinued operations	0.00	(0.18)	0.00	0.00

#### **Balance sheet**

Total assets	38,053,165	35,965,975	39,025,691	35,231,634
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### **Liquidity and Capital Resources**

As at March 31, 2025, the Company had a working capital deficit of \$6,157,484, compared to a working capital deficit of \$4,081,433 at March 31, 2024. During the three and twelve months ended March 31, 2025, the Company had net income of \$18,101,273 and \$5,422,370, respectively (three and twelve months ended March 31, 2024: net income of \$12,645,706 and net loss of \$367,034, respectively).

As announced on January 16, 2025, Trigon has paused operations at its Kombat mine due to the failure of both its main submersible dewatering pumps. The Company thus has no internal source of cash flow. The Company plans to service its on going care and maintenance expenses from its working capital of \$11,891,155 at March 31, 2025 and \$2 million additional loan expected from Horizon during the quarter ended September 30, 2025. The Company has received various formal payment demands from its creditors in Namibia including such notices which serve as formal notification of the creditor's intention to start insolvency proceedings as allowed under section 350 of the Namibian Companies Act. The Company believes it has addressed these concerns with appropriate payment plans.

The Company's ability to continue as a going concern is dependent on its ability to close the Proposed Horizon Transaction or raise sufficient capital to service its liabilities and provide funds for care and maintenance operations should the Proposed Horizon Transaction not conclude. The Company signed a waiver and consent agreement with Sprott to July 31, 2025. As of the date of this MD&A, the Company is in arrears to Sprott for a total of approximately \$2.8 million on its stream liability. Management believes it will be able to raise sufficient capital and/or close the Proposed Horizon Transaction before any formal Namibian liquidation takes place and thus the consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern. There can be no assurance the Company will be successful in these endeavors.

Should the Proposed Horizon Transaction not conclude, any additional equity financing may be on terms that are dilutive, or potentially dilutive, to the Company's shareholders and debt financing, if available, may involve restrictive covenants with respect to the Company's ability to pay dividends, raise additional capital or execute various other financial and operational plans. If additional capital is not available as and when needed, it may raise substantial doubt about the Company's ability to continue as a going concern.

## Non IFRS Measures

The Company has included certain non-IFRS performance measures, namely working capital, C1 costs, EBITDA and Adjusted EBITDA throughout this document. In the mining industry, these are common non-IFRS performance measures but do not have a standardized meaning. As a result, these measures may not be comparable to similar measures presented by other companies. 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. Non-IFRS measures are 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. For a reconciliation of these measures to the most directly comparable financial information presented in the Financial Statements in accordance with IFRS, see the tables below.

The following table provides a reconciliation of working capital to the Company's eight most recently completed quarters.

As at March 31, 2025, the Company had working capital of \$6,157,484 compared to working capital of \$4,081,433 as at March 31, 2024, including cash of \$1,037,235 (March 31, 2024: \$619,294) in continuing operations and cash of \$65,997 in discontinued operations. The Company's primary capital needs are funds for the exploration and development of its mining properties, administrative expenses and working capital. The Company will maintain its excess working capital in Canadian and US dollars, which are only converted to Namibian dollars or Moroccan dirhams as required. The Company maintains most of its cash reserves at a large reputable Canadian commercial bank in high quality short-term deposits or cash.

Working Capital	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Cash	1,037,235	19,045	196,511	219,830	619,294	2,736,282	8,492,825	13,064,676
Receivables	51,736	49,909	46,718	72,849	55,995	16,089	167,031	88,482
Prepaid expenses	122,993	28,471	56,808	59,000	87,811	159,137	87,503	80,670
Assets from discontinued operations	34,543,539	22,501,719	37,681,270	39,102,721	22,371	32,809,554	30,278,333	21,997,806
Accounts payable and accrued liabilities	(1,857,502)	(1,235,303)	(800,772)	(596,108)	(471,992)	(228,163)	(66,175)	(84,737)
Warrant liability	(12,400)	(222,652)	(749,531)	(1,173,043)	(716,236)	(1,713,053)	(1,109,868)	(342,900)
Liabilities from discontinued operations	(39,576,395)	(48,167,949)	(49,266,777)	(43,714,343)	(1,320,210)	(53,247,084)	(49,029,865)	(44,802,326)
<b>Working Capital</b>	<b>(6,157,484)</b>	<b>(27,026,760)</b>	<b>(12,835,773)</b>	<b>(6,029,094)</b>	<b>(1,722,967)</b>	<b>(19,467,238)</b>	<b>(11,180,216)</b>	<b>(9,998,329)</b>

C1 cost measure includes the cost of mining, milling, Namibian site level general and administrative expenses, and royalties but excludes capital costs, exploration costs, and corporate overheads. This measure primarily focuses on the direct costs of producing our copper concentrate product on a 100% payability basis. The C1 cost metric does not include costs like capital costs, exploration costs, corporate overheads, or any other costs not directly related to production. Management thus believes C1 is a measure that best reflects the efficiency and effectiveness of our Namibian mining operations.

	Three Months Ended March 31, 2025		Three Months Ended March 31, 2024		Three Months Ended Dec 31, 2024	
<b>C1 Cost Reconciliation:</b>						
Copper (lbs)	\$	310,190	\$	1,255,652	\$	2,215,202
Cost of sales	\$	1,869,249	\$	3,727,486	\$	6,729,097
Namibian administrative costs	\$	464,474	\$	476,765	\$	488,389
By-product revenue offset	\$	(7,470)	\$	-	\$	(105,367)
<b>Total C1 cash costs</b>	<b>\$</b>	<b>2,326,253</b>	<b>\$</b>	<b>4,204,251</b>	<b>\$</b>	<b>7,112,119</b>
 C1 cost / lb (100% payability)	 \$	 7.50	 \$	 3.35	 \$	 3.21

The Company believes EBITDA is a useful measure to assess the performance of the Company as it provides more meaningful operating results by excluding the effects of expenses that are not reflective of our underlying business performance and other one-time or non-recurring expenses. The Company defines EBITDA as net income (loss) before (i) depreciation and amortization; (ii) income taxes; and (iii) interest expense and accretion.

The Company believes Adjusted EBITDA is a useful measure to assess the performance of the Company as it provides more meaningful operating results by excluding the effects of expenses that are not reflective of our underlying business performance and other one-time or non-recurring expenses. The Company defines Adjusted EBITDA as EBITDA adjusted to exclude extraordinary items, non-recurring items and, other non-cash items, including, but not limited to (i) share based compensation expense, (ii) change in fair value of the warrant liability and the Sprott stream buy out option, (iii) non-recurring legal and professional fees, human-resources, inventory and collections-related expenses, (iv) intangible impairments and loss on disposal of assets, (v) stream modification gains or losses (vi) foreign exchange gains/losses.

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Three Months Ended Dec 31, 2024
<b>Adjusted EBITDA Reconciliation:</b>			
Net income (loss) and comprehensive income (liability)	\$ 18,101,273	\$ 13,439,695	\$ (14,240,398)
Depreciation (recovery)	\$ (846,663)	\$ 278,007	\$ 1,500,174
Interest & accretion expense	\$ 783,229	\$ 2,541,928	\$ 1,783,379
<b>EBITDA</b>	<b>\$ 18,037,839</b>	<b>\$ 16,259,630</b>	<b>\$ (10,956,845)</b>
Change in FV of warrant liability	\$ 212,971	\$ (955,856)	\$ (526,879)
Change in FV of buy back option	\$ -	\$ 1,443,053	\$ -
Impairment (reversal)	\$ (13,730,896)	\$ 3,483,275	\$ 11,380,616
Stream modification gain	\$ (8,668,107)	\$ (20,353,417)	\$ -
Share based compensation	\$ 994,000	\$ 1,353	\$ -
Foreign exchange loss/ (gain)	\$ 2,247,241	\$ 262,707	\$ (865,339)
<b>Adjusted EBITDA</b>	<b>\$ (906,952)</b>	<b>\$ 168,088</b>	<b>\$ (968,447)</b>

#### Off-Balance Sheet Arrangements

To the best of management's knowledge, the Company has no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or the financial condition of the Company.

#### Financial Commitments, Contingencies and Litigation

##### **Management contracts**

The Company is party to certain management contracts and severance obligations. These contracts contain clauses requiring additional payments of up to \$1,787,000 to be made to the officers of the Company upon the occurrence of certain events such as a change of control. As the triggering effect has not taken place, the contingent payments have not been reflected in these consolidated financial statements. Additional minimum management contractual commitments remaining under the agreements are approximately \$714,000, all due within one year.

## **Legal claims**

From time to time, the Company is named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to net loss in that period. As noted in the liquidity and capital resources section of this MD&A, the Company has received various formal payment demands from its creditors in Namibia including such notices which serve as formal notification of the creditor's intention to start insolvency proceedings as allowed under section 350 of the Namibian Companies Act. The Company believes it has addressed these concerns with appropriate payment plans and that it will ultimately be able to settle all of its claims from the proceeds of the Proposed Horizon Transaction or at the time of the Proposed Horizon Transaction closing.

## **Environmental**

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company 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.

## **Silver Hill Project**

The Company completed its acquisition of 100% equity interest in Technomine, a Moroccan company from Technomine's shareholders on September 24, 2020. The Company (until the completion of the planned spin-out as previously disclosed) is required to meet the terms of the transaction outlined in the definitive agreement as consideration of the acquisition. As of March 31, 2025, the second acquisition fee payable has not been paid.

## **Sprott Streaming Agreement Production Commitments**

If production from the Asis West underground mine does not reach a thirty consecutive day average daily production of 900 tonnes of ore per day by October 31, 2025, Trigon shall repay Sprott \$37.5 million multiplied by the pro rata production achieved relative to the 900 tonnes of ore per day threshold underground production. The repayment obligation will convert to a one-year promissory note bearing interest at 12% per annum. Refer to section 2.9 of our Metals Purchase and Sale Agreement dated October 24, 2022 filed on [www.sedarplus.ca](http://www.sedarplus.ca) on November 2, 2022 for additional details. The threshold was achieved in September 2024.

## **Finder's Fees**

The Corporation entered into a Finder Agreement with Brightmind Ventures Limited ("Brightmind"), dated September 1, 2024 (the "Finder Agreement"), pursuant to which Brightmind was engaged to identify and source parties interested in participating in equity financings of the Corporation from time to time. Pursuant to the terms of the Finder Agreement, completion of the Share Sale will trigger a cash fee to be paid by the Corporation to Brightmind in the approximate aggregate amount of USD\$720,000 (the "M&A Transaction Fee"), assuming all Instalment Payments are received by the Corporation. Due to the deferred nature of the Instalment Payments, pursuant to the Finder Agreement, Trigon shall pay the *pro rata* portion of the M&A Transaction Fee to Brightmind upon Trigon's receipt of each Instalment Payment. Payment of the M&A Transaction Fee by Trigon remains subject to the TSXV's review and approval. Brightmind is not a Non-Arm's Length party to Trigon, Horizon, the Purchaser, or their associates and affiliates.

## Related Party Transactions

### **Compensation of key management**

Key management includes the Company's directors and officers and senior executives. Compensation awarded to key management included:

	<b>Year ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
Consulting fees	\$ 1,501,546	\$ 1,907,166
Share-based payments	823,851	-
	<b>\$ 2,325,397</b>	<b>\$ 1,907,166</b>

The Company granted 1,555,000 stock options to key management personnel during the year ended March 31, 2025 with a grant date fair value of \$823,851. These stock options vested immediately. Key management personnel exercised 221,000 stock options during the year ended March 31, 2025.

The Company paid \$43,175 in rent to 14122917 Canada Inc., a company controlled by Mr. Jed Richardson for office rent for the year ended March 31, 2025 (year ended March 31, 2024 - \$11,070).

Included in accounts payable and accrued liabilities as at March 31, 2025 was approximately \$352,453 for consulting fees and expenses charged by current and former officers, directors and senior executives of the Company (March 31, 2024: \$7,399). Such amounts are unsecured, non-interest bearing and with no fixed terms of payment. The Company has an additional \$288,863 in accounts payable and accrued liabilities owing to various companies controlled by members of Namibian senior management as at March 31, 2025.

The Company incurred costs of \$229,840 (year ended March 31, 2024 - \$2,142,586) for drilling services from Optimine Project Solutions CC, a company controlled by members of Namibian senior management. These amounts were included in discontinued operations.

The Company incurred costs of \$90,281 (year ended March 31, 2024 - \$13,196) for crane rental services from OMEG Crane Hire CC, a company controlled by members of Namibian senior management. These amounts were included in discontinued operations.

The Company incurred costs of \$69,968 (year ended March 31, 2024 - \$257,914) for maintenance services from Jeriah Trading Enterprises CC, a company controlled by members of Namibian senior management. These amounts were included in discontinued operations.

\$329,135 of consulting fees related to key management personnel were included in discontinued operations for the year ended March 31, 2025 (\$337,252 for the year ended March 31, 2024).

### **Critical Management Judgments and Accounting Estimates**

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant areas of judgment and estimation uncertainty considered by management in preparing the consolidated financial statements include:

*Critical judgment in applying accounting policies:*

- **Assets' carrying values and impairment charges**

Events or changes in circumstances can give rise to significant impairment charges or reversals of impairment in a particular year. Management exercises its judgment in determining when such events or changes in circumstances have arisen and where such circumstances evidence a significant or prolonged decline of fair value on assets indicating impairment.

- **Commercial production**

The determination of when the mine is in a condition necessary for it to be capable of operating in the manner intended by management (referred to as "commercial production") is a matter of judgment that will impact when the Company recognizes revenue and operating costs in the consolidated statement of loss and depreciation and depletion commence. In making this determination, management considers whether (a) the major capital expenditures to bring the mine to the condition necessary for it to be capable of operating in the manner intended by management have been completed; (b) a reasonable period of commissioning has been completed; (c) consistent operating results have been achieved at the previously budgeted level of design capacity; and (d) the transfer of operations from the construction personnel to operations personnel has been completed. The Company declared commercial production on the open pit operations on October 16, 2023 and on the underground operations as of April 30, 2024.

- **Determination of functional currency**

Based on the primary indicators in IAS 21 – The Effects of Change in Foreign Exchange Rates – the US dollar has been determined as the presentation currency of the Company, with the US dollar as the functional currency for all subsidiaries, as the US dollar is the currency in which funds from financing activities (i.e. issuing debt and equity instruments) are generated and because the activities of the foreign operation are carried out as an extension of the reporting entity, rather than being carried out with a significant degree of autonomy. Effects of changes in foreign exchange rates are recorded as foreign exchange gain (loss) on the statement of loss. If the functional currency of the Namibian entities had been the Namibian dollar ("N\$"), the effect of changes in foreign exchange rates would have been reflected as other comprehensive income and carried as a cumulative translation adjustment within accumulated other comprehensive income in the equity section of the consolidated statement of financial position. The Company's presentation and functional currency for the Company and all subsidiaries were both the Canadian dollar until October 24, 2022.

- **Determination of discount rates**

Determination of the discount rate for acquisition fees payable is based on comparison to similar interest-bearing debt instruments of a group of comparative companies.

- **Expected credit losses**

Determining allowance for expected credit losses ("ECLs") requires management to make assumptions about historical patterns for probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management's judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what historical patterns suggest.

*Key sources of estimation uncertainty:*

- **Depreciation rates**

All property and equipment, with the exception of land and buildings, are depreciated on a straight-line basis over three to five years, which the Company believes is the best approximation of the asset utility to the Company. If the estimated life had been longer than management's estimate, the carrying amount of the asset would have been higher.

The Company's right of use (ROU) asset is depreciated on a straight-line basis over 10 years, which represents the life of the lease associated with the ROU asset. The Company believes this approach represents the best approximation of the asset utility to the Company.

- Assets' carrying values and impairment charges

The determination of carrying values and impairment charges and their individual assumptions require that management make an estimate based on the best available information at each reporting period including the future expectation of mine development to extend life of mine. Under situations where management has determined indicators of impairment are present, an impairment assessment will be performed by management whereupon management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets.

- Mineral Reserve and Mineral Resource estimates

The figures for Mineral Reserves and Mineral Resources are determined in accordance with National Instrument 43-101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control.

Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, and future circumstances could have a material effect in the future on the Company's financial position and results of operation.

- Share-based payment transactions and warrants and warrant liability

The Company records share-based compensation at fair value over the vesting period. The Company also issues warrants. The fair value of the options and warrants is determined using the Black-Scholes options pricing model and management assumptions including the expected dividend yield, expected volatility, forfeiture rate, risk free rate and expected life. Should the underlying assumptions change, it will impact the fair value. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- Streaming arrangements and deferred revenue

Management has determined that based on the agreements, the counterparty assumes significant business risk and rewards associated with the timing and amount of metals being delivered. There is also judgement involved in determining the implied financing cost associated with the streaming arrangement. Management's intention is to settle the obligations under this arrangement through the delivery of non-financial items (i.e., silver and copper), rather than cash or financial assets. As such, the deposits received from the counterparty have been recorded as deferred revenue in the consolidated statement of financial position.

- Estimation of decommissioning and restoration costs and the timing of expenditure

The cost estimates are updated annually to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

- Income, value added, withholding and other taxes

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 considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

- Date of completion of technical report for the Silver Hill project

Determination of the date of completion of the Company's technical report for the Silver Hill project impacts the carrying amount of acquisition fees payable and is estimated based on available cash flows and anticipated availability of experts to engage in completing the technical report.

#### Financial Instruments and Financial Risk Management

The Company's financial assets and financial liabilities consist of cash, amounts receivable, buyback option on the stream agreement, accounts payable and accrued liabilities, lease liabilities, acquisition fees payable, warrant liability, and unearned revenue on the streaming agreement. The carrying value of these financial instruments approximates their fair value due to the short-term nature of these instruments. The liability component of the convertible security is recorded at fair value.



Financial assets and financial liabilities as at March 31, 2025 and 2024 were as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit & loss	TOTAL
<u>At March 31, 2025</u>			
Financial assets:			
Cash	\$ 1,037,235	\$ -	\$ 1,037,235
Financial liabilities:			
Accounts payable and accrued liabilities	(4,192,759)	-	(4,192,759)
Loan payable	(1,376,000)	-	(1,376,000)
Warrant liability	-	(12,400)	(12,400)
<u>At March 31, 2024</u>			
Financial assets:			
Cash	\$ 1,416,916	\$ -	\$ 1,416,916
Trade receivables	30,697	-	30,697
Other receivables	135,485	-	-
Financial liabilities:			
Accounts payable and accrued liabilities	(4,429,388)	-	(4,429,388)
Lease liability	(137,484)	-	(137,484)
Warrant liability	-	(716,236)	(716,236)
Equipment financing	(4,987,981)	-	(4,987,981)

## Level 2 hierarchy

The warrant liability is classified as a Level 2 financial instrument within the hierarchy of the Company's financial instruments, measured at FVPL in the consolidated statements of financial position as at March 31, 2025.

Within Level 2, the Company includes inputs other than quoted prices that are observable for the liability such as volatility of the underlying shares, interest rates and time to expiry.

## Level 3 hierarchy

The buyback option on the streaming arrangement is classified as a Level 3 financial instrument within the hierarchy of the Company's financial instruments, measured at FVPL in the consolidated statements of financial position as at March 31, 2025 and 2024.

Fair value as at March 31, 2023	\$ 1,233,797
Change in fair value	(1,233,797)
Fair value as at March 31, 2025 and 2024	\$ -

The stream liability is classified as a Level 3 financial instrument within the hierarchy of the Company's financial instruments, measured at FVPL in the consolidated statements of financial position at March 31, 2025. The streaming liability is included in the liabilities held for sale on the consolidated financial statements.

Within Level 3, the Company includes an asset for which observable inputs are not available for use in the fair valuation of this asset. The key assumptions used in the valuation of these instruments included (but were not limited to): the exercise date of the option, the buyback percentage, the date at which the percentage of copper sold under the streaming arrangement would be reduced, the monthly production of copper and silver concentrate, and future pricing and volatility of copper and silver during the option period.

Valuations of assets for which market quotations are not readily available, are inherently uncertain, may fluctuate within short periods of time and are based on estimates, and determination of fair value may differ materially from the values that would have resulted if a ready market existed for the investments. Given the size of this asset, such changes may have a significant impact on the Company's financial condition or operating results.

The Company considers its capital structure to include the components of shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As the Company's properties are in the exploration and evaluation and development stages, the Company is currently unable to self-finance its operations. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

Risk management is carried out by the management team under policies approved by the Board of Directors. The Company's capital management objectives, policies and processes have remained unchanged during the year ended March 31, 2025. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of March 31, 2025, the Company does not believe it is compliant with the policies of the TSXV. In order to bring the Company back into compliance, the Board has taken steps to dispose of the Kombat Mine and raise additional capital. The Company expects to be back in compliance on closing of the transaction to sell the Kombat Mine.

### **Financial risks**

The Company's financial instruments comprise cash, amounts receivable, buyback option on the stream agreement, accounts payable and accrued liabilities, lease liability, warrant liability, and acquisition fees payable. The main use of these financial instruments is to fund operations and the pursuit of capital transactions. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are credit risk, liquidity risk and market risk.

Management mandates and agrees policies for managing each of these risks. The Company is exposed to a variety of financial risks by virtue of its activities including, but not limited to, those summarized below.

The following discussion also includes a sensitivity analysis that is intended to illustrate the sensitivity to changes in market variables on the Company's financial instruments and show the impact on income or loss and shareholders' equity, where applicable. The sensitivity analysis has been prepared for the twelve months ended March 31, 2025, using the amounts of other financial assets and liabilities held as at the consolidated statement of financial position date.

### **Credit risk**

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets. The Company minimizes its credit risk by dealing with reputable customers with strong credit ratings. Further, the Company has been prepaid for a substantial portion of its silver sales in advance as part of its silver streaming arrangement, further reducing the Company's credit risk exposure. With respect to credit risk arising from financial assets of the Company, which comprise cash and minimal receivables, the Company's exposure to credit risk arises from default of counterparties, with a maximum exposure equal to the carrying amount of these instruments. As cash balances are held with high credit quality financial institutions, the credit risk to the Company is considered minimal. The Company monitors and is subject to normal industry credit risks.

### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances.

The Company manages its liquidity risk by forecasting cash flows required for operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

The Company's contractual liabilities and obligations are as follows:

	< 1 year	1 to 3 years	4 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	\$ 4,192,759	\$ -	\$ -	\$ -	\$ 4,192,759
Loan payable	1,376,000	-	-	-	1,376,000
Liabilities from discontinued operations	36,331,828	-	-	-	36,331,828
<b>Balance March 31, 2025</b>	<b>\$ 41,900,587</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 41,900,587</b>
Accounts payable and accrued liabilities	\$ 4,429,388	\$ -	\$ -	\$ -	\$ 4,429,388
Equipment financing	1,352,043	5,073,937	-	-	6,425,980
Lease liabilities	48,848	134,333	-	-	183,181
Liabilities from discontinued operations	1,926,838	-	-	-	1,926,838
<b>Balance March 31, 2024</b>	<b>\$ 7,757,117</b>	<b>\$ 5,208,270</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,965,387</b>

The Company's approach to managing liquidity risk is to endeavour to have sufficient liquidity to meet liabilities when due. As at March 31, 2025, the Company had a cash balance from continuing operations of \$1,037,235 (March 31, 2024: \$1,416,916). As at March 31, 2025, the Company's financial liabilities from continuing operations consisted of accounts payable and accrued liabilities of \$4,192,759 (March 31, 2024: \$4,429,388) all due in less than one year, other current liabilities from continuing operations of \$1,388,400 (March 31, 2024 - \$7,255,224).

During the year ended March 31, 2025, the Company raised \$1,756,499 through two private placements. During the year ended March 31, 2024, the Company raised \$3,783,015 through a private placement.

### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodities and equity prices will affect the Company's income or the value of its holdings of financial instruments. The ability of the Company to explore, evaluate and develop its exploration and mining properties and the future profitability of the Company are directly related to the price of base and precious metals. The Company monitors metal prices to determine the appropriate course of action to be taken.

### Foreign currency risk

Foreign currency risk is created by fluctuations in the fair value or cash flows of financial instruments due to changes in foreign exchange rates and exposure as a result of investment in its subsidiaries. The Company is exposed to currency risk by incurring certain expenditures in Canadian dollars, US dollars, Namibian dollars and South African Rand for its operations in Namibia and Moroccan Dirham and US dollars in Morocco. The Company has sought to minimize this risk by keeping its cash reserves in US dollars and only purchasing Canadian dollars, Namibian dollars, South African Rand and Moroccan Dirham as needed.

### Sensitivity analysis

The carrying amount of cash, amounts receivable, and accounts payable and accrued liabilities equals fair market value. The effect of changes in foreign exchange rates on net loss is deemed insignificant as the number and amount of foreign-currency transactions are relatively small. Had the foreign exchange rates been higher (lower) by 10%, the foreign exchange in the consolidated statement of loss would have been lower (higher) by approximately \$240,000 (year ended March 31, 2024: \$167,000).

### **Future accounting standards issued but not yet effective**

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for annual accounting periods beginning on April 1, 2024, or later. Updates that are not applicable or are not consequential to the Company have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required, and early adoption is permitted.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standard replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required, and early adoption is permitted.

### **Risks and Uncertainties**

Investing in the Company involves risks that should be carefully considered. The operations of the Company are speculative due to the high-risk nature of its business, being the acquisition, financing, exploration and development of mineral 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.

#### **Liquidity Concerns and Financing Risks**

The Company has limited financial resources, negative operating cash flow and has no assurance that additional funding will be available for further exploration and the development of its projects or to fulfill its obligations under any applicable agreements. There can be no assurance that adequate financing will be obtained in the future or that the terms of such financing, if secured, will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Company's projects with the possible loss of such properties.

While the Company's consolidated financial statements have been prepared on the basis that it is a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business, failure to secure additional funding may cast doubt about the validity of that assumption. Adjustments to the consolidated financial statements, should they be required, could be material.

#### **Exploration and Mining Risks**

The Company is engaged in mineral exploration and development activities. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. The long-term profitability of the Company's operations will be in part directly related to the cost and success of the Company's exploration programs, which may be affected by a number of factors beyond the Company's control. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to the exploration and development of, and production from, mineral resources, any of which could result in work stoppages; damage to or destruction of property or production facilities; personal injury; environmental damage; delays in mining;

monetary losses and legal liability. Hazards such as unusual or unexpected geological formations, and other conditions such as formation pressures, flooding, fire, explosions, cave-ins, landslides, inclement or hazardous weather conditions, power outages, labour or transportation disruptions and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. The economics of developing mineral properties are affected by many factors, including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, allowable production, impediments to the importing and exporting of minerals and environmental protection.

### **Stage of Development**

The Company is in the business of exploring for mineral resources and mining for copper in Namibia, with the ultimate goal of producing from its mineral properties. The Company's Kombat property only commenced commercial production from its open pit operations in October 2023 and its underground operations in April 2024 and Trigon has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that the Company will be able to develop any of its properties profitably or that its activities will generate positive cash flow. The Company's operating expenses and capital expenditures may increase in subsequent years in relation to the engagement of consultants and personnel and purchase of equipment associated with advancing exploration, development and commercial production at the Company's properties. The Company expects to continue to incur losses in the near term as the Kombat property is currently on care and maintenance. There can be no assurance that the Company will generate any revenues or achieve profitability. A prospective investor in the Company must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of management in all aspects of the development and implementation of the Company's business activities.

### **Mineral Resource and Mineral Reserve Estimates**

There are numerous uncertainties inherent in estimating Mineral Resources and Mineral Reserves, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of and confidence in any Mineral Resource or Mineral Reserve estimate and its various categories is a function of the quantity and quality of available data and of the assumptions used and judgments made in engineering and geological interpretation. These amounts are estimates only and the actual level of mineral recovery from such deposits may be different. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, could have a material adverse effect on the Company's financial position and results of operations.

### **Regulatory Requirements, Permits and Licences**

Even if the Company's mineral properties are proven to host economic Mineral Reserves or Mineral Resources, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits or the repatriation of profits. The Company's exploration and development activities, including mine, mill, road, rail and other transportation facilities, and potentially financing alternatives, require permits and approvals from various government authorities, and are subject to extensive federal, departmental and local laws and regulations governing prospecting, development, production, exports, project capitalization, 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. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. There can be no guarantee that the Company will be able to obtain or maintain all necessary licences, permits and approvals that may be required to explore, develop and finance its

properties, or for the operation of mining facilities. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities.

### **Title to Properties**

It is possible that the Company's mineral properties may be subject to prior unregistered agreements, transfers or native land claims and title may be affected by undetected defects. Title to, and the area of, the mining claims may be disputed and 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.

### **Environmental Regulations**

The Company's activities are subject to environmental protection and employee health and safety regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessment of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. 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, and there is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

### **Markets for Securities**

There can be no assurance that an active trading market in the Company's securities will be established and sustained or that significant fluctuations in the Company's share price will not occur. The market prices for securities of many companies, particularly exploration stage companies, are subject to wide fluctuations that are not necessarily reflective of their operating performance, underlying asset values or the prospects of such companies. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market conditions, may have a significant impact on the market price of the securities of the Company.

### **Commodity Prices**

The ability of the Company to develop, explore and evaluate its mineral properties and the future profitability of the Company are directly related to the price of copper and other metals. Factors beyond the control of the Company may affect the marketability of any substances discovered and there is no assurance that a ready market will exist for the sale of commercial quantities of ore. Copper and other metal prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rates of inflation, the world supply of copper and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of copper has fluctuated widely in recent years and future price declines could cause commercial production to be impracticable, thereby having a materially adverse effect on the Company's business, financial condition and result of operations.

### **Economic Empowerment**

Maintaining the Company's licences requires alignment with the local and national objectives relevant to the areas in which the Company operates.

Over the last several years, Namibia has been developing a national policy framework that aims to address the perceived consequences from the previous discriminatory regimes. The framework is built on six pillars, including: Ownership; Management, Control and Employment Equity; Human Resources and Skills Development; Entrepreneurship Development and Marketing; Corporate Social Responsibility and Value

Addition; and Technology and Innovation. Although the Namibian national policy framework and draft bill have not been legislated, the Company has made efforts developing empowerment policies and practices that are generally consistent with the themes set out in each of the pillars contained in the framework. There is no assurance, however, that final legislation will not have adverse effects on the Company or increase its cost of doing business in Namibia.

### **Uninsurable Risks**

The Company maintains insurance to cover normal business risks. The Company may, however, become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Company's financial position. In the course of exploration and development of, and production from, mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, land movements, earth work failures, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company has currently decided not to take out insurance against such risks due to high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

### **Reliance on Key Individuals and Outside Parties**

The Company's success depends upon the personal efforts and commitment of key members of its existing management. It is expected that the contribution of these individuals will be a significant factor in the Company's growth and success. The loss of the services of these members of management and certain key employees could have a material adverse effect on the Company. The Company also relies upon consultants, engineers and others for exploration, development, construction and operating expertise. Substantial expenditures are required to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the metal from the ore, and to develop the mining and processing facilities and infrastructure. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

### **Geopolitical Risks**

The Company's operations are currently in Namibia and Morocco, and as a result, the operations of the Company may be exposed to various levels of political, economic and other risks and uncertainties associated with operating in these countries, including approval of acquisitions by local authorities; regulation of the mining industry and licences of the Company; restrictions on future exploitation and production; restrictions on the Company's ability to finance its operations; price, export and currency controls; currency availability; income taxes; delays in obtaining or the inability to obtain necessary permits and licences; opposition to mining from environmental and other non-governmental organizations; expropriation of property; nullification of existing or future concessions and contracts; war, terrorism or political boundary disputes; environmental legislation; labour relations; and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Company cannot be predicted. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations and profitability of the Company.

### **Competition**

The mineral industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial and technical resources for the acquisition of mineral interests, as well as for the recruitment and retention of qualified employees. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees, or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

## **Conflicts of Interest**

Certain directors and officers of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing or exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of Trigon and to disclose any interest that they may have in any project or opportunity to the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

## **Litigation**

Legal proceedings, with and without merit, may arise from time to time in the course of the Company's business. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. The process of defending such claims could take away from management time and effort. Due to the inherent uncertainty of the litigation process, the resolution of any legal proceeding to which the Company or one or more of its subsidiaries may become subject, could have a material effect on the Company's financial position, results of operations, or mining and project development activities.

## **Corruption and Bribery Laws**

The Company's operations are governed by, and involve interactions with, many levels of government in multiple countries. The Company is required to comply with anti-corruption and anti-bribery laws, including the *Criminal Code* (Canada), and the *Canadian Corruption of Foreign Public Officials Act*, as well as similar laws in the countries in which the Company conducts its business.

In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment for companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also by its contractors and third party agents. Although the Company has adopted steps to mitigate such risks, such measures may not always be effective in ensuring that the Company, its employees, contractors or third party agents comply strictly with such laws. If the Company is subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions being imposed, resulting in a material adverse effect on the Company's reputation and results of its operations.

## **Foreign Mining Tax Regimes**

Mining tax regimes in foreign jurisdictions are subject to differing interpretations and are subject to constant change. The Company's interpretation of taxation law as applied to its transactions and activities may not coincide with that of the relevant tax authorities. As a result, transactions may be challenged by tax authorities and the Company's operations may be reassessed, which could result in significant additional taxes, penalties and interest. In addition, future changes to mining tax regimes in foreign jurisdictions could result in significant additional taxes being payable by the Company, which would have a negative impact on its financial results.

## **Limited Property Portfolio**

Currently the Company holds interests in one main project in each of Namibia and Morocco. As a result, unless the Company acquires additional property interests, any adverse developments affecting either of these properties would be expected to have a material adverse effect upon the Company and would materially and adversely affect the potential mineral resource production, profitability, financial performance and results of operations of the Company.



## **Enforcement of Legal Rights**

The Company's material subsidiaries are organized under the laws of foreign jurisdictions and certain individuals of the Company's experts are located in foreign jurisdictions. Given that the Company's material assets are located outside of Canada, investors may have difficulty effecting service of process within Canada and collecting from or enforcing against the Company or its experts any judgments obtained through the Canadian courts or Canadian securities regulatory authorities, predicated on the civil liability provisions of Canadian securities legislation or otherwise. Similarly, in the event a dispute arises in relation to the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada.

## **Additional Information and Continuous Disclosure**

Additional information, including the Company's press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval and is available online under its profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## **Outstanding Share Data**

As at the date of this MD&A, the Company has:

- a) 54,459,081 common shares outstanding.
- b) 3,037,560 warrants outstanding with expiry dates ranging between October 24, 2025 and March 6, 2027. If all the warrants were exercised, 3,037,560 shares would be issued for proceeds of CAD\$4,509,740.
- c) 3,366,000 stock options outstanding with expiry dates ranging between February 21, 2027 and February 20, 2030. If all the options were exercised, 3,281,000 shares would be issued for gross proceeds of CAD\$3,785,150.
- d) 287,850 compensation options with an expiry date of July 12, 2026. If all compensation options were exercised, 287,850 shares would be issued for gross proceeds of CAD\$287,850.

## **Cautionary Note Regarding Forward Looking Statements**

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements under Canadian securities legislation. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "budget", "forecast", "schedule", "continue", "estimate", "expect", "project", "predict", "potential", "target", "intend", "believe" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved". Such statements and assumptions include those relating to guidance; proposed acquisitions; strategy; development potential and timetable for the Company's properties; the Company's ability to raise additional financing; results of operations and financial condition; mineralization projections; the timing, success and amount of future exploration and development; projected capital expenditure; mining or processing issues; currency exchange rates; government regulation and permitting of mining operations; reliance on qualified personnel; competition; dependence on outside parties; and environmental risks.

Forward-looking statements are based on the opinions and estimates of management and certain qualified persons as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of future exploration at the Company's projects are based on management expectations considering previous industry experience, exploration done to date and recommended programs, historic expenditures incurred and other factors that are set out in the technical reports referred to. By their nature, forward-looking statements are subject to numerous known and unknown risks and uncertainties that could significantly affect anticipated results or the level of activity, performance or achievement in the future and, accordingly, actual results may differ materially from those expressed or implied by such forward-looking statements. The Company is exposed to numerous operational, technical, financial and regulatory risks and uncertainties, many of which are beyond its control, that may significantly affect anticipated future results, including but not limited to, risks related to:

uncertainties inherent to economic studies, which rely on various assumptions; unexpected events and delays during construction and start-up; variations in mineral grade and recovery rates; uncertainties inherent in estimating Mineral Resources and Mineral Reserves; lack of revenues; revocation of government approvals; corruption and uncertainty with court systems and the rule of law and other foreign country risks inherent to the jurisdictions where the Company operates; availability of external financing on acceptable terms; exchange rates; 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; other risk factors, including without limitation the risk factors described herein. Although management has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

This MD&A contains information with respect to certain Non-IFRS measures, including certain cash costs per pound and all-in sustaining costs. These measures are included because these statistics are key performance measures that management may use to monitor performance. Management may use these statistics in future to assess how the Company is performing to plan and to assess the overall effectiveness and efficiency of mining operations. These performance measures do not have a meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.