



Unaudited Condensed Consolidated Interim Financial Statements of

**SOUTH ATLANTIC GOLD INC.**

(An Exploration Stage Company)

**For the Three and Nine Months Ended November 30, 2025 and 2024**

**South Atlantic Gold Inc.**

(An Exploration Stage Company)

(Expressed in Canadian Dollars)

November 30, 2025 and 2024

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## **NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a) the accompanying unaudited condensed consolidated interim financial statements of the Company for the three and nine months ended November 30, 2025 have been prepared by and are the responsibility of management in accordance with International Financial Reporting Standards applicable to unaudited condensed consolidated interim financial reporting.

The Company's independent auditor has not audited or performed a review of these condensed consolidated interim financial statements, in accordance with standards established by Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

For further information please contact:

Douglas Meirelles, CEO or

Terese Gieselman, CFO

(250) 762-5777

**South Atlantic Gold Inc.**

(An Exploration Stage Company)

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (un-audited)**

As at November 30, 2025 and February 28, 2025

(Expressed in Canadian Dollars)

	Note	November 30 2025	February 28 2025
<b>ASSETS</b>			
Current			
Cash		\$ 213,514	\$ 225,658
Prepays and advances	12	2,762	15,927
Receivables	6	20,638	20,032
Total current assets		236,914	261,617
Non current			
Equipment	5	1,064	1,355
Reclamation bond	7	7,500	7,500
Prepays and deposits	6	8,031	16,932
Exploration and evaluation assets	6	3,533,368	3,326,581
<b>Total Assets</b>		<b>3,786,877</b>	<b>3,613,985</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current			
Trade and other payables	8, 13	102,024	242,808
Loan payable		513,393	-
		615,417	242,808
<b>Shareholders' Equity</b>			
Share Capital	10	7,415,797	7,413,162
Contributed surplus	10, 11	1,425,902	1,424,894
Deficit		(5,670,239)	(5,466,879)
Total Shareholders' Equity		3,171,460	3,371,177
<b>Total Liabilities and Shareholders' Equity</b>		<b>\$ 3,786,877</b>	<b>\$ 3,613,985</b>

Signed on behalf of the Board of Directors by:

"Douglas Meirelles"

Douglas Meirelles

Director

"William O'Hara"

William O'Hara

Director

## South Atlantic Gold Inc.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS (un-audited)

For the three and nine months ended November

(Expressed in Canadian Dollars)

	Three Months Ended November 30			Nine Months Ended November 30	
	Note	2025	2024	2025	2024
<b>Expenses</b>					
Administrative and general	12,13	\$ 52,501	\$ 20,070	\$ 189,196	\$ 51,984
Corporate development		-	-	9,500	-
Wages & benefits	12	2,730	41,476	9,712	136,879
Depreciation	5	95	98	291	295
Foreign exchange		21,033	2,429	28,172	(35,022)
Share-based payments	11	881	6,704	3,708	23,474
Total expenses		(77,240)	(70,777)	(240,579)	(177,610)
<b>Other income and expenses</b>					
Interest income (expense)		1,287	2,090	2,003	4,049
Finance costs		(10,105)	-	(13,393)	-
Gain on derecognition of trade payables		-	-	49,742	-
Adjustment to recovery of exploration and evaluation assets expense		-	-	(1,133)	-
Loss on sale of exploration and evaluation asset		-	-	-	(25,931)
<b>Net loss and comprehensive loss for the period</b>		\$ (86,058)	\$ (68,687)	\$ (203,360)	\$ (199,492)
<b>Loss per share for the period basic and diluted</b>	14	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

## South Atlantic Gold Inc.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (un-audited)

For the nine months ended November 30

Expressed in Canadian Dollars

	Note	Share Capital	Contributed Surplus	Deficit	Total
Balance at February 29, 2024		\$7,410,527	\$1,420,845	\$(5,201,822)	\$3,629,550
Net loss for the period		-	-	(199,492)	(199,492)
Shares issued for RSU redemption	10	2,700	(2,700)	-	-
Share issue costs	10	(65)	-	-	(65)
Share-based payments	11	-	23,474	-	23,474
Balance at November 30, 2024		\$7,413,162	\$1,441,619	\$(5,401,314)	\$3,453,467

	Note	Share Capital	Contributed Surplus	Deficit	Total
Balance at February 28, 2025		\$7,413,162	\$1,424,894	\$(5,466,879)	\$3,371,177
<b>Net loss for the period</b>		-	-	<b>(203,360)</b>	<b>(203,360)</b>
<b>Shares issued for RSU redemption</b>	<b>10</b>	<b>2,700</b>	<b>(2,700)</b>	-	-
<b>Share issue costs</b>	<b>10</b>	<b>(65)</b>	-	-	<b>(65)</b>
<b>Share-based payments</b>	<b>11</b>	-	<b>3,708</b>	-	<b>3,708</b>
<b>Balance at November 30, 2025</b>		<b>\$7,415,797</b>	<b>\$1,425,902</b>	<b>\$(5,670,239)</b>	<b>\$3,171,460</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

## South Atlantic Gold Inc.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (un-audited)

For the nine months ended November 30

(Expressed in Canadian Dollars)

	Note	2025	2024
<b>OPERATING ACTIVITIES</b>			
Loss for the period		\$ (203,360)	\$ (199,492)
Items not affecting cash			
Loss on the sale of exploration and evaluation assets			25,931
Depreciation	5	291	295
Share-based payments	11	3,708	23,474
Finance costs		13,393	-
Gain on derecognition of trade payables		49,742	-
Changes in non-cash working capital			
Receivables		(4,711)	(12,957)
Prepays		18,140	(8,208)
Trade and other payables	8	(189,295)	(335,403)
<b>Cash used in operating activities</b>		<b>(312,092)</b>	<b>(506,360)</b>
<b>INVESTING ACTIVITIES</b>			
Prepaid exploration expenditure		8,031	(8,559)
Proceeds from the sale of exploration and evaluation expenditures		-	567,500
Exploration and evaluation asset expenditures	6	(208,019)	(62,301)
<b>Cash (used) provided in investing activities</b>		<b>(199,988)</b>	<b>496,640</b>
<b>FINANCING ACTIVITIES</b>			
Loan proceeds		500,000	-
Share issue costs	10	(65)	(65)
<b>Net cash provided (used) by financing activities</b>		<b>499,935</b>	<b>(65)</b>
<b>Increase (decrease) in cash during the period</b>		<b>(12,144)</b>	<b>(9,785)</b>
<b>Cash beginning of period</b>		<b>225,658</b>	<b>234,618</b>
<b>Cash end of period</b>		<b>\$ 213,514</b>	<b>\$ 224,833</b>

Supplemental cash flow information – Note 16

# South Atlantic Gold Inc.

(An Exploration Stage Company)

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2025, and 2024 (un-audited)

(Expressed in Canadian Dollars)

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### 1. CORPORATION INFORMATION

South Atlantic Gold Inc. (the “Company” or “South Atlantic”) was incorporated on October 17, 2006 under the laws of British Columbia, Canada. On November 19, 2020, the Company changed its name from Jiulian Resources Inc. to South Atlantic Gold Inc. Effective November 24, 2020, the Company commenced trading on the TSX Venture Exchange (the “Exchange”) under the new symbol “SAO” as a Tier 2 issuer.

The Company’s registered office is located at 301 – 1665 Ellis St, Kelowna, BC V1Y 2B3.

The Company is primarily engaged in the acquisition, exploration and development of mineral properties which during the period were located in Brazil. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The Company’s current properties include the Pedra Branca project in Brazil.

### 2. BASIS OF PREPARATION AND GOING CONCERN

These condensed consolidated interim financial statements for the three and nine month period ended November 30, 2025 and 2024, and have been prepared in accordance with IAS 34 Interim Financial Reporting. These condensed consolidated interim financial statements follow the same accounting policies and methods of application of the Company’s most recent annual financial statements. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company’s February 28, 2025, annual financial statements which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“**IFRS Accounting Standards**”).

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors on January 29, 2026.

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments which have been measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed consolidated interim financial statements are presented in Canadian Dollars, which is the functional currency of the Company and its subsidiary.

The preparation of condensed consolidated interim financial statements in compliance with IFRS Accounting Standards requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the condensed consolidated interim financial statements, are disclosed in Note 4.

#### Going Concern

The Company has not generated revenues from its operations to date. These condensed consolidated interim financial statements are prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the nine months ended November 30, 2025, the Company had a net loss of \$230,360 (November 30, 2024 - \$199,492) and as of that date, an accumulated a deficit of \$5,670,239 (February 28, 2025 - \$5,466,879). The Company will continue to have to raise funds in order to continue the development of its exploration properties and general operations.



## South Atlantic Gold Inc.

(An Exploration Stage Company)

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2025, and 2024 (un-audited)

(Expressed in Canadian Dollars)

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## 2. BASIS OF PREPARATION AND GOING CONCERN (cont'd)

As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties. The Company has financed its operations to date primarily through the issuance of common shares and exercise of stock options and share purchase warrants.

Management cannot provide assurance that the Company will ultimately achieve profitable operations or positive cash flow. The Company's continuation as a going concern is dependent on its ability to attain profitable operations and raise additional capital. These matters indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses and consolidated statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. Such adjustments could be material.

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with the accounting policies disclosed in Note 3 of the Company's audited financial statements for the year ended February 28, 2025. These condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended February 28, 2025.

## 4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized in the period of the change, if the change affects that period only, or in the period of the change and future years, if the change affects both.

Information about critical judgments and estimates in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities included in the preparation of these condensed consolidated interim financial statements are discussed below:

### *Going Concern*

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

## South Atlantic Gold Inc.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2025, and 2024 (un-audited)

(Expressed in Canadian Dollars)

### 4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

#### *Impairment of Exploration and Evaluation Assets*

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, the Company carries out an impairment test at the cash-generating unit or group of cash-generating unit's level in the year the new information becomes available. Such assessments of impairment have a degree of estimation and judgment which may differ in the future.

#### *Valuation of Share-based Payments*

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

### 5. EQUIPMENT

	Furniture & Fixtures
<b>Cost</b>	
Balance at February 29, 2024, February 28, 2025 and November 30, 2025	\$10,192
<b>Depreciation and impairment losses</b>	
Balance at February 29, 2024	8,446
Depreciation for the period	391
Balance February 28, 2025	8,837
Depreciation for the period	291
<b>Balance at November 30, 2025</b>	<b>9,128</b>
<b>Carrying amounts</b>	
Carrying value at February 28, 2025	\$1,355
<b>Carrying value at November 30, 2025</b>	<b>\$1,064</b>

## South Atlantic Gold Inc.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2025, and 2024 (un-audited)  
(Expressed in Canadian Dollars)

### 6. EXPLORATION AND EVALUATION ASSETS

	<b>Brazil Pedra Branca</b>	<b>Bid Kidd</b>	<b>Total</b>
Balance at February 29, 2024	\$3,222,960	\$600,931	\$3,823,891
Exploration costs	103,621	-	103,621
Sale of exploration and evaluation assets	-	(575,000)	(575,000)
Loss on sale of exploration and evaluation assets	-	(25,931)	(25,931)
Balance at February 28, 2025	3,326,581	-	3,326,581
<b>Exploration costs</b>	<b>206,787</b>	<b>-</b>	<b>206,787</b>
<b>Balance at November 30, 2025</b>	<b>\$3,533,368</b>	<b>-</b>	<b>\$3,533,368</b>

Included in non-current prepaids is \$8,017 (February 28, 2025 - \$16,932) of prepaid exploration and evaluation expenditures.

#### **BRAZIL**

##### **Pedra Branca Property**

The Company entered into a definitive agreement (the “**Option Agreement**”) with Jaguar Mining Inc. (“**Jaguar**”) effective July 29, 2020, to acquire up to a 100% interest in the Pedra Branca property (the “Pedra Branca Property”) tenement package, located in Ceará State, North-eastern Brazil.

Pursuant to the Option Agreement the Company acquired a 100% interest in the Pedra Branca Property by completing exploration expenditures totalling a minimum of US\$1 million and delivering a National Instrument 43-101 (“NI 43-101”) technical report on the Pedra Branca Property (delivered) subject to underlying royalties to the original vendors which include:

- i. Base Metal – 1.0% on gross revenues over any production for as long as there is effective production and sales; and
- ii. Gold (“Au”) Deposit:
  - a. In the case of Measured and Indicated Resources of up to 200,000 Au oz = 0.5% royalty on gross revenues and a US\$500,000 payment due within 3 months after commercial production; and
  - b. In the case of Measured and Indicated Resources in excess 200,000 Au oz = 1.0% royalty on gross revenues and in this scenario 0.5% of the royalty may be purchased for US\$750,000.

#### **CANADA**

##### **Big Kidd Property**

On July 12, 2024 the Company entered a definitive purchase and sale agreement (the “**Purchase Agreement**”) between the Company and TRR Services LLC (“**TRR**”) (in consideration of a cash payment of \$575,000 (received \$567,600) received during the year ended February 28, 2025 for the Company’s 100% interest in the Big Kidd Property. The holdback of \$7,500 is pending release of reclamation bond and is included in accounts receivable as at November 30, 2025 (February 28, 2025 - \$7,500) (Note 7).

## South Atlantic Gold Inc.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2025, and 2024 (un-audited)

(Expressed in Canadian Dollars)

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### 6. EXPLORATION AND EVALUATION ASSETS (cont'd)

#### **CANADA** (cont'd)

##### **Big Kidd Property** (cont'd)

Additionally, pursuant to the Purchase Agreement the Company, TRR, and Quetzal Copper Limited (“**Quetzal**”) entered into an assignment and assumption agreement wherein the Company assigned all its rights, title and interest in an option agreement between the Company and Quetzal to acquire the Company’s interest in Big Kidd to TRR (the “**Assignment**”). The Company will retain a net smelter royalty of 2% over asset, of which 1% may be bought back by Quetzal for \$2 million. In the event that there is a third party offer for such 1% royalty, Quetzal will retain a right of first refusal to purchase the royalty on terms no less favourable than the third party offer to South Atlantic. The remaining 1% royalty will be at South Atlantic’s discretion.

#### **Realization**

The Company’s investment in and expenditures on exploration and evaluation assets comprise a significant portion of the Company’s assets. Realization of the Company’s investment in the assets is dependent on establishing legal ownership of the property interest, on the attainment of successful commercial production or from the proceeds of its disposal. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the property interest, and upon future profitable production or proceeds from the disposition thereof.

#### **Title**

Although the Company has taken steps to ensure the title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures may not guarantee the Company’s title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

#### **Environmental**

Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company’s operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the exploration and evaluation assets, the potential for production on the property may be diminished or negated.

### 7. RECLAMATION BOND

The Company is required to make reclamation deposits in respect of its expected rehabilitation obligations. The reclamation deposits represent collateral for possible reclamation activities necessary on mineral properties in connection with the permits required for exploration activities by the Company on its Big Kidd Property. The reclamation deposits are held with the Minister of Energy and Mines in British Columbia. The reclamation bond includes a guaranteed investment certificate with a maturity date of December 2, 2025, and an interest rate of prime less 2.95%. Pursuant to the Purchase and Assignment Agreements as described in Note 6 the Company sold the Big Kid Property and Assigned the Quetzal Option and is in the process transferring the permits and will seek to have the bond released. Subsequent to November 30, 2025 the Company received the refund from the bond release in the amount of \$7,500.

## South Atlantic Gold Inc.

(An Exploration Stage Company)

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2025, and 2024 (un-audited)

(Expressed in Canadian Dollars)

#### 8. TRADE AND OTHER PAYABLES

	November 30 2025	February 28 2025
Trade payables	\$102,024	\$230,326
Due to related parties (Note 13)	-	12,482
Total	\$102,024	\$242,808

During the period ended November 30, 2025, the Company derecognized trade payables amounting to \$49,742 (2024 - \$Nil) that had exceeded the statutory limitation period of six years and were no longer considered due or payable. The resulting gain has been recognized in the statement of loss and comprehensive loss under "Other income and expenses."

#### 9. LOAN PAYABLE

On July 30, 2025 the Company entered into a loan and an unsecured promissory note agreement (the "Loan") with a non-arms length party (the "Lender") of the Company in the amount of \$500,000. The Loan bears interest at 8% per annum and will mature 24 months from date of issue. As at November 30, 2025, interest in connection with the Loan of \$13,393 (2024 - \$Nil) is included in finance costs. The Lender is a related party of the Company and as a result, the advance and repayment under the Loan constitutes a "Related Party Transaction". As at November 30, 2025 \$513,393 (2024 - \$Nil) in principal and interest was outstanding.

#### 10. SHARE CAPITAL AND RESERVES

##### a) Common Shares

The Company's authorized share capital is an unlimited number of common shares with no par value.

	Number	Issue Price	Total
Balance at February 29, 2024	109,565,666	-	\$7,410,527
Shares issued for RSU redemption	60,000	\$0.045	2,700
Share issue costs	-	-	(65)
Balance at February 28, 2025	109,625,666		\$7,413,162
<b>Shares issued for RSU redemption</b>	<b>60,000</b>	<b>\$0.045</b>	<b>2,700</b>
<b>Share issue costs</b>	<b>-</b>	<b>-</b>	<b>(65)</b>
<b>Balance at November 30, 2025</b>	<b>109,685,666</b>		<b>7,415,797</b>

The following is a summary of changes in share capital from March 1, 2024 to November 30, 2025:

On May 22, 2025 60,000 Restricted Share Units ("RSU's") vested with a grant date fair value of \$0.045 and were redeemed for 60,000 shares of the Company. The Company recorded share issue costs of \$65 in connection with RSU redemption.

The following is a summary of changes in share capital from March 1, 2024 to February 28, 2025:

On October 18, 2024, 60,000 RSU's vested with a grant date fair value of \$0.045 and were redeemed for 60,000 shares of the Company. The Company recorded share issue costs of \$65 in connection with RSU redemption.

## South Atlantic Gold Inc.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2025, and 2024 (un-audited)  
(Expressed in Canadian Dollars)

### 10. SHARE CAPITAL AND RESERVES (cont'd)

#### b) Agents' Warrants

The following is a summary of changes in agents' warrants from March 1, 2024, to November 30, 2025:

	Number of Agents Warrants	Weighted Average Exercise Price
Balance at February 29, 2024 and February 28, 2025	240,000	\$0.060
Expired	(240,000)	\$0.060
<b>Balance at November 30, 2025</b>	<b>-</b>	

As at November 30, 2025, there were Nil (February 28, 2025 – 240,000) agent warrants outstanding and exercisable.

As at February 28, 2025, 240,000 agent warrants were outstanding and exercisable with a weighted average remaining contractual life of 1.06 years as follow:

Expiry Date	Exercise Price	Number of Warrants
March 21, 2025	\$0.055	240,000

### 11. SHARE-BASED PAYMENTS

#### a) Option Plan Details

On July 9, 2020, the directors adopted a rolling 10% stock option plan further approved by shareholders on June 27, 2025 (the “**Option Plan**”) to grant options to directors, senior officers, employees, and consultants of the Company. The aggregate outstanding options are limited to 10% of the outstanding common shares. The option price under each option shall not be less than the discounted market price as defined in the policies of the Exchange on the grant date. All options shall vest as specified by the Board of Directors and in accordance with the policies of the Exchange.

The following is the summary of changes in options from March 1, 2024, to November 30, 2025:

	Number of Options	Weighted Average Exercise Price
Balance, February 29, 2024	8,060,000	\$0.09
Expired	(1,730,000)	\$0.07
Balance February 28, 2025	6,330,000	\$0.08
<b>Expired</b>	<b>(3,520,000)</b>	<b>\$0.08</b>
<b>Balance November 30, 2025</b>	<b>2,810,000</b>	<b>\$0.08</b>

## South Atlantic Gold Inc.

(An Exploration Stage Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2025, and 2024 (un-audited)  
(Expressed in Canadian Dollars)

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### 11. SHARE-BASED PAYMENTS (cont'd)

#### a) Option Plan Details (cont'd)

As at August 31, 2025, the following options were outstanding:

Expiry Date	Exercise Price	Number of Options	Vested and Exercisable	Unvested
05-Jan-27	\$0.06	2,230,000	2,230,000	-
11-May-28	\$0.05	580,000	386,667	193,333
		2,810,000	2,616,667	193,333

#### b) Fair Value of Options Issued During the Period

During the period ended November 30, 2025 and November 30, 2024, there were no options granted.

As at November 30, 2025, 2,810,000 (February 28, 2025 – 6,330,00) options were outstanding of which 2,616,667 (February 28, 2025 – 4,712,500) were exercisable under the Plan with a weighted average contractual life of 1.30 (February 28, 2025 – 1.36) years.

#### c) Expenses Arising from Share-based Payment Transactions

The total share-based payments recorded in the consolidated statements of loss and comprehensive loss with a corresponding increase in contributed surplus for the period ended November 30, 2025, was \$3,708 (2024 - \$23,474) relating to options that vested during the period.

#### d) RSUs and DSUs

On October 21, 2022, the Board of Directors adopted a long have adopted a restricted share units ("RSUs") and deferred share units ("DSUs") long term incentive plan (the "LTIP") re-approved by shareholders on June 27, 2025.

Under the LTIP, RSUs and DSUs are granted to the Company's directors, officers, consultants, and employees as a part of compensation under the terms of the Company's restricted share units plan. Each RSU or DSU entitles the participant to receive the value of one Common Share. The maximum number of RSU or DSU awards and all other security-based compensation arrangements shall not exceed 9,433,166 common shares of the Company.

The number of RSUs or DSUs awarded and underlying vesting conditions are determined by the Board of Directors in its discretion. In accordance with the LTIP, upon each vesting date the Company shall decide, at its sole discretion whether participants receive (a) the issuance of Common Shares equal to the number of RSUs or DSUs vesting; (b) a cash payment equal to the number of vested RSUs multiplied by the fair market value of a Common Share, calculated as the closing price of the Common Shares on the TSX-V for the trading day immediately preceding such payment date; or (c) a combination of (a) and (b).

## South Atlantic Gold Inc.

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(Expressed in Canadian Dollars)

### 11. SHARE-BASED PAYMENTS (cont'd)

#### d) RSUs and DSUs (cont'd)

On the grant date of RSUs or DSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the RSUs or DSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the Company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, RSUs or DSUs are accounted for as equity settled share-based payments and are valued using the share price of the Common Share on grant date. Since the Company controls the settlement, the RSUs or DSUs are considered equity settled.

#### DSUs

During the period ended November 30, 2025, there were no DSU's granted.

As at November 30, 2025, the following DSUs were outstanding:

Number of DSUs	Weighted average grant date fair value per DSU
2,360,000	\$0.045

#### RSUs

During the period ended November 30, 2025, there were no RSU's granted. During the period ended November 30, 2025 60,000 RSU's vested and were redeemed (Note 10).

At November 30 2025, the following RSUs were outstanding:

Number of RSUs	Weighted average grant date fair value per RSU
60,000	\$0.045



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## 12. ADMINISTRATIVE AND GENERAL EXPENSES

	Note	For the Three Months Ended November 30		For the Nine Months Ended November 30	
		2025	2024	2025	2024
<b>Administrative and General Expenses</b>					
Accounting and legal		<b>\$10,705</b>	\$7,823	<b>\$57,685</b>	\$(33,116)
Consulting	13	<b>24,968</b>	931	<b>68,059</b>	25,465
Insurance		<b>3,442</b>	4,855	<b>10,326</b>	14,195
Office and administration fees	13	<b>8,839</b>	(1,178)	<b>28,669</b>	8,391
Regulatory fees		<b>(106)</b>	(706)	<b>4,974</b>	1,681
Rent	13	<b>-</b>	1,500	<b>600</b>	6,300
Transfer agent fees		<b>751</b>	858	<b>2,523</b>	2,587
Travel		<b>2,504</b>	4,787	<b>2,504</b>	22,141
Website, advertising, shareholder communication		<b>1,398</b>	1,200	<b>13,856</b>	4,340
		<b>\$52,501</b>	\$20,070	<b>\$189,196</b>	\$51,984

## 13. RELATED PARTY TRANSACTIONS

### a) Key Management Compensation

The Company's related parties include key management personnel and directors. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist, of members of the Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Direct remuneration paid to the Company's directors and key management personnel during the periods ended November 30, 2025, and November 30 2024, are as follows:

	November 30 2025	November 30 2024
Key management personnel compensation comprised:		
Wages	\$-	\$97,500
Consulting fees:	60,675	24,453
Administration	12,610	14,479
Share based payments:	3,708	23,473
	<b>\$76,993</b>	<b>\$159,905</b>

Included in trade and other payables are amounts due to officers, directors and related parties for fees and expenses of \$Nil at November 30, 2025 (February 28, 2025 - \$12,482).

Included in prepaid and advances is \$Nil (February 28, 2025 - \$7,833 for advances to an officer.

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### 14. LOSS PER SHARE

	November 30 2025	November 30 2024
Net loss attributable to ordinary shareholders	(\$203,360)	(\$199,492)
Weighted average number of common shares	109,727,710	109,575,014
Basic and diluted loss per share	(\$0.00)	(\$0.00)

### 15. SEGMENT REPORTING

The Company is organized into business units based on mineral properties and has one reportable operating segment, being that of acquisition and exploration and evaluation activities in Brazil. The Company has exploration and evaluation assets of which \$3,533,368 (February 28, 2025 - \$3,326,581) is in Brazil.

### 16. SUPPLEMENTAL CASH FLOW INFORMATION

Investing and financing activities that do not have a direct impact on cash flows are excluded from the condensed consolidated interim statements of cash flows. During the period November 30, 2025 and 2024 the following transactions were excluded from the condensed consolidated interim statements of cash flows:

- i) Included in accounts payable is \$8,017 (2024 - \$14,616) of exploration that are capitalized to exploration and evaluation assets.