

# MAWSON GOLD LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED MAY 31, 2024

This discussion and analysis of financial position and results of operations is prepared as at September 25, 2024, and should be read in conjunction with the audited consolidated financial statements and the accompanying notes for the years ended May 31, 2024 and 2023 of Mawson Gold Limited ("Mawson Gold" or the "Company"). The following disclosure and associated financial statements are presented in accordance with IFRS Accounting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management's discussion and analysis ("MD&A") are quoted in Canadian dollars.

### Forward Looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated exploration programs and the timing thereof, and business and financing plans and are based on material factors and assumptions and subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from the forward-looking statements. These include, without limitation, material factors and assumptions relating to, and risks and uncertainties associated with, the availability of financing for activities when required and on acceptable terms, the accuracy of the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the consistency of future exploration, development or mining results with our expectations, metal price fluctuations, the achievement and maintenance of planned production rates, the accuracy of component costs of capital and operating cost estimates, current and future environmental and regulatory requirements, favourable governmental relations and support for the development and operation of mining projects, the threat associated with outbreaks of viruses and infectious diseases, risks related to negative publicity with respect to the Company or the mining industry in general, reliance on a single asset, planned drill programs and results varying from expectations; litigation risks, the availability of permits and the timeliness of the permitting process, local community relations, dealings with non-governmental organizations ("NGOs"), the availability of shipping services, the availability of specialized vehicles and similar equipment, costs of remediation and mitigation, maintenance of title to our mineral properties, industrial accidents, equipment breakdowns, contractor's costs, remote site transportation costs, materials costs for remediation, labour disputes, the potential for delays in exploration or development activities, the Company's ability, if at all, to explore for uranium pursuant to anticipated changes to applicable Swedish laws, and social uncertainties, the impact on the respective businesses, operations and financial condition of Mawson and Southern Cross Gold Limited ("Southern Cross") resulting from and/or the failure to fulfil the terms of the Scheme Implementation Agreement ("SIA") announced on July 30, 2024, or to complete the Arrangement on terms described or at all, delay or failure to receive board, shareholder regulatory or court approvals, where applicable, or any other conditions precedent to the completion of the SIA, unforeseen challenges in integrating the businesses of Mawson and Southern Cross, failure to realize the anticipated benefits of the Arrangement or spin-out of the uranium assets, other unforeseen events, developments, or factors causing any of the aforesaid expectations, assumptions, and other factors ultimately being inaccurate or irrelevant; and other risks described in Mawson's and Southern Cross' documents filed with Canadian or Australian securities regulatory authorities, timely completion of future technical studies, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, continuing global demand for base metals. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company provides no assurance that forward looking statements will prove to be accurate. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from any conclusions, forecasts or projections described in the forward- looking statements. Accordingly, readers are advised not to place undue reliance on forward looking statements. Except as required under applicable securities law, the Company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via [www.sedarplus.ca/](http://www.sedarplus.ca/) or the Company's website at [www.mawsongold.com](http://www.mawsongold.com) and readers are urged to review these materials, including the technical report filed with respect to the Company's mineral properties.

## Company Overview

The Company was incorporated on March 10, 2004, under the provisions of the Company Act (British Columbia). As a result of the enactment by the British Columbia legislature of the Business Corporations Act (British Columbia) (the "BCBCA"), the Company filed a transition application with the British Columbia Registrar of Companies on April 16, 2004, and transitioned under and became subject to the BCBCA. The Company's common shares traded on the Toronto Stock Exchange ("TSX") under the symbol "MAW" from February 12, 2008 to January 3, 2024 when the common shares were delisted from TSX. On January 4, 2024, the Company's common shares were listed on the TSX Venture Exchange ("TSXV") under the same symbol "MAW". The Company also trades on the Frankfurt Open Market under the trading symbol "MXR" and on the OTC Pink under the symbol "MWSNF.PK". The Company's CUSIP 577789100 and ISIN CA5777891006 remain unchanged.

On December 19, 2023, the Company closed a transaction (the "Transaction") with Springtide Capital Acquisition 7 Inc. ("Springtide"). Pursuant to the Transaction, Springtide acquired all of the issued shares and inter-company debt of Mawson Gold's wholly-owned Finnish subsidiary, Mawson Oy, which holds the Rajapalot gold-cobalt project in Finland ("Rajapalot"). On January 16, 2024, Springtide changed its name to Mawson Finland Limited (Springtide is hereinafter referred to as "Mawson Finland").

In April 2024, the Company exercised its pro-rata participation rights in the rights issued (the "Rights Issue") undertaken by Southern Cross. The Rights Issue closed on May 9, 2024. See "Property Assets and Exploration Activities - Australia / Southern Cross". As of the date of the MD&A the Company owns approximately 48.7% of Southern Cross. Southern Cross and its subsidiary companies hold certain rights and interests forming the projects of the Company as follows:

- 100% of the Sunday Creek Project, including 320 acres of freehold land around the main exploration area;
- 70% joint venture interest in the Redcastle Project
- 100% of the Mt. Isa Project
- 53,361,046 shares in Nagambie, with an accompanying subscription agreement which grants a right of first refusal in respect of 3,000 kilometres of tenements held by Nagambie subject to Southern Cross maintaining the initial Nagambie shareholding in percentage terms.

The Company has an option and joint venture agreement to earn up to an 85% interest in the Skellefteå North Gold Project in Sweden ("Skellefteå North") (see Company's news releases dated January 17, 2022 and October 11, 2022). In addition, the Company also holds 100% ownership in six exploration licenses known as Björklund nr 1 & 2, Björkråmyran nr 3, Kvarnån nr 5, Nöjdfjället nr 1, and Skupesavon nr 2, for 16,138 hectares. All these exploration licenses are granted and are located through central and northern Sweden to explore for zirconium, scandium, yttrium and lanthanum and other lanthanides (rare earths). These projects also host the majority of Sweden's conventional hard rock historic uranium resources (combined 22.7Mlb U3O8) that saw significant exploration by the Swedish Government during the 1980s. These Swedish uranium assets are considered to provide a valuable option on the potential for Swedish regulation changes regarding uranium exploration and development. Although Sweden benefits from having 40% of its electricity supply generated by nuclear energy ([world-nuclear.org/files/information](http://world-nuclear.org/files/information)), a uranium exploration and mining moratorium has been in place in the country since May 2018. The Swedish Government has indicated a positive stance on re-evaluating and lifting the moratorium ([www.mining.com/sweden](http://www.mining.com/sweden)). Exploration, development and mining of these projects is still possible under the current Swedish Minerals Act; however, recovery of uranium in a mining scenario would not be permitted under the current mineral legislation. Sweden's current center-right coalition government has given strong support to expand nuclear power in Sweden. There are currently six operating nuclear reactors in Sweden that supply approximately 40% of the country's electricity. The Swedish Government has called for the possible restart of Ringhals nuclear power plant Units 1 and 2, as well as to prepare for the construction of new reactors.

## Proposed Reorganization

On July 30, 2024 the Company entered into a definitive binding scheme implementation agreement (“SIA”) with Southern Cross. Pursuant to the SIA, the Company proposes to acquire all of the ordinary shares of Southern Cross (the “SXG Shares”) that the Company does not already own, by way of a scheme of arrangement under the laws of Australia (the “Arrangement”). The Company currently owns 96,590,910 or 48.7% of the issued SXG Shares. Following completion of the Arrangement, Southern Cross will become a wholly owned subsidiary of the Company.

Under the terms of the SIA and prior to the effective date of the Arrangement:

1. the Company intends to affect a share consolidation of its common shares (the “Mawson Shares”) at a ratio of approximately 3.1581:1, resulting in the number of outstanding Mawson Shares being equal to the number of SXG Shares currently held by the Company (the “Consolidation”);
2. subject to the Company shareholder approval, the Company intends to spin-off its Swedish uranium assets held by its wholly-owned subsidiary, Euro Canna Holdings Ltd. (“Euro Canna”), and \$600,000 of cash into a newly formed subsidiary company, SUA Holdings Limited (“SUA”), in consideration of common shares of SUA and distribute those SUA shares to the Company shareholders as a return of capital (the “Spin-out”) pursuant to the *Business Corporations Act* (British Columbia). The Spin-out is also expected to be subject to certain conditions customary for this type of transaction including, but not limited to, regulatory and court approvals in British Columbia;
3. the Company will seek to dual list on the on the Australian Securities Exchange (“ASX”) through the admission to quotation of the *CHESSE Depositary Interests “CDIs”* (which will be subject to the ASX listing and admission process);
4. it is expected the Company will change its name to Southern Cross Gold Consolidated Ltd.; and
5. the Company will seek disinterested shareholder approval for, among other matters, to replace the current Mawson board of directors with each of Messrs. Tom Eadie and David Henstridge and Ms. Georgina Carnegie, each a current director of Southern Cross. Michael Hudson, the Managing Director of Southern Cross will remain on the Mawson board. It is proposed that Mr. Eadie will serve as the Company’s Non-Executive Chairman and Mr. Michael Hudson will serve as President & CEO of the Company.

Pursuant to the Arrangement, the Company will acquire the SXG Shares in consideration of 1 Mawson Share (post Consolidation) for each 1 SXG Share (the “Exchange Ratio”).

The Arrangement, aimed at consolidating ownership and establishing a single dual-listed company to hold the Sunday Creek Project, has been chosen for its expected operational and corporate efficiency and the benefits it offers to all shareholders of both Southern Cross and the Company.

The Company believes that the immediate benefits to its shareholders include:

- **Simplification of Structure:** The Company anticipates immediate benefits for its shareholders through a more transparent and institutional-investible structure. The Company believes this will lead to a potential revaluation of the asset, reducing the cost of capital to advance the Sunday Creek Project to become one of the highest margin gold assets globally.
- **Direct Exposure to Sunday Creek:** The Arrangement and the listing of Southern Cross Gold Consolidated Ltd’s shares on both the ASX and TSXV offers new and existing shareholders of Southern Cross Gold Consolidated Ltd direct exposure to the globally leading Sunday Creek Project. The North American market has greatly benefited from the wealth generated from the rebirth of the Victorian goldfields in Australia over the last 8 years.
- **Institutional Support:** The Arrangement will transition the combined entity’s shareholder base to a more institutionally dominated and supportive register. Southern Cross brings both a high-quality register with a significant overlap of current Mawson shareholders and access to further high quality global and supportive Australian and European institutional shareholders.
- **Cost Reduction and Share Fungibility:** Consolidating separate companies will lead to cost savings, while allowing for the fungibility of shares between the North American and Australian stock exchanges, benefiting all shareholders.
- **Management and Board Continuity:** Southern Cross Gold Consolidated Ltd is expected to be led by the current successful Australian management team and Board of Southern Cross, ensuring continuity and leveraging their expertise. It is anticipated that Southern Cross Gold Consolidated Ltd will be led by Mr. Tom Eadie as Non-Executive Chairman and Mr. Michael Hudson as President & CEO.

The Arrangement is subject to a range of conditions, including, but not limited to, approval by Southern Cross shareholders, approval by the Company shareholders of the Company board changes, Australian court approval and Australian and Canadian regulatory approvals, including the approval of the TSXV, the ASX and the Australian Securities and Investments Commission. The SIA contains terms and conditions, including representations and warranties, restrictive covenants and board support customary for transactions of this nature. The SIA also contains customary non-solicitation covenants and fiduciary-out provisions for both the Company and Southern Cross and provides both the Company and Southern Cross with a 5-business day right to match in the event that the other party receives a superior proposal. Under certain circumstances where the Arrangement is not completed, including due to the Company accepting a superior proposal, the Company is required to pay Southern Cross a termination fee of AUS \$2,000,000. Under certain circumstances where the Arrangement is not completed, including due to Southern Cross accepting a superior proposal, Southern Cross is required to pay the Company a termination fee of AUS \$1,000,000.

Each of the Company and Southern Cross have formed special committees of independent directors to negotiate the terms of the Arrangement and the SIA and make recommendations to their respective boards. Having received the positive recommendation of the Company special committee, and having considered the Arrangement and its intended benefits, and the terms and conditions of the SIA, among other matters, the Company board of directors unanimously approved the Arrangement and the Company entering into the SIA.

Subject to shareholder voting, the Arrangement is expected to complete in late October or early November 2024.

### **Directors and Officers**

As of the date of this MD&A the directors and officers of the Company are as follows:

Michael Hudson	Director, Interim Chief Executive Officer (“CEO”), Executive Chairman
Noora Ahola	Director
Philip Williams	Director
Bruce Griffin	Director
Nick DeMare	Chief Financial Officer (“CFO”)
Mariana Bermudez	Corporate Secretary

### **Property Assets and Exploration Activities**

#### **Australia / Southern Cross**

As of the date of this MD&A the Company currently owns 48.7% of Southern Cross. Subsequent to the end of the period, on July 30, 2024, the Company announced it had entered into SIA with Southern Cross to acquire all of the SXG Shares Mawson Gold does not already own by way of the Arrangement under the laws of Australia.

On May 14, 2024, the Company announced it had fully exercised its pro-rata participation rights in the Rights Issue by Southern Cross with the aim of maintaining the Company’s pro rata ownership interest at the time.

Prior to the Rights Issue, the Company held 93,750,000 SXG Shares which were placed into a 2-year escrow in connection with Southern Cross’ IPO in May 2022, pursuant to the rules of the ASX. The 2-year ASX escrow expired on May 16, 2024. Pursuant to the Rights Issue, Mawson Gold acquired 2,840,910 SXG Shares at AUS \$1.82 per SXG Share for a total subscription of AUS \$5,170,456.20.

Southern Cross is focussed on the Victorian goldfields, a globally significant field with more than 80 Moz extracted since 1851. The majority of gold recovered from the Victorian goldfields has been produced from the older mesozonal gold-quartz vein systems, targeted by the old-timers in the Bendigo and Stawell zones. More recently, Fosterville, an epizonal gold system has rewritten the Victorian geological opportunity. We now understand that epizonal systems can develop extremely high-grade, free gold deposits such as at Sunday Creek.

#### ***Sunday Creek Project - 100%***

The 100%-owned Sunday Creek epizonal-style gold project is located 60 km north of Melbourne within 19,365 ha of granted exploration tenements.

Diamond drilling at Sunday Creek continued during the period with the objective of defining gold mineralization at depth at the main drill area over a 1,350 m strike between the Christina and Apollo prospects and up to 7,500 m along strike to the north-east at the Tonstal, Consols and Leviathan prospects which was the first ever drilling along a 10,000 m mineralized trend at Sunday Creek that extends beyond the main drill area and is defined by historic workings and soil sampling.

The Company considers Sunday Creek to be the best new exploration discovery in Australia in recent times with 49 individual intersections in the 50 - 100 AuEq g/t \* m (“AuEq g/t x width in m”) range and 44 individual intersections exceeding 100 AuEq g/t \* m using a 2 m @ 1.0 g/t AuEq lower cut. Mineralization remains open at depth and along strike with 50 modelled vein sets defined to date.

The Company reported nine drill holes during the quarter (SDDSC107-117). Continuity within wide zones and high-grades is now evident down to approximately 1,000 m vertical depth. Subsequent to the end of the period, the Company announced results from a further nine drillhole to the time of writing (SDDSC118-122W1) and had 21 holes (SDDSC123-128, 130-137, 050W1, 050W2) being processed and analyzed, with five holes (SDDSC129, 138-140, 092W1) in progress. A total of 128 drillholes for 56,388 m have been reported from Sunday Creek. A total of 64 holes for 5,599 m were drilled historically on the project.

### ***About Sunday Creek - Scale and Opportunity***

At Sunday Creek, gold and antimony form in veins that cut across a steeply dipping zone of intensely altered rocks (the “host”). When looked at from above, in plain view, the host resembles the side rails of a ladder, where the mineralized veins are the rungs. At Apollo and Rising Sun these ‘rungs’ have been defined over 350 m to 850 m in depth extent, are 10 m to 20 m wide and 20 m to 100 m in strike. Our systematic drill program is strategically targeting these significant vein formations, initially along 1,200 m strike of the host from Christina to Apollo, of which approximately 620 m has been more intensively drill tested (Rising Sun to Apollo). 50 ‘rungs’ have been discovered to date in the Rising Sun to Apollo zone, defined by high-grade intercepts (20 - 400 g/t Au) and lower grade edges. Ongoing step-out drilling is aiming to uncover the potential extent of this mineralized system. With the host extending 8,000 m in length from the core area to Leviathan/Tonstal prospects, 40 m to 150 m wide and over 900 m deep. The Company is only scratching the surface on the opportunities that await at Sunday Creek.

The Sunday Creek epizonal-style gold project is located 60 km north of Melbourne within 19,365 hectares of granted exploration tenements. SXG is also the freehold landholder of 133.29 hectares that form the key portion in and around the main drilled area at the Sunday Creek Project.

Geologically, the project is located within the Melbourne Structural Zone in the Lachlan Fold Belt. The regional host to the Sunday Creek mineralization is an interbedded turbidite sequence of siltstones and minor sandstones metamorphosed to sub-greenschist facies and folded into a set of open north-west trending folds.

### **Gold Equivalent Calculation**

The Company considers that both gold and antimony that are included in the gold equivalent calculation (“AuEq”) have reasonable potential to be recovered at Sunday Creek, given current geochemical understanding, historic production statistics and geologically analogous mining operations. Historically, mineralized material from Sunday Creek was treated onsite or shipped to the Costerfield mine, located 54km to the northwest of the project, for processing during WW1. The Costerfield mine corridor, now owned by Mandalay Resources Ltd contains 2 million ounces of equivalent gold (Mandalay Q3 2021 Results), and in 2020 was the sixth highest-grade global underground mine and a top five global producer of antimony.

The Company considers that it is appropriate to adopt the same gold equivalent variables as Mandalay Resources Ltd in its [Mandalay Technical Report, 2024](#) dated March 28, 2024. The gold equivalence formula used by Mandalay Resources was calculated using Costerfield’s 2023 production costs, using a gold price of US \$1,900 per ounce, an antimony price of US \$12,000 per tonne and 2023 total year metal recoveries of 94% for gold and 89% for antimony, and is as follows:  **$AuEq = Au (g/t) + 1.88 \times Sb (\%)$** .

Based on the latest Costerfield calculation and given the similar geological styles and historic toll treatment of Sunday Creek mineralisation at Costerfield, the Company considers that a  **$AuEq = Au (g/t) + 1.88 \times Sb (\%)$**  is appropriate to use for the initial exploration targeting of gold-antimony mineralisation at Sunday Creek.

## ***Redcastle Project - 70%***

The Redcastle Project is located in central Victoria 120 kilometres north of Melbourne, 45 kilometres east of Bendigo and about 20 kilometres northeast of Heathcote. It is a shallow orogenic (or epizonal) Fosterville-style historic high-grade field held within a tenure area of 56.7 kilometres<sup>2</sup>. Southern Cross, via its wholly owned subsidiary Mawson Victoria, can earn up to a 70% interest in the Redcastle Project.

Redcastle was discovered in 1859 and named the Balmoral Diggings, later renamed 'Redcastle'. Underground mining continued until 1902. Total primary gold extracted from the Redcastle diggings was ~35,000 oz at 33 g/t. Its extremely high gold grades with visible gold in quartz (+/- stibnite association) were mined over a 4.5 x 7 kilometre area containing over 24 historic mining areas but it remains poorly explored to depth.

It is located 2 kilometres along strike from Mandalay Resources' Costerfield mine exploration licences and 24 kilometres east of Agnico Eagle's Fosterville mine – two of the world's highest grade gold mines. Part of the northern margin of the claim adjoins a Newmont Corporation exploration licence application ELA 6893.

Sothern Cross purchased 100% of the Laura PL6415 prospecting licence within the Redcastle Project during the reporting period. Laura is located entirely within Sothern Cross' 70% owned Redcastle JV and is one of the higher-grade parts of the Redcastle goldfield, where recent drilling has identified very high grades (up to 704 g/t Au and 24.7% Sb) within continuous and targetable structures above a 1.3 km long and a coherent IP anomaly.

## ***Sweden - Gold***

The Skelleftea North Gold Project (the "Skelleftea Project") is located in Northern Sweden. Mawson has the right to earn in 85% of the project.

The Skelleftea Project consists of 2,500 ha of contiguous 100%-owned claims located in the well-endowed Skellefteå Mining District of Northern Sweden, located 40 km north-northwest of the city of Skelleftea. 7 Moz of gold has been produced from with 22km of Skelleftea North.

The Skelleftea Project area contains outcropping gold mineralization across the 3 km x 6 km land package. At the most advanced prospect, Dalbacka, Gold-mineralization is found to be contained within arsenopyrite-bearing, sheeted-quartz-vein system that is confined to within the limits of the steep, south-westerly dipping mafic-dyke system. Mawson completed an initial 6 hole, 700m scout drilling program (final four holes released post reporting period)

- Drilling has defined gold mineralization, which can develop at extremely high grades (up to 132g/t Au), along 300 m of explored strike-length which remains open in all directions. The remaining four diamond drillholes of the six hole program (DB2203-6) targeted the western strike-extension.
  - All holes reported here intercepted the mafic-dyke host unit with highly-elevated arsenic values (> 400 ppm As) drillholes.
- Program highlights include visible gold observed in three of six holes drilled at the Dalbacka Prospect, with best results including:
  - 1.8 m at 28.4 g/t Au from 82.8m in DB2202, including 0.35 m at 132 g/t Au
  - 4.4 m at 4.8 g/t Au from 40m in DB2201, including 0.38 m at 24.3 g/t

In September and October of 2022, a field program consisting of rock-chip and B-horizon till sampling was conducted. 37 rock-chip samples were collected and analyzed returning maximum values of 15.75 g/t Au in glacial-moraine boulders, and 8.71 g/t Au in outcrop samples. 280 B-horizon soil samples were collected and analyzed with the Ionic Leach™ method which returned many anomalously elevated gold-values demonstrating evidence of further gold-bearing mineralized systems occur within the project area.

## ***Skelleftea Option Agreement Terms***

In January 2022, Mawson entered into an option and joint venture agreement to earn-in up to 85% of the 2,500 ha Skelleftea North Gold Project ("Skelleftea Project") from Elemental Exploration Scandinavia AB ("Elemental"). Key terms of the Skelleftea Option Agreement are as follows:

- (i) An option to earn an initial 75% interest, exercisable by Mawson subject to incurring aggregate expenditures of \$3,000,000 over four years, provided that a minimum \$220,000 is spent in year one (inclusive of \$20,000

already paid) and \$280,000 in year two. In October 2023, the Company entered into an amendment agreement with Elemental pursuant to which, the due date of the year two expenditures has been extended to December 24, 2024.

- (ii) An option to earn an additional 10% interest (for 85% total) exercisable by Mawson upon completion of a NI 43-101 compliant pre-feasibility or feasibility study.

### **Sweden - REE and Uranium**

During March 2023, the Company, through Euro Canna, acquired six exploration licenses: Björklund nr 1 & 2, Björkråmyran nr 3, Kvarnån nr 5, Nöjdfjället nr 1, and Skuppesavon nr 2 for 16,138 hectares). All these exploration licenses are granted and are located through central and northern Sweden to explore for zirconium, scandium, yttrium and lanthanum and other lanthanides (rare earths) (“Euro Canna projects”). The Euro Canna projects also host the majority of Sweden’s conventional hardrock historic uranium resources (combined 22.7Mlb U<sub>3</sub>O<sub>8</sub> (see below)).

Subject to the Company shareholder approval, the Company intends to spin-off the Euro Canna projects and \$600,000 of cash into SUA in consideration of common shares of SUA and distribute those SUA shares to the Company shareholders pursuant to the Spin-out under the provisions of the *Business Corporations Act* (British Columbia). The Spin-out is also expected to be subject to certain conditions customary for this type of transaction including, but not limited to, regulatory and court approvals in British Columbia;

Although Sweden benefits from having 40% of its electricity supply generated by nuclear energy, a uranium exploration and mining moratorium has been in place in the country since May 2018. The Swedish Government has indicated a positive stance on re-evaluating and lifting the moratorium. Exploration, development, and mining of the Euro Canna projects is still possible under the current Swedish Minerals Act, however, recovery of uranium in a mining scenario would not be permitted under the current mineral legislation.

Sweden’s current center-right coalition government has also indicated strong support to expand nuclear power in Sweden. There are currently six operating nuclear reactors in Sweden that supply approximately 40% of the country’s electricity. The Swedish Government has called for the possible restart of Ringhals Units 1 and 2, as well as to prepare for the construction of new reactors.

These Swedish assets are considered a valuable option on the potential for Sweden regulation changes regarding uranium exploration and development.

The historic uranium resources within the six exploration licences staked by Euro Canna consist of:

- **Pleutajokk<sup>1</sup>: 5.3 Mlb U<sub>3</sub>O<sub>8</sub> (1.93 Mt @ 0.120% U<sub>3</sub>O<sub>8</sub>)**
  - A vein type uranium prospect related to sodic-metasomatism and high-grade metamorphism hosted by metavolcanic rocks.
- **Lilljuthatten<sup>1</sup>: 4.2 Mlb U<sub>3</sub>O<sub>8</sub> (0.78 Mt @ 0.240 % U<sub>3</sub>O<sub>8</sub>)**
  - A vein and breccia uranium type prospect related brittle deformation in leucogranite.
- **Kvarnån<sup>1</sup>: 3.7 Mlb U<sub>3</sub>O<sub>8</sub> (1.94 Mt @ 0.086% U<sub>3</sub>O<sub>8</sub>)**
  - A vein and dissemination uranium type prospect related to sodic-metasomatism and high-grade metamorphism hosted by metavolcanic rocks.
- **Kläppibäcken<sup>2</sup>: 3.3 Mlb U<sub>3</sub>O<sub>8</sub> (1.94 Mt @ 0.080 % U<sub>3</sub>O<sub>8</sub>)**
  - A vein and breccia uranium type prospect related brittle deformation in leucogranite.
- **Björkråmyran<sup>1</sup>: 3.3 Mlb U<sub>3</sub>O<sub>8</sub> (1.33 Mt @ 0.1% U<sub>3</sub>O<sub>8</sub>)**
  - A vein type uranium prospect hosted by shear zones in albitized granitic rocks.
- **Skuppesavon<sup>1</sup> 1.8 Mlb U<sub>3</sub>O<sub>8</sub> (0.98 Mt @ 0.08% U<sub>3</sub>O<sub>8</sub>)**
  - A vein type uranium prospect related to sodic-metasomatism and high-grade metamorphism hosted by metavolcanic rocks.
- **Nöjdfjället<sup>1</sup>: 1.1 Mlb U<sub>3</sub>O<sub>8</sub> (0.76 Mt @ 0.068 % U<sub>3</sub>O<sub>8</sub>)**
  - A vein and breccia uranium type prospect related brittle deformation in leucogranite.

1. The resource estimates quoted are based on a report, “Introductory Technical Report On Eight Uranium Properties In Northern Sweden” by Andrew Phillips from Telluride & Associates dated 15<sup>th</sup> July 2005. The resource was calculated using a polygonal method and is roughly analogous to the CIM definitions “Indicated” and “Inferred”. These data are historical in nature and Mawson has not completed sufficient exploration to verify the estimates and is not treating them as National Instrument defined resources or reserves verified by a qualified person and the historical estimate should not be relied upon. The Company believes this historical resource and the data used to compile the estimate – which represent the most recent estimates and data available – are generally reliable and relevant.

- The resource estimate quoted is based on a report, "Klappibäcken Resource Report 2007" by Goeff Reed dated 14 October 2007. The resource was estimated within a geologically constrained mineralized envelope; with a lower cut off of 0.025% uranium applied to resource blocks populated using the inverse distance squared method within Maptek Vulcan software. The model utilized a total of 56 holes for 8,943 metres and is roughly analogous to the CIM definitions "Indicated" and "Inferred". These data are historical in nature and Mawson has not completed sufficient exploration to verify the estimates and is not treating them as National Instrument defined resources or reserves verified by a qualified person and the historical estimate should not be relied upon. The Company believes this historical resource and the data used to compile the estimate – which represent the most recent estimates and data available – are generally reliable and relevant.

## Finland

On December 19, 2023, the Company closed on the sale of its wholly owned Finnish subsidiary, Mawson Oy, which holds Rajapalot, for total consideration of \$6,500,000. The Company no longer has any retained interest in Rajapalot. Mawson Finland will advance the further development of Rajapalot.

## Mawson Gold Future Developments

The Company has announced it has entered into the SIA with Southern Cross to acquire all of the SXG Shares Mawson Gold does not already own by way of the Arrangement. Subject to shareholder voting, the Arrangement is expected to complete in late October or early November 2024. See also "Proposed Arrangement".

## Qualified Person

Michael Hudson, Executive Chairman and Interim CEO of the Company, and a Fellow of the Australasian Institute of Mining and Metallurgy is a qualified person as defined by National Instrument 43-101 - Standards of Disclosure or Mineral Projects, has reviewed and verified the scientific and technical information provided under Property Assets and Exploration Activities of this MD&A.

## Financial Data

Effective October 30, 2023 the Company entered into an agreement to sell Mawson Oy. The sale closed on December 19, 2023. The segment of Mawson Oy meets the criteria of a discontinued operation under IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations*. This operating segment was not previously classified as held-for-sale or as discontinued operations. The comparative consolidated statements of comprehensive loss and cash flows have been restated to show the discontinued operations separately from continuing operations.

The following selected financial information is derived from the audited annual consolidated financial statements of the Company.

	Years Ended May 31,		
	2024 \$	2023 \$	2022 \$
<b>Operations:</b>			
Revenues	Nil	Nil	Nil
Expenses	(5,888,440)	(4,622,904)	(2,498,505)
Other items	(2,029,742)	(1,344,474)	(879,150)
Loss from continuing operations	(7,918,182)	(5,967,378)	(3,377,655)
Loss from discontinued operations	(39,456,229)	(668,201)	(767,732)
Other comprehensive (loss) income	(344,212)	(896,716)	27,353
Comprehensive loss	(47,718,623)	(7,532,295)	(4,118,034)
Basic and diluted loss per share from continuing operations	(0.03)	(0.02)	(0.02)
Basic and diluted loss per share from discontinued operations	(0.13)	(0.00)	(0.00)
Dividends per share	Nil	Nil	Nil
<b>Comprehensive loss attributed to :</b>			
Shareholders of the Company	(43,989,494)	(5,401,791)	(3,867,484)
Non-controlling interest	(3,729,129)	(2,130,504)	(250,550)
<b>Balance Sheet:</b>			
Working capital	14,384,726	13,113,119	11,387,450
Total assets	40,409,261	76,223,760	66,539,631
Total long-term liabilities	(103,519)	(710,097)	Nil



The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2024				Fiscal 2023			
	May 31 2024 \$	Feb 29 2024 \$	Nov 30 2023 \$	Aug 31 2023 \$	May 31 2023 \$	Feb 28 2023 \$	Nov 30 2022 \$	Aug 31 2022 \$
<b>Operations:</b>								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(842,669)	(1,141,972)	(2,578,516)	(1,325,283)	(806,865)	(1,995,980)	(1,059,791)	(760,268)
Other items	(611,809)	(954,496)	1,085	(464,522)	(128,720)	(2,181,866)	150,000	816,112
(Loss) income from continuing operations	(1,454,478)	(2,096,468)	(2,577,431)	(1,789,805)	(935,585)	(4,177,846)	(909,791)	55,844
Loss from discontinued operations	Nil	Nil	(39,165,671)	(154,136)	(263,763)	(116,628)	(172,374)	(115,436)
Other comprehensive (loss) income	(301,697)	(463,105)	748,634	(328,044)	(1,174,167)	215,590	588,698	(526,837)
Comprehensive loss	(1,756,175)	(2,559,573)	(40,994,468)	(2,771,985)	(2,373,515)	(4,078,884)	(493,467)	(586,429)
Basic and diluted loss per share from continuing operations	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)	(0.00)
Basic and diluted loss per share from discontinued operations	(0.00)	(0.00)	(0.13)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Comprehensive loss attributed to:</b>								
Shareholders of the Company	(880,724)	(1,477,195)	(40,293,120)	(1,338,455)	(1,119,398)	(3,586,076)	(486,019)	(210,298)
Non-controlling interest	(1,011,873)	(1,082,378)	(701,348)	(933,530)	(1,254,117)	(492,808)	(7,448)	(376,131)
<b>Balance Sheet:</b>								
Working capital	14,384,726	10,609,307	5,365,287	9,098,100	13,113,119	17,158,267	19,536,222	9,280,533
Total assets	40,409,261	33,385,786	36,554,054	74,585,846	76,123,760	77,184,291	80,042,362	65,735,945
Total long-term liabilities	(103,519)	(133,386)	(664,583)	(666,260)	(710,097)	(170,246)	Nil	Nil

### Results of Operations for Continuing Operations

As at the date of this MD&A the Company has not earned any production revenue, nor found proved reserves on any of its unproven mineral interests; therefore, the expenses are not subject to seasonal fluctuations or general trends. The Company's expenses and cash requirements will fluctuate from period to period depending on the level of activity and, therefore, lack some degree of comparability. The Company's quarterly results may be affected by many factors such as timing of exploration activity, share-based payment costs, marketing activities and other factors that affect Company's exploration and financing activities. Furthermore, the Company's net loss/income may also be affected by the current fair value of its investments held. In addition, as at May 31 2024, the Company had a 49.6% ownership interest in Southern Cross and is considered to be able to exercise control in Southern Cross and, therefore, continues to consolidate Southern Cross.

#### *Three Months Ended May 31, 2024 Compared to Three Months Ended February 29, 2024*

During the three months ended May 31, 2024 ("Q4") the Company reported a net loss of \$1,454,478 compared to a net loss of \$2,096,468 for the three months ended February 29, 2024 ("Q3"), a decrease in loss of \$641,990. The decrease in loss was primarily due to:

- (i) In April 2024 Southern Cross announced that it informed Nagambie that it would not proceed with its earn in on the Whroo Option and Joint Venture due to its focus on the 100% owned Sunday Creek Project. During Q3 the Company recorded an impairment provision of \$753,386 for all capitalized exploration and evaluation costs incurred on the Whroo Project. A further \$165,806 impairment charge was recognized in Q4; and
- (ii) a \$299,303 decrease in expenses, from \$1,141,972 in Q3 to \$842,669 in Q4, mainly due to a \$219,134 decrease in share-based compensation, from \$287,608 in Q3 compared to \$5,339 in Q4.

The above were partially offset by a \$522,099 unrealized holding loss mainly in Southern Cross' investment in the Nagambie shares recorded during Q4 compared to a \$308,595 gain recognized in Q3, resulting in a fluctuation of \$213,504.

### *Three Months Ended May 31, 2024 Compared to Three Months Ended May 31, 2023*

During the three months ended May 31, 2024 (“Q4/2024”) the Company reported net loss of \$1,454,478 compared to a net loss of \$935,585 for the three months ended May 31, 2023 (“Q4/2023”), an increase in loss of \$518,893. The increase in loss was primarily attributed to a fluctuation in foreign exchange from a gain of \$579,213 in Q4/2023 compared to a gain of \$3,664 in Q4/2024.

### *Year Ended May 31, 2024 Compared to Year Ended May 31, 2023*

During the year ended May 31, 2024 (“fiscal 2024”) the Company reported a net loss from continuing operations of \$7,918,182 compared to a net loss of \$5,967,378 for the year ended May 31, 2023 (“fiscal 2023”) an increase in loss of \$1,950,804. The increase in loss was attributed to:

- (a) during fiscal 2024 the Company recorded a \$1,283,173 unrealized loss mainly in Southern Cross’ investment in the Nagambie shares compared to an unrealized loss of \$574,902 recognized in fiscal 2023, resulting in an increase in loss of \$708,271; and
- (b) \$1,265,536 increase in expenses, from \$4,622,904 in fiscal 2023 to \$5,889,440 in fiscal 2024. Significant variances in general and administrative expenses are as follows:
  - (i) recognition of share-based compensation of \$2,341,645 in fiscal 2024 compared to \$1,623,705 in fiscal 2023 on the granting and vesting of share options. Recognition of share-based compensation fluctuates based on the granting and vesting of share options;
  - (ii) incurred director and office compensation of \$316,029 during fiscal 2024 compared to \$889,850 during fiscal 2023. The decrease is due to the resignation of Mr. Fairhall (former CEO and Director) effective March 21, 2023 and the capitalization of certain of Mr. Hudson's fees as the CEO of Southern Cross fees to exploration and evaluation assets in Southern Cross during fiscal 2024. See “Related Party Disclosures”;
  - (iii) incurred significant regulatory fees and salaries and benefits during fiscal 2024 due to the Company’s ownership interest in Southern Cross; and
  - (iv) during fiscal 2024 the Company incurred legal fees of \$403,754 compared to legal fees of \$118,967 during fiscal 2023. During fiscal 2024 the Company incurred significant fees on the disposition of Mawson Oy and the proposed reorganization arrangement with Southern Cross.

As the Company is in the exploration stage of investigating and evaluating its unproven mineral interests, it has no source of operating revenue. Interest income is generated from cash on deposit and short-term money market instruments issued by major financial institutions. During fiscal 2024 the Company reported interest of \$172,807 compared to \$91,642 during fiscal 2023.

### **Results from Discontinued Operations**

Pursuant to a share purchase agreement dated October 30, 2023 the Company agreed to sell all of the issued share capital and intercompany debt of Mawson Oy to Mawson Finland Limited (“Mawson Finland”) (*formerly Springtide Capital Acquisitions 7 Inc.*) for \$6,500,000 cash (the “Springtide Transaction”). On December 19, 2023 (the “Closing”) Mawson Finland paid \$6,500,000 to the Company and completed the Springtide Transaction pursuant to which Mawson Oy became a wholly-owned subsidiary of Mawson Finland.

*Assets and Liabilities of Discontinued Operations*

Mawson Oy's assets and liabilities were stated at its net realizable value of \$6,500,000 prior to Closing as follows:

	\$
<b>Assets</b>	
Cash	92,277
VAT receivable	32,633
Prepaid expenses and deposits	54,587
Property, plant and equipment	45,444
Exploration and evaluation assets	6,490,760
Right of use asset	575,457
Bonds	194,533
<b>Total assets</b>	<u>7,485,691</u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	(390,406)
Lease liability	(595,285)
	<u>(985,691)</u>
<b>Total liabilities</b>	<u>6,500,000</u>

*Net Loss from Discontinued Operations*

	<u>Year Ended May 31,</u>	
	<u>2024</u>	<u>2023</u>
	\$	\$
<b>Expenses</b>		
Accounting and administration	16,163	32,565
Accretion of interest on lease liability	31,001	16,274
Audit	11,343	7,555
Corporate development	2,406	7,722
Depreciation and amortization	62,338	42,672
General exploration	-	52,130
Legal	8,275	46,505
Office and sundry	41,973	92,534
Professional fees	51,642	87,103
Rent	23,312	129,472
Salaries and benefits	10,570	10,699
Share-based compensation	-	104,000
Travel	23,887	22,389
Vehicles	8,502	16,581
	<u>291,412</u>	<u>668,201</u>
<b>Loss before other items</b>	<u>(291,412)</u>	<u>(668,201)</u>
<b>Other items</b>		
Impairment of exploration and evaluation assets	(39,020,951)	-
Foreign exchange	(143,866)	-
	<u>(39,164,817)</u>	<u>-</u>
<b>Net loss from discontinued operations</b>	<u>(39,319,807)</u>	<u>(668,201)</u>

The \$39,020,591 impairment charge to the Rajapalot property was made to reflect the net realizable value of \$6,490,760, which was then realized in closing.

## Investments

	As at May 31, 2024			
	Number	Cost \$	Unrealized Loss \$	Carrying Value \$
Common shares				
Nagambie Resources Limited (“Nagambie”)	53,361,046	1,768,741	(1,282,798)	485,943
Kingsmen Resources Limited (“Kingsmen”)	18,750	45,000	(38,437)	6,563
		<u>1,813,741</u>	<u>(1,321,235)</u>	<u>492,506</u>
	As at May 31, 2023			
	Number	Cost \$	Unrealized Gain (Loss) \$	Carrying Value \$
Common shares				
Nagambie	53,361,046	1,768,741	121,092	1,889,833
Kingsmen	18,750	45,000	(38,062)	6,938
		<u>1,813,741</u>	<u>83,030</u>	<u>1,896,771</u>

## Financings

No financings were completed by the Company during fiscal 2024 or 2023.

## Exploration and Evaluation Assets

	As at May 31, 2024			
	Acquisition Costs \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
Sweden				
Skelleftea North	70,357	281,381	-	351,738
Other	40,748	7,134	-	47,882
Australia				
Sunday Creek	799,058	17,281,134	281,602	18,361,794
Redcastle	56,244	1,722,606	(17,296)	1,761,554
	<u>996,407</u>	<u>19,292,255</u>	<u>264,306</u>	<u>20,522,968</u>
	As at May 31, 2023			
	Acquisition Costs \$	Deferred Exploration Costs \$	Foreign Exchange Movement \$	Total \$
Finland				
Rajapalot	3,935,930	40,888,935	-	44,824,865
Sweden				
Skelleftea North	70,357	258,979	-	329,336
Other	40,748	-	-	40,748
Australia				
Sunday Creek	780,616	8,222,758	(303,680)	8,699,694
Redcastle	39,601	1,586,580	(73,446)	1,552,735
Whroo JV	107,352	637,994	(31,728)	713,618
	<u>4,974,604</u>	<u>51,595,246</u>	<u>(408,854)</u>	<u>56,160,996</u>

During fiscal 2024 the Company incurred a total of \$10,792,875 (2023 - \$7,456,287) on the acquisition, exploration and evaluation of its unproven resource assets of which \$686,846 (2023 - \$1,850,121) was incurred on Rajapalot property, \$29,536 (2023 - \$258,979) on its Swedish properties and \$10,076,493 (2023 - \$5,347,187) on its Australian properties net of foreign exchange movement. During fiscal 2024, the Company recorded an impairment of \$39,020,951 to the Rajapalot property to reflect its net realizable value of \$6,490,760 which was then realized on

completion of the Transaction with Mawson Finland on December 19, 2023. In addition the Company recorded an impairment of \$919,192 on the Whroo Project in Australia. During fiscal 2023, the Company determined to impair all capitalized expenditures on the Mount Isa SE project and, accordingly, recorded an impairment of \$938,489 for all acquisition and exploration amounts incurred. See “Exploration Projects” in this MD&A for details.

### **Financial Condition / Capital Resources**

As at May 31, 2024 the Company had working capital in the amount of \$14,384,726, which included cash of \$15,497,519 and of which \$12,168,107 was attributed to Southern Cross. To date the Company has not earned any revenue and is considered to be in the exploration stage. The Company’s operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. Management considers that the Company may need to raise additional capital from the sale of common shares or other equity or debt instruments to maintain its core operations and planned exploration programs on its existing exploration and evaluation assets for the next twelve months. The Company also recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. While the Company has been successful in securing financings in the past there can be no assurance that it will be able to do so in the future.

### **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Proposed Transaction**

See “Proposed Reorganization”.

### **Critical Accounting Estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of the Company’s critical accounting estimates and sources of estimation is included in Note 3 to the May 31, 2024 audited annual consolidated financial statements.

### **Changes in Accounting Policies**

There were no changes to accounting policies.

A detailed summary of all the Company’s significant accounting policies and accounting standards and interpretations issued but not yet effective, is included in Note 3 to the May 31, 2024 audited annual consolidated financial statements.

### **Related Parties Disclosures**

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. The Company has determined that key management personnel consists of members of the Company’s Board of Directors and its executive officers.

- (a) During fiscal 2024 and 2023 the following fees were incurred by Mawson to current and former key management personnel:

	2024 \$	2023 \$
Professional fees - Mr. Hudson - Executive Chairman and director	78,000	100,500
Professional fees - Ms. Ahola - director <sup>(1)</sup>	86,503	138,893
Other compensation - Ms. Ahola	-	13,685
Professional fees - Mr. DeMare - CFO	24,000	24,000
Professional fees - Mr. Williams - director	18,000	18,000
Professional fees - Mr. Jentz - director <sup>(2)</sup>	7,500	27,500
Professional fees - Mr. Griffin - director <sup>(3)</sup>	18,000	6,000
Professional fees - Mr. Maclean - former director <sup>(4)</sup>	4,500	18,000
Professional fees - Mr. Fairhall - former CEO and former director <sup>(5)</sup>	-	333,082
Professional fees - Mr. Henstridge - former director <sup>(6)</sup>	-	7,500
Professional fees - Mr. MacRae - director <sup>(7)</sup>	2,420	-
Professional fees - Ms. Bermudez - Corporate Secretary	42,000	42,000
	<u>280,923</u>	<u>729,160</u>

(1) Ms. Ahola received \$18,000 (2023 - \$18,000) for director fees and \$68,503 (2023 - \$120,893) for being a member of the Environmental Health and Safety Committee. Ms. Ahola served as Interim CEO of the Company from March 21, 2023 to December 19, 2023 for no additional compensation.

(2) Mr. Jentz was appointed as a director of the Company on September 8, 2022 and resigned as a director October 27, 2023. .

(3) Mr. Griffin was appointed as a director of the Company on February 13, 2023.

(4) Mr. MacLean passed away August 22, 2023.

(5) Mr. Fairhall resigned as CEO and director effective March 21, 2023.

(6) Mr. Henstridge did not stand for re-election at the Company's Annual General Meeting on November 8, 2022.

(7) Mr. MacRae was appointed as a director of the Company on October 27, 2023 and resigned on December 19, 2023.

During fiscal 2024 the Company incurred a total of \$280,923 (2023 - \$729,160) to current and former key management personnel for salaries and fees which have been allocated based on the nature of the services provided: expensed \$212,420 (2023 - \$608,268) to directors and officers compensation and capitalized \$68,503 (2023 - \$120,892) to exploration and evaluation assets. As at May 31, 2024 \$31,500 (2023 - \$53,466) remained unpaid

During fiscal 2023 the Company also recorded \$1,174,300 share-based compensation for share options granted to current and former key management personnel as follows:

	2024 \$	2023 \$
Mr. Hudson - share based compensation for share options	-	156,000
Mr. DeMare - share based compensation for share options	-	65,000
Mr. Maclean - share based compensation for share options	-	117,000
Mr. Williams - share based compensation for share options	-	117,000
Ms. Ahola - share based compensation for share options	-	156,000
Mr. Jentz - share based compensation for share options	-	166,800
Mr. Griffin - share based compensation for share options	-	117,000
Ms. Bermudez - share based compensation for share options	-	45,500
Mr. Fairhall - share based compensation for share options	-	234,000
	<u>-</u>	<u>1,174,300</u>

The Company has a management agreement with its Executive Chairman which provides that in the event the Executive Chairman's services are terminated without cause or upon a change of control of the Company, a termination payment of two years of compensation is payable. If the termination had occurred on May 31, 2024 the amount payable under the agreement would be \$120,000.

- (b) During fiscal 2024 the Company incurred a total of \$64,000 (2023 - \$73,500) with Chase Management Ltd. (“Chase”), a private corporation owned by Mr. DeMare for accounting and administration services provided by Chase personnel, excluding Mr. DeMare and \$4,020 (2023 - \$4,020) for rent. As at May 31, 2024 \$4,670 (2023 - \$4,820) remained unpaid.
- (c) During fiscal 2024 Southern Cross incurred a total of \$243,787 (2023 - \$281,582) for fees to a director and officer who is also a current officer of the Company, of which \$103,609 (2023 - \$281,852) have been expensed to director and officer compensation and \$140,178 (2023 - \$nil) capitalized to exploration and evaluation assets. In addition the Company also recorded \$588,447 (2023 - \$167,447) share-based compensation for the granting and vesting of Southern Cross share options to this individual.

### **Risks and Uncertainties**

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company believes that it is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

Additional risks and uncertainties relating to the Company and its business can be found in the “Risk Factors” section of the Company’s most recent Annual Information Form available at [www.sedarplus.ca/](http://www.sedarplus.ca/) or the Company’s website at [www.mawsongold.com](http://www.mawsongold.com).

### **Outstanding Share Data**

The Company’s authorized share capital is unlimited common shares without par value. As at September 25, 2024 there were 305,195,320 issued and outstanding common shares. In addition, there were 3,543,000 share options outstanding, at an exercise price of \$0.24 per share.